

Bylaws of

THE GREENBRIAR TOWNHOUSES, INC.

ARTICLE I. NAME AND LOCATION OF CORPORATION

The name of this corporation is THE GREENBRIAR TOWNHOUSES, INC. Its principal office is located in the City of Albuquerque, Bernalillo County, New Mexico.

ARTICLE II. PURPOSE

The purpose of this Corporation is to provide its members with the best housing and community facilities on a non-profit basis in agreement with the provisions set forth in its Articles of Incorporation, and in accordance with cooperative housing principles.

ARTICLE III. MEMBERSHIP

SECTION 1. ELIGIBILITY. Any individual approved by the Board of Directors shall be eligible for membership, provided that he or she executes an Occupancy Agreement covering a specific unit and such other documents as may be required. The Board of Directors shall treat all applicants for membership equally, following the same process for each applicant.

SECTION 2. APPLICATION FOR MEMBERSHIP. Application for membership shall be presented on a form prescribed by the Board of Directors, and all such applications shall be acted upon promptly by the Board of Directors.

SECTION 3. MEMBERS, AUTHORIZED MEMBERSHIPS, AND OCCUPANCY AGREEMENTS.

- a) The members shall consist of those individuals who reside on the Property, have been approved for membership by the Board of Directors, and have paid for their membership and received membership certificates.
- b) The authorized membership of the Corporation shall consist of 160 memberships, all of one class.
- c) The Corporation will offer to the members Occupancy Agreements on the housing units. The Occupancy Agreements shall all be of one class, except that there will be differences in the monthly housing charges thereunder. There will likewise be differences in the Initial Payments thereunder to reflect differences in the size of housing units involved.

SECTION 4. MEMBERSHIP CERTIFICATE. Each membership certificate shall state that the Corporation is organized under the laws of the State of New Mexico, the name of the registered holder of the

membership represented thereby, the Corporation lien rights as against such membership as set forth in this Article, the preferences and restrictions applicable thereto, and shall be consecutively numbered, bound in one or more books, and shall be signed by the President and the Secretary and shall be sealed with the corporate seal. A member shall receive a copy of his or her membership certificate, and the original certificate shall be kept in the Greenbriar office.

SECTION 5. LOST CERTIFICATES. The Board of Directors may direct a new certificate to be issued in place of any certificate previously issued by the Corporation and alleged to have been destroyed or lost, upon the making of an affidavit of that fact by the person claiming the certificate to be lost or destroyed.

SECTION 6. LIEN. The Corporation shall have a lien on the outstanding regular memberships in order to secure payment of any sums which shall be due or become due from the holders thereof for any reason whatsoever, including any sums due under any Occupancy Agreements.

SECTION 7. TRANSFER OF MEMBERSHIP. Membership shall be transferable only in accordance with the Bylaws. In all transfers of membership the Corporation shall be entitled to a fee it deems appropriate to compensate for the processing of the transfer. The Corporation shall have a first option to purchase each and every unit and membership at the then-listed prevailing price of the unit.

- a) CORPORATION'S APPROVAL OF NEW MEMBER. A member may sell his or her membership to any person who has successfully completed the application process, and been duly approved by the Board of Directors.
- b) DEATH OF A MEMBER. If, upon the death of a member, his or her membership in the Corporation passes by will or interstate distribution to a member of his or her immediate family, such heir may, by assuming in writing the terms of the Occupancy Agreement, within sixty (60) days after member's death, paying all amounts due thereunder, having successfully completed the application process, and being approved by the Board of Directors, become a member of the Corporation. If member dies and an obligation is not assumed in accordance with the foregoing, then the legal representative of the deceased member may sell the membership to any person who has been duly approved by the Board of Directors.
- c) CHARGE FOR TRANSFER OF SERVICE. If the Corporation agrees, at the request of the member, to assist the member in finding a purchaser, the Corporation shall be entitled to charge the member a fee it deems reasonable for this service. When the transferee has been approved for membership and has executed the prescribed Occupancy Agreement, the retiring member shall be released of his or her obligations under his or her Occupancy Agreement, provided he or she has paid all amounts due the Corporation to date.

SECTION 8. EXPULSION. A member may be expelled by the vote of a majority of the members voting at a regular or special meeting, at which a quorum is present. The member against whom the charges are to be proffered shall be informed thereof in writing at least ten days in advanced of the meeting, and

shall have an opportunity to be heard in person or by counsel at said meeting. On decision of the Corporation to expel a member, the Corporation may purchase the member's holdings at par value, if and when there are sufficient surplus funds, less, with limitation:

- a) an amounts due to the Corporation from the member under the Occupancy Agreement;
- b) the cost or estimated cost of all deferred maintenance, including painting, redecoration, floor finishing, and such repairs and replacement, beyond normal wear and tear, as are deemed necessary by the Corporation to place the dwelling unity in suitable condition for another occupant and which are not the responsibility of the Corporation; and
- c) legal and other expenses incurred by the Corporation in connection with the default of such member and the resale of his membership. In the event the expelled member for any reason should fail for a period of ten (10) days after demand to deliver to the Corporation his or her endorsed membership certificate, said membership certificate shall forthwith be deemed to be cancelled and may be issued by the Corporation to a new purchaser. In addition, the provision of the Uniform Owner-Resident Relations Act, Section 47-8-1 et seq. or its equivalent in New Mexico law shall apply to the relationship between the Corporation and its members. Specifically, without limitation, the provisions of Section 47-8-42 et. Seq. N.M.S.A. providing for a trial of the action for possession within a limited time period shall apply to all situations involving expulsion of the member. The Board of Directors, at its sole discretion, may terminate the membership of a Member upon conviction of felony crime involving violence or moral turpitude, provided that such Member would be entitled to due process protections including notice, counsel, and an opportunity for a hearing before the Board of Directors. In the event the board of Directors is unable to conduct an impartial hearing, an impartial body may be appointed by the Board of Directors.

SECTION 9. PROHIBITION AGAINST RENTING. Each and every unit on the Property must be occupied by a Member. No unit may be rented to any person. Violation of this provision shall be grounds for expulsion from the Property, and grounds for termination of an Occupancy Agreements and voiding of a Membership Certificate.

SECTION 10. PROHIBITION AGAINST MEMBERS BEING EMPLOYEES. To avoid conflicts fo interest, no Member shall be permitted to be an employee of the Corporation.

ARTICLE IV. MEETINGS OF MEMBERS

SECTION 1. PLACE OF MEETINGS. Meetings of the membership shall be held at the principal office or place of business of the Corporation or at such other suitable place convenient to the membership as may be designated by the Board of Directors.

SECTION 2. ANNUAL MEETINGS. The annual meeting of the Corporation shall be held on the 3rd Tuesday of March of each year. At such meeting there shall be elected by ballot of the members a

Board of Directors in accordance with the requirements of these Bylaws. The members may also transact such other business of the Corporation as may properly come before them.

SECTION 3. SPECIAL MEETINGS. It shall be the duty of the President to call a special meeting of the members as directed by resolution of the Board of Directors or upon a petition signed by at least ten (10) percent of the members of record having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

SECTION 4. NOTICE OF MEETING. It shall be the duty of the Secretary to mail or deliver a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each member of record, at his or her address as it appears on the membership book of the Corporation, at least ten (10) but not more than sixty (60) days prior to such meeting. Service may also be accomplished by the delivery of any such notice to the member at his dwelling unit. Notice by either such method shall be considered as notice served.

SECTION 5. QUORUM. The presence, in person, of at least twenty (20%) percent of the members of record of the Corporation shall be requisite for, and shall constitute a quorum for the transaction of business at all meetings of members. A quorum, once attained at a meeting, shall be deemed to continue until adjournment notwithstanding the voluntary withdrawal of enough Members to leave less than a quorum.

SECTION 6. VOTING. At every meeting of the members, each member present, in person or by absentee ballot, shall have the right to cast one vote on each question and never more than one vote. The Corporation will take such measures necessary to ensure the integrity of the election process. Voting by proxy shall not be permitted but voting by mail shall be permitted as hereinafter provided. The majority vote of those present and voting shall decide any question brought before such meeting, unless the question is one upon which, by express provision of statute, articles, or Bylaws, a different vote is required, in which case such express provision shall govern and control. No member shall be eligible to vote or to be elected to the Board of Directors who is shown on the books or management accounts of the Corporation to be more than their (30) days delinquent in payments due the Corporation under his or her Occupancy Agreement.

SECTION 7. VOTING BY MAIL. Voting by mail shall be permitted except where these Bylaws specifically provide otherwise. The secretary shall send to the members, with the notice of the time and place of the meeting, a copy of any proposals to be offered at the meeting. The mail votes cast by members shall be counted together with those cast at the meeting if such mail votes are returned to the association not less than two (2) hours prior to such meeting.

SECTION 8. ORDER OF BUSINESS. The order of business at all regularly scheduled meetings of the members shall substantially follow the most recent edition of Robert's Rules of Order. The Board shall have the right to restrict attendance at regular or special meetings of the members to members only and may exclude guest of members or non-members.

Article V. Directors

SECTION 1. NUMBER AND QUALIFICATIONS. The affairs of the Corporation shall be governed by a Board of Directors being nine (9) in number who shall be elected by and from the members of the Corporation and shall hold office until their successors are elected or unit removed, unit they resign, or upon ceasing to be members of the corporation. The qualifications to become a Director include the following:

- a) Membership and residency at Greenbriar for a minimum of (6) month; and has attended Board of Directors meetings and committee meetings.
- b) No member shall be eligible to be elected to the Board of Directors who is shown on the books or management accounts of the Corporation to be more than thirty (30) days delinquent in payments due the Corporation under his or her Occupancy Agreement.

SECTION 2. POWERS AND DUTIES. The Board of Directors shall have all the powers and duties necessary for the administration of the affairs of the Corporation and may do all such acts and things as are not prohibited by law or by these Bylaws directed to be exercised and done by the members. The powers of the Board of Directors shall include but not be limited:

- a. To accept or reject all application for membership and admission to occupancy of a dwelling unit;
- b. To establish monthly housing charges as provided for in the Occupancy Agreement, based on an operating budge formally adopted by such Board;
- c. To engage and supervise a manager or management company for the Corporation under such terms as the Board may determine;
- d. To engage and supervise such agents, contractors, and employees as warranted to serve the best interest of the Corporation;
- e. To terminate membership and occupancy rights for cause;
- f. To promulgate such rules and regulations pertaining to use and occupancy of the premises as may be deemed proper and which are consistent with these Bylaws, the Articles of Incorporation, and Occupancy Agreement; and
- g. To keep confidential such information and documentation as required by law or contract.