



OFFICE OF THE
PUBLIC REGULATION COMMISSION

CERTIFICATE OF COMPARISON

OF

MID VALLEY AIR PARK PROPERTY OWNERS ASSOCIATION, INC.

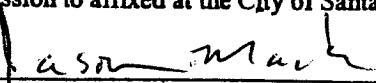
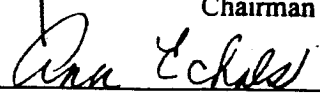
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The Public Regulation Commission certifies that the attached is a true and complete copy of the ***40*** page document(s) on file in this office.

This Certification is in accordance with Section 53-8-93 NMSA 1978.

DATED: FEBRUARY 18, 2008

In testimony whereof, the Public Regulation of the State of New Mexico has caused this certificate to be signed by its Chairman and the seal of said Commission to affixed at the City of Santa Fe.


Chairman

Bureau Chief

STATE OF NEW MEXICO



CERTIFICATE OF INCORPORATION

OF

MID VALLEY AIR PARK PROPERTY
OWNERS ASSOCIATION, INC.

(105,311 5)

The State Corporation Commission certifies that duplicate originals of the Articles of Incorporation attached hereto, duly signed pursuant to the provisions of the Non-Profit Corporation Act, have been received by it and are found to conform to law.

Accordingly, by virtue of the authority vested in it by law, the State Corporation Commission issues this Certificate of Incorporation, and attaches hereto a duplicate original of Articles of Incorporation.

*In Testimony Whereof, the State Corporation
Commission of the State of New Mexico
has caused this certificate to be signed
by its Chairman and the seal of said
Commission to be affixed at the City of
Santa Fe on*

March 27, 1980

Attest:

Donald R. Selinger
Director

Charles B. Rudolph
Chairman

ARTICLES OF INCORPORATION
OF
CORPORATION AND
FRANCHISE TAX DEPTS.

MID VALLEY AIR PARK PROPERTY OWNERS ASSOCIATION, INC.

A Nonprofit Corporation

In compliance with the requirements of the "Nonprofit Corporation Act", Section 53-8-1, et seq., New Mexico Statutes Annotated (1978), the undersigned, all of whom are of lawful age, have this day voluntarily associated themselves together for the purpose of forming a corporation not for profit, and do hereby certify as follows:

ARTICLE I

NAME

The name of the corporation is Mid Valley Air Park Property Owners Association, Inc.

ARTICLE II

DURATION

The duration of Mid Valley Air Park Property Owners Association, Inc. shall be perpetual.

ARTICLE III

PURPOSES

Mid Valley Air Park Property Owners Association, Inc. does not contemplate pecuniary gain or profit to the members thereof and is organized solely for nonprofit purposes. Mid Valley Air Park Property Owners Association, Inc. shall not have the power to issue stock or to declare dividends. The specific purposes for which it is formed are to organize an association of home owners and property owners who have an interest in land contained within the exterior boundaries of the Mid Valley Air Park in order to protect property values, charge assessments to members, enforce declarations of restrictions, and regulate and maintain the common areas of Mid Valley Air Park once the developer's obligations have ceased.

RECEIVED

FEB 20 1980

N.M. ST. CORP. COMM
CORP. FRANCHISE TAX DEPT.

ARTICLE IV
REGISTERED OFFICE

The registered office of Mid Valley Air Park Property Owners Association, Inc. is located at 444 Hathaway Circle N.E., Los Lunas, New Mexico 87031.

ARTICLE V
REGISTERED AGENT

John Love, whose address is 444 Hathaway Circle N.E., Los Lunas, New Mexico 87031, is hereby appointed the initial registered agent of Mid Valley Air Park Property Owners Association, Inc.

ARTICLE VI
BOARD OF DIRECTORS

The affairs of Mid Valley Air Park Property Owners Association, Inc. shall be managed by a Board of Directors. The initial Board of Directors shall consist of five (5) members. The names and addresses of the persons who are to act as the initial Board of Directors and officers of Mid Valley Air Park Property Owners Association, Inc., until their successors have been selected at the first annual election of directors, shall be as follows:

John Love, President
& Chairman
444 Hathaway Circle NE
Los Lunas, NM 87031

Donald Wood, Member
Board of Directors
4303 Elaine Dr. SE
Los Lunas, NM 87031

Paul Moore, Vice President
3884 Tammy Ct. SE
Los Lunas, NM 87031

Jo Orr, Member
Board of Directors
404 Luscombe Ln.
Los Lunas, NM 87031

Herbert Bowen, Secretary
& Treasurer
343 Don SE
Los Lunas, NM 87031

The selection process for Board members, as well as their terms, removal and duties, shall be as provided for in the Bylaws of Mid Valley Air Park Property Owners Association, Inc.

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FEB 29 1991

N.M. ST. CLERK COMM.
Corp./Franchise Tax Depts

ARTICLE VII

INCORPORATORS

The names and addresses of each incorporator are as follows:

John Love
444 Hathaway Circle N.E.
Los Lunas, New Mexico 87031

Herbert Bowen
342 Don S.E.
Los Lunas, New Mexico 87031

Donald Wood
4303 Elaine Dr. S.E.
Los Lunas, New Mexico 87031

G. L. Welch
3867 Tammy Ct. S.W.
Los Lunas, New Mexico 87031

Ronnie M. Orr
404 Luscombe Ln.
Los Lunas, New Mexico 87031

Rose Longmire
311 Don St. S.E.
Los Lunas, New Mexico 87031

Paul Moore
3884 Tammy Ct. S.E.
Los Lunas, New Mexico 87031

Ernest Little
3820 Elaine Dr. S.E.
Los Lunas, New Mexico 87031

ARTICLE VIII

AMENDMENTS

Amendments to these Articles of Incorporation and amendments to the Bylaws shall be as provided for in the Bylaws of Mid Valley Air Park Property Owners Association, Inc.

IN WITNESS WHEREOF, for purposes of forming Mid Valley Air Park Property Owners Association, Inc., under the laws of the State of New Mexico, we the undersigned, constituting the incorporators of the association, have executed these Articles of Incorporation this 22nd day of February, 1980.

Herbert Bowen
John Love
Donald Wood
G. L. Welch
Rose Longmire
Ronnie M. Orr
Paul Moore
Ernest Little

STATE OF NEW MEXICO)
County of Valencia) ss.

The foregoing Articles of Incorporation were acknowledged
before me this 22nd day of February, 1980, by JOHN LOVE,
RONNIE ORR, PAUL MOORE, HERBERT BOWEN, G. L. WELCH and ROSE
LONGMIRE, ERNEST LITTLE.

Julomera Bais
Notary Public

My commission expires:

Feb. 12, 1981



RECEIVED

STATE OF NEW MEXICO
RECEIVED

STATE OF NEW MEXICO

CORPORATION AND
FRANCHISE TAX DEPTS.

AFFIDAVIT OF ACCEPTANCE OF APPOINTMENT

AS REGISTERED AGENT FOR MID VALLEY
AIR PARK PROPERTY OWNERS ASSOCIATION, INC.

JOHN LOVE, of 444 Hathaway Circle N.E., Los Lunas, New
Mexico 87031, being first duly sworn, states:

That he accepts appointment as Registered Agent of
Mid Valley Air Park Property Owners Association, Inc.

John Love
Affiant

SUBSCRIBED AND SWORN TO before me this 22nd day of
February, 1980.

Lilomiana Bass
Notary Public

My commission expires:

Feb. 12, 1981

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FEB 22 1980

FROM ST. LOUIS COMM
BUTLER/RECEIVED Tax Dept

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BYLAWS OF MID VALLEY AIR PARK CORPORATION AND
PROPERTY OWNERS' ASSOCIATION
A NON-PROFIT CORPORATION

ARTICLE I

DEFINITIONS

The following words and their derivations have the following meanings when used herein:

(A) Association means the Mid Valley Air Park Property Owners' Association, Inc., and its successors.

(B) Board means the Board of Directors of the Association.

(C) Common Area refers to the land and improvements thereon situated North of the East and West red line superimposed on the plat attached hereto, excluding the East-West runway.

(D) Declaration means the declaration of restrictions and any supplemental declaration.

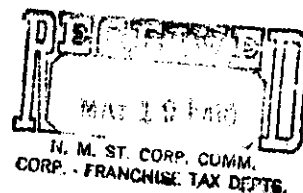
(E) Developer means Wood & Son Airpark, Inc.

(F) Property means real property located within Wood & Son Airpark Subdivision, Los Lunas, New Mexico, as more particularly described in Exhibit A hereto.

(G) Regulations means rules promulgated by the Board from time to time in the manner permitted by the Articles of Incorporation and Bylaws of the Association.

(H) Supplemental Declaration means any instrument which amends or terminates the declaration, or which accomplishes some action taken under the Declaration, and which has been executed and acknowledged in the manner required by the Declaration, and which has been executed and acknowledged in the manner required by the Declaration, and recorded with the Valencia County Clerk.

(I) Property Unit means any parcel of land located within the exterior boundaries of the Mid Valley Airpark, as described in Exhibit B attached hereto.



ARTICLE II

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

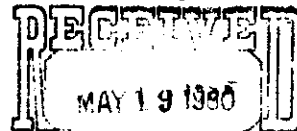
Section 1. MEMBERSHIP. Every person or entity who is a record owner of a fee or undivided fee interest in any property unit will be a member of the Association (hereinafter called a member). The rights of membership, including the right to participate in Association affairs, the right to vote, and the right to use the common area, are subject to suspension by the Board during any period in which any assessment payable by the member remains unpaid. Membership is not transferable or assignable to non-record owners.

Section 2. VOTING RIGHTS. The Association shall have one class of voting membership. All members, including the developer, will be Class A members and will have one vote for the property unit(s) in which they hold the interest required for membership in the Association. If the members have a home on such property unit, occupied by the members, then such members shall have one additional vote. If the members own, in whole or in part, any number of property units, in addition to the one required for membership, then such members shall have one additional vote. When more than one person or entity holds such an interest in a property unit, all will be members, and the vote for the property unit will be exercised as they among themselves determine, but no more than one vote may be cast with respect to the property unit required for membership; no more than one vote will be cast with respect to those members who have a home, occupied by the members, situated on the property unit required for membership; no more than one vote will be cast by the members owning, in whole or in part, any number of additional property units.

Section 3. MEMBERSHIP MEETINGS.

(A) Annual meeting.

The annual meeting of the members, for the purpose of electing directors and transacting such other business as shall properly come before the meeting, shall be held during
September of each year.



(B) Special meetings.

Special meetings of the members will be called at any time by the request of the President or no less than one-quarter of the members or upon resolution of a majority of the Board of Directors.

(C) Time and Place of Meetings.

All meetings of the members will be held on the date and at such time and place within the State of New Mexico as will be specified in the respective notices of such meetings or waivers thereof.

(D) Notice of Meetings.

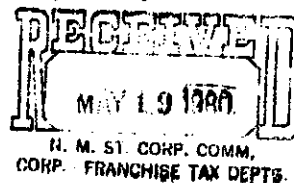
Written notice of every meeting or special meeting of the members will be served personally or by mail, postpaid, to each member at his or her last known address not less than ten (10) days before the meeting. Such notice will state the purpose for which the meeting is called and the date and time when and the place where it is to be held. Notice of the date, time and place and purpose of any meeting need not be given to any member who, in writing, executes and files with the records of the Corporation, either before or after the holding of such meeting, a waiver of such notice; provided however, in the event of an emergency, written notice will not be required and the best notice possible under the circumstances shall be given.

Meetings of members which will include business requiring "Special Assent of the Members", as provided in Section will require thirty (30) days advance written notice to each member by the Association.

Meetings of members which will include voting on proposals to transfer all or part of the common area as authorized in Article VI, Section 3 will require ninety (90) days written notice to each member by the Association.

(E) Quorum.

At all meetings of the members, the presence, in



person, of one-third of the members will be sufficient.

ARTICLE III

BOARD OF DIRECTORS

Section 1. GENERAL POWERS. The business and affairs of the Corporation will be managed by its Board of Directors. All powers not herein expressly delegated to, or delegated by law to the members are hereby reserved to the Board of Directors.

Section 2. NUMBER AND QUALIFICATIONS. There will be Five (5) directors. Any member may be a director.

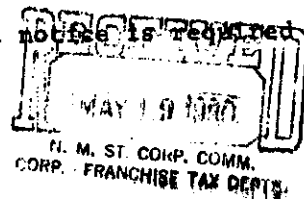
Section 3. ELECTION AND TERM OF DIRECTORS. The Directors will be elected by a majority vote of the members present at their annual meeting. Directors will serve a term of one year and may succeed themselves in office. Each person elected a Director will continue in office until his successor will have been duly elected and qualified, or until his resignation or removal in accordance with these Bylaws.

Section 4. RESIGNATION AND REMOVAL OF DIRECTORS. Any Director may be removed at any time by a majority vote of the members of the Corporation present at a legal meeting. Written notice of removal must be provided within thirty (30) days after the date of the members' action. Any Director may resign at any time by giving thirty (30) days written notice to the Board.

Section 5. CHAIRPERSON. One member of the Board of Directors will be chosen Chairperson of the Board, by the Board, and he or she will in general preside over the meetings of the Board of Directors.

Section 6. MEETINGS OF THE BOARD.

(A) Quarterly Meetings. The Board will meet quarterly for the transaction of such business as will properly come before the meeting. Such quarterly meetings of the Board will be general meetings and will be open for the transaction of any business within the powers of the Board without special notice of such business except in any case where special notice is required by



law, by the Articles of Incorporation or by these Bylaws.

(B) Special meetings. Special meetings of the Board may be called any time by the Secretary upon the request of the President or no less than two of the Directors.

(C) Time and Place of Meetings. All meetings of the Board will be held on the date and at such time and place within the State of New Mexico as shall be specified in the respective notices of such meetings or waivers thereof.

(D) Notice of Meetings. Written notice of every meeting or special meeting of the Board will be served personally or by mail to each Director not less than ten (10) days before the meeting. Such notice will state the purpose for which the meeting is called, the date, time and the place where it is to be held. Notice of the date, time, place and purpose of any meeting need not be given to any Director who, in writing, executes and files with the records of the Corporation, either before or after the holding of such meeting, waiver of such notice. In the event of an emergency, written notice will not be required and the best notice possible under the circumstances will suffice.

(E) Quorum. At all meetings of the Board, the presence of three (3) of the Directors shall be sufficient to constitute a quorum.

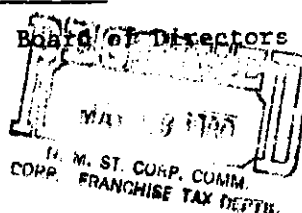
(F) Legal Meeting. Any meeting at which a quorum is present and proper notice was given according to these Bylaws will constitute a legal meeting.

Section 7. INFORMAL ACTION BY DIRECTORS. Any action which may be taken at a meeting of Directors may be taken without a meeting by consent, in writing, setting forth the action taken and signed by a majority of the Directors.

ARTICLE IV

OFFICERS

Section 1. NUMBER AND QUALIFICATIONS. The officers of the corporation will be chosen from the Board of Directors by the



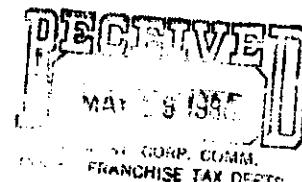
Board of Directors and shall consist of a President, Vice President, Secretary and Treasurer, and such other officers as the Board of Directors may determine. Any two offices may be held by the same person except the offices of President and Secretary.

Section 2. ELECTION AND TERM OF OFFICE. The officers of the corporation shall be elected annually by the Board of Directors. Each officer will hold the office until his successor shall have been duly elected and qualified or until his resignation or removal, in accordance with these Bylaws.

Section 3. RESIGNATION AND REMOVAL OF OFFICERS. Any officer may be removed at any time by vote of the majority of the Association members present at any legal meeting. Written notice of removal must be provided within thirty (30) days after the date of members' action. Any officer may resign at any time by giving thirty (30) days written notice to the Board.

Section 4. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board for the unexpired portion of the term. A newly created office may be filled by the Board at any time.

Section 5. PRESIDENT. The President will be the chief executive officer of the Association and will serve as Chairperson of the Board of Directors, being responsible for the execution of the policies of the Board. The President will have general supervision over the affairs and property of the Association and over its officers and will generally do and perform all acts inherent to the office of President and will have such additional powers and duties as may from time to time be assigned to him or her by the Board. The President will be the co-signer of all checks issued on behalf of the Association, and the President may sign and execute in the name of the Association, contracts not exceeding the amount of \$1,000.00 and other instruments, once authorized by a written four-fifths vote of the Board, except in

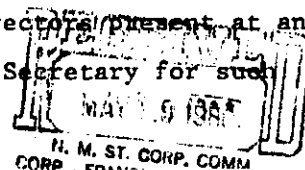


cases where the signing and execution thereof will be expressly delegated by a written four-fifths vote of the Board or by these Bylaws to some other officer or agent of the Association, or where such right is reserved by the Board. In making any expenditure exceeding \$1,000.00, the President must first receive approval by majority vote of the members present at a legal meeting of the Association.

Section 6. VICE PRESIDENT. At the request of the President, or in his absence or disability, the Vice President will perform all the duties of the President and when so acting will have all the powers and be subject to all restrictions upon the President.

Section 7. TREASURER. The treasurer will act under the supervision of the Board and will have charge and custody of and be responsible for all the funds of the Association and will keep or cause to be kept, accurate and adequate records of the assets and liabilities and transactions of the Association by such procedure as will be established by the Board. The Treasurer will deposit all monies and other valuable effects of the Association in such banks, trust companies or other depositories as may be designated by these Bylaws. The Treasurer, with the co-signature of the President, will disburse the funds of the Association based upon proper vouchers which have been approved by the Board for payment of such disbursements. In general, the Treasurer will perform all the duties inherent to the office of the Treasurer and such other duties as may from time to time be assigned by the Board or by the President.

Section 8. SECRETARY. The Secretary will keep the minutes of all meetings of the Board and the Association in one or more books provided for that purpose and, whenever required by the President, the Secretary will perform like duties for any committee; provided that in the absence of the Secretary, the majority of the members of the Board of Directors present at any meeting may designate any person to act as Secretary for such



meeting. The Secretary will maintain an official membership roster of the Association and of the Board. The Secretary will see that all notices are duly given in accordance with these Bylaws and as required by law. He or she will be custodian of and be in charge of the books, records and papers of the Association relating to its organization and will see that all reports, statements and other documents required by law are properly kept or filed, except to the extent that the same are kept or filed by the Treasurer. In general, the Secretary will perform all the duties inherent to the office of Secretary and such duties as may from time to time be assigned by the Board or by the President.

ARTICLE V COMMITTEES

The Board may from time to time, by resolution, appoint directors, officers or members of the Association to committees with such functions, powers and duties as the Board shall determine. A non-member may be asked to serve as a consultant to a committee.

ARTICLE VI THE COMMON AREAS

Section 1. USE OF COMMON AREAS. The common areas are intended for, and are restricted to the use established by Association Regulations. Every member has a right to use the common areas and that right is appurtenant to, and passes with the members Property Unit. Any member may extend that right to the members of the member's family who reside on the Property or to any tenant of the member who resides on the Property.

Section 2. EXTENT OF MEMBER'S RIGHT OF USE. The right of a member to use the common areas is subject to the right of the Association:

- (A) To suspend the use rights of any member for any period during which the membership rights of the member are suspended; and
- (B) To publish regulations governing use of the common areas and the personal conduct of the

members and their guests thereon.

Section 3. TITLE TO COMMON AREAS. The Developer will retain legal title to the common areas until it has completed the improvements thereof, by May 20, 1989, at which time Developer will convey title to the common areas to the Association, free and clear from any encumbrances.

ARTICLE VII

ASSESSMENTS

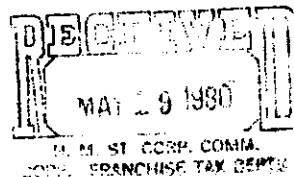
Section 1. LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS.

The Board of Directors shall establish the amount of the annual assessment owed by each member to the Association. Assessments will begin on the date set by the Board and will be prorated for partial assessments years. The assessment will be charged to, and will be the personal obligation, of the member who was the legally recorded owner at the time the assessment became due. Each member of the Association will pay to the Association for each property unit owned:

- (1) Annual assessments;
- (2) Special assessments;
- (3) Interest at the rate of ten percent (10%)
per annum for the date of delinquency, and
- (4) Cost of collection, including attorney's fees.

The assessments will be a charge and a continuing lien on the property unit against which the assessment is made. The Board shall have the authority to establish different rates for commercial or residential property, if it so desires.

Section 2. PURPOSE OF ASSESSMENTS. The assessments shall be used exclusively for the purpose of maintenance and repair of auto-plane drives and the park area and payment of professional fees for Association attorney, accountant, etc. The fund established with these assessments shall not be used until all initial construction of auto-plane drives and park facilities have been completed and until the commitment of the Developer, as

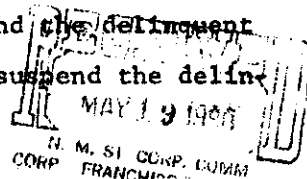


stated in the Disclosure Statement under "Terms and Conditions" of Wood and Son Airpark Development to maintain these areas to May 20, 1989, has been fulfilled.

Section 3. RECORD KEEPING. The Association will send each member a notice of the amount and due date of the assessment as determined by the Board. The Association will keep accurate records of the amount of assessment against each member, the due dates and the payments thereon which will be kept in the Association office open to inspection by any member. The Association will, on demand, at any time furnish to a member a certificate signed by an Association officer, setting forth whether the assessment on the member's Property Unit has been paid; the certificate will be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 4. SPECIAL ASSESSMENTS. The Association, with the special assent of the majority of the members present at a meeting may levy in any assessment year, in addition to the annual assessment, a special assessment for that assessment year to defray, in whole or in part, the cost of construction, reconstruction, or or unexpected repair or replacement of a particular capital improvement in a common area, including the necessary fixtures and personal property related thereto, and to pay necessary professional expenses for the Association attorney, accountant, etc. The amount and due date will be fixed in the levying resolution.

Section 5. REMEDIES OF THE ASSOCIATION FOR NON-PAYMENT OF ASSESSMENT. If any assessment is not paid within thirty (30) days after it is due, it is delinquent and the Board may declare the assessment against the property unit for the assessment year due and payable, and the Association may, file its claim of lien as stated heretofore, and foreclose same or bring a civil suit to enforce payment of the personal obligation. Additionally, the Association may, through its Board of Directors, suspend the delinquent member's voting privileges, suspend the delinquent member's membership in the Association, and suspend the delin-



quent member's use of the common area, either controlled or owned by the Association. The delinquent member shall be responsible for the payment of all expenses, including court costs and attorney's fees incurred by the Association in the enforcement of its remedies against delinquent members for non-payment of assessment. The names of delinquent members and the amount of their indebtedness shall be read at regularly scheduled meetings of the Association.

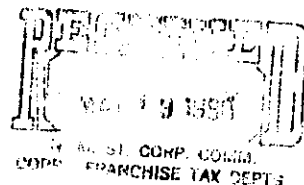
ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 1. DURATION. The property will be owned and transferred subject to the Articles of Incorporation, Bylaws, regulations and declaration of restrictions of the Association, as presently existing or as amended. The provisions of the Declaration are "covenants running with the land" will run with and bind the land and will bind, inure to the benefit of and be enforceable by the Association, or any member, and their respective legal representatives, heirs, successors and assigns. The Declaration, and Articles, Bylaws and Regulations of the Association, may be enforced by any proceeding at law or in equity, against any person violating or attempting to violate the Declaration, either to restrain violations, specifically enforce, or to recover damages and against the land to enforce any lien created by the Declaration. The failure by the Association or any member to enforce the Declaration is not a waiver of the right to do so thereafter. The members and the Association must not violate the provisions of the Declaration, and the Articles, Bylaws, and Regulations of the Association.

Section 2. FISCAL YEAR. The fiscal year of the Association begins on the first day of September and ends on the last day of August of each year.

Section 3. EXECUTION OF CONTRACTS. The President may



enter into any contract or execute any contract or other instrument in the name of and on behalf of the Association unless the Board shall otherwise determine. The Board, by majority vote, may authorize any officer, employee or agent in the name of and on behalf of the Association to enter into any contract or execute and deliver any instrument and such authority may be general or confined to specific instances. Unless authorized by these Bylaws or by the Board, no officer, employee or agent will have any power to bind the Association by any contract or engagement or to pledge its credit or to render it liable pecuniarily for any purpose or in any amount.

Section 4. LOANS. No loans will be contracted on behalf of the Association unless authorized by the Board.

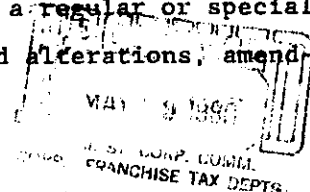
Section 5. COMMERCIAL PAPER. All checks, drafts and other orders for the payment of money out of the funds of the Association, and all notes or evidences of indebtedness of the Association, will be executed on behalf of the Association by such officer or officers, or employee or employees, as the Board may, by resolution, from time to time determine.

Section 6. DEPOSITS. All funds of the Association not otherwise employed will be deposited to the credit of the Association in such banks, trust companies or other depositories that the Board may select, or as may be selected by any officer or employee to whom such power may be delegated by the Board, and the Board may designate any officer or employee to endorse, sign and deliver checks, drafts and other orders for the payment of money which are payable to the Corporation.

ARTICLE IX

AMENDMENT OF BYLAWS

These Bylaws or any part of them may be altered, amended or repealed or new Bylaws may be made only by a majority vote of the members of the corporation voting at a regular or special meeting provided that notice of all proposed alterations, amend



ments, or repeal will be included in the notice of such meeting.

ARTICLE X

LIABILITY OF OFFICERS, DIRECTORS AND MEMBERS

No Directors, officer or member of the Association will be personally bound by the obligations incurred by the Association and all contracts executed will be in the name of the Association and not in the name of any individual Director, officer or member, and the Association will furnish bond.

WITNESS our hands and seals this 23rd day of

April, 1980.

John Love
PRESIDENT

Herbert Bowen
SECRETARY

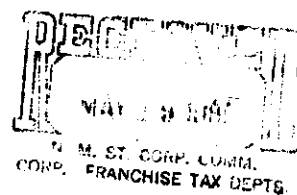
STATE OF NEW MEXICO)
County of Valencia) ss.

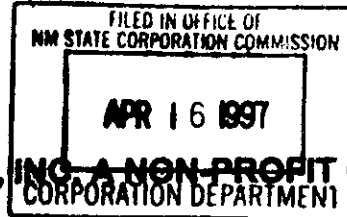
The foregoing Bylaws were acknowledged before me this 23rd day of April, 1980, by John Love President, and Herbert Bowen, Secretary of Mid Valley Air Park Property Owners Association, Inc., a non-profit corporation, on behalf of said corporation.

Filomena Bae
Notary Public

My commission expires:

Feb. 12, 1981





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**BYLAWS OF MID-VALLEY AIR PARK
PROPERTY OWNERS' ASSOCIATION, INC. - A NON-PROFIT CORP.**
ADOPTED 11 SEPTEMBER 1993

ARTICLE I - DEFINITIONS

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The following words and their derivations have the following meanings when used herein:

- A) **ASSOCIATION** - The Mid-valley Air Park Property Owners' Association, Inc. and its successors.
- B) **BOARD** - The Board of Directors of the Association
- C) **COMMON AREA** - The land and improvements thereon owned and/or controlled by the Association and consisting of the recreational area, auto plane drives, runways and taxiways as shown on Exhibit A attached hereto and recorded in Book 299 Page 4686 Valencia County Clerk's Office, Los Lunas, New Mexico.
- D) **DECLARATION** - Declaration of restrictions and any supplemental declaration.
- E) **MEMBER IN GOOD STANDING** - Any member of the Association with all membership rights intact.
- F) **PROPERTY** - Real property located within the Mid Valley Air Park Subdivision, Los Lunas, New Mexico, as more particularly described in Exhibit A attached hereto and recorded in Book xx Page xx Valencia County Clerk's Office, Los Lunas, New Mexico.
- G) **REGULATIONS** - Rules promulgated by the Board from time to time in the manner permitted by the Articles of Incorporation and Bylaws of the Association.
- H) **SUPPLEMENTAL DECLARATIONS** - Any instrument which amends or terminates the Declaration or which accomplishes some action taken under the Declaration and which has been executed and acknowledged in the manner required by the Declaration and recorded by the Valencia County Clerk.

ARTICLE II - PURPOSE

The purpose of the Association shall be to provide overall management of the Mid Valley Air Park and to protect the interests of its members. These shall include, but are not limited to, protection of the aviation environment of the Air Park, promotion of the communities welfare, encouragement of social interaction and such other lawful purposes as determined by the Board to be reasonable and necessary for the safety, well being and prosperity of the Air Park.

ARTICLE III - OFFICE

The registered office of the Association shall be the address of the President or the registered Agent designated by the Board.

ARTICLE IV - MEMBERSHIP AND VOTING RIGHT IN THE ASSOCIATION

Section 1. MEMBERSHIP - Every person or entity who is the recorded owner of a fee or undivided interest in any Property will be a member of the Association (hereinafter called a member). The rights of membership include the right to participate in Association affairs, the right to vote and the right to use the common areas.

Section 2. VOTING RIGHTS - All members of the Association will have one vote for the property in which they hold the interest required for membership in the Association. If a member has a

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home on such a property, then that member shall have one additional vote. If a member owns any property in addition to the property that qualifies them for membership, that member shall have one additional vote. No more than one additional vote shall be permitted for a home and one additional vote for any additional property owned by a member (three votes total). When more than one person or entity hold interest in a property, all will be members. The vote(s) for that property may be cast as they decide among themselves.

ARTICLE V- MEMBERSHIP MEETINGS

Section 1. ANNUAL MEETING - The annual meeting of the members, for the purpose of electing the Board, setting the annual dues approving a budget, and transacting such other business as shall properly come before the meeting, shall be held during September each year.

Section 2. SPECIAL MEETINGS - Special meetings of the members will be called at any time by the request of the President, upon resolution of a majority of the Board or by a written request signed by not less than one-quarter of the members.

Section 3. TIME, PLACE AND CONDUCT OF THE MEETINGS - All of the meetings of the members will be held on the date and at such time and place within the state of New Mexico, County of Valencia, as will be specified in the respective notices of such meetings. Meetings shall be conducted in accordance with these bylaws and Robert's Rules of Order.

Section 4. NOTICE OF MEETINGS - Written notice of every meeting or special meeting of the members will be served personally or by mail, postage prepaid, to each member at the member's last known address not less than ten (10) days before the meeting. Such notice will state the purpose for which the meeting is called and the date, time and place where it is to be held.

Meetings of members which will include business requiring "special assent of the members" as provided in Article X, Section 3 will require thirty (30) days advance written notice to each member by the Association.

Meetings of members that will include voting on proposals to transfer Title to all or part of the common areas will require forty five (45) days advance written notice to each member of the Association.

Section 5. VOTING - The Board may require a written ballot for any membership vote. Votes are permitted only by members in good standing present at the meeting.

Section 6. MEMBERSHIP MEETING BALLOTS - Written ballots cast at any membership meeting will be retained in the possession of the Secretary for forty eight (48) hours following adjournment of the meeting. During this period the ballots will be available for examination by any member in good standing, but will remain in the physical possession of the Secretary. Following this period they will be destroyed unless a written challenge has been filed with the Board by a member in good standing.

Section 7. QUORUM - At all meetings of the members, the presence, in person, of one-third of the members in good standing shall constitute a quorum. If a quorum is not present, a second meeting will be scheduled and at least a fifteen (15) day advanced written notice given. For the second meeting those members in good standing in attendance will constitute a quorum.

ARTICLE VI- BOARD OF DIRECTORS

Section 1. GENERAL POWERS - The business and affairs of the Association will be managed by the Board. All powers not herein expressly delegated to, or delegated by law, to the members are hereby reserved to the Board.

Section 2. REMUNERATION - The members of the Board of Directors shall serve without pay.

Section 3. NUMBER AND QUALIFICATIONS - There will be five (5) Directors. Any member in good standing may be elected and serve as a Director.

Section 4. ELECTION AND TERM OF DIRECTORS - The Directors will be elected by a majority vote of the members in good standing present at the annual meeting. Directors will serve a term of two (2) years and may succeed themselves in office. Three (3) Directors shall be elected each odd-numbered year and two (2) Directors elected each even numbered year. At the membership meeting following the adoption of these bylaws, the appropriate number of candidates receiving the most votes will serve a full two (2) year term and the remaining candidates of the top five will serve a one (1) year term. Each person elected a Director will continue in office until his successor is elected and qualified, or until resignation or removal in accordance with these bylaws.

Section 5. RESIGNATION OR REMOVAL OF DIRECTORS - Any Director may resign at any time by giving thirty (30) days written notice to the Board. Any Director whose membership rights are suspended will be notified and if the cause for suspension is not removed within fifteen (15) days of notice, may be removed by a majority vote of the remaining Directors. Any Director may be removed at any time by a majority of the members in good standing of the Association present at any legal membership meeting. Written notice of removal must be provided to the effected Director within thirty (30) days of the membership's action.

Section 6. VACANCIES- A vacancy on the Board of Directors because of death, resignation, removal, disqualification or otherwise may be filled by the Board for the unexpired portion of the term. A newly created office may be filled by the Board at any time. A vacancy on the Board of Directors may be filled by a majority vote of the remaining Directors until the next annual meeting when the vacancy will be filled by a vote of the members.

Section 7. CHAIRPERSON - The President of the Board will preside over the meetings of the members and the meetings of the Board.

Section 8. MEETINGS OF THE BOARD

A) QUARTERLY MEETINGS - The Board will meet quarterly for the transaction of such business as will properly come before the meeting. Such quarterly meetings of the Board will be general meetings and will be open for the transaction of any business within the powers of the Board without special notice of such business except in any case where special notice is required by law, the Articles of Incorporation or by the bylaws.

B) SPECIAL MEETINGS - Special Board meetings may be called at any time by the Secretary upon request of the President or no less than two Directors. Such special meetings will be for the transaction of business as stated in the notification of said meeting. Transaction of other business will require approval by a quorum of the Directors.

C) TIME, PLACE AND CONDUCT OF MEETINGS - All meetings of the Board will be held on the date and at such time and place within the State of New Mexico, County of Valencia, as specified in the respective notice of such meeting. Meetings shall be conducted in accordance with these bylaws and Robert's Rules of Order.

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D) NOTICE OF MEETINGS - Written notice of every meeting or special meeting of the Board will be served personally, by mail or telephone to each Director not less than seven (7) days before the meeting. Such notice will state the purpose for which the meeting is called, the date, time and place where the meeting is to be held. Notice of the purpose, date, time and place need not be given to any Director who, in writing, executes and files with the records of the Association either before or after the holding of such meeting, a waiver of such notice. In the event of an emergency, written notice will not be required and any notice possible under the circumstance will suffice.

E) QUORUM - At all meetings of the Board, the presence of three (3) of the directors shall be sufficient to constitute a quorum.

F) LEGAL MEETING - Any meeting at which a quorum is present and proper notice was given according to these Bylaws will constitute a legal meeting. The secretary or an alternate designated by the President will keep records of the meeting and will record the official actions of the Board.

Section 9. INFORMAL ACTION - Any action which may be taken at a formally called meeting of the Directors may be taken without a meeting by consent, in writing, setting forth the action taken and signed by a majority of the Directors.

ARTICLE VII- OFFICERS

Section 1. NUMBER AND QUALIFICATIONS - Nomination and majority election of the Board officers shall be at an organizational meeting within two (2) weeks after the annual membership meeting. The officers of the Association will be chosen from the Board by the Board and shall consist of a President, Vice President, Secretary, Treasurer, and such other officers as the Board may determine. No two offices may be held by the same person except temporarily in the case of vacancies. The term of office of all officers shall be one (1) year. Officers may be reelected to successive terms.

Section 2. PRESIDENT - The President will be the chief executive officer of the Association, chair membership meetings and will serve as the Chairperson of the Board, being responsible for the execution of the policies of the Board. The President will have general supervision over the affairs and property of the Association and over its officers and will perform all acts inherent to the office of President and will have such other powers and duties as may from time to time be assigned by the Board. The President will be the cosigner of all checks issued on behalf of the Association. The President may sign and execute, in the name of the Association, contracts and other instruments that do not exceed the amount approved in the budget. In making an expenditure exceeding \$1000.00 or exceeding the amount approved in the budget, the President must first receive approval of the Board for a revised balanced budget showing the new amounts in each budget category.

Section 3. VICE PRESIDENT - At the request of the President, or in the absence or disability of the President, the Vice President will perform all the duties of the President and when so acting will have all the powers and be subject to all the restrictions upon the President.

Section 4. TREASURER - The Treasurer will act under the supervision of the Board and will have charge and custody of and be responsible for all funds of the Association and will keep or cause to be kept, accurate and adequate records of the assets, liabilities and transactions of the Association by such procedures as will be established by the Board. The Treasurer will deposit all monies and other valuable effects of the Association in such banks, trust companies, or other depositories as may be designated by these Bylaws. Any two of the officers designated by the Board are authorized to sign to disburse the funds of the Association based upon proper vouchers which have been approved by the Board for payment of such disbursements. In general, the Treasurer will perform all the duties inherent to the office of the Treasurer and such other duties as may from time to time be assigned by the President and approved by the Board.

Section 5. SECRETARY - The Secretary will keep the minutes of all meetings of the Board and the Association in one or more books provided for that purpose and, whenever required by the President, the Secretary will perform like duties for any committee; provided that in the absence of the Secretary, the majority of members of the Board present at any meeting may designate any person to act as Secretary for such a meeting. The Secretary will maintain an official membership roster of the Association and of the Board. The Secretary will see that all notices are duly given in accordance with these Bylaws and as are required by law. The Secretary will be custodian of and in charge of the books, records and papers of the Association relating to its organization and will see that all reports, statements and other documents required by law are properly kept or filed, except to the extent that some are kept or filed by the Treasurer. In general the Secretary will perform all the duties inherent to the office of Secretary and such duties as may be from time to time be assigned by President and approved by the Board.

Section 6. RESIGNATION OF OFFICERS - Any Director holding an office may resign that office at any time by giving thirty (30) days written notice to the Board.

Section 7. VACANCIES - A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board for the unexpired portion of the term. A newly created office may be filled by the Board at any time.

ARTICLE VIII - COMMITTEES

The Board may, by resolution, appoint Directors, officers or members of the Association to committees with such functions, powers and duties as the Board shall determine. A non-member may be asked to serve as a consultant to a committee. Each committee will include at least one Board member who, in addition to committee duties, shall serve as a liaison to the Board.

ARTICLE IX - THE COMMON AREAS

Section 1. USE OF THE COMMON AREAS - The common areas are intended for, and are restricted to the use established by Association Regulations. Every member in good standing has an equal right to use the common areas and that right is appurtenant to, and passes with the member's Property. Any member may extend that right to the member's family who reside on the Property, guests or to any tenant of the member who resides on the Property. Since these areas are a part of a private Air Park, guests and tenants are expected to obey all established rules and the Federal Air Regulations.

Section 2. EXTENT OF MEMBER'S RIGHT OF USE - The right of a member to use the common areas, except use of the roads, is subject to the authority of the Association, (through the Board):

- A) To suspend the use rights of any member for any period during which the member is not in good standing; and
- B) To publish regulations governing the use of the common areas and the personal conduct of the members, their guests and tenants thereon; and
- C) To suspend the right of use of any member, guest or tenant who refuses to obey the published Air Park regulations and/or the Federal Air Regulations.

Section 3. TITLE TO THE COMMON AREAS - The Association will retain the legal title to the common areas.

ARTICLE X - DUES AND ASSESSMENTS

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Section 1. MEMBER'S OBLIGATION FOR DUES AND ASSESSMENTS - The annual dues and special assessments will be charged to, and will be the obligation of, the member who was the legally recorded owner at the time the dues or special assessment became due. Each member of the Association will pay to the Association for each property owned:

A) Annual dues;

B) Special assessments;

C) Interest at the rate of ten percent (10%) per annum from the date of delinquency, and

D) Cost of collection, including attorney's fees, recording fees, abstracts or title search and court costs.

The dues and special assessments will be a charge and a continuing lien on the Property against which the dues and special assessments are made. The Association shall have the authority to establish different rates for commercial and residential property if it so desires.

Section 2. ANNUAL DUES - The annual dues shall be used for the purpose of maintenance, repair and upgrading of the auto-plane drives, runways, taxiways and recreational areas and any other common areas, payment of property taxes, payment of professional fees, to provide liability insurance for the Association, its Directors and Officers, to provide operating capital or such other expenses as approved in the original or amended budget. Annual dues are due 31 August following their approval and delinquent 30 days thereafter.

Section 3. SPECIAL ASSESSMENTS - The Association, with the special assent of the majority of the members in good standing present at a membership meeting, may levy in any year, in addition to the annual dues, a special assessment. The purpose, amount and due date of the special assessment will be fixed in the levying resolution.

Section 4. RECORD KEEPING - The Association will send each member a notice of the amount and due date of the annual dues and assessments as determined by the membership meeting. The Association will keep accurate records of the amounts of the dues and assessments against each member, the due dates and the payments thereon which will be kept by the Treasurer and open to inspection by any member. The Treasurer will, on request, furnish a certificate to a member, signed by the Treasurer, setting forth whether the dues and special assessments on the member's Property have been paid. The certificate will be conclusive evidence of payment of any dues or special assessment therein stated to have been paid. A fee may be charged for this certificate.

Section 5. REMEDIES OF THE ASSOCIATION FOR NON-PAYMENT OF DUES AND SPECIAL ASSESSMENTS - If any dues and/or special assessments are not paid within thirty (30) days after they are due, it is delinquent and the Board shall file its claim of lien as stated heretofore, and may foreclose same or bring civil suit to enforce payment of the obligation. Additionally, the Association may, through its Board, suspend the delinquent member's membership privileges in the Association, including suspension of the delinquent member's use of the common areas, either controlled or owned by the Association. The delinquent member shall be responsible for the payment of all expenses, including court costs and attorney's fees incurred by the Association in the enforcement of its remedies against the delinquent member for non-payment of dues or special assessments. The names of delinquent members and the amount of their indebtedness shall be available for any members inspection at any membership meeting of the Association.

ARTICLE XI - MISCELLANEOUS PROVISIONS

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Section 1. DURATION - The property will be owned and transferred subject to the Articles of Incorporation, Bylaws, regulations and declaration of restrictions of the Association, as presently existing or as amended. The provisions of the Declaration are "covenants running with the land" and will run with and bind the land and will bind, inure to the benefit of and be enforceable by the Association, or any member, and their respective legal representatives, heirs, successors and assigns. The members and the Association must not violate the provisions of the Declaration, and the Articles, Bylaws and regulations of the Association. The Declaration, Articles, Bylaws and Regulations of the Association may be enforced by any proceeding at law or in equity, against any person violating or attempting to violate the Declaration, either to restrain violations, specifically to enforce, or to recover damages and against the land to enforce any lien created by the Declaration. The failure by the Association or any member to enforce the Declaration is not a waiver of the right to do so thereafter.

Section 2. FISCAL YEAR - The fiscal year of the Association begins the first day of September and ends the last day of August of the following year.

Section 3. EXECUTION OF CONTRACTS - The President, with the approval of the Board, may enter into any contract or execute any contract or other instrument in the name of and on the behalf of the Association as limited by these Bylaws. The board, by majority vote, may authorize any officer, employee or agent in the name and on behalf of the Association to enter into any contract or execute and deliver any instrument and such authority may be general or confined to specific instances. Unless authorized by these Bylaws or by the Board, no officer, employee or agent will have any power to bind the Association by any contract or engagement or to pledge its credit or to render it liable pecuniarily for any purpose or in any amount. The maximum length of any contract shall not be longer than the unexpired term in office of the most recently elected director(s) unless specifically authorized by a majority of members in good standing present at a special meeting called to consider this matter.

Section 4. LOANS - No loans will be contracted on behalf of the Association unless recommended by the Board and approved by a majority vote of the members in good standing at a general or special membership meeting.

Section 5. COMMERCIAL PAPER - All checks, drafts and other orders for the payment of money out of the funds of the Association, and all notes or evidences of indebtedness of the Association, will be executed on behalf of the Association by such Officer or Officers, or employee or employees, as the Board may, by resolution, from time to time determine.

Section 6. DEPOSITS - All funds of the Association not otherwise employed will be deposited to the credit of the Association in such banks, trust companies or other depositories that the Board may select, or as may be selected by any officer to whom such power may be delegated by the Board. The Board may designate any officer to endorse, sign and deposit checks, drafts and other orders for the payment of money which are payable to the Association.

ARTICLE XII - AMENDMENT OF BYLAWS

These Bylaws may be amended by a majority vote of the Association members in good standing present at a regular or special meeting. The text of all proposed amendments will be published in the notice of such meeting given at least thirty (30) days prior to the meeting.

ARTICLE XIII - LIABILITY OF OFFICERS, DIRECTORS AND MEMBERS

No Director, Officer or member of the Association will be personally liable for the obligations incurred by the Association and all contracts executed will be in the name of the Association and not in the name of any individual Director, Officer, or Member, and the Association will furnish bond as

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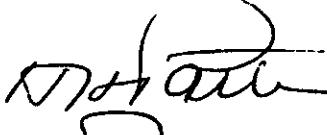
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required, and the Association may provide liability insurance in such amount and under such terms for the Association, Directors and Officers as determined by the Board.

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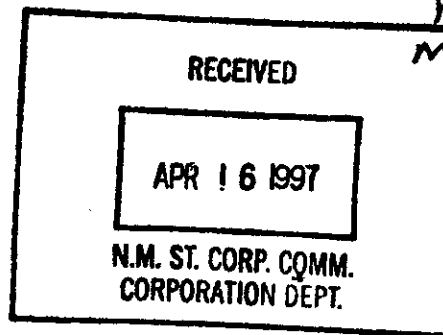
Submitted by:

George T. Meenach
George T. Meenach President


H.H. Patterson V.P.

I HAVE ACKNOWLEDGED THIS 9th DAY OF SEPTEMBER, 1994
GEORGE T. MEENACH & H.H. PATTERSON SIGNATURES

8/31/97
My Commission
Expires

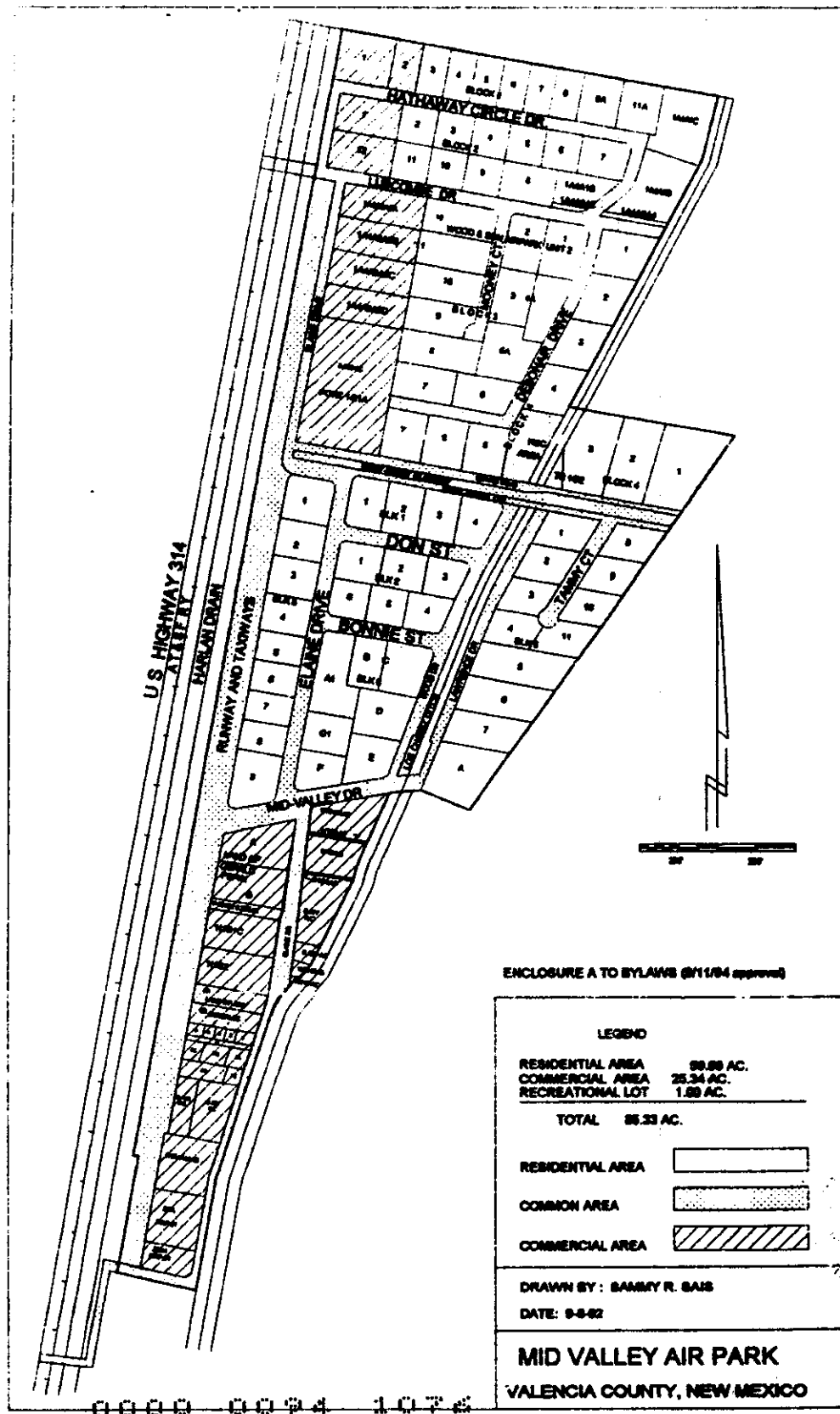


Mary E. Gabelda
Mary E. Gabelda
Notary Public

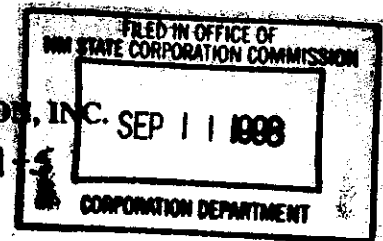
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P. J. D...
Secretary
MID VALLEY PROPERTY
OWNERS ASSOC.

Betty L. West
Notary Public
my. comm. expires May 23, 1997
George T. Meenach
President
Mid-Valley Property
Owners Assoc.
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BYLAWS OF MID VALLEY AIR PARK PROPERTY OWNERS ASSOCIATION, INC.
A NON-PROFIT CORP.
ADOPTED 8/29/98



PREAMBLE

Mid Valley Air Park (MVAP) is a unique aviation community. It is located in New Mexico's Valencia County, between Los Lunas and Belen. Established in the 1970s, MVAP has both commercial and residential properties, and is dedicated to serving the aviation interests of its members. Facilities consist of a primary 4800' North-South (36-18) paved runway and a shorter auxiliary, East-West, dirt runway all connected to properties by taxiways and/or auto-plane drives. Members routinely taxi their airplanes to and from their homes and businesses via the auto-plane drives. The Air Park is privately owned, maintained, funded and operated by its Members and their Association. The public is permitted access to the runway-taxiways, auto-plane drives, and the commercial facilities. The goals of the Members and their Association are:

- 1) To reside and work safely and harmoniously in a pleasant community where the Members can pursue their aviation interests.
- 2) To provide a safe and desirable, aviation oriented, residential community along with a commercial aviation community that can profitably participate with residential and on-airport aviator Members as well as off-airport aviators.
- 3) To collect revenue in the form of dues, fees and assessments to provide and maintain the facilities needed to accomplish the above.
- 4) To promote favorable acceptance of the air park in the surrounding community.

DEFINITIONS

The following words and their derivations have the following meanings when used herein:

ABSENTEE BALLOTS - Absentee Ballots shall be allowed to be cast only at Special Meetings for published agenda items

AIRCRAFT - Heavier than air device, either fixed wing or rotor wing, capable of holding one or more persons that is used or intended to be used for flight

ALTERNATE - Substitute Board Member elected by the membership

ANNUAL DUES - Monies to be assessed on a per-lot basis by a majority vote of the membership at an Annual Meeting in support of the budget

ARBITRATION - Binding dispute resolution procedure as listed in Article 9, Section 6A of these Bylaws

ASSOCIATION - The Mid Valley Air Park Property Owners' Association, Inc. (MVAPOA) and its successors

BOARD - The Board of Directors of the MVAPOA

COMMON AREA - The land and improvements owned and/or controlled by the Association consisting of the runways, taxiways, streets, auto-plane drives and recreation area as shown on the plat recorded on September 9, 1994 on page 4694 of book 299 of the records of Valencia County, New Mexico

DECLARATIONS - All documents recorded in the real property records of Valencia County, New Mexico, whether by declaration or by deed, which impose restrictions, covenants or other limitations on real property located within MVAP

GUEST - Any family member, customer, or visitor of a Member who is authorized by and is responsible to that Member for use of the facilities of MVAP

IMPROVEMENT - Any building on a MVAP lot that has been recommended by the Architectural Committee, approved by the Board, constructed in accordance with the applicable building code, and approved by the county building department. Residences must contain at least 1800 square feet of heated living space. Hangars and other buildings must be enclosed and must be at least 1200 square feet in size. Buildings existing prior to the adoption of these revised Bylaws shall constitute an improvement

LOT - Any lot or ensemble of lots deeded together and assessed as a unit by Valencia County, within MVAP

MVAP or MID VALLEY AIRPARK - All lands as shown on the plat recorded on September 9, 1994 on page 4694 of book 299 of the records of Valencia County, New Mexico

MEMBER - All persons or entities whose names are listed on the deed of lot(s), tract(s), or parcel(s) within MVAP

NON-FLYABLE AIRCRAFT - Any aircraft which is not legally flyable for the entire Association fiscal year

PROCEDURES - The Board and its committees shall publish standard operating Procedures for dealing with aspects of air park life such as runway operations, road maintenance, architectural procedures, dues, fees, and assessments and their collection, etc. These Procedures, and their revisions, shall be published and shall be available for any Member to view

PUBLIC USE AREAS - All runways, their taxiways, and Elaine Drive, as shown on the plat recorded on September 9, 1994 on page 4694 of book 299 of the records of Valencia County, New Mexico

RENTAL AIRCRAFT - aircraft for hire as defined by the Federal Aviation Regulations

RUNWAY ACCESS FEE - Fees assessed to off air park property owners whose lot(s) allow aircraft taxi access to the air park and who have aircraft that use the runway

RUNWAY USE FEE - Fees assessed for tenant aircraft based at MVAP

SPECIAL ASSESSMENTS - Monies assessed by a majority vote for a specific purpose

TENANT AIRCRAFT - Aircraft hangared or tied down at MVAP not wholly owned by a Member

USE FEE ADVISORY COMMITTEE - standing Association committee made up of a representative sample of Members whose purpose is to recommend the various use fees to the Board

ARTICLE 1 - PURPOSE

The purpose of the Association shall be to provide overall management and maintenance of MVAP and to protect Members' interests consistent with these Bylaws.

ARTICLE 2 - OFFICE

The registered office of the Association shall be the address of the President or the registered agent designated by the Board. The mailing address shall be a post office box in Valencia County New, Mexico.

ARTICLE 3 - MEMBERSHIP AND VOTING RIGHTS

Section 1 - MEMBERSHIP - Every person or entity who is the recorded owner of a fee or undivided interest in any Lot as defined in Definitions, shall be a Member of the MVAPOA, hereinafter called a Member. The rights of membership include the right to participate in Association affairs, the right to participate in voting as described in Article 3 Section 2, and the right to use the Common Areas.

Section 2 - VOTING RIGHTS - All Members of the Association have the right and responsibility to see that their property's eligible vote(s) is(are) represented in all membership affairs. Each lot shall have one vote, an improvement on that lot shall have one additional vote, and any additional properties under the same ownership shall have one additional vote, for a maximum of three (3) votes for any Member. If more than one person or entity hold an ownership interest in said lot(s), all are Members of the Association, but the votes shall be limited as defined above and shall be cast as they decide among themselves. Properties in arrears for dues, fees or assessments shall not be allowed to vote.

ARTICLE 4 - MEMBERSHIP MEETINGS

Section 1 - ANNUAL MEETING - The Annual Meeting of the Members, for the purpose of electing the Board, setting the annual dues, approving a budget, and transacting such other business as may properly come before the membership, shall be held during September each year.

Section 2 - SPECIAL MEETING - Special Meetings of the Members shall be called at any time by the Secretary, at the request of the President, upon resolution of a majority of the Board; or by a written petition signed by Members representing not less than one-quarter (25%) of the possible votes as indicated by the Treasurer at the time the petition is submitted. The petition must contain the precise wording of the matter to be voted upon. Special Meetings for voting on published agenda may be held directly after an Annual Meeting. For a published item to be voted upon, no change may be made from the floor. The date of the Special Meeting shall not be less than thirty (30) days nor more than forty-five (45) days from the date of submission of a petition.

Section 3 - TIME AND PLACE OF MEETINGS - All of the meetings of the Members shall be held on the date and at such time and place within the state of New Mexico, County of Valencia, as shall be specified in the respective notices of such meetings.

Section 4 - NOTICE OF MEETINGS - Written notice of every Annual Meeting or Special Meeting of the Members shall be served by mail, postage prepaid, to each Member at the Member's last known address not less than thirty (30) days before the meeting. Notice of meetings shall state the purpose for which the meeting is called; and the date, time, and place where it is to be held. Notices for Special Meetings, specifically stating the precise wording of the matter to be voted upon, as stated in the petition, and the absentee ballot, shall be mailed to the Members by the Secretary no later than fourteen (14) days after the date that such a request is made.

Section 5 - Meetings of Members that will include voting on proposals to transfer Title to all or part of the common areas shall require forty-five (45) days advance written notice to each Member of the Association.

Section 6 - VOTING - Annual Meeting votes shall only be accepted from those Members present. Special Meeting votes shall be accepted from Members both present and by absentee ballot. The absentee ballot must be received at the Association address no later than three (3) days prior to the meeting. The Board shall provide a written ballot for all substantive membership votes.

Section 7 - MEMBERSHIP MEETING BALLOTS - All ballots cast at any membership meeting shall be retained by the Secretary until the minutes of that membership meeting are approved at the next regularly scheduled quarterly Board meeting, unless challenged. During this period the ballots shall be available for examination by any Member, but shall remain in

the physical possession of the Secretary. Following this period they may be destroyed unless challenged prior to the end of the quarterly meeting. If challenged, they shall be retained until the quarterly board meeting following settlement of such challenge.

Section 8 - QUORUM - At Annual Meetings, the presence in person of Members representing not less than one-third (33%) of the possible votes, as indicated by the Treasurer prior to the meeting, shall constitute a quorum. If a quorum is not present, a second meeting shall be scheduled and at least a fifteen (15) day advanced written notice given. For the second meeting, those designated voting Members in attendance shall constitute a quorum. At Special Meetings, the presence in person or by absentee ballot of Members representing not less than one-third (33%) of the possible votes, as indicated by the last annual dues statement, shall constitute a quorum.

ARTICLE 5 - BOARD OF DIRECTORS

Section 1 - RESPONSIBILITIES - The Board and its designees are responsible for the administration of these Bylaws, and shall serve as a central point-of-contact for its Members and external entities.

Section 2 - AUTHORITY

(A) The Board may execute in the name of the Association, contracts and other instruments that do not exceed the approved total annual budget by more than 10%, provided that money exists in reserves or other line item(s). Contracts and other instruments which exceed a budgeted line item must be approved by the Board. The Board has the authority to transfer monies between line items in the approved budget up to 10% of the total budget. Transfers in excess of 10% of the total budget shall require approval by vote of the membership at a Special Meeting convened for that purpose. If sufficient funds are not available to cover required expenditures, the Board shall call a Special Meeting requesting approval of the Members to revise the budget or to make a special assessment to cover the requirement(s)

(B) All five (5) Directors shall have the authority to sign Association checks. All checks must be signed by the Treasurer and one other Director. The President may designate a substitute signatory in the absence or disability of the Treasurer.

(C) The Board may establish Procedures.

Section 3 - REMUNERATION - The Members of the Board of Directors shall serve without pay.

Section 4 - NUMBER AND QUALIFICATIONS - There shall be five (5) Directors and one alternate. Any Member who is current in all dues, fees, and assessments and at least 21 years of age may be elected and serve as a Director.

Section 5 - ELECTION AND TERM - The Directors shall be elected by a majority vote at the Annual Meeting. Directors shall serve a term of two (2) years, but may not serve more than 2 terms, including partial terms, in succession. Three (3) Directors shall be elected each odd-numbered year and two (2) Directors and one (1) Alternate shall be elected each even numbered year. Each person elected a Director or Alternate shall be sworn into office at the end of the Annual Meeting and continue in office until his/her successor is elected and qualified, or until resignation or removal in accordance with these Bylaws. The Alternate may be elected in a odd-numbered year if the previous alternate has become a Director.

At the membership meeting following the adoption of these revised Bylaws, the appropriate number of candidates receiving the most votes shall serve a full two (2) year term and the remaining candidates of the top six shall serve a one (1) year term.

Section 6 - RESIGNATION OR REMOVAL OF DIRECTORS - Any Director may resign at any time by giving thirty (30) days written notice to the Board. Any Director may be removed at any time by a majority vote of the Members present at any legal membership meeting provided notice of such action was included in the notice of that meeting. Written notice of removal must be provided to the affected Director within thirty (30) days of the membership's action. Directors must remain eligible as defined in Article 5 Section 4 to continue to serve.

Section 7 - VACANCIES - A vacancy on the Board of Directors shall be filled firstly by the Alternate and secondly by a majority vote of the remaining Directors until the next Annual Meeting. If, during the time between Annual Meetings, three or more vacancies occur within a 30 day period, the vacancies shall be filled by a vote of the membership at a Special Meeting convened for that purpose.

Section 8 - CHAIRPERSON - The President of the Board shall preside over all meetings.

Section 9 - BOARD MEETINGS

- (A) **MONTHLY MEETINGS** - The Board shall meet monthly to conduct routine air park business. These meetings are open to Members as observers. Date, time and place of these meetings shall be determined by the Board.
- (B) **QUARTERLY MEETINGS** - Quarterly Board meetings are open to membership input. Any Member wishing to have a topic added to the agenda shall contact the President (or the presiding officer) no later than fifteen (15) days prior to the meeting. The Board shall make every effort to include these topics and allow Members to voice their opinions, time permitting. Minutes of these quarterly meetings shall be made available to any Member upon request. These minutes shall contain a record of each Director's vote. Members shall be notified of the agenda, time, date and place of these meetings at least ten (10) days in advance.
- (C) **SPECIAL MEETINGS** - Special Board meetings may be called at any time by the Secretary upon request of the President or no less than two Directors. Such Special Meetings shall be for the transaction of business as stated in the notification of said meeting. Transaction of other business shall require approval by a quorum of the Directors.
- (D) **TIME AND PLACE OF MEETINGS** - All meetings of the Board shall be held on the date and at such time and place within the State of New Mexico, County of Valencia, as specified in the respective notice of such meeting.
- (E) **NOTICE OF MEETINGS** - Notice of every meeting of the Board shall be served personally, by mail, or telephone to each Director not less than ten (10) days before the meeting. Such notice shall state the agenda, the date, time and place where the meeting is to be held. In the event of an emergency, any notice possible under the circumstance shall suffice.
- (F) **QUORUM** - At all meetings of the Board, the presence of three (3) of the directors shall constitute a quorum.
- (G) **LEGAL MEETING** - Any meeting at which a quorum is present and proper notice was given according to these Bylaws shall constitute a legal meeting. The Secretary or an alternate designated by the President shall keep records of the meeting and shall record the official actions of the Board.

Section 10 - INFORMAL ACTION - The Board may take action without a formal meeting. The action taken must be ratified by a majority of the Directors at the next scheduled Board meeting. The results of such action shall be made known to all the Directors as soon as possible.

ARTICLE 6 - OFFICERS

Section 1 - NUMBER AND QUALIFICATIONS - There shall be an organizational meeting of all Directors within two (2) weeks after the Annual Meeting. At this meeting, the Board shall select its officers consisting of a President, Vice President, Secretary, Treasurer, and Member-At-Large. No two offices may be held by the same person except temporarily in the case of vacancies. The term of office of all officers shall be one (1) year. Officers may serve successive terms.

Section 2 - PRESIDENT - The President shall represent membership. Duties include:

- (A) Serve as chief executive officer of the Association
- (B) Chair membership meetings
- (C) Chair Board meetings
- (D) Take responsibility for execution of Board policies
- (E) Supervise the affairs and property of the Association
- (F) Perform all acts inherent to the Office of President
- (G) Sign and execute contracts and other instruments in the name of the Association only with the approval of the Board

Section 3 - VICE PRESIDENT - Duties of the Vice President include:

- (A) At the request of the President, or in the absence or disability of the President, assume all the duties and responsibilities of the President
- (B) Maintain a physical inventory of Association assets and of their location

Section 4 - TREASURER - The Treasurer shall be bonded at Association expense. Duties of the Treasurer include:

- (A) Take charge and custody of and be responsible for all funds of the Association
- (B) Keep or cause to be kept, accurate and adequate records of the assets, liabilities and transactions of the Association by such procedures as shall be established by the Board
- (C) Deposit all monies and other valuable effects of the Association in such banks, trust companies, or other depositories as may be designated by the Board
- (D) Perform all the duties inherent to the office of the Treasurer and such other duties as may from time to time be assigned by the President and approved by the Board

Section 5 - SECRETARY - Duties of the Secretary include:

- (A) Keep minutes of all Board and Association meetings
- (B) Maintain the official Board and Association membership rosters
- (C) Notify the Board and Members of upcoming meetings
- (D) Take possession of and maintain the books, records, and papers of the Association
- (E) Insure that all corporate reports, statements, and other documents required by law are properly kept or filed, except to the extent that some are kept or filed by the Treasurer
- (F) Perform all duties inherent to the office of Secretary and such duties as may from time to time be assigned by the President and approved by the Board

Section 6 - RESIGNATION OF OFFICERS – Any Officer holding an office may resign his/her office at any time by giving thirty (30) days written notice to the Board.

Section 7 - VACANCIES - A vacancy in any office because of death, resignation or failure to maintain membership qualification may be filled by the Board for the unexpired portion of the term.

ARTICLE 7 - COMMITTEES

Section 1 - The Board may, by resolution, appoint Members of the Association to committees with such functions, powers and duties as the Board shall determine. A non-member may be asked to serve as a consultant to a committee. Each committee shall include at least one Director who, in addition to committee duties, shall serve as a liaison to the Board. The following committees shall be considered standing committees: Architectural, Runway, Roads, Planning, Use Fee Advisory.

Section 2 - MEMBER VS MEMBER DISPUTES - The Board shall convene an ad hoc committee to attempt to resolve conflicts between one Member and another. The issues this temporary committee shall hear include Bylaw, procedural, or covenant disputes. The Board shall appoint one Board member, not involved in the dispute, to head an informal mediation panel of three, composed of him/herself, and one Member chosen by each party. This informal mediation committee shall attempt to resolve the problem and may use the legal advice of the air park attorney, at no charge to either of the Members. The findings of the ad hoc mediation committee concerning the matter shall be documented in memo form to the Board, and held by the Association Secretary, along with the original letter of complaint, for later reference by any Member. If all parties agree, the matter may be submitted to binding arbitration as outlined in Article 9, Section 9A of these Bylaws.

ARTICLE 8 - COMMON AREAS

Section 1 - USE OF THE COMMON AREAS - The common areas are intended for, and are restricted to the use established by Association Procedures. Every Member has an equal right to use the common areas and that right is attached to and passes with the Member's lot(s). Any Member may extend that right to the Members family, who reside on the lot(s), guests, or to any tenant of the Member who resides on the lot(s). Guests, customers and tenants are expected to obey all established Procedures and the Federal Aviation Regulations. Host Members are responsible for informing guests, customers and tenants of appropriate Association Procedures.

Section 2 - EXTENT OF PUBLIC USE - The public shall be allowed use of the runways, taxiways, and Elaine Drive in accordance with MVAP Bylaws, covenants, procedures, and the Federal Aviation Regulations. The Members can limit the use of the runway and taxiways if approved by 75% of the possible votes, as indicated by the Treasurer prior to the meeting.

Section 3 - TITLE TO THE COMMON AREAS - The Association shall retain the legal title to the common areas. Transfer of title to all or part of the common areas shall require 75% of the possible votes, as indicated by the last annual dues statement.

ARTICLE 9 - DUES, FEES AND ASSESSMENTS

Section 1 - MEMBER'S OBLIGATION FOR DUES, FEES, AND ASSESSMENTS - The annual dues, fees, and special assessments shall be charged to, and shall be the obligation of, the Member who is the legally recorded owner at the time the dues, fees, or special assessment become due. No discounts shall be allowed for multiple lots or early payment.

Section 2 - Dues and Fees shall be allocated and apportioned based upon the "Runway Access Fee Agreement" of the 3&3 Committee appointed by Judge Ashby, as amended by Court Order, September 12, 1997. (See attached Exhibit "2", No. VA 95-068CV & No. VA 95-123CV Consolidated.) If a conflict arises between these Bylaws and this Court Order, the Court Order shall take precedence.

Section 3 - Members shall notify the Board of sale of property and/or operation of rental aircraft.

Section 4 - Each Member of the Association shall pay to the Association for each lot owned:

- (A) Annual dues (current base: \$240)
- (B) Special assessments
- (C) Runway access and/or use fees
- (D) Penalty at the rate (1.833%) per month from the date of delinquency until resolved
- (E) Cost of collection; including attorney's fees, recording fees, abstracts or title search and court costs
- (F) The dues, fees, and special assessments shall be a charge and a continuing lien on the lot(s) against which the dues, fees, and special assessments are made

Section 5 - ANNUAL DUES - All dues and fees are payable in advance for the next fiscal year. Annual dues are due December 31 and are delinquent thereafter. Dues and fees shall be billed November 1, with a reminder notice sent no later than December 1.

- (A) September- Annual dues set at Annual Meeting
- (B) November 1 Bills mailed for coming year's dues, due Dec 31
- (C) December 1 Reminder sent, Member's objection due
- (D) December 15 Board's response due
- (E) January 1 Request for arbitration due
- (F) January 11 Final notice before filing lien for Member NOT in arbitration
- (G) January 25 Arbitration begins
- (H) January 31 Lien filed on delinquent Member NOT in arbitration
- (I) May 1 Board may foreclose on delinquent Member NOT in arbitration

Section 6 - FEES - Payment of membership dues allows a Member to have as many aircraft as are personally wholly-owned and not pay a runway use fee, provided the aircraft is not available for rental. Members who have no wholly-owned aircraft based at Mid Valley may base one tenant aircraft not available for rental on their lot which is exempt from runway use fees.

- (A) Tenant aircraft shall pay a runway use fee at the rate of 62% of the annual membership dues per aircraft for each of the first six aircraft. Beyond the first six aircraft, the rate shall be 35% of the annual membership dues for each aircraft. No discounts shall be allowed on these fees. Aircraft not based at MVAP for a full year shall pay a fee prorated to that portion of the year actually based at MVAP. This runway use fee shall be paid by the Member on whose lot(s) the aircraft is

actually based. The payment shall be due at the same time and be subject to the same penalties as the membership dues.

- (B) Aircraft based at MVAP used for rental, flight training, chartering, or similar flight operations shall pay 62% per aircraft (1 tenant aircraft equivalent) of membership dues in addition to any other assessments.
- (C) Non-Flyable aircraft stored at MVAP shall not be assessed a runway use fee.
- (D) For members who are commercial operators renting hangar and/or tie down spaces, the fee for tenant aircraft may be based on an appropriate count of the hangar and/or tie down spaces in lieu of an actual aircraft if agreed upon jointly by the Board and the operator prior to the billing period.
- (E) Maintenance/Service operators shall pay runway use fees for their maintenance/service customers based on the relative amount of runway use their operation generates as determined by the Use Fee Advisory committee.
- (F) Off-Air Park property owners whose lot(s) allows aircraft taxi access to MVAP and who have aircraft that use the runway shall pay 100% of membership dues for each aircraft based on their lot(s) that use the runway.

Section 7 - SPECIAL ASSESSMENTS - The Association, with the assent of the majority vote of the membership, may levy in any year, in addition to the annual dues and fees, a special assessment. The purpose, amount and due date of the special assessment shall be fixed in the levying resolution. Voting shall be in accordance with Article 3 Section 2, and Article 4 Section 6. Monies assessed shall be used by the Board to fulfill the purpose of the Special Assessment as stated in the levying resolution. Any excess shall be deposited in the Association's account.

Section 8 - RECORD KEEPING - The Association shall send each Member a notice of the amount and due date of the annual dues, fees, and assessments as determined at the membership meeting. The Association shall keep accurate records of the amounts of the dues, fees, and assessments for each Member, the due dates and the payments thereon which shall be kept by the Treasurer and open to inspection by any Member.

Section 9 - APPEALS PROCESS - Any disagreement with, or hardship(s) pertaining to the amount or payment of dues, fees, or assessments shall be submitted in writing to the Board within thirty (30) days of notification of said dues, fees, or assessments. The Board shall then respond within fifteen (15) days of the Member's response. If, after the Board's response, an agreement cannot be reached within fifteen (15) days, the matter of the disputed amount shall be submitted to binding arbitration, as defined in this Section, by the objecting Member, no later than fifteen (15) days after written notification by the Board of its decision. Failure to submit the matter to arbitration in a timely manner permits immediate filing of the lien and foreclosure by the Board. See Section 5 of this article for schedule.

- (A) **MEMBER VS ASSOCIATION MONETARY DISPUTES** - Disputes concerning the amount of dues, fees or assessments may be submitted by a Member to binding arbitration before a panel of three (3) arbitrators within the time frame allowed above. The Member and MVAPOA shall each select one arbitrator, and the two arbitrators shall select a third arbitrator. To submit the matter to arbitration, a Member shall make written demand upon MVAPOA, indicate the specific issue in dispute and identify his selection of arbitrator by name, address and telephone number. Within fifteen (15) days from receipt of the demand for arbitration, MVAPOA shall advise the Member in writing of its selection of arbitrator by name, address and telephone number. The third arbitrator shall be selected within ten (10) days after MVAPOA identifies the arbitrator it selected, unless the parties

agree to extend the time period. If the third arbitrator is not selected within the time frame allowed or agreed upon, either side may petition the state district court for Valencia County to appoint the third arbitrator. In no event shall the third arbitrator be a current Member of MVAPOA. Arbitration hearings shall take place in Valencia County, New Mexico at a time and place designated by the arbitrators. The parties shall share equally the fees and costs of the arbitration, if any. The decisional power and authority of the arbitrators is limited to only those issues that pertain to the amount of money in dispute. The arbitrators shall be governed and bound by the findings, conclusions, judgments and orders entered by the Court in Case Nos. VA-95-068 and VA-95-123, Thirteenth Judicial District, Valencia County, New Mexico. Any award rendered in the arbitration shall be final and binding on the parties and judgment may be entered thereon in any court of competent jurisdiction pursuant to the New Mexico Uniform Arbitration Act.

ARTICLE 10 - MISCELLANEOUS PROVISIONS

- Section 1 - DURATION** - All real property within the subdivisions and land parcels which comprise the Mid Valley Airpark is subject to the Declarations existing or as amended. Members are also subject to the Association's articles of incorporation, Bylaws and any Procedures adopted by the Board. Members must not violate the provisions of the Declarations, Articles of Incorporation, Bylaws or Procedures of MVAPOA. The Board or any Member, where appropriate, may enforce the Declarations, Bylaws or Procedures by any proceeding of law or in equity against any person violating or attempting to violate the Declarations, Bylaws or Procedures, either to restrain violations, to require specific performance or to recover damages. The failure by the Board or any Member to enforce the Declarations, Bylaws or Procedures on any occasion shall not be a waiver of the right to do so thereafter.
- Section 2 - FISCAL YEAR** - The fiscal year of the Association begins the first day of January and ends the last day of December.
- Section 3 - LOANS** - No loans shall be contracted on behalf of the Association unless recommended by the Board and approved by a majority vote of the Members.
- Section 4 - COMMERCIAL PAPER** - All checks, drafts and other orders for the payment of money out of the funds of the Association, and all notes or evidences of indebtedness of the Association, shall be executed on behalf of the Association by such Officer or Officers, or employee or employees, as the Board may, by resolution, from time to time determine.
- Section 5 - DEPOSITS** - All funds of the Association not otherwise employed shall be deposited to the credit of the Association in such banks, trust companies or other depositories that the Board may select, or as may be selected by any officer to whom such power may be delegated by the Board. The Board may designate any officer to endorse, sign and deposit checks, drafts and other orders for the payment of money which are payable to the Association.
- Section 6** - Unless otherwise specified by these Bylaws, all matters shall be determined by majority vote of the membership.
- Section 7** - All business meetings of the Association shall be conducted in accordance with Robert's Rules of Order.

ARTICLE 11 - AMENDMENT OF BYLAWS

Section 1 - These Bylaws may be amended at an annual or a Special Meeting by two thirds (66%) of the possible votes, as indicated by the last annual dues statement, provided such amendments have been presented to the membership in written form thirty (30) days prior to the meeting.

Section 2 - Members may send proposed amendments to the President at any time. Those amendments received too late to appear in written form, as described above in Section 1, may be presented at the next Annual or Special Meeting.

Section 3 - All amendments voted on and passed shall become effective immediately.

ARTICLE 12 - LIABILITY OF OFFICERS, DIRECTORS AND MEMBERS

Section 1 - INTERESTED PARTIES - In the absence of fraud, no transaction of the Corporation will be affected because a Officer, Director, or Member of the Corporation is interested in the transaction. Such interested parties will be counted for quorum purposes, and may vote, when the Corporation considers the transaction. In the absence of fraud, such interested parties will not be liable to the Corporation for the party's profits, or the Corporation's losses, from the transaction.

Section 2 - INDEMNIFICATION - The Corporation will indemnify and defend each of its Officers, Directors, and Members, to the full extent permitted by law, against all claims and actions against any such person by reason of the fact that the person is or was an Officer, Director or Member of the Corporation.

Norah E. Walsh

Norah E. Walsh, President

Midvalley Airpark Property Owner's
Association
PO Box 64
Los Lunas, NM 87031

Marv L. Kaylor

Marv Kaylor, Secretary

Subscribed and sworn to before me on this 10th day of September, 1998.

M. Leanne Wise

M. Leanne Wise

My Commission expires on April 22, 2002

STATE OF NEW MEXICO
COUNTY OF VALENCIA
FILED FOR RECORD 12
BK 318 PG 2406 OF 12

SEP 10 1998 AT 10³⁵ M

KANDY CORDOVA COUNTY CLERK
REC NO 148533 AMT. \$ 299
PD BY Abraham DEPUTY Walsh

The Forgoing Instrument is a Correct Copy
of The Original on File in This Office

Attest: Kathy Cadogan

Sept 10 1998

County Clerk and Clerk of The Probate Court
in and for the County of Valencia, State of
New Mexico

Paula A. Weatherbee

SEP 11 1998

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