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**ROAD MAINTENANCE AGREEMENT FOR 982 RANCHOS ORCHARD
AND OTHER USERS OF ADAMS ROAD**

This Road Maintenance Agreement is made and entered into this 5 day of August, 2004, by and between PAUL R. ADAMS, JR., a single person, PAUL R. ADAMS, III and MARGUERITE ANN QUINN, husband and wife, and WILLIAM RAHILL and DANIELLE RAHILL, husband and wife.

I. PROPERTY TO WHICH ROAD MAINTENANCE AGREEMENT APPLIES

This Road Maintenance Agreement shall apply to those fifteen (15) lots shown on Plat Nos. 04070-A, 04070-B, and 04070-C, dated July 2004, by Larry L. Sterling, filed in Cabinet E, Page 33A+33B, records of Taos County, New Mexico (hereinafter called "982 Ranchos Orchard"), and to any other property owners using Adams Road to access their properties who agree to its terms and adopt them in writing.

II. AGREEMENT

A. WHO PAYS? Only those lot or property owners who use Adams Road to access their properties. Owners of unimproved lots or properties are not liable for road maintenance fees, except as stated in Paragraph D below. In addition to the road maintenance fees for Adams Road which are addressed in this Agreement, owners of improved lots in 982 Ranchos Orchard will equally share costs of road maintenance for roads in that area, being Rahill Road, Dallas Road, and Samantha Road.

B. HOW IS IT APPORTIONED FAIRLY? Road maintenance fees for Adams Road are based on the map attached hereto as Exhibit "1".

For purposes of this Road Maintenance Agreement, Adams Road has been divided into thirds, as shown on Exhibit "1". Those who live furthest north on the road (hereinafter "Section A" or "Area A") will pay the full amount, because they use the entire road. Those in the middle third area (hereinafter "Section B" or "Area B") pay two-thirds (2/3) of the amount paid by those in Area A, and those in the first third closest to the County Road (hereinafter "Section C" or "Area C") pay one-third (1/3) of the amount paid by those in Area A. So for every dollar in road maintenance expense paid by those improved lots in Area A, those improved lots in Area B will pay 66 2/3 cents, and those improved lots in Area C will pay 33 1/3 cents. This formula is expressed as:

$AX + 2/3BX + 1/3CX$ divided into TOTAL BILL, where "A" equals the number of improved lots in Area A, "B" equals the number of improved lots in Area B, and "C" equals the number of improved lots in Area C.

HYPOTHETICAL EXAMPLE: Assume road maintenance costs of \$1000.00 for Adams Road, with ten (10) improved lots in Area A, two (2) improved lots in Area B, and one (1) improved lot in Area C. Applying the formula set out above: $10X + 2/3(2)X + 1/3(1)X = 11\ 2/3X$. Then divide $11\ 2/3X$ into \$1000.00, which equals \$85.27 for X. Thus, each improved lot in Area A pays \$85.27, each improved lot in Area B pays \$57.14 (being 2/3 of Area A's rate) and each improved lot in Area C pays \$28.57 (being 1/3 of Area A's rate).

C. WHO DECIDES ABOUT ROAD MAINTENANCE NEEDS? By agreement of any five (5) improved lot owners, and prior to that by a simple majority. A volunteer "Road Master" will be chosen annually by the majority of owners of improved lots, with each improved lot having one vote. The initial Road Master will be Paul Adams, Jr., until there are five (5) improved lots, at which time the first election of the Road Master will take place. The Road Master will handle the collection of road maintenance fees and contract for road maintenance work. The Road Master shall call meetings of improved lot owners as necessary to keep them informed of road maintenance issues.

D. ROAD MAINTENANCE FEES All lot owners who have purchased lots, whether improved or unimproved, will be obligated to pay \$100.00 at closing (this fee being collected only upon the first sale of a lot, and not on subsequent resales). In addition, the owners of all improved lots will be liable for an annual road maintenance fee in the amount of \$100.00, to be spent as the majority of all lot owners decide. The annual \$100.00 road maintenance assessment fee shall be due and payable by April 1st of each year. As used in this Agreement, an improved lot is defined as any lot which has a permanent structure with a foundation erected upon it.

In addition to the annual \$100.00 road maintenance fee, the Road Master shall submit an annual budget to the owners of improved lots, with the shares of these additional road maintenance fees to be determined pursuant to Paragraph B above.

Road maintenance fees will be deposited in a separate interest bearing checking account. All checks written on the road maintenance account will require two (2) signatures, one signature being that of the Road Master, and the other being that of an improved lot owner.

E. AMENDMENT OR MODIFICATION This Road Maintenance Agreement may be amended or modified by two-thirds (2/3) of the lot owners bound by its provisions.

F. ENFORCEMENT The prevailing party in any suit or action to enforce this agreement, including but not limited to collection of road maintenance fees, shall be entitled to an award of reasonable attorneys fees and court costs.

WITNESS our hands and seals this 5 day of August, 2004.

Paul R. Adams, Jr.
PAUL R. ADAMS, JR.

William Rahill, Jr.
WILLIAM RAHILL, by his
attorney-in-fact,
PAUL R. ADAMS, JR.
Paul R. Adams, Jr.

Paul R. Adams, III
PAUL R. ADAMS, III, by his
attorney-in-fact,
PAUL R. ADAMS, JR. by
Paul R. Adams, Jr.

Danielle Rahill, Jr.
DANIELLE RAHILL, by her
attorney-in-fact,
PAUL R. ADAMS, JR.
Paul R. Adams, Jr.

Marguerite Ann Quinn
MARGUERITE ANN QUINN, by her
attorney-in-fact,
PAUL R. ADAMS, JR. by
Paul R. Adams, Jr.

THOMAS C. FITZGERALD, purchaser
of Tract C, Lot 4 signifies
acceptance of the terms of this
Agreement

RHONDA C. FITZGERALD, purchaser
of Tract C, Lot 4 signifies
acceptance of the terms of this
Agreement

ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY

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

This instrument was acknowledged before me on August 5,
2004 by PAUL R. ADAMS, JR., a single person, individually, and as
attorney-in-fact for PAUL R. ADAMS, III and MARGUERITE ANN QUINN,
husband and wife, and WILLIAM RAHILL and DANIELLE RAHILL, husband
and wife.

Kraft Dickson

Notary Public

My Commission Expires:



ACKNOWLEDGMENT IN AN INDIVIDUAL CAPACITY

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

This instrument was acknowledged before me on August _____,
2004 by THOMAS C. FITZGERALD and RHONDA C. FITZGERALD, husband and
wife.

Notary Public

My Commission Expires:

ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY

STATE OF NEW MEXICO)
COUNTY OF TAOS) ss.

This instrument was acknowledged before me on July _____, 2004 by PAUL R. ADAMS, JR., a single person, individually, and as attorney-in-fact for PAUL R. ADAMS, III and MARGUERITE ANN QUINN, husband and wife, and WILLIAM RAHILL and DANIELLE RAHILL, husband and wife.

Notary Public

My Commission Expires:

ACKNOWLEDGMENT IN AN INDIVIDUAL CAPACITY

STATE OF ~~NEW MEXICO~~ Vermont)
COUNTY OF ~~TAOS~~ Washington) ss.

This instrument was acknowledged before me on July August 3, 2004 by THOMAS C. FITZGERALD and RHONDA C. FITZGERALD, husband and wife.

[Signature]

Notary Public

My Commission Expires:
2/10/07

2004 10th 3 25 45 AM A.D.
384389 M. 452

North ↑

Wynette Burger

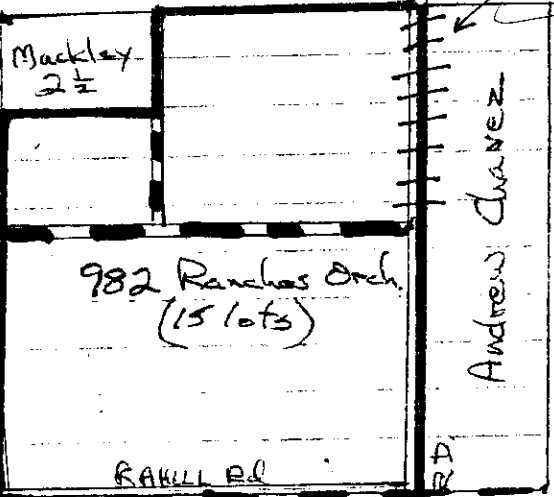
new road not improved here

new

Section A area

Section B area

Section C area



RAHILL RD

ADAMS RD

Ellison / Wilson

Steve Whaley
Jacqueline Reid

Line "A"

McPherson

Hedrick

Mackley

CR 110

CR 110

EXHIBIT "1"