

NINETEENTH SUPPLEMENTAL DECLARATION TO DECLARATION
OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR HIGH DESERT RESIDENTIAL PROPERTIES
(Tract 9A/Sunset Ridge Village)

THIS NINETEENTH SUPPLEMENTAL DECLARATION (the "Sunset Ridge Declaration") is made this 17th day of December, 1997, 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, and which was supplemented by (i) 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 1-36 inclusive, Solterra Subdivision Unit 1 at High Desert) which was recorded May 20, 1996, as Document 96056432 in Book 95-14, Pages 2006-2010, in the Office of the County Clerk of Bernalillo County, New Mexico, (viii) the 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 (as amended), (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, in Book 97-16, pages 8243-8252 records of Bernalillo County, New Mexico, (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, in Book 97-16, pages 6156-6161 records of Bernalillo County, New Mexico, and (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 (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.

C. Mesa Verde Development Corporation, a New Mexico corporation ("Owner") is the owner of the property described on Exhibit "A" (the "Sunset Ridge Village Property") attached hereto and by this reference incorporated herein. The Sunset Ridge Village Property is a portion of the property described on Exhibit "B" of the Declaration (the "Property"). Declarant wishes to subject the Sunset Ridge Village Property to the additional covenants set forth in this Nineteenth Supplemental Declaration.

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

Declarant hereby declares that the Sunset Ridge 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 Sunset Ridge Village Property. This Nineteenth Supplemental Declaration shall be binding on and shall inure to the benefit of the Declarant, the Association, and all parties having any right, title, or interest in the Sunset Ridge Village Property or any part thereof, their heirs, successors, successors-in title, and assigns.

WITNESSETH:

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

1. Declaration and Design Guidelines. The easements, restrictions, covenants, and conditions contained in this Nineteenth Supplemental Declaration are additional to and supplement those contained in the Declaration and the High Desert Guidelines for Sustainability Builder Homes approved by the Association as provided in the Declaration (the "Design Guidelines"). This Nineteenth Supplemental Declaration shall not limit in any way the effectiveness of the Declaration or the Design Guidelines. The terms of the Declaration, specifically including but not limited to Article X and Section 18.1 of the Declaration, are incorporated herein by reference.

2. Restrictions on Height of Structures. The following restrictions apply to limit the height of structures built on the Property:

A. Lots 10-20, 27-38, 67-72, and 78-91 inclusive may only be single story with a maximum height not to exceed 18 feet (measured from the grade for the lot approved by the City of Albuquerque and set forth in the engineer certified grading plan for the Sunset Ridge Village Property to the highest point on the roof);

B. Lots 21-26 inclusive may be two story with a maximum height not to exceed 26 feet (measured from the grade for the lot approved by the City of Albuquerque and set forth in the engineer certified grading plan for the Sunset Ridge Village Property to the highest point on the roof). The square footage of the upper story shall not be more than 50% of the square footage of the lower story.

C. All other lots may be two stories with a maximum height not to exceed 26 feet (measured from the grade for the lot approved by the City of Albuquerque and set forth in the engineer certified grading plan for the Sunset Ridge Village Property to the highest point on the roof).

3. Walls.

A. All walls that are located on the common property line between adjoining Units shall be party walls that may not be removed by either property owner of the adjoining lots. All walls must be constructed from the elevation specified by the subdivision engineer and indicated on the plat of the Sunset Ridge Village Property. The cost of installation and maintenance of such party retaining walls shall be split equally between the property owners of the adjoining units.

B. No wall or fence may be erected on a Unit that is closer to the street than the front of the dwelling on the Unit, except for courtyard walls.

C. A Unit is located on a corner when such unit abuts more than one public right-of-way. The corner Unit will be deemed to front on the right-of-way on which the Unit has a smaller dimension, subject to redesignation by the New Construction Committee upon the request of the owner of any such corner Unit.

D. Each Unit must have a rear wall and two side walls. All rear walls shall extend the entire length of the rear property line. All side walls shall extend from the rear of the lot to at least the rear of the dwelling on the Unit.

4. Vacant Lots; Destruction. There shall be no trash, ashes, paper or refuse of any kind thrown or dumped onto vacant Units in the Sunset Ridge Village Property. In addition to any obligation of Owners set forth in the Declaration relating to maintenance of Units, (i) the Owner of a Unit within the Sunset Ridge Village Property that is vacant shall be responsible to keep the Unit cleared of all weeds, trash and any other impediment that is visually or otherwise undesirable and (ii) the Owner of a Unit upon which a structure is destroyed by fire or other casualty shall either promptly rebuild, repair or replace the

structure in compliance with the Declaration and Design Guidelines or remove the debris (including foundations) from the Unit.

5. Timing of Construction. All dwellings constructed on Units within the Sunset Ridge Village Property shall be completed in accordance with the plans and specifications approved by the New Construction Committee within six months after the date that construction was commenced.

6. Restricted Activities. Declarant hereby supplements Section 12.6(b) of the Declaration to amend subsections (i) , (vi) and (xii) and to add the following new subsections which shall apply to the Sunset Ridge Village Property:

(i) subsection (i) is amended to prohibit the use of any trailer, motor home, boat, shack, tent, garage or any other outbuilding (permitted or not) as a residence, either temporarily or permanently, provided however, that one motor home or boat may be kept in the driveway or in front of a Unit for no more than ten days per year;

(vi) subsection (vi) is amended to provide that, with the approval of Declarant, one or more Units may be combined through replatting of the Units to form one Unit and one building site;

(xii) subsection (xii) is amended to prohibit the placement, permanently or temporarily, of any kind of antenna (radio, shortwave radio, television or others) or satellite dish on the outside portions of the Unit, without the prior approval of the New Construction Committee;

(xiii) subsection (xiii) is amended to prohibit any construction, erection, placement, assembly, or maintenance of any outbuilding or storage building or other auxiliary building of any nature, permanent or temporary, detached from the permitted improvements on the Unit, except as approved in writing by the New Construction Committee;

(xiv) subsection (xiv) is amended to prohibit any construction of maintenance of any billboard, poster board or advertising structure of any kind on any part of any Unit except those permitted by the Design Guidelines by builders and architects during construction of permitted improvements on the Unit;

(xv) subsection (xv) is amended to prohibit construction of any improvements other than a single family residence on Lots 27 - 91 inclusive and construction of any improvements other than a townhouse on Lots 1 - 26 inclusive.

(xvi) in order to preserve views, no plant material will be used that exceeds the height of 12 feet at maturity.

7. Amendment. This Nineteenth Supplemental Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of 75% of the Voting Members of the Sunset Ridge Village that constitutes the Sunset Ridge Village Property, 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 Sunset Ridge Village or any Sunset Ridge Village Committee that relates to the Sunset Ridge Village Property.

8. Consent of Owners. Owners, by their signature below, consent to this Supplemental Declaration. This consent constitutes the written consent of the property owners required under Section 9.4 of the Declaration.

IN WITNESS WHEREOF, the undersigned, on behalf of the Declarant, have executed this Nineteenth 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 Road, N.E.
Albuquerque, NM 87111

Date Signed: December 19, 1997

CONSENTED TO:

MESA VERDE DEVELOPMENT
CORPORATION, a New Mexico
corporation

By: /s/ Scott P. Schiabor
Name: Scott P. Schiabor
Title: President

Date Signed: December 17, 1997

CONSENTED TO:

SPS INVESTMENTS, L.C. a New Mexico limited
liability company

By: /s/ Scott P. Schiabor
Name: Scott P. Schiabor
Title: Managing Member

Date Signed: December 17, 1997

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

This instrument was acknowledged before me on December 19, 1997, by Douglas H. Collister, President of High Desert Investment Corporation, a New Mexico corporation.

/s/ Lauda J. Miles
Notary Public

My Commission Expires:
July 14, 1998

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

This instrument was acknowledged before me on December 19, 1997, by Jack Eichorn, Vice President of High Desert Investment Corporation, a New Mexico corporation.

/s/ Lauda J. Miles
Notary Public

My Commission Expires:
July 14, 1998

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

This instrument was acknowledged before me on December 17, 1997, by Scott P. Schiabor, President of Mesa Verde Development Corporation, a New Mexico corporation.

/s/ Cindy Edson
Notary Public

My Commission Expires:
August 4, 2001

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

This instrument was acknowledged before me on December 17, 1997, by Scott P. Schiabor, Managing Member of SPS Investments, L.C., a New Mexico limited liability company..

/s/ Cindy Edson

Notary Public

My Commission Expires:
August 4, 2001

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SUNSET RIDGE VILLAGE - NINETEENTH SUPPLEMENTAL DECLARATION
TO DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS FOR HIGH
DESERT RESIDENTIAL PROPERTIES (Tract 9A,
Sunset Ridge Village)

CONSENTED TO:

OWNER: Joseph H. Rivera

Lots 53-59

By: /s/ Joseph H. Rivera

Name: Tahiti Ventures

Title: President

Date Signed: December 17, 1997

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

This instrument was acknowledged before me on December 17, 1997, by Joseph H. Rivera.

/s/ Cindy Edson
Notary Public

My Commission Expires:
August 4, 2001

[ADD AS MANY PAGES AS NECESSARY FOR EACH OWNER]

SUNSET RIDGE VILLAGE - NINETEENTH SUPPLEMENTAL DECLARATION
TO DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS FOR HIGH
DESERT RESIDENTIAL PROPERTIES (Tract 9A,
Sunset Ridge Village)

CONSENTED TO:

OWNER: Tiara Homes

Lots 1-9

By: /s/ Rich Gantner

Name: Rich Gantner

Title: President

Date Signed: December 17, 1997

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

This instrument was acknowledged before me on December 17, 1997, by Rich Gantner.

/s/ Cindy Edson
Notary Public

My Commission Expires:
August 4, 2001

[ADD AS MANY PAGES AS NECESSARY FOR EACH OWNER]

EXHIBIT A

Sunset Ridge at High Desert as shown and designated on the plat thereof filed in the Office of the County Clerk of Bernalillo County, New Mexico, on September 25, 1997 in Map Book 97C, Folio 295