

EASEMENT TO SSCAFCA AND ASSOCIATION
(A Portion of the Jemez Arroyo System)

HIGH DESERT INVESTMENT CORPORATION, a New Mexico corporation ("Grantor"), the SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY, a political subdivision of the State of New Mexico ("SSCAFCA") and the MARIPOSA COMMUNITY ASSOCIATION, INC., a New Mexico nonprofit corporation (the "Association") agree:

1. Recitals

- A. Grantor is the sole owner in fee simple of certain real property in Sandoval County, New Mexico, more fully described in the attached Exhibit A (the "Property").
- B. Grantor desires to grant a drainage easement to SSCAFCA over the Property for surface storm water drainage.
- C. The Association was established for the administration of certain obligations pertaining to homes to be located adjacent to and in the vicinity of the Property.
- D. The Property possesses arroyos which are paths for storm water drainage, but also possesses open space values that are of great importance.
- E. Grantor desires that to the extent possible, without restricting the rights of SSCAFCA granted pursuant to this easement, the Property be preserved for drainage and open space and that the primary function of the arroyos, which is for

drainage, be consistent, in as much as possible, with the natural open space nature of the Property.

2. Definitions. The following terms have the following meanings:

A. Level One Maintenance means:

- i. removal from the Property of garbage and debris including but not limited to paper, cans and bottles;
- ii. pruning of vegetation, removal of dead and dying plant material and thinning of vegetation to prevent choking or congestion of the arroyos situated on the Property;
- iii. enhancement of vegetation through the addition of specimens native to the vicinity of the Property, provided however, that, the addition of such native specimens will not be in such a manner which reduces or restricts arroyo flows, or redirects arroyo flows to cause damage. In general, most specimens, especially woody varieties, will only be allowed along arroyo banks, or in vegetated "islands" in the middle of the arroyo which will not impair arroyo flows or induce bank erosion;
- iv. the installation and maintenance of water harvesting devices in any situation or at any time the Association determines necessary or desirable;
- v. removal and control of pests and rodents; and

vi. other measures intended primarily to preserve or enhance the aesthetic values of the Property, without restricting arroyo flows.

B. Level Two Maintenance means:

- i. repair of minor erosion of arroyo banks (generally three feet high or less) by hand or machine grading, in order to:
 - a. fill in steep banks which are enticements for digging by children or others;
 - b. correct hazardous bank conditions which could lead to unexpected falls and injury; and
 - c. arrest the potential for a significant change of course by the arroyo;
- ii. cleaning of culverts and culvert entrances;
- iii. construction of minor erosion control measures, using primarily native materials, along arroyo banks, at drainage outfalls to the arroyo, at water harvesting structures, below culverts and road crossings, at utility crossings of arroyos, and at any other place where continued neglect could or would lead to Level Three Maintenance or higher;
- iv. reseeding of disturbed areas, using native seed mix and/or native plants/bushes. Provided however, that, plantings will not be made which obstruct arroyo flows or

direct arroyo flows in a manner or direction which can cause harmful erosion or damage; and

v. other measures intended to preserve the capacity and flow path of the Property's arroyo, and to correct safety hazards.

C. Level Three Maintenance means:

- i. repair of major erosion of arroyo banks (over three feet high) by machine grading or filling, including the hauling in and placing of fill against the banks and including the temporary (90 days or less) storage of sediment within the limits of the Lateral Erosion Envelope ("LEE" Lines") (defined below) or in other areas as may be approved by the Association;
- ii. stabilization of arroyo horizontal or vertical migration by installation of permanent grade control structures or permanent bank stabilization structures (Permanent Improvements) (defined below), in particular in situations in which the LEE Line (defined below) is threatened;
- iii. installation of permanent scour protection below culverts, dip crossings, or other points where flow has been concentrated;
- iv. protection of and maintenance of bottom elevation of arroyo so as to allow utility crossings of arroyos by installation of permanent erosion protection ("Permanent Improvements", defined below);

v. other measures intended to preserve and protect the 100 Year Design Storm Capacity (defined as the size of a drainage facility required in order to pass the flow generated from a storm event that has a 1% chance of occurrence) of the arroyos and/or any of its improvements; and

vi. monitoring (at least once every three years or after a significant rain event, defined as one inch or greater) and removal of accumulated sediment in the detention ponds contained within the drainage easements as necessary to insure that the capacity of the detention ponds is not compromised.

D. Level Four Maintenance means:

i. measures taken to protect public safety and prevent property damage, generally immediately after a significant flood event, when such measures clearly dominate over such considerations as aesthetics and preservation of flora and fauna. This includes the temporary storage of sediment within the limits of the LEE Lines

ii. restoration or preservation of the LEE Line, both by short term or permanent measures using Permanent Improvements;

iii. restoration or repair of any Permanent Improvements; and

iv. any measures deemed by SSCAFCA to be urgent or an emergency, intended to restore the 100 Year Design Storm

Capacity of the arroyo and which, if not performed, are likely to lead to threats to life or property.

E. LEE Line (or Lateral Erosion Envelope Line) is defined as that line which will not be disturbed by erosion, scour, or meandering of a natural (unlined) arroyo, channel or watercourse over a period of at least fifty (50) years. The engineering costs of defining or redefining the LEE Line will not be borne by SSCAFCA. Notwithstanding the fact that the easement granted under this document may extend beyond the LEE Line in certain cases, it is understood that SSCAFCA's maintenance responsibilities will not extend beyond the limits of the LEE Line until such time as the LEE Line may be re-established and an additional easement to the LEE Line has been granted to SSCAFCA, at which time the maintenance responsibilities of SSCAFCA will extend to the LEE Line.

F. Permanent Improvement is defined as a flood control facility which has been analyzed and designed by a competent engineer using acceptable engineering standards, and which is constructed of materials expected to have a design life of 50 years or more before replacement or major rehabilitation is required. Within this Drainage Easement, any Permanent Improvement will, to the extent possible, be constructed of soil cement, concrete, riprap, or other materials of equivalent durability, stability, and longevity. Riprap will be covered with an earth layer sufficient to sustain plant growth and

discourage rodents. Other materials will be covered, to the extent possible and appropriate, with a similar earth layer. Structural concrete, if exposed, will be treated to make its color similar to the surrounding earth, either by concrete additives, or by appropriate surface treatment. The construction of reinforced concrete channels will be permitted only when other permanent measures have been tried and have failed, or are deemed unacceptable to SSCAFCA for reasons of high maintenance or poor performance. If and when SSCAFACA does determine there is a need for construction of Permanent Improvements, including concrete lined channels, SSCAFCA will, prior to any construction, consult with Grantor and Association with respect to the Permanent Improvements.

3. Grant of Drainage Easement; Purpose; Reserved Rights. Grantor grants to SSCAFCA and to its successors and assigns, a drainage easement over the Property for the primary purpose of surface storm drainage and gives SSCAFCA the right to construct, operate, maintain, reconstruct, temporarily store sediment and perform other functions necessary for drainage and flood control as specified herein (the "Drainage Easement"). Also, temporary access and temporary construction easement(s) are granted to SSCAFCA over the Property and property adjacent to the Property as necessary to allow for temporary access and construction by SSCAFCA in connection with the Drainage Easement in the following instances: (i) the Lee Line is inside the

boundary of the Property and (ii) there is no adequate public access to the Property. Except in an emergency situation, the exact location of such temporary easement(s) will be mutually agreed upon in writing by SSCAFCA and Grantor. Grantor reserves to itself, and to its personal representatives, heirs, successors and assigns, all rights accruing from the ownership of the Property, including the right to engage in or permit or invite others to engage in all uses of and activities at the Property that are not expressly prohibited by or inconsistent with the purpose of the Drainage Easement, as such purposes are defined herein. Without limiting the generality or the foregoing, the Grantor will have and expressly reserves the following specific rights and easements to be exercised at the discretion of the Grantor, except as otherwise provided:

- A. The right to grant subservient easements over portions of the Property to the appropriate parties as necessary for underground utilities including but not limited to water, sewer, landscape irrigation, reuse water, gas, electricity, telephone, cable t.v. and private fiber optic;
- B. The right to use and maintain, and grant subservient easements to use and maintain, the Property consistent with the purpose of the Drainage Easement and permitted uses within the scope of the Drainage Easement;
- C. The right, but not the obligation to establish public and/or private hiking, biking and equestrian

trails, the right to maintain such trails, (provided, however, that SSCAFCA will have no maintenance or other responsibility regarding trails within the Drainage Easement) and the right to grant trail and other path easements as long as such trail and path easements do not interfere with this Drainage Easement and SSCAFCA operating under this Drainage Easement;

- D. The right to dedicate to the City of Rio Rancho portions of the Property as rights-of-way for public streets;
- E. The right to install and maintain water harvesting devices;
- F. The right to plat lots over the Property;
- G. The right to develop, construct and transact with third parties and grant certain rights in the Property in connection with the development and use of the Property, or a portion thereof, provided that (i) such development and use will be covered by a separate document which addresses, in specific terms, the rights and obligations of each party, (ii) such development and use will not be inconsistent with the purposes of this Drainage Easement and (iii) SSCAFCA will bear no additional maintenance obligation or other burden in connection with such development and use and granting of rights;
- H. The right (but not the obligation) to grant open space easements over the Property to the Association or other parties and the right but not the obligation to grant

public access over certain areas of the Property that are owned by Grantee, provided that such access is not inconsistent with the purposes of this Drainage Easement and the open space nature of the Property; and

I. The right to locate and construct permanent or temporary desilting ponds for purposes of drainage function and in connection with the Drainage Easement at locations to be specified by Grantor, with the final exact locations to be agreed upon by SSCAFCA and Grantor. Such desilting ponds will be located on the appropriate plats filed by Grantor from time to time, as required and approved by SSCAFCA.

4. Term of Drainage Easement. The Drainage Easement will remain in effect so long as SSCAFCA continues to use the Drainage Easement for the designated purpose. Whenever SSCAFCA abandons, vacates or ceases to use the Drainage Easement, then ownership of the Drainage Easement will revert to and revest in Grantor, and its successors and assigns, without any action on the part of Grantor. Abandonment action will be taken by the SSCAFCA Board of Directors and an abandonment of easement document will be recorded in the real property records of Sandoval County, New Mexico.

5. Maintenance Obligations of SSCAFCA. Level Three and Level Four Maintenance for the Drainage Easement will be the responsibility of SSCAFCA. The procedure for initiating Level Three Maintenance or Level Four Maintenance are set forth in

Exhibit B attached hereto. Such procedures may be changed by all parties agreeing to and initialing a substitute Exhibit B. The Level Three and Four Maintenance will commence upon acceptance of the easement by SSCAFCA. SSCAFCA will bear all costs, responsibilities and liabilities related to such maintenance, except as otherwise stated herein. These obligations to maintain will remain in full force and effect as long as this Drainage Easement exists and may only be assigned to and assumed by a person or entity capable of performing such obligations. Such assignment will not be made without prior written approval of Grantor and the Association, such approval not to be unreasonably withheld. Provided, however that, the provisions in this section will not limit SSCAFCA's ability to hire a contractor to perform SSCAFCA's maintenance obligations under this Drainage Easement. Except as provided otherwise in this Drainage Easement, Grantor and Association will have no responsibility whatsoever relating to Level Three Maintenance or Level Four Maintenance of the Drainage Easement.

6. Easement: Maintenance Obligations of the Association. Grantor grants to the Association an easement for, and the Association will be responsible for, Level One and Level Two Maintenance for the Drainage Easement. The Association will bear all costs, responsibilities and liabilities related to such maintenance. Should the Association desire to undertake measures outlined under Level Three or Level Four Maintenance, it may do

so at its own expense, subject to prior approval from SSCAFCA of both the engineering aspects and the financial ability to finance such measures, such approval not to be unreasonably withheld. Grantor will have no responsibility whatsoever relating to such maintenance of the Drainage Easement. The Association may assign its rights and obligations, including maintenance obligations, under this Drainage Easement but only to a person or entity capable of performing such obligations and acceptable to SSCAFCA. Provided, however that, the provisions in this section will not limit the Association's ability to hire a contractor to perform such party's maintenance obligations under this Drainage Easement.

7. Default in Maintenance Obligations.

A. Non-Emergency Situation Defaults. If SSCAFCA or the Association or Grantor believes a party has defaulted in its obligations to maintain the Drainage Easement, except in flood emergency situations as set forth in Section 7B, the "non-defaulting party" will give the "defaulting party" written notice of such default. Within 10 business days of such notice the "defaulting party" will respond, in writing, setting forth its intended action to cure the default. If the intended action is not satisfactory to the "non-defaulting party", it will appeal to the Executive Director of SSCAFCA. (the "Executive Director"). If the decision of the Executive Director is not satisfactory to either party, either party may appeal to the

SSCAFCA Board of Directors. If the decision of the SSCAFCA Board of Directors is not satisfactory to either party, either party may proceed to arbitration under the provisions of the New Mexico Uniform Arbitration Act. If a claim of default in maintenance obligations is arbitrated, the prevailing party will be entitled to reasonable attorney fees and costs.

B. Emergency Situation Defaults. During or immediately following a flood emergency, if SSCAFCA or the Association or Grantor believes a party is in default of its maintenance obligations, the "non-defaulting party" has the option of seeking immediate judicial relief in the form of an injunction, or it can unilaterally, without notice, take whatever reasonable steps it believes are necessary to mitigate damage from the emergency situation, and such steps will be taken or commenced within 24 hours. Following such mitigation efforts, the party taking such steps may seek reimbursement of its reasonable expenses from the "defaulting party" through arbitration under the procedures of the New Mexico Uniform Arbitration Act. If such a claim for reimbursement is arbitrated, the prevailing party will be entitled to reasonable attorney fees and costs.

C. Liens. If SSCAFCA is awarded monetary compensation (including attorney fees and costs) against the Association through arbitration, SSCAFCA may take whatever steps are necessary to enforce and collect such monetary award,

including the placing of a lien against the assets of the Association. The Association agrees to enforce the provisions of all documents governing the Association and its members regarding members' financial contributions to the Association, so that sufficient funds and other assets are available to satisfy any arbitration or judicial award.

8. Operation, Maintenance and Inspection
Procedures and Records.

A. An operation, maintenance and inspection file (the "File") will be created and maintained by SSCAFCA, but will be available for review by Grantor and the Association at any time. The File will include, at a minimum, the following:

- i. copy of this Drainage Easement and any modification;
- ii. copy of any easement documents;
- iii. photographs of the Drainage Easement or the Property's arroyo in its condition contemporaneous with the effective date of this Drainage Easement, such photographs to be taken by SSCAFCA. These photographs will comprise a visual baseline for evaluating appropriateness of planned maintenance measures, and for ensuring the flood-carrying capacity of the arroyo is not diminished;
- iv. operation, maintenance and inspection records, as outlined below;
- v. correspondence; and

vi. other records deemed appropriate or necessary.

B. Operation records of the Property's arroyos will be kept as follows:

i. operation records of flood events, that may have any degree of formality, and that may include such records as telephonic or electronic reports of rainfall, floods and visual observations, photographs, video recordings, measurements of depth and width of flows, and engineering estimates of flow;

ii. Association will endeavor to notify SSCAFCA during or after significant storm events, that create a need for Level Two Maintenance or higher, and to provide as much information as possible for purposes of maintaining operating records; and

iii. Any engineering analyses regarding flow events will be the responsibility of SSCAFCA.

C. Maintenance records of the Property's arroyo will be maintained as follows:

i. Both SSCAFCA and the Association will provide reports for the SSCAFCA file, immediately after maintenance is performed; and

ii. Reports will include information on what maintenance was performed, location of maintenance activities,

photographs and estimated costs (or actual costs, as applicable).
Sketches may be added, as appropriate.

D. Inspection records of the Property's arroyos will be maintained as follows:

i. The Association will cause the arroyo to be inspected at least once every three years, during the period October 1 to March 31, and after each significant storm event which creates a need for Level Two Maintenance or higher. The primary purposes of the inspection are to identify problems needing correction and to serve as a work order for maintenance;

ii. Inspections will be performed by a person or team with sufficient knowledge and experience to determine when and what maintenance is required. SSCAFCA will, to the extent possible, participate in the inspection, at mutually agreed upon times; and.

iii. Reports of each inspection will be made on a form developed by Grantor, in consultation with SSCAFCA and the Association.

9. Liability and Responsibility; Insurance;
Contingency Reserve.

A. Each party will be responsible and liable for its actions, according to New Mexico state law.

B. Association will carry general liability insurance in the amount of not less than \$500,000, naming SSCAFCA

as additional named insured and with a copy of the policy provided to SSCAFCA annually, or upon each renewal.

C. Association will, within ten years of the Effective Date of this Drainage Easement, establish a contingency reserve (the "Reserve"), dedicated solely to extraordinary drainage maintenance and repair.

i. The Reserve will be funded to an amount equal to the costs incurred for Levels One and Two Maintenance, for the five years during the first ten years after the Effective Date of this Drainage Easement in which such costs were the highest, or \$25,000, whichever is greater;

ii. The Reserve will be maintained in a financial institution selected by the Association;

iii. The Reserve will be used by the Association solely for (i) Level One or Level Two Maintenance activities, following Level Three or Level Four Maintenance activities by SSCAFCA, (ii) Level One or Level Two Maintenance activities at any time when mutually agreed upon by SSCAFCA and the Association, or (iii) Level Three or Level Four Maintenance activities performed by the Association when mutually agreed upon by SSCAFCA and the Association. The Reserve may not be used for other purposes without the prior approval of SSCAFCA. If the Reserve is depleted, it will be restored within an amount of time proportional to the amount of depletion up to a five year period

(e.g. 20% depletion replaced in one year; 100% depletion replaced in five years); and

iv. The amount of the reserve may be modified after the tenth year by mutual agreement, based upon accumulated experience.

10. Connection to Drainage. Any developer of immediately adjacent properties will convey its drainage to this Drainage Easement or will construct facilities in a manner satisfactory to, and approved in advance, by SSCAFCA, such approval not to be unreasonably withheld.

11. Other Easements. SSCAFCA accepts the Drainage Easement subject to other easements of record to which the Property is subject.

12. Recordation. Grantor will timely record this Drainage Easement in the real estate records of Sandoval County, New Mexico and any other place of recordation SSCAFCA or the Association deems is necessary to preserve its rights.

13. Notice. Any notice required under this Drainage Easement will be sent by first class mail, postage prepaid:

If to Grantor:

High Desert Investment Corporation
3791 Southern Boulevard, Suite 202
Rio Rancho, New Mexico 87124
Tel: 505 823 9360

If to SSCAFCA:

Southern Sandoval County Arroyo Flood
Control Authority
1041 Commercial Dr. S.E.
Rio Rancho, New Mexico 87124

Tel: 505 892 5266

If to Association:

Mariposa Community Association, Inc.
3791 Southern Boulevard, Suite 202
Rio Rancho, New Mexico 87124
Tel: 505 823 9360

Any party may change its notice address by giving the other parties written notice of its new address.

14. Binding Effect. This Drainage Easement will inure to the benefit of and bind the heirs, devisees, personal representative, mortgagees, lessees, tenants, successors and assigns of Grantor, SSCAFCA and the Association and will continue as a servitude running in perpetuity with the Property.

15. Governing Law. This Drainage Easement will be governed by and interpreted in accordance with the laws of the State of New Mexico.

16. Amendment. This Drainage Easement may be amended or modified by the mutual agreement in writing of Grantor, SSCAFCA and the Association or their successors or assigns. Such writing will be filed for public record with reference to this Drainage Easement and previous amendments thereto, if any.

17. Liberal Construction and Interpretation. This Drainage Easement will be liberally construed. If any provision of this Drainage Easement is found to be ambiguous, an interpretation consistent with the purpose of this Drainage Easement that would render the provision valid will be favored over an interpretation that would render it invalid. If any

provision of this Drainage Easement is determined by a court of competent jurisdiction to be void, invalid, illegal or unenforceable, that portion will be severed from this Drainage Easement and the remaining parts will remain in full force as though the invalid, illegal, or unenforceable portion had never been a part of this Drainage Easement.

18. Integration. This Drainage Easement contains or expressly incorporates by reference the entire agreement of the parties with respect to the matters contemplated by this Drainage Easement and supersedes all prior negotiations.

19. No Forfeiture. Nothing contained herein will result in a forfeiture or reversion of Grantor's title in any respect.

20. No Rights Granted or Conferred. This Drainage Easement is not intended to and does not grant or confer rights to any utilities or to the public or confer any benefits as third party beneficiaries except those rights specifically granted and conferred herein. Specifically, no rights are conferred relating to the open space aspects of this Drainage Easement. The public includes the members of the Association (the "Members"), and no rights are or have been conferred or granted to the Members by this easement.

21. Flood Control Standards: Future Easements. It is understood and the parties agree that:

A. the community standard in Rio Rancho, New Mexico for flood protection is the 100-Year Design Storm as defined in the City of Rio Rancho and SSCAFCA Drainage Policy as of the Effective Date of this Easement and that damage resulting from a storm exceeding the 100 Year Design Storm will not be attributed to any party to this Drainage Easement, nor will any such party be liable for such damage;

B. this Drainage Easement is based on delineation of the LEE Line, any necessary and appropriate additional easements will be granted to SSCAFCA to permit SSCAFCA to meet its Level Three and Level Four Maintenance Obligations, however, such additional easements for maintenance will not exceed the limits of the LEE Line; and

C. Permanent Improvements will be designed and built to withstand the 100-Year Design Storm, unless otherwise approved by SSCAFCA.

22. Resolution of Disputes and Appeals.

A. Matters of both technical and non-technical natures may be appealed by any party to the Executive Director of SSCAFCA and then to the SSCAFCA Board of Directors. If satisfactory resolution is not achieved, any party may refer the matter to arbitration under the provisions of the New Mexico Uniform Arbitration Act, except as otherwise provided herein.

B. The sole remedy for all disputes arising under this Drainage Easement, with the exception of injunctive

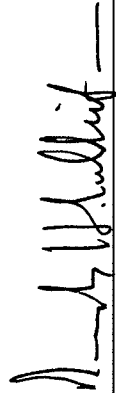
relief as set forth in Section 7B, will be arbitration under the provisions of the New Mexico Uniform Arbitration Act.

23. High Desert Investment Corporation. The obligations and liabilities of High Desert Investment Corporation as Grantor or otherwise will cease upon the transfer or conveyance of the Property by High Desert Investment Corporation to a subsequent owner. Upon such transfer or conveyance, High Desert Investment Corporation is and will be released and discharged from any obligation or liability under this Drainage Easement.

24. Miscellaneous. The headings used in this Drainage Easement are for convenience only and will be disregarded in interpreting the substantive provisions of this Drainage Easement. Time is of the essence of each term of this Drainage Easement. The "Effective Date of this Drainage Easement will be the date of the recordation of this Drainage Easement in the Sandoval County, New Mexico records.

Dated _____, 20__

HIGH DESERT INVESTMENT CORPORATION,
a New Mexico corporation

By 
Douglas H. Collister
Its President



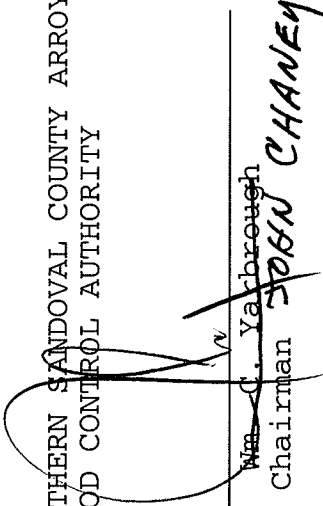
By _____
Jack Eichorn
Its Senior Vice President

MARIPOSA COMMUNITY ASSOCIATION,
INC., a New Mexico nonprofit
corporation



By _____
Name JACK EICHORN
Its PRESIDENT

SOUTHERN SANDOVAL COUNTY ARROYO
FLOOD CONTROL AUTHORITY



By _____
Name John Chaney
Its Chairman

APPROVED AS TO FORM:


Bernard P. Metzgar
Attorney for SSCAFCA

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

This instrument was acknowledged before me on
January 12, 2006, by Douglas H. Collister, President of
High Desert Investment Corporation, a New Mexico corporation, on
behalf of the corporation.

David M. Chase
Notary Public

My commission expires:

May 13, 2007

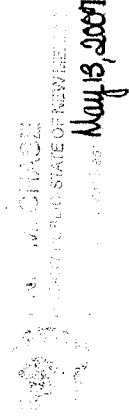
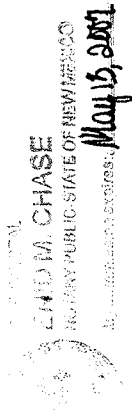
STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

This instrument was acknowledged before me on
January 12, 2006, by Jack Eichorn, Senior Vice President
of High Desert Investment Corporation, a New Mexico corporation,
on behalf of the corporation.

David M. Chase
Notary Public

My commission expires:

May 13, 2007



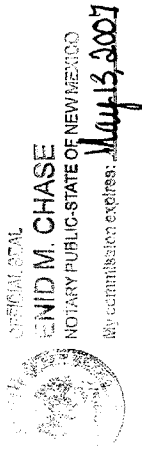
STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

This instrument was acknowledged before me on
January 12, 2006, by Jack Eichorn,
Senior Vice President of Mariposa Community Association,
Inc., a New Mexico nonprofit corporation, on behalf of the
corporation.

David W. Chase
Notary Public

My commission expires:

May 13, 2007



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

This instrument was acknowledged before me on
JANUARY 20, 2006, by ~~Wm. C. Yarbrough~~, John Chaney, Chairman of the
Southern Sandoval County Arroyo Flood Control Authority, a
political subdivision of the State of New Mexico, on behalf of
the Authority.

David L. Stoliker
Notary Public

My commission expires:

2-18-07



EXHIBIT A

The Property

Those portions indicated as "Public Drainage Easement Granted to SSCAFCA and Mariposa Community Association with the Filing of this Plat" on the Preliminary/Final Plat of Tracts 1A-11 Thru 1A-15, Tracts 1A-16A Thru 1A-16I, Tracts 1A-17 Thru 1A-21 and Tracts OS-11 Thru OS-14 & OS-A1 Mariposa East recorded February 9, 2006 in Book 409, page 6753 document 200606753 and Volume 3 Folio 2632-B as Document No. 6753 records of Sandoval County, New Mexico and shown on the following pages; and the Drainage Easement is and supplements the existing drainage easement on the Plat.

[see following pages from plat]

EXHIBIT B

Procedures for Performance of Maintenance

1. Prior to performance of Level Three and Level Four Maintenance, SSCAFCA will call the Association to indicate that the maintenance will take place.
2. The Association will notify affected property owners regarding the Level Three and Four Maintenance.
3. The Association will inform SSCAFCA when Level One and Two Maintenance has taken place.