

IN WITNESS WHEREOF, the undersigned Founder has executed this Amended and Restated Covenant this 7<sup>th</sup> day of July, 2005.

FOUNDER:

HIGH DESERT INVESTMENT CORPORATION, a New Mexico corporation

By: D. H. Hallist  
Name: Douglas H. Collister  
Title: President

By: Richard G. Elkins  
Name: RICHARD G. ELKINS  
Title: Asst. Secretary

STATE OF NEW MEXICO )  
COUNTY OF SANDOVAL ) ss

This instrument was acknowledged before me on July 7, 2005 by RICHARD G. ELKINS [Asst. Secretary] and DOUGLAS H. COLLISTER [President] of High Desert Investment Corporation

[SEAL] Francis J. Medara  
Notary Public  
My Commission Expires: 11/18/06

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**EXHIBIT "A"**

**Land Initially Submitted**

Tracts 1A-2, 1A-3, 1A-4, 1A-9 and 1A-10 Mariposa East as the same is shown and designated on the plat of Tracts 1A-1 thru 1A-10 & Tracts OS-1 thru OS-10 Mariposa East recorded July 1, 2004 in Book 407, page 20665 as document number 200420665, and Book 3, Folio 2433-B, in the records of Sandoval County, New Mexico

Desert Highlands - Mariposa, New Mexico as the same is shown and designated on the plat of Desert Highlands - Mariposa, New Mexico (a Replat of Tracts 1A-6 Mariposa East and 1A-7A Desert View - Mariposa, New Mexico) recorded February 11, 2005 in Book 408 page 5003, as document number 200505003, and Volume 3, Folio 2504B in the records of Sandoval County, New Mexico

Desert View - Mariposa, New Mexico as the same is shown and designated on the plat of Desert View - Mariposa, New Mexico (a Replat of Tracts 1A-5, 1A-7, 1A-8 & OS-8 Mariposa East) recorded February 11, 2005 in Book 408 page 5002, as document number 200505002, and Volume 3, Folio 2504A in the records of Sandoval County, New Mexico

Venada Estates - Mariposa, New Mexico as the same is shown and designated on the plat of Venada Estates - Mariposa, New Mexico (a Replat of Tracts 1A-6A, 1A-7A-1 Desert Highlands - Mariposa East) recorded February 11, 2005 in Book 408 page 5001, as document number 200505001, and Volume 3, Folio 2503BA in the records of Sandoval County, New Mexico

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**EXHIBIT "B"**

**Additional Property**

Any and all property lying and being in Sandoval County, New Mexico, that is within three miles of any boundary of the property comprising the Community.

Note to clerk and title examiners:

This Covenant is not intended to create an encumbrance on title to the property described in this Exhibit "B." Such title may be encumbered only with the consent of the owner by filing a Supplement in accordance with Chapter 5.



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EXHIBIT "C"

BY-LAWS

OF

MARIPOSA ASSEMBLY, INC.



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**BY-LAWS**  
**OF**  
**MARIPOSA ASSEMBLY, INC.**

**Chapter 1**  
**Name, Principal Office, and Definitions**

*Any powerful idea is absolutely fascinating-and absolutely useless unless we choose to use it.*  
*Richard Bach*

**1.1. Name**

The name of the corporation shall be Mariposa Assembly, Inc. ("**Assembly**").

**1.2. Principal Office**

The Assembly's principal office shall be located in Sandoval County, New Mexico. It may have such other offices, either within or outside Sandoval County, as the Assembly's board of trustees may determine or as the Assembly's affairs may require.

**1.3. Definitions**

The words used in these Assembly By-Laws shall have their normal, commonly understood definitions unless otherwise specified. Unless the context indicates otherwise, capitalized terms shall have the same meaning as set forth in the Community Covenant for Mariposa (as may be amended from time to time, the "**Covenant**") recorded or to be recorded in the public records of Sandoval County, New Mexico, by High Desert Investment Corporation, a New Mexico corporation ("**Founder**").

Each Person that holds record title to a Unit, as defined in the Covenant, is referred to in these Assembly By-Laws as an "**Owner**." However, a Person who holds title merely as security for the

performance of an obligation (such as a lender holding a mortgage or similar security instrument) is not considered an "Owner." If a Unit is sold under a recorded contract of sale, and the contract specifically so states, the purchaser (rather than the holder of fee simple title) will be considered the Owner. If a Unit has more than one Owner, all co-Owners are jointly and severally obligated to perform the responsibilities of the Owner.

Space has been set aside throughout these Assembly By-Laws to allow the reader to make notes. Any notes made in such spaces are not part of these Assembly By-Laws.

**NOTES AND THOUGHTS**

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## Chapter 2

# Administration of the Assembly

*It is not only what we do, but also what we do not do, for which we are accountable.  
Moliere*

### 2.1. Management

The Assembly shall have no members. The Assembly's board of trustees (the "Assembly Board") shall manage the Assembly's affairs in accordance with these Assembly By-Laws and the Covenant (The members of the Assembly Board are referred to as "Trustees." The term Trustee shall mean "director" as defined in the New Mexico Nonprofit Corporation Act, Chapter 53, Article 8, New Mexico Statutes). The Assembly Board shall be selected as provided in Section 3.3.

### 2.2. Community-Wide Meetings

From time to time, the Assembly Board may call meetings of the Mariposa owners, occupants, and other interested parties. The Assembly Board shall set the time, place, and agenda for such meetings. They also shall communicate notice of the meetings by (a) posting in a conspicuous location or locations within Mariposa, (b) publishing in a newspaper or community newsletter, (c) posting on a community cable channel or intranet or Internet website generally known to the Mariposa owners and occupants, or (d) similar means to which the Mariposa owners and occupants could reasonably be expected to have access.

Such notice shall be given, published, or posted not less than 10 nor more than 50 days prior to the meeting date. Participation in discussions during community-wide meetings shall be subject to reasonable regulation by the Assembly Board.

### 2.3. Special Meetings

The Assembly Board shall call a special community-wide meeting:

- (a) if a majority of a quorum of the Trustees so directs by resolution;
- (b) if the Association's board of directors requests such a meeting; or
- (c) upon petition of the Owners of at least 10% of the Units.

The notice of any special meeting shall be given as provided in Section 2.2. No business shall be transacted at a special meeting except as stated in the notice.

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## Chapter 3

### Board of Trustees: Number, Meetings, Powers

*Democracy's the worst form of government except for all the others.*  
*Sir Winston Churchill*

#### A. Composition and Selection

##### 3.1. Governing Body

The Assembly's affairs shall be governed by the Assembly Board. Each Trustee shall have one equal vote.

##### 3.2. Number and Qualification of Trustees

The initial Assembly Board shall consist of the three Trustees identified in the Articles of Incorporation. During the time that the Founder is authorized to appoint Trustees as provided in Section 3.3, there shall be at least three and no more than nine Trustees, as the Founder may determine. After termination of the Founder's right to appoint Trustees, the Trustees shall be appointed as described in Section 3.3. Each Trustee shall be a natural person of at least 18 years of age.

##### 3.3. Selection of Trustees; Term of Office

For a period of five years from the date the Covenant originally is recorded, the Founder, in its discretion, may appoint, remove, and replace all of the Trustees on the Assembly Board. Thereafter, the Assembly Board shall be comprised of:

(a) five Trustees selected by the Association's board of directors in accordance with such election or appointment procedures as the Association's board may establish;

(b) one Trustee elected by the Owners of Units which are not subject to the Charter (each such Owner having one equal vote for each Unit it owns to be cast by mail or such other means as the Assembly Board may establish); and

(c) one Trustee appointed by the Founder until such time as the Founder no longer owns any property subject to the Covenant or which it may unilaterally submit to the terms of the Covenant. Thereafter, the Assembly Board, by majority vote of the Trustees, shall elect one Trustee.

The terms of the initial Trustees elected upon termination of the Founder's right to appoint the Trustees shall be staggered with four of the initially elected Trustees serving three-year terms and three of the initially elected Trustees serving a two-year term, as they among themselves determine. Upon the subsequent expiration of the term of office of any Trustee, successor Trustees shall be elected to serve two-year terms. A Trustee may serve any number of consecutive terms.

In addition to the above, the Youth Board may appoint a representative to serve as a Trustee in an *ex officio* capacity, as provided in the Covenant. The Director of Community Enrichment also shall serve as a Trustee in an *ex officio* capacity.

##### 3.4. Resignation and Removal of Trustees; Vacancies

Any Trustee may resign at any time by giving written notice to the Trustees, the President, or the Secretary. Such resignation shall take effect on the date such notice is received or at a later time specified in the notice. Acceptance of such