

BYLAWS OF LAVENDER FIELDS HOMEOWNERS ASSOCIATION INC.

ARTICLE I NAME AND LOCATION

The name of the corporation is **LAVENDER FIELDS HOMEOWNERS ASSOCIATION INC.** The principal office of the corporation shall be located at 333 Rio Rancho Drive, Suite 202, Rio Rancho, New Mexico, but meetings of Members and directors may be held at such places within Sandoval County, New Mexico or Bernalillo County, New Mexico as may be designated by the Board of Directors.

ARTICLE II DEFINITIONS

Section 1. “Association” shall mean and refer to **LAVENDER FIELDS HOMEOWNERS ASSOCIATION INC.**, its successors and assigns.

Section 2. “Association Land/Common Area” shall mean all real property owned by the Association for the common use and enjoyment of the Owners and is also known as “Common Area”.

Section 3. “Declarant” shall mean and refer to Lavender Fields LLC, a New Mexico limited liability company, its successors and assigns.

Section 4. “Declaration” shall mean and refer to the Master Declaration of Covenants, Conditions and Restrictions for Lavender Fields Subdivision applicable to the Property, as recorded in the office of the County Clerk of Bernalillo County, New Mexico.

Section 5. “Member” shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 6. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a party of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. “Property” shall mean and refer to that certain real property described in the Declaration, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

**ARTICLE III
MEMBERS**

Every person or entity who is a record owner of any Lot in the Properties shall automatically be a Member of the Association. The voting power of each Member shall be as set forth in the Declaration.

**ARTICLE IV
MEETING OF MEMBERS**

Section 1. Annual Meetings. The first annual meeting of the Members shall be held in February in the year following the year of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter on a day and time to be determined by the Board.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president of the Association or by the Board of Directors of the Association.

Section 3. 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 email or by any other method allowed by New Mexico law, at least ten (10) days before such meeting to each Member entitled to vote, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to 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.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, thirty percent (30%) of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote 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.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary or other person authorized by the Board to accept proxies. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his/her Lot.

**ARTICLE V
BOARD OF DIRECTORS: SELECTION AND TERM OF OFFICE**

Section 1. Initial Three-Person Board. The affairs of this Association shall be initially managed by a Board of three (3) directors, each of whom and each of whose replacement, shall be an employee, representative or designee of Declarant, and who shall be elected and subject to removal by Declarant only. The directors of the initial Board need not be Members of the Association. The Declarant shall have the right to elect and remove

directors of the Board until the earlier of (the “Declarant Control Period”): (i) sixty (60) days after the Declarant conveys all Lots within the Property to an unrelated third-party; or (ii) for the longest period allowed under N.M.S.A. Section 47-16-8 (1978). During the Declarant Control Period, additional directors shall be added to the Board as required by N.M.S.A. Section 47-16-8(E) and (F) (1978). After the first annual meeting, the Board shall have no less than three (3) directors and no more than seven (7) directors. The directors of the Board need not be Members of the Association as defined in the Declaration.

Section 2. Term of Office. At the first annual meeting the Declarant 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. Thereafter, each director shall hold office for a term of three (3) years.

Section 3. Removal. The directors constituting the initial three-person Board, or their successors, are subject to removal and replacement only by Declarant until the end of the Declarant Control Period. Thereafter, any director may be removed from the Board, with or without cause, by a majority vote of the other directors of the Board or by a majority vote of the Members of the Association. In the event of death, resignation or removal of a director, his/her successor shall be selected by the remaining directors of the Board and shall serve for the unexpired term of the replaced director.

Section 4. Compensation. No director shall receive compensation for any service rendered to the Association. However, directors may be reimbursed for reasonable expenses actually incurred in the performance of their respective duties, with approval of the Board.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of 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 VI NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Except for Declarant nominations, nomination for election to the Board of Directors may be made by any Member. Nominations may be made in advance to the Board or from the floor at the annual meeting.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted. No Member shall serve as a director unless said Member is in good standing with the Association and of said Member’s dues are fully paid and Member’s obligations to the Association are fully met.

Section 3. Declarant’s Right to Select Initial Three-Person Board. Notwithstanding anything contained in this Article VI to the contrary, the Declarant shall have the exclusive right to select the initial three-person Board, and their successors, in accordance with Section 1 of this Article VI above.

**ARTICLE VII
MEETINGS OF DIRECTORS**

Section 1. Regular Meetings. Regular meetings of the Board may be held monthly without notice to each director, 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.

Section 2. Special Meetings. Special meetings of the Board 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.

Section 3. 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 VIII
POWERS AND DUTIES OF BOARD OF DIRECTORS**

Section 1. Powers. In addition to any other powers specifically granted to the Board pursuant to New Mexico law or by the Declaration, the Board shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Association Land, Common Areas and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member 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 an infraction of published rules and regulations;

(c) 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 Bylaws, the Articles of Incorporation, of the Declaration;

(d) declare the office of a director of the Board to be vacant in the event such director shall be absent from three (3) consecutive regular meetings of the Board; and

(e) employ a manager, an independent contractor, attorney, accountant or such other employees as they deem necessary, and to prescribe their duties and compensation.

Section 2. Duties. In addition to any other duties specifically granted to the Board pursuant to New Mexico law, the Board shall have the following duties:

(a) cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) perform for the Association all duties delegated to this Association by the provisions of these Bylaws, the Articles of Incorporation, and/or the Declaration, including without limitation to:

(1) fix the amount of the annual assessment against each Lot and send written notice to each Owner thereof at least thirty (30) days in advance of each annual assessment period; and

(2) foreclose the lien against any Lot for which assessments are not paid or to bring an action at law against the Owner personally obligated to pay the same.

ARTICLE IX OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president, a vice-president, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create. All officers shall be Members of the Association.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he/she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time 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.

Section 5. 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 being replaced.

Section 6. Duties. The duties of the officers are as follows:

(a) President. The president shall preside at all meetings of the Board; 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 promissory notes.

(b) Vice President. The vice president shall act in the place and stead of the president in the event of the absence of, inability or refusal to act by the president, and shall exercise and discharge all other duties as may be required by the Board.

(c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; 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.

(d) 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; shall sign all checks and promissory notes of the Association; keep proper books of account; 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 to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE XI 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.

ARTICLE XII ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien on property against which the assessment is made. Any assessments which are not paid when due shall be delinquent and shall bear interest thereafter at the rate of fifteen percent (15%) per annum until paid, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property. In any such actions by the Association or in the event the collection of assessments is turned over to an attorney, the Association shall be entitled to recover interest, costs and attorney's fees. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Association Land or abandonment of their Lot.

ARTICLE XIV

AMENDMENTS

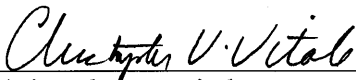
Section 1. The Articles of Incorporation and these Bylaws may be amended, terminated or replaced, as allowed by New Mexico law; provided that, during the Declarant Control Period: (i) any amendment to the Articles of Incorporation or Bylaws of the Corporation must be approved in writing by the Declarant and (ii) the Declarant may unilaterally amend the Articles of Incorporation or these Bylaws without the consent or approval of any Owners.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; and in the case of any conflict between the Articles of Incorporation and the Declaration, the Declaration shall control.

**ARTICLE XV
MISCELLANEOUS**

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, the undersigned being the Board of Lavender Fields Homeowners Association Inc., hereby execute the foregoing ByLaws as of the 8th day of April, 2021.



Christopher V. Vitale

Carey A. Plant

Jarrod D. Likar

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Christopher V. Vitale



Carey A. Plant



Jarrod D. Likar

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the LAVENDER FIELDS HOMEOWNERS ASSOCIATION INC., a New Mexico corporation; and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 8th day of April, 2021.



Carey A. Plant, Secretary