

**LA MESA ROJA SUBDIVISION  
ROAD CO-OP AND MAINTENANCE AGREEMENT**

Sandoval County, New Mexico

WHEREAS it is the desire and intent of the Owners of the real property described in "Exhibit B" attached hereto to form a cooperative (hereinafter called the Co-op) to maintain, improve or reconstruct the existing road and the roads to be constructed by the undersigned Owners within the property described in the aforementioned "Exhibit B" attached hereto.

1. TERM: This agreement shall apply to and be binding upon the Owners and shall run the land and shall be enforceable by the Owners hereto, their heirs, successors and assigns.
1. CO-OP MANAGER: The Owners shall elect a Co-op Manager for a term to be set by the Owners. The Co-op Manager must be one of the Lot Owners and will carry out the wishes of the Co-op.
1. VOTES: Each lot shall have one (1) vote per Lot owned.
1. ASSESSMENTS: The owner of any Lot, not including the undersigned Owner, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Co-op:
  - A. Annual assessments are charges for road maintenance, improvements, administrative expenses and liability insurance. Before January 1, 2002, the annual assessment shall be Twenty-Five Dollars (\$25.00) per lot. From and after January 1, 2002, the annual assessment may be increased not more than ten percent (10%) above the annual assessment for the previous year unless raised by the affirmative vote of the majority of all eligible votes cast in person or by proxy, at a meeting duly called for this purpose. The owners may also, by a majority vote, agree not to have an assessment in any given year, however, the annual assessment for the following year shall not exceed Twenty-five Dollars (\$25.00). The annual assessments provided for herein shall commence as to all the lots on the first day of January, 2002. The annual assessment period shall be January 1 - December 31 of each year. Written notice of the annual assessment shall be sent to every owner subject thereto. The due date shall be January 31<sup>st</sup> of the assessment year.
  - A. In addition to the annual assessment authorized above, the Co-op may levy, in any assessment year, a special assessment to pay the cost of any construction, reconstruction, repair or replacement of roads or for such other purposes as the owners may request, provided that any such assessment shall have the affirmative vote of a two-thirds (2/3) majority of all the eligible votes cast in person or by proxy, at a meeting duly called for this purpose. All decisions regarding paving and drainage improvements shall require a two-third (2/3) majority vote. Any special assessment shall be paid in one annual payment. All annual or special assessments, together with interest, costs and reasonable attorney's fees, shall be charged to each land owner and shall be a continuing lien upon the property against which each assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of

such property at the time the assessment fell due. The personal obligation for delinquent assessments shall not pass to successors in title, unless expressly assumed by them.

A. The assessments levied by the Co-op shall be used exclusively to maintain and construct roads, administrative expenses and liability insurance. Each residential lot shall be assessed at a uniform rate, per lot.

A. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum. The Co-op Manager (on behalf of the Co-op) may do any of the following if the assessment is not paid within ninety (90) days:

1. File a lien for any unpaid assessment by recording an affidavit of such fact in the office of the Clerk of Sandoval County;
2. Bring an action at law against the owner personally obliged to pay the same, or;
3. Foreclose the lien against the property.

A. In the event any of the foregoing actions are taken by the Co-op, then the owner shall be obligated to pay the Co-op reasonable attorney's fees and necessary costs incurred by the Co-op in enforcing its rights and taking such action.

A. The lien of any assessment provided for herein shall be subordinate to the lien of any mortgage. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to the first mortgage foreclosure shall extinguish the lien of such assessment as to payments which become due prior to such sale or transfer. However, no such sale or transfer shall relieve such lot from liability for any assessment thereafter becoming due from the lien thereof.

A. The Co-op Manager or his/her agent may enter upon any lot when necessary in connection with any maintenance or construction for which the Co-op is responsible. Such entry shall be made with as little inconvenience to the owners as practicable, any damage caused thereby shall be repaired by the Co-op out of the common expense fund.

1. SEVERABILITY: If any provision or provisions of the Agreement are determined to be invalid by any judgment, order or finding of any court or other

IN WITNESS WHEREOF, the parties have hereunto executed this agreement.

