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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR CANYON HILLS

THIS DECLARATION is made on March 16, 1993 1993 by CENTEX REAL ESTATE CORPORATION, a Nevada corporation authorized to transact business in New Mexico, hereinafter referred to as the "Declarant".

WITNESSETH

Declarant is the owner of certain real property in Bernalillo County, New Mexico, more particularly described as follows:

Lots 1 through 151 inclusive in Canyon Hills, a subdivision in the City of Albuquerque, New Mexico, as the same is shown and designated on the subdivision plat filed in the office of the County Clerk of Bernalillo County, New Mexico on October 8, 1992 in Book 92C, Folio 220.

Declarant desires to create an exclusive planned community known as Canyon Hills on the above described land.

NOW THEREFORE, the Declarant declares that the real property described above shall be held, sold and conveyed subject to the covenants, conditions and restrictions set forth below, which shall be deemed to be covenants running with the land and imposed on and intended to benefit and burden each Lot and other portion of the Property in order to maintain within the Property a planned community of high standards. Such covenants shall be binding on all parties having any right, title or interest therein or any part thereof, their respective heirs, personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1.1. "Property" shall mean and refer to the real property described above.

Section 1.2. "Lot" shall mean and refer to any plot of land indicated upon any recorded subdivision plat of the Property or any part thereof creating single-family homesites, with the exception of areas deeded to a governmental authority or utility, together with all improvements thereon.

Section 1.3. "Unit" shall mean and refer to any residential dwelling situated upon any Lot.

Section 1.4. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation.

Section 1.5. "Declarant" shall mean and refer to Centex Real Estate Corporation, its successors and assigns who are designated as such in writing by Declarant, and who consent in writing to assume the duties and obligations of the Declarant with respect to the Lots acquired by such successor or assign.

Section 1.6. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for Canyon Hills and any amendments, commitments and supplements thereto made in accordance with its terms.

Section 1.7. "Plat" shall mean and refer to the plat of subdivision of Canyon Hills.

ARTICLE II

ARCHITECTURAL REVIEW

Section 2.1. Architectural Control Committee. A committee to be known as the Architectural Control Committee (the "ACC") shall be established consisting of three (3) members. The initial members of the ACC are Lynn Johnson, Steve Lassiter and Ted Lowe, all residents of Albuquerque, New Mexico. The purpose of the ACC is to enforce the architectural standards of the community, and to approve or disapprove plans for improvements, for Lots 1 through 151. The ACC shall act by simple majority vote, and shall have the authority to delegate its duties or to retain the services of a professional engineer, architect, designer, inspector or other person to assist in the performance of its duties.

Section 2.2. Scope of Review. No building, home, fence, wall, outbuilding, landscaping, pool or other structure or improvement shall be erected, altered, added onto or repaired upon any portion of Lots 1 through 151 without the prior written consent of the ACC, provided however, that improvements erected, altered, added onto or repaired by Declarant shall be exempt from the provisions of this Article II.

Section 2.3. Submission of Plans. Prior to the initiation of construction upon any of the Lots, the Owner thereof shall first submit to the ACC a complete set of plans and specifications for the proposed improvements, including site plans, grading plans, landscape plans, floor plans depicting room sizes and layouts, exterior elevations, specifications of materials, textures and exterior colors, textures for roofs and any other information deemed necessary by the ACC for the performance of its function. In addition, the Owner shall submit the identity of the individual or company intended to perform the work and projected commencement and completion dates. Any modification to completed homes on Lots 1 through 151 conveyed to third party purchasers will require prior approval of the ACC.

Section 2.4. Plan Review. Upon receipt by the ACC of all of the information required by this Article II, it shall have fifteen (15) days in which to review said plans. The proposed improvements will be approved if, in the sole opinion of the ACC: (i) the improvements will be of an architectural style and material that are compatible with the other structures in the Property; (ii) the improvements will not violate any restrictive covenant or encroach upon any easement or cross platted building set back lines; (iii) the improvements will not result in the reduction in property value or use of adjacent property; (iv) the individual or company intended to perform the work is acceptable to the ACC; and (v) the improvements will be substantially completed, including all cleanup, within three (3) months of the date of commencement (six (6) months for the construction of a complete house). In the event that the ACC fails to issue its written approval within fifteen (15) days of its receipt of the last of the materials or documents required to complete the Owner's submission, the ACC's approval shall be deemed to have been granted without further action. The ACC shall be authorized to charge a reasonable fee, not to exceed \$150.00, for review of each submittal of plans.

Section 2.5. Non-conforming Structures. If there shall be a material deviation from the approved plans in the completed improvements, such improvements shall be in violation of this Article II to the same extent as if erected without prior approval of the ACC. The ACC or any Owner may maintain an action at law or in equity for the removal or correction of the non-conforming structure and, if successful, shall recover from the Owner in violation all costs, expenses and fees incurred in the prosecution thereof.

Section 2.6. Immunity of ACC Members. No individual member of the ACC shall have any personal liability to any Owner or any other person for the acts or omissions of the ACC if such acts or omissions were committed in good faith and without malice.

Section 2.7. Address for Notice. Requests for ACC approval or correspondence with the ACC shall be addressed to the Canyon Hills Architectural Control Committee and mailed or delivered to the principal office of Declarant at 10701 Montgomery, Suite G, Albuquerque, New Mexico 87111, or such other address as may be designated from time to time by the ACC. No correspondence or request for approval shall be deemed to have been received until actually received by the ACC in form satisfactory to the ACC.

Section 2.8. No Waiver of Future Approvals. The approval or consent of the ACC to any plans or specifications for any work done or proposed or in connection with any other matter requiring the approval or consent of the ACC shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any plans or specifications or other matter whatever subsequently or additionally submitted for approval or consent.

Section 2.9. No Liability for Design Defects. Plans and specifications are not approved for engineering or structural design or quality of materials, and by approving such plans and specifications neither the ACC, the members thereof, nor the Declarant, assumes liability or responsibility therefor, or for any defect in any structure constructed from such plans and specifications.

Section 2.10. Variances. As to Lots 1 through 28 only, the ACC may authorize variances from compliance with any of the architectural provisions of this Declaration including restrictions upon height, bulk, size, shape, floor area, land area, placement of structures, set-backs, building envelopes, colors, materials, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental consideration may, in its sole and absolute discretion, warrant. Such variances must be evidenced in writing and must be signed by ACC. If such a variance is granted, no violation of the Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular property and particular provision and in the particular instance covered by the variance.

Section 2.11. Replacement of ACC Members. In the event of the resignation or death of a member of the ACC, the remaining members shall have full authority to designate a successor. At such time as ninety (90%) of the Lots have been conveyed to purchasers, a member can be replaced or, the ACC can be disbanded by the execution and recording of an instrument signed by not less than seventy percent (70%) of the Owners of all Lots. In the event the ACC is disbanded, all references in this Declaration to the ACC will be deemed deleted.

ARTICLE III

EASEMENTS

Section 3.1. Utility Easements. Declarant hereby reserves the right to grant perpetual, nonexclusive easements for the benefit of Declarant or its designees, upon, across, over, through and under any portion of the Lots designated on the Plat as areas for utility or drainage easements as well as all street rights-of-way and utility or drainage for ingress, egress, installation, replacement, repair, maintenance, use and operation of all underground, overhead or buried utility and service lines and service systems, public and private, including, without limitation, cable television. Declarant, for itself and its designees, reserves the right to retain title to any and all pipes, lines, cables or other improvements installed on or in such easements.

Section 3.2. Declarant's Easement to Correct Drainage. Declarant hereby reserves for the benefit of Declarant a blanket easement on, over and under the ground within the Property to maintain and correct drainage of surface waters and other erosion controls in order to maintain reasonable standards of health, safety and appearance and shall be entitled to remove trees or vegetation, without liability for replacement or damages, as may be necessary to provide adequate drainage facilities. Notwithstanding the foregoing, nothing herein shall be interpreted to impose any duty upon Declarant to correct or maintain any drainage facilities within the Property.

Section 3.3. Easement for Unintentional Encroachment. The Declarant hereby reserves an exclusive easement for the unintentional encroachment by any structure upon any adjoining Lot or right-of-way easement caused by or resulting from, construction, repair, shifting, settlement or movement of any portion of the Property, which exclusive easement shall exist at all times during the continuance of such encroachment as an easement appurtenant to the encroaching Property to the extent of such encroachment.

Section 3.4. Drainage Easements. Easements for installation and maintenance of utilities, stormwater retention/detention ponds, and/or a conservation area are reserved as may be shown on the recorded Plat. Within these easement areas, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may hinder or change the direction of flow of drainage channels or slopes in the easements. The easement area of each Lot and all improvements contained therein shall be maintained continuously by the Owner of the Lot, except for those improvements for which a government agency or utility company is responsible.

Section 3.5. Temporary Completion Easement. All Lots shall be subject to an easement of ingress and egress for the benefit of the Declarant, its employees, subcontractors, successors and assigns, over and upon the front, side and rear yards of the Property as may be expedient or necessary for the construction, servicing and completion of dwellings and landscaping upon Lots adjacent to the Property, provided that such easement shall terminate twelve (12) months after the date such Lot is conveyed to the Owner by the Declarant.

ARTICLE IV

USE AND OCCUPANCY

All Lots and dwellings shall be used and occupied for single family residence purposes only and shall not exceed two (2) stories in height with a maximum height of twenty-six (26) feet. No Lot or dwelling may be used for commercial, institutional or other non-residential purpose if such use involves the attendance or entry of non-residents upon the Lot or otherwise diminishes the residential character of the Lot or neighborhood. This prohibition shall not apply to the use of any Unit by Declarant as a model home or sales office, or the use of any Lot as a site for a construction office trailer or sales office trailer by Declarant.

ARTICLE V

REFERENCE TO DECLARATION

Reference in any deed, mortgage, trust deed or any other recorded documents to the easements, restrictions and covenants herein described or to this Declaration shall be sufficient to create and reserve such easements and covenants to the respective grantees, mortgagees, or trustees of said parcels as fully and completely as if those easements, restrictions and covenants were fully related and set forth in their entirety in said documents.

ARTICLE VI

USE RESTRICTIONS

Section 6.1. Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 6.2. Unlawful Activity. No unlawful activity shall be conducted on any Lot or in any other part of the Property. Nothing shall be done within the Property that is an unreasonable annoyance, inconvenience or nuisance to the residents of the Property, or that unreasonably interferes with the quiet enjoyment of occupants of Lots. No doorways, walkways or streets shall be obstructed in any manner which would interfere with their use for ingress or egress in the event of fire, earthquake or other emergency.

Section 6.3. Development Activity. Notwithstanding any other provision herein, Declarant and its successors and assigns shall be entitled to conduct on the Property all activities normally associated with and convenient to the development of the Property and the construction and sale of dwelling units on the Property.

Section 6.4. Temporary Structures. No structure of a temporary character, including, without limiting the generality thereof, any trailer, tent, shack, garage, barn, motor home or mobile home or other outbuilding, and no prefabricated or relocated structure shall be used on any Lot at any time as a residence, either temporarily or permanently. This restriction shall not be interpreted to limit the right of Declarant to use trailers or outbuildings as sales offices, construction offices or material storage facilities.

Section 6.5. Signs. No sign or emblem of any kind may be kept or placed upon any Lot or mounted, painted or attached to any Unit, fence or other improvement upon such Lot so as to be visible from public view except the following:

a. For Sale Signs. An Owner may erect one (1) sign not exceeding sixty (60) inches as the sum of the length and width of such sign, fastened only to a stake in the ground and extending not more than three (3) feet above the surface of the ground advertising the Lot and or Unit for sale.

b. Declarant's Signs. Signs or billboards may be erected by the Declarant.

c. Political Signs. Political signs may be erected upon a Lot by the Owner of such Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal provided that such signs shall not be erected more than ninety (90) days in advance of the election to which they pertain and are removed within fifteen (15) days after the election.

Section 6.6. Campers, Trucks, Boats and Recreational Vehicles. No campers, vans, pickup trucks, boats, boat trailers, recreational vehicles and other types of non-passenger vehicles, equipment, implements or accessories may be kept parked on any Lot, street or road within the subdivision continuously more than twenty-four (24) hours outside of a garage and such vehicles and/or accessories must be in operable condition. Notwithstanding the foregoing, a camper, recreational vehicle, trailer, boat or van only may be parked on one of the two (2) drive pads in front of the two (2) car garage so long as it does not exceed twenty (20) feet in length and does not overhang the sidewalk. A third pad will not be permitted without a three (3) car garage. No dismantling or assembling of motor vehicles, boats, trailers, recreational vehicles, or other machinery or equipment shall be permitted in any driveway or yard adjacent to a street. No commercial vehicle bearing commercial insignia or names shall be parked on any Lot except within an enclosed structure or a screened area which prevents such view thereof from adjacent lots and streets, unless such vehicle is temporarily parked for the purpose of serving such Lot.

Section 6.7. Pets, Livestock and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except for cats, dogs or other generally recognized household pets of a reasonable number, provided that they are not kept, bred, or maintained for any commercial purpose; and provided further, than no more than three (3) adult animals may be kept on a single Lot. All such animals shall be kept in strict accordance with all local laws and ordinances (including leash laws).

Section 6.8. Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition behind a fence or screened from public view.

Section 6.9. Sight Distance at Intersections. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) and six (6) feet above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and in a line connecting them at points twenty-five (25) feet from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight line limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections

unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

Section 6.10. Parking. No vehicles, trailers, implements or apparatus of any nature may be driven or parked on any Lot or on any easement, unless in use for maintaining such Lot or easement area or properly or temporarily parked within designated vehicular parking areas. Inoperable, abandoned or junk vehicles or equipment may not be parked within the street right-of-way in front of or adjacent to any Lot.

Section 6.11. Commercial or Institutional Use. No Lot, and no building erected or maintained on any Lot, shall be used for manufacturing, industrial, business, commercial, institutional or other non-residential purposes, except for construction offices, model homes and sales offices as set forth in Article IV.

Section 6.12. Detached Buildings. One (1) detached accessory building may be erected, placed or constructed upon a Lot for storage of garden tools, garden and household furnishings and shall not exceed one hundred fifty (150) square feet, twelve (12) feet in height and such building must be located inside required property line set backs.

Section 6.13. Landscaping. All front yards on all Lots must be landscaped with a minimum of one (1) two (2) inch caliper tree and a minimum of sixty-five percent (65%) green grass. Lawns must be properly maintained (not to exceed six (6) inches in height). Trees, shrubs, vines and plants which shall die shall be promptly removed from the Lot and replacements of equal quality or value promptly installed. Front landscaping must be installed within five (5) months of closing. Rear landscaping must be installed within twelve (12) months of closing. No irrigation systems, turf or irrigated planting shall be placed within three (3) feet of the constructed dwelling. Only drought resistant plants which require minimal hand watering should be planted within this three (3) foot zone around the constructed dwelling. Any landscaping installed by Declarant in the area between the perimeter sidewalk and the rear or side yard walls will become the maintenance responsibility of each Owner. If plant material is damaged or diseased in any way within the boundaries of their individual Lot line extensions, it will be the responsibility of each Owner to replace the plant material.

Section 6.14. Grading. No Lot may be landscaped or regraded in such manner as to cause the drainage characteristics of the Lot to differ significantly from the grading plan for the Subdivision approved by and on file with the City of Albuquerque Engineering Department, which provides for positive drainage from the Lot to the street. In no case may such landscaping or regrading cause the drainage from one Lot to drain on to any other Lot, unless an easement therefor has been created. Private drainage rundowns shall be built by the builder in conformance with the construction plans and specifications where applicable. These rundowns shall become the property of the Owner upon purchase of a Lot or dwelling having such rundowns. They shall be cleaned and maintained to provide conveyance of storm runoff. The Owner agrees to accept maintenance of said rundown and agrees to accept liability for damages caused by the failure to do so. Prior to the sale of a Lot or dwelling it shall be the responsibility of the builder to clean and maintain said rundowns to provide conveyance of storm runoff. All construction of improvements on any Lot within the subdivision shall comply with the City of Albuquerque approved Grading Plan and Development Plan for Canyon Hills.

Section 6.15. Antennae, Satellite Dishes and Solar Collectors. No Owner may erect or maintain a television or radio receiving or transmitting antenna, satellite dish or similar implement or apparatus, or solar collector panels or equipment upon any Lot, unless such apparatus is erected and maintained in such a way that it is screened from public view. Roof mounted collectors must be incorporated into the roof to give the appearance of skylights.

Section 6.16. Exterior Finish. All exterior walls of all dwellings, garages and approved accessory buildings shall be completely finished with wood, adobe, stucco, stone or brick. Exterior colors shall be white, natural earthtone or other subdued colors compatible with exterior colors on the subject Lot or adjoining Lots. No reflective finishes other than glass shall be used on exterior surfaces (other than surfaces of hardware fixtures) including but not limited to exterior surfaces of any of the following: roofs, all projection roofs, retaining walls, doors, trim, fences, pipes, equipment, mailboxes and newspaper tubes. All trim shall be painted to match the finish color of the exterior including the garage door. A contrasting color may be selected for the front door only.

Section 6.17. Chimneys. All fireplace flues, smoke stacks and spark arrestors shall be completely enclosed and concealed from public view in finished chimneys of materials architecturally compatible with the principal finish material of the exterior walls of the dwelling.

Section 6.18. Clothes Hanging Devices. Clothes hanging devices exterior to a dwelling shall not be permitted.

Section 6.19. Window Treatment. No aluminum foil, reflective film or similar treatment shall be placed on windows or glass doors.

Section 6.20. Limitation on Square Feet. The total living area, exclusive of open porches and/or garages, shall be not less than 1,500 square feet for Lots 29 through 151 and not less than 2,000 square feet for Lots 1 through 28. Each two story home constructed upon Lots 1 through 28 shall have no less than 1,300 square feet on the ground floor and a combined area of not less than 2,000 square feet.

Section 6.21. Oil, Gas and Mining Operations. No oil or gas drilling, oil or gas development operations, oil or gas refining, quarrying or mining operation of any kind shall be permitted upon or in any Lot, nor shall oil or gas wells, tanks, tunnels, mineral excavations, or shafts be permitted upon any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot. No tank for the storage of oil, gas or other minerals may be maintained on any of the Lots above the surface of the ground.

Section 6.22. Mail Boxes. Mail boxes shall be erected and maintained upon areas determined by the U.S. Postal Service in accordance with the current postal authority standards.

Section 6.23. Garages. An attached, enclosed garage able to accommodate at least two (2) and not more than three (3) automobiles must be constructed and maintained for each residence.

Section 6.24. Roof. Exposed roof surfaces on any principal and/or secondary structures shall be comprised of clay tile, concrete tile or slate. Dwellings constructed on Lots 29 through 151 shall be constructed with a pitched roof or combination flat

and pitched roof. If a roof is comprised of clay tile or concrete tile, the color must be uniform and selected from Lifetile Blends #164, 647, 654, 651 or comparable colors. If a roof on a home constructed by a party other than Declarant is comprised of slate, the color must be approved by the ACC. Roof design for dwellings constructed on Lots 1 through 28 may be flat, a combination of pitch and flat or all pitch. The color of each such roof must harmonize with the colors of roofs of dwellings constructed on Lots 29 through 151.

Section 6.25. Setback Lines. No dwelling shall be located on any Lot nearer to the front lot line or nearer to the side street line than the minimum building setback lines shown on the recorded Plat or required by the City. The front of Lots 97 and 110 shall be designated as the sides facing Mimbres Canyon Place. The front of Lots 111 and 115 shall be designated as the sides facing Caballo Canyon. The front of Lot 116 shall be designated as the side facing Canyon Hills Drive. A four (4) inch tolerance for mechanical variances in construction is hereby automatically allowed for building and improvement setback requirements imposed by this Declaration. The eaves, steps and porches of buildings shall not be deemed to be a part of a building or structure for the purpose of this covenant.

Section 6.26. Water and Sewage Systems. No individual water supply system or sewage disposal system shall be permitted on any Lot, including but not limited to water wells, cesspools or septic tanks.

Section 6.27. Flood Lights. No unshaded flood lights shall be permitted which cast light directly into the homes of other residents within the Property.

Section 6.28. Basketball Goals. Basketball goals, if any, must be pole mounted and located next to the drive pad.

Section 6.29 Party Wall. The rights and duties of the Owners of dwellings with respect to party walls and/or walls erected entirely on one Lot, but close to the next Lot line, shall be as follows:

a. Each wall (including fences and patio walls) which is constructed as part of the original construction of the structure and any part of which is placed on the dividing line or adjacent thereto between separate Units (either on the property line or the three and one-half (3 1/2) foot side yard easement line), shall constitute a party wall. With respect to any such wall, each of the adjoining Owners shall assume the burdens and be entitled to the benefits of these covenants and, to the extent not inconsistent herewith, the general rules of law regarding party walls.

b. In the event any such party wall is damaged or destroyed through the act of one adjoining Owner or any of his guests, tenants, licensees, agents, or members of his family (whether or not such act is negligent or the fault of any one person), so as to deprive the other adjoining Owner of the full use and enjoyment of such wall, then the Owner who caused or is responsible for such damage shall forthwith proceed to rebuild and repair the wall to as good condition as formerly, without cost to the adjoining Owner; or shall bear the whole cost of furnishing the adjoining Unit with protection from the elements such as had previously been provided by the damaged or destroyed wall.

c. In the event any such party wall which does form a structural part of a dwelling or garage 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 Owners, his agents, tenants, licensees, guests or family then, in such event, both adjoining Owners shall proceed forthwith to rebuild or repair the wall to as good condition as formerly, at their joint and equal expense.

d. The rights and responsibilities of any Owner to or from any other Owner under this Article 6.29, shall be appurtenant to the land and shall pass to such Owner's successors in title.

e. In the event of a dispute between Owners with respect to the repair of rebuilding of a party wall, or with or with respect to the sharing of the costs thereof, the matter shall be submitted to arbitrators, one chosen by each of the Owners and the third by the two so chosen. A determination of the matter signed by any two of the three arbitrators shall be binding upon the Owners, who shall share the cost of arbitration equally. In the event one party fails to choose an arbitrator within ten (10) days after receipt of request in writing for arbitration from the other party, then said other party shall have the right and power to choose both arbitrators.

f. Any party wall constructed adjacent to a side lot line must be a wall without any openings. No window or window opening may ever be installed in such a wall.

g. Any and all resurfacing or repainting of the party wall, or of the residence wall from which the party wall is extended, or of the projections from the dwelling, shall be done in a color and texture as close to the original as possible.

h. Retaining walls shall be considered party walls if placed on the common property line between two (2) Lots. Liability as between the Owners with respect to the maintenance of the party wall shall be as provided for in these preceding paragraphs as well as New Mexico law.

Section 6.30. Privacy Walls.

a. Walls for purposes of visual screening and privacy may be constructed between the rear and side yard set back lines, provided their style, color and materials are compatible with those of the residence and other structures and improvements on the Lot.

b. A solid masonry wall may be located between the front property line of the Unit not to exceed twenty-four (24) inches in height from the low side grade. If a concrete masonry wall is used it must be stuccoed to match the Unit and other appurtenant structures and improvements on the Lot. In no event may a wall be in violation of city codes.

c. The solid masonry wall constructed around the perimeter of Canyon Hills shall be the maintenance responsibility of the Lot Owner whose Lot abuts or is adjacent to such wall. In the event of damage or destruction to the wall through the negligence of a Lot Owner or any other person, the Lot Owner shall be responsible for the repair or replacement of the Lot Owner's portion of the damaged wall.

Declarant shall be responsible for the maintenance of the tile entry features which abut the corners of Lots 1, 4, 28, 29, 151, 105, 120 and 121 until such time as Declarant has conveyed the last home on Lots 29-151 to a third party buyer and the last lot of Lots 1-28 is conveyed to a third party buyer or a home is constructed thereon by Declarant. At such time the maintenance responsibility of the tile entry features for the above described Lots shall be delegated to a neighborhood homeowners association comprised of Lot Owners. In the event a neighborhood homeowners association has not been formed at the time Declarant has conveyed the last home on Lots 29-151 to a third party buyer and the last lot of Lots 1-28 is conveyed to a third party buyer, the maintenance responsibility of the tile entry features will become the responsibility of the Lot Owner(s). Nothing set forth herein shall impose any obligation on the part of Declarant to form a neighborhood homeowners association.

d. No barbed wire, welded wire, or welded pipe, cedar or wood slats shall be permitted on any Lot.

Section 6.31. No Wall to Obstruct Vision of Vehicle Operator. No wall, fence, hedge or other obstruction shall be erected, placed, altered or permitted to remain upon any Lot within the subdivision which would obstruct or reduce the vision of an operator of any type of vehicle on any street within, or any entrance to the subdivision, and shall also comply with the City of Albuquerque's ordinances or guidelines for the clear sight triangle.

Section 6.32. Resubdivision. No Lot within the subdivision may be divided in to two (2) or more parcels, nor may one dwelling occupy more than one (1) Lot.

Section 6.33. Completion of Work. Construction of dwellings on Lots 1 through 28, including front yard landscaping, shall be completed within nine (9) months after commencement.

Section 6.34. Mortgage Protection. The breach of any of the foregoing covenants, conditions and restrictions shall not defeat or render invalid the lien of any mortgage or deeds of trust on said premises or any part or portion thereof made in good faith for value, but in the event of foreclosure and sales thereunder, the buyer shall take title subject to all of said covenants, conditions and restrictions.

ARTICLE VII

GENERAL

Section 7.1. Term and Amendments. The covenants and restrictions of this Declaration shall run with and bind the land for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years each, unless seventy percent (70%) of the Owners shall have voted to terminate the covenants and restrictions of this Declaration upon the expiration of the initial 30-year period or any extension thereof, which termination shall be by written instrument signed by seventy percent (70%) of the Owners and properly recorded in Bernalillo County, New Mexico. This Declaration may be amended during the first 30-year period by an instrument signed by not less than seventy-five percent (75%) of the Owners. Any amendment must be recorded. Notwithstanding any provisions hereof to the contrary, the Declarant may, at its sole discretion and without consent being required of anyone, modify, amend, or repeal this Declaration at any time prior to the closing

of the sale of the first Lot, provided said amendment, modification, or repeal is in writing and properly recorded in Bernalillo County, New Mexico. Declarant further reserves, prior to the closing of the sales of all of the Property, all rights which may be necessary to deal with the Property, including the right to vacate, amend, or modify the Plat of subdivision.

Section 7.2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 7.3. Rights and Obligations. The provisions of this Declaration and the rights and obligations established thereby shall be deemed to be covenants running with the land and shall inure to the benefit of, and be binding upon, each and all of the Owners and their respective heirs, representatives, successors, assigns, purchasers, grantees and mortgagees. By the recording or the acceptance of a deed conveying a Lot or any ownership interest in the Lot whatsoever, the person to whom such Lot or interest is conveyed shall be deemed to accept and agree to be bound by and subject to all of the provisions of this Declaration, whether or not mention thereof is made in said deed. If a breach of those provisions is continued for a period of thirty (30) days from and after date upon which the Owner(s) of other property within the subdivision or the ACC shall have notified, in writing, the offending party, the condition shall be cause for the Owner(s) so complaining, acting jointly and severally, or the ACC, to sue for and obtain an injunction to prevent the breach and/or to enforce the observance of the restrictions and covenants herein set forth and to recover damages. Failure of any or all persons having rights hereunder to enforce his or her rights and those restrictions and covenants at the time of a breach shall never be deemed a waiver of such person(s) rights to do so anytime thereafter against the Owner(s) of any one or more Lots, the use and characteristics of which offend these restrictions and covenants. No right of action shall accrue to, and no action shall be brought or maintained by anyone whomsoever against Owner for or on account of the failure of neglect of Owner to exercise any right, power or remedy herein provided for in the event of any breach of the provisions, conditions and restrictions herein such forth.

Section 7.4. Miscellaneous Provisions.

a. All personal pronouns used in this Declaration, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa.

b. The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration.

c. The invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed on its behalf, attested and its corporate seal to be hereunto affixed as of the day and year first above written.

DECLARANT

CENTEX REAL ESTATE CORPORATION,
a Nevada corporation

By: Richard Mallett
Richard Mallett,
Division President

STATE OF NEW MEXICO §
 §
COUNTY OF BERNALILLO §

The foregoing instrument was acknowledged before me this 11th day of March, by Richard Mallett, Division President of Centex Real Estate Corporation, a Nevada corporation on behalf of said corporation.

Frieda A. Valdez
Notary Public, State of New Mexico
Notary's Name Printed:
Frieda A. Valdez
My Commission Expires: 6/24/96



OFFICIAL SEAL
FRIEDA A. VALDEZ
NOTARY PUBLIC - STATE OF NEW MEXICO
Notary Bond Filed with Secretary of State
My Commission Expires 6/24/96

AFTER RECORDING RETURN TO:
Centex Real Estate Corporation
10701 Montgomery, Suite G
Albuquerque, New Mexico 87111
Attention: Richard Mallett

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STATE OF NEW MEXICO
COUNTY OF BERNALILLO
FILED FOR RECORD

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JUDY D. WOODWARD
CO. CLERK

[Handwritten Signature]