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SECOND AMENDED AND RESTATED DECLARATION

OF RESTRICTIVE COVENANTS FOR RANCHO SAN LUCAS

COUNTY OF SANTA FE } SECOND AMENDED
STATE OF NEW MEXICO } ss PAGES: 31

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TABLE OF CONTENTS

ARTICLE I DEFINITIONS 1

A. "ARCHITECTURAL REVIEW COMMITTEE" 1
B. "ASSESSMENT" 1
C. "ASSOCIATION" 2
D. "ASSOCIATION RULES AND REGULATIONS" 2
E. "BOARD OF DIRECTORS" 2
F. "COMMON AREA" OR "COMMON AREAS" 2
G. "DECLARANT" 2
H. "DECLARATION" 2
I. "GENERAL ASSESSMENT" 2
J. "HOUSE" OR "HOMES" 2
K. "INTERIOR ENCLOSED AREA" 2
L. "LIVING SPACE" 2
M. "MEMBER" 2
N. "MORTGAGE" 2
O. "OWNER" OR "OWNERS" 2
P. "LOT" OR "LOTS" 3
Q. "ROADS" 3
R. "SPECIAL ASSESSMENT" 3
S. "UTILITY SYSTEM" OR "UTILITIES" 3
T. "YARD" 3

ARTICLE II PROHIBITION AGAINST DIVISION LOT SPLIT OR SUBDIVISION 3

SECTION 1. LOT DIVISIONS 3

ARTICLE III USE OF PROPERTY 3

SECTION 1. PERMITTED USES AND STRUCTURES 3
A. Single Family Residential Use 3
B. Residential Structures 3
C. Home Office Use 4
D. Solar Panels and Devices 4
E. Storage Tanks 4
F. Maintenance 4
G. Residential Use; Leases 4
SECTION 2. PROHIBITED USES AND STRUCTURES 4
A. Use 4
B. Vehicles 4
(1) Passenger Vehicles and Trucks under three-quarter (3/4) ton 4
(2) Commercial Trucks, Trucks with a carrying capacity of over three-quarter (3/4) tons, Buses, School Buses, Cargo Trailers, Semi-trailers or Freight Trailers 5
(3) Construction Equipment, Heavy Equipment or Farm Equipment 5
(4) Recreational Vehicles, Truck Campers, Camping Trailers or Travel Trailers 5

e-Recorded 2072346 11/26/25 SFC

(5) Motorcycles, Mopeds, All-Terrain Vehicles, Go-carts, Snowmobiles, Skimobiles or Other Vehicles 5
(6) Boats and Personal Watercraft 5
C. Animals and Pets 5
D. Garbage or Trash Containers 5
E. Garbage, Junk and Refuse 6
F. Temporary Structures 6
G. Mobile Homes or Outbuildings 6
H. Signs 6
I. Shading Devices 6
J. Antennae and Satellite Dishes 6
K. Flag Poles and Windsocks 7
L. Athletic Goal Posts 7
M. Clothes Lines 7
N. Air Conditioning Units 7
O. Address Signage 7
P. No Soliciting 7
Q. No Nuisances 7
R. No Storage of Building Materials 7
S. No Commercial Activity 7
T. No Obstructions at Intersections 7
U. No Removal of Protected Plants 8
SECTION 3. ARCHITECTURAL AND RELATED STANDARDS 8
A. Natural Landscape 8
B. Pueblo Style Architecture 8
C. No Reflective Finishes 8
D. Height of Structure 8
E. Size Restrictions 8
F. Roofs 8
G. Color 9
H. Material and Exterior Surfaces 9
I. Building Projections 9
J. Walls and Fences 9
K. Retaining Walls 9
L. Foundations 9
M. Guest Houses and Studios 9
N. Exterior Changes 9
O. Parking Spaces 9
P. Service Yards 10
Q. Site Drainage and Grading 10
R. Setbacks 10
S. Driveways 10
T. Lighting 10
U. Utilities 11

e-Recorded 2072346 11/26/25 SFC

V. Floodplain 11

ARTICLE IV WATER CONSERVATION 11

SECTION 1. MANDATORY WATER CONSERVATION MEASURES 11
A. Maximum Annual Water Use 11
B. Appliances 11
C. Toilets 11
D. Bathtubs and Lavatory Fixtures 11
E. Hot Water Pipes 11
F. Landscape 11
G. Gray Water Systems 12
H. Swimming Pools and Hot Tubs 12
I. Recirculating Pumps 12
J. Water Harvesting 12
SECTION 2. VOLUNTARY WATER CONSERVATION 12
A. Ponds 12
B. Pumice Wicks 12

ARTICLE V ARCHITECTURAL CONTROL ARCHITECTURAL CONTROL 12

SECTION 1. ARCHITECTURAL REVIEW COMMITTEE 12
SECTION 2. CONSTRUCTION SUBJECT TO ARCHITECTURAL CONTROL 13
SECTION 3. ARCHITECTURAL DESIGN REVIEW PROCEDURES 13
A. Submission of Plans 13
B. Review of Plans 13
C. Process Rules and Regulations 14
D. Right of Waiver 14
E. Commencement of Construction 14
F. Escrow of Costs 14
G. Fee 15
H. Non-Waiver 15
SECTION 4. APPEAL 15
SECTION 5. APPROVAL NOT A GUARANTEE 15
SECTION 6. CONSTRUCTION REGULATIONS 15

ARTICLE VI OWNERS ASSOCIATION 16

SECTION 1. ASSOCIATION DUTIES AND POWERS 16
A. Road and Culverts 16
B. Utilities and Central Storm Water Ponds 16
C. Liability Insurance 16
D. Security Services 16
E. Maintenance 16
F. General Requirements 16
G. Contracts 16
H. Association Rules and Regulations 17

e-Recorded2072346 11/26/25 SFC

SECTION 2. ASSOCIATION'S POWER TO MAKE ASSESSMENTS OR CREATE LIEN AND PERSONAL OBLIGATIONS FOR ASSESSMENTS 17
SECTION 3. ANNUAL GENERAL ASSESSMENT 17
SECTION 4. SPECIAL ASSESSMENT 17
SECTION 5. EFFECT OF NONPAYMENT OF ASSESSMENT REMEDIES OF THE ASSOCIATION 18
A. Late Fees and Interest 18
B. Lien 18
C. Owner's Obligations 18
SECTION 6. CERTIFICATE OF PAYMENT 18
SECTION 7. MEMBERSHIP 18
A. Termination of Ownership Status 18
B. No Avoidance By Non-Use 19
SECTION 8. VOTING RIGHTS 19

ARTICLE VII OWNERS' RIGHTS 19

SECTION 1. OWNERS' EASEMENTS OF ENJOYMENT 19
SECTION 2. ASSIGNMENT OF RIGHTS TO TENANT 20
SECTION 3. DAMAGE OR DESTRUCTION OF COMMON AREAS OR ROADS BY OWNER 20

ARTICLE VIII UTILITY EASEMENTS AND OTHER EASEMENTS 20

SECTION 1. UTILITY EASEMENTS 20
SECTION 2. EASEMENT TO CORRECT DRAINAGE 20
SECTION 3. ENCROACHMENT 21

ARTICLE IX GENERAL PROVISIONS 21

SECTION 1. DURATION 21
SECTION 2. CONDEMNATION 21
SECTION 3. NOTICES 21
SECTION 4. ENFORCEMENT 21
SECTION 5. INTERPRETATION 22
SECTION 6. INVALIDITY 22
SECTION 7. GENDER AND NUMBER 22
SECTION 8. AMENDMENT 22
SECTION 9. CONSENT OF MORTGAGEES 22
SECTION 10. LEGAL FEES 22
SECTION 11. ACTION WITHOUT MEETING 23
SECTION 12. LAW TO GOVERN 23
SECTION 13. USE OF NAME 23

EXHIBIT A LEGAL DESCRIPTION 26

SECOND AMENDED AND RESTATED DECLARATION OF RESTRICTIVE COVENANTS FOR RANCHO SAN LUCAS

This Second Amended and Restated Declaration of Restrictive Covenants for Rancho San Lucas (the "Declaration") is made this 23rd day of November 2025, by the Rancho San Lucas Homeowners' Association, Inc. (the "Association").

RECITALS:

WHEREAS, Declarant Monte Alto Homes and Land, Inc. ("Declarant") as the owner of the real property (the "Property") described on Exhibit A attached to this Declaration and depicted on the plat of survey recorded in the records of the Santa Fe County Clerk's office as Document Number 1553588 at Plat Book 698 Pages 031-038 (the "Survey") filed the original Declaration of Restrictive Covenants for Rancho San Lucas on February 29, 2009, Document Number 1553590, which was amended in its entirety by the Amended and Restated Declaration of Restrictive Covenants for Rancho San Lucas, filed on May 8, 2019 at Instrument Number 1885748, of the records of Santa Fe County (the "Covenants"); and

WHEREAS, the Covenants provided in Article IX, Section 8(C) that it could be amended, either by a duly called meeting of the Association where a quorum was present or by ballot, and if the amendment was adopted by at least seventy-five percent (75%) of all the members; and

WHEREAS, either at a duly called meeting of the Association at which a quorum was present or by ballot, the Association members agreed to adopt this Declaration for the Property by resolution passed by at least seventy-five percent (75%) of the members.

NOW, THEREFORE, the Covenants are replaced in their entirety by the following Declaration, and the Property is to be held, sold and conveyed subject to the following terms:

ARTICLE I
DEFINITIONS

The following definitions shall apply wherever the terms appear in this Declaration.

A. "Architectural Review Committee" means and refers to the committee, appointed by the Board of Directors, as prescribed by Article V of this Declaration, to review, recommend, and as deemed appropriate deny or approve requests submitted to the Architectural Review Committee under the terms of Article V of this Declaration. All requests to the Architectural Review Committee must be by written communication and must be secured in advance of any activity requiring review and approval by the Architectural Review Committee.

B. "Assessment" means and includes all General Assessments and Special Assessments as referred to in this Declaration.

C. "Association" means and refers to the Rancho San Lucas Homeowners' Association, Inc., a New Mexico nonprofit corporation, its successors, and assigns, which corporation shall be formed in accordance with this Declaration. The Articles of Incorporation and Bylaws for the Association shall be referred to as the "Association Articles of Incorporation" and the "Association Bylaws" respectively. The Association owns the Common Areas and is responsible for the maintenance thereof.

D. "Association Rules and Regulations" means and refers to the rules, regulations, and policies adopted by the Board of Directors, as the same may be amended from time to time.

E. "Board of Directors" means and refers to the Board of Directors of the Association.

F. "Common Area" or "Common Areas" means and refers to all real and personal property owned and acquired after its formation by the Association which is intended for the common enjoyment of the owners of property within the Property.

G. "Declarant" means and refers to Monte Alto Homes and Land, Inc., a New Mexico Corporation.

H. "Declaration" means and refers to this Second Amended Declaration of Restrictive Covenants for Rancho San Lucas, which shall be applicable to the Property.

I. "General Assessment" means and refers to the Annual General Assessment made by the Association in accordance with the Declaration shared equally by all owners of platted lots within the Property as referred to in Article VI of this Declaration.

J. "House" or "Homes" means and refers to any residential dwelling constructed or to be constructed on a platted Lot within the Property and includes a garage whether attached or detached.

K. "Interior Enclosed Area" means and refers to any portion of a Yard that is shielded by reason of a privacy wall from the view of adjoining Lots or Roads.

L. "Living Space" means and refers to any enclosed and heated space within any residential dwelling, excluding any garage.

M. "Member" means and refers to those persons who are members of the Association as provided in the Declaration.

N. "Mortgage" means any bona fide mortgage encumbering a platted Lot as security for the performance of an obligation. "Mortgagee" is the holder of a bona fide Mortgage.

O. "Owner" or "Owners" means and refers to the Owner, whether one or more persons or entities, of the fee simple title to any platted Lot as shown on the records of the Santa

Fe County Clerk. Owners shall not include those having an interest merely as security for the performance of an obligation.

P. "Lot" or "Lots" means and refers to platted lots as shown on the Survey which are intended as a site for a House.

Q. "Roads" means and refers to all roads, whether private or public, located within the Property as shown on the Survey.

R. "Special Assessment" means and refers to those Special Assessments referred to throughout this Declaration.

S. "Utility System" or "Utilities" means and refers to all equipment, machinery, accessory parts and components, including but not limited to all pipes, booster pumps, buildings, sewers, mains, collectors, lift stations, conduits, lines and appurtenant access ways and facilities, used in connection with sewage disposal, water supply, gas, electricity, telecommunications, cable television and all other related services.

T. "Yard" means and refers to any and all portions of any Lot lying outside the exterior walls of any House constructed on such Lot and shall include all landscaping, improvements, and decorative and functional appurtenances thereon.

ARTICLE II
PROHIBITION AGAINST DIVISION LOT SPLIT OR SUBDIVISION

Section 1. Lot Divisions. No Lot shall be further split, divided, subdivided or separated into smaller lots by any Owner; provided that this shall not prohibit corrective deeds or similar corrective instruments.

ARTICLE III
USE OF PROPERTY

Section 1. Permitted Uses and Structures. The following uses and structures shall be the permitted uses and structures within the Property on the following conditions:

A. Single Family Residential Use. All Lots may only be used for single family residential use and related common uses, and no other use unless expressly permitted under this Declaration.

B. Residential Structures. Unless otherwise permitted in this Declaration, no structure shall be placed, built, constructed, or maintained upon any Lot except a single family residence, one studio, one garage for at least two automobiles and such other incidental structures which are customarily used in connection with single family residential use, provided that such other incidental structures are not expressly prohibited by this Declaration and are subject to approval by the Architectural Review Committee. All structures must be built on site and constructed in accordance with the provisions of this Declaration, including but not limited

to obtaining all required approvals from the Architectural Review Committee and all required Santa Fe County and State of New Mexico permits and approvals.

C. Home Office Use. A home office or studio is allowed, provided that such use does not cause there, at any time, to be parked upon the Lot more than two (2) vehicles, which do not belong to the Lot Owner, family or tenants, and provided that such office or studio use remains secondary to the single-family residential use of the Lot.

D. Solar Panels and Devices. Solar collection panels or devices shall be allowed subject to approval by the Architectural Review Committee. The request for approval shall designate, in detail, the location, size, number and orientation of any solar collector panels or devices proposed. The Architectural Review Committee, in its sole discretion, may limit or fix the location, size, number and orientation of any solar collector panels or devices proposed.

E. Storage Tanks. Except for rain barrels, all fuel tanks, water tanks, or similar storage facilities shall either be constructed to be completely shielded from view from any other Lot in the Property by walls, vegetation or structures or shall be placed, installed and maintained underground.

F. Maintenance. The portions of the House visible from other Lots and the Common Areas, and all Yards and entrances must be kept in an orderly condition so as not to detract from the neat appearance of the Property. The Board of Directors, in its reasonable judgment, may determine whether or not the visible portions of the Houses and Yards are orderly. The Association may have any objectionable items removed from any Yard so as to restore its orderly appearance, without liability thereof, and assess the Owner for any costs incurred in the process as a Special Assessment; provided however, the Board of Directors shall first give the Owner written notice fifteen (15) days in advance specifying the action needed to comply with this paragraph.

G. Residential Use; Leases. Nothing herein shall be deemed to prevent the Owner from Leasing his house providing such lease is for a period of time no less than six (6) months. No part of an Owner's Lot may be leased as a separate part of the entire residence.

Section 2. Prohibited Uses and Structures. The following uses and structures shall be prohibited on the Property unless specifically approved by the Architectural Review Committee according to the following standards:

A. Use. Garages and storage rooms shall be kept closed at all times when not in use for entering and exiting. The storage of heavy equipment, or large unsightly equipment, outside of storage rooms and garages shall be prohibited.

B. Vehicles. The following shall govern vehicles:

(1) Passenger Vehicles and Trucks under three-quarter (3/4) ton. The parking, storing or servicing of disabled, abandoned or unregistered passenger vehicles outside of garages shall be prohibited.

(2) Commercial Trucks, Trucks with a carrying capacity of over three-quarter (3/4) tons, Buses, School Buses, Cargo Trailers, Semi-trailers or Freight Trailers. The parking, storing or servicing of such vehicles shall be prohibited.

(3) Construction Equipment, Heavy Equipment or Farm Equipment. The parking, storing or servicing of such vehicles shall be prohibited.

(4) Recreational Vehicles, Truck Campers, Camping Trailers or Travel Trailers. Such vehicles may be brought to a Lot only for so long as is reasonably required for packing and unpacking provisions for such vehicles. All such vehicles may be stored on Lots by Owners only in garages or suitably and approved screened areas so as not to be visible from any other Lots. Any such vehicle may not be visible by more than two feet (2') in height above suitable and approved screening.

(5) Motorcycles, Mopeds, All-Terrain Vehicles, Go-carts, Snowmobiles, Skimobiles or Other Vehicles. The use of such vehicles in or on the Property is prohibited, except for the purposes of entering and leaving the Property through and on Roads. All such vehicles may be stored on Lots by Owners only in garages, storage rooms or suitably screened areas so as not to be visible from any other Lots. Any such vehicle may not be visible by more than two feet (2') in height above suitable and approved screening.

(6) Boats and Personal Watercraft. All such vehicles may be stored on Lots by Owners only in garages, storage rooms or suitably and approved screened areas so as not to be visible from any other Lots. Any such vehicle may not be visible by more than two feet (2') in height above suitable and approved screening.

C. Animals and Pets. No animals, including reptiles, horses, bison, buffalo, llamas, rabbits, livestock, fowl or poultry of any kind shall be raised, bred or kept on any Lot or in the Common Area and facilities, except that dogs, cats, or other household pets may be kept on a Lot in such numbers as not to constitute a nuisance and must comply with all Santa Fe Country Ordinances. All pets must be held or kept leashed at all times when they are in the Common Area, or on Roads, and pet Owners shall immediately collect and properly dispose of the waste and litter of their pets. The Board of Directors shall have the right to limit those areas of the Common Area where pets may be walked and to make and publish reasonable rules and regulations restricting the number and type of pets that may be kept on any Lot, Common Area, or Roads. No horses, mules, burros or other animals shall be ridden on any roads or trails within the Property except such trails as are designated by the Board of Directors for equestrian use. All dog runs, kennels or wire fencing installed for the confinement of permitted household pets should not be visible from any other lot and shall be screened by a privacy fence or wall and/or landscaping (subject to approval by the Architectural Review Committee).

D. Garbage or Trash Containers. No garbage, trash containers, or recycle containers shall be visible from the Roads, Common Areas or adjoining Lots.

E. Garbage, Junk and Refuse. No waste, refuse, rubbish or trash shall be dumped on any Lot or the Common Areas, nor shall the same be allowed to accumulate on any Lot or the Common Areas. No junk cars, scrap materials or non-operable vehicles of any kind shall be stored or kept on any Lot or Common Areas. Refuse disposal shall be on a regular basis, shall be the responsibility of the Owner, and shall comply with all Santa Fe County Ordinances.

F. Temporary Structures. No structure of a temporary character, including, but not limited to, trailers, tents, shacks, barns, sheds, or other such outbuildings shall be permitted on any Lot at any time, other than temporary structures on any Lot during the period of actual construction on a Lot, however not to exceed one (1) year. Such structure shall be reasonably neat in appearance and are subject to approval by the Architectural Review Committee.

G. Mobile Homes or Outbuildings. No mobile homes, shacks, sheds, barns, or other permanent outbuildings shall be kept upon any Lot or Common Area within the Property, unless approved by the Architectural Review Committee.

H. Signs. Except as may be required by legal proceedings, building permit placards and active real-estate listings, no sign, advertisement or notice of any type or nature whatsoever may be erected or displayed upon any Lot, House, Yard, Window, or Common Area, unless express prior approval of the size, shape, content and location has been obtained from the Board of Directors, which approval may be withheld at their discretion. Notwithstanding the foregoing, the Board of Directors may erect reasonable and appropriate signs on any portion of the Common Areas.

I. Shading Devices. No brightly colored window shading devices shall be permitted. Exterior mounted shading devices in colors that blend with exterior stucco color will be permitted subject to approval by the Architectural Review Committee.

J. Antennae and Satellite Dishes. Except for antennas, satellite dishes and other over-the-air receiving devices covered by 47 C.F.R. § 1.400 (Over-the-Air Reception Devices Rule), as amended, repealed, or recodified governing Over-the-Air Reception Devices, Television Broadcast Service and Multi-channel Multi-point Distribution Service (collectively, the "FCC Rule"), no antenna for the transmission or reception of television or radio signals or for access to the internet shall be installed on any Lot unless approved by the Architectural Review Committee. Any antenna, satellite dish or other receiving device covered by the FCC Rule may be installed on a Lot without the prior approval of the Architectural Review Committee provided the antenna, satellite dish or receiving device is installed so as to be minimally visible from any other Lot and does not interfere with the viewer's ability to install, maintain or use the antenna, satellite dish or receiving device. The Architectural Review Committee shall have the right to adopt rules and regulations with respect to the installation and placement of antennas, satellite dishes and other receiving devices; provided, however, that the Architectural Review Committee shall not impose or enforce any rule or regulation which is inconsistent with or prohibited by the FCC Rule.

K. Flag Poles and Windsocks. Flag pole height and location are subject to approval by the Architectural Review Committee. There shall be no windsocks of any sort either installed or maintained, which is visible from any other Lot.

L. Athletic Goal Posts. There shall be no athletic goal posts of any sort either installed or maintained, which are visible from any other Lot. Basketball hoops may be installed or placed adjacent to a permanent structure so as to minimize their visibility from any other Lot.

M. Clothes Lines. Clotheslines or laundry lines of any sort shall be screened so as not to be visible from any other Lot.

N. Air Conditioning Units. Air conditioning and heating units of any sort shall be screened so as not to be visible from any other Lot unless approved by the Architectural Review Committee.

O. Address Signage. Any provision of this Declaration to the contrary notwithstanding, lighted address identification signs for each House shall be permitted and are subject to approval by the Architectural Review Committee. Installation of such signage shall be the responsibility the Owner. No additional signage detached from the House will be permitted.

P. No Soliciting. No soliciting will be allowed at any time within the Property.

Q. No Nuisances. No noxious or offensive activity shall be conducted on any Lot or in the Common Areas, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to any Owner or occupant. Without limitation to these, the following items shall be considered noxious, offensive, annoying or dangerous: offensive odors, loud or annoying sounds, discharge of firearms, bright outdoor lights directed toward neighboring Lots, fireworks, mining or drilling operations, and excessive barking from dogs. Ordinary noise arising from usual and customary residential activity shall not be considered to be noxious or offensive. Noise and nuisance are defined by Santa Fe County Ordinance.

R. No Storage of Building Materials. The outdoor storage of building materials other than during construction shall not be permitted.

S. No Commercial Activity. Except as provided above in Article III, Section 1, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, exploration or otherwise shall be conducted on any Lot.

T. No Obstructions at Intersections. Nothing shall be erected, constructed, planted or otherwise placed on a Lot in such a position so as to create a hazard upon or block the vision of motorists at intersections.

U. No Removal of Protected Plants. As used in this paragraph "Protected Trees" are pinion pine trees and junipers of six inch (6") caliper or greater. All construction of any type and all excavation shall be conducted so as to avoid damage to these Protected Trees. The Architectural Review Committee must approve any plans for transplanting these Protected Trees and it is recommended that professionals be consulted prior to transplanting any plant material.

Section 3. Architectural and Related Standards. The following architectural standards shall apply to the design and construction, improvements, alterations, modifications, and changes to structures on Lots and all excavation thereon. All construction, improvements, alterations, modifications, and changes to structures on Lots and all excavation thereon are subject to approval by the Architectural Review Committee prior to commencing the work on the Lot.

A. Natural Landscape. It is the purpose and intent of this Declaration that an environment in harmony with the natural landscape be maintained. Some properties have dense vegetation on and around them; others have less. The Owners are urged to consider impacts on all adjacent or nearby properties from the initiation of preliminary design studies to construction.

B. Pueblo Style Architecture. These architectural standards are intended to permit a variety of architectural solutions within the design range of "flat roof" Pueblo Style, including contemporary and modern interpretations of this style. The exterior of all buildings, including Houses, shall be of only subdued colors all of which must be approved by the Architectural Review Committee.

C. No Reflective Finishes. No reflective finishes (other than window glass, which may not be mirrored) shall be used on exterior surfaces or roofs (other than surfaces of hardware fixtures), including without limitation the exterior surfaces of any of the following: all projections above roofs, retaining walls, walls, doors, trim, fences, pipes, and other equipment.

D. Height of Structure. No structure, or any portion thereof, excluding chimneys and vents, shall be permitted that exceeds fifteen feet (15') in height from the finished floor of the structure as measured at the highest point of natural grade at the perimeter of the house. Pitched roof designs are specifically prohibited. Shed roof portals are allowed and must terminate below the highest point of the intersecting wall. A chimney may extend a maximum of two feet (2') above the highest point of the roof.

E. Size Restrictions. All single family detached Houses constructed on Lots shall have a minimum of one thousand five hundred (1,500) square feet of Living Space. One garage providing space sufficient for the parking of at least two cars, whether attached or detached, shall be a minimum of four hundred (400) square feet. Detached Studios shall be a minimum of three hundred (300) square feet.

F. Roofs. All roof areas visible from any other Lot shall be of a material, color, and texture approved by the Architectural Review Committee. Colors such as black, white, bright colors or reflective roof surfaces which might cause glare are prohibited.

G. Color. The color of exterior materials must be subdued earth tones and shall have the effect of minimizing the visual impact of improvements on the natural terrain, and are subject to approval by the Architectural Review Committee.

H. Material and Exterior Surfaces. Exterior surfaces shall be generally stucco, traditional adobe, and stone. Large expanses of painted vertical planes and surfaces, and large expanses of vertical wood are prohibited, except under portals.

I. Building Projections. All projections from a House or other structure including, but not limited to, chimney flues, vents, gutters, downspouts, canales, utility boxes, porches, portals, and railings shall be of a color approved by the Architectural Review Committee.

J. Walls or Fences. Walls may be used to enclose or surround an interior enclosed area and as screening for privacy, vehicles, pets, and service areas of the House. All walls and fences as well as design and materials to be used are subject to approval by the Architectural Review Committee. Perimeter walls and fences are prohibited.

Walls and fences shall not exceed six feet (6') in height as measured from natural grade adjacent to the wall or fence. Walls and fences must not be located within the building setbacks of the Lot.

K. Retaining Walls. Retaining walls that are not part of the House structure shall not exceed a height of five feet (5'), except by approval of the Architectural Review Committee, and shall not exceed a length of one hundred forty feet (140'). Retaining walls shall be finished (material, texture, color, etc.) to match the House or the natural landscape. All retaining walls shall be designed by a licensed architect or engineer.

L. Foundations. All exterior wall materials must be continued down to finish grade thereby eliminating unfinished foundation walls, except in the case of a rock foundation, where the wall material stops at the rock facing.

M. Guest Houses and Studios. Guest houses are not permitted. The use of detached Studios is specifically limited according to Article III, Section 1, B and C of this Declaration.

N. Exterior Changes. Any changes to the approved plans before, during, or after the construction are subject to approval by the Architectural Review Committee.

O. Parking Spaces. Each garage shall contain parking space for at least two (2) automobiles and there shall be additional parking space outside the garage for four (4) vehicles. No on-street parking will be permitted, except for celebrations and occasional gatherings. No Owner shall park their vehicles on Roads or Common Areas.

P. Service Yards. All garbage receptacles, fuel tanks, gas and electric meters, air conditioning equipment, and materials, supplies, and equipment which are placed or stored outside must be placed or stored in such a way as to conceal them from view from Roads and adjacent properties. Notwithstanding any provision of this Declaration to the contrary, any such visual barrier may consist of either fencing or a wall or landscaping and planting subject to approval by the Architectural Review Committee.

Q. Site Drainage and Grading. Site drainage and grading shall be done with the minimum disruption to the natural condition of the Lot and shall not drain to adjoining Lots, except as established by natural drainage patterns, nor cause a condition that could lead to soil erosion on Common Areas or Roads. Each Lot Owner must construct a stormwater detention pond capable of storing a minimum of seven hundred (700) cubic feet of stormwater from the developed area of the site, per Santa Fe County Ordinances.

Unless special approvals are granted by the Architectural Review Committee, no construction, landscaping, or other improvements shall take place which in any way alters the natural flow of established drainage courses.

Where approvals to alter the natural drainage courses are requested, the owner shall provide engineering data to indicate how any natural flow will be maintained and how any construction will preserve or restore the natural appearance of the drainage way.

Where the drainage flow is altered, the retaining wall materials and surfaces are subject to approval by the Architectural Review Committee.

R. Setbacks. There shall be a minimum fifty foot (50') setback from the road right of way and all side and rear Lot lines, which area shall remain undisturbed, except for driveway and utility access. Additional building setbacks shall be specified for individual Lots and all improvements must be sited within the designated building area in order to protect views and privacy for all Lot Owners.

There shall not be more than twenty feet (20’) between a primary House and any other structure on the Lot unless approved by the Architectural Review Committee.

S. Driveways. Driveways shall be base coursed, graveled, or paved. Minimum width of driveway shall be twelve feet (12’). Maximum width, unless approved by the Architectural Review Committee, shall be fourteen feet (14’), except where necessary to provide for parking.

Approval of the final location and design of the driveway shall be obtained during the submittal to the Architectural Review Committee and shall meet fire and safety access as required by Santa Fe County.

T. Lighting. Lighting must be limited to a small area and must not result in glare to adjacent Lots. Lighting must be designed such as to create a unified, natural effect which will not interfere or compete with the dramatic nighttime sky. Driveway lighting must be

controlled by means of a timed duration motion sensor, activated by approaching automobiles. Exterior lighting is subject to approval by the Architectural Review Committee. Any and all lighting must comply with State of New Mexico and Santa Fe County Ordinances. Occasional Holiday lighting is permitted and must comply with all Santa Fe Ordinances such as limits to luminance and must be extinguished by ten o'clock pm (10:00 pm) each night and remain extinguished for the remainder of night-time until the following sunrise.

U. Utilities. All Utilities must be constructed underground.

V. Floodplain. No structures of any kind, including fences, will be permitted to be built in the Floodplain, as designated by current recorded Federal Emergency Management Agency (FEMA) maps.

ARTICLE IV
WATER CONSERVATION

Section 1. Mandatory Water Conservation Measures. The following water restrictive covenants shall apply to the use and occupancy of all lots within the subdivision. Lot Owners are also responsible for complying with all applicable Santa Fe County and New Mexico State Ordinances, as well as conservation regulations of the Eldorado Area Water and Sanitation District or its assigns.

A. Maximum Annual Water Use. Water use is restricted to a combined total of one quarter (0.25) acre feet per year (81,463 gallons per year) per Lot. A water meter must be installed for each Lot and annual readings shall be provided to the Santa Fe County Hydrologist as required by applicable codes.

B. Appliances. Water-conserving appliances shall be installed and used at the time of construction or replacement of appliances.

C. Toilets. Toilets shall be of a type designed to use no more than one and six-tenths (1.6) gallons per flush.

D. Bathtubs and Lavatory Fixtures. Bathtubs and lavatory fixtures shall be fitted with faucets with a maximum capacity of two and one-half (2.5) gallons per minute. Showerheads shall have a capacity of no more than two and one-half (2.5) gallons per minute.

E. Hot Water Pipes. All hot water pipes shall be insulated.

F. Landscape. Low water use landscaping techniques applying the principles of xeriscaping shall be utilized. Drip irrigation and mulching are required. Low water use grasses, trees and shrubs may be watered as needed during the first and second years of their growth to become established. Thereafter, such vegetation shall receive only minimal water as needed by each species. All irrigated landscaping is limited in total area by Santa Fe County Ordinances.

G. Gray Water Systems. Gray water systems must meet the requirements for the New Mexico Environment Department and the Uniform Plumbing Code. A permit must be obtained before construction.

H. Swimming Pools and Hot Tubs. Swimming pools, of a permanent or temporary nature, are not permitted. Hot tubs and spas are permitted, however their use and maintenance are restricted by other governing ordinances and regulation. Hot tubs and spas shall be screened so as not to be visible from any other lot.

I. Recirculating Pumps. A recirculating pump and looped line must be installed on the hot water side of the residential water system.

J. Water Harvesting. All Homes must comply with water harvesting requirements as set forth in Santa Fe County Ordinance 2003-6, which requires Owners of Homes smaller than two thousand five hundred (2,500) heated square feet to install rain barrels, cisterns or catchment basins to capture eighty-five (85) percent of the runoff from roofs. Owners of Homes larger than two thousand five hundred (2,500) square feet must install buried or partially buried tank or cistern connected to a drip irrigation system, capable of capturing eighty-five (85) percent of the rainwater runoff from the roof.

Section 2. Voluntary Water Conservation. The following water conservation measures are encouraged:

A. Ponds. Smaller ponds, which capture stormwater should be located in close proximity to the house for landscape purposes. Landscaping should be located adjacent to these ponding areas. Cisterns, which are architecturally integrated with the house by burial, fence enclosures or painting them to match the color of the house are also encouraged.

B. Pumice Wicks. Pumice wicks, which capture the water in drop inlets and disperse it through perforated pipes into an underground trench filled with coarse pumice material are examples of other measures to capture storm water.

ARTICLE V
ARCHITECTURAL CONTROL

Section 1. Architectural Review Committee. The Board of Directors shall establish the Architectural Review Committee, which shall consist of at least three (3) persons who may or may not be members of the Board of Directors. Each Architectural Review Committee Member shall be appointed for a one (1) year term commencing with the fiscal year of the Association and may be removed with or without cause by the Board of Directors at any time by written notice, with successors appointed to fill such vacancy for the remainder of the term of the former member.

The Members of the Architectural Review Committee shall not be liable to any person for any damage to persons or property or other damages for any reason resulting from or relating to the exercise of the powers or performance of obligations required or authorized by the

Declaration, and by acceptance of a deed for any Lot, every Owner on his own behalf and on behalf of his heirs, successors, assigns and agents, releases each Member from said liability; provided, however, that such release shall not apply to any such injury or damage resulting from willful misconduct of a Member of the Architectural Review Committee.

Two (2) members shall constitute a quorum for the transaction of business and the affirmative vote of the majority of those present in person or by proxy shall constitute the action of the Architectural Review Committee on any matter before it. The Architectural Review Committee is authorized to retain the services of consulting architects, landscape architects, urban designers, engineers, inspectors, contractors and/or attorneys in order to advise and assist the Architectural Review Committee in performing its functions as set forth herein. The Architectural Review Committee may also delegate its obligations for review and approval of submittals to a qualified architect, designer, engineer or builder who may be compensated. The action of such person shall constitute the action of the Architectural Review Committee, except such person may not adopt rules and regulations.

Section 2. Construction Subject to Architectural Control. No construction, modification, alteration, excavation or other improvement of any nature whatsoever on any Lot, except for interior alterations not affecting the exterior structure or appearance of any House, shall be undertaken on any Lot unless and until a plan of such construction or alteration shall have been approved in writing by the Architectural Review Committee, the Association has issued a letter to the Owner of the Lot setting forth the conditions of approval, and the Owner has signed the letter and returned it to the Association, agreeing to the conditions of approval. Modifications subject to Architectural Review Committee approval specifically include, but are not limited to, painting or other alteration of a House (including doors, windows, and roof); installation of solar panels or other devices; construction of recirculating fountains, hot tubs or spas, cisterns; construction of walls or fences; addition of shutters, gates, shelves, statues, lighting or other outdoor ornamentation; any alteration of the landscaping or topography of the Lot, including without limitation any cutting or removal of trees, planting or removal of plants; or similar features of the Property and all other modifications, alterations or improvements visible from Common Areas, Roads, or other Lots.

Section 3. Architectural Design Review Procedures.

A. Submission of Plans. A complete set of fully-dimensioned construction drawings and specifications shall be submitted to the Architectural Review Committee in accordance with the following submittal and review procedures. Plans shall include, but are not limited to, a site plan, elevations, floor plan, roof plan and description of walls and fences.

B. Review of Plans. The Architectural Review Committee shall conduct reviews of plans at such times as it deems appropriate. The Architectural Review Committee shall respond to an Owner in writing after the review of the submittals no later than thirty (30) days after all submittals are completed, provided that the plans are in accordance with the requirements of the rules and regulations promulgated and published by the Architectural Review Committee for preliminary and final approval. If the Architectural Review Committee fails to approve or disapprove within thirty (30) days after the final submittal is complete, then said

failure shall be deemed an approval. An approval or disapproval by the Architectural Review Committee shall be in writing and shall specify what, if any, aspect of the submittal is approved or disapproved and, if disapproved, the reasons for the same. The Architectural Review Committee may approve or disapprove of submittals in whole or in part and may authorize commencement of construction on such aspects of the proposed plan and specifications as are approved.

C. Process Rules and Regulations. The Architectural Review Committee shall adopt, publish and make available to all Owners upon request, rules and regulations governing all required submittals, the review and approval process, inspection of work in progress and after completion, and such other matters governing the affairs and duties of the Architectural Review Committee. Such rules and regulations may be amended from time to time as the Architectural Review Committee shall deem appropriate and are subject to approval by the Board of Directors. The Association shall enforce such rules and regulations.

D. Right of Waiver. The Architectural Review Committee reserves the right to waive or vary any of the procedures, standards, limitations or restrictions set forth in this Declaration at its discretion, for good cause shown.

E. Commencement of Construction. Upon receipt of approval from the Architectural Review Committee, the Owner shall, as soon as practical, satisfy all conditions thereof, if any, and diligently proceed with the commencement of all construction, reconstruction, refinishing, alterations, and excavations pursuant to the approved plans within one (1) year from the date of such approval. If the Owner shall fail to comply with this paragraph, any approval given shall be deemed revoked unless, upon the written request of the Owner made to the Architectural Review Committee prior to the expiration of said one (1) year period and upon a finding by the Architectural Review Committee that there has been no change in circumstances, the time for such commencement is extended in writing by the Architectural Review Committee. The Owner shall in any event complete the construction, reconstruction, refinishing, or alteration of the foundation and all exterior surfaces on his Lot within one (1) year after commencing construction thereof, except and for so long as such completion is rendered impossible or would result in great hardship to the Owner due to strikes, fires, national emergencies, or natural calamities.

F. Escrow of Costs. Concurrent with the submission of construction plans to the Architectural Review Committee, the Architectural Review Committee may ask the Owner to place in escrow an amount of Two Thousand Dollars ($2,000.00). The amount in escrow shall be held to assure cleanup of debris and trash removal from the Lot. In the event any of the foregoing are not satisfactorily completed or maintained, the Board of Directors may withdraw the cash from escrow, including interest earned thereon, and expend the same as necessary for the proper compliance and cleanup of debris and trash removal from the Lot and to cover any administrative costs it may incur in this regard. Upon completion of construction, each Owner and builder shall clean his construction site and repair all property which was damaged, including but not limited to restoring grades, planting trees as approved or required by the Architectural Review Committee, and repair of Roads, driveways, culverts, ditches, and signs. The remaining amount in escrow after completion of the construction to the satisfaction of the

Architectural Review Committee shall be returned to the Owner. Any of the requirements of this subparagraph may be waived by the Architectural Review Committee for modifications or alternatives to construction which take place after initial construction is completed.

G. Fee. The Architectural Review Committee may establish a fee sufficient to cover the expenses of reviewing and copying plans and related data and to compensate the Architectural Review Committee, any consulting architects, landscape architects, inspectors, or attorneys retained in accordance with the terms hereof. The Architectural Review Committee may increase the fee established for such review from time to time.

H. Non-Waiver. The approval by the Architectural Review Committee of any plan, drawings, or specifications for any work done or proposed, or in connection with any other material requiring the approval of the Architectural Review Committee under any Design Guidelines or this Declaration, shall not be deemed to constitute a waiver of any right to withhold approval as to any similar plan, drawing, specification, or matter whenever subsequently or additionally submitted for approval.

Section 4. Appeal. Any Owner may appeal an adverse decision of the Architectural Review Committee to the Board of Directors, who may reverse or modify the decision of the Architectural Review Committee by the unanimous vote of all Directors except for any Directors who have recused themselves from voting on the matter.

Section 5. Approval Not a Guarantee. Any approvals under or any compliance with this Declaration is no guarantee that structures or construction complies with the Santa Fe County Codes or Ordinances, and Owners are advised to consult Santa Fe County staff regarding the same prior to any design undertaken under this Declaration. No approval of plans and specifications and no publication of architectural standards shall be construed as representing or implying that such plans, specifications, or standards will, if followed, result in soundly designed improvements. Such approvals and standards shall in no event be construed as representing or guaranteeing that any House or other improvement built in accordance therewith will be built in accordance with applicable building codes or other governmental requirements or in good and workmanlike manner. Neither the Association, the Board of Directors, nor the Architectural Review Committee shall be responsible or liable for any defects in any plans or specifications submitted, revised, or approved pursuant to the terms of this Declaration, nor any defects in construction undertaken pursuant to such plans and specifications.

Section 6. Construction Regulations. The Architectural Review Committee may adopt regulations governing construction on all Lots. Said regulations shall be adopted, printed and available to an Owner upon request. The Architectural Review Committee shall have the right to amend such regulations as it deems necessary and are subject to approval by the Board of Directors.

ARTICLE VI
OWNERS ASSOCIATION

Section 1. Association Duties and Powers. The duties and powers of the Association shall be those set forth in this Declaration, the Association Bylaws and the Association Articles of Incorporation, together with those duties and powers which may be reasonably implied to affect the purposes of the Association. The Board of Directors of the Association is hereby granted the express authority to cause the Association to become a member of another association existing for the same or similar purposes.

A. Road and Culverts. The Association shall maintain Camino San Lucas and Camino San Jorge, including the culverts under those Roads, in good condition with annual maintenance. Lot Owners are responsible for installing and maintaining a culvert for each driveway accessed from these Roads. The Association's share of the expenses for maintaining Spur Ranch Road shall be added to the Annual General Assessment and paid to the Spur Ranch Road Association or its assigns.

B. Utilities and Central Storm Water Ponds. The Association shall maintain all central storm water ponds owned by it and shall have the power to grant utility and access easements along, over, across, under and through the Common Area as may be reasonably required to provide such utility service to the Common Area and the Lots, and shall provide Road and storm water pond maintenance, landscape maintenance and management of the Common Areas.

C. Liability Insurance. The Association shall procure a policy or policies insuring the Board of Directors, the Association, the Members and the Association's employees against any liability to the public or to the Members, incident to the ownership and use of the Common Area and any other property or interest owned by the Association.

D. Security Services. The Association may procure security services for the protection of the Lots, and Common Areas as the Board shall consider reasonably necessary.

E. Maintenance. The Association shall provide all maintenance, replacement, repair and all landscaping of the Common Area, Roads, and other property owned by the Association.

F. General Requirements. The Association may do any other act or provide any other materials, supplies, labor, services, maintenance, repairs, insurance, taxes or assessments which the Association is required to secure or pay pursuant to the terms of this Declaration, the Association Bylaws or the Association Articles of Incorporation, or by law or which in the discretion of the Board shall be necessary or proper for its operation or the enforcement of this Declaration.

G. Contracts. The Association may employ or contract with one or more third parties for the performance of all or any portion of the Association’s management, maintenance and repair activities as the Board of Directors may choose. The Association shall be

billed by its contractors, and the costs therefor shall be included within the General Assessment or Special Assessment, as the case may be.

H. Association Rules and Regulations. Through the Board of Directors, the Association may, from time to time, adopt rules or amend previously adopted rules and regulations governing the details of the operation, use, maintenance and control of the Lot, Common Areas, and Roads, and any facilities or services made available to the Owners. A copy of all the Association Rules and Regulations adopted from time to time as herein provided shall be furnished to each Owner and kept at the Association offices, if any.

Section 2. Association's Power to Make Assessments or Create Lien and Personal Obligations for Assessments. The Association shall have the power to make the Assessments provided for in this Declaration. All Assessments together with interest and costs of collection when delinquent, shall be a continuing lien upon the Lot against which the Assessments are made, and shall also be the personal obligation of the person or entity who was the Owner of such Lot at the time when the Assessments were levied. Each Owner of a Lot, by acceptance of a deed or other transfer document therefor, whether or not it shall be so expressed in such deed or transfer document, is deemed to covenant and agree to pay the Association the Assessments established or described in this Article VI and in the Association Articles of Incorporation and the Association Bylaws. No diminution or abatement of any Assessments shall be allowed by reason of any alleged failure of the Association to perform some function required of it, or any alleged negligent or wrongful acts of the Association or their officers, agents, and employees or the non-use by an Owner of any or all of the Common Areas, the obligation to pay such Assessments being a separate and independent covenant by each Owner.

Section 3. Annual General Assessment. Each Lot is subject to Annual General Assessments by the Association for the improvement, maintenance, and operation of the Property, including the management and administration of the Association and furnishing of services as set forth in this Declaration. As further described in this Article VI, the Board of Directors by majority vote shall set the Annual General Assessments at a level sufficient to meet the Association's obligations. The Board of Directors shall have the right, power, and authority, during any fiscal year, to increase the Annual General Assessment for the purpose of meeting its expenses and operating costs on a current basis. The Board of Directors shall set the date or dates that Assessments shall become due, and may provide for collection of Assessments annually or in monthly, quarterly, or semi-annual installments; provided however, that upon default in the payment of any one or more installments, the entire balance of the Annual General Assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full.

Section 4. Special Assessment. The Association may levy a Special Assessment at any time by a majority vote of the Board of Directors, for the purpose of defraying, in whole or in part, the cost of any unusual or emergency matters that affect the Common Areas or Roads. The Special Assessment shall be due and payable at the time and in the manner specified by the Board of Directors. Except to the extent otherwise specified in the Declaration, Special Assessments shall be levied equally against all the Lots.

Section 5. Effect of Nonpayment of Assessment Remedies of the Association.

A. Late Fees and Interest. Any Assessments not paid within sixty (60) days after the due date shall be subject to a late fee as determined from time to time by the Board of Directors and may, upon resolution of the Board of Directors, bear interest at a lawful percentage rate determined by the Board of Directors.

B. Lien. All Assessments against any Lot pursuant to this Declaration, together with such late fee, interest thereon, and cost of collection thereof (including reasonable attorney's fees, whether suit is filed or not), shall be a lien on such Lot and the Association may file a notice of lien in the records of the Santa Fe County Clerk. The Association may bring an action at law against the Owner personally obligated to pay the Assessments and additional costs of collection, or foreclose the lien against the Lot, or both. Costs and reasonable attorney's fees incurred in any such action may be awarded to the prevailing party. The lien provided for in this Section shall be in favor of the Association. The Association, acting on behalf of the Owners, shall have the power to bid in any amount owed to the Association concerning any Lot foreclosed at such foreclosure sale and to acquire and hold, lease, mortgage, and convey the same.

C. Owner's Obligations. Each Owner, by acquisition of an interest in a Lot, hereby expressly vests in the Association the right and power to bring all actions against such Owner personally for the collection of such Assessments as may accrue while such Owner has owned the Lot and to enforce the aforesaid by all methods available for the enforcement of such liens, including foreclosures, by an action brought in the name of the Association, similar to a mortgage lien on real property. No Owner may waive or otherwise escape liability for the Assessments provided for herein by abandonment of his Lot.

Section 6. Certificate of Payment. The Treasurer of the Association, upon demand of any Owner liable for assessments, shall furnish to such Owner a certificate in writing signed by such Treasurer setting forth whether such Assessments have been paid.

Section 7. Membership. Every Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from the title to any Lot.

A. Termination of Ownership Status. Rights to a membership and status as a Member terminates upon termination of status as an Owner. Upon sale, conveyance, or assignment of the Owner's interest in such Owner's Lot or House, the selling or conveying Owner or Owners shall be relieved of liability for Assessments levied from and after the date of such sale; provided, however, that no such sale or assignment shall relieve an Owner of liability arising prior to the date such sale or assignment is consummated. Acceptance by a purchaser or assignee of such sale or assignment evidences such purchaser's or assignee's assumption of personal liability for all Assessments arising from and after the date such sale or assignment is consummated provided, however, that any unpaid Assessments arising prior to the sale or assignment shall continue to be a lien on the Lot. A sale or assignment of an Owner's interest shall be deemed to have occurred for all purposes of this Declaration upon the recording in the Records of the Santa Fe County Clerk of an instrument of conveyance of such interest.

B. No Avoidance By Non-Use. No Owner may avoid the obligations of membership during the period of ownership by non-use of the Common Areas, renunciation or abandonment of such Owner's Lot or House, or any other act of abandonment or renunciation.

Section 8. Voting Rights. There are twenty-nine (29) Lots. Each Owner of a Lot is entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, other than as security for the performance of an obligation, all such persons shall be Members. The vote for such Lot shall be exercised as they, between themselves, determine by written designation to the Association, but in no event shall more than one vote be cast with respect to any Lot. The vote appurtenant to any Lot shall be suspended in the event that a Member is delinquent in Assessment payments, and for as long as more than one Member holding an interest in that Lot lawfully seeks to exercise it separate from the other Members holding an interest in any such Lot.

ARTICLE VII
OWNERS' RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have an easement of use and enjoyment in and to the Common Area and Roads, which shall be appurtenant to and shall pass with the title to every Lot, subject to the provisions of the Association Articles of Incorporation, Association Bylaws, Association Rules and Regulations, and the following rights which are expressly hereby granted.

A. The Association has the right to make Assessments and other fees for the maintenance of the Common Area and Roads and the facilities and services provided to Owners as described in this Declaration.

B. The Association has the right to adopt rules and regulations governing the manner and extent of use of the Common Area and Roads, and the personal conduct of the Members and their guests thereon.

C. The Association has the right to suspend voting rights and the right to use of the Common Area of an Owner for any period which Assessment against his Lot remains unpaid, without waiver of the Owner's obligation to pay the amount due, and for any other infraction of this Declaration or the Association Bylaws, for the duration of the infraction and for an additional period not to exceed thirty (30) days; provided, however, that the Association may not deny an Owner's right of ingress and egress to his Lot.

D. The Association has the right to dedicate or transfer all or any part of the Common Areas, including, but not limited to the Roads, to any public agency, authority, or utility (public or private) for such purposes and subject to such conditions as may be agreed upon by the Members. No such dedication or transfer shall be effective unless an instrument signed by the Owners of seventy-five percent (75%) of the Lots has been recorded.

E. The Association has the right, subject to the rights of the Owners set forth herein, to mortgage any or all of the facilities constructed on their respective Lots for the purpose

of improvements or repairs to such Lot or facilities upon approval by seventy-five percent (75%) of the Members at a regular meeting of the Association or at a special meeting called for this purpose.

F. The Association has the right to grant and reserve easements and rights-of-way through, under, over, and across the Common Area and Roads for the installation, maintenance, and inspection of the Utility System and for drainage.

Section 2. Assignment of Rights to Tenant. Any Owner may lease his right of enjoyment to the Common Area and the facilities thereon to his tenant who resides in his House on the Lot, subject to the provisions of this Declaration, and the Association Bylaws.

Section 3. Damage or Destruction of Common Areas or Roads By Owner. In the event any Common Area or Roads, or personal property of the Association are damaged or destroyed by an Owner or any of his guests, tenants, licensees, agents, employees, or family members as a result of negligence or intentional acts, such Owner shall authorize the Association to repair the damage. Such repairs will be performed in a good and workmanlike manner in conformance with the original plans and specifications of the area involved or as the area may have been modified or altered subsequently by the Association. The Association shall assess the amount necessary for such repairs to the Owner as a Special Assessment.

ARTICLE VIII
UTILITY EASEMENTS AND OTHER EASEMENTS

Section 1. Utility Easements. There is reserved, for the Association and its designees, a ten foot (10') easement for the benefit of the Property upon, across, over, through, under, and parallel to each Lot boundary line for ingress, egress, installation, replacement, repair and maintenance of the Utility System, for drainage and for services supplied by the Association. By virtue of this easement it shall be expressly permissible for the Association or its assignee to install and maintain facilities and equipment on the Property, to excavate for such purposes and to affix and maintain wires, circuits, pipes and conduits on and under the Lots. This easement shall be perpetual in duration and in addition to, rather than in place of, any other recorded easements on the Property.

Section 2. Easement to Correct Drainage. There is reserved for the Association and its designees, a blanket easement and right on, over and under the ground within the Property to maintain and to correct drainage of surface water and other erosion controls in order to maintain reasonable standards of health, safety and appearance. Such right expressly includes the right to cut any trees, bushes, or shrubbery, make any grading of the soil, take up pavement, or to take any other similar action reasonably necessary, following which the Association shall restore the affected Property to its original condition as nearly as practicable. The Association shall give reasonable notice of intent to take such action to all affected Owners, unless in the opinion the Association an emergency exists which precludes such notice. The right granted hereunder may be exercised at the sole option of the Association and shall not be construed to obligate the Association to take any affirmative action in connection therewith.

Section 3. Encroachment. To the extent that any improvements constructed by Declarant on or in any Lot encroach on any other Lot or Common Area for any reason, a valid easement for such encroachment and the maintenance thereof shall exist.

ARTICLE IX
GENERAL PROVISIONS

Section 1. Duration. The covenants and restrictions contained in this Declaration, as the same may be amended from time to time, shall run with and bind the Property and shall inure to the benefit of and be enforceable by the Association, the Owners and the irrespective legal representatives, heirs, successors or assigns, for a term of ninety-nine (99) years after the date that this Declaration is recorded in the Records of Santa Fe County Clerk, after which time all of said provisions shall be extended automatically for successive periods of ten (10) years each unless an instrument signed by the then Owners holding seventy-five percent (75%) of the total voting power in the Association shall have been recorded in the records of the Santa Fe County Clerk agreeing to terminate all of the said provisions as of a specified date, which instrument shall not be recorded earlier than ninety (90) days prior to the expiration of the term or extended term of this Declaration. Unless this Declaration is terminated in accordance with this Section, the Association shall re-record this Declaration or other notice of its terms at intervals necessary under New Mexico law to preserve its effect.

Section 2. Condemnation. In the event all or part of the Common Area owned by the Association shall be taken or condemned by any authority having the power of eminent domain, all compensation and damages shall be paid to the Association. The Board of Directors of the Association shall have the sole and exclusive right to act on behalf of the Association with respect to the negotiation and litigation of the taking or condemnation affecting such property. The Owners may, by a vote of eighty percent (80%) of the total voting power hereunder, agree to distribute the proceeds from any condemnation or taking by eminent domain, but if the Owners shall not so agree, such proceeds shall be added to the funds of the Association.

Section 3. Notices. Any notice required to be sent to the Owner of any Lot under the provisions of this Declaration shall be deemed to have been properly sent when electronically mailed, mailed, first-class postage prepaid, or hand delivered to the last known address of the person who appears as Owner of such Lot on the records of the Association at the time of such mailing.

Section 4. Enforcement. In addition to the enforcement provisions previously set forth in this Declaration, the provisions of this Declaration may be enforced by any Owner or the Association by a proceeding at law or in equity against any person or entity violating or attempting to violate the same, either to restrain violation or to recover damages, or both, and against his or its property to enforce any lien created by this Declaration; provided, however, only the Association can enforce the lien provision hereof and exercise the powers and duties expressly bestowed upon it herein. Failure to so enforce any of these protective covenants and restrictions shall in no event be deemed a waiver of the right to do so at any time thereafter.

Section 5. Interpretation. The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating a uniform consistent plan for the development and use of the Property.

Section 6. Invalidity. The invalidity of any part of this Declaration shall not impair or affect in any manner the validity and enforceability of the balance of the Declaration which shall remain in full force and effect.

Section 7. Gender and Number. The use of the masculine gender herein shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 8. Amendment.

A. Subject to the provisions of Article IX, Section 9, the Association specifically reserves the absolute and unconditional right to amend this Declaration without the consent or joinder of any party in such amendment for the purposes of (i) conforming to the requirements of the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association or any other generally recognized institution involved in the purchase and sale of home loan mortgages, or (ii) conforming to the requirements of institutional mortgage lender(s) or title insurance company(s).

B. Except as provided above in subparagraph A of this Section 8 of Article IX, this Declaration may only be amended at a duly called meeting of the Association where a quorum is present or by ballot and if the amendment resolution is adopted by seventy-five percent (75%) of all the Members. An amendment so adopted shall be effective upon the recording in the records of the Santa Fe County Clerk of a copy of the amendment resolution, signed by the President of the Association and certified by the Secretary of the Association.

Section 9. Consent of Mortgagees. No amendment or modification of this Declaration impairing the rights, priorities, remedies, or interests of a Mortgagee shall be adopted without the prior written consent of all Mortgagees holding liens on the Lots encumbered by Mortgages. Any such consent requested by the Association of Mortgagees shall be given prompt consideration and shall not be unreasonably withheld. This Section shall not apply or be construed as a limitation upon those rights of the Association or the Owners under this Declaration to make amendments which do not impair Mortgagees' rights, priorities, remedies or interest in the Property.

Section 10. Legal Fees. Any and all legal fees, including but not limited to attorney's fees and court costs, including any appeals, which may be incurred by the Association in the lawful enforcement of any of the provisions of this Declaration, regardless of whether such enforcement requires judicial action, shall be assessed against and collectible from the unsuccessful party to the action, and if an Owner, shall be a lien against such Owner's Lot in favor of the Association.

Section 11. Action Without Meeting. Any action required to be taken hereunder by vote or assent of the Members may be taken in the absence of meeting by obtaining the written approval of the requisite number of Members. Any action so approved shall have the same effect as though taken at a meeting of the Members, and such approval shall be duly filed in the minute book of the Association.

Section 12. Law to Govern. This Declaration shall be construed in accordance with the laws of the State of New Mexico, both substantive and remedial.

Section 13. Use of Name. Declarant, for itself, and those of its successors and assigns as are so designated by Declarant, hereby reserves the right to use the name "Rancho San Lucas" or any combination of such words in the promotion, marketing, development and sale of other properties. No proprietary right to such name is hereby granted to any Owner or to the Association.

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CERTIFICATION

The President and Secretary of the Association hereby certify that this Second Amended and Restated Declaration of Restrictive Covenants was duly adopted by the Association members in accordance with the requirements of the Declaration.

IN WITNESS WHEREOF, this Second Amended and Restated Declaration of Restrictive Covenants is executed effective the day and year first above written.

RANCHO SAN LUCAS HOMEOWNERS' ASSOCIATION, INC.

By John L. Schnase
John L. Schnase
Its President

STATE OF NEW MEXICO)
) ss.
County of Santa Fe)

On this 26 day of November, 2025, before me personally appeared JOHN L. Schnase, whose identity was proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this document, and who acknowledged that they signed this document.

Julia Trejo
Notary Public

Notary Seal:

STATE OF NEW MEXICO
NOTARY PUBLIC
JULIA TREJO
COMMISSION # 1122855
COMMISSION EXPIRES 07/30/2026

RANCHO SAN LUCAS HOMEOWNERS' ASSOCIATION, INC.

By Amy Calzaretta
Amy Calzaretta
Its Secretary

STATE OF NEW MEXICO)
) ss.
County of Santa Fe)

On this 26 day of November, 2025, before me personally appeared Amy Calzaretta, whose identity was proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this document, and who acknowledged that they signed this document.

Julia Trejo
Notary Public

Notary Seal:

STATE OF NEW MEXICO
NOTARY PUBLIC
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e-Recorded 2072346 11/26/25 SFC

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EXHIBIT A

LEGAL DESCRIPTION

Lots 1-29, Unit 1 Rancho San Lucas, as shown and described on the plat of said subdivision filed in the Office of the County Clerk of Santa Fe County, New Mexico as Document Number 1553588 at Plat Book 698, Pages 032-038.