

BY LAWS  
OF  
ANGEL FIRE CHALETS  
HOMEOWNERS ASSOCIATION

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ARTICLE I

MEETING OF MEMBERS

A. ANNUAL MEETING. The first annual meeting of the members shall be held within one (1) year from the date of recording of the Declarations, with the first meeting to be called by the Board of Directors and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter. If the day for the annual meeting of the members is a legal holiday, the meeting will be held on the first day following or preceeding which is not a legal holiday, as determined by the Board of Directors.

B. SPECIAL MEETINGS. Special meetings of the members may be called at any time by the President of the Board of Directors, or upon written request of the members who are entitled to vote one-fourth of all the votes.

C. NOTICE OF MEETINGS. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by delivering written notice, either personally or by mail, at least thirty (30) days before such meeting, to each voting member entitled to vote thereat, last appearing on the books of the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

D. QUORUM. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, 25% of the total votes of all of the members shall constitute a quorum, but if such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented; provided, however, no action which, by the terms and provisions of the Declarations, Articles of Incorporation, or these By-Laws, requires the vote of a specific percentage of all of the voting members, shall be taken without the presence at the meeting of such required percentage of voting members, or their proxies.

E. PROXIES. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing, filed with the Secretary of the Board. A member may designate a person not a member as a proxy, and such designation shall be revocable at any time by actual notice to the Board. A revocation of a designation of proxy shall not affect any vote or act taken or authorized prior to such actual notice to the Board. Conveyance of a Unit by the Owner shall be deemed revocation of any proxy designated by such Owner.

## ARTICLE II

### BOARD OF DIRECTORS-SELECTION-TERM OF OFFICE

A. NUMBER. The affairs of this Association shall be managed by a Board of not less than three (3) nor more than seven (7) Directors. All members of the Board shall be members of the Association.

B. TERM OF OFFICE FOR THREE MEMBER BOARD. At the first annual meeting the members shall elect one Director for a term of one year, one Director for a term of two years, and one Director for a term of three years, and at each annual meeting thereafter, the members shall elect replacement Directors as terms shall expire. Should the members approve a seven (7) member Board the members shall elect two (2) Directors for a term of one (1) year, two Directors for a term of two (2) years, and three (3) Directors for a term of three (3) years.

C. REMOVAL. Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

D. COMPENSATION. No Director shall receive compensation for any service he may render to the Association. Such prohibition shall not prevent any attorney-director of the Association making a charge to the Association for legal services rendered to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

E. ACTION TAKEN WITHOUT A MEETING. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

## ARTICLE III

### NOMINATION AND ELECTION OF DIRECTORS

A. NOMINATION. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

B. ELECTION. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to any vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE IV

### MEETING OF DIRECTORS

A. REGULAR MEETINGS. Regular meetings of the Board of Directors shall be held quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

B. SPECIAL MEETINGS. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days notice to each Director.

C. QUORUM. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

## ARTICLE V

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

A. The Board of Directors shall have power and the duty, as more fully provided in the Declarations, to:

1. Adopt and publish rules and regulations governing the use of the Common Areas and Facilities, and the personal conduct of the members or their guests thereon, and to establish penalties for the infraction thereof;

2. Suspend the voting rights and right to use of the recreational facilities of members during any period in which such members shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of published rules and regulations;

3. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

4. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

5. Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties;

6. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members prior to the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the voting members who are entitled to vote;

7. Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

8. Enforce the covenants and restrictions of use stated in the Declarations;

9. Fix the amount of the annual budget for common expenses for the ensuing year, and furnish each Unit Owner an itemized copy thereof at least fifteen (15) days prior to the annual meeting of the members;

10. Lend written notice of the annual and semi-annually assessment to each Unit Owner on or before the inception date of each fiscal year;

11. Foreclose the lien against any Property for which assessments are not paid within sixty (60) days after due date or to bring an action at law against the Owner personally obligated to pay the same;

12. Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

13. Procure and maintain adequate insurance;

14. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

15. Cause the Common Areas to be maintained;

16. Charge, in its discretion, reasonable fees for the use of any recreational facility situated upon the Common Areas;

17. Publish rules and regulations governing use of Common Areas and Facilities, from time to time.

## ARTICLE VI

### OFFICERS AND THEIR DUTIES

A. ENUMERATION OF OFFICERS. The officers of this Association shall be a President and Vice-President, Secretary and Treasurer, who shall at all times be members of the Board of Directors, and such other officers as the Board may from time to time by resolution create.

B. ELECTION OF OFFICERS. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

C. TERM. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

D. SPECIAL APPOINTMENTS. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

E. RESIGNATION AND REMOVAL. Any officer may be removed from office with or without cause by the Board. Any officer may at any time resign by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

F. VACANCIES. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

G. MULTIPLE OFFICES. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to paragraph D. of this Article VI.

H. DUTIES. The duties of the officers are as follows:

1. PRESIDENT. The President shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds and other written instruments, and shall co-sign all checks and promissory notes.

2. VICE PRESIDENT. The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

3. SECRETARY. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members, serve notice of meetings of the Board and of the members, keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

4. TREASURER. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors, shall sign all checks and promissory notes of the Association, keep proper books of accounts, cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year, and shall prepare an annual budget and a statement of income and expenditures.

## ARTICLE VII

### COMMITTEES

The Association shall appoint a Nominating Committee, as provided in these By-Laws, and such other committees appropriate to the Association's purpose. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

## ARTICLE VIII

### BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member, or his authorized representative. The Declarations, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

## ARTICLE IX

### ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association semi-annual and special assessments which are secured by a continuing lien upon the unit against which the assessment is made. Any assessment which is not paid when due shall be deemed to be delinquent. If the assessment is not paid within sixty (60) days after the due date, the assessment shall bear interest from the due date at a rate equal to the then prevailing maximum rate of interest permitted to be charged by law under the provisions of the statutes of the State of New Mexico, or any successor amendments thereto. The current interest rate is fifteen (15) percent per annum. The Association may bring action at law against the Owner personally obligated to pay the same or foreclose the lien against the Property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for therein by non-use of the Common Areas or abandonment of his Unit. A suit to cover a money judgment for unpaid expenses hereto shall be maintainable without foreclosing or waiving the lien securing same.

## ARTICLE X

### MAINTENANCE AND REPAIRS

1. Access: In the event it is necessary to prevent damage to the common elements or make emergency repairs as determined by the Board of Directors, the Board of Directors may designate a party to enter upon any unit during any reasonable time for purposes of preventing damage or affecting emergency repairs.

2. Maintenance and Repair: The Board of Directors may enter into a contract with any firm, person or corporation for the maintenance and repair of the condominium property, and may join with other condominium associations in contracting with the same firm, person or corporation for maintenance and repair. The Board of Directors may, by contract, empower and grant to such firms, person or corporation, the right of access, as set forth in Section I of this Article.

3. Unit Owner: Every unit owner must perform promptly all maintenance and repair work within his own unit, which, if omitted, would affect the condominium property, and the condominium project in its entirety, or in a part, belonging to other owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.

4. Prohibition: No unit owner shall make any alteration in the portions of the improvements which are to be maintained by the Association, or remove any portion thereof, or make any additions thereto, or do any work which would jeopardize the safety or soundness of the building containing his unit or impair any easement.

5. Material Alterations: There shall be no material alterations or substantial additions to the common elements, except as the same are authorized by the Board of Directors, and ratified by the affirmative vote of a majority of the unit owners present at any regular or special meeting of the unit owners.

ARTICLE XI

AMENDMENTS

A. These By-Laws may be amended at a regular or special meeting of the members in the same manner as the Declaration may be amended; provided, however, no such amendment shall be effective until set forth in a duly recorded amendment to the Declarations.

B. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control, and in the case of any conflict between the Declarations and these By-Laws, the Declarations shall control.

ARTICLE XII

FISCAL YEAR

The fiscal year of the Association shall begin on the first day of April through and end on March 31 of each year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS THEREOF, we have hereunto set our hands this 27th day of January, 1982.

The ANGEL FIRE CHALETS HOMEOWNERS ASSOCIATION, INC. BOARD OF DIRECTORS:

by DON DES JARDIN

President

*Robert K. Mathis*  
ROBERT K. MATHIS

*Helen Harrison*  
HELEN HARRISON

*Mrs. John F. Butler*  
MRS. JOHN F. BUTLER

*Mrs. Donald B. Mitchell*  
MRS. DONALD B. MITCHELL

*John E. Johnston*  
JOHN E. JOHNSTON

*Victor L. Devers*  
VICTOR L. DEVERS

*Don Des Jardin*  
DON DES JARDIN