

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR

TEE PEE RANCH SUBDIVISION, PHASES II AND III

This DECLARATION of Covenants, Conditions and Restrictions is made this 7th day of March by Tee Pee Ranch, a limited partnership hereafter called "Developer".

W I T N E S S E T H :

WHEREAS, The Developer is the owner of the following described real property situated in Catron County, New Mexico:

A certain Subdivision known as Tee Pee Ranch, and shown on those certain plats thereof filed with the County Clerk of Catron County, New Mexico, on the 21st day of February, 1990 as Slides: B-028, B-029, B-030, and B-031.

WHEREAS, the Developer will convey the said properties, subject to certain protective covenants, conditions, restrictions, liens, reservations and charges hereinafter set forth.

NOW, therefore, Developer hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following covenants, conditions, charges, liens, restrictions, easements and reservations (hereinafter collectively sometimes called "restrictions"), all of which are for the purpose of enhancing and protecting the value, desirability, and attractiveness of the said real property, and all of which are hereby declared to be for the benefit of all of the properties described herein and the owners thereof, their heirs, successors, grantees and assigns. These restrictions shall run with the real property and shall be binding on all parties having or acquiring any right, title or interest in the described properties, or any part thereof, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1. "Declaration" shall mean this entire document which may be amended from time to time.

Section 2. "Lot" shall mean and refer to any numbered plat recorded on the subdivision plat of the Property.

Section 3. "Owner" shall mean and refer to the recorded Owner(s) whether entitled of equitable or legal title.

Section 4. "Property" shall mean refer to all property, including roads and any common areas as shown in the Subdivision Plat.

ASSOCIATION

The Developer shall establish a New Mexico Not For Profit Corporation named "Tee Pee Ranch Landowners' Association, Inc.", (hereafter called "Association") charged with the duties and invested with the powers prescribed by law and set forth in the Articles of Incorporation, the Bylaws for the Association, and this Declaration.

Section 1. ESTABLISHMENT OF THE ASSOCIATION. By acceptance of a deed, or by acquiring any ownership interest in any lot, each person or entity for himself or itself, his heirs, personal representatives, successors, transferees and assigns binds himself, his heirs, personal representatives, successors, transferees and assigns to be members of the Association automatically.

Section 2. MEMBERSHIP AND VOTING RIGHTS. Every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

(a) The Association shall have (1) one class of voting membership:

The members shall all be Owners and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any lot.

(b) Each member shall have such other rights, duties and obligations as shall be set forth in the Articles of Incorporation, the Bylaws and the Rules of the Association, as they may be amended from time to time.

Section 3. PURPOSE OF ASSESSMENT FEE. The assessment fee levied by the Association shall be used exclusively to promote the health, safety, and welfare of the owners of the lots. The initial purpose of the Assessment fee is to maintain the roads shown on the Tee Pee Ranch Plat, and provide for the maintenance of the Landfill and Ranch House.

Section 4. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENT FEES: DUE DATES. The first annual assessment fee payments on all lots shall be due January 31, 1989, and every year thereafter.

Section 5. EFFECT OF NONPAYMENT OF ASSESSMENT FEE: REMEDIES OF THE ASSOCIATION. Any assessment fee not paid within 30 days after the due date shall be a lien, subject to foreclosure, upon the lot assessed.

Section 6. UNIFORM RATE OF ASSESSMENT FEE; DEVELOPER EXCEPTION. The assessment fee shall be at the same rate for all lots, except for the lots owned by the developer. The developer shall pay on these lots one-fifth (1/5) of the normal assessment fee paid by other owners of the lots.

USE RESTRICTIONS

Section 1. Natural vegetation, shall be left undisturbed, except for such clearing necessary to use the lot for its intended purpose. No logging or tree cutting operations are to be conducted on any lots except to thin the trees where necessary. The natural beauty of the land must be preserved and maintained.

Section 2. No junk vehicles or junk mechanical equipment of any kind are permitted on the property. Any trash or junk shall be deposited in sanitary containers. Lots shall be kept in a clean and tidy condition. No tarpaper shacks, or dilapidated unkept trailers, mobile homes, or buildings are to be constructed or placed on the property. All trailers, mobile homes, and buildings are to be of a professional quality and workmanship.

Section 3. No building structure, trailer, tent, or mobile home on any lot shall be nearer than 40 feet to the street line, nor nearer than 15 feet to the side lot line, nor nearer than 15 feet from the back lot line.

Section 4. No obnoxious, noisy or offensive business or commercial ventures may be conducted on any of the lots.

Section 5. Animals shall be confined in suitable enclosures. Livestock must be kept in sanitary conditions. No animal, horse, bird, fowl, poultry, or livestock shall be allowed to make an unreasonable amount of noise, or to become a nuisance to neighboring properties.

Section 6. All structures, except antennas shall not be more than 30 feet in height.

Section 7. None of the lots in the Subdivision shall be resubdivided into smaller lots nor conveyed in less than the full original dimension of such lot as shown by the plat, except for public or private utilities, in which event, the remaining portion of said lot shall be treated as a whole lot for the purpose of this provision.

Section 8. No lot shall have more than one detached single-family dwelling; together with other detached structures such as a garage, barn, or storage shed, which structures are appropriate for the use and enjoyment by a family unit; and two guest houses.

Section 9. Homes and other buildings or structures must blend in with the natural vegetation and terrain or be well hidden inside the lot.

ARTICLE IV

GENERAL PROVISIONS

Section 1. INTERPRETATION OF RESTRICTIONS. The Board Members of the Association shall have the exclusive right to construe and interpret these restrictions; and their decision shall be final, conclusive and binding upon

all persons and the Property.

Section 2. SEVERABILITY. Any determination by any court of competent jurisdiction that any provision in this instrument is invalid or unenforceable shall not affect the validity or enforceability of the remaining provisions of this instrument and the same shall remain in full force and effect.

Section 3. WAIVER OR ABANDONMENT. Except as otherwise specifically set forth in Section 5 hereof, the failure to enforce any breach or violation of any of the provisions of this instrument shall not constitute an abandonment or waiver of any right to enforce such provision or any subsequent breach or violation of such provision or of any of the other Restrictions herein set forth.

Section 4. ENFORCEMENT. These Covenants, Conditions, and Restrictions which shall run with the Property and be a burden on the property are for the exclusive benefit and protection of the property owners, and shall be enforceable by majority vote of the Board Members of the Association. Violation of any one or more of the Restrictions herein set forth may be restricted or enforced by any court of competent jurisdiction and/or damages may be awarded for any violation. However, nothing herein shall be construed as meaning that damages are an adequate remedy where equitable relief is sought.

Section 5. AMENDMENT. The Covenants, Conditions, and Restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be extended automatically for successive periods of ten (10) years. This Declaration may be amended from time to time by recording in the Office of the County Recorder of Catron County, New Mexico, an instrument in writing reciting, said Amendment and signed (with signatures properly acknowledged) by seventy-five (75%) of the members of the Association. No such amendment shall be valid with respect to a mortgage, An Agreement for Sale, or trust deed of any such lot unless the Mortgagee or Beneficiary has consented in writing to such amendment.

IN WITNESS WHEREOF, the undersigned has executed this instrument as of the 7th day of March, 1990.