

**AMENDMENTS TO THE
BYLAWS OF
CHAMPIONS' RUN CONDOMINIUM ASSOCIATION**

WHEREAS, Owners representing more than fifty-one (51%) of the voters present at the Champions' Run Condominium Association meeting on May 18th, 2024 (the "Association") voted to accept the amended and restated Bylaws of the Association as set forth; and

WHEREAS, said Owners have instructed the Board of Directors of the Association to take all steps necessary to give legal effect to such resolution;

NOW, THEREFORE, In order to implement the foregoing, the Board of Directors of the Association has caused the Association to adopt the following amended and restated bylaws:

**AMENDED AND RESTATED BYLAWS FOR
CHAMPIONS' RUN CONDOMINIUM ASSOCIATION**

Article I

1.01 Principal office: The principal office of the Association is in the State of New Mexico and shall be located at the CHAMPIONS' RUN CONDOMINIUMS in the City of Ruidoso Downs, County of Lincoln. The Association may have such other offices, either within or without the state of New Mexico as the Board of Directors may designate or as the business of the corporation may require from time to time.

1.02 Registered office and Registered Agent: The Association shall have and continuously maintain in the State of New Mexico a registered office, as required by the New Mexico Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office of the corporation in the State of New Mexico, and the address of the registered office may be changed from time to time by the Board of Directors.

Article II. MEMBERS

2.01 Members: Each owner of a Unit, as more particularly defined, described and provided for in the Amended and Restated Condominium Declaration for CHAMPIONS' RUN CONDOMINIUM (the "Declaration") filed of record in the Records of Lincoln County, New Mexico, shall for the duration of such ownership be a Member of the CHAMPIONS' RUN CONDOMINIUM ASSOCIATION, a membership corporation organized under the provisions of the New Mexico Non-Profit Corporation Act. Upon any transfer of ownership, howsoever accomplished, the new Owner shall likewise automatically succeed to membership in the Association.

Article III. MEETING OF MEMBERS

3.01 Annual Meeting: There shall be an annual meeting of the members on the third Saturday of May of each year at 1:30 p.m. or at such other date and time as may be established by the Board of Directors, upon the Common Area of the CHAMPIONS' RUN CONDOMINIUMS or at such other reasonable place or time as may be designated by written notice by the Board of Directors delivered to the Members no more than sixty (60) or not less than ten (10) days prior to the date fixed for said meeting. Said written notice shall state the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called. If mailed, the notice of the meeting shall be deemed to be delivered when deposited in the US mail addressed to the Member at their address as it appears on the records of the Association, with postage thereon prepaid. In the event that a physical meeting of the Members cannot be held for any legal or public health reason, a virtual meeting may be held at the discretion of the Board of Directors. A virtual meeting could be held in one of the following was:

- a. Via Zoom or any other on-line meeting application;
- b. By mail with all necessary documents for approval by the Members sent to their last known address and received back in the office within 20 days of the mailing date.

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At the annual meeting, the Board of Directors shall present the proposed budget for the coming fiscal year, June 1st through May 31st. The membership present at the annual meeting shall vote to accept or decline the budget as presented. Should it be declined, the current year's budget would be in effect until a special meeting is called for the sole purpose of amending the proposed budget. There will also be a presentation of the Year-to-Date expenditures of the current year. A binder will be kept available at the HOA office for owners to review during regular business hours.

3.02 Special Meetings; Special meetings of the Members may be called at any time for the purpose of considering matters which, by the terms of these Bylaws, require the approval of all or some of the Members, or for any other reasonable purpose. Said meeting shall be called by written notice, signed by a majority of the Board of Directors, or by the Members having twenty per cent (20%) of the total votes and delivered, not less than ten (10) days nor more than sixty (60) days prior to the date fixed for said meeting. Said notice shall specify the date, time and place of meeting, and the matters to be considered.

3.02 (a) Voting of Members Deemed Owners: Each Owner shall be entitled to vote the number of votes equal to the Unit owned by him. In the event that second ownership of interests in a Unit is owned by more than one person, each record owner shall be a member of the Association, any or all of such persons may attend any meeting of the members, but the members who own fractional interests in such Unit aggregating more than fifty per cent (50%) of the whole ownership thereof shall appoint one (1) member who shall be entitled to vote the number of votes of that Unit at any meeting of the Association. Such declaration shall be made in writing to the Board and signed by the majority of such owners, and shall be revocable at any time by actual notice to the Board or upon the death or judicially declared incompetence of the majority of the members. In the event that a Unit is owned by more than one member and no single member is designated to vote on behalf of the members having an ownership interest in such Unit, then none of such members shall be allowed to vote. However, if only one of the multiple Owners of a Unit is present at a meeting of the Association, he is entitled to cast all the votes allocated to that Unit in the absence of a written designation to the contrary. All members of the Association may be present at any meeting of the Association and may act at such meetings either in person, by absentee or by proxy. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

3.04 Quorum: A Quorum shall be present throughout any meeting of the Association if persons entitled to cast twenty per cent (20%) of the votes which may be cast for election of the Board of Directors are present in person or by proxy at the beginning of the meeting.

3.05 Effect of Default on Voting Rights; In the event that a notice of default is recorded by any mortgagee who holds a mortgage which is a first lien on a Condominium Unit against the member of the condominium covered by the mortgage, then and in that event and until the default is cured, the right of the Members owing of such Condominium Unit to vote shall be transferred to the mortgages recording the notice of default.

3.06 Order of Business: The order of the business of all meetings of the Association shall be as follows:

- (a.) Proof of notice of meeting;
- (b.) Reading of minutes of preceding meeting;
- (c.) Reports of Officers, Directors, Committees, and others;
- (d.) Election of inspectors of election (when so required);
- (e.) Election of Members of the Board of Directors (when so required)
- (f.) Unfinished Business;
- (g.) New Business.

3.07 Informal Action by Members: Any action required by law to be taken at a meeting of the Members or any action which may be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by such members of the Association as would have constituted a majority at a meeting duly held with respect to the subject matter thereof. Where an election is to be conducted by the Members, such election may be conducted by mail in such manner as the Board of Directors shall determine.

Article IV. Board of Directors

4.01 General Powers: The affairs of the Association shall be managed by its Board of Directors. Directors need not be residents of New Mexico, The Board of Directors shall have such duties, rights, powers and authority as shall be given to it by the Declaration, the Articles of Incorporation, and these Bylaws. The Board may delegate to officers or agent all powers except those powers for which delegation is prohibited by the laws of the State of New Mexico.

4.02 Membership: The Board of Directors shall consist of not less than three (3) persons who are members of the Association, spouses of members, or in the event that a Unit is owned by a corporation or other business entity, an officer or directors of such entity.

4.03 Election: The Board of Directors shall consist of not less than three (3) nor more than nine (9) members, with the number thereof to be fixed by the Board of Directors prior to each annual meeting at which one or more members are to be elected. At any time that the Board is to consist of four (4) or more members, the Board shall be divided into two (2) classes with as equal as possible of number of members in each class.

Directors shall be elected for the class whose term of office expires at the annual meeting, and they shall hold office until the second meeting of members of the Association after their election and until their successors are elected and Qualified. Cumulative voting shall not be allowed. The candidate(s) receiving the highest number of votes shall be elected.

4.04 Term: Members of the Board of Directors shall serve for a term of two (2) years, The members of the Board of Directors shall serve until their respective successors are elected, their death, resignation or removal, or until they are no longer members of the Association, whichever is earlier.

4.05 Resignation and Removal: Any member may resign at any time by giving written notice to the Chairman or Secretary and any Member may be removed from membership on the Board, with or without cause, by the affirmative vote of two-thirds (2/3rds) of the votes represented at a meeting of tile Members of the Association called to consider such action at which a quorum is present. Vacancies shall be filled by a majority vote of the remaining members of the Board of Directors.

4.06 Regular Meeting: A regular annual meeting of the Board of Directors shall be held without other notice than this Bylaw, immediately after, and at the same place as the annual meeting of Members. The Board of Directors may provide by resolution the time and place, either within or without the State of New Mexico, for the holding of additional regular meetings of the Board without other notice than such resolution.

4.07 Special Meetings: Special meetings of the Board of Directors may be called by or at the request of the Chairman or any two (2) Directors, The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of New Mexico, as the place for holding special meetings of the Board called by them.

4.08 Notices: Notice of any special meeting of the Board of Directors shall be given at least two (2) days previously thereto by written notice delivered personally or sent by mail or telegram to each Director at his address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the US mail so addressed with postage thereon prepaid. If notice is given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted, nor the purpose of, any regular or special meeting of the Board need to be specified in tile notice of waiver of nonce of such meeting, unless specifically required by law or there Bylaws.

4.09 Proceedings: A majority of the members of the Board of Directors shall constitute a quorum. The decision of a majority of those present shall be the act of the Board of Directors. The Board of Directors shall elect: (1) President, who shall preside over both its meetings and those of the members; (2), a Vice President; and (3) a Secretary who shall keep the minutes of the Association. Meetings of the Board of Directors may be called, held and conducted in accordance with such regulations as the Board of Directors may adopt. The Board of Directors may also act without a meeting by unanimous written consent of its members.

4.10 Notice of Election: Any two persons who are designated of record as being Members of the most recent Board of Directors (regardless of whether or not they shall still be Members) may execute, acknowledge and record an affidavit stating the names of all of the members of the then-current Board of Directors. The most recently recorded of such affidavit shall be prima facie evidence that the persons named therein are all of the

incumbent members of the Board of Directors and shall be conclusive evidence thereof in favor of all persons who rely thereon in good faith.

4.11 Compensation: Directors as such shall not receive any compensation for their services, other than mileage for HOA business, nor shall any immediate family members of Directors be compensated or employed by the HOA without approval of the Board.

Article V. Management Committees

5.01 Designation by Directors: The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate an Executive Committee which shall consist of two (2) or more Directors and which, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the Management of the Association. However, no such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing these Bylaws; electing, appointing or removing any member of any such committee or any Director or officer of the Association; amending the Articles of Incorporation; adopting a plan of merger or adopting a plan of consolidation with another Association; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; authorizing the voluntary dissolution of the corporation or revoking proceedings therefore; adopting a plan for the distribution of the assets of the corporation; or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed on it or them by law. It is herein contemplated that the Board of Directors shall designate an Executive Committee which shall perform the management of the Association.

5.02 Other Committees: Other committees not having or exercising the authority of the Board of Directors in the management of the Association may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be Members of the Association, and the President of Association shall appoint the members thereof. Any members thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Association shall be served by such removal.

5.03 Term of Office: Each member of a committee shall continue as such until the next annual meeting of the Board of Directors of the corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member shall be removed from such committee, or unless such Members shall cease to qualify as a member thereof.

5.04 Chairman: One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

5.05 Vacancies: Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

5.06 Quorum: Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be an act of the committee.

5.07 Rules: Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

Article VI. Officers

6.01 Number: The officers of the Association shall be a President, a Vice President and a Secretary, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors.

6.02 Election and Term of Office: The officers of the Association to be elected by the Board of Directors shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the Members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until he shall resign or shall have been removed in the manner hereinafter provided.

6.03 Removal: Any officer elected by the Board of Directors may be removed by the Board of Directors without cause whenever in its judgment the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

6.04 Vacancies: A vacancy in any office because of death, resignation, removal, disqualification or otherwise: may be filled by the Board of Directors for the unexpired portion of the term. .

6.05 President: The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Association. They shall, when present, preside at all meetings of the members and Board of Directors. They may sign any instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated to the Board of Directors or by these bylaws to some other officer or agent of the Association, or shall be required by Law to be otherwise signed or executed; and in general shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board of Directors from time to time.

6.06 Vice President: The Vice President shall act in the absence of the President in any and all circumstances that require the actions of the President but shall have no additional powers beyond that.

6.07 Secretary: The Secretary shall: (a) keep the minutes of the Members' and the Board of Directors' meetings and display them in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the Association's records and of the seal (if any) of the Association and see that the seal of the Association is affixed to all documents the execution of which on behalf of the Association under its seal is duly authorized; (d) keep a register of the post office address of each Member and in general, perform all duties incident to the Office of the Secretary and such other duties as from time to time may be assigned to them by the President or by the Board of Directors.

6.08 Treasurer: If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of their duties in such sum and with such surety or sureties as the Board of Directors shall determine. They shall: (a) have charge and custody of and be responsible for all funds of the Association; receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in tile name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these Bylaws; and (b) in general, perform any of the duties as from time to time may be assigned to them by the President or by the Board of Directors. A Certified Public Accountant may be contracted with by the board to carry out the duties of Treasurer as defined in Subsection (a).

Article VII. Determination of Common Expenses and Fixing of Common Charges; Late fees; Liens

7.01 Budget: Prior to the beginning of each fiscal year, the Board of Directors shall prepare a budget for the Association and determine the amount of the common expenses and maintenance fees of the condominiums, all as more fully set forth in Article VIII of the Declaration.

8:02 Obligation of Owners: All Owners shall be obligated to pay the common charges assessed by the Board of Directors, annually, in advance, within ten (10) days of notice, or in such other reasonable manner as the Board of Directors may designate.

8.03 Late Fees: The Board of Directors is authorized and empowered to establish, assess and collect a late payment fee against such Owner who shall fail to pay the common expenses and maintenance fees in a timely manner. Any such late payment fee shall be a Special Assessment against such Owner. -

8.04 Lien for Assessments: The Board of Directors is authorized to file and enforce a lien against a Unit for any past due assessment against Such Unit or its Owner in accordance with such uniform procedures as may be established by the Board of Directors not in conflict with Section 8.7 of the Declaration or Section 47-7C-16, N.M.S.A.

Article VIII. Rules of Conduct

Rules and Regulations concerning the use of the condominium Units and the Common Areas may be promulgated and amended by the Board of Directors. A majority vote of the Association at a meeting may overrule the Board of Directors. Copies of such rules and regulations shall be furnished by the Board of Directors to each owner prior to the time when the same shall become effective.

Article IX. Amendments

These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted by a vote of the majority of the Board of Directors. Any such alteration(s), amendment(s), shall then be submitted to all Members of the Association present at the next regular or special meeting which may be held and, unless rejected by fifty-one percent (51%) or more of the votes cast, shall be conclusively deemed ratified.

Article X. Compliance

These Bylaws are set forth to comply with the requirements of the New Mexico Condominium Act and the provisions of the Declaration. In case these Bylaws or any part thereof conflict with any of the provisions of the Declaration, it is hereby agreed and accepted that the provisions of the Declaration shall govern and be controlling.

Article XI. Rental

In the event Second Home Owners desire to rent their respective Condominium Units, the following conditions must be met:

1. Owners must occupy their Unit for some portion of the year.
2. The Unit can be occupied by someone other than the homeowner as long as the homeowner has exclusive control over the property and does not enter into any rental agreement that requires the property to be rented or give a management firm control over the occupancy of the property.
3. Owners of units which do not qualify as Second Homes may, at their discretion, rent their units themselves, use a Realtor or contract with a management" company to do so. Renter information shall be provided to the office and kept on file there.
4. Short-term rentals are prohibited in Champions' Run. This includes rental for less than six months and 'Airbnb'/'VRBO' rental.

CHAMPIONS' Run will not participate in any manner in any rental transactions.

Article XII Indemnification

The Association shall have the power to indemnify any and all of the Directors and Officers, current or former, and any person who may have served at its request as Director or Officer of another Association in which it owns shares of capitol stock or of which it is a creditor against expenses actually or necessarily incurred by them in connection with the defense of any action, suit or proceedings in which they, or any of them are made party, by reason of being or having been directors or officers or a director or officer of the Association, or of such other

corporation, shall be finally adjudged in such action, suit or proceeding to be liable for misconduct in the performance of duty. Such indemnification shall not be deemed exclusive of any other right to which those indemnified may be entitled, under any bylaws, agreement, vote of members or otherwise.

IN WITNESS WHEREOF, the President and Secretary of the Association have signed their names as officers of the Association on behalf of the Association this ~~21st~~ ^{29th} day of May, 2024.

Luise Richards
President

Russell Locke
Secretary

STATE OF NEW MEXICO COUNTY OF LINCOLN

The foregoing document was acknowledged before me this ^{29th} day of May, 2024, by Luise Richards, President, and Russell Locke, Secretary, of Champions' Run Homeowners Association, on behalf of Champions' Run Association, a non-profit corporation of New Mexico.

My commission expires:

[Signature]
Notary Public

STATE OF NEW MEXICO
NOTARY PUBLIC
SARA B. HENNIE-GRIEGO
COMMISSION # 1062028
COMMISSION EXPIRES 05/08/2027