SECOND AMENDED AND SUPPLEMENTAL DECLARATION OF COVENANTS AND RESTRICTIONS FOR PLACITAS HOMESTEADS SUBDIVISION SANDOVAL COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS THAT THE UNDERSIGNED LEGAL OR EQUITABLE OWNER (S) OF LOT(S) IN Placitas Homestead Subdivision, as set out below, do hereby agree to be bound by the terms and conditions contained in the amendments as set forth in below.

WHEREAS a declaration of covenants, conditions and restrictions for Placitas Homesteads Subdivision was filed December 29, 1978 in Vol. Misc. 106 and a Supplemental Declaration was filed April 22, 1980 in Vol. Misc. 122, Folio 267-270, and;

WHEREAS it is the desire and intent of the owners to replace the aforedescribed declaration and supplemental covenants, conditions and restrictions, and;

WHEREAS it is the desire and intent of the owners of lots within Placitas Homesteads Subdivision to create and establish restrictive covenants to help maintain the authenticity and natural beauty of the area AND for the quiet enjoyment and protection for all the land owners therefore:

KNOW ALL MEN BY THESE PRESENTS, that at such time as a majority of the persons and/or entities holding both legal and equitable title to all of the property described as Lots One (1) through Four (4) and Lots Six (6) through Twenty-four (24) and replats thereof of Placitas Homesteads Subdivision, a subdivision filed in the office of the County Clerk of Sandoval County, New Mexico on the 29th day of December, 1978, agree as provided herein, the following restrictive covenants shall apply to and be binding upon the owners of the lots contained in said subdivision and shall run with the land and shall be enforceable by the parties assenting hereto, their successors and assigns, and by the owners of any lot in said subdivision.

1. Term: These covenants, conditions and restrictions shall be binding until January 1, 2008, at which time they shall be automatically extended for successive periods of ten (10) years unless by a vote of a majority of the then owners of lots within PLACITAS HOMESTEADS SUBDIVISION, Sandoval County, New Mexico, it is agreed to change same, in whole or in part.

2. Architectural Control Committee (ACC):

a) The Architectural Control Committee (hereinafter called ACC) shall consist of

five (5) persons appointed by the Board of Directors (hereinafter called Board) of the Placitas Homesteads Home and Property Owners Association, Inc. (hereinafter called Association). Each member of the ACC shall be appointed for a term of three years on a staggered basis and shall be eligible to serve successive terms. No person shall be eligible for membership in the ACC unless he or she is an owner of property within the subdivision at the time of appointment and during his or her term of office. The ACC shall function in accordance with such rules and regulations and shall require such fees as the ACC may from time to time determine.

b) No building, structure, fence, wall or other substantial improvement, including but not limited to windmills, water tanks, permanent signs, swimming pools**,** antennas over ten (10) feet high, solar heating systems, outbuildings, or garages (collectively referred to as "structure") shall be commenced, erected, or maintained upon the properties nor shall any exterior additions*,* to or change or alteration therein be made until the plans and specifications have been submitted to and approved in writing by the ACC.

i. Two complete sets of plans and specifications for said project shall be submitted to the ACC and no structure shall be commenced, erected, or maintained upon the properties, nor shall any exterior addition to or change or alteration therein be made, unless and until the plans and specifications therefore have been submitted to and approved in writing by the ACC or have been deemed approved. Plans and specifications must include foundation plans, floor plans and all exterior elevations. Plot plans showing dimensions of the house or other proposed improvements shall be submitted indicating all setbacks, access routes, and easements, location of the driveway, fence, walls, septic system, power line distribution, wells and water meters, ~~and~~ temporary structures, lot width at building site, distances to nearest neighboring structure(s), proposed color scheme for visible roofs and exteriors, indicting materials for the same by description and submission of samples and such other information requested by the ACC.

ii. The ACC shall approve or disapprove plans and specifications in writing within thirty (30) days from the submission thereof. One set of plans and specifications with the ACC's approval or disapproval endorsed thereon shall be returned to the owner and the other copy thereof shall be retained by the ACC.

iii. In the event the ACC fails to approve or disapprove such plans and specifications within thirty (30) days after they have been submitted to it or within thirty (30) days after submission of any additional information requested by the ACC, the plans and specifications shall be deemed

approved and construction may begin without further review.

iv. In the event that substantial changes are made in said plans and specifications following approval by the ACC, the revised plans and specifications must be resubmitted for approval by the ACC. The review and approval process for said revised plans and specifications will be in accordance with Paragraph 2b) i, ii, and iii.

v. The decision of the ACC shall be final, except that the decision of the ACC regarding the plans, specifications, and variances may be appealed to the Board of Directors of the Association. The fee for an appeal of the ACC's decision to the Board of Directors of the Association shall be One Hundred Dollars ($100.00) payable in advance to the Association. The Board of Directors of the Association, upon receipt of the One Hundred Dollar ($100.00) fee, shall consider the appeal no later than the next regular meeting of the Board of Directors. The decision of the ACC may be reversed by a majority vote of the Board of Directors of the Association.

vi. Neither the ACC nor its individual members shall be responsible in any manner whatsoever for any defect in any approved final plans or specifications as originally submitted or as revised by the review process, or for any work done pursuant to the original or revised plans and specifications.

3. Lot Use and Size:

a) All lots, except lot numbered five (5), shall be known and described as residential lots. No structures shall be erected, altered, placed or permitted to remain on any residential lot other than one detached single family dwelling and related out buildings, except that this provision shall not prevent the combination of two adjoining lots for one such dwelling. No residential lot may be subdivided nor any portion of a residential lot sold unless each lot resulting from the subdivision or sale consists of two (2) or more acres.

b) The Sandoval Comprehensive Zoning Ordinance as such exists on the date of passage of this amendment and as may be amended in the future are incorporated within the covenants, as if restated herein. The Association may, at its sole discretion, enforce said ordinances. In the event of a conflict between the ordinances and the restrictions contained in the covenants, the most restrictive provisions shall apply.

4. Setbacks and building locations:

a) No building shall be located on any residential lot nearer than one hundred feet (100) to the center line of the road running along the front lot line, nor nearer than seventy-five feet (75) to the center line of any side road. No building shall be located nearer than 25 feet to any side lot line. Further, no building shall be located on any residential lot nearer than 100 feet to any building situated on any adjacent lot.

b) There are no setback requirements for any road or access easements created after the original platted roads, except as established by the Sandoval County Comprehensive Zoning Ordinances. The roads are Homesteads Road to its cul-de-sac, Calle del Sol to its cul-de-sac, and Calle del Norte to its cul-de-sac.

5. Construction Material and Debris: During construction, materials shall be neatly stored and stacked on the premises. Construction trash and debris shall be placed in suitable containers or retained in a manner to prevent them from being blown or otherwise removed to adjoining properties. Should the lot owner, his contractors or agents allow material or debris to be blown or removed to other premises, they shall be promptly cleaned up by said owner, contractor or agents. Should the other premises fail to be cleaned up, the ACC may, after 48 hours notice posted on the premises,

contract to remove the trash and debris and assess the cost against the property in the same manner as other assessments provided for in the covenants.

6. Animals:

a) No livestock, except household pets or riding horses, shall be kept on the premises, and under no condition shall any chickens or other poultry be kept on said premises. In no case shall animals which constitute a nuisance be kept. Complaints concerning animals shall be heard on a case by case basis. All animals shall be confined on the owner's premises unless they are under direct personal control. Contractors and/or sub-contractors are not permitted to bring animals to a construction site prior to, during, or after completion of a project.

b) The Sandoval County ordinance relating to animal control as such exists on the date of the passage of this amendment and as those ordinances may be amended in the future are incorporated within the covenants, as if restated herein. The Association may, at its sole discretion, enforce said ordinances. In the event of a conflict between the ordinances and the restrictions contained in the covenants, the most restrictive provisions shall apply.

c) Horse manure shall be properly managed to prevent breeding of flies and

obnoxious odors.

d) There shall be no dumping of manure into arroyos or other waterways or spreading of manure over the ground surface or tilling manure into the soil, except within enclosed garden areas.

7. Minimum Lot Size: No residential structure shall be erected or placed on any residential lot which has an area of less than 87,120 square feet (two acres).

8. Use of Premises: The premises shall be used for residential purposes only, and no obnoxious or offensive trade or activity shall be established thereon, including but not limited to the storage of motor vehicles, nor shall anything be done thereon which may be or may become an annoyance or nuisance in the area thereof. No lot shall be used for the storage of any personal property or thing that will cause property to be toxic, unsafe or unhealthy to the community. No substance, thing or material may be kept upon any lot that will emit foul or obnoxious odors.

9. Temporary Residences: No trailer, modular or mobile home, basement, tent, shack, garage or other out building, except a guest house, erected on any lot shall be at any time used as a residence temporarily or permanently without written consent of the ACC., A guest house is a dwelling unit which is available on a complimentary basis for temporary and occasional occupancy by either family or non-family members.

10. Minimum Size: The floor area of the main structure on any residential lot, exclusive of porches and garages, shall be not less than 1,800 square feet. The maximum building height shall be seventeen feet (17) exclusive of chimneys. Maximum height will be determined from a baseline extended from the highest point of natural land touching the residence.

11. Completion: All buildings are to be finished as to exterior within one (1) year from the start of construction. In the event the exterior is not finished, to include the color coat, within one year from the start of construction a fine of five hundred dollars ($500.00) will be assessed for every 30 days the exterior of the structure is not finished. Furthermore if the fine is not paid or the exterior not finished within thirty (30) days from the date of the first fine the Home Owners Association will file a lien on the subject property.

12. Waste Disposal and Trash**:** Outdoor privies are forbidden and each residence shall be provided with a method of sewage disposal meeting all requirements contained in Chapter XI of the Federal Housing Administration Minimum Property Standards in effect at the time of construction, or meeting the recommended standards of the Environmental Improvement Division. Garbage and waste shall be kept in a covered container and shall be stored and regularly disposed of in a manner approved by the Environmental Improvement Division. Furthermore in no case will trash incinerators be

allowed. There shall be no dumping of trash into arroyos. It shall be the responsibility of the owners of lots and easements within the exterior boundaries of the lots to keep said areas clear of trash, rubbish, noxious materials or abandoned vehicles.

13. Landscaping: Natural vegetation will be left undisturbed, except for access to property, clearing of building sites, or establishment of lawns and flowers within the immediate vicinity of the dwelling. Disturbed ground beyond these areas shall be cleaned up and rehabilitated to native vegetation. Where there is a reasonable option, buildings, corrals and other structures shall be sited to leave established native trees and other native vegetation.

14. Design: Exterior design and finishes of all residential structures and improvements shall be in Southwestern/New Mexico Pueblo, Spanish territorial or Spanish mission architectural style utilizing adobe and/or stucco and shall be in the natural earth-tone colors of the surrounding terrain at the building site and shall not clash with other homes in the subdivision. Roofing systems typical to Southwestern/New Mexico architecture shall be allowed. All other roof designs for any residence, structure or improvement must conform to the overall integrity of the Subdivision pursuant to these covenants and must be approved by the ACC on an individual basis. All structures shall harmonize in exterior design and location with relation to surrounding structures and topography. For additional information on design standards please see the ACC's suggested guidelines available from the ACC on request without charge.

15. Easements: Easements are reserved for access to lots, utility installation and maintenance and easements for nature trails as indicated on the afore-described Plat, and a seven (7) foot easement along each lot line for installation and maintenance of utilities and subdivision boundary fencing.

16. Guest Houses and Outbuildings: Garages and other buildings shall conform in construction, design and exterior finish to the construction and design of the main building. All buildings or structures erected on any lot shall present a good appearance on all roads. It shall be the responsibility of the owners of the lots and all easements within the exterior boundaries of the lots to keep said areas clear of trash, rubbish, noxious materials or abandoned vehicles.

17. Aerials, etc.: No aerials, windmills, wind chargers, satellite ground receiving stations (commonly known as "earth stations"), antennas for citizen's band radios, Hams, or otherwise, whether for transmitting or receiving, or any other structure or device not part of the principal residence or garage thereof, shall be erected, installed, attached, placed, or maintained without the consent of the ACC, unless enclosed within a permitted building, placed under eaves of a permitted building, do not extend beyond the highest point of the roof, or are hidden from the view of passers by, painted or otherwise camouflaged to conform with the colors of permitted structures upon the

property. However, a television antenna (other than a satellite ground receiving station) may be mounted on a roof, provided that it is inconspicuous.

18. Mechanical Equipment : Air conditioning, heating, and other equipment may be maintained in or on roof areas, but they must be shielded from view

by screening or a covering that blends or is compatible with the improvement or structure to which it is attached.

19. Ground-Mounted Equipment – Signs: Ground-mounted air conditioning units, water storage tanks, ground mounted solar energy collectors, pool equipment, trash and garbage receptacles, clothes lines or other outside clothes drying or airing facilities shall be enclosed within a fenced service area or areas for which fencing or screening is harmonious with the overall design of the structures on the lot and which shield these structures in such a way as not to be visible.

No signs shall be allowed in the subdivision except the following:

a) Signs advertising land or buildings for sale, not exceeding two (2) per lot and 48 inches by 48 inches.

b) Signs advertising activities conducted by a household (garage sales, home-trades, etc.) and allowed by these covenants not exceeding 12 inches by 24 inches.

c) No sign shall be placed on any lot within the subdivision without the express consent of the owner of the lot.

20. Utilities: All utility lines within the subdivision shall be underground. Propane tanks shall be underground or otherwise concealed from view.

21. Variances: An owner of a lot shall apply to the ACC for variances from the requirements of these covenants by submitting such application forms and payment of such fees as the ACC may from time to time direct. The ACC shall notify adjoining landowners of the proposed variance within ten days of the receipt of such application and allow fifteen (15) days for written objections and/or comments. After that time the ACC shall allow or disallow such proposed variances in accordance with the purpose, intent and spirit of the covenants. ACC decisions may be appealed to the Board. No variances shall be granted regarding minimum lot size.

22. Parking: All parking shall be located on the lots. No parking shall be allowed on reserved access easements. No “For Sale by Owner” vehicles shall be permitted to be parked on any access road serving the subdivision at any time or placed on the owner’s property.

23. Soil Conservation: The ACC shall require each lot owner to comply with the requirements of the Coronado Soil and Water Conservation District for proper drainage of water flowing from each home site and driveways. All driveways and access lanes shall be constructed and maintained in a manner that does not interfere with drainage along the roadway easements.

24. Minimum Size: No residential lot may be subdivided nor any portin of a residential lot sold unless all lots shall contain two (2) or more acres each lot.

25. Exterior Lighting and Noise:

a) Any exterior lighting shall be installed so as to minimize glare that may disturb neighbors. No mercury or sodium vapor or high-intensity lights are permitted on any lot. Exterior spot or floodlights must be shielded and aimed so as to present a minimum of illumination to other lots and roads. The provisions of this paragraph are not applicable to exterior lighting existing March 1, 2006 on a lot on or before the effective date of this subparagraph.

b) Any activity (such as those that produce a loud noise or foul odor) that creates a nuisance on a lot in the subdivision is hereby prohibited.

c) No firearms shall be discharged within the subdivision. No fireworks shall be ignited that are not in compliance with fire marshal regulations.

26. Roads: Roadway easements are private and reserved for exclusive use of the lot owners for access to lots and utility installation and maintenance. No roadway easement may be used to gain access to lands or subdivisions outside Placitas Homesteads Subdivision. A road is defined as the originally platted roads. The roads are Homesteads Road to its cul-de-sac, Calle del Sol to its cul-de-sac, and Calle del Norte to its cul-de-sac.

27. Assessments:

a) The owner of any lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agrees to pay to the Association:

i. Annual assessments or charges for capital improvements and their maintenance, administrative expenses, and liability insurance.

ii. Special assessments.

All of such assessments, together with interest, costs, and reasonable attorney's fees, shall be charged to the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, 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 the assessment fell due. The personal obligation for delinquent assessments shall not pass to successors in title, unless expressly assumed by them.

b) The assessments levied by the Association shall be used for capital improvements and their maintenance, administrative expenses and liability insurance. Each residential lot shall be assessed at a uniform rate, based upon the number of acres and tenths of acres of the lots as it bears to the total number of acres subject to assessment. Capital improvements in excess of five thousand dollars ($5000) shall be approved by a vote of sixty percent (60%) of the property owners voting at the annual meeting of the Association or at a special meeting called by the Board to vote on the capital improvement.

c) Until December 31, 1989, the maximum annual assessment shall be twenty ($20.00) Dollars per acre.

i. From and after January 1, 1990, the maximum annual assessment may be increased not more than five (5%) percent above the maximum assessment for the previous year unless raised by the affirmative vote of two-thirds (2/3) of all the eligible votes cast in person or by proxy, at a meeting duly called for this purpose.

ii. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

iii. The Board of Directors may elect to have the annual assessment paid in annual, semiannual, quarterly, or monthly installments.

d) In addition to the annual assessment authorized above, the Association may levy, in any assessment year, a special assessment to impart the cost of any construction, reconstruction, repair or replacement of roads or for such other purposes as the Board may request provided that any such assessment shall have the affirmative vote of two-thirds (2/3) of all the eligible votes cast in person or by proxy, at a meeting duly called for this purpose. The Board of Directors may elect to have the special assessment paid in annual, semiannual, quarterly, or monthly installments.

It was the Board's intention to revise this paragraph but the revision was

inadvertently omitted in the 2005 revision to these covenants. The roads, Homesteads, Called del Norte and Called del Sol are the responsibility of Sandoval County and all reference to construction, reconstruction, repair or replacement of roads should have been omitted.

e) The annual assessments provided for herein shall commence as to all lots on the first day of January, 1989. The annual assessment period shall be January 1 – December 31 of each year. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specific lot have been paid.

f) Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum. The Association may do any one or all of the following if the assessment is not paid within 90 days:

i. File a lien for any unpaid assessment by recording an Affidavit of such fact in the Office of the County Clerk of Sandoval County;

ii. Bring an action at law against the owner personally obligated to pay the same, or;

iii. Foreclose the lien against the property.

g) In the event any of the foregoing actions are taken by the Association, then the owner shall be obligated to pay to the Association reasonable attorney's fees and necessary costs incurred by the Association in enforcing its rights and taking such action.

h) The lien of the assessments provided for herein shall be subordinated to the lien of any first mortgage. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to first mortgage foreclosure shall extinguish the lien of such assessment as to payments which become due prior to such sale or transfer. No such sale or transfer shall relieve such lot from liability for any assessment thereafter becoming due or from the lien thereof.

i) The Association or its agents may enter upon any lot when necessary in connection with any maintenance or construction for which the Association is responsible. Such entry shall be made with as little inconvenience to the owners as practicable; any damage caused thereby shall be repaired by the Association out of the common expense fund.

28. Binding Effect: These Amended and Supplemental covenants shall be effective at such time as a majority of the legal and equitable owners of the lots within the subdivision have executed and recorded an instrument of assent referring to these covenants by the Book and Page recording certificates of the County Clerk of Sandoval County. An affidavit executed by the President of the Association and recorded with the County Clerk attesting to the fact that a majority of the owners of the lots have executed and recorded their assents shall be proof of such majority assent.

In the event of such majority assent, these Supplemental Covenants shall inure to the benefit and be binding upon the owners of all of the lots described above, their heirs, successors and assigns and each and every subsequent purchaser, their heirs, successors and assigns whether or not such owner, heir, successor, assign or purchaser has actually assented to these covenants.

In the event that any one or more of the provisions, conditions, covenants, and restrictions herein set forth shall be held by any Court of competent jurisdiction to be null and void, all remaining provisions, conditions, restrictions and covenants set forth herein shall continue unimpaired and remain in full force and effect.

29. Quorum at Meetings:

a) Notice: Written notice of an annual meeting or a special assessment meeting shall be sent to all members not less than fifteen (15) days in advance of such meeting in the manner provided in the bylaws of the association.

b) Annual Meetings: The presence of members or of proxies entitled to cast twenty five percent (25%) of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called, subject to the notice requirement, and the required quorum at the subsequent meeting shall be fifteen percent (15%) of all votes. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

c) Special Assessment Meetings: The presence of members or of proxies entitled to cast forty percent (40%) of all the votes shall constitute a quorum.

d) Other Meetings: There shall be no quorum requirement for any other meetings.

30. Enforcement:

a) Right to Enforce: If any lot owner, their heirs or assigns shall violate or attempt to violate any of the covenants, conditions or restrictions herein, it shall be lawful for any other person or persons owning any real property situated in Placitas Homesteads subdivision or the Board of the Association to prosecute any proceedings at law or in equity against the person violating or attempting to violate any such covenants, conditions or restrictions and either prevent him or them from so doing or to recover damages or other penalties for such violation.

b) Complaint Resolution: Within thirty (30) days after receiving a written complaint, the ACC shall meet and consider the possible violation. It may find that there is no violation, that the violation is de minimis such that no corrective action need be taken or that there is a violation. An affirmative vote of three (3) of the five (5) ACC members is required before a lot owner can be found to be in violation of the covenants.

i. If the finding of the ACC is that there is no violation or that the violation is de minimis, a written notice shall be mailed by certified mail/return receipt requested and regular mail to the complaining lot owner(s).

ii. If the finding is that there is a violation, a written notice with a description of the violation shall be mailed by regular and certified mail/return receipt requested to the lot owner found to be in violation. The notice sent to the lot owner shall set forth the corrective action that needs to be taken, a reasonable period of time within which such action is to be taken and procedures to be followed if the lot owner found to be in violation wishes to appeal the ACC's decision. After a lot owner is found to be in violation, the ACC shall make a reasonable effort to discuss the complaint with the lot owner.

iii. If no response to the complaint is received from the lot owner within forty-five (45) days of the postmarked date of the notice of violation, the ACC shall advise the Board and the Board shall take whatever enforcement actions as prescribed herein as it deems necessary and appropriate.

c) Appeals : If either the complaining lot owner(s) or the lot owner found by the ACC to be in violation wishes to appeal the ACC's finding, the lot owner(s) shall, within forty-five (45) days of the postmarked date of the notice of the ACC's finding, file a written notice of appeal to the Board. The appeal shall be heard within sixty (60) days of receiving notice of the appeal. Until the appeal is heard and a decision reached, no corrective action need be taken by the lot owner found by the ACC to be in violation of the covenants. The lot owner(s) requesting the appeal shall provide five (5) copies of the request and any supporting documentation to the President of the Board, one copy to the chairman of the ACC and one copy to the other lot owner(s) involved in the appeal. There is a one hundred dollar ($100) fee for an appeal (refundable if the appellant's appeal is successful) of the ACC's decision to the Board of Directors, payable in advance. The Board shall respond within thirty (30) days of receipt of the appeal, setting a time for the lot owner(s) and a member(s) of the ACC to appear before the Board with the appeal. Any time requirements set forth in this subsection may be extended, where warranted, by written agreement of the Board and the party(s) to the appeal.

The Board may uphold, modify or overturn the ACC's findings. A vote of three (3) of the five (5) members is necessary to find a lot owner to be in violation of the covenants. The decision of the Board shall be sent by regular and certified mail/return receipt requested to the lot owner(s) that are a party to the appeal.
Board or ACC members shall recuse themselves from any proceeding described above if they reasonably believe that they cannot be impartial in the matter before them.

d) Assessment of Penalties: The Board shall have the right to assess a penalty against any owner who violates any restrictions, conditions, covenants or reservations in effect as of the date of this Amendment or hereafter imposed by the provisions of these covenants. The penalty shall be one hundred dollars ($100) per month for each and every month said violation exists and shall bear interest at the rate of ten percent (10%) per annum, collectable in the same manner as unpaid assessments. The Board must approve the imposition of all penalties. Written notification of the imposition of a penalty shall be sent to the owner by certified mail/return receipt requested.

e) Liens: Upon the lot owner's failure to pay penalty amounts assessed plus related costs and fees, a lien may be recorded as a lien on the land owners property with the Sandoval county clerk, pursuant to New Mexico statute. The Board may foreclose upon the lien or seek any other remedy it deems necessary under New Mexico law to collect payment of amounts due.

f) Other Relief: The Board may seek declaratory or injunctive relief or seek any other remedy it deems necessary under New Mexico law to enforce its decision. Additionally, the Board, or any lot owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, covenants, reservations, liens and charges in effect as of the date of this Amendment or hereafter imposed by the association under provisions of these covenants. Every act or omission whereby any restriction, condition or covenant of the covenants is violated, in whole or in part, is hereby declared to be and to constitute a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action. Each remedy provided for in the covenants is cumulative and not exclusive.

g) Miscellaneous Provisions:

i. Failure by the Board or by a lot owner to enforce any covenant or restriction herein contained or by the association to assess penalties shall in no event be deemed a waiver of the right to do so thereafter.

ii. The association or a prevailing owner shall be entitled to an award of reasonable attorney's fees and costs in any action brought by the Association in a court of law to enforce any covenant or restriction contained herein or to collect any assessments for penalties.

h) Structures in Compliance: The Association shall deny a complaint for enforcement regarding the following structures; including residences, garages, barns, and out-buildings:

i. Any structure completed before January 1, 1994, which has not been substantially altered since January 1, 1994 or

ii. Any structure or alteration completed after January 1, 1994 whose plans were submitted to the ACC, approved by the ACC, and completed as per the approved plans and specifications and

where the complaining owner knew or should have known of the construction or alteration for a period of 6 years after its completion.

The application of this subsection is limited to setbacks, height, minimum size, style, and design requirements of the covenants. It is not intended to address issues of maintenance or upkeep. All structures, no matter when completed, must be maintained as dictated in other parts of these covenants.

31. Amendment to the Covenants, Conditions and Restrictions: Upon the affirmative vote of sixty percent (60%) of those Lot owners casting ballots on a duly proposed amendment to the Covenants, the President of the Association shall file an affidavit in the public record of Sandoval County attesting that the amendment received an affirmative vote of sixty percent (60% of those Lot owners casting ballots, and upon the filing of the

President's affidavit, the amendment shall be in full force and effect binding all Lot owners in Placitas Homesteads Subdivision.

The amendment process, prior to a vote on any proposed amendment, shall be as follows:

a) The Board of Directors shall present a draft amendment at a meeting of the Lot owners for purposes of comments and recommendations for modifications.

b) In consultation with the association's attorney, the Board of Directors shall finalize the proposed amendment.

c) The Board of Directors shall cause a ballot to be mailed to each Lot owner stating the proposed amendment and providing space for that Lot owner to vote in the affirmative or the negative.

d) The time period for returning ballots shall be stated on the ballot and shall be no more than thirty (30) days and no less than twenty (20) days from the U.S. postmark date the ballots are mailed.

e) A second meeting of Lot owners shall be held, after the ballots have been mailed, to allow Lot owners to openly discuss the merits of the amendment. This meeting shall be held a minimum of five (5) days prior to the ballot deadline.

f) The two meetings of Lot owners shall require a minimum of fifteen (15) days written notice to all Lot owners.

g) In determining if a ballot has been cast on or before the stated deadline, U.S. Mail postmark or date of hand delivery to any of the current board members shall be determinative.

h) The Board of Directors shall count the ballots and determine whether the necessary sixty percent (60%) of those Lot owners casting ballots have voted in the affirmative. If so, the President, on behalf of the Board of Directors, shall file an affidavit so indicating in the public records of Sandoval County.