

**TWENTY-SEVENTH SUPPLEMENTAL DECLARATION TO DECLARATION
OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR HIGH DESERT RESIDENTIAL PROPERTIES
(The Canyons at High Desert, Phase I)
(Lots 1 - 38 and Tract B)**

THIS TWENTY-SEVENTH SUPPLEMENTAL DECLARATION (the "Canyons at High Desert Phase I Village Declaration") is made this 16th day of February, 1999, by High Desert Investment Corporation, a New Mexico corporation ("Declarant").

BACKGROUND STATEMENT

A. On December 22, 1993, Declarant executed that certain Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties, which was recorded on December 22, 1993, as Document 93145417 in Book 93-37, Pages 1-87, in the Office of the County Clerk of Bernalillo County, New Mexico which was amended by (i) the First Amendment to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties, which was recorded on February 24, 1995, as Document 95018895 in Book 95-5, Pages 2271-2274, in the Office of the County Clerk of Bernalillo County, New Mexico, (ii) the Second Amendment to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties, which was recorded on March 8, 1995, as Document 95023420 in Book 95-6, Pages 2332-2334, in the Office of the County Clerk of Bernalillo County, New Mexico, (iii) Third Amendment to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties, which was recorded on December 4, 1995, as Document 95123873 in Book 95-29, Pages 4886-4891, in the Office of the County Clerk of Bernalillo County, New Mexico, (iv) Fourth Amendment to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties, which was recorded on December 4, 1995, as Document 95123873 in Book 95-29, Pages 4886-4891, in the Office of the County Clerk of Bernalillo County, New Mexico, and (v) Fifth Amendment to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties, which was recorded on September 12, 1997, as Document 97095103 in Book 97-25, Pages 2445-2463, in the Office of the County Clerk of Bernalillo County, New Mexico (the "Fifth Amendment to Declaration"), and which was supplemented by (i) the Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 15A), which was recorded March 14, 1995, as Document 95025598 in Book 95-6, Pages 6854-6858, in the Office of the County Clerk of Bernalillo County, New Mexico, (ii) the Second Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential

Properties (Tracts 3B and 3C), which was recorded June 19, 1995, as Document 95060324 in Book 95-14, Pages 6088-6092, in the Office of the County Clerk of Bernalillo County, New Mexico, (iii) the Third Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 3A), which was recorded August 18, 1995, as Document 95082948 in Book 95-19, Pages 8921-8925, in the Office of the County Clerk of Bernalillo County, New Mexico, (iv) the Fourth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Unit 2 the Highlands/Tract 15B), which was recorded August 29, 1995, as Document 95087321 in Book 95-20, Pages 8831-8836, in the Office of the County Clerk of Bernalillo County, New Mexico, (v) the Fifth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tracts 3B and 3C, Trillium Village), which was recorded December 12, 1995, as Document 95126995 in Book 95-30, Pages 1868-1874, in the Office of the County Clerk of Bernalillo County, New Mexico, (vi) the Sixth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 2A-1A-1), which was recorded February 1, 1996, as Document 96012264 in Book 96-3, Pages 7513-7519, in the Office of the County Clerk of Bernalillo County, New Mexico, (vii) the Seventh Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Lots 1 through 36 inclusive, Solterra Subdivision Unit 1 at High Desert), which was recorded May 20, 1996, as Document 96056432 in Book 96-14, Pages 2006-2010, in the Office of the County Clerk of Bernalillo County, New Mexico, (viii) Eighth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 2A-1B-1, Tierra Del Oso Village), which was recorded May 30, 1996, as Document 96060081 in Book 96-15, Pages 673-677, records of Bernalillo County, New Mexico, (ix) Ninth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 4B), which was recorded September 4, 1996, as Document 96098319 in Book 96-24, Pages 2814-2818, records of Bernalillo County, New Mexico, (x) Tenth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 14B/Unit 2A, the Highlands), which was recorded September 5, 1996, as Document 96099282 in Book 96-24, Pages 4841-4845, records of Bernalillo County, New Mexico, (xi) Eleventh Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tracts 3B and 3C, Trillium Village), which was recorded November 6, 1996, as Document 96121693 in Book 96-29, Pages 9094-9098, records of Bernalillo County, New Mexico, (xii) Twelfth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert

Residential Properties (Lot 44, Desert Sky Village), which was recorded January 9, 1997, as Document 97002124 in Book 97-1, pages 5053-5060, records of Bernalillo County, New Mexico, (xiii) Thirteenth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 3A, Desert Sky Village) which was recorded June 11, 1997, as Document 97059451 in Book 97-15, pages 9383-9422, records of Bernalillo County, New Mexico, (xiv) Fourteenth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 4B, Chamisa Trail Village), which was recorded January 9, 1997, as Document 97020850 in Book 97-5, pages 9673-9691, records of Bernalillo County, New Mexico, (xv) Fifteenth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 15C/Unit 3, the Highlands), which was recorded May 10, 1997, as Document 97049849 in Book 97-13, pages 4210-4214, records of Bernalillo County, New Mexico, (xvi) Sixteenth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Solterra Subdivision Unit 1, Lots 1-36), recorded June 20, 1997 as Document 97062870, records of Bernalillo County, New Mexico (the "Sixteenth Supplemental Declaration"); (xvii) Seventeenth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 9A) which was recorded June 19, 1997, as Document 97062084, records of Bernalillo County, New Mexico; (xviii) Eighteenth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract A, Solterra Subdivision/Unit 2) which was recorded June 30, 1997, as Document 97065755, in Book 97-17, pages 5953-5958 records of Bernalillo County, New Mexico; (xix) Nineteenth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 9A, Sunset Ridge Village) which was recorded December 19, 1997, as Document 97133979, in Book 97-37, pages 6637-6646 records of Bernalillo County, New Mexico; (xx) Twentieth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 9B) which was recorded December 23, 1997, as Document 97134922, in Book 97-35, pages 9642-9647 records of Bernalillo County, New Mexico; (xxi) Twenty-First Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 8C) which was recorded March 13, 1998, as Document 1998030112, in Book 9806, page 8629 records of Bernalillo County, New Mexico; (xxii) Twenty-Second Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 2A-1A-2) which was recorded July 16, 1998, as Document 1998089079, in Book 9812, page 7379 records of Bernalillo County, New Mexico; (xxiii) Twenty-Third Supplemental Declaration to

Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 15D-1A/Desert Highlands) which was recorded July 20, 1998, as Document 1998090384, in Book 9812, page 8673 records of Bernalillo County, New Mexico and (xxiv) Twenty-Fourth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 14A/The Overlook at High Desert) which was recorded January 4, 1999, as Document 1999000462, in Book 9901, page 456 records of Bernalillo County, New Mexico; (xxv) Twenty-Fifth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 11A High Desert) which was recorded January 15, 1999, as Document 1999006283, in Book 9901, page 6257 records of Bernalillo County, New Mexico and (xxvi) Twenty-Sixth Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (Tract 11A High Desert) which was recorded February 16, 1999, as Document 1999020725, in Book 9903, page 668 records of Bernalillo County, New Mexico(the "Declaration").

B. Pursuant to the terms of Section 9.4 of the Declaration, the Declarant may unilaterally subject any portion of the property submitted to the Declaration initially or by Supplemental Declaration to additional covenants or easements including covenants obligating the Association to maintain such property and obligating the Owners of the property to pay the cost of such maintenance through Village Assessments.

C. R.R. Rutledge, a married man ("Rutledge") is the owner of the property described on Exhibit "A" (the "Canyons at High Desert, Phase I Village Property") attached hereto and by this reference incorporated herein. The Canyons at High Desert, Phase I Village Property is a portion of the property described on Exhibit "B" of the Declaration (the "Property"). Declarant, for the efficient management of the Canyons at High Desert, Phase I Village Property, desires that the Association assume certain maintenance responsibilities relating to the Canyons at High Desert, Phase I Village Property set forth in this Twenty-Seventh Supplemental Declaration and the Association agrees to assume such responsibilities (as indicated by its signature below).

D. Pursuant to Section 4.3 of the Declaration, the Association, through its Board, may make and enforce reasonable rules governing the use of the Properties.

E. Capitalized terms not otherwise defined herein are as defined in the Declaration.

Declarant hereby declares that the Canyons at High Desert, Phase I Village Property shall be held, sold, used and conveyed subject to the following easements, restrictions,

covenants, and conditions, which are for the purpose of protecting the value and desirability of and which shall run with the Canyons at High Desert, Phase I Village Property. This Twenty-Seventh Supplemental Declaration shall be binding on and shall inure to the benefit of all parties having any right, title, or interest in the Canyons at High Desert, Phase I Village Property or any part thereof, their heirs, successors, successors-in title, and assigns.

W I T N E S S E T H:

NOW, THEREFORE, pursuant to the powers retained by Declarant under the Declaration:

1. Village Street and Sidewalk Maintenance; Rules Concerning Streets. The Association shall maintain the private streets (including any landscaped medians and streetlights) within the Canyons at High Desert, Phase I Village Property, subject to and in accordance with rules relating to the streets that may be adopted by the Board of the Association pursuant to the Declaration, as amended or modified from time to time (the "Street Rules"). A copy of the current Street Rules, if any, shall be available at the office of the Association. The Street Rules may contain parking and traffic regulations, including but not limited to, regulations as to the number of vehicles that may be parked in the streets within the Canyons at High Desert, Phase I Village Property and in each driveway within each Unit within the Canyons at High Desert, Phase I Village Property. The Association shall have the right to enforce the Street Rules as set forth in the Declaration. The Association shall also maintain the private sidewalks within the within the Canyons at High Desert, Phase I Village Property. The Association shall commence maintenance of the private streets at the time of acceptance of the private streets by the Association as indicated by the recording of a deed of Tract B, the Canyons at High Desert to the Association. The Association shall commence maintenance of the sidewalks as the construction of the sidewalks is completed by Rutledge and the Association accepts the maintenance of the completed sidewalks in writing. Such maintenance shall not include maintenance of the area in the private streets between the edge of the property line of each Unit and the curb, as set forth in the Fifth Amendment to the Declaration.

2. Village Entrance Maintenance. The Association shall maintain the entrance to the Canyons at High Desert, Phase I Village Property. The entrance to the Canyons at High Desert, Phase I Village Property shall be gated and the Association shall maintain the gates and related structures and landscaping. The Association shall commence maintenance of the entrance, gate and related structures at the time that Rutledge completes the construction and installation of the gates and related structures

and the Association accepts the maintenance of such structures in writing. The gates, subject to the vote of the Canyons at High Desert, Phase I Village pursuant to Section 3.4 of the Declaration, may be manned with a guard or guards. The Association may adopt rules relating to the entrance and the gates pursuant to the Declaration, which rules may be amended and modified from time to time. A copy of the current rules, if any, shall be available at the office of the Association.

3. Wall Maintenance. The Association shall maintain the wall along the backs of Lots 33 through 38 inclusive, fronting on High Canyon Trail which is located within Tract B, the Canyons at High Desert. The Association shall commence maintenance of the wall at the time that the construction of the wall is complete and the Association accepts the maintenance of the wall in writing.

4. Village Assessments. All costs associated with the maintenance, operational, inspection, repair, and replacement responsibilities and other activities of the Association as set forth in this Twenty-Seventh Supplemental Declaration shall be paid by the Owners of Units within the Canyons at High Desert, Phase I Village Property through Village Assessments, as set forth in the Declaration. The initial assessment will be \$22 per month.

5. Amendment. This Twenty-Seventh Supplemental Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of a majority of the Voting Members of the Canyons at High Desert, Phase I Village, and the consent of the Declarant, so long as the Declarant has an option to subject additional property to the Declaration pursuant to Section 9.1 of the Declaration. The Association shall have the power to veto any action taken by the Canyons at High Desert, Phase I Village or any Canyons at High Desert, Phase I Village Committee that relates to the Canyons at High Desert, Phase I Village in accordance with Section 4.10 of the Declaration.

6. Consent of Property Owner. Rutledge, by its signature below consents to the additional covenants set forth in this Twenty-Seventh Supplemental Declaration. This consent constitutes the written consent of the property owner required under Section 9.4 of the Declaration.

7. Acknowledgment by the Association. The Association, by its signature below, acknowledges the maintenance obligations set forth in this Twenty-Seventh Supplemental Declaration.

IN WITNESS WHEREOF, the undersigned, on behalf of the

Declarant, have executed this Twenty-Seventh Supplemental Declaration as of the day and year first written above.

HIGH DESERT INVESTMENT CORPORATION, a
New Mexico corporation

By: /s/ Douglas H. Collister
Name: Douglas H. Collister
Title: President

By: /s/ Jack Eichorn
Name: Jack Eichorn
Title: Vice President

Address: 13000 Academy, N.E.
Albuquerque, NM 87111

Date Signed: February 11, 1999

CONSENTED TO:

/s/ R. R. Rutledge
R. R. RUTLEDGE
Date signed: February 16, 1999

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

This instrument was acknowledged before me on February 16, 1999, by Douglas H. Collister, President of High Desert Investment Corporation, a New Mexico corporation.

/s/ Carol Lea Rodgers
Notary Public

My Commission Expires:
December 14, 2002

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

This instrument was acknowledged before me on February 16, 1999, by Jack Eichorn, Vice President of High Desert Investment Corporation, a New Mexico corporation.

 /s/ Carol Lea Rodgers
Notary Public

My Commission Expires:
December 14, 2002

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

This instrument was acknowledged before me on February 16, 1999, by R. R. Rutledge, a married man.

 /s/ Carol Lea Rodgers
Notary Public

My Commission Expires:
December 14, 2002

HIGH DESERT RESIDENTIAL OWNERS
ASSOCIATION, INC., a New Mexico
nonprofit corporation

By: /s/ Pamela G. Scanlon
Name: Pamela G. Scanlon
Title: President

Address: 13000 Academy, N.E.
Albuquerque, NM 87111

Date Signed: February 12, 1999

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

This instrument was acknowledged before me on February 12,
1999, by Pamela G. Scanlon, President of High Desert Residential
Owners Association, Inc., a New Mexico nonprofit corporation.

/s/ Hope S. Riveia
Notary Public

My Commission Expires:
April 17, 2001

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02/11/98

EXHIBIT "A"

Lots 1 - 38, inclusive, and Tract B, The
Canyons at High Desert, Albuquerque, New
Mexico as shown on the Plat of The Canyons at
High Desert filed as document number
1998134990 in Book 98C, Folio 310, Office of
the County Clerk of Bernalillo County, New
Mexico on October 22, 1998