

WHISPERING BLUFF CONDOMINIUMS

Declaration & Bylaws

P.O. Box 2978 Ruidoso, New Mexico 88345

DECLARATION OF COVENANTS

THIS DECLARATION OF COVENANTS, conditions and restrictions, hereinafter called "Declaration," is made and executed in Ruidoso, Lincoln County, New Mexico, this 2nd day of March, 1982, by JAMES JAPHET ENTERPRISES, INC., hereinafter called "Declarant," pursuant to the provisions of the Building Unit Ownership Act of the State of New Mexico, Sections 47-7-1, et seq, N.M.S.A., 1978 Compilation, as amended.

W I T N E S S E T H :

WHEREAS Declarant is the owner of certain real property located in Ruidoso, Lincoln County, New Mexico and more particularly described as follows:

Apartments 101 thru 107; and 201 thru 208; and 301 thru 303; and 401 thru 406; and 501 thru 508; and 601 thru 606; and 701 thru 708; and 801 thru 807, together with their undivided interest in the common area of Whispering Bluff Condominiums as shown by the plat filed in the office of the County Clerk and Ex-Officio Recorder of Lincoln County, New Mexico on the 5th day of March, 1982, in Cabinet No. D, Slide 62,

and

WHEREAS Declarant is the owner of the buildings and improvements constructed or hereafter to be constructed, upon the described real property, and it is the desire and the intention of the Declarant to submit said real property to the Building Unit Ownership Act and to sell and convey the same to various purchasers, subject to the covenants, conditions and restrictions herein reserved to be kept and observed; and

WHEREAS Declarant desires and intends by filing this Declaration and the aforesaid plat to submit the above-described real property and the buildings and other improvements thereon constructed, together with all future construction upon said real property, and all appurtenances pertaining to the real property, to the provisions of the Building Unit Ownership Act and to impose upon said real property mutually beneficial restrictions under a general plan of improvement for the benefit of all owners thereof;

NOW, THEREFORE, Declarant does declare that the real property described above shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied, and improved subject to the easements, restrictions and reservations of record, as well as the following covenants, conditions, restrictions, uses, limitations and obligations, all of which are declared and agreed to be in furtherance of a common plan for the improvement of said real property and shall be deemed to run with the land and shall be a burden and a benefit to Declarant, their successors and assigns, and any person acquiring or owning an interest in the real property and improvements, their grantees, successors, heirs, executors, administrators, devisees and assigns, regardless of the method of

acquisition of such interest or the notice afforded to such person.

1. Definitions: Certain terms as used in this Declaration shall be defined as follows, unless the context clearly indicates a different meaning therefor:

(a) "Act" shall mean the Building Unit Ownership Act of the State of New Mexico, Sections 47-7-1 et seq, N.M.S.A., 1978 Compilation, as amended.

(b) "Declarant" shall mean JAMES JAPHET ENTERPRISES, INC., who have made and executed this Declaration.

(c) "Declaration" shall mean this instrument.

(d) "Project" shall mean the above described parcel of real property, including all structures thereon and future phases that may be added thereto in accordance with Paragraph 6.

(e) "Plat" shall mean the recorded Plat of WHISPERING BLUFF CONDOMINIUMS filed for record herewith by Declarant in the Records of the County Clerk and Ex-officio Recorder of Lincoln County, New Mexico, and such additional phases that Declarant shall, according to the provisions of Paragraph 6, contemplate a unity of use and development and designate as being subject to these Declarations.

(f) "Apartment" shall mean the separate interest of a Unit Owner which is not owned in common with the other Unit Owners in the project as shown on the plat. The boundary lines of each Apartment are the interior surfaces of its perimeter walls, bearing walls, floors, ceilings, windows and window frames, doors and door frames, and trim, and includes both the portions of the building so described and the space so encompassed.

(g) "Common Area" shall mean all land and all portions of the property not located within any Apartment; and also includes but not by way of limitation, roofs, foundations, pipes, ducts, flues, chutes, conduits, wires and other utility installations to the outlets, bearing walls, perimeter walls, columns and girders, to the interior surfaces thereof, regardless of location, walkways, porches, patios, storage areas, recreational areas and facilities, offices, all installations of power, lights, gas, hot and cold water and heating existing for common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

(h) "Limited Common Areas and Facilities" means common areas and facilities designated in the Declaration as reserved for use of certain Apartments to the exclusion of the others.

(i) "Condominium" shall mean the entire estate in the real property owned by any Unit Owner, consisting of an undivided interest in the Common Area and ownership of a separate interest in an Apartment.

(j) "Unit Owner" shall mean the person or persons owning an Apartment in fee simple absolute and its undivided interest in

the fee simple or leasehold estate of the Common Areas and facilities in the percentage established by this Declaration.

(k) "Association of Whispering Bluffs Unit Owners, Inc." (sometimes called "the Association") means all of the Unit Owners acting as a group in accordance with the Articles of Incorporation, Bylaws and Declaration.

(l) "Common Expenses" includes all sums lawfully assessed against the Unit Owner by the Association; expenses of administration, maintenance, repair or replacement of the Common Areas and Facilities and expenses declared common expenses.

(m) "Common Profits" means the balance of income, rents, profits and revenues from the Common Areas and Facilities remaining after the deduction of Common Expenses.

(n) "Person" means an individual, corporation, partnership, combination, association, trustee, or other legal entity.

(o) "Management Committee" shall mean the Board of Directors elected or authorized to act for the Association of Whispering Bluffs Unit Owners, Inc., in accordance with these Declarations, the Articles of Incorporation, and the Bylaws, as hereinafter set forth.

(p) "Property" means the land, the building, improvements and structures owned in fee simple absolute or long term ground lease, all easements, servitude, rights and appurtenances belonging thereto, and all chattels intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the Building Unit Ownership Act.

(q) "Unit" means the apartment and its undivided interest in the Common Area.

2. Buildings and Apartments: There are 53 Apartments proposed to be constructed in Whispering Bluff Condominiums. The Apartments shall be contained within eight (8) principal structures as demonstrated on the plat which is attached hereto as Exhibit "A." The Apartments contained within the building shall have various levels of dwelling space, containing approximately the square footage and room arrangements shown on Exhibit "B1" attached hereto. However, the number of different floor levels, room arrangements, rooms, decks, or patio arrangements exhibited on said Exhibit "B1," may be varied during the initial construction, and this Declaration shall be deemed amended by such construction or the filing and recording of such additional plans as may be required to adequately describe the improvements as modified. Such plan, construction or certificate shall in itself constitute an amendment of this Declaration, notwithstanding the procedures for amendment described elsewhere in this Declaration. Following the completion of construction of the Unit, the approval of the Management Committee will be necessary for any changes to any Unit.

The location and number of each Unit and its approximate area, the Common Areas, and a description of the Limited Common Areas and the Apartments to whose use the same are reserved, are shown on the attached Exhibit "A."

The principal construction materials of each Unit shall be wood and concrete. The construction technique shall be wood

frame. Each Unit Owner has an immediate access from his Apartment to Common Area.

3. Boundaries and Composition of Apartments: The boundaries of each Apartment are and shall be the interior surfaces of the perimeter walls, floors and ceilings, and the space so encompassed, excepting the Common Areas located therein. The individual ownership of each Apartment shall further include the interior construction, fixtures, equipment and appliances which are designed and intended solely for the benefit of and to exclusively serve the particular Apartment in or to which the same are located or attached, and which are not designed or intended for the benefit, support, service, use or enjoyment of any other Apartment, such as, for example, the non-bearing interior room walls and other non-bearing and non-supporting interior partitions, the interior floor finish (including carpeting and other floor covering), the finished walls and ceilings, the closets, cabinets and shelves, the sills adjoining the walls, the individual lighting and electrical fixtures and appliances, the individual kitchen and bathroom fixtures, equipment, appliances and plumbing, fireplaces, garages, furnaces and air conditioning appliances and equipment, all glass or glass plate in any window or forming part of any wall in or of the Apartment (as hereinafter more particularly provided), and all interior and exterior doors of the Apartment, including garage door if appropriate.

4. Common Areas: The Common Areas shall consist of all of the land described herein as being submitted to the Act, together with all improvements thereon except the individual Apartments as defined herein, and such Common Areas shall include all of such land herein, the foundations, bearing walls and columns, common parking areas, yards, gardens, the compartments or installation of central services, such as power, light, electricity, pumps, public utility lines, floors and ceilings (other than the finished interior surfaces thereof located within the Apartments), perimeter walls of Apartments (other than the finished interior surfaces thereof located within the Apartments), structural and supporting parts of all buildings, outside walks and driveways, and all structures, fixtures, facilities, equipment and appliances which are designed and intended for the common and mutual use or benefit of each Apartment and the space occupied by same, and in general, all other portions of the Project property except the individual Apartments and the particular elements thereof which are to be individually owned, as declared and established in this Declaration. Reference is hereby made to the Act for further definition of the "Common Areas".

5. Exclusive Ownership and Possession by Unit Owner: Each Unit Owner shall be entitled to exclusive ownership and possession of his Apartment. Each Unit Owner shall be entitled to an undivided interest in the Common Area in the percentage expressed in Exhibit "C" of this Declaration. Except as provided in Paragraph 6 below, the percentages of the undivided interest of each Unit Owner in the Common Area as expressed in Exhibit "C" shall have a permanent character and shall not be altered without the consent of all Unit Owners expressed in an amended declaration duly recorded. The percentage of the undivided interest in the Common Area shall not be separated from the Apartment to which it appertains and shall be deemed to be conveyed or encumbered or released from liens with the Apartment even though such interest

is not expressly mentioned or described in the conveyance or other instrument. Each Unit Owner may use the Common Area in accordance with the purpose for which it is intended, without hindering or encroaching upon the lawful rights of the other Unit Owners.

A Unit Owner shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors, ceilings, windows and doors bounding his Apartment, nor shall the Unit Owner be deemed to own the utilities running through his Apartment which are utilized for, or serve more than one Apartment, except as a tenant in common with the other Unit Owners. A Unit Owner, however, shall be deemed to own and shall have the exclusive right to paint, repaint, tile, wax, paper or otherwise refinish and decorate the inner surfaces of the walls, floors, ceilings, windows, and doors bounding his Apartment.

6. Additional Construction and Percentage of Undivided Interest and Restrictions: Declarant is the owner of additional lands located contiguously or nearby the lands described herein. Should Declarant elect to undertake additional construction and contemplate a unity of use and development of said contiguous or nearby land, the Declarant and each Unit Owner covenant and agree to the reduction of the percentage of undivided interest as defined in Paragraph 5 above, conditioned upon further construction and acquisition of additional Common Areas. There is hereby reserved for the benefit of Declarant the right and privilege to utilize all rights of way, utility easements, Common Areas, and other portions of the Project or such additional phases thereof, so as to connect with and make use of the utilities, driveways and walks of this Project, there being granted to Declarant the right to ingress and egress across the areas of the Common Areas for purposes of future construction of Declarant.

7. Removal: All Unit Owners may remove the Project from the provisions of the Building Unit Ownership Act by an instrument to that effect duly recorded, provided that the holders of liens affecting any Condominium consent or agree by instrument duly recorded, and further provided that their liens be transferred to the percentage of the undivided interest of the debtor Unit Owner in the property. Upon removal of the property from the provisions of the Building Unit Ownership Act, the property shall be deemed to be owned in common by the Unit Owners. The undivided interest in the property owned in common which shall appertain to each Unit Owner shall be the percentage of undivided interest previously owned by a Unit Owner in the common areas.

8. Limitations on Use of Apartments and Common Area: The Apartments and Common Area shall be occupied and used as follows:

(a) Each Unit Owner shall occupy or use his Apartment for no purpose other than as a private residence for the Unit Owner and the Unit Owner's family or the Unit Owner's lessees or guests, it being the intention to permit overnight, weekly or monthly leasing of the premises, provided that usage of the premises is residential in nature.

(b) There shall be no obstruction of the Common Area. Except in the case of designated storage areas, nothing shall be

stored in the Common Area without the prior consent of the Management Committee.

(c) Nothing shall be done or kept in any Apartment or in the Common Area which will increase the rate of insurance on the Common Area, without the prior written consent of the Management Committee. No Unit Owner shall permit anything to be done or kept in his Apartment or in the Common Area which will result in the cancellation of insurance on any Apartment or any part of the Common Area, or which would be in violation of any law. No waste will be committed in the Common Area.

(d) No sign of any kind shall be displayed to the public view on or from any Apartment or the Common Area, without the prior consent of the Management Committee.

(e) No animals (including domestic pets), livestock or poultry of any kind shall be raised, bred, or kept in any Apartment or in the Common Area. All parts of the property shall be kept in a clean, sanitary condition, and no rubbish or garbage shall be allowed to accumulate nor any hazard allowed to exist. All domestic pets shall be leashed or confined when in or upon the Common Area and shall not be housed, maintained, or confined outside the Apartment of a Unit Owner.

(f) No noxious or offensive activity shall be carried on in any Apartment or in the Common Area, nor shall anything be done therein which may be or become a source of annoyance or nuisance to the other Unit Owners. Violation of these Declarations or of the Management Committee's rules and regulations as adopted hereafter shall be deemed a noxious or offensive activity.

(g) Nothing shall be altered, modified or constructed in the Common Area, except upon the written consent of the Management Committee.

(h) There shall be no violation of laws, statutes or regulations of the United States of America, the State of New Mexico, the Village of Ruidoso, or any other lawful authority, the restrictive covenants, this Declaration, or the rules adopted by the Management Committee.

(i) None of the rights and obligations of the Unit Owners created herein, or by the deed granting to any Unit Owner his Condominium, shall be altered in any way by encroachments due to settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist, provided, however, that in no event shall a valid easement for encroachment be created in favor of a Unit Owner if said encroachment occurred due to the willful conduct of said Unit Owner.

(j) The Apartments and Common Area shall be occupied and used in accordance with the rules and regulations of the Management Committee as adopted by the Management Committee.

9. Easements: A valid easement shall exist in the favor of a Unit Owner in each Apartment and in each portion of the Common Area for the benefit of each Unit Owner and also in favor of utility companies for the installation, maintenance, repair, removal

or replacement of any and all utility lines, pipes, wires, conduits, facilities and equipment serving the Project as a whole or any individual Apartment, and the ownership of a condominium shall be subject to such easements.

Each Condominium is conveyed together with an easement for the continuance of all encroachments by the Apartment on any adjoining Apartments or Common Area existing as the result of construction of the building, or which may come into existence hereafter as a result of settling or shifting of the building whether a result of repair or restoration of the building or of the Apartment, after damage or destruction by fire or other casualty, or after taking in condemnation or eminent domain proceedings or by reason of an alteration or repair to the Common Area made by or with the consent of the Management Committee.

Each Condominium is conveyed subject to easements in favor of adjoining Apartments and in favor of the Common Area for the continuance of all encroachments of such adjoining Apartments or Common Area on the Apartment, now existing as a result of construction of the buildings, or which may come into existence hereafter, as a result of settling or shifting of the building, or as a result of repairing or restoration of the building or of any adjoining Apartment or of the Common Area after damage or destruction by fire or other casualty, or after a taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Area made by or with the consent of the Management Committee.

10. Unit Owner's Obligation to Repair: Except for those portions which the Management Committee is required to maintain and repair hereunder (if any), each Unit Owner shall, at the Unit Owner's expense, keep the interior of his Apartment and its equipment and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his Apartment. In addition to decorating and keeping the interior of the Apartment in good repair, the Unit Owner shall be responsible for the maintenance, repair or replacement of any plumbing fixtures, water heaters, heating equipment, lighting fixtures, refrigerators, dishwashers, disposals or ranges that may be in or connected with the Apartment.

The Unit Owner shall also, at the Unit Owner's expense, keep the deck and patio which have been assigned to his Apartment in a clean and sanitary condition. The Management Committee and Manager shall not be responsible to the Unit Owner for loss or damage by theft or otherwise of articles which may be stored by the Unit Owner in the Apartment.

11. Prohibition Against Structural Changes by Unit Owner: The Unit Owner shall not, without first obtaining written consent of the Management Committee, make or permit to be made any structural alteration, improvement or addition in or to his Apartment or in or to the exterior of the buildings or the Common Area. The Unit Owner shall do no act nor any work that will impair the structural soundness or integrity of the buildings or safety of the property or impair any easement or hereditament without the written consent of all Unit Owners. The Unit Owner shall not paint or decorate any portion of the exterior of the buildings or other

Common Area or any portion of any deck or patio without first obtaining written consent of the Management Committee.

12. Entry for Repairs: The Management Committee or its agents may enter any Apartment when necessary in connection with any maintenance, landscaping or construction for which the Management Committee is responsible. Such entry shall be made with as little inconvenience to the Unit Owners as practicable, and any damage caused thereby shall be repaired by the Management Committee out of the Common Expense Fund.

13. Association of Whispering Bluffs Unit Owners: Each Unit Owner shall automatically be a member of the Association of Whispering Bluffs Unit Owners, Inc., (sometimes herein called "the Association"), which shall be the governing and administrative body for all Unit Owners for the protection, preservation, upkeep, maintenance, repair and replacement of the Common Areas and the government, operation and administration of the Project property as a whole and shall remain a member thereof until such time as his ownership ceases for any reason, at which time his membership shall automatically cease. Upon any transfer of ownership of any Condominium, regardless of how accomplished, the new Unit Owner acquiring or succeeding to such ownership interest shall likewise automatically succeed to such membership in such Association.

14. Articles of Incorporation and Bylaws of the Association of Whispering Bluffs Unit Owners, Inc: The Articles of Incorporation and the Bylaws, a true copy of which is annexed hereto, marked Exhibit "D," incorporated herein by reference thereto. No modification or amendment to the Articles of Incorporation or the Bylaws shall be valid unless set forth in an amendment to the Declaration, and the amendment duly recorded in the Office of the County Clerk and Ex-Officio Recorder of Lincoln County, New Mexico, and the New Mexico State Corporation Commission, when applicable.

15. Management Committee - Initial Management Committee: It is contemplated that the Association may utilize a Management Committee to conduct its business. Whenever the term "Management Committee" is herein set forth, said term may be read as "the Board of Directors of the Association" if no Management Committee is organized and conducting Association business; and if there be no Board of Directors of the Association, then said term may be read as "the Association." The Declarant shall be the initial Management Committee for the Association until March 2, 1987, or until Declarant notifies the Association of Declarant's resignation from said Management Committee.

16. Delegation to Management Committee: The rights, powers and duties of the Association may be delegated to the Management Committee; however, said Committee shall have only the rights, powers and duties set forth herein or as these Declarations may be amended.

17. Authority of the Management Committee: The Management Committee, for the benefit of the Project and the Association, shall enforce this Declaration and shall acquire and pay from the Common Expense Fund the costs incurred for the following:

(a) Water, sewer, garbage collection, snow removal, electrical, telephone and other necessary utility service for the

Common Area (and to the extent not separately metered or charged for the Apartments);

(b) A policy or policies of fire insurance as the same are more fully set forth in Paragraph 27 of this Declaration, with extended coverage endorsement, for the full insurable replacement value of the Apartments and Common Area, payable as provided in Paragraph 28, or such other fire and casualty insurance as the Management Committee shall determine gives substantially equal or greater protection to the Unit Owners and their mortgagees, as their respective interests may appear, which said policy or policies shall provide for a separate loss payable endorsement in favor of the mortgagee or mortgagees of each Condominium, if any;

(c) A policy or policies as the same are more fully set forth in Paragraph 27 of this Declaration insuring the Management Committee, the Unit Owners and the Manager against any liability to the public or to the Unit Owners, their invitees or tenants, incident to the ownership and/or use of the Project, and including the personal liability exposure of the Unit Owners. Limits of liability under such insurance shall not be less than THREE HUNDRED THOUSAND DOLLARS (\$300,000.00) for any one person injured in any one accident, and shall not be less than THREE HUNDRED THOUSAND DOLLARS (\$300,000.00) for property damage each occurrence (such limits and coverage to be reviewed at least annually by the Management Committee and increased in its discretion). Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross liability endorsement wherein the rights of named insured under the policy or policies shall not be prejudiced as respects his, her or their action against another named insured;

(d) Workmen's Compensation insurance to the extent necessary to comply with any applicable laws;

(e) The services of a person or firm to manage its affairs (herein called "the Manager") to the extent deemed advisable by the Management Committee as well as such other personnel as the Management Committee shall determine necessary or proper for the operation of the Common Area, whether such personnel are employed directly by the Management Committee or are furnished by the Manager;

(f) Legal and accounting services necessary or proper in the operation of the Common Area or the enforcement of this Declaration;

(g) A fidelity bond naming the Manager and such other persons as may be designated by the Management Committee as principals, and the Unit Owners as obligees, for the first year in an amount at least equal to fifty percent (50%) of the estimated cash requirement for that year as determined under Paragraph 21 hereof, and for each year thereafter in an amount at least equal to fifty percent (50%) of the total sum collected through the Common Expense Fund during the preceding year;

(h) Painting, maintenance, repair and all landscaping of the Common Area, and such furnishings and equipment for the Common Area as the Management Committee shall determine are necessary and proper. The Management Committee shall have the exclusive right and duty to acquire the same for the Common Area,

recording of such amendment who does not join in the execution thereof;

(c) By subordination agreement executed by a majority of the Management Committee, the benefits of (a) and (b) above may be extended to mortgages not otherwise entitled thereof.

23. Delegation to Manager: The Management Committee may delegate any of its duties, powers or functions, including but not limited to, the authority to give the subordination agreements provided for in Paragraph 22 hereof, to any person or firm, to act as Manager of the Project, provided that any such delegation shall be revocable upon notice by the Management Committee. The members of the Management Committee shall not be liable for any omission or improper exercise by the Manager of any such duty, power or function so delegated by written instrument executed by a majority of the Management Committee. In the absence of any appointment, the Chairman of the Management Committee shall act as Manager.

24. Failure of Management Committee to Insist on Strict Performance No Waiver: The failure of the Management Committee or Manager to insist in any one or more instances upon the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, or to exercise any right or option herein contained, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the Management Committee or Manager of any assessment from a Unit Owner with knowledge of the breach of any covenant hereof shall not be deemed to have been made unless expressed in writing and signed by the Management Committee or Manager.

25. Limitation of Management Committee's Liability: The Management Committee shall not be liable for any failure of any service to be obtained and paid for by the Management Committee hereunder, or for injury or damage to person or property caused by the elements or by another Unit Owner or person in the Project, or resulting from electricity, water, rain, snow or ice which may leak or flow from outside or from any parts of the buildings, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless caused by gross negligence of the Management Committee. No diminution or abatement of common expense assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Area or from any action taken to comply with any law, ordinance or orders of a governmental authority.

26. Indemnification of Management Committee Members: Each member of the Management Committee shall be indemnified by the Unit Owners against all expenses and liabilities, including attorney fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a member of the Management Committee, or any settlement thereof, whether or not he is a member of the Management Committee at the time such expenses are incurred, except in such cases wherein the member of the Management Committee is adjudged guilty of willful misfeasance

or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification shall apply only when the Management Committee approves such settlement and reimbursement as being in the best interests of the Management Committee.

27. Insurance: The Management Committee shall obtain and maintain at all times insurance of the type and kind and in at least the amount provided hereinabove, and including insurance for such other risks, of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other projects similar in construction, design and use, which insurance shall be governed by the following provisions:

(a) All policies shall be written with a company licensed to do business in the State of New Mexico and holding a rating of "AAA" or better by Best's Insurance Reports;

(b) Exclusive authority to adjust losses under policies hereafter in force in the Project shall be vested in the Management Committee or its authorized representatives.

(c) In no event shall the insurance coverage obtained and maintained by the Management Committee hereunder be brought into contribution with insurance purchased by individual Unit Owners or their mortgagees;

(d) Each Unit Owner may obtain additional insurance at his own expense, provided, however, that no Unit Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the Management Committee, on behalf of all of the Unit Owners, may realize under any insurance policy which the Management Committee may have in force on the Project at any particular time;

(e) Each Unit Owner shall be required to notify the Management Committee of all improvements made by the Unit Owner of his Apartment, the value of which is in excess of ONE THOUSAND DOLLARS (\$1,000.00);

(f) Any Unit Owner who obtains individual insurance policies covering any portion of the Project other than personal property belonging to such Unit Owner shall be required to file a copy of such individual policy or policies with the Management Committee within thirty (30) days after purchase of such insurance;

(g) The Management Committee shall be required to make every effort to secure insurance policies that will provide for the following:

(1) A waiver of subrogation by the insurer as to any claims against the Management Committee, the Manager, the Unit Owners and their respective servants, agents, and guests;

(2) That the master policy on the Project cannot be cancelled, invalidated or suspended because of the conduct of any one or more individual Unit Owners;

(3) That the master policy on the Project cannot be cancelled, invalidated or suspended because of the conduct of

liens on the undivided interest in the property owned by each Unit Owner.

Notwithstanding all other provisions hereof, the Unit Owners may, by an affirmative vote of at least three-fourths of the voting power at a meeting of Unit Owners duly called for such purpose, elect to sell or otherwise dispose of the property. Such action shall be binding upon all Unit Owners and it shall thereupon become the duty of every Unit Owner to execute and deliver such instruments and to perform all acts as in manner and form may be necessary to effect the sale.

29. Enforcement: Each Unit Owner shall comply strictly with the provisions of this Declaration and with the administrative rules and regulations drafted pursuant thereto as the same may be lawfully amended from time to time with decisions adopted pursuant to said Declaration and administrative rules and regulations, and failure to comply shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Management Committee or Manager on behalf of the Unit Owners, or in a proper case, by an aggrieved Unit Owner. This provision was amended January 28, 2011 (see pg. 18 hereto).

30. Personal Property: The Management Committee or Manager may acquire and hold, for the benefit of the Unit Owners, tangible and intangible personal property and may dispose of the same by sale or otherwise; and the beneficial interest in such personal property shall be owned by the Unit Owners in the same proportion as their respective interests in the Common Area, and shall not be transferable except with a transfer of a Condominium. A transfer of a Condominium shall transfer to the transferee ownership of the transferor's beneficial interest in such personal property.

Within thirty (30) days following the completion of construction of the Project, the Declarant shall execute and deliver a bill of sale to the Management Committee on behalf of all the Unit Owners, transferring all items of personal property located on the Project and furnished by the Declarant, which property is intended for the common use and enjoyment of the Unit Owners.

31. Audit: Any Unit Owner may at any time at his own expense cause an audit or inspection to be made of the books and records of the Manager or Management Committee. The Management Committee, at the expense of the Common Expenses, shall obtain an audit of all books and records pertaining to the Project at no greater than annual intervals and furnish copies thereof to the Unit Owners.

32. Interpretation: The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of this Project. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision or any other provisions hereof.

33. Amendment: The provisions of this Declaration may be amended by an instrument in writing, signed and acknowledged by the Unit Owners holding seventy-five percent (75%) of the total vote hereunder, which amendment shall be effected upon recordation in the Office of the County Clerk and Ex-Officio Recorder of Lincoln

AMENDMENT TO DECLARATION OF COVENANTS
OF
ASSOCIATION OF WHISPERING BLUFF UNIT OWNERS, INC.

COMES NOW, the ASSOCIATION OF WHISPERING BLUFF UNIT OWNERS, INC., and hereby amends Paragraph 29 of the "Declaration of Covenants," recorded May 11, 1982, in Book 78 at Pages 1083 through 1098, inclusive, of the Miscellaneous Records of Lincoln County, New Mexico, as follows:

29. Enforcement: Each Unit Owner shall comply strictly with the provisions of this Declaration and with the administrative rules and regulations stated herein or drafted pursuant thereto by the Management Committee as the same may be lawfully promulgated or amended from time to time with decisions adopted pursuant to said Declaration and administrative rules and regulations, and failure to comply with these covenants and/ or such rules and regulations shall be grounds for an action to recover sums due for damages or injunctive relief, or both, together with attorney's fees and court costs incurred for the enforcement thereof, maintainable by the Management Committee or Manager on behalf of the Unit Owners, or in a proper case by an aggrieved Unit Owner. The Association shall have a lien for any such expenses incurred and may be enforceable in the same manner provided for collection of assessments in paragraph 21 hereof.

This Amendment (recorded January 28, 2011, in Book 2011 at page 694 of the Records of Lincoln County, New Mexico) changes the Covenants of the Corporation as set forth above. All other portions of the Covenants, except those previously amended, remain the same.

ASSOCIATION OF WHISPERING BLUFF UNIT OWNERS, INC.

By: _____

Neil E. Weinbrenner
President

ATTEST: _____

Harvey Everhart
Secretary

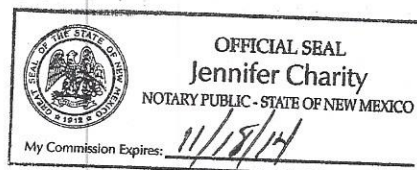
STATE OF NEW MEXICO
COUNTY OF DONA *Ana*

The foregoing instrument was acknowledged before me on this 10th of May, 2011, by Neil E. Weinbrenner, President of the Association of Whispering Bluff Unit Owners, Inc., for and on behalf of said corporation.

NOTARY PUBLIC

My Commission Expires: _____

11/18/14



STATE OF NEW MEXICO, LINCOLN COUNTY: Recorded this 25th day of July, 1989
at 1:54 P. M., in the Lincoln County Records, Book 1989-8, pages 1018-1028

Martha McKnight Proctor By: Charlotte Emmens Deputy
Lincoln County Clerk Rec. # 89-05466 Fees: \$ 25.00

**AMENDMENT TO DECLARATION OF COVENANTS
ASSOCIATION OF
WHISPERING BLUFFS UNIT OWNERS, INC.**

COMES NOW, the ASSOCIATION OF WHISPERING BLUFFS UNIT OWNERS, INC., and hereby amends the "Declaration of Covenants" recorded May 11, 1982, in Book 78 at Pages 1063 through 1098, inclusive, of the Miscellaneous Records of Lincoln County, New Mexico.

The amendment changes the Bylaws of the Corporation to the form attached hereto. All other portions of the Declarations remain the same.

**ASSOCIATION OF WHISPERING
BLUFFS UNIT OWNERS, INC.**

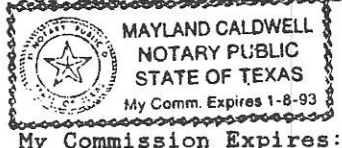
By: Rex Anderson
REX ANDERSON
President

ATTEST:

Lois Moran
LOIS MORAN
Secretary

THE STATE OF Texas }
COUNTY OF Tarrant }

The foregoing instrument was acknowledged before me on this the 10th day of July, 1989, by REX ANDERSON, President of the ASSOCIATION OF WHISPERING BLUFFS UNIT OWNERS, INC., for and on behalf of said Corporation.



Mayland Caldwell
NOTARY PUBLIC

2/P: Whisper. and

1018

B Y L A W S
OF THE
ASSOCIATION OF WHISPERING BLUFFS UNIT OWNERS, INC.

ARTICLE I

NAME AND OBJECT OF CORPORATION

1. Name. This Corporation shall be known as ASSOCIATION OF WHISPERING BLUFFS UNIT OWNERS, INC., hereinafter called the "Association".
2. Object. The object of the Association is to provide for its members an entity to manage, operate and serve the needs of the property dedicated as the WHISPERING BLUFFS CONDOMINIUMS in Lincoln County, New Mexico, and generally to provide for the mutual assistance, enjoyment, entertainment and improvement of its members.

ARTICLE II

MEMBERSHIP

1. Membership. The member of the Association shall consist of all of the records owners of the apartment units in the Whispering Bluffs Condominium Project situated in Ruidoso, Lincoln County, New Mexico.
2. Transferability of Membership. The membership of any member in the Association or in its funds and assets cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his apartment, and shall be established by recording in the public records of Lincoln County, New Mexico, of a deed or other instrument establishing record title to an apartment unit in the aforesaid project, and the delivery to the Association of a certified copy of such instrument. The record owners designated by such instrument shall thereby become a member of the Association, and the membership of the prior owner shall be automatically terminated.
3. Voting Rights. Each member shall have, and be entitled to cast, a number of votes as shown on Exhibit "C" attached to the Declaration on file in the Office of the Lincoln County Clerk pertaining to the Whispering Bluffs Condominium Project, and to which these By-Laws are an exhibit. Where there is more than one record unit owner of the real property, any or all of such persons may attend any meeting of the members, but it shall be necessary for those present to act unanimously in order to cast the votes to which they are entitled. Any designation of an agent to act for such persons must be signed by all such record owners, and must be filed with the Board of Directors three days

94/
1019

prior to a meeting. The designation of an agent to act for such persons shall be valid for a period of eleven months from its execution unless otherwise expressly set forth. Any designation of an agent to act for a member may be revoked by such member at any time by written notice to the Board of Directors, and shall be deemed automatically revoked when the Board of Directors receives actual notice of the death or judicially declared incompetency or insolvency of a member or of a conveyance by such member of the real property entitling such member to membership in the Association.

In the event that a notice of default is recorded by any mortgagee who holds a mortgage which is a first lien upon the apartment of a member, then and in that event, and until the default is cured, the right of a member to vote shall be transferred to the mortgagee recording a notice of default with the Board of Directors.

The voting rights of any member who has failed to pay any maintenance fees, assessments or other sums due the Association levied by the Association shall be suspended upon a delinquency existing for a term exceeding 45 days from the date of billing. Restoration of voting rights shall occur upon payment of all maintenance fees, assessments and other sums due the Association in full to the date of payment.

ARTICLE III

GOVERNMENT

1. Board of Directors. The general management of the affairs of the Association shall be vested in the Board of Directors who shall be not less than three in number.

2. Initial Board of Directors. The initial Board of Directors shall serve for 36 months from 9-20-82. Any of those Directors may be removed by a two-thirds vote of the remaining Directors, and any vacancy on the Board of Directors shall be filled by the remaining Directors.

3. Elective Board of Directors. At the end of three years from date, the members shall elect from among themselves a Board of Directors in accordance with these By-Laws.

ARTICLE IV

MEETINGS

1. Annual Meeting of Members. There shall be a meeting of the members each year in the month of June at such reasonable place as designated by written notice of the Board of Directors. Notice of the annual meeting shall be delivered to the Unit

Owners not less than fourteen (14) days prior to the date fixed for said meeting, and shall be deemed delivered if posted in the U.S. Post Office on the fourteenth day prior to said meeting. At the annual meeting, the Board of Directors shall deliver to the Unit Owners a summary of the Common Expenses, itemizing receipts and disbursements for the preceding calendar year, the allocation thereof to each unit, and the estimated Common Expenses for the coming calendar year. Within ten (10) days after the annual meeting, said statement shall be delivered to the Unit Owners not present at said meeting.

2. Special Meetings. Special meetings of the members may be called at such reasonable place as designated in the written notice at any time for the purpose of considering matters which, by the terms of these By-Laws, require the approval of all or some of the members, or for any other reasonable purpose. Said meetings shall be called by written notice, signed by a majority of the Board of Directors, or by the members having one-third of the total votes, and delivered not less than ten (10) days prior to the date fixed for said meeting. Said notices shall specify the purpose, the date, time and place of the meeting.

3. Meetings - Quorum. The presence, in person or by proxy, at any meeting of the members having a majority of the total eligible votes shall constitute a quorum. In the event a quorum is not present at any meeting, the members present, though less than a quorum, may adjourn the meeting to a later date and give notice thereof to all the members in accordance with the provisions of these By-Laws, and at that meeting the presence of members holding in excess of thirty percent (30%) of the total votes shall constitute a quorum for the transaction of business; but in the event a quorum is not present at that meeting, the members present, though less than a quorum, may give notice to all the members in accordance with these By-Laws of an adjourned meeting, and, at that meeting, whatever members are present shall constitute a quorum. Unless otherwise expressly provided in these By-Laws, any action may be taken at any meeting of the members upon the affirmative vote of a majority of the members present, provided that a quorum is present as provided for above.

4. Order of Business. The order of business at all meetings of the members shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of officers;
- (e) Report of Management Committee;
- (f) Reports of Committees;
- (g) Election of inspectors of election (when so required);
- (h) Election of Members of the Board of Directors

- (when so required);
(i) Unfinished business;
(j) New business.

5. Election of Directors. The Directors of the Association shall be elected at the annual meeting of the members. Each active member shall be entitled to exercise the vote in accordance with the By-Laws aforesaid. A candidate receiving a majority of the votes cast shall be declared elected.

6. Classes of Directors. Following the expiration of the Initial Board of Directors' terms, the Directors shall be divided into classes. The number of Directors shall be such that at the first annual meeting, one-third thereof shall be elected to serve for a one-year term, and one-third thereof for two years, and one-third thereof for three years. Then upon the expiration of the term of each class of Directors, the new Directors shall be elected for a full three years.

7. Election of Officers. The Board of Directors shall elect from among their number a President, a Vice-President, a Secretary and a Treasurer. The meeting of the Board of Directors to elect officers shall be held immediately following the annual meeting of members. Officers elected shall hold office until new officers are elected.

8. Management Committee. There shall be a Management Committee, which shall be the Board of Directors, and action by a majority of the Committee shall be deemed to be the action of the whole Committee.

9. Resignation and Removal. Save and excepting for the Initial Board of Directors, any elected Director may resign at any time by giving notice to the President. Any Director may be removed by a majority vote of the members at a meeting called for said purpose.

10. Powers and Duties of the Board. The Board of Directors, acting at the Management Committee, shall exclusively exercise all of the duties, rights, powers and authority given to it by the Building Unit Ownership Act of the State of New Mexico, the Declaration pertaining to the Whispering Bluffs Condominiums, the Articles of Incorporation of the Association of Whispering Bluffs Unit Owners, Inc., and these By-Laws.

11. Compensation of Directors. No Director shall be paid any compensation for services as a Director, but reimbursement may be made to any Director for the expenses incurred in attending any meeting of the Board other than the annual meetings of the members or special meetings of the members; nonetheless, a Manager, who may be a Director, shall be paid compensation for acting as such.

12. Employment of Manager. The Board of Directors may employ a Manager to carry out the directives of the Board, acting as a Board or as the Management Committee. The compensation of such Manager shall be fixed by the Board of Directors. Any owners who, in the opinion of the Board, utilize the services of the manager excessively will be charged an additional sum in addition to the common charges and assessments.

13. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. At any regular meeting of the Board of Directors, a meeting of the Management Committee shall occur. Notice of the regular meetings of the Board of Directors shall be given to each member by mail or telegram at least three business days prior to the day named for such meeting.

14. Special Meetings. Special meetings of the Board of Directors may be called by any member of the Board of Directors on three business days' notice to each member of the Board given by mail or telegram, which notice shall state the time, place and purpose of the meeting.

ARTICLE V

WAIVER OF NOTICE

Any member or Director may at any time waive notice of any meeting in writing, and such Waiver shall be deemed equivalent to the giving of notice. Attendance at any meeting shall constitute a waiver of notice of such meeting, unless the purpose of any person's attendance at such meeting is the objection to the calling of such meeting. Any objection to the calling of a meeting must be stated at the commencement of the meeting, prior to undertaking any business.

ARTICLE VI

DUTIES OF OFFICERS

1. President. The President shall preside at all meetings of the Association and of the Board of Directors and Management Committee, and shall appoint such Committees as he or the Association consider expedient or necessary.

2. Vice President. In the absence of the President, the Vice President shall perform his duties, and, in the absence of both the President and Vice President, the Treasurer shall preside and assume the duties of the President.

3. Secretary. The Secretary shall keep the minutes of all

meetings of the Association and of the Board of Directors, and shall if requested read such minutes at the close of each meeting for approval, and mail out notices of all meetings of the Association or the Board of Directors. The Secretary shall keep accurate account and collect all fees, dues, charges and assessments due from members, and shall be responsible for keeping of the minute book in which resolutions of the membership and the Board of Directors shall be recorded. In the absence of the Secretary, the Vice-President may perform the offices of the Secretary.

4. Treasurer. The Treasurer shall have charge of all receipts and monies of the Association, deposit them in the name of the Association in a bank approved by the Board of Directors, disburse funds as ordered or authorized by the Board of Directors, and keep regular accounts of his receipts and disbursements and submit his records when requested, giving an itemized statement at regular meetings of the Association. In the absence of the Treasurer, the President may perform the offices of the Treasurer.

5. Execution of Instruments. The President and the Secretary or the Treasurer, upon being directed by the Board, shall sign all leases, contracts or other instruments in writing. Provided, however, the signature of only one officer is required for a formal Notice of Assessment or release thereof.

6. Resignation, Removal and Vacancy. Any officer may resign as an officer, provided that he likewise resign from his position as a Director. Following nomination of a new Director, such Director shall fill the vacancy created by the resignation and/or removal of any officer.

ARTICLE VII

DETERMINATION OF COMMON EXPENSES AND FIXING OF COMMON CHARGES

1. Budget. Within thirty (30) days prior to the beginning of each calendar year, the Management Committee shall prepare a budget for the Association and determine the amount of the Common Expenses of the condominium, all as more fully set forth in Section 21 of the Declaration filed herewith.

2. Audit. Within thirty (30) days of the close of each fiscal year, the Board of Directors shall engage an independent certified public accountant to perform a "review" of the previous year's bookkeeping records. The "review" shall be as that term is understood in accounting and need not be a full "audit".

3. Obligation of Members. All members shall be obligated to pay the common charges assessed by the Management Committee in

equal monthly installments on or before the first day of each month during such year, or in such other reasonable manner as the Management Committee shall designate.

ARTICLE VIII

RULES OF CONDUCT

Rules and regulations concerning the use of the Apartments and the Common Areas may be promulgated and amended by the Management Committee. A majority vote of the Association at a meeting may overrule the Management Committee. Copies of such rules and regulations shall be furnished by the Management Committee to each member prior to the time the same shall become effective. The initial rules and regulations, which shall be effective as designated by the Management Committee, are set forth in Section 8 of the Declaration annexed hereto.

No unit shall be established as a "timeshare" unit as that term is defined from time to time in New Mexico Statutes Annotated without the vote of two-thirds (2/3) of the members present at any meeting held to consider such a decision.

ARTICLE IX

AMENDMENTS

These By-Laws may be amended or modified from time to time by action or approval of a majority of the members present in person or by proxy at any meeting, but no amendment, change or modification may be made which would conflict or be inconsistent with the Declaration, the Articles of Incorporation, or the Building Unit Ownership Act of the State of New Mexico. The manner required for amendments hereto shall be that set forth for amendment to the Declaration. Amendments shall be filed for record in the Office of the Clerk and Ex-officio Recorder of Lincoln County, New Mexico, and in the office of the State Corporation Commission of the State of New Mexico.

ARTICLE X

COMPLIANCE AND SEVERABILITY

These By-Laws are set forth to comply with the requirements of the Building Unit Ownership Act of the State of New Mexico and the provisions of the Declaration on file herein. In case these By-Laws or any part thereof conflict with any of the provisions of said Act or the Declaration, it is hereby agreed and accepted that the provisions of the Act and/or Declaration shall govern and be controlling, and such portions of these By-Laws as are in conflict shall be deemed noneffective.

ARTICLE XI

RENTAL PROGRAM

In the event any members desire to rent their respective Apartments, on a basis not inconsistent with the Declaration or these By-Laws, they may appoint the Association as their agent for the rental of such Apartment, and the Association, through its Management Committee or Manager, if any, shall rent such Apartments according to the terms of such appointment and the administrative rules and regulations promulgated and adopted by the Association for such rental procedure. In the event of such rental and the collection of rent therefor by the Association or its Manager, the monies collected for the member shall be at all times subject to any assessments for their pro rata share of all of the Common Expenses as defined in the Declaration.

WITNESS our hands and seals this 12th day of November, 1988, but effective September 20, 1982.

ASSOCIATION OF WHISPERING
BLUFFS UNIT OWNERS, INC.

By:

Rex Anderson
Rex Anderson, President

Lois Moran
Lois Moran, Secretary

David Scepanski
David Scepanski

Approved by telephone 11/2/88
Randolph Davis

Don Shaw
Don Shaw

Patrick B. McCaffrey
Patrick B. McCaffrey

STATE OF New Mexico)
COUNTY OF Lincoln)

: ss.

The foregoing was acknowledged before me this 12th day of
November, 1988, by REX ANDERSON.

Jackie Shaw
Notary Public

My commission expires:
5/23/89

STATE OF New Mexico)
COUNTY OF Lincoln)

: ss.

The foregoing was acknowledged before me this 12th day of
November, 1988, by LOIS MORAN.

Jackie Shaw
Notary Public

My commission expires:
5/23/89

STATE OF New Mexico)
COUNTY OF Lincoln)

: ss.

The foregoing was acknowledged before me this 12th day of
November, 1988, by DAVID SCEPANSKI.

Jackie Shaw
Notary Public

My commission expires:
5/23/89

STATE OF _____)
: ss.
COUNTY OF _____)

The foregoing was acknowledged before me this _____ day of _____, 1988, by RANDOLPH DAVIS.

My commission expires: _____

Notary Public

STATE OF New Mexico)
: ss.
COUNTY OF Lincoln)

The foregoing was acknowledged before me this 12th day of November, 1988, by DON SHAW.

My commission expires:
5/23/89

Jackie Howe
Notary Public

STATE OF New Mexico)
: ss.
COUNTY OF Lincoln)

The foregoing was acknowledged before me this 12th day of November, 1988, by PATRICK B. McCAFFREY.

My commission expires:
5/23/89

Jackie Howe
Notary Public

STATE OF NEW MEXICO, LINCOLN COUNTY: Recorded this 17th day of November, 1988, at 8:34 A. In His Honor, County Clerk's Office, Book 1988-14, pages 941-950.
Fran Siddens
Lincoln County Clerk

Rec. # 88-09835

Fees: \$ 23.00

Deputy

State of New Mexico, Lincoln County: Recorded this 9th day of September, 1992 at 8:42 A.M.
 in the Lincoln County Records, Book 1992-11, pages 690-691
Martha McKnight Proctor By: Opal Hill Deputy
 Lincoln County Clerk Rec. # 92-07179 Fee: \$ 7.00

SUPPLEMENT TO THE BYLAWS

STATE OF NEW MEXICO

KNOWN BY ALL MEN PRESENT THAT:

COUNTY OF LINCOLN

THIS SUPPLEMENT TO THE BYLAWS, is made and executed this the 27th day of June, 1992, by the Association of Whispering Bluffs Unit Owners, Inc, a New Mexico non-profit corporation duly authorized to do business in the State of New Mexico, hereinafter called "Association", pursuant to the provisions of the New Mexico Building Ownership Act (Section 47-7-1 to 47-7-8, N.M.S.A. 1978, and as amended from time to time), and pursuant to the Bylaws of record as hereinafter specified.

WITNESSETH:

WHEREAS, Association, heretofore, on the 11th day of May, 1982, filed for record in the Office of the County Clerk and Ex-Officio Recorder of Lincoln County, New Mexico, a certain instrument entitled "Declaration of Covenants" in which Bylaws are found in Book 78, at Pages 1063 to 1098, both inclusive, of the Miscellaneous Records of said county; and

WHEREAS, at the annual meeting of the unit owners duly convened, on June 27, 1992 and held at Carrizo Lodge Condominiums, the record owner holding a quorum at said meeting, did elect to add to the Bylaws and to cause this Supplemental Bylaw to be executed and recorded.

NOW, THEREFORE, the Association does, upon the recording hereof, establish this Supplemental Bylaw whereby the Association shall be held, hypothecated, encumbered, leased, rented, used, occupied and improved, with said conditions to run with the land and be a burden and benefit thereto and to the Association, its successors, and assigns, and any person acquiring or owning an interest in the real property and improvements, their grantees, successors, heirs, executors, administrators, devisees and assigns.

A.

Except as expressly modified herein, the Bylaws first herein above referred to, in force or as amended, are hereby adopted, ratified and confirmed as though fully set forth herein.

ARTICLE XII

Special Definitions to Designate "Primary Insurance Responsibility"

Definitions. Notwithstanding all other provisions hereof, the following definitions shall designate "Primary Insurance Responsibility" for property loss to "Buildings-Common Areas, and Individual Condominium Units".

BUILDINGS-COMMON AREAS: Primary Property Insurance Responsibility is designated to the Association, and their Insurer(s) for:

Any portions of the Buildings, that comprise exterior surfaces including roof structures. Also included are sub-floors, foundations, pipes, ducts, flues, chutes, conduit, wires, and other utility installations leading to interior outlets. Also included are perimeter walls and exterior load-bearing walls, columns, or girders. Also included are exterior fixtures, or other property on the exterior premises of the eight principal building structures that service the common or mutual interest of the Association.

INDIVIDUAL CONDOMINIUM UNITS: Primary Property Insurance Responsibility is designated to the Individual Condominium Unit Owner(s), and their Insurer(s) for:

Any interior portions of the buildings, not owned in common with the other Unit Owners in the Association, with boundary lines including the interior surfaces of perimeter walls, and load-bearing walls, floors and ceilings. Also included are interior wall partitions, doors, door frames, windows, glass, and associated trim. Also included is any item of interior construction and any fixtures, equipment, or appliances, whether they be interior or exterior, which are designed and intended for the benefit of, and to serve exclusively, the individual condominium unit.

IN WITNESS WHEREOF, the undersigned has executed this instrument this the 27th day of June, 1992.

WHISPERING BLUFF ASSOCIATION OF UNIT OWNERS, INC.

By: Bill Morriss
Bill Morriss, President

ATTEST

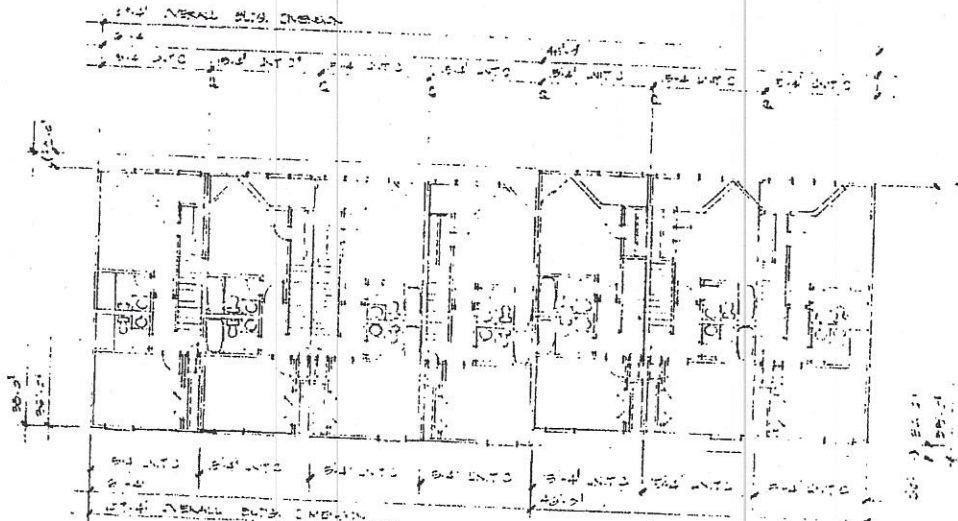
Beth Cravens
Beth Cravens, Secretary

STATE OF NEW MEXICO

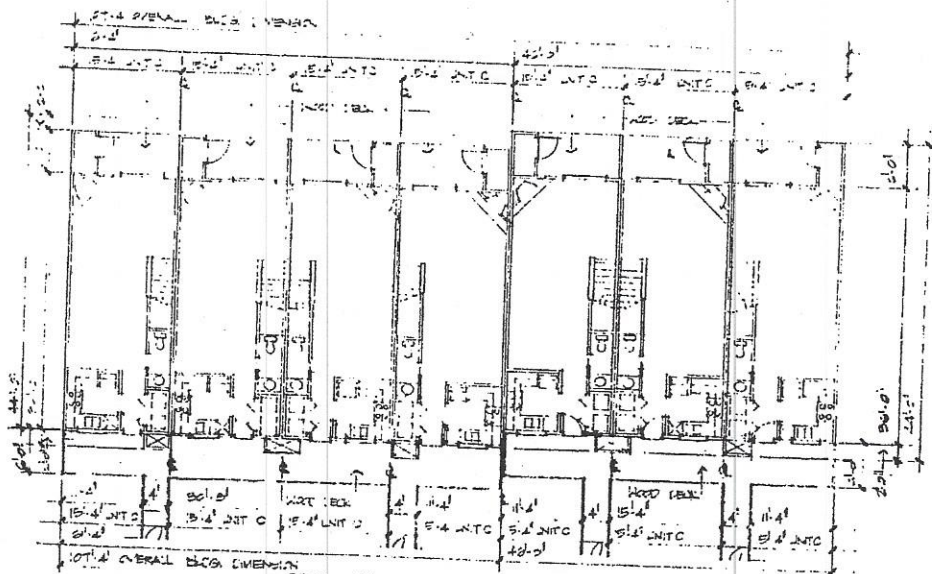
COUNTY OF LINCOLN

The foregoing instrument was acknowledged before me this the 27th day of June, 1992 by Bill Morriss, President of the Association of Whispering Bluffs Unit Owners, Inc., a non-profit New Mexico Corporation, duly authorized to do business in the State of New Mexico, for an on behalf of said Association.

John A. Smith
Notary Public
8-8-95



SECOND FLOOR PLAN



FIRST FLOOR PLAN

BUILDING 1



Whispering
Bluff condominiums
A DEVELOPMENT OF JARVIS ENTERPRISES INC.
SAN ANTONIO, TEXAS

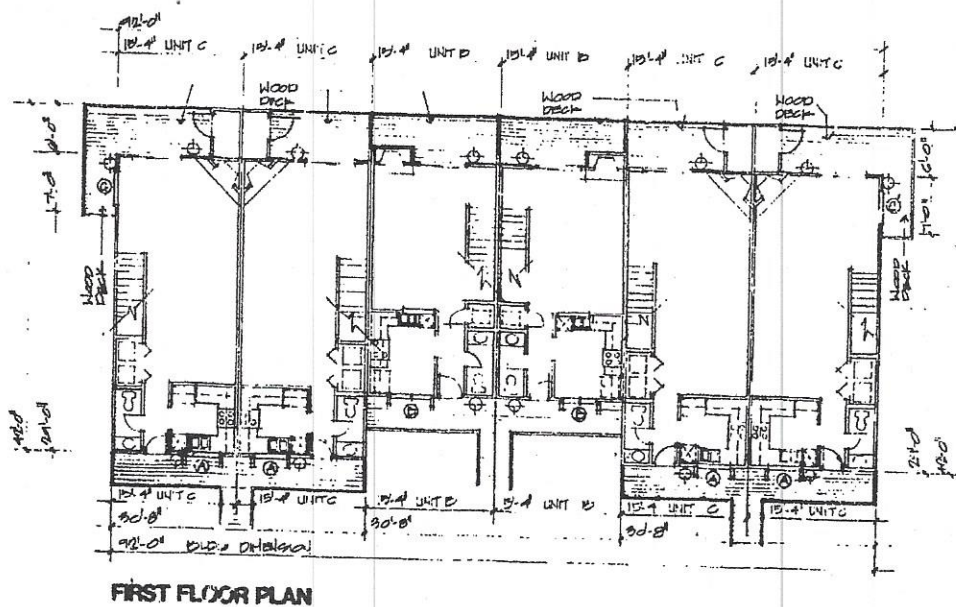
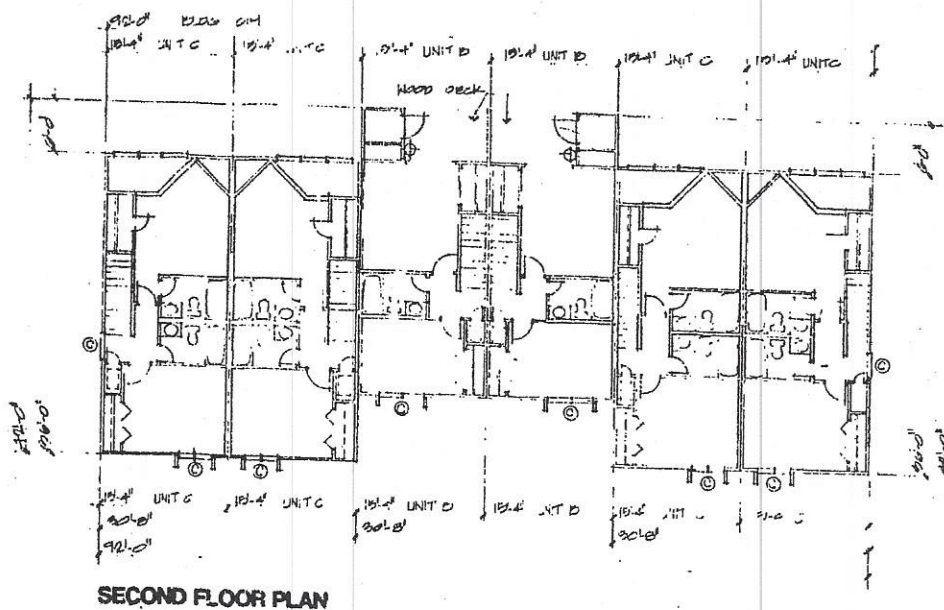
+

COCHRAN + DAVIS
ARCHITECTS PLANNERS
1700 Westmore, Suite 200, San Antonio, Texas 78205 (214) 591-1234



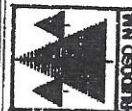
project no. 2181
date 12-21-01

sheet
of 10



1/8" BUILDINGS 4, 5

EXHIBIT "B-2"



**Whispering
Bluff condominiums**

COCHRAN+DAVIS
ARCHITECTS PLANNERS

7701 Broadway Suite 202 PO Box 6072
San Antonio, Texas 78208 1501820-5617

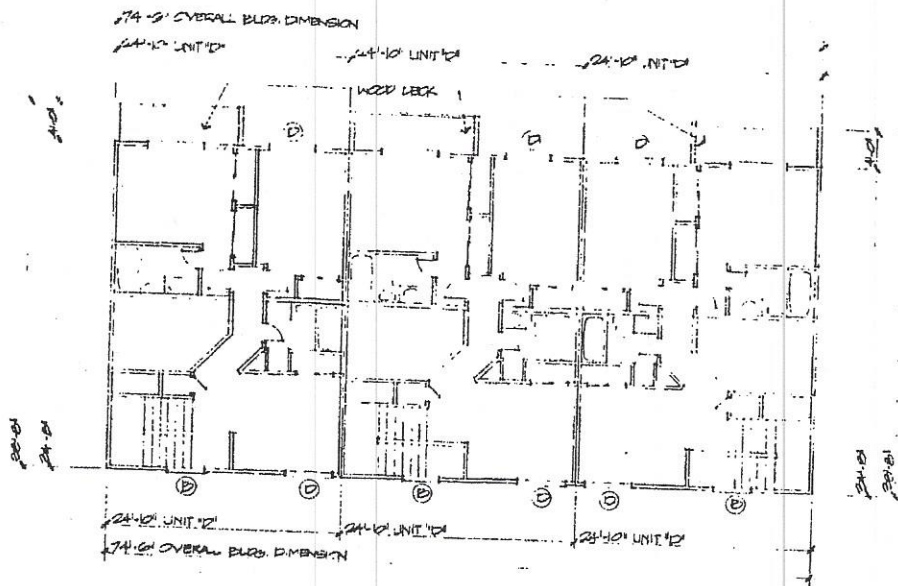


project no. 0131
date 12-24-81

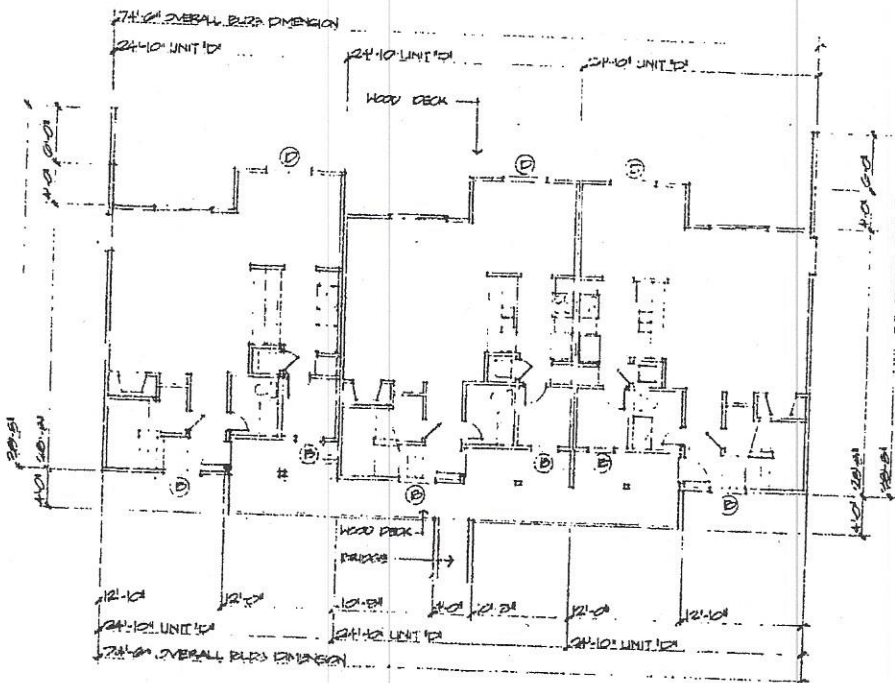
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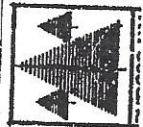
SECOND FLOOR PLAN



FIRST FLOOR PLAN

1/8" BUILDING 3

EXHIBIT "B-3"



Whispering Bluff condominiums



COCHRAN + DAVE
ARCHITECTS PLANNER

1777 Broadway, Suite 200, P.O. Box 133
San Antonio, Texas 78209 1547628 55

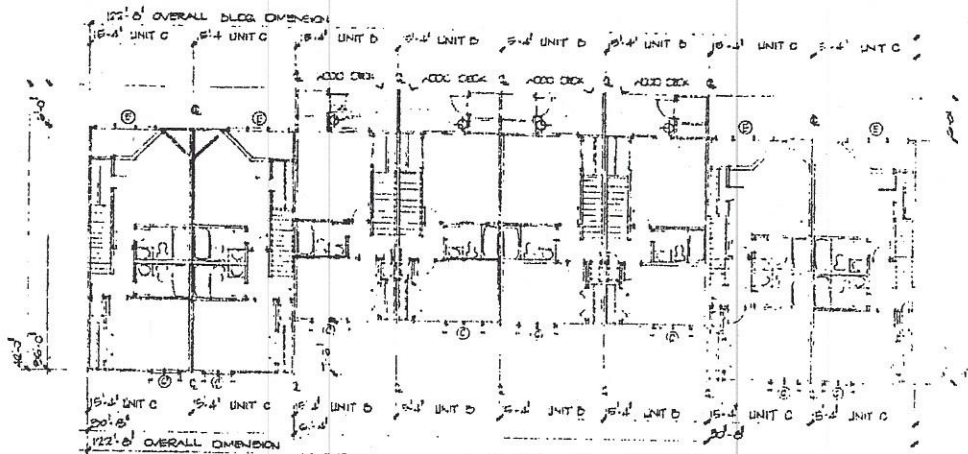


project no.
date

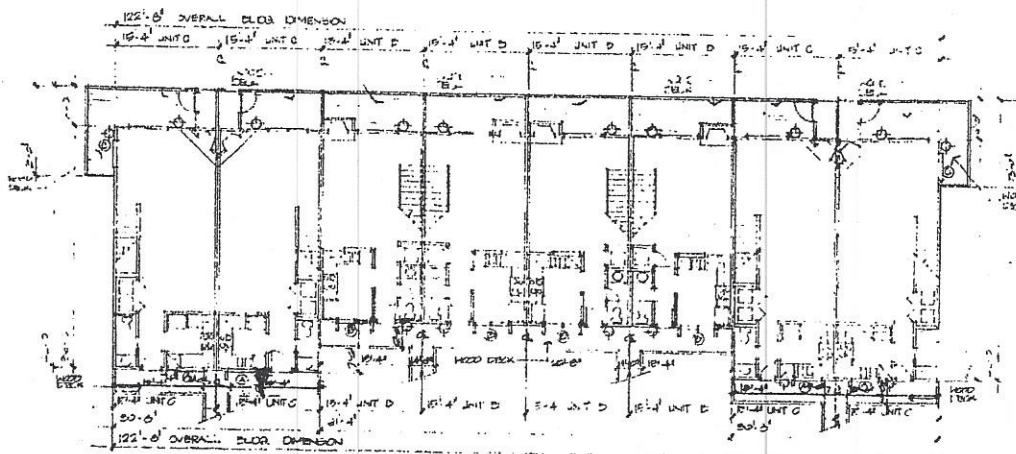
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of 20

1084



SECOND FLOOR PLAN



FIRST FLOOR PLAN



Whisping Bluff Condominiums
A DEVELOPMENT OF JAMES B. HENDERSON, INC.
SAN ANTONIO, TEXAS

COCHRAN-DAVIS
ARCHITECTS PLLC



project no. 014
date 2-24-04

sheet

1/8" BUILDINGS 2, 6, 7

EXHIBIT "B-4"

1085

Building Condominiums

COCHRAN + DAVIS
ARCHITECTS P.C.
1000 17th St NW, Suite 200
Washington, DC 20036



Project No. 0187
Date: 04/11/97

Sheet

1 of 2

1.8. BUILDING 8

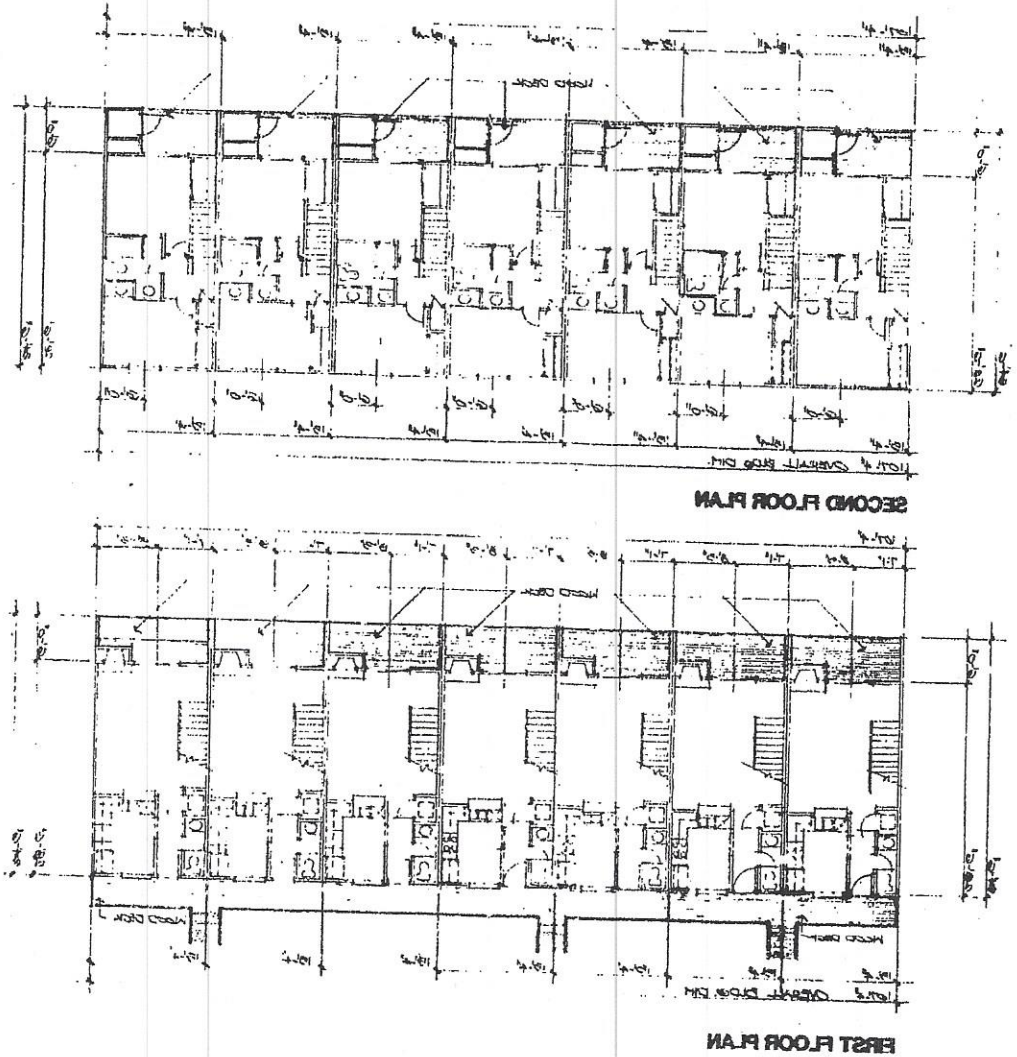


EXHIBIT "B-5"

1086

EXHIBIT "C"

Percentage of Undivided Interest
and Voting Rights Per Unit

Each unit shall have 1.8867% of undivided interest in the common area
and each unit shall have 1.8867 votes and shall be assessed 1.8867%
of any assessments made by The Association.

**RULES AND REGULATIONS OF THE
WHISPERING BLUFF OWNERS ASSOCIATION
AS APPROVED BY THE BOARD OF DIRECTORS**

4/18/2011

The purpose of these rules is to make everyone's residency pleasant and enjoyable. Please be considerate of your neighbors. Please note as a condo owner you are responsible for your family, guests and renters as pertains to these rules. The Association will take proper action to enforce these rules.

All outside areas of the entire complex fall under The Village of Ruidoso Fire Restrictions.

Excessive Noise - whether from the inside of the condominium or outside: noise from any source including stereos, radios, television is to be kept to a minimum so as not to disturb your neighbors. The Association has designated a quiet time from 9pm to 7am every day.

No recreational vehicles, campers, trailers, boats or other special use vehicles are allowed to be parked on the premises.

Vehicles must never block the entrance to any area. Any vehicle parked on the curbs or parked in a manner that may cause a hazardous situation will be ticketed by the Ruidoso Police Department and/or towed at the owner's expense.

No inoperative vehicles will be allowed on the premises or to remain on the premises for over a period of 20 days and no mechanical work will be allowed on the premises. Any vehicle with excessive oil leaks or fuel leaks must be removed from the property at once. If this debris is not cleaned up, the Association will take proper action to clean or remove the vehicle and/or waste, and the owner will be billed for any expense so incurred by the Association in removing such vehicle, debris and/or waste.

Decks are not to be used as storage. The only items allowed on the decks are neatly stacked firewood, lawn furniture, and grills. The decks must be kept free of laundry, towels, mops, clothing, signs, trash or any unsightly debris.

The ability to cool a unit by way of an AC window unit is an acceptable practice. The AC unit shall be installed only during the summer months and shall be removed at all other times. Any window AC that is installed must be painted with a coordinating color of the Building.

No skateboarding, rollerblading, sledding or bicycling allowed on sidewalks or anywhere on complex.

Non-owner residents are not allowed to have pets. Owners with pets must clean after their pets and follow all Village of Ruidoso ordinances regarding animals. This includes always having the pet properly leashed and restrained when outside on the common areas.

No real estate signs may be displayed anywhere on the complex, including interior of unit showing to the outside.

Any violation of the above rules that results in expenses to correct that violation will be billed directly to the unit owner that is in violation of said rule. In addition, the Association shall have the right to recover any expense, attorney's fees, and/or court costs incurred in the enforcement of any these rules as provided in paragraph 21 of the Association's Declaration of Covenants out of the office of the County Clerk of Lincoln County, New Mexico.

These Rules are established in accordance with Article VIII of the Bylaws for the Whispering Bluff Condominiums.