

SUPPLEMENTAL GUIDELINES FOR SUSTAINABILITY

BUILDER HOMES

HIGH DESERT

CHACO RIDGE COMPOUND

The following Supplemental Guidelines for Sustainability for Builder Homes in the Chaco Ridge Compound at High Desert subdivision (the "Chaco Ridge Compound Guidelines") are supplemental to the general High Desert Guidelines for Sustainability Builder Homes (the "High Desert Builder Homes Guidelines"). All of the provisions of the High Desert Builder Homes Guidelines apply to the Chaco Ridge Compound except as modified by these Chaco Ridge Compound Guidelines. The Chaco Ridge Compound Guidelines shall be a part of the High Desert Builder Home Guidelines for application to the Chaco Ridge Compound. The construction of homes in the Chaco Ridge Compound will be subject to the review of the Chaco Ridge Village Architectural Advisory Committee (the "CRVAAC") as described below.

The following Supplemental Guidelines for Sustainability for Builder Homes are attached to and become a part of the Purchase Agreement, dated _____, between Mesa Verde Development Corporation, a New Mexico corporation ("Seller") and _____, a _____ ("Builder") for the purchase of Lot(s) _____ within the Chaco Ridge Compound at High Desert subdivision. Builder will construct all homes within Chaco Ridge Compound in compliance with these Supplemental Guidelines. The Chaco Ridge Compound Guidelines are additional to those requirements contained in the High Desert Guidelines and the Declaration of Covenants, Conditions and Restrictions for High Desert Residential properties (the "Declaration"). The construction of homes in the Chaco Ridge Compound will be subject to the review of the Chaco Ridge Village Architectural Advisory Committee (the "CRVAAC") as described below. In the event of any conflict between the terms of the Chaco Ridge Compound Guidelines and the terms of the Design Guidelines or Declaration, the terms of the Declaration and Design Guidelines will control.

Chaco Compound Village will be a gated community comprised of Lots 70-91 of the plat of Chaco Ridge Village subdivision, with private streets and sidewalks, the maintenance of which will be assumed by the High Desert Residential Owner's Association, Inc. A fee in addition to the base fee charged all lot owners will be charged each lot owner in the compound and will be sufficient to maintain and repair access gates and streets and sidewalks. The initial fee will be \$15 per month. The lot owner will pay for any increase or decrease in the monthly assessment in the event that said maintenance fees are subsequently changed by the High Desert Residential Owner's Association.

SITE

City Property

Each builder is responsible for any damage done to city-owned meter pads, wheelchair ramps or any other city-owned property located on subject property.

Garages

Each home must have a garage for not more than three and not less than two cars.

Site Walls

As a result of differences in pad elevations within the Chaco Compound Village, special stemwall requirements will apply to the following lots within the Village: 72/73. The stemwall requirements are set forth in the engineer certified grading plan for the Chaco Ridge Village approved by the City of Albuquerque. (See attached Exhibit A for detail.)

All walls that are visible from the street must be finished with synthetic stucco. The only color stucco finish that will be allowed on walls will be Sto Flex High Desert Pueblo (#1005), except the cross wall that is visible from the street upon which a home fronts, which wall will match the color of the home. All walls that are not visible from the street must be painted or stuccoed High Desert Pueblo color (#1005).

Signage

All "For Sale" and resale signs will follow High Desert sign guidelines.

Construction signs:

- Maximum size and design criteria is attached.
- Only one construction sign is allowed per building.
- Signs will be installed parallel to street.
- Supplemental signs, such as financing, sub-contractor, supplier, etc., are not allowed. Any such acknowledgment must be contained in the one construction sign.
- Signs are to be removed at completion of construction.

For sale and open house signs:

- Only one standard "for sale" or "open house" Realtor sign is allowed per lot.
- Signs are not allowed anywhere except on the lot to which they pertain
- Banners, flags, balloons, etc. are not allowed.

Model home signs:

- Only one sign per model home.
- Sign must be approved by High Desert, in advance, in writing.
- Upon approval by High Desert, a maximum of three flags, no higher than 18 feet, may be allowed.
- Realtor "for sale" signs may not be placed on lot in addition to model home signs.
- No banners, balloons, etc., are allowed.

Address identification numbers will be 4 inches by 4 inches and will be ceramic tiles.

Mailboxes

“Cluster-type” mailboxes will be used, subject to the requirements of, and in coordination with, the United States Postal Service.

LANDSCAPING

Approval

Plans for front yard landscaping must be submitted for approval prior to the start of construction of landscaping to the New Construction Committee (NCC) and must be compatible with the overall subdivision streetscape.

Timing of Installation

All front yard landscaping, and all side yard landscaping (if the home is on a corner), must be completed by the builder as required by the High Desert Builder Guidelines no later than two months after completion of construction of the home, but in any event no later than the date of occupancy of the home.

ARCHITECTURE

Architecture Styles

Architectural style for all compound homes will be Pueblo style, with a maximum height of 19 and 1/2 feet to the parapet for single-story and 26 feet to the parapet for two-story. Lots 70-78 and 84-91 will be single-story. Two-story homes will be allowed on lots 79-83. Decorative accents, including stacked stone, may be approved on an individual basis.

Below are described characteristics of the Pueblo style. While these characteristics are typical, it is not the intent of these guidelines to prohibit a certain amount of individual expression and creativity as long as the overall look of the house contains the characteristics of the Pueblo style and adheres to the Guidelines. The CRVAAC and the NCC retain the right to approve or deny any aspects of the design on a case-by-case basis without limitation.

Pueblo style is walled architecture recalling the low adobe, flat roofed dwellings of the northern New Mexico Pueblo Indians. Characterized by the “Pueblo Revival” buildings of historic Santa Fe, Pueblo style incorporates recessed set doors and windows, dramatically recessed portals or patios, walled entry corners and edges, radius corners and edges, and is always finished in earth tone adobe. The Pueblo style traditionally uses flat roofs and relies extensively on post and beam or bearing wall construction. Interesting massing and soft edged smooth stucco are distinctive features of this style.

No pitched roofs will be allowed in the compound except for shed-type porch roofs, with no more than a 4:12 ratio, which will be approved on an individual basis.

The front courtyard wall for Lots 70-78 must be stuccoed using High Desert Pueblo color (1005) and will be joined to give a unified appearance and meander to add interest and character to the community. Wall height will be a minimum of 4 feet to a maximum not to exceed 6 feet. Decorative pedestrian-type gates are allowed. All garages for Lots 70-78 will be located on the south side.

The entrance gates and perimeter wall will be installed and paid for by the developer, except that the lot owner of Lots 58-69 in Chaco Ridge Village will pay one-half the cost of the wall adjoining those properties.

Building Massing

Building massing is critical especially for the street elevations. Building masses should be offset from the adjacent masses by an appropriate dimension to the size of the building and approved by the CRVAAC and NCC. The front and rear (if adjacent to a street) elevations must contain at least three building masses, of which two of the building masses must have at least a 2 foot vertical/horizontal offset. In no case shall any of the required three masses be offset less than one foot vertical/horizontal. Deviations from the 2 foot minimum massing requirements in the High Desert Builder Guidelines may be approved on an individual basis, but will be not less than 1 foot both horizontally and vertically. A building mass is defined as a volume of space which usually appears as a rectilinear form, consisting of a roof and at least three (3) walls.

Windows

All exterior windows and frames of windows must be white or a tan color approved by the CRVAAC.

Minimum Square Footage

Each home must have at least 1,400 square feet of fully enclosed heating area, exclusive of garages and open porches and patios. Each town home must have at least 1,200 square feet of fully enclosed heating area, exclusive of garages and open porches and patios.

Materials and Pre-Approved Building Colors

All homes must be finished with synthetic stucco. The only colored stucco finishes that will be allowed on homes are the following:

- Sto Flex Adobe Brown (#1104)
- Sto Flex Sandia (#1616)
- Sto Flex Pueblo (#1005)
- Sto Flex Suede (#1006)
- Sto Flex Santa Fe Mocha (#1003)
- Sto Flex Torreon for High Desert (#1501A)

If a brand of synthetic stucco is used other than Sto, the color must match one of the above colors.

Review for Compliance

The compliance of any structure or improvement within the Chaco Compound Village will be reviewed by the CRVAAC and the NCC.

In order for the CRVAAC and NCC to perform such review, the following must be submitted (the completeness of which will be subject to the determination of the CRVAAC and NCC):

1. One complete set of plans, including but not limited to, foundations, floor plans, elevations, details, specifications (including completed checklist), plot plan, landscaping plans and the finished grade of the structure or improvement on the lot.
2. The "as-built" set back dimensions of the structure or improvement within seven days after construction of the foundation of the structure or improvement.

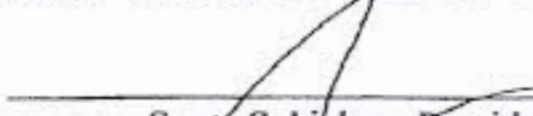
Within 15 days of receipt of the plans, the CRVAAC will communicate the results of its review in writing to High Desert Investment Corporation ("High Desert") and the New Construction Committee ("NCC") or Modification Committee ("MC") of the High Desert Residential Owners Association, Inc. (the "Owners Association"). The communication will specifically indicate whether or not the proposed structure complies with (i) the High Desert Builder Homes Design Guidelines; (ii) the Chaco Compound Village Design Guidelines; and (iii) any supplemental covenants relating to the Chaco Compound Village.

The proposed structure or improvement will then be subject to the review of the NCC or MC as set forth in the Declaration of Covenants, Conditions, and Restrictions for High Desert Residential Properties (the "Declaration") and the High Desert Builder Homes Guidelines; provided, however, that the NCC and MC may rely on the review of the CRVAAC in its review for and determination of compliance.

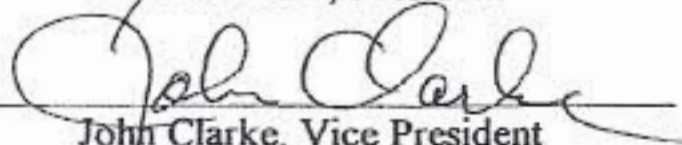
The review by the CRVAAC will be in addition to, and will not in any way affect or abridge, the review and approval processes by the NCC or MC as set forth in the Declaration and High Desert Builder Home Guidelines.

CONSENTED TO BY:

MESA VERDE DEVELOPMENT CORPORATION



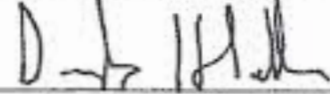
Scott Schiabor, President



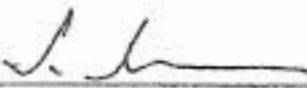
John Clarke, Vice President

Date Signed: 11-4-99

HIGH DESERT INVESTMENT CORPORATION



Douglas H. Collister, President



Jack Eichorn, Vice President

Date Signed: 11-4-99