

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

FOR
LOS NIDOS SUBDIVISION

THIS DECLARATION, made on the date hereinafter set forth by DSF II Limited Partnership, a Limited Partnership under the laws of the State of Michigan, acting by its General Partner, Edmund L. London, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the City of Santa Fe, County of Santa Fe, State of New Mexico, more particularly described as follows:

All that part of the Santa Fe Grant, which said part may be more particularly described as follows:

Beginning at a point on the southerly boundary of the herein described part, said point lies N 01° 57' 37" E, 50.00 feet from the northwesterly corner of Tract K, Estancia Primera, recorded in Book 130, page 038;

Thence 274.86 feet clockwise, on a curve with radius 265.25 feet and chord N 58° 21' 13" W, 262.73 feet;

Thence N 28° 40' 00" W, 240.25 feet;

Thence 60.76 feet clockwise, on a curve with radius 85.31 feet and chord N 08° 15' 50" W, 59.49 feet;

Thence N 12° 08' 24" E, 167.27 feet;

Thence 22.61 feet counterclockwise, on a curve with radius 155.82 feet and chord N 07° 59' 00" E, 22.59 feet;

Thence S 72° 06' 03" E, 178.24 feet;

Thence N 56° 31' 19" E, 166.34 feet;

Thence S 49° 23' 24" E, 394.89 feet;

Thence S 61° 26' 02" E, 309.24 feet;

Thence N 81° 34' 55" E, 137.69 feet;

Thence 15.53 feet clockwise, on a curve with radius 150.10 feet and chord S 66° 07' 35" W, 15.53 feet;

Thence S 69° 05' 29" W, 615.83 feet;
Thence 119.74 feet clockwise, on a curve with radius 300.00 feet and chord S 80° 31' 33" W, 118.95 feet to the point of beginning, containing 7.831 acres, more or less.

The foregoing intended to be the area commonly known as Tract U, shown on Estancia Primera, planned residential community preliminary plat.

NOW, THEREFORE, Declarant hereby declares that all of the Lots and the Subdivision described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions (the "Los Nidos Covenants"), which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described Lots or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof, and shall be included in full or by reference, in all deeds and mortgages thereto.

ARTICLE I.

Paragraph 1. Limitation to Single Family Purposes. All of the Lots shall be used solely as residential lots and used exclusively for the accommodation of single-family purposes, which shall exclude multi-family dwellings and commercial or business uses.

Paragraph 2. Number and Location of Buildings. No buildings or structures shall be placed, erected, altered or permitted to remain on any lot other than:

- (a) One single-family dwelling (the "Principal Dwelling") which may be either an attached or detached unit having a ground floor area enclosed and roofed of not less than 1,000 square feet, exclusive of garage and portals; and
- (b) One attached garage, with an area of not less than 400 square feet;

Paragraph 6. Driveways. Driveways into each Lot shall be solely from Los Nidos Road. Each driveway is to be graveled or paved and provided with a culvert not less than 15 inches in width.

Paragraph 7. Native Growth and Drainage. Native growth may not be removed except for construction of roads and structures permitted by the Los Nidos Covenants, or except with the written approval of the Architectural Committee. Surface drainage shall remain in its natural state, and drainage as shown on the drainage easements depicted on the Plat of the Subdivision shall remain undisturbed.

Paragraph 8. Parking of Vehicles. No commercial or recreation vehicles of any kind, including campers, motor homes, trailers, boats, and no disable vehicle or large unsightly equipment shall be allowed, stored or regularly parked in a Lot, except within a closed garage.

Paragraph 9. Tank and Cans. There shall not be allowed on any lot any exposed garbage or trash cans, incinerators, or above-ground tanks.

Paragraph 10. No Resubdivision. No Lot shall be resubdivided into smaller Lots nor conveyed or encumbered in any less than the full original dimensions, except that conveyances or dedications for easements for utilities may be made for less than all of one Lot.

Paragraph 11. Combining Lots. If two or more contiguous Lots are owned by the same owner or owners, they may be combined into a larger residential Lot by means of a written document executed and acknowledged by the person or persons having such single ownership of the combined Lots and recorded in the Office of the County Clerk of

Santa Fe County, New Mexico.

Paragraph 12. Temporary Structures. No previously used or temporary house, structure, trailer, or non-permanent outbuilding shall be placed, erected or allowed to remain on any Lot, provided, however, the foregoing restriction and paragraph 8 to the extent that it relates to trailers used during construction shall not apply during construction. No Principal Dwelling shall be occupied prior to its completion.

Paragraph 13. Construction Period and Order. All construction, alterations and additions including painting and coloring stucco on the exterior that may be made from time to time shall be prosecuted diligently, and each building, structure, addition or alteration shall be entirely completed within a reasonable time and in no event later than 12 months after its commencement. No structure shall be left in an unfinished condition insofar as its exterior appearance is concerned for more than six months.

Paragraph 14. No Commercial or Noxious Use. No commercial, business, or industrial use shall be permitted to be conducted on any Lot. No noxious trade or offensive activity shall be carried on upon any Lot, and nothing shall be done thereon which constitutes a nuisance or danger to the neighborhood. No Lot shall be used for a camping ground, factory, or trade. No stable or corral shall be erected or allowed to remain or any horse housed or grazed on a Lot. No windmill shall be erected or allowed to remain on any Lot. Without limitation to these, the following items shall be considered noxious, offensive, annoying or dangerous: offensive odors, loud or annoying sounds, discharge of firearms, bright outdoor lights directed toward neighboring lots and mining or drilling operations.

Paragraph 15. Signs. No billboard or advertising signs other than real estate signs for the sale of the Lot on which posted, or for sale of Lots in the Subdivision, shall be erected or placed on any Lot. With the exception of such advertising signs and the exception of a sign or signs advising of the name and address of the owner or occupant, no signs shall be erected or permitted on any Lot.

Paragraph 16. Fences and Walls. Where security, privacy and prevention of trespassing are considerations for homes with yards adjacent to public sidewalks and roads, long continuous runs of walls and fences will be allowed. Fences and walls will also be allowed for screening of mechanical equipment, utilities, parking areas and long driveways from view. These should be constructed of natural or Native materials such as adobe, stuccoed masonry, railroad ties, coyote fences, wood and stone. Walls will be varied in height and made as visually subdued and pleasing as possible.

ARTICLE II.

Paragraph 1. Style of Architecture. All buildings shall conform to what is known as the New-Old Santa Fe Pueblo or Spanish style of architecture, as such style may be defined by ordinance of the City of Santa Fe. No roofs shall be other than flat and there shall be adequate firewalls along the roof lines.

Paragraph 2. Height. The finished floor elevation at any point shall not exceed 5 vertical feet above the natural grade below that point. The building roof line for each dwelling unit shall not exceed 15 vertical feet above the highest point of natural ground surface on the building site. Chimneys are excepted from this height limitation. The building roof line for each dwelling unit shall not exceed 20 vertical feet above the natural ground surface at any point at the building foundation on the building site. Chimneys are excepted from this height limitation.

Paragraph 3. Stipulation with Committee. At the time of entering into an agreement for the transfer of any Lot, the proposed transferor and the Architectural Committee shall sign a stipulation in writing specifying the number of feet by which 15 feet above the highest point of natural ground surface is higher than a given or described corner of the Lot. Such stipulation shall be kept with the records of the Architectural Committee, available to interested persons, and binding upon all successors in interest to the Lot.

Paragraph 4. Submission of Plans to Architectural Committee. No structures shall be constructed on any Lot until and unless plans and elevations thereof, by a registered architect, which shall show the exterior of the proposed structure, the specification and color of the exterior, and the location on the Lot, shall have been approved in writing by the Architectural Committee. In the event the Architectural Committee fails to take any action after the foregoing have been submitted to it in connection with any proposed construction for a period of 30 days, then all of such submitted plans and elevations, specifications, and locations shall be deemed to be approved. If the foregoing plans are approved, the Architectural Committee shall indicate such approval in writing. The Architectural Committee shall approve such plans if, in its best judgment, the plans conform to these protective covenants and restrictions, are in harmony with the natural surroundings and with existing structures as to external design, materials, color, siding, topographs, grade, and finished ground elevation.

Paragraph 5. Composition of Architectural Committee. Until all building construction is completed by the Declarant or its successor, the Architectural Committee shall consist of such individuals as shall be designated by the Declarant from time to time. After all building construction is complete, the Architectural Committee shall consist of three members elected by the owners of a majority of the Lots, each having one vote. If any member shall at any time

cease to act as a member of the Architectural Committee, whether by reason of resignation, disability, death or otherwise, then the remaining member or members shall constitute the Architectural Committee until election of an additional member or members to the vacancy or vacancies.

Paragraph 6. Non-Liability of Architectural Committee. The Architectural Committee shall not be liable to damages to anyone submitting any plans for approval or to any owner of a Lot subject to these Los Nidos Covenants by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove, with respect to any plans submitted to it. Anyone acquiring title to any of the Lots, or submitting plans to the Architectural Committee for approval, by so doing agrees and covenants that he, she or it will not bring any action or suit for damages against the Architectural Committee, its members as individuals, or its advisors, employees, or agents.

Paragraph 7. Written Records. The Architectural Committee shall maintain for a minimum of ten years complete, permanent written records of all applications for approval submitted to it and of all actions of approval or disapproval and any other sections taken by it under the provisions of this instrument.

Paragraph 8. Title Insurance. It is contemplated that title insurance will be secured in connection with the transfer and retransfer of Lots subject to these protective covenants and these restrictions. Any title insurance company issuing title insurance on such Lots, and all subsequent transferees or successors in title may rely conclusively on a statement executed by the Architectural Committee to the effect that any given improvement or usage has been duly approved and is duly approved by the Architectural

Committee.

ARTICLE III.

Paragraph 1. Enforcement Actions. The Architectural Committee shall have the right, but not the obligation, to prosecute any action to enforce the provisions hereof by injunctive relief on behalf of itself or all or part of the owners of Lots subject to these protective covenants and restrictions. In addition, each owner of any Lot shall have the right to prosecute any action for injunctive relief and for damages by reason of any violation of these Los Nidos Covenants.

ARTICLE IV.

Paragraph 1. City Ordinance. No Lot shall be sold, exchanged, transferred, divided, or otherwise disposed of except in accordance with City of Santa Fe Zoning and Subdivision Ordinances for residential purposes.

Paragraph 2. Priority of Covenants. If these Los Nidos Covenants are more restrictive as to any given provision than Zoning or Subdivision Ordinances of the City of Santa Fe, the former shall prevail.

ARTICLE V.

Paragraph 1. Covenants to Run with the Land. All of the covenants contained in this instrument shall be a burden on the title to all of such Lots, and the benefits thereof shall inure to the owners of all such Lots, and the benefits and burdens of all of such covenants shall run with the title to all such Lots.

Paragraph 2. Termination of Covenants. The covenants contained in this instrument shall continue in effect until July 2005, at which time said covenants shall

automatically be extended for successive periods of ten years unless at such time they are modified or abrogated by consent in writing by the then owners of 75% of the acreage contained in the Subdivision. At the end of each successive ten-year period after 1 July 2005, these Los Nidos Covenants may be abrogated or modified by consent in writing by the then owners of 75% acreage contained in the Subdivision. Any abrogation or modification shall be reduced to writing, signed, acknowledged, and recorded in the Office of the County Clerk of Santa Fe County, New Mexico, by the persons entitled to abrogate or modify the Los Nidos Covenants.

ARTICLE VI.

Paragraph 1. Severability. The invalidation of any one of the foregoing protective covenants or restrictions by judgment or court order shall in no way affect any of the other provisions hereof, all of which shall remain in full force and effect.

Paragraph 2. Paragraph Readings. The paragraph headings in this instrument are for convenience only and shall not be construed to be a part of the covenants and restrictions contained herein.

IN WITNESS WHEREOF, DSF II Limited Partnership, by Edmund L. London, General Partner, the owner in fee of all of the aforesaid Lots, has executed this instrument this 14th day of July, 1994.

**AMENDED AND SUPPLEMENTAL DECLARATION
OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR
LOS NIDOS SUBDIVISION**

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THIS AMENDED AND SUPPLEMENTAL DECLARATION is made and entered into this 19th day of September 1995 by DSFII LIMITED PARTNERSHIP, a Michigan limited partnership and L & L DEVELOPMENT , LLC, a New Mexico limited liability company, as Owners and Declarants.

WHEREAS, the Owners and Declarants own that certain real property described in that certain Declaration of Covenants, Conditions, and Restrictions for **Los Nidos Subdivision** (the "Declaration") filed in the records of Santa Fe County, State of New Mexico, in book 1113 at pages 435 through 445;

WHEREAS, the Owners and the Declarants have settled that certain lawsuit with Estancia Primera Community Services Association ("EPCSA") filed of record in the First Judicial District Court, County of Santa Fe, New Mexico, Cause No. 94-2006(C) and pursuant to the law suit they have amended the previous Declaration and by this document so amend and supplement the declaration; and

WHEREAS, the Owners and the Declarants hereby amend and supplement the Declaration as follows with the intent that these provisions be binding upon their successors and assigns and run with the land.

NOW, THEREFORE, the Owners and the Declarants hereby declare that all of the Lots and the subdivision described in the Declaration shall be held, sold and conveyed subject to this Amendment and the Declaration is hereby supplemented as follows and this Amendment to the Declaration shall run with the real property and be binding on all parties having any right, title or interest in the described Lots or any part thereof, and shall be included in full or by reference in all deeds and mortgages thereto:

1. The Declaration is hereby amended and supplemented as follows by adding at the end thereof the following Article VII.

ARTICLE VII.

1. **Annexation.** Upon the recordation of this Amended and Supplemental Declaration in the miscellaneous real property records of Santa Fe County, New Mexico: (i) the provisions of the Master Declaration of EPCSA (the "Master Declaration"), as amended from time to time as therein provided, shall burden and benefit, and run with the title to, all or any portion of the Los Nidos Subdivision; (ii) owners of property in the Los Nidos Subdivision shall be subject to and benefitted by the Master Declaration, as amended from time to time as therein provided, and shall be entitled to use the Community Common Areas and facilities thereon (as defined in the Master Declaration), subject to and according to the provisions of the Master Declaration; and (iii) property and owners of property in the Los Nidos Subdivision shall be subject to Community Assessments

for a proportionate share of the Community Expenses (as defined in the Master Declaration) on the same basis as other property then or thereafter subject to the Master Declaration, all subject to the following:

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A. Road Maintenance. The roadways within the Los Nidos Subdivision, namely Los Nidos Drive will be maintained (including snow removal), repaired and replaced solely at the cost and expense of the owners of property within Los Nidos Subdivision (through the Los Nidos Owners Association, Inc.), until such roadways are accepted, if at all, for maintenance by the City of Santa Fe. Even after such roadways are accepted for maintenance by the City of Santa Fe, if the City of Santa Fe does not provide adequate maintenance, repair or replacement of such roadways, any unperformed maintenance, repair, replacement of such roadways shall continue to be the sole responsibility, and at the sole cost and expense of, the owners of property within Los Nidos Subdivision (through the Los Nidos Owners Association, Inc.). EPCSA shall have no liability or responsibility for such roadways. Property, and owners of property, within Los Nidos Subdivision will not be assessed by the EPCSA for any costs or expenses of maintenance, repair, or replacement of any other streets or roadways in the Estancia Primera Community (as defined in the Master Declaration), except for a proportionate share, on the same basis as other property subject to the Master Declaration, of the expenses incurred by the EPCSA for the occasional plowing of snow on Avenida Primera South. Such snow removal costs shall be separately stated in any budgets and operating reports of EPCSA.

B. Drainage. The owners of property in Los Nidos Subdivision shall be solely responsible for, and shall indemnify and hold EPCSA and other owners in the Estancia Primera Community harmless from and against, compliance with the Los Nidos--Special Maintenance District, established by the Santa Fe City Council by Ordinance Number 1994-38. Property, and owners of property, within Los Nidos Subdivision will not be assessed, and will be indemnified and held harmless by EPCSA, for any costs or expenses of complying with that certain Master Drainage Contract Drainage Facilities Inspection and Maintenance Agreement at Estancia Primera, recorded in Book 620, pages 507-515 of the miscellaneous real property records of Santa Fe County, New Mexico, unless the City of Santa Fe should impose additional drainage and terrain management obligations upon EPCSA due to (i) the Los Nidos Subdivision, or (ii) the construction of additional improvements (e.g. tennis court, parking lot, etc.) on the EPCSA Community Common Area on which the EPCSA clubhouse is located, which is more particularly shown and described on that certain plat entitled "Recreation Lot Within Estancia Primera Santa Fe, N.M." recorded in the Office of the Santa Fe County Clerk, in Book 160, page 003. EPCSA shall be authorized to make assessments against property and owners of property with Los Nidos Subdivision for the cost and expense of complying with any additional drainage and terrain management obligations imposed by the City of Santa Fe upon EPCSA due to (i) the Los Nidos Subdivision, or (ii) the construction of additional improvements (e.g. tennis court, parking lot, etc.) on the EPCSA Community Common Area on which the EPCSA clubhouse is located, which is more particularly shown and described on that certain plat entitled "Recreation Lot Within Estancia Primera Santa Fe, N.M." recorded in the Office of the Santa Fe County Clerk, in Book 160, page 003. Any drainage or terrain management costs and expenses shall be separately stated in any budgets and operating reports of EPCSA.

C. Open Space and Pedestrian Access Areas. Notwithstanding the provisions of the Master Plan for Estancia Primera, the open space and pedestrian access areas within Los Nidos Subdivision, as shown on the above-referenced plat shall be Tract Common Areas and not Community Common Areas, as defined under the Master Declaration. Accordingly, the owners of property in Los Nidos Subdivision (by and through the Los Nidos Owners Association, Inc.), will be solely responsible and liable for, and will indemnify and hold EPCSA and other owners in the Estancia Primera Community harmless from and against, costs and expenses of maintaining, repairing, improving, insuring, etc., and claims, demands, liabilities, etc. for injuries or damages incurred in connection with, such Common Areas. Notwithstanding the foregoing, Members and Owners of EPCSA, and their guests, as members of the public, shall have the right to use the Common Areas within Los Nidos Subdivision, subject to the rules and regulations adopted from time to time by the Los Nidos Homeowners Association, Inc. regarding the use of the Common Areas. In return for the assumption of responsibility for these Common Areas within Los Nidos Subdivision, property and owners of property in Los Nidos Subdivision will not be assessed, and will be indemnified by EPCSA, and held harmless from and against, any costs and expenses of developing, maintaining, repairing, improving, insuring, etc., and claims, demands, liabilities, etc. for injuries or damages incurred in connection with the trails within the Estancia Primera Community. Any trail related costs and expenses shall be separately stated in any budgets and operating reports of EPCSA.

D. Architectural Control. Owners of property within Los Nidos Subdivision shall comply with the Estancia Primera Architectural Guidelines, duly amended and approved by the Board of Directors of EPCSA on March 30, 1995 as supplemented on September 13, 1995. Until after the earlier of either the date which is four (4) years after the date of the recording of this Settlement Agreement in the miscellaneous real property records of Santa Fe County, New Mexico, or the date that Owners and Declarants no longer own record title to any lot in the Los Nidos Subdivision, any amendment to the Estancia Primera Architectural Guidelines, as approved above, shall not apply to the Los Nidos Subdivision without the written consent to such amendment by Owners and Declarants. Notwithstanding the provisions of the Estancia Primera Architectural Guidelines to the contrary, the \$1,000.00 construction deposit required by the Estancia Primera Architectural Guidelines shall be held one-half by the Estancia Primera Architectural Review Board and one-half by the Los Nidos Architectural Review Board.

E. Control of Interior Design. The Architectural Review Board of EPCSA does not review nor control the interior design of a residential structure.

F. One-time Contribution. Owners and Declarants shall pay to EPCSA the sum of \$500.00 upon each sale or other transfer of title by Owners or Declarants to each of the twenty-four (24) lots within Los Nidos Subdivision. Such per lot contributions by Owners or Declarants shall be placed by EPCSA into the reserve account for EPCSA, and shall be utilized for future capital expenditures of EPCSA and not for operating expenses. Notwithstanding anything in this provision to the contrary, any sale by Owners or Declarants to one another shall be free of any charge by EPCSA under this provision.

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4. Successors In Interest. This Amended and Supplemental Declaration shall be binding upon and inure to the benefit of the Owners and Declarant, their successors in interest and assigns, their heirs, legal representatives and other successors in interest.

IN WITNESS WHEREOF, the parties have executed this Settlement Agreement as of the day and year first written above.

DSFII, Ltd.,
A Michigan Limited Partnership
PARKSIDE MANAGEMENT CORP
By: [Signature]
Its: Managing General Partner

L & L Development, LLC,
A New Mexico Limited Liability Company
By: [Signature]
Its: Managing Member

ACKNOWLEDGEMENTS

STATE OF MICHIGAN }
COUNTY OF Oakland } SS

This Supplemental Declaration Settlement Agreement was acknowledged before me this 11th day of October, 1995, by Edmund A. Henderson, Managing General Partner of DSFII, Ltd., a Michigan Limited Partnership, on behalf of such Partnership.

[Signature]
Notary Public

My Commission Expires:
5-16-97



STATE OF NEW MEXICO

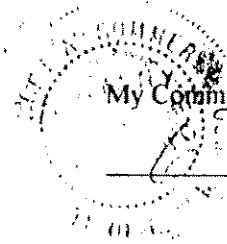
1211348

SS

COUNTY OF SANTA FE

Supplemental Declaration
This Settlement Agreement was acknowledged before me this 26 day of October, 1995, by Paul J. Montoya, Managing Member of L & I Development, LLC, a New Mexico Limited Liability Company, on behalf of such Company.

[Signature]
Notary Public



My Commission Expires:

10-24-97



922-883
COUNTY OF SANTA FE)
STATE OF NEW MEXICO)
I hereby certify that this instrument was filed
for record on the 26 day of Oct A.D.
19 95 at 3:53 o'clock
and was duly recorded in book 1211
page 343-348 of the records of
Santa Fe County.

Witness my Hand and Seal of Office
Jona G. Armijo
County Clerk, Santa Fe County, N.M.

[Signature]
Leclerk

**SECOND AMENDED DECLARATION
OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR
LOS NIDOS SUBDIVISION**

THIS SECOND AMENDED DECLARATION is made and entered into this 17th day of July, 1998 by L & L DEVELOPMENT, LLC, a New Mexico limited liability company, as Owner and Declarant.

WHEREAS, the Owner and Declarants own that certain real property described in that certain Declaration of Covenants, Conditions, and Restrictions for **Los Nidos Subdivision** (the "Declaration") filed in the records of Santa Fe County, State of New Mexico, in book 1113 at pages 435 through 445;

WHEREAS, DSFH LIMITED PARTNERSHIP, Michigan limited partnership, is no longer involved in the LOS NIDOS SUBDIVISION and no longer has any interest in any of the real estate and lots;

WHEREAS, the Owner and the Declarant hereby amends the Declaration as follows with the intent that these provisions be binding upon its successors and assigns and run with the land.

NOW, THEREFORE, the Owner and the Declarant hereby declares that all of the Lots and the subdivision described in the Declaration shall be held, sold and conveyed subject to this Amendment and this Amendment to the Declaration shall run with the real property and be binding on all parties having any right, title or interest in the described Lots or any part thereof, and shall be included in full or by reference in all deeds and mortgages thereto:

The Declaration is hereby amended by deleting Paragraph 5. Composition of Architectural Committee, in its entirety, and substituting the following in lieu thereof:

Paragraph 5. Composition of Architectural Committee. Until all building construction is completed by the Declarant or its successor, the Architectural Committee shall consist of such individuals as shall be designated by the Declarant from time to time. After all building construction is complete, the Architectural Committee shall consist of three members elected by the owners of a majority of the Lots, each owner having one vote. If any member shall at any time cease to act as a member of the Architectural Committee, whether by reason of resignation, disability, death, or otherwise, then the remaining member or members shall constitute the Architectural Committee until election of an additional member or members to the vacancy or vacancies.

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IN WITNESS WHEREOF, the parties have executed this Amended Declaration as of the day and year first written above.

L & L Development, LLC
A New Mexico Limited Liability Company

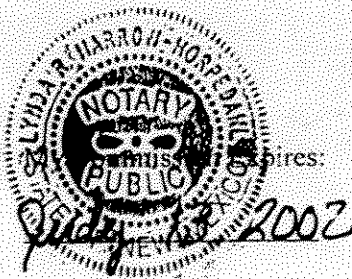
By: [Signature]
Its: Managing Member

ACKNOWLEDGMENT

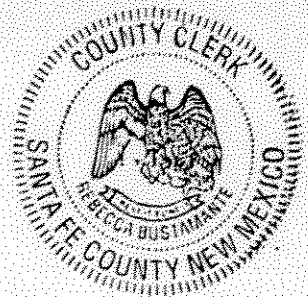
STATE OF NEW MEXICO }
COUNTY OF SANTA FE } SS

This Amended Declaration was acknowledged before me this 24 day of July, 1998, by John Le Master, Managing Member of L & L Development, LLC, a New Mexico Limited Liability Company, on behalf of such Company.

[Signature]
Notary Public



1034-657
COUNTY OF SANTA FE }
STATE OF NEW MEXICO } SS
I hereby certify that this instrument was filed for record on the 29 day of July, 1998, at 7:17 o'clock PM and was duly recorded in book 1521, page 364-365 of the records of Santa Fe County.



Witness my Hand and Seal of Office
Rebecca Bustamante
County Clerk, Santa Fe County, N.M.
[Signature] Deputy

SECOND AMENDED DECLARATION
OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR
LOS NIDOS SUBDIVISION

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THIS SECOND AMENDED DECLARATION is made and entered into this 17th day of July, 1998 by L & L DEVELOPMENT, LLC, a New Mexico limited liability company, as Owner and Declarant.

WHEREAS, the Owner and Declarants own that certain real property described in that certain Declaration of Covenants, Conditions, and Restrictions for **Los Nidos Subdivision** (the "Declaration") filed in the records of Santa Fe County, State of New Mexico, in book 1113 at pages 435 through 445;

WHEREAS, DSFII LIMITED PARTNERSHIP, Michigan limited partnership, is no longer involved in the LOS NIDOS SUBDIVISION and no longer has any interest in any of the real estate and lots;

WHEREAS, the Owner and the Declarant hereby amends the Declaration as follows with the intent that these provisions be binding upon its successors and assigns and run with the land.

NOW, THEREFORE, the Owner and the Declarant hereby declares that all of the Lots and the subdivision described in the Declaration shall be held, sold and conveyed subject to this Amendment and this Amendment to the Declaration shall run with the real property and be binding on all parties having any right, title or interest in the described Lots or any part thereof, and shall be included in full or by reference in all deeds and mortgages thereto:

The Declaration is hereby amended by deleting Paragraph 5. Composition of Architectural Committee, in its entirety, and substituting the following in lieu thereof:

Paragraph 5. Composition of Architectural Committee. Until all building construction is completed by the Declarant or its successor, the Architectural Committee shall consist of such individuals as shall be designated by the Declarant from time to time. After all building construction is complete, the Architectural Committee shall consist of three members elected by the owners of a majority of the Lots, each owner having one vote. If any member shall at any time cease to act as a member of the Architectural Committee, whether by reason of resignation, disability, death, or otherwise, then the remaining member or members shall constitute the Architectural Committee until election of an additional member or members to the vacancy or vacancies.

IN WITNESS WHEREOF, the parties have executed this Amended Declaration as of the day and year first written above.

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L. & L. Development, LLC,
A New Mexico Limited Liability Company

By: [Signature]
Its: Managing Member

ACKNOWLEDGMENT

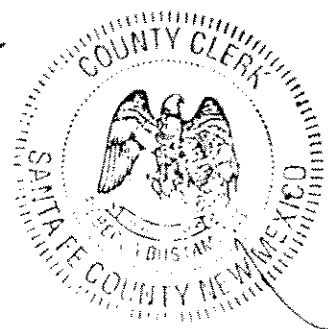
STATE OF NEW MEXICO }
COUNTY OF SANTA FE }

SS

This Amended Declaration was acknowledged before me this 24 day of July, 1998, by John Le Master, Managing Member of L & L Development, LLC, a New Mexico Limited Liability Company, on behalf of such Company.

[Signature]
Notary Public

My Commission Expires:
July 13 2002



1051.462
COUNTY OF SANTA FE } 98
STATE OF NEW MEXICO }
I hereby certify that this document was filed
for recording on L. Le Master, LLC, A.D.
19 98 at 3:02 P.m
and sealed the record in book 1572
page 736-737 of the records of
Santa Fe County.

[Signature]
Deputy

1563805-8000

**THIRD AMENDED DECLARATION
OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR
LOS NIDOS SUBDIVISION**

THIS THIRD AMENDED DECLARATION is made and entered into this 6th day of NOVEMBER, 1998, by **L & L DEVELOPMENT, LLC**, a New Mexico limited liability company, as Owner and Declarant:

WHEREAS, the owner and Declarant own that certain real property described in that certain Declaration of Covenants, Conditions, and Restrictions for Los Nidos Subdivision (the "Declaration") filed in the records of Santa Fe County, State of New Mexico, in Book 1113 at pages 435 through 445;

WHEREAS the Owner and the Declarant hereby amend the Declaration as follows with the intent that these provisions be binding upon its successors and assigns and run with the land.

NOW, THEREFORE, the Owner and the Declarant hereby declare that all of the Lots and the subdivision described in the Declaration shall be held, sold and conveyed subject to this Amendment and this Amendment to the Declaration shall run with the real property and be binding on all parties having any right, title or interest in the described Lots or any part thereof, and shall be included in full or by reference in all deeds and mortgages thereto.

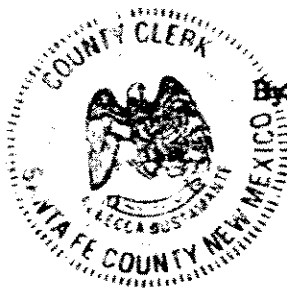
The Declaration is hereby amended by adding a new Paragraph 16 to Article I of the Declaration:

Paragraph 16. Fences and Walls. Where security, privacy and prevention of trespassing are considerations for homes with yards adjacent to public sidewalks and roads, long continuous runs of walls and fences will be allowed. Fences and walls will also be allowed for screening of mechanical equipment, utilities, parking areas and long driveways from view. These should be constructed of natural or Native materials such as adobe, stuccoed masonry, railroad ties, coyote fences, wood and stone. Walls will be varied in height and made as visually subdued and pleasing as possible.

IN WITNESS WHEREOF, the parties have executed this Third Amended Declaration as of the day and year first written above.

L & L Development, LLC
A New Mexico Limited Liability Company

[Signature]
Its: Managing Member



COUNTY OF SANTA FE
STATE OF NEW MEXICO
I hereby certify that this instrument was filed
for record on the 10 day of NOV A.D.
1998 at 2:10 p.m.
and was duly recorded. Index 1563
page 805-806 of the records of
Santa Fe County

Witness my hand and Seal of Office
Rebecca Bush
County Clerk, Santa Fe County, N.M.
Rebecca Bush
Clerk

