



**SECOND AMENDMENT TO THE
SAN PEDRO CREEK NATURE AREA DEED OF
CONSERVATION EASEMENT**

This second amendment to the San Pedro Creek Nature Area deed of conservation easement ("Amendment") is entered into as of May 20, 2013 by the San Pedro Creek Estates Homeowners' Association Inc., a New Mexico nonprofit corporation, having an address at PO Box 67590, Albuquerque, New Mexico 87193, the ("SPCEHOA") and the New Mexico Land Conservancy, a New Mexico nonprofit corporation, having an address at P.O. Box 6759, Santa Fe, New Mexico 87502 ("NMLC").

RECITALS

- A. By way of that certain conservation easement (San Pedro Creek Nature Area) executed by Campbell Farming Corporation, a Montana corporation ("Campbell Farming") and accepted by The Albuquerque Conservation Trust ("ACT"), recorded on December 29, 1995 in Vol. Misc. 343, folio 473-489 of the Real Property Records of Sandoval County, New Mexico (the "Conservation Easement"), Campbell Farming created a perpetual conservation restriction for the protection of a relatively natural habitat on land in Sandoval County, New Mexico (the "Initial Land").
- B. Additional land was included under the Conservation Easement by Campbell Farming and accepted by ACT by a Grant of and Amendment to Conservation Easement recorded in the Sandoval County, New Mexico, Real Estate Records on January 7, 1997, in Vol. Misc. 400, Pages 11376-11381 (the "Additional Land").
- C. By way of the Quitclaim Deed dated March 31, 1996, recorded August 30, 1996 in Vol. DR 222, Pages 92-99, Real Property Records of Sandoval County, New Mexico, Campbell Farming conveyed to the San Pedro Creek Estates Homeowners' Association, Inc., a New Mexico non-profit corporation all right, title and interest of Campbell Farming in and to the Initial Land. SPCEHOA is the successor in interest to Campbell Farming under the Conservation Easement.
- D. By way of Quitclaim Deed dated January 13, 1997, recorded January 17, 1997, in Vol. 400, pages 12955-12959, Real Property Records of Sandoval County, New Mexico, Campbell Farming conveyed the Additional Land to the SPCEHOA. SPCEHOA is the successor in interest to Campbell Farming under the Conservation Easement, as amended.
- E. The Open Space Alliance ("Alliance") is the successor in interest of the Conservation Easement by merger to ACT, and has, since the October 7, 1999 Effective Date of the merger, undertaken all duties and responsibilities of the ACT under said Conservation Easement.

- F. The Conservation Easement, as amended, was transferred from the Alliance to ICT pursuant to an Assignment of Conservation Easement, dated May 16th, 2002 and duly recorded in Vol. 405, folio 48400-48405 of the Real Property Records of Sandoval County, New Mexico.
- G. The Conservation Easement, as amended, was transferred from ICT to NMLC pursuant to an Assignment of Conservation Easement, dated November 8, 2012 and duly recorded in Book 415, Page 28696 of the Real Property Records of Sandoval County, New Mexico.
- H. With the completed transfer of the Conservation Easement from ICT to NMLC, this Amendment is intended to update and enhance the amended deed of conservation easement granted to ICT by replacing it with a restated deed of conservation easement in the format of the NMLC's model deed of conservation easement. The total acreage encompassed by the Conservation Easement, the conservation values and purposes, and the essential provisions of the original and amended deed of conservation easement will not be affected by this Amendment.

In consideration of the foregoing, the parties agree as follows:

AGREEMENT

1. SPCEHOA and NMLC mutually agree to amend the entire Conservation Easement granted to ICT and subsequently transferred to NMLC by replacing it with an amended and restated deed of conservation easement to read as set forth in Exhibit A attached hereto and incorporated by reference herein.
2. SPCEHOA agrees to notify the Internal Revenue Service about any changes in the value of the Conservation Easement, if any, resulting from this Amendment.
3. NMLC has determined that this Amendment does not affect the qualification of the Conservation Easement granted by SPCEHOA or the status of NMLC under any applicable laws, that this Amendment is consistent with the purposes of the Conservation Easement and does not affect the Conservation Easement's perpetual duration, and that NMLC hereby accepts without reservation the rights and responsibilities conveyed by the Conservation Easement, as amended.
4. NMLC shall cause this Amendment and the restated conservation easement deed to be recorded in the official records of Sandoval County, New Mexico.

ACKNOWLEDGMENTS

"SPCEHOA"



T.J. Lambert
Chair, Board of Directors

County of Collin)
State of Texas) ss

The foregoing instrument was acknowledged before me this 22nd day of June, 2013, by T.J. Lambert, Chair of the Board of Directors of the San Pedro Creek Estates Homeowners' Association, a New Mexico nonprofit corporation.



Notary Public (SEAL)

My commission expires: 10-15-2014

"NMLC"

New Mexico Land Conservancy,
A New Mexico nonprofit corporation

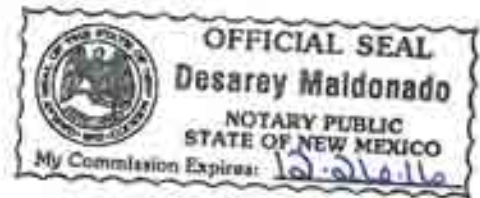

Joseph R.T. Montoya
Chair, Board of Directors

County of Bernalillo)
State of New Mexico) ss

The foregoing instrument was acknowledged before me this 13th day of May, 2013, by Joseph R.T. Montoya, Chair of the Board of Directors of the New Mexico Land Conservancy, a New Mexico nonprofit corporation.

Desarey Maldonado
Notary Public (SEAL)

My commission expires: Dec. 21, 2016



**EXHIBIT A: AMENDED AND RESTATED DEED OF CONSERVATION
EASEMENT**

**SECOND AMENDED AND RESTATED
DEED OF CONSERVATION EASEMENT
SAN PEDRO CREEK NATURE AREA
(SANDOVAL COUNTY, NEW MEXICO)**

This Second Amended and Restated Deed of Conservation Easement ("Deed") is granted on this ___ day of _____, 2013, by the San Pedro Creek Homeowners' Association, Inc., a New Mexico corporation, having an address at PO Box 67590, Albuquerque, New Mexico 87193, the ("Landowners") and the New Mexico Land Conservancy, a New Mexico nonprofit corporation, having an address at P.O. Box 6759, Santa Fe, New Mexico 87502 ("Land Trust"), for the purpose of forever conserving the scenic open space, relatively natural habitat and cultural and historic values of the subject property (collectively and hereinafter, the "Conservation Values").

RECITALS

A. Property. The Landowner is the sole owner in fee simple of the property, which consists of approximately five hundred and sixty six (566) acres of land, located in Sandoval County, State of New Mexico, which is legally described in Exhibit 1 and shown on the location map in Exhibit 2 (the "Property") both attached to and made a part of this Deed.

B. Water Rights. The term Water Rights as used herein includes all of the Landowner's right, title, and interest in any and all current or future water or water rights of any kind or nature located on or associated with the Property (including stock wells, domestic wells, and supplemental wells) whether or not adjudicated, permitted, or decreed. Any and all water associated with the Water Rights is sometimes referred to herein as the "Water."

C. Natural Habitat and Biological Values. The Property consists primarily of riparian habitat along San Pedro Creek with upland areas of piñon-juniper woodland. The water resource of San Pedro Creek attracts a large diversity of native flora and fauna, including but not limited to: several bat species, coyote, bobcat, fox, deer, mountain lion, black bear, several reptile and amphibian species, and over forty documented native bird species.

D. Scenic Values. The Property includes scenic open space consisting primarily of riparian corridors along San Pedro Creek with the surrounding piñon-juniper woodlands. The Property contributes to the open character of the increasingly developed surrounding area and is visible from New Mexico Highway 14, known as the "Turquoise Trail", which is a designated National Scenic Byway and a New Mexico State Scenic Byway.

E. Cultural and Historic Values. The Property encompasses several culturally and historically significant sites, including an ancestral Puebloan roomblock ruin, a petroglyph site, and a mid-nineteenth century ore smelter. The Property also serves as a buffer to a handful of similar sites located within a quarter-mile of the Property boundary.

F. Governmental Policies. The Property includes scenic open space, relatively natural habitat and cultural and historic values, the preservation of which is pursuant to the following federal and state governmental conservation policies:

1. The New Mexico Land Use Easement Act, NMSA 1978, Sections 47-12-1 through 47-12-6, that aids the landowner who wishes voluntarily to donate a conservation easement intended to restrict the use of a specific parcel of land so as to maintain in perpetuity the character of the land.

2. The New Mexico Land Conservation Incentives Act, NMSA 1978, Sections 75-9-1 through 75-9-6, that provides a tax credit to New Mexico taxpayers for the unconditional donation in perpetuity of land or interest in land that is conveyed for the purpose of open space, natural resource or biodiversity conservation, agricultural preservation or watershed or historic preservation.

3. The New Mexico Watershed District Act, NMSA 1978, Sections 73-20-1 through 73-20-49, which states the Legislature's desire to further the "conservation ... of water, and thereby preserve and protect New Mexico's land and water resources."

G. Public Benefit. Conserving the Property is consistent with and important to the environment, culture, and economy of the surrounding area; and will result in a significant public benefit as defined Treasury Regulation Section 1.170A-14(g)(iv) because:

1. The Property possesses significant scenic and open space values of great importance to Landowner, to Land Trust, to Sandoval County, to the State of New Mexico, and to the people of this Nation;

2. Open space has been an integral part of what is now Sandoval County for centuries and should be preserved in order to protect the area's great natural beauty and scenic vistas;

3. The Property exists in an area where the intensity of development is occurring and is expected to occur at an accelerated rate in the future based on the foreseeable trends of development in and around the city of Albuquerque;

4. The population density in and around Albuquerque is steadily increasing over time;

5. The development of the Property would impair the scenic character of the local rural landscape and would contribute to the degradation of the natural character, wildlife habitat and cultural and historical resources of the area; and

6. The Land Trust evaluated the Property and found it to have scenic quality and to be easily seen by the public.

7. Portions of the Property contain ruins of an archeological and historic nature.

H. Baseline Documentation Report. The characteristics of the Property and its current use and the status of improvements and development are described in a Baseline Documentation Report

(the "Baseline") prepared by the Land Trust with the cooperation of the Landowner. The Baseline has been acknowledged by the Land Trust and the Landowner to be complete and accurate as of the date of this Deed. Both the Land Trust and the Landowner have copies of this report, and a copy will be retained in the Land Trust's files. The Baseline will be used by the Land Trust to assure that any future changes in the use of the Property will be consistent with the terms of this Deed.

I. Qualifications. The Land Trust is a nonprofit, tax-exempt organization qualified under Sections 501(c)(3) and 170(b)(1)(A)(vi) of the Internal Revenue Code (the "Code"), a "qualified organization" as defined by Section 170(h)(3) of the Code, a qualified "holder" as defined by NMSA 1978, Section 47-12-2A of the Land Use Easement Act and an eligible holder pursuant to the Land Conservation Incentives Act.

J. Purpose and Intent. The Landowner intends to make a charitable gift to the Land Trust of the property interest conveyed by this Deed for the purposes of assuring that, under the Land Trust's perpetual oversight, the Conservation Values will be maintained forever, and uses of the Property that are inconsistent with the Conservation Values will be prevented or corrected (the "Conservation Purposes"). Subject only to the Conservation Purposes set forth above, the intent of the parties is to permit all other uses of the Property which are not inconsistent with the preservation and protection of the Conservation Values as determined by the Land Trust in its sole discretion and which are not expressly prohibited herein. Nothing in this Deed is intended to compel a specific use of the Property, such as agriculture, other than the preservation and protection of the Conservation Values.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Landowner voluntarily grants and conveys to the Land Trust, and the Land Trust voluntarily accepts, a perpetual "land use easement" over the Property, as defined by NMSA 1978, Section 47-12-2(B) of the Land Use Easement Act (the "Easement"), which is also a "qualified real property interest" as defined by Section 170(h)(2)(C) of the Code, the conveyance of which is the gift of a "qualified conservation contribution" as defined by Section 170(h) of the Code.

1. General Rights Retained by Landowner. Landowner reserves to itself and to its personal representatives, heirs, successors, and assigns, all rights not expressly prohibited or limited by this Easement, including all rights accruing from its ownership of the Property, the right to engage in or permit or invite others to engage in all uses of the Property that are not expressly prohibited herein and are not inconsistent with the purpose of this Easement, the right to exclude any member of the public from trespassing on the Property, the right to sell or otherwise transfer the Property to anyone they choose, and the right to mortgage the Property, so long as the mortgage is subordinated to this Deed.

2. Uses of the Property. The Landowner shall not perform, nor knowingly allow others to perform, any act on or affecting the Property that is inconsistent with the Conservation Purposes enumerated in this Deed. The Landowner and the Land Trust acknowledge, however, that the uses of the Property and the improvements to the Property described in this Deed and in the Baseline are consistent with the Conservation Purposes. The Landowner understands that nothing in this Deed relieves them of any obligation or restriction on the use of the Property imposed by law.

A. Subdivision. The Landowner and the Land Trust agree that the Property must be sold as a single unit and any further division or subdivision of the Property is prohibited. Creation of a condominium or any *de facto* division of the Property is prohibited. Lot line adjustments or lot consolidation without the prior written consent of the Land Trust is prohibited. The Property cannot be used to meet density requirements for building or development outside the Property. The Landowner may transfer undivided interests in the Property, provided, however, that no co-tenant or owner of an undivided interest shall have the right, either independently or through legal action, to have the Property physically or legally partitioned. The Landowner shall notify the Land Trust immediately of the name and address of any grantee of an undivided interest in the Property.

B. Construction. The Land Trust and Landowner agree that no permanent structures currently exist on the Property. The construction or relocation of any permanent structures on the Property is prohibited. Temporary structures are allowed on the Property for purposes of enhancing the Conservation Values of the Property. Temporary structures are defined as structures that have no permanent foundations, are not fully enclosed, are not heated, nor have utilities and are not used for residential purposes.

C. Water Rights

(a) *Beneficial Use*. The Landowner shall continue to use the Water Rights in a manner and for a use consistent with the Conservation Values and shall take all prudent measures to avoid loss of the Water Rights, including: (i) beneficially using the Water; (ii) timely paying applicable assessments; (iii) complying with permit requirements, if any, and (iv) applying for extension of time in which to complete any of the foregoing.

(b) *Alternative Uses*. The Landowner may sell Water or temporarily lease the Water Rights to a third party or participate in a conservation program approved by the Office of the State Engineer, acreage reserve program or conservation reserve program established by federal law and recognized under state law, water bank authorized by state law, strategic water reserve administered by the Interstate Stream Commission, or any similar program under which the Water Rights will not be lost, forfeited, or abandoned. Any such alternative use of Water or the Water Rights, however, may only be done with the prior written consent of the Land Trust, in a manner and for a use consistent with the Conservation Values, and in no event for a domestic, municipal, or industrial use.

(c) *No Abandonment*. Abandoning the Water Rights or taking any action from which abandonment might reasonably be implied is prohibited.

(d) *No Forfeiture*. If the Landowner is ever notified or aware of any possible forfeiture of any of the Water Rights, the Landowner shall immediately notify the Land Trust in writing and: (i) arrange for the beneficial use of the Water; (ii) arrange for an extension of time to put the Water to beneficial use; and/or (iii) establish, to the Land Trust's reasonable satisfaction, entitlement to a lawful exemption from the requirements of beneficial use as provided by state law. Similarly, if the Land Trust ever independently becomes aware of any possible forfeiture of any of the Water Rights, the Land Trust may require that the Landowner take advantage of one or more of the options described above.

(e) *No Severance*. Changing any element of the Water Rights (including priority, amount, purpose, and place of use) is prohibited. In no event shall any use or disposition of the Water or the Water Rights permitted by this Section (Water) be allowed to result in the severance of the Water Rights from the Property.

D. Agriculture. The Land Trust and the Landowner agree that there are currently no agricultural activities being conducted on the Property. If the Landowner chooses, at their discretion, to conduct agricultural activities on the Property, the Landowner agrees to practice all farming, ranching, and agricultural activities in a sustainable manner, and in keeping with practices that are best suited for the conservation of soil and water, the maintenance of soil and water quality, and so as to avoid erosion, overgrazing, soil contamination, and water pollution. Agricultural practices shall use stewardship and management practices generally consistent with the standards of the U.S. Natural Resources Conservation Service or other commonly accepted sound management practices. The establishment of any feedlot (defined as a permanently constructed confined area or facility within which the land is not grazed or cropped annually, and which is used for the concentrated feeding and/or slaughter of animals) on the Property is prohibited. The Landowner and the Land Trust desire to maintain the possibility for the continuation of agricultural activities on the Property and to provide sufficient flexibility so that the Landowner can take advantage of appropriate practices and technologies in the future, all in a manner consistent with and in furtherance of the Conservation Purposes.

E. Vegetation. Wholesale removal of native vegetation on the Property for commercial purposes is prohibited. Notwithstanding, limited cutting and removal of native vegetation is permitted to thin appropriately for fire management, to control insects or disease, to prevent personal injury and property damage, to maintain the character and nature of the existing natural habitat, and to provide clear pathways related to the construction and maintenance of trails described in Paragraph 2(J) of this Deed.

F. Invasive Removal. Invasive flora and fauna may be removed from the Property. The Landowner shall provide plans for the removal of invasive flora or fauna to the Land Trust. The Land Trust shall, within a reasonable time frame approve, deny or subsequently alter the plans to meet the satisfaction of the Land Trust that such plans are in compliance with the terms of this Deed and do not diminish or threaten the Conservation Values.

G. Watercourses and Water Bodies. The Landowner may implement riparian maintenance or enhancement activities including: altering or modifying shoreline vegetation and/or stream bank shape; installation and removal of in-stream structures; and planting of native riparian vegetation. The Landowner shall provide plans for the restoration of any watercourse or water body to the Land Trust. The Land Trust shall, within a reasonable time frame approve, deny or subsequently alter the plans to meet the satisfaction of the Land Trust that such plans are in compliance with the terms of this Deed and do not diminish or threaten the Conservation Values.

H. Utilities. Above ground utilities (including electric, sewer, water, telephone, cable, gas, etc.), except for those currently located on the Property are prohibited. Prior to placing any utilities underground, the Landowner shall notify the Land Trust in writing, specifying the type and

location of such utilities and the steps to be taken to protect the Conservation Values. No cell phone or other utility towers are allowed on the Property.

I. Roads. The Land Trust and the Landowner agree that there are currently no roads located on the Property. The construction of new roads is prohibited. The construction of new roads for emergency access purposes is allowed at the sole discretion of the Land Trust. The Landowner shall provide plans for the construction of any new roads to the Land Trust. The Land Trust shall, within a reasonable time frame approve, deny or subsequently alter the plans to meet the satisfaction of the Land Trust that such plans are in compliance with the terms of this Deed and do not diminish or threaten the Conservation Values.

J. Hiking, Non-motorized Bicycling & Equestrian Trails. The Landowner may construct, maintain, and repair existing and proposed hiking, non-motorized bicycling and equestrian trails on the Property. All trails shall be constructed of natural materials. The Landowner shall provide plans for the construction of any new trails to the Land Trust. The Land Trust shall, within a reasonable time frame approve, deny or subsequently alter the plans to meet the satisfaction of the Land Trust that such plans are in compliance with the terms of this Deed and do not diminish or threaten the Conservation Values.

K. Off-road vehicle use. Use of ATVs, motorcycles, snowmobiles or other motorized vehicles off of roads or travelways, is prohibited except for emergency access purposes.

L. Impervious Surfaces. Paving, covering, or treating the soil with an impervious surface including concrete, asphalt, or any other material, is prohibited. Any use of the Property, unless otherwise specifically permitted by this Deed or unless the Landowner and the Land Trust agree that such use is not inconsistent with the preservation and protection of the Conservation Values, which causes any of its surfaces to become relatively impervious or eroded (either through compaction, denuding the land, or otherwise) is prohibited. Helicopter landing pads and airstrips are prohibited.

M. Mining. Extraction or consent by the Landowner to any mining or extraction, of soil, sand, gravel, rock, hydrocarbons, or any mineral substance, using a surface mining method or any other extractive technique is prohibited. However, the Landowner may use soil, sand, gravel, and rock as necessary in connection with activities described in Paragraph 2(G) ("Watercourses and Water Bodies") and Paragraph 2(J) ("Hiking, Non-motorized bicycling & Equestrian Trails"), and as long as such activity has no material adverse effect on the Conservation Values.

N. Refuse. The dumping, accumulation, or storage of any kind of refuse on the Property is prohibited. Should accumulations of refuse be found on the Property, it is the Landowner's responsibility to remove it.

O. Hazardous Materials. Landowner may use chemicals for invasive control on the Property in accordance with all applicable federal, state, or local laws. Otherwise, the treatment, permanent storage, disposal or release of hazardous materials on, from or under the Property is prohibited. For the purpose of this Deed, hazardous materials shall mean any hazardous or toxic

material or waste that is subject to any federal, state, or local law or regulation ("Hazardous Materials").

P. Commercial Activity.

(a) *Generally.* Commercial or industrial activity related to the producing, buying, or selling of goods or services are prohibited.

(b) *Commercial Recreation.* Use of the Property for more than “*de minimis*” commercial recreational activity is prohibited. The term “*de minimis*” shall have the meaning set forth in 2031(c)(8)(B) of the Code and the Treasury Regulations adopted pursuant thereto. Golf courses are prohibited on the Property.

Q. Recreation. It is understood by the Landowner and the Land Trust that residents of the San Pedro Creek Estates residential community have access to the Property for purposes of scenic enjoyment and passive recreation. However, only those low-impact recreational uses such as wildlife viewing, hiking, non-motorized biking, horseback riding, snowshoeing, and cross country skiing not inconsistent with the preservation and protection of the Conservation Values are permitted. Off road use of all-terrain vehicles and snowmobiles are not permitted on the Property except as provided in subparagraph K above. The Landowner and residents of the San Pedro Creek Estates residential community shall not perform, nor knowingly allow others to perform, any act on or affecting the Property that is inconsistent with the Conservation Purposes enumerated in this Deed. Furthermore, the Landowner understands that nothing in this Deed relieves them of any obligation or restriction on the use of the Property imposed by law.

R. Scientific and Educational Activities. The Landowner may conduct or allow/approve scientific or educational activities on the Property. The Landowner shall provide plans for any scientific or educational activities conducted on the Property to the Land Trust. The Land Trust shall, within a reasonable time frame approve, deny or subsequently alter the plan to meet the satisfaction of the Land Trust that such activities are in compliance with the terms of this Deed and do not diminish or threaten the Conservation Values.

S. Public Access. This Deed is not intended to provide for public access to the Property. The Landowner retains the right to allow public access to the Property in the future provided that such public access complies with the terms of this Deed and is consistent with preservation of the Conservation Values. The Land Trust shall have no obligation to take any action to prevent trespassing on the Property.

T. Signs. Signs are permitted for purposes of identifying the Property as private property, posting the Property against trespassing or hunting, identifying the Property as protected by the Land Trust, or announcing the Property as ‘for sale.’ Signs are also permitted to identify trails or other landmarks, or to ‘interpret’ natural, cultural or historical sites, or to conform to any posting or notice required by law. All other signs are prohibited. Signs shall not exceed two (2) by two (2) feet in size, be made with reflective surfaces, or be artificially illuminated. No advertising billboards or other commercial signs are allowed on the Property

3. Perpetual Duration. The Easement shall run with the land in perpetuity. Every provision of this Deed that applies to the Landowner or Land Trust shall also apply to their respective heirs, executors, administrators, assigns, and all other successors in interest as their interests may appear. A party's rights and obligations under this Deed terminate upon transfer of the party's interest in this Deed or the Property except that liability for acts or omissions prior to transfer shall survive transfer.

4. Responsibilities of Landowner. Other than as specified herein, this Deed is not intended to impose any legal or other responsibility on the Land Trust, or in any way to affect any obligation of the Landowner as owner of the Property. Additionally, unless otherwise specified below, nothing in this Deed shall require Landowner to take any action to restore the condition of the Property after any Act of God or other event over which Landowner had no control. Landowner shall continue to be solely responsible and Land Trust shall have no obligation for the upkeep and maintenance of the Property and Landowner understands that nothing in this Deed relieves Landowner of any obligation or restriction on the use of the Property imposed by law. Among other things, this shall apply to:

(a) *Taxes.* The Landowner is solely responsible for payment of all taxes and assessments levied against the Property. If the Land Trust is ever required to pay any taxes or assessments on its interest in the Property, the Landowner shall reimburse the Land Trust for the same, and until such reimbursement occurs, such payment shall constitute a lien on the Property. The Land Trust shall give the Landowner 45 days notice of any reimbursement due to the Land Trust from the Landowner.

(b) *Upkeep and Maintenance.* The Landowner is solely responsible for the upkeep and maintenance of the Property.

(c) *Liability and Indemnification.* The Landowner is solely responsible for liability arising from or related to the Property, including injury (bodily or otherwise) or damage to any person or organization directly or indirectly caused by any action or omission of the Landowner. If the Land Trust is ever required by a court to pay damages resulting from personal injury, property damage, loss, or theft that occurs on the Property, the Landowner shall indemnify and reimburse the Land Trust for these payments, as well as for the Land Trust's costs and reasonable attorneys' fees and other expenses of defending itself, unless the Land Trust or any of its agents have committed a deliberate act that is determined by a court to be the proximate cause of the injury or damage.

5. Landowner Warranties.

(a) *Title Warranty.* The Landowner warrants that the Landowner has good and sufficient title to the Property, and that there are no liens on, leases to, pending or threatened litigation relating to the Property, or other interests in the Property, including verbal agreements, that have not been disclosed to the Land Trust in writing. The Landowner hereby promises to defend the Property and the Easement against all claims from persons claiming by, through, or under the Landowner.

(b) *Environmental Warranty.* The Landowner warrants that the Landowner has no knowledge of a release or threatened release of Hazardous Materials on the Property. The Landowner shall indemnify, defend, and hold harmless the Land Trust against all litigation, claims, demands, penalties, damages, losses, and expenses of any kind, including reasonable attorneys' fees, arising from or connected with any release of Hazardous Materials or violation of federal, state, or local laws. Nothing in this Deed shall be construed as giving rise to any right or ability in Land Trust, nor shall Land Trust have any right or ability, to exercise physical or managerial control over the day-to-day operations of the Property, or otherwise to become an operator with respect to the Property within the meaning of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, or successor statutes.

6. Inspection.

(a) *Annual.* With reasonable advance notice to the Landowner, representatives of the Land Trust may enter the Property at reasonable times for the purpose of inspecting the Property to determine if there is compliance with the terms of this Easement Agreement. Inspections will generally occur once a year but may occur whenever the Land Trust deems appropriate. The Landowner is welcome and encouraged to accompany Land Trust representatives during such inspections.

(b) *Emergency.* If the Land Trust believes or has reason to believe that there is an ongoing, imminent, or threatened violation of the terms of this Easement Agreement, the Land Trust may enter the Property for the purpose of inspecting the Property to determine if there is compliance with the terms of this Easement Agreement. The Land Trust will use good faith efforts to contact the Landowner, but the Land Trust may enter the Property without the Landowner's knowledge or presence.

7. Enforcement. The Land Trust has all the rights, remedies, and powers to enforce the terms of this Easement Agreement against the Landowner that are provided by law or in equity. Except when an ongoing or imminent violation could irreversibly diminish or impair the Conservation Values, the Land Trust shall give the Landowner written notice of the violation and thirty (30) days to correct it before filing any legal action. If a court with jurisdiction determines that a violation may exist or has occurred, the Land Trust may obtain an injunction to stop the violation, temporarily or permanently, and to restore the Property to its condition prior to the violation. In any case where a court finds that a violation has occurred, the Landowner shall reimburse the Land Trust for all its expenses incurred in stopping and correcting the violation, including reasonable attorneys' fees and court costs. If the court finds no violation, the Land Trust shall reimburse the Landowner for all its expenses incurred, including reasonable attorneys' fees and court costs.

8. Transfer of Easement. The Easement, and the rights and responsibilities contained in this Deed, may be transferred by the Land Trust to another organization only pursuant to the subsections below:

(a) *Involuntary.* If the Land Trust ever ceases to exist or no longer qualifies under Section 170(h)(3) of the Code or applicable state law, a court with jurisdiction shall transfer the

Easement to another organization having similar purposes, that is qualified under Section 170(h)(3) of the Code, the Land Use Easement Act, the Land Conservation Incentives Act, and other applicable state law, and that agrees to monitor the Easement and enforce the terms of this Deed. Prior to the Land Trust involuntarily transferring the Easement, the Land Trust will make a best faith effort to notify the Landowner in writing and give the Landowner sixty (60) days from receipt of notification in which to deliver any preferences the Landowner may have regarding a successor organization. The Landowner understands that their preference may not necessarily be the successor organization to whom the Easement is transferred.

(b) *Voluntary.* If the Land Trust ever wishes voluntarily to transfer the Easement, the Land Trust will notify the Landowner in writing and give the Landowner sixty (60) days from receipt of notification in which to deliver any preferences the Landowner may have regarding a successor organization. The Land Trust shall give due consideration to Landowner's choice of successor grantee. The Easement may be transferred only to another organization having similar purposes, that is qualified under Section 170(h)(3) of the Code and applicable state law, and that agrees to monitor the Easement and enforce the terms of this Deed.

9. Amendment. The Landowner and the Land Trust recognize that circumstances could arise which might justify the modification of certain provisions of this Deed. The Landowner and the Land Trust have the right to agree to amendments to this Deed provided that, in the reasonable discretion of the Land Trust, such amendment does not diminish the Conservation Values. In no event, however, shall any amendment be made that: (i) adversely affects the qualification of the Easement under any applicable laws, including the Land Use Easement Act, the Land Conservation Incentives Act, and Section 170(h) of the Code; (ii) adversely affects the status of Land Trust under any applicable laws, including Section 501(c)(3) of the Code; (iii) affects the perpetual duration of this Deed; or (iv) permits any additional homesites. This Deed shall not be altered, changed, or amended other than by a written instrument executed by the parties and recorded in the Office of the County Clerk of the county in which this Deed was recorded. Nothing in this section ("Amendment") shall require the Landowner or the Land Trust to agree to, or negotiate regarding, any proposed amendment.

10. Termination.

(a) *Condemnation.* If all or a part of the Property is taken for public use (or sold to a public authority under threat of condemnation), and the Easement is terminated in whole or in part, then upon such termination of the Easement and sale of the Property, the Land Trust shall be entitled to a percentage of the sale proceeds (net of any increase in value attributable to improvements made after the date of this Deed). The parties stipulate that the Land Trust's share of said proceeds is equal to 30% and the Landowner's share of the proceeds is equal to 70% of the value of the fee unencumbered by this Easement as determined on the date of this Deed and that such percentage shall remain constant.

(b) *Changed Conditions.* The Landowner and the Land Trust recognize that conditions on or surrounding the Property could change so much in the future that it becomes impossible to protect and preserve the Conservation Values. The Landowner and the Land Trust have the right to jointly request that a court with jurisdiction terminate all or a portion of

the Easement created by this Deed. The irreversible loss of all of the Conservation Values is the only grounds under which this Deed may be terminated. Upon such termination of the Easement and subsequent sale of the Property, the Land Trust shall be entitled to a percentage of the sale proceeds (net of any increase in value attributable to improvements made after the date of this Deed). The parties stipulate that the Land Trust's share of said proceeds is equal to 30% and the Landowner's share of the proceeds is equal to 70% of the value of the fee unencumbered by this Easement as determined on the date of this Deed and that such percentage shall remain constant.

(c) *Other Termination Provisions.* The Easement conveyed by this Deed constitutes a property right, immediately vested in the Land Trust, which the parties stipulate to have a fair market value determined as set forth above. Nothing in this section ("Termination") shall require the Landowner or the Land Trust to agree to, or negotiate regarding, any proposed termination. Any funds received by the Land Trust pursuant to this section ("Termination") shall be used by the Land Trust in a manner consistent with the Conservation Purposes exemplified by this Deed.

(d) *Economic Value.* The fact that any use of the Property that is expressly prohibited by this Deed, or any other use determined by the Land Trust to be inconsistent with the Conservation Purposes of this Easement, may become greatly more economically valuable than permitted uses hereunder, or that neighboring properties may in the future be put entirely to uses that are not permitted hereunder, has been considered by the Landowner in granting this Easement. It is the intent of both Landowner and Land Trust that any such changes should not be assumed to be circumstances justifying the termination or extinguishment of this Easement. In addition, the inability to carry on any or all of the permitted uses, or the unprofitability of doing so, shall not impair the validity of this Easement or be considered grounds for its termination or extinguishment.

11. Approvals. Before doing anything that requires the Land Trust's consent or approval pursuant to this Deed, the Landowner shall seek such approval from the Land Trust in writing. Any consent or approval by the Land Trust permitted or required by this Deed for uses or acts that are conditional or not expressly reserved by the Landowner may be granted only if the Land Trust has determined in its reasonable discretion, that the proposed use or act conforms to the intent of this Deed, meets any applicable conditions stated herein, and is consistent with and not to the detriment of the Conservation Purposes. The Land Trust shall respond in writing within forty-five (45) days of receipt of the Landowner's written request thereof.

12. Payments. The Land Trust has accepted this Easement upon the condition that the Landowner agrees to pay an annual fee to the Land Trust in the amount of \$1,600 (the "Annual Fee") with the first Annual Fee due upon recordation of this Deed, and all subsequent Annual Fees being due on or before December 31st of each calendar year. Additionally, the Annual Fee shall be adjusted on December 31, 2016, and every fifth year thereafter to reflect the fluctuation in the Consumer Price Index. The Land Trust shall keep 10% of each Annual Fee for administration costs of the Annual Fee. All Annual Fees collected by the Land Trust from the Landowner shall be held in an interest bearing account for use by the Landowner in conducting activities associated with maintaining, encouraging and improving the Conservation Values of the Property enumerated in this Deed. The Landowner

shall provide a written request to the Land Trust for release of funds for such purposes. The Land Trust shall, within a reasonable time frame approve, deny or subsequently alter the request to meet the satisfaction of the Land Trust that activities associated with such requests are in compliance with the terms of this Deed and do not diminish or threaten the Conservation Values. Upon request by the Landowner, and in no case less than annually, the Land Trust shall provide a full accounting of the funds to the Landowner that may or may not include an accounting of the Annual Fee. Under no circumstances shall the Landowner request or be awarded funds in excess of what is available at the time of the request for funds.

13. Notices.

(a) *Generally.* Any notices permitted or required by this Deed shall be in writing and shall be personally delivered or sent by certified U.S. mail, return receipt requested.

(b) *Current Addresses.* As of the date of this Deed, the addresses for the Landowner and the Land Trust are as follows:

To the Landowner: San Pedro Creek Estates Homeowners' Association, Inc.
PO Box 67590
Albuquerque, New Mexico 87193

To the Land Trust: New Mexico Land Conservancy
P.O. Box 6759
Santa Fe, NM 87502

All parties shall be notified of any change of address.

(c) *Permanent Addresses.* In addition to the foregoing, the address of the Property, as stated in the recitals, shall always be a valid address for notices to the Landowner, and the address of the Land Trust's registered agent, on file with the State of New Mexico, shall always be a valid address for notices to the Land Trust.

14. Transfer of the Property. The Landowner reserves the right to transfer the Property in its entirety at any time. Anytime the Property itself, or any interest in it, is transferred by the Landowner to any third party, the Landowner shall notify the Land Trust in writing at least thirty (30) days prior to the transfer of the Property, and the document of conveyance shall expressly refer to this Deed.

15. Subsequent Mortgages. No provision of this Deed should be construed as impairing the ability of Landowner to use the Property as collateral for subsequent borrowing. Any mortgage or lien arising from such a borrowing is subordinate to this Deed.

16. Waiver. No term of this Deed shall be deemed waived unless such waiver is in writing signed by the party making the waiver. No forbearance, delay, or failure to exercise any right, power, or remedy shall impair such right, power, or remedy, shall be construed as a waiver of such right, power, or remedy, or shall prevent the exercising of such right, power, or remedy in the future.

17. Incorporation. The recitals set forth at the beginning of this Deed, and any exhibits referenced herein and attached hereto, are incorporated herein by this reference.

18. Interpretation. This Deed was negotiated and entered into in the State of New Mexico and shall be governed by the laws of the State of New Mexico. This Deed shall not be interpreted for or against any party on the basis of authorship, but rather shall be interpreted so as to give maximum protection to the Purpose of this Deed. The captions and section headings of this Deed are not intended or represented to be descriptive of all the terms thereunder, and such captions and section headings shall not be deemed to limit, define, or enlarge the terms of this Deed. The use of the words "include" and "including" shall be construed as if the phrases "without limitation" or "but not [be] limited to" were annexed thereafter.

19. No Third Party Beneficiaries. This Deed is entered into by and between the Landowner and the Land Trust, and is intended solely for the Landowner and the Land Trust and their respective successors and assigns, and does not create rights or responsibilities in any third parties.

20. Counterparts. The parties may execute this Deed in two or more counterparts which shall, in the aggregate, be signed by all parties; each counterpart shall be deemed an original instrument as against any party who has signed it; all counterparts, when taken together, shall constitute a single agreement.

21. Severability. If any provision of this Deed or the application thereof to any person or circumstance is found to be illegal, invalid, or unenforceable, the remainder of the provisions of this Deed shall not be affected thereby.

22. Integration. This Deed sets forth the entire agreement of the parties with respect to the Easement and supersedes all prior discussions, negotiations, understandings, documents, or agreements relating to this Deed or the Easement.

23. Recording. The Land Trust shall record this Deed in a timely fashion in the official records of Sandoval County, New Mexico, and Land Trust may re-record it at any time to preserve its rights in this Easement.

24. Acceptance. Pursuant to the Resolution of the Board of Directors of the Land Trust adopted on October 8, 2012, attached hereto as Exhibit 3, the Land Trust has accepted the Easement conveyed by this Deed and the rights and responsibilities described in this Deed.

To Have and To Hold, this Deed of Conservation Easement unto the Land Trust, its successors and assigns, forever.

In Witness Whereof, the Landowner and the Land Trust, intending to legally bind themselves, have set their hands on the date first written above.

Exhibit 1 to Deed of Conservation Easement

LEGAL DESCRIPTION

PARCEL A

NATURAL AREA EASEMENT

All of that portion of the San Pedro Grant as shown by the plat of record prepared by Wm. W. Griffin, Deputy Surveyor under contract with the United States Surveyor General for New Mexico, August, 1866; said parcel also being a portion of that parcel recorded in Volume 9 Page 912 Miscellaneous Records, Sandoval County New Mexico; said parcel lying within Sandoval County in Township 12 North, Range 6 East as shown on the United States Department Of The Interior Geological Survey Map Sandia Park Quadrangle New Mexico; said parcel lying adjacent to and contiguous with the recorded plat of San Pedro Creek Estates Lots 1 thru 99 and Common Area "A", said parcel being more particularly described as follows to wit:

BEGINNING at the Southeast corner of Lot 77 of the Plat Map for San Pedro Creek Estates, being a subdivision of record in the County of Sandoval recorded in Volume 3 of Records of said County Folio 1220-A (61861); said point also being THE TRUE POINT OF BEGINNING;

THENCE North 14° 06' 32" West, a distance of 675.00 feet along the West line of Lot 77 as shown by said plat;

THENCE North 14° 06' 32" West, a distance of 338.73 feet;

THENCE North 00° 27' 47" West, a distance of 275.69 feet;

THENCE North 00° 27' 47" West, a distance of 96.00 feet;

THENCE North 06° 33' 38" East, a distance of 447.66 feet;

THENCE North 06° 33' 38" East, a distance of 185.72 feet;

THENCE North 12° 38' 54" West, a distance of 248.94 feet;

THENCE North 32° 00' 20" West, a distance of 274.65 feet;

THENCE North 35° 30' 01" West, a distance of 661.68 feet;

THENCE North 15° 15' 18" East, a distance of 298.20 feet;

THENCE North 49° 55' 57" East, a distance of 475.71 feet;

THENCE North 44° 21' 58" West, a distance of 879.28 feet;

THENCE North 44° 21' 58" West, a distance of 800.00 feet;

Natural Area Easement (continued)

THENCE North 48° 05' 26" West, a distance of 633.65 feet;
THENCE North 45° 01' 00" West, a distance of 348.57 feet;
THENCE North 22° 57' 21" West, a distance of 503.05 feet;
THENCE North 28° 42' 22" West, a distance of 530.22 feet;
THENCE South 87° 23' 51" East, a distance of 473.37 feet;
THENCE North 38° 44' 29" East, a distance of 216.00 feet;
THENCE North 28° 21' 44" West, a distance of 788.17 feet;
THENCE North 36° 31' 44" West, a distance of 235.93 feet;
THENCE North 36° 31' 44" West, a distance of 229.89 feet;
THENCE North 53° 07' 48" West, a distance of 283.76 feet;
THENCE North 25° 55' 16" West, a distance of 215.45 feet;
THENCE North 27° 59' 06" East, a distance of 410.04 feet;
THENCE North 27° 59' 06" East, a distance of 200.83 feet;
THENCE North 70° 58' 12" East, a distance of 369.93 feet;
THENCE North 25° 44' 54" East, a distance of 304.35 feet;
THENCE North 00° 34' 02" East, a distance of 258.51 feet;
THENCE North 19° 24' 22" East, a distance of 431.16 feet;
THENCE North 27° 19' 13" East, a distance of 120.00 feet;
THENCE North 27° 19' 13" East, a distance of 157.72 feet;
THENCE North 04° 21' 04" East, a distance of 241.94 feet;
THENCE North 29° 10' 04" West, a distance of 258.25 feet;
THENCE North 87° 11' 03" West, a distance of 160.15 feet;
THENCE South 61° 45' 01" West, a distance of 199.44 feet;
THENCE South 79° 46' 40" West, a distance of 162.53 feet;
THENCE North 40° 51' 03" West, a distance of 213.80 feet;

Natural Area Easement (continued)

THENCE South 69° 50' 52" West, a distance of 368.07 feet;
THENCE South 55° 27' 55" West, a distance of 357.46 feet;
THENCE South 38° 30' 02" West, a distance of 178.02 feet;
THENCE North 83° 50' 41" West, a distance of 324.84 feet;
THENCE South 33° 02' 03" West, a distance of 289.50 feet;
THENCE South 46° 09' 40" West, a distance of 996.99 feet;
THENCE South 53° 10' 43" West, a distance of 707.74 feet;
THENCE South 66° 38' 04" West, a distance of 719.74 feet;
THENCE South 57° 31' 44" West, a distance of 354.34 feet;
THENCE North 84° 11' 06" West, a distance of 767.07 feet;
THENCE South 77° 01' 29" West, a distance of 606.64 feet;
THENCE North 34° 24' 45" West, a distance of 247.90 feet;
THENCE North 68° 02' 49" East, a distance of 460.03 feet;
THENCE North 59° 28' 33" East, a distance of 484.23 feet;
THENCE South 61° 10' 41" East, a distance of 270.95 feet;
THENCE North 70° 59' 57" East, a distance of 1135.58 feet;
THENCE North 51° 14' 36" East, a distance of 1661.64 feet;
THENCE North 08° 27' 48" West, a distance of 446.46 feet;
THENCE North 64° 55' 55" West, a distance of 834.45 feet;
THENCE North 01° 13' 41" East, a distance of 211.51 feet;
THENCE North 89° 59' 11" East, a distance of 5006.27 feet;
THENCE South 00° 18' 34" West, a distance of 153.70 feet;
THENCE South 29° 23' 02" East, a distance of 761.46 feet;
THENCE South 06° 58' 49" East, a distance of 491.08 feet;
THENCE North 46° 54' 59" West, a distance of 790.33 feet;

Natural Area Easement (continued)

THENCE South 02° 03' 59" East, a distance of 250.33 feet;
THENCE South 31° 20' 12" East, a distance of 1007.00 feet;
THENCE South 44° 40' 47" East, a distance of 293.95 feet;
THENCE North 57° 30' 25" East, a distance of 190.42 feet;
THENCE North 28° 05' 01" East, a distance of 425.33 feet;
THENCE South 37° 59' 05" East, a distance of 384.82 feet;
THENCE South 61° 41' 16" East, a distance of 259.17 feet;
THENCE North 84° 07' 15" East, a distance of 238.57 feet;
THENCE South 48° 14' 19" East, a distance of 268.36 feet;
THENCE South 30° 28' 49" East, a distance of 91.33 feet;
THENCE North 83° 29' 23" East, a distance of 591.43 feet;
THENCE South 63° 36' 32" West, a distance of 498.13 feet;
THENCE South 23° 53' 22" East, a distance of 455.35 feet;
THENCE South 62° 50' 04" East, a distance of 420.47 feet;
THENCE North 85° 39' 49" East, a distance of 249.37 feet;
THENCE South 38° 59' 14" East, a distance of 400.10 feet;
THENCE South 53° 19' 05" East, a distance of 382.09 feet;
THENCE South 75° 27' 34" East, a distance of 641.82 feet;
THENCE South 23° 26' 11" West, a distance of 180.92 feet;
THENCE North 71° 06' 33" West, a distance of 309.00 feet;
THENCE South 65° 29' 16" West, a distance of 230.15 feet;
THENCE South 38° 58' 28" East, a distance of 713.36 feet;
THENCE South 19° 17' 02" West, a distance of 457.79 feet;
THENCE North 13° 24' 06" West, a distance of 277.18 feet;
THENCE North 40° 18' 10" West, a distance of 639.62 feet;

Natural Area Easement (continued)

THENCE North 51° 13' 48" West, a distance of 673.43 feet;
THENCE North 68° 14' 22" West, a distance of 685.41 feet;
THENCE North 23° 24' 25" West, a distance of 682.08 feet;
THENCE North 59° 39' 56" West, a distance of 672.54 feet;
THENCE South 30° 05' 34" West, a distance of 660.93 feet;
THENCE South 40° 58' 28" East, a distance of 991.81 feet;
THENCE South 34° 22' 35" West, a distance of 347.90 feet;
THENCE North 85° 24' 43" West, a distance of 248.94 feet;
THENCE North 68° 48' 56" West, a distance of 427.52 feet;
THENCE South 77° 14' 42" West, a distance of 992.24 feet;
THENCE North 32° 55' 01" West, a distance of 338.12 feet;
THENCE North 54° 54' 29" West, a distance of 261.75 feet;
THENCE South 46° 49' 20" West, a distance of 408.00 feet;
THENCE South 07° 02' 41" West, a distance of 454.09 feet;
THENCE South 23° 54' 39" East, a distance of 386.19 feet;
THENCE South 16° 36' 08" West, a distance of 522.97 feet;
THENCE South 45° 39' 57" East, a distance of 280.97 feet;
THENCE South 56° 21' 26" East, a distance of 766.52 feet;
THENCE North 80° 10' 47" West, a distance of 707.04 feet;
THENCE South 12° 22' 31" East, a distance of 688.37 feet;
THENCE South 48° 07' 35" East, a distance of 610.12 feet;
THENCE South 63° 37' 20" East, a distance of 1146.60 feet;
THENCE South 30° 22' 37" East, a distance of 214.24 feet;
THENCE South 50° 17' 22" East, a distance of 313.63 feet;
THENCE South 84° 57' 31" West, a distance of 1181.36 feet;

Natural Area Easement (continued)

THENCE South 27° 45' 19" West, a distance of 127.77 feet;

THENCE South 28° 54' 11" East, a distance of 1308.74 feet;

THENCE South 88° 35' 33" West, a distance of 575.33 feet;

THENCE South 03° 27' 51" West, a distance of 810.16 feet;

THENCE South 13° 38' 46" East, a distance of 974.29 feet;

THENCE South 64° 09' 22" West, a distance of 102.29 feet to
THE TRUE POINT OF BEGINNING; said parcel containing 524.7964
Acres more or less.

PARCEL B

All of that portion of the San Pedro Grant as shown by the plat of record prepared by Wm. W. Griffin, Deputy Surveyor under contract with the United States Surveyor General for New Mexico, August, 1866; said parcel also being a portion of that parcel recorded in Volume 9 Page 912 Miscellaneous Records, Sandoval County New Mexico; said parcel lying within Sandoval County in Township 12 North, Range 6 East as shown on the United States Department Of The Interior Geological Survey Map Sandia Park Quadrangle New Mexico; said parcel lying adjacent to and contiguous with the recorded plat of San Pedro Creek Estates III, said parcel being more particularly described as follows to wit:

BEGINNING at the Northeast corner of Lot 34 of the Plat Map for San Pedro Creek Estates III, being a subdivision of record in the County of Sandoval recorded in Volume 3 of Records of said County Folio 1532-A (Doc.# 9235); said point also being THE TRUE POINT OF BEGINNING;

THENCE North 72° 37' 29" East, a distance of 542.1712 feet;
THENCE North 80° 53' 01" East, a distance of 442.4546 feet;
THENCE North 53° 01' 39" East, a distance of 798.6753 feet;
THENCE North 70° 19' 16" East, a distance of 384.2633 feet;
THENCE North 87° 13' 13" East, a distance of 375.2814 feet;
THENCE North 68° 11' 03" East, a distance of 405.1668 feet;
THENCE North 85° 35' 27" East, a distance of 386.3233 feet;
THENCE North 75° 44' 12" East, a distance of 187.6609 feet;
THENCE North 63° 55' 31" East, a distance of 51.2244 feet;
THENCE North 76° 55' 31" East, a distance of 1491.8677 feet;
THENCE North 68° 45' 28" East, a distance of 414.0037 feet;
THENCE North 47° 38' 31" East, a distance of 833.4732 feet;
THENCE North 59° 40' 38" East, a distance of 400.2245 feet;
THENCE North 80° 58' 33" East, a distance of 417.9617 feet;
THENCE North 50° 15' 57" East, a distance of 839.3231 feet;

THENCE North 60° 46' 12" East, a distance of 87.8580 feet;
THENCE North 81° 03' 40" East, a distance of 193.9795 feet;
THENCE North 45° 46' 39" East, a distance of 529.3764 feet;
THENCE North 31° 58' 49" East, a distance of 144.0987 feet;
THENCE South 34° 24' 47" East, a distance of 247.8958 feet;
THENCE South 49° 07' 42" West, a distance of 780.4789 feet;
THENCE South 87° 20' 45" West, a distance of 228.6853 feet;
THENCE South 31° 45' 17" West, a distance of 458.9739 feet;
THENCE South 73° 39' 53" West, a distance of 774.0255 feet;
THENCE South 48° 33' 21" West, a distance of 763.8449 feet;
THENCE South 69° 18' 50" West, a distance of 502.6240 feet;
THENCE South 34° 16' 53" West, a distance of 188.6164 feet;
THENCE South 78° 09' 06" West, a distance of 295.1482 feet;
THENCE South 73° 20' 41" West, a distance of 428.6638 feet;
THENCE South 78° 09' 38" West, a distance of 605.9816 feet;
THENCE South 70° 19' 31" West, a distance of 345.2861 feet;
THENCE South 82° 20' 14" West, a distance of 59.7101 feet;
THENCE South 80° 24' 19" West, a distance of 507.6057 feet;
THENCE South 71° 38' 10" West, a distance of 470.5950 feet;
THENCE South 76° 07' 48" West, a distance of 589.4366 feet;
THENCE South 64° 33' 41" West, a distance of 631.2298 feet;
THENCE South 50° 22' 15" West, a distance of 327.7119 feet;
THENCE South 74° 23' 37" West, a distance of 148.5080 feet;
THENCE South 84° 52' 29" West, a distance of 247.0247 feet;
THENCE South 76° 02' 29" West, a distance of 308.1806 feet;
THENCE South 60° 34' 19" West, a distance of 241.6953 feet;
THENCE South 62° 21' 37" West, a distance of 60.6896 feet;

THENCE North 28° 38' 58" West, a distance of 245.8098 feet to THE TRUE POINT OF BEGINNING.

EXCEPT: ANY PORTION LYING WITHIN COMMON AREA "A" BEING THE PRIVATE STREET VIA ENTRADA AS SHOWN ON SAID PLAT.

SUBJECT TO: The right of Grantor, its successors and assigns, to use thirty-five feet (35') of depth to either side of said Via Entrada for roadway and drainage structure, for slope and/or foundation for same, and for utilities.

Area: 41.2905 acres more or less

Exhibit 2 to Deed of Conservation Easement

LOCATION MAP OF PROPERTY (see following page)

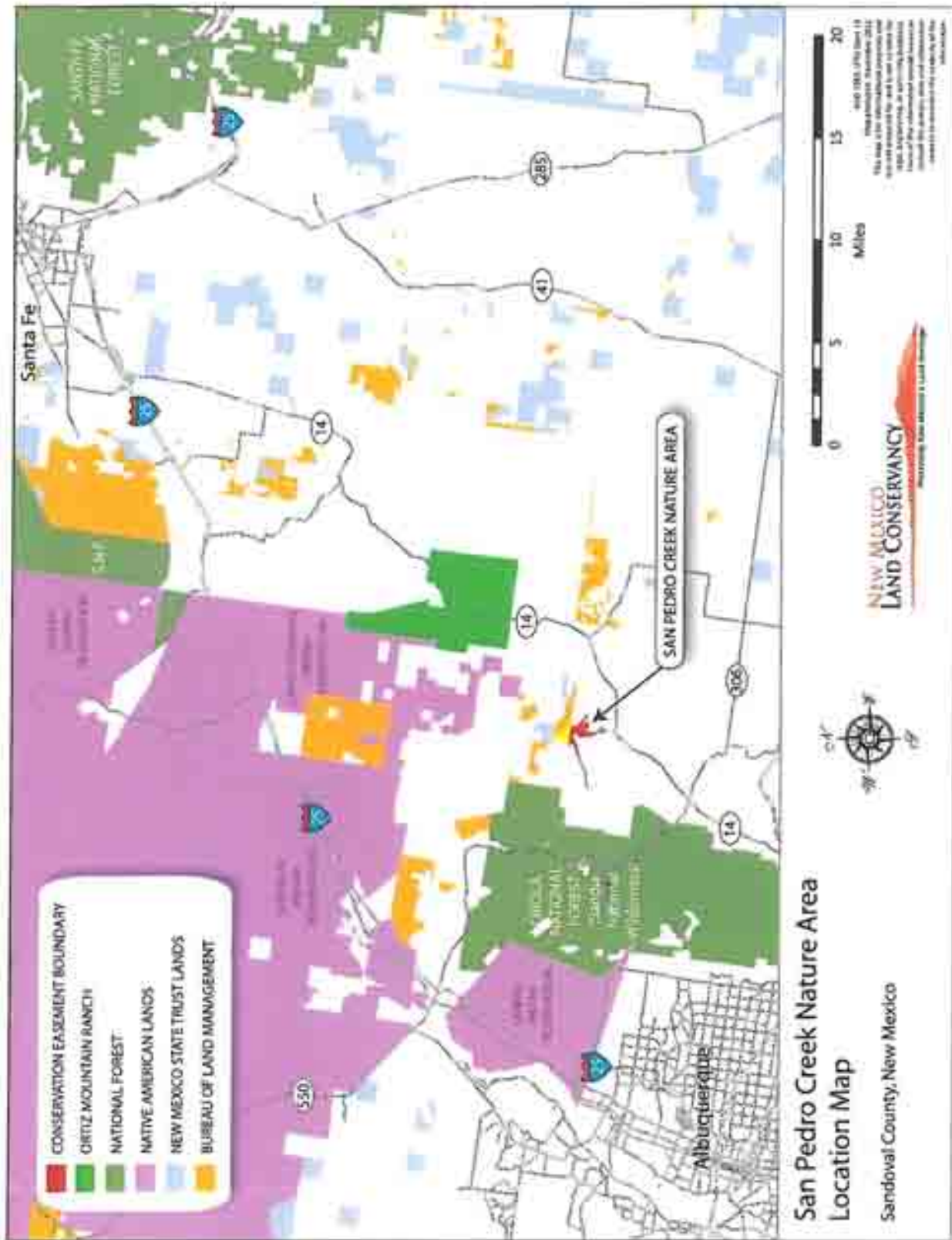


Exhibit 3 to Deed of Conservation Easement

**RESOLUTION BY THE BOARD OF DIRECTORS OF
THE NEW MEXICO LAND CONSERVANCY
REGARDING THE SECOND AMENDED AND RESTATED
SAN PEDRO CREEK NATURE AREA
CONSERVATION EASEMENT**

The following Resolution was passed by the Board of Directors of the New Mexico Land Conservancy on May 20, 2013:

"RESOLVED by the Board of Directors of the New Mexico Land Conservancy that a Deed of Conservation Easement from the San Pedro Creek Estates Homeowners' Association to the New Mexico Land Conservancy, conserving certain scenic open space, relatively natural habitat and cultural and historic conservation values on approximately five hundred and sixty six (566) acres of land located in Sandoval County, New Mexico, be accepted by the New Mexico Land Conservancy, and that the New Mexico Land Conservancy accepts all of the rights and responsibilities described in said Deed, and that the Chair of the Board of Directors of the New Mexico Land Conservancy, Joseph R.T. Montoya, is hereby authorized by the Board of Directors to act on its behalf to finalize and execute said Deed on behalf of the New Mexico Land Conservancy."

By:



Dale Armstrong
Treasurer, Board of Directors

Date: 5-20-13