

**DECLARATION OF
RESTRICTIVE AND PROTECTIVE COVENANTS
FOR
LOS VIGILS SUBDIVISION**

The undersigned are the owners in fee simple of the following described real estate:

Lots numbered 1-P1 through 45-P1 and Parcel "A" of Plat of Los Vigils Subdivision, Albuquerque, Bernalillo County, New Mexico, as the same is shown and designated on the plat of said subdivision, filed in the Office of the County Clerk of Bernalillo County, New Mexico, on May 1, 2003, in Plat Book 2003C, page 118, Doc. No. 2003072621.

All of such real estate is referred to as the "Subdivision".

The undersigned hereby establish a general plan for the development, improvement, ownership, use and sale of Lots (as hereinafter defined) in the Subdivision and does hereby establish the manner, provisions, conditions, restrictions and covenants upon and subject to which Lots shall be used, improved, occupied, owned, sold and conveyed. The provisions, conditions, restrictions, and covenants in this Declaration shall run with the land, all of which shall be binding upon and inure to the benefit of the present and future Owners (as hereinafter defined) of Lots, and of any interest or interests in the Lot or Lots, all of which provisions, conditions, restrictions and covenants are, and each of them is, hereby impressed and imposed upon each and every Lot as a servitude in favor of each and every other Lot.

1. Definitions. The following words when used in this Declaration shall have the following meaning:

(a) "Association" shall mean Los Vigils Homeowners Association, a New Mexico non-profit corporation.

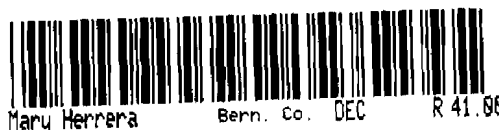
(b) "Board" shall mean the Board of Directors of the Association.

(c) "Common Areas" shall mean the Private Roads, Private Storm Drainage Easements, Private Pedestrian Access Easement, Security Gate, Landscape Easements and Perimeter Wall (as hereinafter defined) and related Improvements.

(d) "Declarant" shall mean Collatz Incorporated, a New Mexico corporation.

(e) "Declaration" shall mean this Declaration of covenants, conditions, reservations, restrictions and easements, and any amendment or modification thereto.

(f) "Dwelling" shall mean any building or a portion of a building situated on a Lot designed and intended for use by occupancy as a single family residence.



(g) "Improvements" shall include, without limitation, buildings, out-buildings (including sheds and storage buildings), roads, driveways, parking areas, fences, retaining walls, stairs, decks, windbreaks, poles, antennas, signs, utility or communication installations (whether above or underground), and any structure and excavation of any type or kind.

(h) "Lot(s)" shall mean any one or more of the parcels numbered 1-P1 through 45-P1, inclusive, as shown on the Plat (as hereinafter defined).

(i) "Owner" shall mean the persons or entities, including Declarant, holding legal title or beneficial ownership of the fee, including the purchaser under an installment sales contract of a Lot, or a lessee of a Lot pursuant to a leasehold agreement of a term of twenty (20) years or greater. Owner shall not include a seller under an installment sales contract of a Lot or the lessor of a Lot pursuant to a leasehold agreement with a term of twenty (20) years or greater.

(j) "Perimeter Wall" shall mean the wall constructed by Declarant or its successor on the perimeter of the Subdivision.

(k) "Plat" shall mean the Subdivision Plat of Los Vigils Subdivision, filed in the Office of the County Clerk of Bernalillo County, New Mexico, on May 1, 2003, in Plat Book 2003C, page 118, Doc. No. 2003072621.

(l) "Plat Easement Notes" shall mean the "Keyed Notes - New Easements" on the Plat.

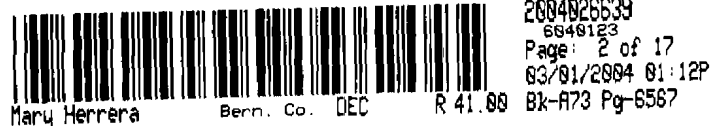
(m) "Private Pedestrian Access Easement" shall mean the private pedestrian access easement shown on the Plat Easement Notes as number 5.

(n) "Private Roads" shall mean Copperleaf Trail N.E., Bluewood Lane N.E., and Apache Pine Way N.E., which are also described as Parcel A of the Subdivision and the two foot (2') private roadway maintenance easements shown on the Plat Easement Notes as number 8.

(o) "Private Storm Drainage Easements" shall mean the private storm drainage easements shown on the Plat Easement Notes as numbers 3 and 5.

(p) "Security Gate" shall mean the gate on the intersection of Copperleaf Trail N.E. and Holly Avenue N.E.

2. Land Use and Building Type. The Subdivision will be a gated community consisting of Private Roads, street signs and street lamps all of which shall be maintained by the Association. No Lot, or portion of a Lot, shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any Lot for use other than one single family Dwelling with a private garage attached to the Dwelling, for not less than two (2)



automobiles. All Dwellings shall be constructed of frame/stucco and shall be of a contemporary southwest style with such stone accents as may be approved by the Committee (as hereinafter defined). The stucco is to be of sanded trowel finish. The stucco colors are to be limited to earth tones approved by the committee. All buildings, except for covered porches and accessory buildings, shall have a pitched concrete tile roof or a flat roof. Front exterior light fixtures will be ceramic or concealed droplights and the design will be the same for all homes. Dwelling numbers will be ceramic tile or as approved by the Committee. There shall also be permitted, (upon approval of the Committee) but not required one detached accessory building for storage of garden tools, garden and household furnishings, not to exceed 100 square feet and not to exceed eight (8) feet in height. The accessory building must be located inside required property line setbacks and not be visible from the Private Roads. The exterior of any accessory building shall be roofed and stuccoed to match the exterior color of the Dwelling. The Committee will need to approve anything other than a standard gray concrete driveway or walkway.

3. Architectural Control Committee. An architectural control committee (the "Committee") is hereby established and shall be comprised of three (3) persons, each of whom shall serve until his or her successor is appointed and qualified or his or her obligations otherwise terminate.

The following persons are hereby appointed and declared to comprise the Committee:

Arlan Collatz
Dennis Powell
Julio Dominguez

Successors shall be appointed by a majority of the remaining members of the Committee. After Declarant or its successors has sold the last Lot and Dwelling to a third party purchaser, the duties of the Committee shall be undertaken by the Association, through a committee to be appointed by the Board.

BEFORE ANYONE SHALL COMMENCE THE INSTALLATION OF, CONSTRUCTION OF, REMODELING OF, ADDITION TO, OR ALTERATION OF ANY BUILDING, SWIMMING POOL, WALL, FENCE, SIDEWALK, DRIVEWAY OR OTHER STRUCTURE ON ANY LOT, THERE SHALL BE SUBMITTED TO THE COMMITTEE PLANS AND SPECIFICATIONS AS FOLLOWS:

- A. Plans and specifications shall clearly show the nature of the work or installation proposed and location on the Lot, which shall include sufficient description of materials, textures, etc., as shall enable the Committee to determine whether the alteration, installation, etc., will harmonize with the architectural style of the Subdivision and the external design of existing structures within the Subdivision; and
- B. No improvement of any kind, installation, painting, or texturing, shall ever be, or permitted to be, erected, constructed, installed, placed or maintained on a Lot,



It is the responsibility of the Owner that all Improvements built on each Lot are in compliance with the soils report for the Subdivision, a copy of which is on file with the City of Albuquerque and is also available at the office of Declarant. If the Improvement is a building which is to be built on any portion of a Lot outside the prepared pad, the Improvement must be built on controlled fill dirt.

7. Minimum Area of Dwelling. The total enclosed living area of any Dwelling, exclusive of open porches, garage, and any accessory building shall not be less than 1400 square feet.

8. Setbacks. No Dwelling shall be located on any Lot within the Subdivision, in contradiction of the following setback requirements:

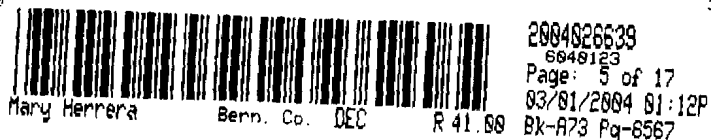
- A. There shall be a front-yard setback of not less than fifteen (15) feet from the front Lot line.
- B. There shall be a garage setback of not less than twenty (20) feet from the front Lot line.
- C. There shall be a rear-yard setback of not less than fifteen (15) feet from the rear Lot line.
- D. There shall be no required side yard setback except there shall be a side yard setback of ten (10) feet from the Private Road of corner Lots, and there shall be a distance of not less than ten (10) feet between Dwellings.

9. Landscaping. The builder constructing any Dwelling shall install the front-yard landscaping. The Owner shall ensure the front yard landscaping is maintained in good condition at all times. No irrigation systems, turf or plants shall be placed within three (3) feet of any adjacent Dwelling.

10. Tolerance. A four-inch (4") tolerance for mechanical variances in construction is hereby automatically allowed for building and other Improvement setback requirements imposed by this Declaration.

11. Completion of Work. Once installation, construction or erection of new Improvements shall commence, all such installation, construction and erection shall be finished and completed in all respects in accordance with the Committee-approved plans and specifications within nine (9) months after that commencement. All installation, construction and erection activities shall be accomplished in such a manner as shall not create unreasonable, unsightly, noisy or objectionable conditions.

12. Nuisances. No noxious or offensive activity shall be carried on, or permitted upon any Lot. Nothing shall be done, placed or stored on any Lot which may be or become an annoyance or nuisance to the Owner(s) of other Lot(s), or which will occasion any noise or odor which will or might disturb the peace, comfort or serenity of the occupants of Dwellings on other Lot(s).



Owners of vacant Lots shall be responsible for keeping, and shall keep, their Lots clear of weeds, trash, and other detracting impediments. No trash or garbage shall be burned on any Lot. Garbage and other waste materials shall be placed in the covered containers provided by the City of Albuquerque and shall not be placed out for collection more than 24 hours prior to scheduled collection times. These containers shall be concealed from the street on non-garbage collection days.

13. Temporary Buildings. No Improvement of a temporary character, such as a shack, barn, basement, trailer, tent, garage or other outbuilding, mobile home, or motor home, shall be used on any Lot at any time as a Dwelling, either temporarily or permanently. No Dwelling placed or erected on a Lot shall be occupied in any manner at any time prior to its being fully completed; provided, however, that this provision shall not prevent the occupancy and use of Improvements on a Lot for residential purposes while additions, modifications, or alterations are being made to a completed Dwelling pursuant to plans and specifications duly approved by the Committee.

Notwithstanding anything to the contrary, any Lot may be used as sales office, model home complex, or storage and construction yard during the initial construction and sales period. All such temporary uses must have the prior approval of the Committee, which shall establish the requirements for such uses.

14. Equipment. No satellite dish, radio, television or other antennas shall be erected upon a Lot unless the antenna(s) can be concealed from view behind a parapet or inside the roof structure or attic, or unless approved by the Committee. Where externally visible air conditioners or evaporative coolers are installed, they shall be so installed that they will not be visible from the front or side Private Roads. Roof mounted units shall be allowed, however, they shall be installed so as to comply with this restriction as much as reasonably possible. No clotheslines or basketball goals of any type shall be placed on or at any Dwelling.

15. Parking and Storage of Vehicles, Etc., Within the Subdivision. No camper, recreational vehicle, trailer, mobile home, boat, commercial type vehicle, van, motorcycle, dune buggy, bus, inoperable vehicle or tractor shall be stored or parked on any Lot continuously for a period of more than twenty-four (24) hours. No camper, recreational vehicle, trailer, mobile home, boat, commercial type vehicle, van, motorcycle, dune buggy, bus, inoperable vehicle or tractor shall be parked on the Private Roads overnight. Operable vehicles may only be parked on the Private Roads for up to 48 hours continuously and the same vehicle may not be parked on the Private Roads more than 15 days in any calendar month. The Association shall have the right to adopt rules and regulations regarding parking on the Private Roads which amend the requirements of the previous sentence of this paragraph.

16. Flood Lights. No un-shaded exterior lights shall be permitted which project light more than fifteen (15) feet from a Dwelling.

17. No Improvement to Obstruct Vision of Vehicle Operator. No Improvement, including walls, fences, hedges or other obstruction shall be erected, placed, altered or permitted to remain upon any Lot which would obstruct or reduce the vision of an operator of any type of vehicle or



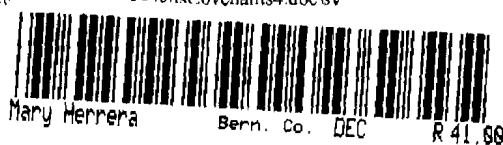
the entrance to the Subdivision and said Improvements shall also comply with the City of Albuquerque's ordinances or guidelines for the clear sight triangle.

18. Party Walls. Party walls include privacy walls and Special Exterior Walls (as described below). The rights and duties of the Owners of Dwellings with respect to party walls are as follows:

- A. If any party wall is damaged or destroyed through the act of one adjoining Owner or any of his guests, tenants, licensees, agents or family members, such Owner shall immediately proceed to rebuild and repair the wall to as good as condition as formerly existed without cost to the adjoining Lot Owner.
- B. If any party wall which does not form a structural part of a Dwelling is damaged or destroyed by some cause (including ordinary wear and tear and deterioration from lapse of time), other than the act of one of the adjoining Lot Owners, his guests, tenants, licensees, agents or family members, then both adjoining Owners shall proceed forthwith to rebuild or repair the wall to as good a condition as existed prior to the damage or destruction at their joint and equal expense.
- C. If any party wall which forms a structural part of a Dwelling is damaged or destroyed by some cause (including ordinary wear and tear and deterioration from lapse of time) other than the act of one of the adjoining Lot Owners, his guests, tenants, licensees, agents or family members, then the Owner of the Dwelling of which such party wall forms a structural part shall proceed to rebuild or repair his part of the wall to as good a condition as existed prior to the damage or destruction.
- D. Any Owner proposing to modify, make additions to, or rebuild a party wall in any manner shall first obtain the written consent of the adjoining Lot Owner and the Committee.
- E. Any party wall constructed within three (3) feet of a side Lot line must be a wall without any openings. No window or window openings may ever be installed in such a wall.
- F. Any and all resurfacing or repainting of a party wall shall be done in a color to match the original.

19. Privacy Walls & Gates.

- A. Walls for purposes of visual screening or privacy may be constructed within the rear and side yard set back lines, provided the style, color and materials are compatible with those of the Dwelling. Side and front yard walls shall have a maximum height of seventy-two (72) inches. Rear yard walls shall have a maximum height of sixty (60) inches.



- B. A solid masonry wall may be constructed between the front Lot line and the Dwelling not to exceed sixty (60) inches in height from the high side grade. If a concrete masonry wall is used, it must be lathed with building paper, stucco mesh and stuccoed to match the Dwelling. In no case may a wall be in violation of any governmental codes.
- C. All front walls completing court yards that face the Private Roads shall be lathed with building paper, stucco mesh and stuccoed to match the Dwelling. All yard walls constructed on the side and rear property lines shall be constructed of concrete block of the same color and make as the Perimeter Walls.
- D. No barbed wire, welded wire, welded pipe or wood slats shall be permitted on any Lot. During the construction of the Dwellings, temporary privacy fences will be permitted with the adjoining Lot, until such adjoining Lots' Dwellings are completed. All temporary fences will need to be uniform, provide privacy and be a minimum of 5' feet in height.
- E. All side yard gates shall be made of wrought iron and color coated to match the exterior stucco color of the Dwelling walls. Courtyard gates may be made of wood provided the wood is maintained regularly and kept from unsightly deterioration.

20. Casualty. If any Improvement on any Lot is destroyed, wholly or in part, by fire or other casualty, the improvement so damaged or destroyed shall be promptly and properly rebuilt or repaired in conformity with the provisions of this Declaration; or, in the alternative, all remaining portions of the Improvement, including all foundations and all debris, shall be removed from the Lot. If the Owner of the Lot elects to clear the Lot, the razing and clearing work shall be completed within one hundred twenty (120) days after the casualty.

21. Animals and Pets. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that domestic dogs and cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial breeding purpose.

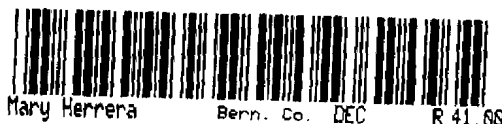
22. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying, or mining operations or exploration of any kind shall be permitted upon any Lot. No oil wells, tanks, tunnels, minerals excavation shafts or other such equipment or activities shall be permitted upon any Lot.

23. Easements and Rights-of-Way

- A. Utility Easements and Rights-of-Way. All areas of the Lots reserved for the installation, removal, repair and maintenance of utilities are reserved and designated as utility easements on the Plat.

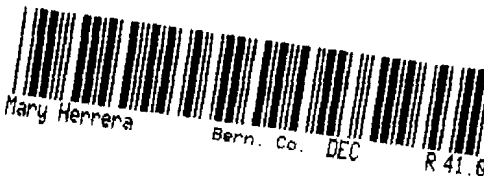


- B. Easements and Rights-of-Ways Include Right of Ingress and Egress. All easements and rights-of-ways of whatever type which are shown and designated on the Plat shall include the right of ingress to and egress from such easements and rights-of-way over, upon, or under such easements, for the purpose of installing, removing, repairing and maintaining utilities, trimming or removing of interfering trees or shrubs, and any other purpose for which such easements and rights-of-way may be used.
- C. No Construction or Obstacle on Any Type of Easement or Right-of-Way. No Dwelling, obstacle, or other type of improvement shall be erected, placed, altered, or permitted to remain upon any portion of a Lot which is the subject of any type of easement or right-of-way which would in any way interfere with the use of such easement or right-of-way; nor shall any trees, shrubs, hedges, or other landscaping be planted or permitted to remain in place, or to remain untrimmed, which would interfere with the use of any easement or right-of-way.
- D. Side Yard Easements. Private, non-exclusive, surface side yard easements three (3) feet in width ("Side Yard Easements") are imposed as follows.
- (1) The eastern three (3) feet of Lots 1-P1 through 11-P1, Lots 18-P1 through 33-P1, Lots 36-P1 through 40-P1, Lot 42-P1 through 45-P1.
 - (2) The southern three (3) feet of Lots 13-P1 through 15-P1.
 - (3) "Dominant Owner" means the Owner of the Lot benefited by and entitled to use the Side Yard Easements.
 - (4) "Servient Owner" means the Owner of the Lot burdened by and subject to the Side Yard Easements.
 - (5) The Side Yard Easement is a private, surface easement for the benefit of the Dominant Owner and not for the benefit of the general public or for any governmental body.
 - (6) The Side Yard Easement is a surface easement only and shall not prevent the Servient Owner from utilizing the space beneath the surface of the ground or from utilizing the air space above the Side Yard Easement which is the height of the eaves of the Dwelling of the Servient Owner is maintained for the benefit of the Dominant Owner.
 - (7) With the exception of privacy walls, return walls, patio floors or slabs, and the ordinary projections from the Dwellings, the Side Yard Easements areas shall be kept clean and unobstructed to provide open access for the Servient Owner of the Side Yard Easements.

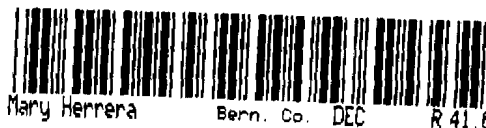


- (8) The Servient Owner of the Side Yard Easements shall have the right to enter upon the easement area and adjacent Lot to the extent such entry is reasonably necessary to carry out the resurfacing, repainting or repair of a party wall or a Dwelling, including the projections from the Dwelling. Such right of entry shall be exercised in such a manner as to interfere as little as is reasonably possible with the possession and enjoyment of the area by the Dominant Owner and shall be preceded by reasonable notice whenever the circumstances permit. No notice shall be required in the case where an emergency requires immediate entry by the Servient Owner.
- (9) The Dominant Owner of the Side Yard Easements area shall be responsible to the Servient Owner for all damage caused the Servient Owner resulting from the use of the easement area by the Dominant Owner, his guests, tenants, licensees, agents or family members. The Servient Owner of the easement areas shall be responsible to the Dominant Owner for all damage caused the dominant Owner resulting from the use of all easement area by the servient Owner, his guests, tenants, licensees, agents or family members.
- (10) The Dominant Owner of the Side Yard Easements area shall be protected, held harmless, and indemnified by the Servient Owner from any liability or damage arising from acts or omissions on the part of the servient Owner, his guests, tenants, licensees, agents or family members in his or their use of the easement area. The Servient Owner of the Side Yard Easements area shall be protected, held harmless, and indemnified by the Dominant Owner from any liability or damage arising from acts or omissions on the part of the Dominant Owner, his guests, tenants, licensees, agents or family members in his or their use of the easement area.
- (11) No part of the Side Yard Easement area shall be used for any purpose or in any manner which shall increase the rate at which insurance against loss or damage by fire and the perils covered by extended coverage insurance or bodily injury or property damage liability insurance covering the adjacent Lot may be obtained, or cause such premises to be uninsurable against such risks, or any policy or policies representing such insurance to be canceled or suspended, or the company issuing the same to refuse to renew coverage.

E. Special Exterior Wall. Each Dwelling shall have a windowless exterior wall (the "Special Exterior Wall") constructed parallel to and on the Dwelling Owner's Lot line.



- (1) The Owner of the Dwelling containing the Special Exterior Wall shall not attach anything to such wall or alter it in any way other than resurfacing or painting the wall in such manner as shall be approved by the Committee.
 - (2) The Owner of the adjacent Lot shall avoid any action which shall in any way restrict the use of the Special Exterior Wall by its Owner including, but not limited to, refraining from attaching any object to such wall, such as wires, trellises and plantings; defacing the wall in any manner; placing graphics or other design work (whether painted or otherwise) on the wall; or using the wall as the playing surface for any sport.
- F. Roof Runoff. It shall be the responsibility of each Owner to take appropriate measures to protect an adjacent Owner's Lot from water running off of such Owner's roof onto an adjacent Owner's Lot. All roof runoff is to be channeled by use of appropriate guttering to protect neighboring property.
- G. Perimeter Walls. The Perimeter Walls shall be Common Areas, constructed by the Declarant or its successors, and shall be maintained by the Association. Each Lot containing a portion of the Perimeter Walls shall be subject to a perpetual non-exclusive easement for said Perimeter Walls which shall be three (3) feet in width ("Perimeter Wall Easements") and shall be located as follows:
- (1) The northern three (3) feet of Lots 1-P1 through 12-P1.
 - (2) The eastern three (3) feet of Lots 12-P1 through 16-P1 and Lot 35-P1.
 - (3) The southern three (3) feet of Lots 35-P1 through 45-P1.
- The Perimeter Wall Easements shall be perpetual and non-exclusive for the benefit of Declarant, its successors, and the Association for the construction, maintenance and repair of the Perimeter Walls. No Owner shall have the right to tie into or alter the Perimeter Walls on said Owners Lot without the prior written consent of Declarant, its successors or the Association.
- H. Landscaping Easements. The southeastern corner of Lot 41-P1 and the southwestern corner of Lot 40-P1 are subject to perpetual non-exclusive landscape easements which are respectively denominated in the Easement Tables on the Plat as E1 and E3 ("Landscape Easements"). The Landscape Easements shall be utilized for monument signage for the Subdivision, lighting and landscaping. The Landscape Easements shall be maintained by Declarant, its successors or the Association.
- I. Miscellaneous Easements. The Plat has created miscellaneous private sidewalk easements in Plat Easement Notes number 7C which shall be maintained by the Owners of the Lots as provided for in the Plat. The Association shall have the



right but not the obligation, to oversee and perform any of the obligations related to the maintenance of said easements at the expense of the Owner of the Lot responsible for said maintenance.

24. Billboards, Poster-Boards, and Advertising. The construction and/or maintenance of billboards, posterboards, and advertising structures of any kind on any part of any Lot is prohibited, except that real estate agents and/or the Owner of a Lot may display one (1) temporary "For Sale" sign or one (1) "Open House" sign on any Lot. The sum of the length and width of such signs shall not exceed sixty inches (60"). Declarant and the initial builder of the Improvements on each Lot shall be exempt from the requirements of this Paragraph 24.

25. Common Areas. The Common Areas shall be maintained by the Association. The Board shall have the right to establish rules and regulations related to use of the Common Areas.

26. Association. The Association shall be a New Mexico non-profit corporation which shall be controlled by the articles of incorporation and bylaws thereof.

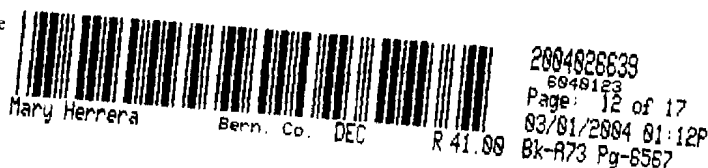
A. Every Lot shall be entitled to one (1) membership in the Association which shall be vested in the Owner or Owners thereof. If an Owner owns more than one (1) Lot, said Owner shall have only one (1) Membership in the Association, however, said Owner shall have one (1) vote for each Lot. Membership shall be appurtenant to and may not be separated from the ownership of any Lot. Ownership of a Lot shall be the sole qualification for membership.

B. The Association shall have one (1) class of voting membership.

C. The expenses of the Association shall be paid through assessments against each Lot. Such assessments shall be fixed, established and collected from time to time as hereinafter provided. The assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on each Lot and shall be a continuing lien upon each Lot against which each such assessment is made. These assessments and costs shall also be the personal obligation of each person or entity who was the Owner of the Lot when the assessment became due. Assessments will begin on the date set by the Board and will be prorated for partial assessment years.

D. The assessments shall be used exclusively for the Common Areas and costs of the Association.

E. The initial annual assessments for each of the Lots shall be \$300.00 prorated from the date each Owner closes on the purchase of a Lot and Dwelling from Declarant or a builder. Annual assessments thereafter shall be due and payable on January 1 of each successive year and shall be delinquent each February 1 if not paid in full; provided however, the Association may decide to assess the Owners monthly or quarterly for the annual assessments. Neither Declarant nor a builder holding a Lot for development or a Lot with a Dwelling for initial sale shall not be required to pay any assessments for Lots it owns. The \$300.00 annual assessment shall remain in effect until modified by a two-thirds (2/3) vote of the members at a meeting held for the



purpose of determining said assessments, which meeting shall be called at least thirty (30) days in advance thereof, except in the event of an emergency.

F. Written notice of the annual assessments shall be sent to every member at the time of its determination by the Board. The Association shall, upon demand at any time, furnish to a member a certificate in writing signed by an officer designated by the Board as the one responsible for keeping the records, or for this purpose, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

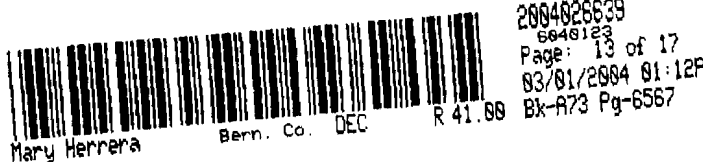
G. If any installment of an assessment is not paid within thirty (30) days after it is due, then such assessment shall become delinquent and shall, together with interest thereon, and the cost of collection thereof, as provided herein, become a continuing lien on the Lot which shall bind such Lot in the hands of the then Owner of that Lot. The personal obligation of the then Owner to pay such assessment, however, shall remain its personal obligation for the statutory period and shall not pass to its successors in title until expressly assumed by them. If the assessment is not paid within thirty (30) days after the delinquency date, a reasonable late charge may be assessed at the discretion of the Board and the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum until paid, and the Association may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the Lot, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided, reasonable attorney's fees to be fixed by the court, together with the costs of the action.

H. The lien for the assessments shall be subordinate to the lien of any first mortgage placed upon the Lot in good faith and for value; however, such subordination applies only to the assessments due before the sale or transfer of the Lot pursuant to a decree of foreclosure, or any transfer in lieu of foreclosure. The sale or transfer of a Lot does not relieve the Lot from the liability for or lien of assessments thereafter becoming due.

27. No Business or Commercial Enterprise Permitted. No business, whether or not for profit, and no commercial enterprise of whatever kind, except from time to time as may be permitted by the City of Albuquerque Comprehensive Zoning Ordinance for the Subdivision, shall be undertaken or carried on, upon, or from any Lot, except only the original sales and subsequent sales of the Lots and the Dwelling constructed and to be constructed thereon. No stores, shops, businesses, commercial, or industrial buildings, or other such structures of whatever type shall be erected, placed, altered, or permitted to remain upon any Lot, except only in connection with the original development and sales of the Lots and construction and sales of the Dwelling, such as model homes or a show home, or a sales office.

Home offices shall be allowed in occupied Dwellings under the following guidelines:

- A. There shall be no signs and/or advertising of the home office;
- B. The garage shall remain a garage and shall not be converted to an office; and



- C. There shall be a maximum of one customer and the Owner of the Lot conducting business at any one time from the home office.

28. Enforcement of Covenants. Violation or breach of any provision, condition, restriction or covenant in this Declaration, after notice of such violation or breach has been presented to an Owner, shall give each Owner, Declarant, the Association and the Committee the right to prosecute at law or in equity, the person or persons who have violated or are attempting to violate any provision, condition, restriction or covenant in this Declaration, to enjoin or prevent them from doing so, to cause the violations to be remedied or to recover damages for the violation. Any one of the above-listed persons or entities may so enforce this Declaration and the cooperation of any other person or entity is not required.

The result of every action or omission whereby any provision, condition, restriction or covenant in this Declaration are violated in whole or in part, is hereby declared to be and to constitute a nuisance, and every remedy allowed by law or equity against an Owner, either public or private, shall be applicable against every such result.

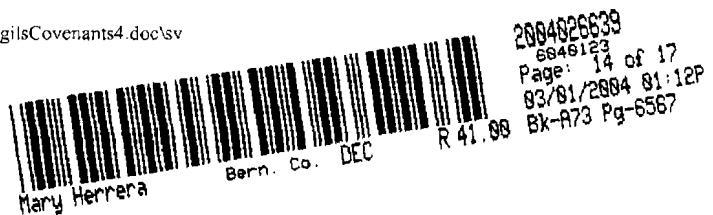
The failure of Declarant, the Committee, the Association or any Owner to enforce any provision, condition, restriction or covenant in this Declaration shall not be deemed to be a waiver of the right to do so thereafter nor of the right to enforce any other provision, condition, restriction or covenant in this Declaration.

All questions of interpretation, construction, or terms of the covenants shall be resolved by the Association.

29. Severability. If any one or more of the provisions, conditions, covenants and restrictions in this Declaration are held by any court of competent jurisdiction to be null and void, all remaining provisions, conditions, covenants and restrictions shall continue unimpaired and in full force and effect.

30. Assignment of Declarant's Rights. The Declarant shall have the right to assign, transfer and convey all of Declarant's rights to a third party acquiring the remaining undeveloped Lots owned by Declarant in the Subdivision. Said assignee or successor shall have the same rights as Declarant hereunder.

31. Duration of These Covenants. The provisions, conditions, covenants and restrictions in this Declaration shall run with the land and continue in full force and effect for a period of thirty (30) years, at which time they shall be automatically extended for a period of ten (10) years and thereafter for successive ten year periods, unless before the commencement of any extension period the then Owners of the fee simple estate of seventy-five percent (75%) or more of the Lots by written instrument, duly executed and recorded, shall declare a termination of this Declaration. Any such termination shall become effective upon the date upon which otherwise the automatic extension would take effect.



28. Amendment. At any time after the date of filing this Declaration, the Owners of not less than seventy-five percent (75%) of the Lots may release one or more of the Lots, or may modify, change or amend all or any portion of the provisions, conditions, covenants or restrictions contained in this Declaration by executing and acknowledging an appropriate agreement or agreements in writing for such purposes and filing the same for record in the office of the County Clerk of Bernalillo County, New Mexico.

COLLATZ, INCORPORATED
a New Mexico Corporation

By: 
ARLAN COLLATZ, President

Dated: February 26, 2004

ACKNOWLEDGMENT

STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO)

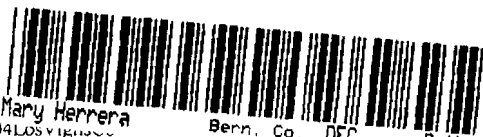
This instrument was acknowledged before me on Feb. 26, 2004, by ARLAN COLLATZ, President of COLLATZ INCORPORATED, a New Mexico Corporation.

MY COMMISSION EXPIRES:

Sharon L. Vickrey
NOTARY PUBLIC



OFFICIAL SEAL
SHARON L. VICKREY
Notary Public
State of New Mexico
My Commission Expires June 14, 2006



COLLATZ INCORPORATED,
a New Mexico corporation

By: [Signature]
ARLAN COLLATZ
President

Dated: February 26, 2004

ACKNOWLEDGMENT

STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO)

This instrument was acknowledged before me on Feb. 26, 2003, by ARLAN COLLATZ, President of COLLATZ INCORPORATED, a New Mexico corporation.

MY COMMISSION EXPIRES:

Sharon L. Vickrey
NOTARY PUBLIC



OFFICIAL SEAL
SHARON L. VICKREY
Notary Public
State of New Mexico
My Commission Expires 6/14/06



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