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**ARTICLES OF AMENDMENT
OF
TIERRA GRANDE IMPROVEMENT ASSOCIATION, INC.**

FILED IN OFFICE OF
STATE CORPORATION COMMISSION
OF NEW MEXICO
C 150364
OCT 27 1993

Tierra Grande Improvement Association, Inc., for its articles of amendment, states:

1. The name of the corporation is Tierra Grande Improvement Association, Inc.
2. The amendments set forth in these articles of incorporation were voted upon by the members of the corporation at its annual meeting of the corporation held on July 31, 1993, at which meeting a quorum of members was present in person or by proxy, and the amendments received at least two-thirds of the votes of the members present at the meeting in person or by proxy.
3. The amendments adopted by the members of the corporation are as follows:
 - A. Articles One, Two, Four, Seven, and Nine of the articles of incorporation, as previously amended, shall remain as set forth in the articles of incorporation and any amendments thereto filed in the office of the Corporation Commission.
 - B. Articles Three, Five, Six and Eight of the articles of incorporation, as amended, are deleted in their entirety and the following designated Article Three, Article Five, Article Six and Article Eight are substituted in place thereof.

**ARTICLE THREE
DURATION**

The period of duration of the corporation shall be perpetual.

**ARTICLE FIVE
MEMBERSHIP**

Section 1 - Determination of Membership. Every person or entity who is the owner of a fee, or of the equitable title in any lot or living unit when purchasing under a real estate contract, and who is subject to present assessment by the corporation pursuant to the provisions of any recorded instrument relating to such assessment, shall be a member of the corporation. The owner or owners of a lot or living unit shall be deemed a member of the corporation at the time of recordation of a deed or real estate contract to the lot or living unit owner in the appropriate County Clerk's office. The legal title retained by a vendor selling according to a real estate contract shall not qualify such vendor for membership. Completion of a foreclosure of a mortgage or deed of trust, delivery of a deed in lieu of foreclosure, or completion of foreclosure of a purchaser's interest under a real estate contract shall terminate the vendee's membership, whereupon the vendor, or the purchaser at foreclosure sale, as the case may be, shall become a member of the corporation, provided the lot or living unit is subject to present assessment according to the terms of any recorded indenture related to such assessment.

Section 2 - Voting Rights of Members. Members shall be entitled to one (1) vote for each lot or living unit in which they hold the interest required to qualify them for membership according to Article V, Section 1, as shown by the records of the corporation as of April 30 of the year of the next annual meeting. In the event more than one person or entity holds an interest in a lot or living unit qualifying that person or entity for membership, all such persons or entities shall be members of the corporation, and the vote for such lot or living unit shall be exercised as they may among themselves unanimously determine, but in no event may a fraction of a vote be cast, nor may more than one vote be cast with respect to any such lot or living unit. The reacquisition by Horizon Corporation, or its successor, of any lot or living unit previously sold by Horizon Corporation, or its successor, shall not entitle Horizon Corporation, or its successor, to a vote with respect to such lot or living unit, unless the lot or living unit unless the lot or living unit is subject to present assessment by the corporation pursuant to the provisions of any recorded instrument relating to such assessment. For the purpose of determining the votes allowed under this section, when the owners of living units are counted, the lot or lots upon which the living units are situated shall not be counted.

Section 3 - Suspension of Membership Rights.

- A. A member's rights, including, but not limited to, the right to vote, may be suspended by resolution of the board of directors under the following circumstances:
 1. The member fails to pay any assessment or charge when first due according to the provisions of any recorded instrument relating to such assessment or charge;
 2. The member or the member's family, guests, tenants, or permissive users of the member's property within Tierra Grande subdivision violate any rule or regulation adopted by the corporation regarding the use of any property within Tierra Grande subdivision or that is owned by the corporation and held for the use of members;
 3. The member or the member's family, guests, tenants, or permissive users of the member's property within Tierra Grande subdivision use any property within Tierra Grande subdivision contrary to any protective covenant regarding that property.
- B. The suspension of membership rights based upon the failure by the member to pay any assessment or charge when first due shall continue until five business days after the past-due assessment or charge, together with any interest or other charge collectible with such assessment or charge, is paid in full. The suspension of membership rights based upon the violation of a rule, regulation, or protective covenant shall continue for a period of thirty days after the date the board of directors adopts a resolution suspending the membership rights, or so long as the violation continues, if such period is longer than thirty days.

**ARTICLE SIX
REGISTERED OFFICE AND AGENT**

The registered office of the corporation shall be 366 Rio Communities Boulevard, Belen, New Mexico 87002, and the name of the registered agent at that address shall be Kelly Bullock.

**ARTICLE EIGHT
BOARD OF DIRECTORS**

Section 1 - Number of Members. The corporation shall have five (5) directors who shall constitute the board of directors and the governing body of the corporation. The board of directors may appoint or remove ex officio members of the board of directors from time to time, in accordance with Article Eight, Section 6. The number of members of the board of directors, except ex officio members, shall not be changed except by lawful amendment to these articles of incorporation. The number of ex officio directors may be modified by the board of directors in accordance with Article Eight, Section 6.

Section 2 - Term of Directorships. The term of each directorship, other than ex officio directors, shall be five years, with the terms of each the directors

NEW MEXICO STATE

being staggered so that one directorship position is elected at each annual meeting. The present members of the board of directors set forth below, whose term expiration dates are indicated opposite their names, shall hold office during their terms and until the election and qualification of their successors:

- A. George J. Koch; term expires in 1993;
- B. Alfred L. Newton; term expires in 1994;
- C. Charles Griego; term expires in 1995;
- D. Alvin W. Linka; term expires in 1996;
- E. Mike Cheney; term expires in 1997.

Section 3 - Action by Board of Directors. Three members of the board of directors, present in person, or present by telephone in the case of a meeting of the board of directors conducted by conference telephone call, shall constitute a quorum for the transaction of business. A quorum, once attained at a meeting, shall be deemed to continue until adjournment notwithstanding a voluntary withdrawal of enough members of the board of directors to leave less than a quorum remaining. The concurrence of at least a majority of a quorum of the board of directors shall be required and shall be sufficient to authorize any action on behalf of the corporation. Each member of the board of directors shall be entitled to one vote on all matters which the board of directors is entitled to vote, except those matters which a director is disqualified from voting on according to the bylaws, or due to a conflict of interest.

Section 4 - Place of Meetings. Any meeting of the board of directors shall be held within the State of New Mexico.

Section 5 - Qualification of Directors. A member of the board of directors need not be an owner of property within Tierra Grande subdivision. No member of the board of directors, other than ex officio members, may be an officer, director, agent, or employee of Horizon Corporation, or a successor to Horizon Corporation.

Section 6 - Ex Officio Member. The board of directors may create one or more ex officio positions on the board of directors, for the purpose of obtaining advice and assistance regarding the improvement of Tierra Grande subdivision. The ex officio member or members of the board of directors shall not be entitled to vote on any matter to which the board of directors is entitled to vote. The ex officio members shall serve at the pleasure of the board of directors, and shall be subject to removal by the board of directors at any time without cause.

IN WITNESS WHEREOF, we have signed the foregoing amendments to the articles of Incorporation of Tierra Grande Improvement Association, Inc., this 25 day of October, 1993.

Alfred L. Newton
President

[Signature]
Secretary

STATE OF NEW MEXICO)
) ss.
COUNTY OF VALENCIA)

We, Alfred L. Newton and George J. Koch, being first duly sworn upon our oaths, hereby depose and state that we are the President and Secretary, respectively, of Tierra Grande Improvement Association, Inc., that we have read the foregoing amendments to the articles of Incorporation, and that the contents therein are true and correct to the best of our knowledge and belief.

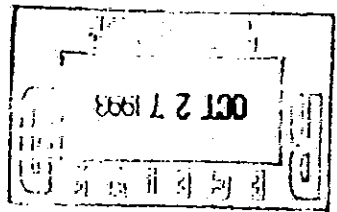
Alfred L. Newton
President

[Signature]
Secretary

SUBSCRIBED AND SWORN TO before me on this 25 day of October, 1993, by Alfred L. Newton and George J. Koch, known to me to be the President and Secretary, respectively, of Tierra Grande Improvement Association, Inc.

Kelly D. Bullock
Notary Public

My Commission Expires:
June 26, 1995



2299

AMENDED
ARTICLES OF INCORPORATION
TIERRA GRANDE IMPROVEMENT ASSOCIATION, INC.

Tierra Grande Improvement Association, Inc., for its articles of amendment states:

1. The name of the corporation is Tierra Grande Improvement Association, Inc.
2. The amendments set forth in these articles of incorporation were voted upon by the members of the corporation at the annual meeting of the corporation held on July 31, 1993, at which meeting a quorum of members was present in person or by proxy, and at which the amendments received at least two-thirds of the votes of the members present at the meeting in person or by proxy.

ARTICLE ONE

The name of the Corporation (which is hereinafter called Corporation) is TIERRA GRANDE IMPROVEMENT ASSOCIATION, INC.

ARTICLE TWO

The Corporation does not afford pecuniary gain, incidentally or otherwise, to its members.

ARTICLE THREE

The period of its duration shall be perpetual.

ARTICLE FOUR

The purpose for which the Corporation ~~is organized~~ is to promote and develop the common good and social welfare of residents of communities which shall be developed by Horizon Corporation, a Delaware corporation, or by any of its subsidiaries (hereinafter called the Developer) on all or a portion of the lands in Valencia County and Socorro County, New Mexico, more particularly described in that certain Warranty Deed dated July 20, 1972, wherein C. L. Crowder Investment Co. is the Grantor and Horizon Corporation is the Grantee, same being recorded in Book 308 at Pages 107 - 141, records of the Office of the Socorro County Clerk, and Volume 33 at Pages 128 - 162, records of the Office of the Valencia County Clerk, or on other lands acquired by the Corporation from time to time; provided, however, that only those portions of the lands described in the above described Warranty deed or of lands hereafter acquired by the Corporation as shall hereafter be actually subjected to covenants, liens, charges, conditions or restrictions for the support and benefit of the Corporation and the welfare or betterment of such communities or residents thereof created by deed, indenture, agreement or declaration approved, ratified or adopted by resolution of the Board of Directors of the Corporation, shall be considered as the community or communities described in these Articles of Incorporation and the proper object of the powers and purposes of the Corporation.

Without limiting the generality of the foregoing, the Corporation shall have power to take and hold any property, to establish thereon and to administer and enforce covenants, conditions, restrictions, reservations, servitudes, profits, licenses, easements, liens or charges for the support and benefit of the corporation and the welfare or betterment of such communities or residents thereof; to construct, install, extend, operate, maintain, repair and replace utilities, systems, services or other facilities on such property for the welfare or betterment of such communities or residents thereof; to manage, regulate and control the common or community use and enjoyment of such property services or facilities for the welfare or betterment of such communities or residents thereof; to manage, regulate and control the common or community use and enjoyment of such property services or facilities for the welfare or betterment of such communities or such residents; and to sell, convey, dispose of or lease any such property; to lay out, open, construct and maintain public streets and roads within the lands described in said warranty deed; and purchase, own, lease and operate for the benefit and use of the residents of the communities, recreational, eating and lodging facilities and to apply for and hold, sell, lease or convey franchises or licenses issued by governmental agencies pertaining to such recreational, eating, lodging, including the dispensing or sale of alcoholic beverages. The Corporation shall have all powers conferred upon it by law unless inconsistent with the provisions of this Article. The Corporation shall not be organized nor operated for profit, nor shall it participate or intervene, directly or indirectly, in any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE FIVE
MEMBERSHIP

Section 1 - Determination of Membership. Every person or entity who is the owner of a fee, or of the equitable title in any lot or living unit when purchasing under a real estate contract, and who is subject to present assessment by the corporation pursuant to the provisions of any recorded instrument relating to such assessment, shall be a member of the corporation. The owner or owners of a lot or living unit shall be deemed a member of the corporation at the time or recordation of a deed or real estate contract to the lot or living unit owner in the appropriate County Clerk's office. The legal title retained by a vendor selling according to a real estate contract shall not qualify such vendor for membership. Completion of a foreclosure of a mortgage or deed of trust, delivery of a deed in lieu of foreclosure, or completion of forfeiture of a purchaser's interest under a real estate contract shall terminate the vendee's membership, whereupon the vendor, or the purchaser at foreclosure sale, as the case may be, shall become a member of the corporation, provided the lot or living unit is subject to present assessment according to the terms of any recorded indenture related to such assessment.

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2. The member or the member's family, guests, tenants, or permissive users of the member's property within Tierra Grande subdivision violate any rule or regulation adopted by the corporation regarding the use of any property within Tierra Grande subdivision or that is owned by the corporation and held for the use of members;

3. The member or the member's family, guests, tenants, or permissive users of the member's property within Tierra Grande subdivision use any property within Tierra Grande subdivision contrary to any protective covenant regarding that property.

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ARTICLE SEVEN

The names and addresses of the incorporators are as follows:

Turner Branch, Suite 1400, 505 Marquette Street, N.W., Albuquerque, New Mexico
Frank Dickson, Suite 1400, 505 Marquette Street, N.W., Albuquerque, New Mexico
George Duboise, Suite 1400, 505 Marquette Street, N.W., Albuquerque, New Mexico

ARTICLE EIGHT

BOARD OF DIRECTORS

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- B. Alfred L. Newton: term expires in 1994;
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- D. Alvin W. Linke: term expires in 1996;
- E. Mike Cheney: term expires in 1997.

Section 3 - Action of the Board of Directors. Three members of the board of directors, present in person, or present by telephone in the case of a meeting of the board of directors conducted by conference telephone call, shall constitute a quorum for the transaction of business. A quorum, once attained at a meeting, shall be deemed to continue until adjournment notwithstanding a voluntary withdrawal of enough members of the board of directors to leave less than a quorum remaining. The concurrence of a least a majority of a quorum of the board of directors shall be required and shall be sufficient to authorize any action on behalf of the corporation. Each member of the board of directors shall be entitled to one vote on all matters which the board of directors is entitled to vote, except those matters which a director is disqualified from voting on according to the bylaws, or due to a conflict of interest.

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ARTICLE NINE

Upon dissolution or other termination of the Corporation, no part of the property of the Corporation, nor any of the proceeds thereof, shall be distributed to the members of the Corporation as such, but all such property and proceeds shall, subject to the discharge of valid obligations of the Corporation, be distributed as directed by the Members of the Corporation to the governing body of any community or communities for the welfare of which the Corporation shall have been operated or to one or more corporation or other organized for profit and operated exclusively for the promotion of social welfare and which does not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.

STATE OF NEW MEXICO



OFFICE OF

THE STATE CORPORATION COMMISSION

CERTIFICATE OF AMENDMENT

OF

TIERRA GRANDE IMPROVEMENT ASSOCIATION, INC.

3082815

The State Corporation Commission certifies that duplicate originals of the Articles of Amendment attached hereto, duly signed and verified pursuant to the provisions of the
NONPROFIT CORPORATION ACT
(53-8-1 to 53-8-99 NMSA 1978)
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 Amendment and attaches hereto a duplicate original of the Articles of Amendment.

Dated: OCTOBER 27, 1993

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



A handwritten signature in cursive script, appearing to read "Tom F. Serra".

Chairman

A handwritten signature in cursive script, appearing to read "Maurice R. ...".

Director