

**AMENDED AND RESTATED PROTECTIVE
COVENANTS AND RESTRICTIONS FOR LOS PANDOS ESTATES**

These Amended and Restated Protective Covenants and Restrictions are made effective as of October 1, 2006.

WHEREAS, Protective Covenants and Building Restrictions were filed of record in Book 540, Pages 637-644, as Instrument No. 000316954, Taos County Real Property records for all Lots 1 through 12 (hereinafter the "Lots") for the certain subdivision shown upon a plat entitled "Los Pandos Estates, Taos County, New Mexico" which plat was filed in the office of the County Clerk on March 20, 2006, as Instrument No. 316553; and

WHEREAS, Los Pandos Estates, LLC, owner of Lots 1, 2, 3, 4, 7, 8, 9, 10, and 11, Jack Stamm, owner of Lot 5, Pamela Campbell, owner of Lot 12, and John Fields, owner of Lot 6, for the mutual benefit and enjoyment of all twelve Lots desire to amend and restate the covenants and restrictions.

NOW THEREFORE: the following Amended and Restated Protective Covenants and Restrictions for Los Pandos Estates, which are intended to supercede and replace the Protective Covenants and Building Restrictions referred to above, shall apply to Lots 1 through 12 of the Los Pandos Estates:

1. **Homeowners' Association.** The Los Pandos Homeowners' Association shall be incorporated as a New Mexico non-profit corporation.

A. Each of the twelve lots within the Los Pandos Estates shall have one membership and one voting right.

B. Membership shall be automatic and mandatory for each owner of a Lot within the Los Pandos Estates. Such membership shall be appurtenant to and may not be separated from ownership of the Lot. When more than one person holds an interest in any voting right, such voting right shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such voting right. Where there is more than one owner of a Lot, the several record owners of such Lot shall be required to designate, by prior written notice to the association, the particular owner who shall cast the votes appurtenant to that Lot. If the several owners of any Lot are unable or unwilling to designate a particular owner to vote, then the membership appurtenant to that Lot shall not be entitled to vote on any association affairs until such designation is made.

C. The Homeowners Association shall have responsibility for the maintenance and repair of the roads, maintenance of all landscaping improvements placed on the open spaces, all costs associated with the lift station, any taxes assessed on the roads or the open spaces, and all costs associated with enforcement of these covenants and restrictions.

D. The Homeowners Association shall have the power and authority to levy and collect an annual and special assessments on the members to cover the costs of performing the functions referred to above, all and as is or will be more fully set forth in the Articles of Incorporation and Bylaws of the Homeowners Association. The assessments levied by the Association shall be used exclusively to promote the common health, safety and welfare of the owners of the lots within the Los Pandos Estates, including the responsibilities set forth in paragraph C. The annual assessments provided for herein shall commence as to all Lots on January 1, 2007, and shall be payable on or before January 31, 2007.

E. Except as provided in the next sentence, costs for common expenses shall be apportioned by assessments equally to all Lot owners. The costs for repair of any damages, negligently or intentionally caused by any Lot owner or his agents to the common roads, easements, or the common areas, shall be specifically assessed against such Lot.

F. Each Lot owner covenants and agrees to pay the Homeowners' Association its annual assessments and special assessments in the manner and time provided herein and by the Articles of Incorporation and By-Laws. Such assessments, together with interest, costs, and reasonable attorney's fees for collections, shall be a charge upon and continuing lien upon the Lot against which each such assessment is made and shall also be the personal obligation of the owner of such Lot at the time when the assessment fell due. The assessment lien shall be a charge on the Lot perfected by the recording of these Amended and Restated Protective Covenants and Restrictions, and shall be for the amount of all items set forth herein from the date such amount becomes due.

G. Any assessment or charge or installment thereof not paid when due shall be deemed delinquent and in the discretion of the Board may bear interest from and after the due date until paid at a rate set by the Homeowners' Association, but in no event greater than allowed by any applicable law. The delinquent Lot owner shall also be liable for all costs, including attorney's fees, which may be incurred by the association in collecting delinquent assessments. The Board may also record a notice of delinquent assessment or charge against any Lot as to which an assessment or charge is delinquent. The notice shall be executed by an officer of the Board, set forth the amount of the unpaid assessment, the name of the delinquent owner and a description of the Lot. The assessment lien may be foreclosed by the Homeowners' Association in the same manner as a mortgage on real property. The Homeowners' Association shall be entitled to purchase the Lot at foreclosure. The Board may establish a fixed fee to reimburse the Homeowners' Association for its cost in preparing and recording such notice, processing the delinquency and recording a release of said lien, which fixed fee shall be treated as part of the delinquent assessment secured by the assessment lien. The Homeowners' Association may bring an action at law against the owner personally obligated to pay the delinquent assessment and/or foreclose the lien against said owner's Lot. No delinquent Member shall be entitled to vote on any Homeowners' Association matters until the assessment due, with interest and all other costs, shall be paid in full.

2. Period of Control by Los Pandos Estates, LLC of Homeowners' Association

A. Los Pandos Estates, LLC, is the successor in interest to the Estate of Allen Stamm, owner of the property encompassed by the Los Pandos Estates Subdivision at the creation of the subdivision. As of the date of recordation of this Amended and Restated Protective Covenants and Restrictions, Los Pandos Estates, LLC is the owner of Lots 1, 2,3,4,7,8,9,10, and 11. Los Pandos Estates, LLC shall have the right to appoint and remove Members of the Board of the Homeowners Association until sixty (60) days after conveyance of five (5) of these Lots to owners other than Los Pandos Estates, LLC.

B. Board Members selected by Los Pandos Estates, LLC, will serve at the sole discretion of Los Pandos Estates, LLC, and need not be members of the Homeowners' Association.

3. Limited Liability. Without limitation, the Homeowners' Association and the Board shall not be liable to any party for any action or for any failure to act with respect to any matter if the action taken or failure to act was in good faith and without malice. Acts taken upon the advice of legal counsel, certified public accountants, registered or licensed engineers, architects or surveyors shall conclusively be deemed to be in good faith without malice.

4. Architectural Review Committee

A. The three members of the Board of Directors for the Los Pandos Homeowners' Association shall function as an Architectural Review Committee ("ARC"). No building, patio wall, fence structure or other improvement shall be erected, placed, or altered on any Lot until the plans, specifications and a plat showing the location of such building or improvements are approved unanimously in writing by the three members of the ARC.

B. In the case of the inability or unwillingness of any member of the ARC to act with respect to any matter hereunder, the remaining members shall have the authority to designate a successor and shall be authorized to act so long as any action taken has the approval of two members of the ARC. If the ARC fails to approve or disapprove any plans, specifications and plat within thirty (30) days after submission, approval will be deemed to have been given. The members of the ARC shall not receive compensation for their services.

5. Residential Use. All lots shall be used for single family residence only and no commercial use whatsoever shall be permitted. Home occupations as defined in the Town of Taos Ordinances, as amended from time to time, shall be permitted, provided that:

A. Not more than one person other than family members residing on the premises shall be regularly engaged in such occupation.

B. There shall be no change in the outside appearance of the building or premises, nor other visible evidence of conduct of such home occupations, except one non-illuminated

nameplate sign no larger than two feet square may be placed no closer than fifty feet (50') from the center of the road by which the Lot is accessed.

C. The home occupation shall be clearly incidental and subordinate to the residential purposes of the occupants, and shall occupy not more than thirty percent (30%) of the floor area of the dwelling, exclusive.

D. All parking for such home occupation, including parking for any employee, customer or clients shall be provided off street.

E. No vehicles or other motorized equipment shall be serviced or repaired in the front yards or driveways of any lot.

F. No dance, exercise, or martial arts classes and no nursery school are permitted.

G. No noise, smoke or odors shall be noticeable by the closest neighbors of such home occupation; nor shall there be any other disruption of the quiet enjoyment of any neighbor.

H. There shall be compliance at all times with all laws, regulations, and ordinances, including all licensing requirements.

6. Setbacks, fences and walls.

A. The setbacks shown on the plat entitled "Los Pandos Estates, Taos County, New Mexico" filed in the office of the County Clerk on March 20, 2006, shall be observed. Any greater setback requirements imposed by the Town of Taos by ordinance upon the Los Pandos Estates shall also be observed.

B. A chain link fence up to one hundred feet (100') in length, provided it is attached to the rear of the residence to provide an enclosure for pets or a vegetable/flower garden is permitted for each lot. Screening by vines, climbing roses, shrubs, etc., is encouraged. Any chain link fence must observe the set back requirements.

C. No other fences, walls or other enclosures (hedges excluded) shall be permitted or allowed to remain on any residential Lot unless approved by the ARC.

D. The Lots hereinbefore described are subject to utility easements as shown on the recorded plat, which easements may also be used for drainage purposes. No obstructions shall be placed in or across said easements without providing for proper drainage of surface waters from adjacent lots.

7. Building specifications.

A. All residences shall be pueblo or modified pueblo as such styles are generally

defined in the Taos area. Only site built homes are permitted. Mobile homes, manufactured homes, panelized homes, and modular homes are prohibited.

B. The maximum height of the top parapet or ridge on any roof, is eighteen feet (18') from the finished floor. A combination of flat roof overhangs and pueblo style is permitted if the overhang is primarily for the purpose of achieving solar gain or to eliminate canales on the north side of the building. Metal or tile roofs are prohibited.

C. No dwelling less than fourteen hundred (1,400) square feet of heated area (exterior measurement) may be constructed on any lot. Each Lot must have a double garage attached to the dwelling, which shall not be considered part of the dwelling for the purposes of this paragraph.

D. It is not the intention of these restrictions to prohibit any particular construction material or technique except insofar as it may affect the finished appearance of a residence or other building in such a manner as to violate these restrictions.

E. The following El Rey stucco colors, or their equivalent are required to be used on the exterior surfaces of all residences and other buildings larger than two hundred (200) square feet.

102 - Cameo	108 - Kokanee
111 - Driftwood	102 - Sand
106 - Buckskin	117 - Fawn
122 - Straw	119 - Palomino
118 - Suede	116 - Adobe
125 - La Luz	105 - Beige
114 - Desert Rose	115 - Cottonwood

F. Each Lot may have one structure, in addition to the main residence. If such structure is over two hundred (200) square feet (exterior measurement) it must be architecturally compatible with the residence and stuccoed to match and must be constructed of new material. No used or previously erected (moveable) panels or structures shall be used for any building, garage or storage shed. If such structure is smaller than two hundred (200) square feet (exterior measurement) it must be screened from any neighbor's view. No prefabricated storage sheds will be permitted. Although a guest house meeting these requirements may be constructed for the temporary residence of guests, such structure may not be rented or used as a permanent residence.

G. No trailer, mobile home, tent trailer, travel trailer, tent, garage shop, or other outbuilding erected on any Lot shall at any time be used as residence, temporarily or permanently, nor shall any structure of a temporary character be used as a residence. Any such items stored on the property must be screened from adjoining property owner's view and cannot be stored between the front building setback line and the street.

H. All fixtures must be low flow and all appliances must have water conservation features, to the extent such are reasonably available.

8. The Building Process.

A. All permits required by law, including building permits, must be obtained for any construction, including additions and remodeling.

B. A licensed building contractor must be used for all new construction, remodeling and additions. No owner build arrangements may be made unless such owner establishes to the satisfaction of the ARC that he/she has the experience and ability to manage a project, including prior residential construction. All plumbing, heating, electrical work and roofing must be performed by licensed subcontractors.

9. Landscaping.

A. Each Lot owner must budget into the building cost or contract price for any residence the sum of sixty cents (60) per square feet of heated area, which shall be used for landscaping the front and side yards. This work is to be completed ninety (90) days after occupancy. Southwest style landscaping (drought resistant trees and shrubs) native grasses, gravel, etc. is encouraged.

B. A maximum of one thousand (1,000) square feet of lawn area is permitted preferable within patio walls as well as an additional five hundred (500) square feet of flower beds and/or vegetable gardens. Major trees are encouraged providing drip irrigation is used for six (6) or more trees.

C. No portion of any Lot or plot of land between the street line and the main residence shall be used for planting or growing of garden vegetable and all front yard landscaping (i.e. shrubs, lawns, trees, flowers) shall be kept and maintained by the owner in good husband-like manner.

D. Old or new asphalt impregnated railroad ties are prohibited. Green, grey or natural timbers are permitted.

E. Water conservation is encouraged, primarily through the use of drip irrigation and watering when wind and temperatures are lower (early morning and evening).

F. All water runoff from roof and paved areas shall be retained on the site by impoundment in walled patios, rear yards or landscaped areas. Other runoff, from the unpaved areas and roads, shall be retained as required by the Town of Taos.

10. Miscellaneous.

A. No noxious or offensive trade or activity shall be carried on upon any lot, not shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood or other properties in close proximity.

B. No billboards or other advertising signs will be erected or placed on any lot except that one "For Sale, For Lease, or For Rent" not be larger than eighteen inches (18") by twenty-four inches (24") may be displayed upon any Lot or plot; provided, however, that during the development and sale of lots and homes in said tract or the adjoining tract, Los Pandos, LLC, its agents and assigns, may erect and display one or more larger signs as are deemed reasonably necessary to market the lots.

C. Any solar collector or evaporative cooler must be screened from view of any neighbor.

D. Clothes lines, equipment, service yards, woodpiles or storage piles must be kept screened by adequate planting or fencing so as to conceal them from the view of all neighbors.

E. Each Lot must be kept clear of rubbish, trash, dead weeds and weeds over twelve inches (12") high must be cut, pulled, mulched or eradicated from all front and side yards.

F. Inoperative vehicles or motorized equipment must be repaired or removed from the premises in forty-five (45) days. Repairing and servicing of such equipment is not permitted between the residence and street. Such work may be done in side and rear yards if screened from neighbors' view.

G. Mail boxes or newspaper tubes will be prohibited unless the design, color and height are approved by the aforementioned committee.

H. Microwave or Dish Antennas are not permitted on any roof or in the front or side yard visible from the street, and must be screened from view of any other lot. No radio or television antenna shall be installed on the roof or higher than the parapet line.

I. All exterior lights and light standards on residential tracts shall be approved the ACC for harmonious development and the prevention of lights nuisances to others.

J. The commercial keeping or breeding of animals is prohibited. Ordinary household pets are permitted; provided they do not constitute a nuisance to other residents and are not allowed to run free. Any outdoor enclosures or pens must be located on the rear half of the lots, and be adequately screened from the street.

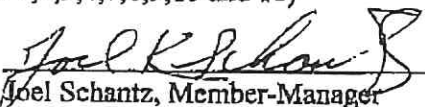
11. Acequia Easement A thirty (30') acequia easement is located along the southern property boundary line of Lots 3 and 4.


- A. No digging in the ditch is permitted. No debris, trash, grass clipping, leaves, or branches may be dumped in the ditch.
- B. Access to the ditch will be available to the ditch association at all times.
- C. Water from the acequia may not be diverted for the use of any Lot owner.
- D. No building structure, play pen, or storage bin may be located within the easement.

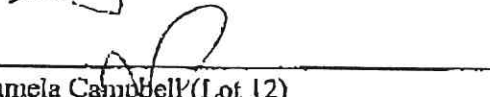
12. Covenants run with the land. The Amended and Restated Protective Covenants and Restrictions for Los Pandos Estates attach to all the Lots the Los Pandos Estates Subdivision and are binding on the parties hereto and all persons claiming under them until January 1, 2017, at which time said covenants shall be automatically extended for successive periods of ten (10) years unless by a vote of nine (9) of the twelve (12) of the then record owners of all Lots it is agreed to change said covenants in whole or in part. The invalidation of any one of these covenants by judgement of Court Order in no way affect any of the other provisions, all of which shall remain in full force and effect.

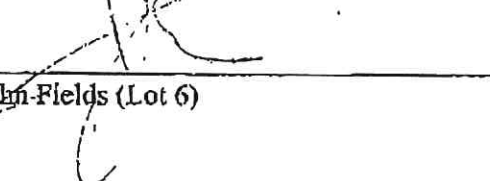
IN WITNESS WHEREOF, each of the owners of all Lots in the Los Pandos Estates Subdivision have executed this instrument on the date indicated.

Los Pandos Estates, LLC, a New Mexico Limited Liability Company
(Lots 1,2,3,4,7,8,9,10 and 11)

By: 
Joel Schantz, Member-Manager


Jack Stamm (Lot 5)


Pamela Campbell (Lot 12)


John Fields (Lot 6)

TAOS COUNTY
ELAINE S. MONTANO, CLERK
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Book 579 Page 60
9 of 12
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BY LILLIAN



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

This instrument was acknowledged before me on OCTOBER 26, 2006, by
Joel Schantz, Member-Manager.

Maria Figliola
Notary Public

{SEAL}
My commission expires:
12/17/08

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

This instrument was acknowledged before me on Nov. 20, 2006, by Jack
Stamm.

Joel R Schantz
Notary Public

{SEAL}
My commission expires:
3-8-09

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

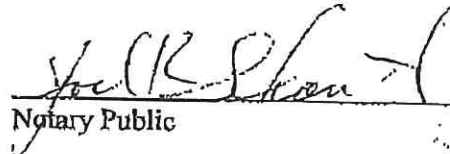
This instrument was acknowledged before me on _____, 2006, by
Pamela Campbell.

Notary Public

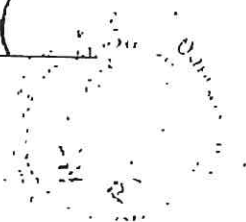
{SEAL}
My commission expires:

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

This instrument was acknowledged before me on Oct 27, 2006, by John Fields.



Notary Public



{SEAL}
My commission expires:
3-8-09