

HISTORIC ALBUQUERQUE HIGH SCHOOL CAMPUS

A Mixed-Use Re-Development Community

DECLARATION of Charter, Easements, Covenants and Restrictions

PARADIGM & COMPANY, L.L.C., a New Mexico limited liability company (the "Founder"), joined by the City of Albuquerque, a municipal corporation (the "City"), make this Declaration on the 28th day of March, year of 2001

STATEMENT OF PURPOSE:

- A. This Declaration provides for the operation and maintenance of a group of buildings and common areas known as the Historic Albuquerque High School Campus (the "Campus") The Campus is a historic property which is being redeveloped as a vibrant, urban mixed-use community to include housing, office and commercial uses. The Campus also is intended to include exceptional outdoor spaces which shall be owned by the City, but which shall be maintained and operated in accordance with this Declaration.
- B. Albuquerque High School was built on two city blocks in downtown Albuquerque, and opened in 1914 From the time it opened until its closure in 1974, several generations of students received diplomas from Albuquerque High School, whose mascot and symbol was the bulldog.
- C. The high school was designed by Trost and Trost, Architects, of El Paso, Texas in the style known as Jacobethan Revival. The property has been vacant since its closure. The 5 campus buildings and the historic campus area have been designated as historically significant structures in the Huning Highlands Historic District by the New Mexico State Historic Preservation Office and the U.S. Department of Interior, National Park Service

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D. The City has determined that the preservation of the buildings and the property's redevelopment for distinctive housing, office, restaurant and other commercial uses is in the City's best interests. The City has conveyed, or will convey, portions of the High School Block to the Founder and other parties in accordance with a Development Agreement between the City and the Founder, and has set the terms and conditions under which the North Block and the South Block may be conveyed to the Founder or other parties in the future.

E. The master plan for the Campus, the area for which is legally described on Exhibit A, comprises the high school's two city blocks and abandoned right-of-way which joins them (together, the "High School Block"), and two additional undeveloped or underdeveloped properties: a city block and abandoned right-of-way to the north, to be known as the "North Block," and a half-block near the south-east corner, to be known as the "South Block."

F The following buildings are currently located on the High School Block:

- The former administration and classroom building, known as "Old Main,"
- An additional Classroom Building,
- The Library,
- The Gymnasium, and
- The Manual Arts Building (however, neither the City nor the Founder presently has title to the Manual Arts Building).

All of the above buildings are historic structures which are intended to be preserved. The High School Block also has a small park on its southeast corner, to be known as "Bulldog Plaza," and a courtyard in the interior of the block. In addition, there is a building site for a new building within the High School Block.

G The North Block and the South Block are intended for future development which is complementary to the High School Block

H The Founder and the City desire to bring all owners of property within the Campus together within a common development and operational plan under the terms of this Declaration, and to create a single organization, the Campus Association, which will maintain the common areas.

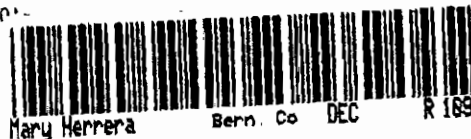
DECLARATION:

The Founder, with the consent and joinder of the City, hereby submits the property described on Exhibit A (the "Campus") to this Declaration of Charter, Easements, Covenants and Restrictions, which will run with the land and be binding upon, and inure to the benefit of, every owner of the Campus or any portion of it

ARTICLE I: Definitions

The following definitions apply wherever the capitalized terms appear in this Declaration. Additional terms which apply only to one article are defined the first time they appear

1.1 Generally. The following definitions apply wherever the capitalized terms appear in the Declaration. To aid in understanding the relationships between terms, terms are grouped



functionally Additional terms which apply only to one article or section will be defined as they appear

1.2 Documents

(a) Declaration. "Declaration" is this Declaration of Charter, Easements, Covenants and Restrictions for the Campus.

(b) Supplemental Declaration. "Supplemental Declaration" is any instrument which may be recorded by the Founder or the Campus Association in accordance with Section 2.2 to add property to the Campus

(c) Development Agreement. The Development Agreement is an agreement between the City and the Founder for the development of the Campus, dated October 27, 1999, as may be amended from time to time.

(d) Parking Agreement. The Parking Agreement is the "Parking Management Plan" between the City and the Founder dated March 28, 2001, recorded _____, 2001 in Book _____, page _____, records of Bernalillo County, New Mexico.

1.3 Parties

(a) City The "City" is the City of Albuquerque, New Mexico

(b) Founder The Founder is Paradigm & Company, LLC, a New Mexico limited liability company, its successors and assigns, or any successor or assign of all or substantially all of its interests in the development of the Campus. The Founder may also be an Owner for so long as the Founder is record owner of any Parcel.

(c) Owner "Owner" is the record owner, whether one or more persons or entities, of the fee simple title to any Parcel. Owners shall not include those having such interest merely as security for the performance of an obligation. In the event that any Parcel is subject to a declaration creating a condominium form of ownership, the "Owner" of such Parcel shall be such Parcel's condominium association for the purposes of this Declaration. Any condominium declaration filed with respect to any Parcel shall recognize that the condominium association has certain rights, including voting rights, pursuant to this Declaration

(d) Mortgagee A "Mortgagee" is any institutional lender which holds a bona fide first mortgage encumbering a Parcel as security for the performance of an obligation. The term "institutional lender" specifically includes a bank, savings and loan association, a mortgage lending company, an insurance company, and Fannie Mae or similar agency.

1.4 Land Definitions

(a) Master Plan Area The "Master Plan Area" is all of that property described on Exhibit A, comprising approximately 7.26 acres, and including the following properties, which are also separately described and identified on Exhibit A:

(i) the high school's two city blocks and abandoned right-of-way which joins them (together, the "High School Block");

(ii) a city block and abandoned right-of-way to the north, to be known as the "North Block;" and



(iii) a half-block near the south-east corner, to be known as the "South Block."

(b) Campus The "Campus" is the Master Plan Area (but not the Manual Arts Building), plus any additional property added by Supplemental Declaration.

(c) Commons The "Commons" comprises real property within the Campus designated for the common use and enjoyment of all Owners, their tenants and their respective guests and invitees (collectively, "Permitted Users") "Commons" also include any improvements on that real property, all easement rights or personal property for the Owners' common use, and any other property of any type specifically designated as Commons. The public shall have access to the Commons subject to the provisions of the Development Agreement, which states that public access to the Commons shall not be restricted, without the consent of the City, from 9:00 a.m. to dusk, but may be restricted at night; provided, however, that if unrestricted access between such hours places an unreasonable burden on private Owners or their tenants, or negatively effects leasing and sales activity, or jeopardizes the return on the "Project" (as defined in the Development Agreement) to the City or the private Owners, then the private Owners and the City will cooperate in amending this Declaration to provide reasonable public access to the Commons that is compatible with the interests of the private Owners, their tenants, and the City.

(d) Zone. "Zones" are smaller, contiguous areas within the Campus. Owners of property within a Zone may be assessed for maintenance of property primarily serving that Zone.

(e) Parcel. A "Parcel" is the smallest piece of real property which may be separately conveyed. A Parcel may be a Building Parcel, or certain Residential Units or subdivided commercial space within a building, such as condominium units, which may be separately conveyed. For apartments and other Residential Units which are not separately conveyed, the Building Parcel rather than the individual units shall be considered a Parcel.

(f) Residential Unit. A "Residential Unit" is an individual dwelling unit and shall include a townhouse or other attached dwelling (such as each half of a duplex unit), an apartment or condominium unit or a residential dwelling within a mixed-use building.

(g) Building Parcel. A "Building Parcel" is an entire building (either existing or new) and the tract of land upon which the building is physically located, or a tract of land which has been conveyed for construction of a building.

(h) HVAC System. The "HVAC System" is any of the heating, air conditioning and related mechanical equipment which is located on or under the Commons and provides heating and/or air conditioning systems for any Parcel.

1.5 Architectural Review Definitions

(a) Architectural Review Board. The "Architectural Review Board" is the panel established by Article XI to administer the Design Code.

(b) Design Code. The "Design Code," as amended from time to time, establishes the plan for the development of the Campus through its regulation of land use, architecture and environment, and is further described in Article XI of this Declaration.

(c) Development Period. The "Development Period" begins with the recording of this Declaration and continues so long as the Founder or an affiliate of the Founder either owns at least two Parcels, or holds any Parcels for sale; provided, however, the Development Period shall cease when the City is no longer obligated to convey any Parcels to the Founder pursuant to the Development Agreement.

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1.6 Association Definitions

(a) Campus Association. "Campus Association" is the Historic Albuquerque High School Campus Association, Inc., a New Mexico nonprofit corporation, its successors and assigns. The Campus Association, whose members are the Owners, is responsible for maintaining the Campus and enforcing this Declaration.

(b) Board. "Board" is the Board of Directors of the Campus Association.

(c) Member. Each Owner is a "Member" of the Campus Association, as provided in Article III of this Declaration.

(d) Articles. "Articles" are the Articles of Incorporation of the Campus Association, which are attached as Exhibit B to this Declaration.

(e) Bylaws. "Bylaws" are the Bylaws of the Campus Association. The form of the initial Bylaws, as proposed, is attached as Exhibit C to this Declaration.

(f) Campus Meeting. The "Campus Meeting" is the public meeting of Members for discussion and voting, as described in Article VIII.

(g) Assessments. "Assessments" is the collective term for the following charges:

(i) General Assessment. The "General Assessment" is the amount distributed among all Members to meet the Campus Association's annual budgeted expenses, as described in Section 9.3.

(ii) Individual Parcel Assessment. An "Individual Parcel Assessment" is a charge made to a particular Parcel Owner for charges relating only to that Parcel, as provided in Section 9.5.

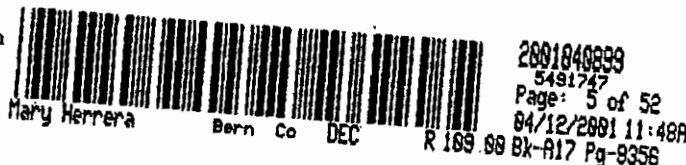
(iii) Special Assessment. A "Special Assessment" may be charged to each Parcel for capital improvements or emergency expenses, in accordance with the provisions of Section 9.4.

ARTICLE II: Development Plan

The Campus is being developed in phases. This article describes the overall plan for development of the Campus, identifies the real property of which the Campus will initially be comprised and provides the method by which additional property may be added.

2.1 Overall Concept

(a) Mixture of Uses. The Campus is intended to bring together a mixture of uses in a vibrant, pedestrian-friendly urban environment. It is anticipated that Old Main and the Classroom Building will be redeveloped primarily as housing, while the Manual Arts Building may have a restaurant on the lower level and offices and/or housing above. Other existing or new buildings may be developed as offices or other commercial uses, or as additional residential space, depending on the market and the utility of the building. Both the South Block and the North Block may be improved with a parking structure on each, to be ultimately "lined" or "wrapped" with 1-4 story improvements, including potentially commercial, retail, office, hotel, live/work, and residential uses. All uses are subject to change and may also be subject to City approval.



(b) Open Space. The Campus will provide green space and a mixture of both sunny and shady areas to bring people together to enjoy the outdoors. As all of the Parcels shall consist of the actual or approximate building footprint, virtually all open space within the Campus shall be part of the Commons. The Commons specifically includes the Courtyard, Bulldog Plaza, and the landscaping along the public streets, all as further described in Article V.

(c) Historic Preservation. The Campus carries several historic designations. It has been declared a City landmark, requiring a certificate of appropriateness from the City Landmarks and Urban Conservation Commission for an alteration in exterior appearance, construction of new structures, or alteration or destruction of interior features that have been, or may be, listed or declared worthy of preservation in the Landmark's Preservation Guidelines. The existing buildings are designated significant buildings in the Huning Highland Historic Overlay Zone, are listed on the State Register of Cultural Properties, and are listed as contributing buildings in the Huning Highland Historic District on the National Register of Historic Places. All designations make the Campus subject to the U.S. Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings, if state loans, tax credits, or public funds are used for rehabilitation. The existing buildings also are subject to Section 18-8-7, NMSA 1978 (1994 Supplement), which prohibits funding by any subdivision of the New Mexico State government of any use of a registered historic property that adversely affects that site, unless there is no feasible and prudent alternative, and all possible planning to minimize harm to the property has occurred.

(d) Alumni Recognition. As further provided in Sections 3.4 and 3.5, the Campus shall recognize and honor Albuquerque High School alumni, through the creation and maintenance of both Bulldog Plaza and the Alumni Rooms, which shall be located in the former main office area of Old Main.

(e) Parking Garages. Use of the parking garages is governed in part by the Development Agreement, which requires that adequate spaces be reserved for rent to Owners and tenants of property within the Campus, and is more specifically governed by the Parking Agreement.

2.2 Adding Property to the Campus

(a) By the Founder. The Founder shall have the right, but not the obligation, during the Development Period, from time to time in its discretion, to add to the Campus any or all of the following properties, subject to the consent of the City, in the City's discretion:

- (i) any contiguous property,
- (ii) property any portion of which is within one-half mile of any portion of the Campus (including any property separated from the Campus by a public street, body of water or other property), or
- (iii) any other property with a reasonable relationship to the Campus.

(b) By Campus Association. Property of any type may be added to the Campus, with the City's consent, by a majority vote of the Board. Such right shall begin when the Founder no longer selects a majority of the Board of Directors and shall extend indefinitely.

(c) Supplemental Declaration. A Supplemental Declaration adding the additional property shall become effective upon being recorded in the county's public records.



(d) Special Provisions. The Supplemental Declaration may modify or add to the provisions of this Declaration if needed to reflect the different character of the additional property. A Supplemental Declaration may define Zones; may designate certain Commons as "Zone Commons" for the use of certain Zones; may create a different assessment scheme based on anticipated use of the Commons; and may create an assessment procedure by which certain Zones are assessed separately for Zone Commons

(e) Corrective Instruments The City and the Founder currently intend that property within the Master Plan Area which is conveyed from the City be made subject to this Declaration, unless a statement of intent otherwise, signed by the City, is clearly stated on the public records. If through error a Supplemental Declaration is not recorded prior to, or at the time of, such a conveyance, the City or the Founder shall have the right to record a corrective instrument subjecting the platted lots and any common areas to this Declaration.

2.3 Sub-Associations Buildings with multiple Residential Units or commercial space may be submitted to condominium ownership or other subdivided ownership in accordance with New Mexico law, and condominium associations or other owners' associations may be formed to operate such subdivided Parcels. To the extent consistent with New Mexico law, it may be practical and efficient for a single association to operate more than one condominium or other property. In the event of a conflict between this Declaration and any condominium declaration or sub-association, the terms of this Declaration shall govern

2.4 Zones Zones are intended to provide a flexible means for providing additional maintenance or capital improvements for a small portion of the Campus which has special needs, without the formation of a sub-association. Owners of property within a Zone may be assessed for maintenance of property primarily serving that Zone. Zone boundaries may be designated at the time of the addition of the property by Supplemental Declaration, or at any later time by the Board

ARTICLE III: Commons Ownership, Maintenance and Easement Rights

Certain property within the Campus and certain easement rights, called the "Commons," are to be owned either by the City or by the Campus Association, and maintained by the Campus Association. The Commons include Bulldog Plaza, the courtyard, and additional landscaped areas.

3.1 Ownership, Responsibility.

(a) Title. The Commons shall be owned by the City. The Campus Association shall operate and maintain the Commons for the benefit of the Owners and their tenants and, to the extent required by the City under the Development Agreement, for the benefit of the public. Except as specifically permitted by this Declaration, there shall be no commercial use of the Commons, nor shall the Commons be subdivided or sold

(b) Responsibility. The City shall be responsible for design and construction of initial improvements within the Commons, with the Founder acting as its agent, all as set forth in the Development Agreement. Thereafter, the Campus Association shall be responsible, and shall have the authority, for all aspects of the operation and maintenance of the Commons, and shall keep the Commons attractive, clean and in good repair. The Campus Association shall indemnify and hold harmless the City from and against all claims and damages arising from the operation and maintenance of the Commons, except with respect to claims and damages arising from or related to the negligence or willful misconduct of the City.



(c) Modification and Repairs After completion of initial improvements by the City as set forth in the Development Agreement, the Campus Association may initiate and complete repairs that do not change the appearance or design of the Commons as provided in the Project Plan which is part of the Development Agreement. With the approval of the City, which is not to be unreasonably withheld, the Campus Association may make capital improvements to the Commons and may modify the uses of the Commons. Expenses for substantial capital improvements must be approved in accordance with Section 8.7.

(d) City's Rights If the Campus Association fails to maintain the Commons, the City shall have the right to make repairs and to operate the Commons as necessary to meet the performance requirements of the Development Agreement. The City may file a lien against each Parcel for its proportionate share of such expenses. Such lien shall become an Individual Parcel Assessment and shall be subject to enforcement by the City in the same manner as provided for such Assessments in Section 9.7 hereof, and as provided by law

(e) Additional Commons The Founder or the City may subject additional property as Commons to this Declaration which the Campus Association shall accept for maintenance provided, however, that if the Campus Association does not have budgeted funds sufficient for the operation and maintenance of such additional Commons, the party desiring to subject such property shall make satisfactory arrangements with the Campus Association for funding

(f) Rules and Regulations Subject to the rights of the City under the Development Agreement, the Campus Association may make rules and regulations for the use of the Commons, which shall be enforced in a non-discriminatory manner.

3.2 Access The Development Agreement requires that that the Commons be open to the public from 9:00 a.m. to dusk. However, if unrestricted access to the Commons between 9:00 a.m. and dusk places an unreasonable operational burden on the Owners or their tenants, or negatively affects leasing and sales activity, or jeopardizes the return on the project to the City, then the Development Agreement provides that the Campus Association and the City shall cooperate in determining reasonable public access to the Commons that is compatible with the interests of the Owners, tenants, the City and other investors. The City and the Founder agree that such agreement shall not require an amendment to this Declaration.

3.3 Courtyard

(a) Intent. The Courtyard is intended to be an intensely landscaped outdoor room to be shared by all of the Campus.

(b) Restaurant Use. If a restaurant is operated in the lower floor of the Manual Arts Building, the restaurant may use that portion of the Courtyard within 30 feet of the Manual Arts Building for outdoor dining. To provide a balance between the intent to create a vibrant, social atmosphere and the need for reasonable quiet at night for the residents of the High School Block, the restaurant is subject to additional restrictions on operation, as provided in Sections 5.2 and 5.3.

(c) Access If established by the Founder or if approved by majority vote of the Members, the Campus Association shall provide reduced access at the entrance to the courtyard, to the extent permitted by the City. At dusk, the gates to the Courtyard may be locked, with access granted to those whose properties are accessed through the Courtyard. When locked, the fence may separate the Courtyard from the northern part of the High School Block. The Campus Association may employ personnel, or maintain electronic or keyed locks or other devices for limiting access. Once reduced access has been established, the Campus Association may not

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terminate reduced access unless approved by a two-thirds vote of the Owners. The Campus Association may, however, alter its type or procedure for access measures at the entrances. Reduced access may be reinstated at any time by majority vote of the assessed Owners.

3.4 Bulldog Plaza. Bulldog Plaza on the southeast corner of the Campus will function as a small park, as well as automotive turn-around, drop-off and pick-up areas. It is currently intended that Bulldog Plaza shall be open at all hours, but access may be limited in accordance with Section 3.2.

3.5 Alumni Rooms. The Old Main Building shall contain two (2) alumni and community meeting rooms (the "Alumni Rooms") on its first floor. The Alumni Rooms shall provide office and meeting space as necessary for the alumni association and community associations and groups by appointment, and may be a repository for items relating to the history of Albuquerque High School. The owner of the Old Main Parcel shall operate the Alumni Rooms in cooperation with the alumni association. The alumni association shall have first priority for use of the Alumni Rooms. The use of the Alumni Rooms may be subject to reasonable rules and regulations, applicable to all uses. The Owner of the Old Main Parcel may allow the use of the Alumni Rooms for Campus Association management and other uses not inconsistent with its use for alumni functions, including its use for meetings of other organizations and for use by residents, all subject to charge of reasonable fees for use. The alumni association will not be subject to a fee for Alumni Rooms' use; however, the alumni association may be charged a fee for room cleaning if the alumni association does not clean the Alumni Rooms after use. To the extent not inconsistent with such uses, the Founder or its assigns shall have the right to use the Alumni Rooms for Campus property sales and rentals and for other incidental uses which do not interfere in any way with the uses set forth above; however, the Founder shall not be entitled to store any files or other materials in the Alumni Rooms, nor to place any signs in the Alumni Rooms indicating that the rooms have any purpose other than for the alumni association.

3.6 HVAC System. The HVAC System for each Parcel shall be owned by the owner of such Parcel, including any pipes or connections located within the Commons.

3.7 Special Events. The Campus Association may rent space in the Courtyard or other portions of the Commons for weddings and other private parties, and may consent to use of the Courtyard for art festivals, entertainment and other public or private events, with or without the payment of rent. During parties and other special events, the Board may approve the use of tents, trailers and other temporary structures on the Commons or elsewhere within the Campus.

3.8 Concessions. The Campus Association may engage in, or lease space for concessions for, the sale of refreshments or other enterprises intended to benefit those using the Commons, including the use of pushcarts or other temporary structures. All leases shall be at the discretion of the Board, and no such lease shall be for a term greater than two years. Income from such concessions may be used for any bona fide Campus Association purposes.

3.9 Contracts. The Campus Association may contract with any party, including the Founder, for the performance of all or any portion of the management of the Campus Association and its maintenance and repair obligations. The cost of the contract shall be included within the General Assessment, Special Assessment or Individual Parcel Assessment as applicable. Income from such concessions may be used for any bona fide Campus Association purposes.

3.10 Damage or Destruction of Commons by Owner. If any Owner or any of his guests, tenants, licensees, agents, employees or members of his family damages any of the Commons as a result of negligence or misuse, the Owner hereby authorizes the Campus Association to repair the damage. The cost of repair shall be the responsibility of that Owner and shall become an Individual Parcel Assessment payable by the responsible Owner, and may be enforced in AHS Campus Declaration 2/23/01



accordance with the procedures set forth in Section 9 7 hereof. The Campus Association may, but is not required to, seek compensation for damage from the guest, tenant or other party who caused the damage, in which case the Owner shall be jointly and severally liable.

3.11 Central New Building Site The High School Block contains an undeveloped portion within the general area of the Courtyard which has been proposed as an additional building site and which is so labeled on the Plat (referred to in the Development Agreement as the Central New Building Site). The location of the proposed building as shown on the Plat may be modified, either enlarged or reduced, to accommodate the actual size of the building. Until the construction of a building, the Central New Building Site shall serve as additional open space and shall be maintained by the Campus Association as if it were a part of the Commons.

3.12 Limitation of Liability. The Campus Association shall use reasonable judgment in reducing access, maintaining the Commons and imposing security and traffic control measures, but neither the Campus Association nor the Founder makes any representation or assumes any liability for any loss or injury.

ARTICLE IV: Easements

Every Owner has the benefit of certain easements and the responsibility of others

4.1 Owners' Easement of Enjoyment

(a) Commons. Every Owner shall have a right and easement of access and enjoyment in and to the Commons, subject to the provisions of this Declaration. This easement shall be appurtenant to and shall pass with title to every Parcel.

(b) Tenants, Guests. Any Owner may delegate, subject to the provisions of this Declaration, the Bylaws and the Rules and Regulations, his right to enjoyment to the Commons to the members of his family, his tenants or his guests who reside on the Parcel or are accompanied by the Owner. The Campus Association may adopt rules to prohibit or restrict dual use of the Commons recreational facilities by both an Owner and the Owner's tenant, except when the Owner is a bona fide guest of the tenant.

4.2 Easements in Favor of the Founder and Campus Association The Founder hereby reserves for itself, its successors and assigns and for the Campus Association and its assigns and for the Owners of Parcels, as applicable, the following easements, which easements shall be for the benefit of the Campus:

(a) HVAC System. An easement in favor of the applicable Parcel Owner and the Campus Association for access to, maintenance, repair, replacement and operation of the HVAC System, wherever located within the Campus, subject to approval by the City.

(b) Utility Easements. An easement upon, across, over, through, and under the



(c) Police Powers. A blanket easement throughout the Commons for private patrol services, and for police powers and services supplied by the local, state and federal governments

(d) Drainage. An easement and right on, over, under and through the ground within the Campus to access, maintain and to correct any ponds, the HVAC System and other drainage of surface water and other erosion controls. The City will have the right to approve any specific drainage plans, ponds or erosion controls. This easement includes the right to cut any trees, bushes or shrubbery, grade soil, or to take any other action reasonably necessary for health, safety or appearance or to comply with governmental requirements. The Founder or Campus Association, as applicable, shall notify affected Owners (except in an emergency) and shall restore the affected property to its original condition as nearly as practicable. This easement may be exercised at the option of the Founder or Campus Association and shall not be construed to obligate either to take any affirmative action to correct drainage, except as required by law

(e) Encroachment. An easement for any improvements constructed on the Commons which encroach on any Parcel, whether due to any minor deviation from the subdivision plat of the Campus or the settling or shifting of any land or improvements

(f) Maintenance of Commons. To the extent reasonably necessary, an easement over any Parcel for maintenance of the Commons or to perform any duties required or permitted to be performed by the Campus Association, its agent or assigns

4.3 Relationship between Parcels

(a) Intent. The easements in this Section 4.3 are intended to provide guidelines for reasonable cooperation between neighbors. The Campus Association may make rules for maintenance and use of easement areas and shared improvements which shall be applied uniformly to all Parcels similarly configured.

(b) Parcel Lines. Parcels may not be subdivided or separated into smaller Parcels, or any portion of a Parcel separately conveyed, except by the Founder, or by a subsequent Owner with the specific consent of the Campus Architectural Review Board. However, this shall not prohibit corrective deeds or similar corrective instruments. The Founder may redefine Parcels prior to sale by Founder by dividing or combining Parcels or portions of Parcels and adjusting the boundary of a Parcel. The Founder shall also have the right to modify subdivision plats of the Campus to make adjustments to Parcel boundary lines with consent only of those Owners whose Parcel boundaries are to be changed. The division or combination of Parcels may be subject to zoning or other governmental regulation.

(c) Structural Party Walls. Each Owner grants to the Owner of each adjacent Parcel the right and easement to maintain and to utilize any exterior or interior wall of a Building which forms a party wall between them. A wall will be considered a party wall only if it provides structural support for the Buildings, or parts of a Building, on more than one Parcel. Maintenance of the surface of the party wall shall be the sole responsibility of the Owner whose Building faces such wall. Each Owner shall be liable and responsible if, in connection with that Owner's use and maintenance of the party wall, the Owner damages the adjacent Owner's Parcel or the wall itself. The cost of any other repairs to the party wall shall be shared equally by the adjacent Owners.

(d) Exterior Walls along a Parcel Line. An exterior wall which supports the Building on only one Parcel, or which encloses a courtyard on one Parcel, shall not be considered a party wall. The Campus Association may make rules and regulations concerning use and maintenance of such walls, including assigning responsibility between the adjoining owners for painting and



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repair and granting access over the adjoining Parcel as reasonably necessary to maintain the wall. All such maintenance and repair shall be in accordance with the Design Code.

(e) Roof Overhang. If permitted by the Design Code, roofs may overhang a property line.

ARTICLE V: Use and Maintenance of Individual Parcels

The following covenants are designed to protect the quality of life for all Owners within the Campus and to set a standard for reasonable cooperation within the community.

5.1 Permitted Uses

(a) Generally. The Campus is intended to include a variety of uses, including residential, commercial and office uses. Use for a particular Parcel shall be determined by the Founder, or its assigns, subject to approval by the City, and shall be set forth in a Supplemental Declaration.

(b) Home Industry. To the extent permitted by law, home industry which does not generate significant traffic, noise or odor or change the exterior appearance of a building shall be permitted in any Residential Unit. Signage for home-based business, if any, shall be regulated under the Design Code.

5.2 Compatibility with Residential Uses. This Declaration recognizes the need for balancing the needs of businesses and residents, while fulfilling the objective of a lively, vibrant atmosphere. The Campus Association may prohibit any amplified noises projected outside any place of business and may place other reasonable restrictions on businesses to assure reasonable compatibility with residential uses. Subject to the foregoing, all businesses shall be allowed to operate between the hours of 8 a.m. and 9 p.m., except that restaurants, nightclubs, bars and other similar establishments shall close their doors to new patrons no later than 10 p.m. and shall go dark by 11 p.m. This provision of the Declaration may not be amended to shorten the hours of operation without the consent of two-thirds of the commercial Parcels and the consent of any restaurant then existing on the Campus.

5.3 Additional Conditions for Commercial Uses

(a) Validity of Restrictions. Each Owner, by acceptance of a deed to property within the Campus, recognizes that Owner's property is part of the Campus. Within the Campus, the proper balance of types of retail stores and other businesses, as well as the quality of those businesses, is critical to the success of the Campus. The conditions of this Declaration regarding operation of the business upon an Owner's Parcel within the Campus are part of the consideration for the granting of easements for use of the Commons to Owners and the granting of a deed from the Founder to Owners other than the Founder. These restrictions shall run with the land and be binding upon Owner, successors and assigns and any tenants.

(b) Review. The Campus Association shall have the right to approve all prospective businesses for financial stability, experience and ability to comply with the requirements of this Declaration.

(c) Standards. To assure an appropriate mix of varied, quality establishments, the Campus Association may establish standards for various aspects of Owner's business, including without limitation types, quality, style and prices of stock. Such standards may differ for

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different parts of the Campus, and may apply to an individual store or on a block-by-block basis, in which case standards may be different for opposite sides of the street, corner buildings or for different sizes or types of buildings. The Campus Association may change the standards from time to time; however, no business which meets existing standards may be required to conform to new standards so long as the business continues to operate under the same name and ownership

(d) Exclusives. The Campus Association's efforts to assure varied, quality businesses within Campus may include the restriction or prohibition of types of merchandise which may be offered and the granting of exclusive rights to certain merchandise. Such exclusive rights may be granted on an individual basis at the Campus Association's discretion, based on its own evaluation of the quality of merchandise, potential for success and other factors.

(e) Real Estate Offices. The Founder reserves the right to exclusive operation of real estate sales, rental or management offices within Campus, which may be considered a deed restriction for the entire Campus property and shall be part of the consideration for the sale of property within Campus. No real estate sales, rental or management offices, whether for residential, vacation or commercial properties, may operate within Campus without the express, written consent of the Founder, which may be arbitrarily withheld.

(f) Name of Business; Signage. The Campus Association shall have the right to review in advance and approve the name, logo or any identifying symbols to be used with the business. A business shall display on the exterior of the building or upon any exterior glass surfaces or within 24 inches of any window only those signs, advertising placards, names, insignia, trademarks, descriptive material or other identification which are specifically approved by the Campus Association and, as applicable, the Campus Design Review Board. No hand-lettered signs may be displayed unless professionally prepared.

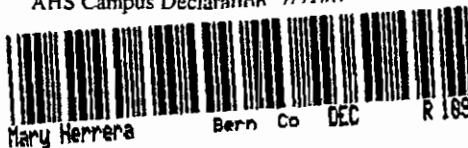
(g) Appearance. The Campus Association may regulate store displays and general decor. The entrance and interior of the business shall be kept immaculately clean and inviting in appearance at all times. Wall and floor coverings, displays and all other furnishings shall be maintained in first-class condition.

5.4 Leases.

(a) Commercial Parcels. The provisions of this Campus Declaration, including but not limited to this Article V, shall be deemed included in any lease of commercial space within the Campus. The Campus Association shall have the right to review all Commercial Parcel leases in advance and may promulgate a standard form lease or addendum to simplify its review. If any tenant is in violation of these provisions the Campus Association may enforce these provisions against the Owner, the tenant or both, and is granted the right as Owner's agent and attorney in fact in accordance with Section 5.10 to evict any tenant in violation of these provisions.

(b) Residential Units. Residential Units may be rented, subject to reasonable rules and regulations (which may be modified from time to time) as promulgated by the Board. The minimum term for residential leases shall be six months.

(c) Generally. The Campus Association may prohibit the leasing of any Parcel while the Owner is in default in the payment of Assessments. If the Parcel is leased in violation, the Campus Association may attach or garnish rentals as provided by law and may evict the tenant as if it were a tenant violation under paragraph 5.9 (c).



5.5 Prohibited Uses

(a) Nuisances, Unlawful Use. No nuisance or immoral, improper, offensive or unlawful use shall be permitted to exist or operate on any Parcel or Commons. All laws, building codes, orders, rules, regulations or requirements of any governmental agency having jurisdiction shall be complied with, by and at the sole expense of the Owner or the Campus Association, whichever shall have the obligation to maintain or repair the affected portion of the Campus

(b) Insurance Nothing shall be done or kept on any Parcel or the Commons which will increase the rate of, or result in cancellation of, insurance for the Campus or any other Parcel or its content, without the prior written consent of the Campus Association

(c) Soliciting The Campus Association may prohibit soliciting within the Campus.

(d) Time Sharing. No time-share ownership of Parcels is permitted without the Architectural Review Board's approval. For this purpose, the term "time-share ownership" shall mean a method of ownership of an interest in a Parcel under which the exclusive right of use, possession or occupancy of the Parcel circulates among the various owners on a periodically reoccurring basis over a scheduled period of time. Leasing a building or ownership of a Parcel by a corporation, partnership or other entity will not normally be considered time-share ownership.

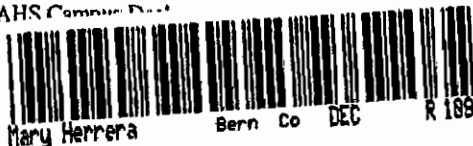
5.6 Maintenance; Attractiveness and Safety of Parcels Each Owner shall keep and maintain all parts of his Parcel in clean, attractive and safe order and repair and free from unpleasant odor and debris. The Design Code or the Campus Association may regulate placement and maintenance of garbage and trash containers, and fuel or gas storage tanks, and other matters affecting the attractiveness or safety of Parcels.

5.7 Pets. If otherwise permitted by the condominium association or other entity, pets may be kept by an Owner or his tenants on his Parcel but only if such pets do not cause an unsafe condition or an unreasonable disturbance or annoyance within the Campus. Each Owner or tenants, as applicable, shall be held strictly responsible to immediately collect and properly dispose of wastes and litter of his pets. The Campus Association reserves the right to further regulate the number, type and size of pets; to prohibit the keeping of animals other than customary household pets, which it may define, acting reasonably; to designate specific areas within the Commons where pets may be walked and to prohibit pets on other areas; to require pets to be on leash; and to restrict the rights of tenants to keep pets.

5.8 Signs. No sign, advertisement or notice of any type or nature whatsoever (including "For Sale" or "For Rent" signs) shall be erected or displayed upon any Parcel (including placement on the building, Yard or in any window) or upon the Commons unless specifically permitted by the Design Code. The Design Code may prohibit all types of signs within residential areas. However, the Founder shall be permitted to post and display advertising signs within the Campus so long as the Founder has any property for sale in the normal course of business, and hereby reserves an easement for reasonable use of the Commons for such purposes.

5.9 Rules and Regulations. The Board may from time to time adopt rules or amend previously adopted rules and regulations governing the details of the operation, use, maintenance and control of the Parcels, Commons and any facilities or services made available to the Owners. This right shall include without limitation the right to approve rental agents, contractors and sub-contractors who do business within the Campus. Rules and Regulations shall take effect immediately upon approval by the Board, or at a later date selected by the Board. If requested in writing by at least 10% of all Members, a Campus Meeting may be called and any Rule or Regulation may be repealed by majority vote of the Members. A copy of the Rules and

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Regulations adopted from time to time shall be posted in a conspicuous place within the Campus or furnished to each Owner.

5.10 Enforcement

(a) Owner's Responsibility. Each Owner and Owners' family members, guests and tenants shall conform and abide by the covenants contained in this Declaration and any Rules and Regulations which may be adopted from time to time by the Campus Association. Each Owner shall be responsible for assuring such compliance, and any violation by family members, guests or tenants may be considered to be a violation by the Owner.

(b) Notice, Hearing and Fines. Any Owner who is believed to be in violation of this Declaration or the Rules and Regulations shall be given notice and an opportunity to be heard. After such hearing, the Campus Association shall have the right to assess fines, up to a maximum of \$500 for a single violation or \$50 per day for a continuing violation (to be adjusted by the Campus Association according to increases in the cost of living) and may restrict the Owner's use of the Commons for up to sixty (60) days or until remedied, whichever is longer. However, the primary goal of this provision is not to punish but to conciliate and resolve problems. The Campus Association may suggest or approve agreements and withhold the requirement of paying a fine if the agreement is honored. Fines shall be charged against the Parcel as an Individual Parcel Assessment. Any fines collected shall be contributed to the general fund of the Campus Association.

(c) Tenant Violations. If a tenant is believed to be in violation of the Declaration or Rules and Regulations, the Campus Association shall notify the Owner (i.e., such tenant's landlord) and tenant and provide an opportunity for hearing. If the Campus Association determines after notice and opportunity for hearing that a tenant has violated this Declaration or Rules and Regulations, the Campus Association may assess fines against the Owner as provided in paragraph (b). In addition, if the violation continues for ten days after notice to the Owner of the findings, or if the tenant materially violates either Declaration or Rules and Regulations more than once in any one-year period, the Campus Association shall have the right to evict the tenant. Each Owner by acceptance of a deed irrevocably appoints the Campus Association as its agent and attorney-in-fact in such an eviction action. All costs related to such action shall be charged to the Owner as an Individual Parcel Assessment.

(d) Corrective Action for Parcel Maintenance. If the Campus Association determines after notice and hearing that any Owner has failed to maintain any part of the Parcel (including the yard and any wall, fence, building, garden structure or other structure) in a clean, attractive and safe manner, in accordance with the provisions of this Declaration and applicable rules and regulations, the Campus Association shall notify the Owner of its findings and may assess fines as provided in paragraph (b). If the violation continues for ten days after notice to the Owner, the Campus Association shall have the right without liability to enter upon such Parcel to correct, repair, restore, paint and maintain any part of such Parcel and to have any objectionable items removed from the Parcel. The Campus Association may reduce or eliminate the time for notice if it believes the condition creates a hazard. All costs related to such action, including the costs of correction, repair, restoration, painting, and maintenance, shall be assessed to the Owner as an Individual Parcel Assessment.

(e) Pets. After notice and hearing, the Campus Association may find that a pet causes an unsafe condition or unreasonable disturbance or annoyance and may require the Owner or tenant to take steps to cure or limit the offensive condition. If such steps are ineffective, if the Owner or tenant fails to cooperate or if the pet is considered to create an unsafe condition, the Campus Association may require that an Owner or tenant permanently remove the pet from the Campus.

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(f) Additional Remedies. All remedies listed in this section are non-exclusive and may be applied cumulatively. The Campus Association shall also have the right to bring suit to enforce the Declaration and Rules and Regulations, as described in Section 15.3

ARTICLE VI: Operation of the Campus Association

Most day-to-day decisions about the maintenance of the Campus and enforcement of the Declaration are the responsibility of the Board, acting on the members' behalf. For those decisions requiring Members' approval, the Campus Meeting provides a public opportunity for discussion and voting

The Articles and Bylaws of the Campus Association, which create the Campus Association as a non-profit corporation and provide certain procedures for its corporate organization, are attached as exhibits to this Declaration.

6.1 Membership. Every Owner shall be a mandatory Member of the Campus Association. Membership shall be appurtenant to and may not be separated from title to any Parcel.

6.2 Voting Rights. Each Member shall have one vote for each Assessment Interest, as determined in Article VII.

6.3 Exercise of Vote.

(a) Multiple Owners. Except as set forth in Section 6.3(c), when more than one person holds an interest in any Parcel, all such persons shall be Members. However, the number of votes for that Parcel shall not be increased, and the Members shall notify the Campus Association of the natural person who shall exercise their vote.

(b) Corporate Owners. Corporations, partnerships and other entities shall notify the Campus Association of the natural person who shall exercise its vote.

(c) Sub-Associations. A declaration of condominium or other instrument dividing ownership of a Parcel shall provide that the condominium association shall be deemed the Owner of such Parcel, and shall have the right to exercise the vote allocable to such Parcel. Individual owners of condominium units shall not have the right to vote under this Declaration.

(d) Failure to Notify. Failure of the persons or entities described in this Section 6.3 to notify the Campus Association of the natural person entitled to vote shall entitle the Campus Association to disregard any vote offered by such persons or entities.

(e) Electronic Voting. To the greatest extent permitted by law, the Campus Association may institute voting by electronic or other means.

6.4 Election of Board of Directors. The Board of Directors shall consist of at least three people and shall be elected as provided in the Bylaws, subject to the Founder's rights under Article XIII.

6.5 Board Meetings.

(a) Board's Responsibility. Except as specifically provided in this Article or elsewhere in this Declaration, the Board has been delegated the power, and shall have the

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authority to act on behalf of the Campus Association and to make all decisions necessary for the operation of the Campus Association, the enforcement of this Declaration and the care of the Commons.

(b) Quorum Voting at a Board meeting requires presence of at least one-half of the directors, in person or telephone conference or, if allowed by state law, by proxy. If permitted by law, any action required to be taken by vote of the Board may be taken in the absence of a meeting (or in the absence of a quorum at a meeting) by obtaining the written approval of a majority of the Board.

6.6 Campus Meeting

(a) When called The Campus Meeting shall be called annually for the election of members of the Board, and whenever any action is required by this Declaration to be taken by vote or assent in writing of the Members. As a convenient reference and not as a limitation, actions requiring a vote of the Members, or assent in writing, include the following:

Addition of Property	Section 2.2
Repeal of Rules and Regulations adopted by the Board	Section 5.8
Election of the Board of Directors	Section 6.4
Repeal of Additional Services	Section 6.10
Approval of General Assessments when increased 15%	Section 8.4
Ratification of expenditures for capital improvements	Section 8.6
Repeal of Modification of Design Code	Section 11.2
Amendment of Declaration	Section 14.1
Dedication of the Commons	Section 14.2
Redevelopment	Section 14.3
Termination of the Declaration	Section 14.4

(b) Quorum Voting at a Campus Meeting requires presence of members representing the percentage of votes established by the Board as necessary to transact business. The Board may revise this percentage from time to time, but in no event shall the required percentage be less than 25% or more than 50%, unless otherwise required by statute

(c) Notice Notice of the meeting must be given to Members in accordance with Section 15.4 ("Notices") at least ten (10) days but no more than thirty (30) days before the meeting, except in an emergency when whatever notice is reasonable shall be given. Notice of meetings shall also be posted in at least one place within the Commons

(d) Proxies To the extent allowed by the Bylaws and statute, proxies and limited proxies may be used to establish a quorum and for voting purposes.

6.7 Action without Meeting If permitted by the Board, the membership may approve any matter (specifically including the election of directors) by a written ballot procedure, which may be conducted by mail, or by written consent without a meeting, without prior notice and without a vote. Voting or consents shall be in accordance with the Bylaws and statute.

6.8 Record Keeping The Board shall keep a record of all meetings, both of the Board and of the Campus Association. For each action taken, the record shall state the vote and a description of the action approved, and, where applicable, the reasons why the action was considered necessary and a summary of the information on which the decision was based. The record shall be available for inspection by any Member.



6.9 Approval Wherever used in this Declaration, approval by a majority or other proportion of the Members refers to a vote in accordance with this Article, either at a properly called Campus Meeting or through a voting procedure established under Section 6.7. Where the Declaration specifies consent in writing, or request in writing, by a majority or other proportion of all Members, then the necessary number is based on the number of votes represented by the total Membership of the Campus Association, and signatures may be collected without a Campus Meeting or other voting procedure.

6.10 Additional Powers In addition to the specific powers provided in this Article, and to the extent permitted by governmental authorities, the Campus Association may, but is not obligated to, provide the following services or engage in the following activities:

- (a) water, sewer, electrical, telephone, cable television or other utility services; supply of irrigation water; garbage and trash collection and disposal;
- (b) insect and pest control; improvement of vegetation, pollution and erosion controls;
- (c) emergency rescue, evacuation or safety equipment; fire protection and prevention; lighting of Common Roads; traffic and parking regulation and security patrols within the Campus;
- (d) recreation, sports, craft and cultural programs; and newsletters or other information services;
- (e) maintenance of easement areas, public rights-of-way and other public or private properties located within reasonable proximity to the Campus if its deterioration would affect the appearance of or access to the Campus; and
- (f) any other service or activity allowed by law to be provided by a community association organized as a not-for-profit corporation.

The Board may, by majority vote, initiate any of the above services. As determined by the Board depending upon the nature of the service, such additional services may be part of the common expenses of the Association, may be assessed as an Individual Parcel Assessment to affected Parcels, or may be provided on a fee-for-service or other reasonable basis. If requested by petitions signed by at least 10% of the Members, a Campus Meeting may be called and, if a quorum is present, the offering of the additional service under this Section 6 10 shall be repealed by majority vote of the Members. For three years after such a repeal, the Board may not reinstitute the service unless also approved by majority vote of the Members.

6.11 Additional Provisions. Additional provisions concerning the operation of the Campus Association and the Board are contained in the Articles and Bylaws.

ARTICLE VII: Allocation of Interests

The diversity of property uses anticipated, and the uncertainty as to those uses at the time of the recording of this instrument, requires a flexible formula for equitable distribution of costs

7.1 Generally. Each Parcel shall be allocated an interest based on its size and uses. Residential Units within a Parcel shall be assessed differently from commercial space. If a Parcel includes both residential and commercial uses, the Residential Units shall be excluded from the calculation of the commercial space. Because the improvements to the Commons on the Campus Block will be completed and must be maintained before occupancy of some of the historic buildings, buildings which have not yet been renovated and which are not currently habitable are



not excused from assessment but shall be assessed at one-half the rate for renovated space, based upon anticipated use. If the use is upgraded upon completion, the Owner shall pay the difference to the Campus Association, plus interest at market rates. The Central New Building Site described in Section 3.11 shall not be assessed until a building is constructed. The initial assessment schedule is attached hereto as Exhibit D (the "Initial Assessment Schedule").

7.2 Residential Property. Parcels which consist of one or more Residential Units shall be assigned a value of 0.1 for each 100 square feet of Residential Unit, and a value of 0.1 for any remaining portions Residential Units which are less than 100 square feet. Common area within a building which serves Residential Units and which does not have any other commercial use shall not be assessed.

7.3 Commercial Property. Parcels which include commercial space shall be assessed according to the formula set forth in the Initial Assessment Schedule.

7.4 Exempt Property. Parcels which are used by non-profit or governmental entities primarily for the benefit of Campus residents or alumni may be exempt from Assessments or pay reduced Assessments as determined on an annual basis by the Campus Association. The Commons are not subject to assessment. The parking garages described in Section 2.1 (e) and in the Parking Agreement are not subject to assessment; however, any attachments or additions to the parking garages for commercial purposes are subject to assessment.

7.5 Definition of Net Leasable Commercial Square Footage. For purposes of calculating the commercial interests, net leasable commercial square footage shall include all heated or air-conditioned space which may be used for commerce, office, storage and other support areas for the commercial use, measured to the center of the wall. Commercial square footage shall not include any Residential Unit, or any stairwells or walkways used primarily to access residential space. At the discretion of the Campus Association, decks and other non-air-conditioned space which are used on a regular basis for commerce may also be considered as part of the square footage and assessed at a reduced rate, depending on use.

7.6 Determination by Association. The amount of assessed square footage for a particular Parcel, and the number of bedrooms of a Residential Unit, shall be as determined by the Campus Association in its reasonable discretion. The Association may establish rules for the definition and calculation of square footage, assessment of unimproved lots, determination of commercial use and other matters relating to assessment. The Association's agent may enter and examine buildings at reasonable times for assessment purposes. An Owner shall have the right to a hearing before the Association to appeal an assessment evaluation; however, the decision of the Association after appeal is final.

7.7 Parcels Retained by City. Unimproved Parcels retained by the City shall be assessed as set forth in the Initial Assessment Schedule, and with the City's consent, the assessment shall be subject to adjustment on a pro-rata basis (based on area) if assessments for other Parcels are adjusted. Notwithstanding the foregoing, in the event that the City retains ownership of the North New Building land (as defined in the Development Agreement) five (5) years after the date of recording of this Declaration, Founder shall assume payment of any assessment obligation with respect to the North New Building land thereafter, until the City conveys such land to a third party Owner.



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ARTICLE
VIII: Campus
Association Budget

To fulfill its obligation to maintain the Commons and other maintenance obligations under this Declaration, the Board is responsible for the fiscal management of the Campus Association

8.1 Fiscal Year The fiscal year of the Campus Association shall begin January 1 of each year and end on December 31 of that year, unless the Board selects a different fiscal year

8.2 Budget Items The budget shall estimate total expenses to be incurred by the Campus Association in carrying out its responsibilities. These expenses shall include, without limitation, the cost of wages, materials, insurance premiums, services, supplies and other expenses for the rendering of all services required by this Declaration or properly approved in accordance with this Declaration. The budget may also include reasonable amounts, as determined by the Board, for working capital for the Campus Association and for reserves. Fees for professional management of the Campus Association, accounting services, legal counsel and other professional services may also be included in the budget.

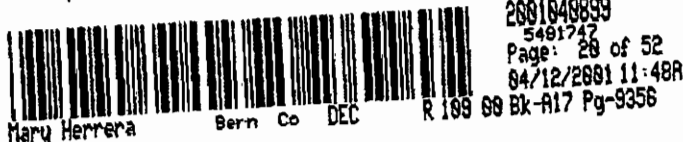
8.3 Reserves The Campus Association may build up and maintain reserves for working capital, contingencies and replacement, which shall be included in the budget and collected as part of the annual General Assessment. Extraordinary expenses not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves. Except in the event of an emergency, reserves accumulated for one purpose may not be expended for any other purpose unless approved by a majority vote of the Members. If the reserves are inadequate for any reason, including nonpayment of any Member's assessment, the Board may at any time levy an emergency assessment in accordance with the provisions of Section 9.4 ("Special Assessment"). If there is an excess of reserves at the end of the fiscal year and the Board so determines, the excess may be returned on a prorata basis (based upon the amount of the applicable General Assessment or Special Assessment charged) to all Members who are current in payment of all assessments due the Campus Association, or may be used to reduce the following year's assessments.

8.4 Preparation and Approval of Annual Budget

(a) Initial Budget The Founder, in conjunction with the Campus Association, shall determine the budget for the fiscal year in which a Parcel is first conveyed to an Owner other than the Founder

(b) Subsequent Years Beginning with the year in which a Parcel is first conveyed to an Owner other than the Founder and each year thereafter, at least one month before the end of the fiscal year, the Board shall, by majority vote, adopt a budget for the coming year and set the annual General Assessments at a level sufficient to meet the budget. At least two weeks before the fiscal year to which the budget applies, the Board shall send to each Member a copy of the budget in reasonably itemized form, which shall include the amount of General Assessments payable by each Member

(c) Approval If General Assessments are to be increased to greater than 115% of the previous year's General Assessment which was not a year in which General Assessments were guaranteed in whole or in part by Founder, and petitions signed by at least 10% of all Members request review within thirty (30) days after the budget is delivered to Members, the Board shall call a Campus Meeting to present the budget and to answer any questions. After presentation, the budget shall be deemed approved unless the percentage required to transact business is present



and the budget is rejected by a majority of the Members present. If the budget is rejected, the Board shall approve a new budget within ten (10) days and send a copy to each Member

8.5 Effect of Failure to Prepare or Adopt Budget. The Board's failure or delay in preparing or adopting the annual budget for any fiscal year, or review of the budget under Section 8.4 (c), shall not waive or release a Member's obligation to pay General Assessments whenever the amount of such assessments is finally determined. In the absence of an annual Campus Association budget each Member shall continue to pay the assessment at the rate established for the previous fiscal period until notified otherwise.

8.6 Capital Improvements. Any substantial capital improvement to the Commons approved by the Board must be ratified by a majority of the Members. If the substantial capital improvement is approved by the Members, the Board shall determine whether it shall be paid from General Assessments or by Special Assessment. A capital improvement shall be considered substantial if the cost to the Campus Association of the improvement is more than six percent (6%) of the Campus Association's annual budget, or if, when added to other capital improvements for the fiscal year, totals more than ten percent (10%) of the Campus Association's annual budget. However, any repair or replacement of existing improvements shall not be considered a capital improvement. Approval of the Architectural Review Board is required for all capital improvements. This paragraph shall not limit the right of the Founder to make improvements to the Commons.

8.7 Zone Expenses.

(a) Capital Improvements. Any Zone may, by two-thirds (2/3) vote of the Members within that Zone and approval of the Board, vote to assess themselves for capital improvements to Commons which will primarily benefit that Zone.

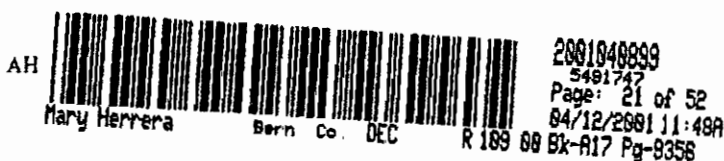
(b) Additional Services. Any Zone may, by majority vote of the Members within that Zone and approval of the Board, vote to assess themselves for maintenance or services in addition to those normally provided by the Association.

(c) Combined Zones; Smaller Groups. Zones may be combined or join together for such assessments. If more than one Zone is to vote, the Board shall determine whether approval and assessment is to be by Zone or by the combined group of Zones. If a group smaller than a Zone wishes to be assessed for capital improvements or services, all of those being assessed must agree to the assessment.

(d) Assessment Levy. Any assessment so approved shall be assessed to all Owners within that Zone or designated group as an Individual Parcel Assessment.

8.8 Individual Parcel Expenses. Certain services may be provided by the Campus Association but assessed to the affected Parcels rather than be included in the common expenses. Where such services can be reasonably estimated in advance, the Campus Association may budget for such expenses and assess the cost in advance to the affected Parcels, including the establishment of reserves.

8.9 Accounts. Reserves shall be kept separate from other Campus Association funds, either in a single account for all reserves or separated by purpose. All other sums collected by the Board with respect to Assessments and charges of all types may be commingled in a single fund.



ARTICLE IX:

Covenants for Maintenance Assessments

The cost of fulfilling the Campus Association's financial obligations is divided equitably among the Members by means of Assessments. To assure the Campus Association of a reliable source of funds and to protect those Members who contribute their equitable share, assessments are mandatory and are secured both by a lien on the Parcel and the Member's personal obligation.

9.1 Obligation for Assessments. The Founder, for each Parcel owned within the property submitted by this Declaration or Supplemental Declaration to the Campus, hereby covenants, and each Owner of any Parcel by acceptance of a deed or other transfer instrument, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Campus Association the following (to be known collectively as "Assessments"):

- (a) General Assessments for expenses included in the budget,
- (b) Special Assessments for the purposes provided in this Declaration, and
- (c) Individual Parcel Assessments for any charges particular to that Parcel,

together with a late fee and interest, as established by the Board, and cost of collection when delinquent, including a reasonable attorney's fee whether or not suit is brought. Upon default in the payment of any one or more installments, the Board may accelerate the entire balance of such Assessment, which shall be declared due and payable in full

9.2 Equitable Division of Assessment General Assessments and Special Assessments shall be assessed equitably among Parcels based upon allocation of Interests under Article VII. If an Owner combines two Parcels or parts of Parcels and uses them as a single Parcel, the Campus Association may assess them as a single Parcel or other formula in accordance with regulations consistently applied.

9.3 General Assessments

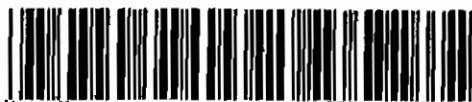
(a) Establishment by Board. The Board shall set the date or dates such assessments become due and may provide for collection of assessments annually or in monthly, quarterly or semiannual installments.

(b) Date of Commencement. The annual General Assessments shall begin on the day of conveyance of the first Parcel to an Owner other than the Founder. The initial Assessment on any Parcel subject to assessment shall be collected at the time title is conveyed to the Owner. During the initial year of ownership, each Owner shall be responsible for the prorata share of the annual General or Special Assessment charged to each Parcel, prorated to the month of closing.

9.4 Special Assessment. In addition to the General Assessment, the Board may levy in any fiscal year a Special Assessment applicable to that year and not more than the next four succeeding years as follows:

(a) Capital Improvements. Any substantial capital improvement which has been approved in accordance with Section 8.6 ("Capital Improvements") or any capital improvement not required to be approved by the Members may be paid by Special Assessment.

(b) Emergency Assessment. By a two-thirds (2/3) vote, the Board may impose a Special Assessment for any unusual or emergency maintenance or repair or other expense which



this Declaration or the law requires the Campus Association to pay (including, after depletion of reserves, any unexpected expenditures not provided by the budget or unanticipated increases in the amounts budgeted)

9.5 Individual Parcel Assessments. The Campus Association may levy at any time an Individual Parcel Assessment against a particular Parcel for the purpose of defraying, in whole or in part, the cost of any special services to that Parcel, for expenses approved by that Zone in accordance with Section 8.7, or any other charges designated in this Declaration as an Individual Parcel Assessment

9.6 Effect of Nonpayment of Assessment; Remedies

(a) Personal Obligation. All Assessments, together with any late fee, interest and cost of collection when delinquent, including a reasonable attorney's fee whether or not suit is brought (collectively, the "Assessment Charge") shall be the personal obligation of the person or entity who was the Owner of the Parcel at the time when the assessment was levied, and of each subsequent Owner. No Owner may waive or otherwise escape liability for the Assessment Charge by abandonment of the Parcel.

(b) Creation of Lien. The Assessment Charge shall also be charged on the land and shall be a continuing lien upon the Parcel against which the Assessment Charge is made, which may be enforced upon recording of a claim of lien. This lien, in favor of the Campus Association, shall secure the Assessment Charge which is then due and which may accrue subsequent to the recording of the claim of lien and prior to entry of final judgment of foreclosure. Any subsequent owner of the Parcel shall be deemed to have notice of the Assessment Charge on the land, whether or not a lien has been filed

(c) Suit for Payment; Foreclosure of Lien. The Campus Association may bring an action at law against the Owner personally obligated to pay the Assessment Charge, or may foreclose the lien in a manner as provided by law for foreclosure of a mortgage lien, or both. The Campus Association, acting on behalf of the Owners, shall have the power to bid for an interest in any Parcel foreclosed at such foreclosure sale and to acquire, hold, lease, mortgage and convey the Parcel

(d) Other Remedies. The Campus Association shall have the right to assess fines and suspend the voting rights and right to use of the Commons by an Owner for any period during which any Assessment against his Parcel remains unpaid.

9.7 Certificate of Payment. The treasurer of the Campus Association, upon request of any Owner and payment of a fee as established by the Campus Association, shall furnish a certificate signed by a member of the Board stating whether any assessments are owed by that Owner. Such certificate, when co-signed by the secretary of the Campus Association, may be relied upon by a good faith purchaser or mortgagee as conclusive evidence of payment of any assessment therein stated to have been paid.



ARTICLE X:

Insurance

Insurance is essential to protect the interests of the various Owners and to assure that funds will be available for rebuilding after a casualty. However, because insurance costs may increase significantly or new types of coverage made available, this Article gives flexibility to the Board to select insurance coverage that is reasonable for the conditions that exist at that time.

10 1 Review of Coverage. The Board shall review limits of coverage and deductibles for each type of insurance at least once each year.

10 2 Casualty Insurance The Board shall be required to obtain and maintain, casualty insurance on the Commons for extended coverage, vandalism, malicious mischief, flood and windstorm. Coverage shall be in an amount not less than necessary to comply with the co-insurance percentage stipulated in the policy, but in any event not less than 80% of the insurable value (based upon replacement) of the improvements constructed on the Commons.

10 3 Public Liability. The Board shall obtain public liability insurance in such limits as the Board may from time to time determine (but in any event, no less than \$1 million combined single limit for bodily injury and property damage per occurrence), naming the City as an additional insured, insuring against any liability arising out of, or incident to, the ownership and use of the Commons and any topographic conditions located on or adjoining the Campus. Whenever practicable, such insurance should be issued on a comprehensive liability basis and should contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Campus Association, the Board or other Owners

10 4 Director Liability Insurance. The Board may obtain liability insurance insuring against personal loss for actions taken by members of the Board and advisory members in the performance of their duties. Such insurance shall be of the type and amount determined by the Board in its discretion.

10 5 Other Coverage The Board shall obtain and maintain workman's compensation insurance if and to the extent necessary to meet the requirements of law, and such other insurance as the Board may determine or as may be requested from time to time by a majority vote of the Members

10 6 Parcel Coverage. Each Owner shall obtain casualty insurance for improvements on the Parcel, naming the Campus Association as an additional insured. Coverage shall be in an amount not less than necessary to comply with the co-insurance percentage stipulated in the policy, but in any event not less than 80% of the insurable value (based upon replacement) of the improvements constructed on the Commons. If requested by the Campus Association, an Owner shall provide evidence of such insurance to the Campus Association. During construction subject to the terms of the Development Agreement, the Founder shall comply with the insurance provisions of the Development Agreement

10.7 Repair and Reconstruction after Fire or Other Casualty.

(a) Commons. If fire or other casualty damages or destroys any of the improvements on the Commons, the Board shall arrange for and supervise the prompt repair of the improvements, unless the area is to be redeveloped as provided in Section 14 3 ("Redevelopment") The Board may restore the Commons to substantially original condition or may improve or modify the design or use. The reconstruction may be considered a substantial capital improvement in accordance with Section 8.6 only if and to the extent that it modifies the AHS Campus Declaration 2/23/01

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original purpose of the Commons, in which case insurance proceeds shall be considered as if they were assessments. The Board shall obtain funds for reconstruction first from the insurance proceeds, then from reserves for the repair and replacement of such improvements, and then from any Special Assessments that may be necessary after exhausting insurance and reserves.

(b) Parcel Improvements If fire or other casualty damages or destroys a building or any other improvements on a Parcel, the Owner of that Parcel shall immediately proceed to rebuild and restore the improvements to the condition existing immediately prior to such damage or destruction, unless other plans are approved by the Architectural Review Board or the area is to be redeveloped as provided in Section 14.3. If the Owner fails to clean and secure a Parcel within 30 days after a casualty, the Campus Association may, in accordance with the provisions of Section 5 10, remove debris, raze or remove portions of damaged structures and perform any other clean up the Campus Association deems necessary to make the Parcel safe and attractive. The cost of such clean-up shall be assessed to the Parcel Owner as an Individual Parcel Assessment

ARTICLE XI:
The Design Code and
Architectural Review
Board

The Design Code is intended to guide the reuse of existing buildings, and to assure that new buildings are compatible with historic buildings. This Article establishes the Design Code and the Architectural Review Board, which administers the Design Code

11.1 Design Code The Founder, with the approval of the City, will establish the Design Code as the plan for the construction and modification of improvements within the Campus. The Design Code is intended to further implement the objectives of historical preservation set forth in the Development Agreement. The Design Code does not need to be recorded to be effective. The Design Code will be available at the offices of the Founder and from the City.

11.2 Modification of Design Code During the Development Period, the Founder may revise any part of the Design Code from time to time (with the consent of the City, not to be unreasonably withheld) for any of the following reasons:

(a) To make changes which the Founder believes will better accomplish the objectives of the Campus;

(b) To establish separate provisions as property is added to the Campus in accordance with Section 2 2; or

(c) To adjust for market conditions

After the Development Period, the Board of Directors of the Campus Association by two-thirds vote may make modifications to the Design Code. If requested by petitions signed by at least 10% of the Members, a Campus Meeting may be called and, if a quorum is present, the modification to the Design Code shall be repealed by majority vote of the Members. The Design Code may not be modified to impair the rights of Parcel Owners who have not yet constructed a building to build improvements which are substantially similar to those permitted during the Development Period.



11.3 Architectural Review Board

(a) Establishment. The Founder hereby establishes the Architectural Review Board to administer the Design Code. The Architectural Review Board is not a committee of the Campus Association but exists as a separate entity under the terms of this Declaration

(b) Composition The Architectural Review Board shall consist of at least three members. During the Development Period, the Founder shall select the members of the Architectural Review Board. After that time, the Board of Directors of the Campus Association shall select the members of the Architectural Review Board, which may include members of the Board of Directors. To the extent reasonably possible, the Architectural Review Board shall include one or more architects, designers, builders or other professionals with an interest in home design.

(c) Employees The Architectural Review Board may employ personnel or contract with individuals or companies as necessary to assist in the review process

(d) Compensation. Professionals and staff may be paid reasonable compensation for serving on the Architectural Review Board, as determined from time to time by the Founder or the Board, whichever is responsible for selection of the Architectural Review Board members. All members shall be compensated for expenses.

(e) Cost of Operation. The Founder or the Board, whichever is responsible for selection of the Architectural Review Board members, shall set the Architectural Review Board's review fees to cover all or part of the expected cost of its operation and shall fund any deficit. Fees shall not be intended to create a surplus, other than an ordinary operating capital fund for the Architectural Review Board to which any excess fees shall be contributed.

ARTICLE XII: Design Review

The Architectural Review Board will review all plans for construction, or modification, of any Parcel or Commons

12.1 Construction Subject to Review

(a) Parcels. No modification of any building, tree or land clearing or grading or any construction is permitted on any Parcel until the Architectural Review Board has reviewed and approved construction plans and specifications. All construction must comply with the submitted and approved plans. Once a plan is approved, any modification to that plan, or any modification to the finished Parcel, must also be reviewed and approved.

(b) Commons. Construction of any structure upon the Commons (other than initial construction by the Founder), or modification of any existing structure, as well as any material alteration of the landscaping or topography of any Commons, must be approved in advance by the Architectural Review Board and the City.

(c) Scope. The Design Code shall set standards for all aspects of the Parcel visible from the outside, including without limitation the size and shape of the building, its roof, windows, doors, porches and other components, placement on the Parcel, fences, drainage, paving and landscaping and all finish materials. The Design Code may also regulate the type, placement and number of residential or business units which may be constructed on a Parcel and the uses to which those units may be put. Review shall include materials and color selection and selection and placement of any ornamentation or functional accessories, including but not limited to the following:



- (i) materials and color selection (including roof, doors, windows and trim);
- (ii) driveways, walks, patios and other ground surface materials;
- (iii) antennas, satellite dishes or receivers, solar panels or other devices which are visible from outside the Parcel;
- (iv) fountains, swimming pools, whirlpools or other pools;
- (v) privacy walls or other fences and gates;
- (vi) awnings, flower boxes, shelves, statues, or other outdoor ornamentation, and window coverings visible through the window;
- (vii) construction trailers or other trailers, temporary structures, tents, shacks, and sheds;
- (viii) signage of any type; and
- (ix) permanent or semi-permanent play equipment, whether or not secured, such as tree houses, basketball hoops, skateboard ramps and swing sets

The listing of a category does not imply that such construction is permitted.

(d) Exception. Interior construction and modifications not affecting the external structure or appearance of any Building are not subject to review. However, construction drawings are required as part of the review process to assist in interpreting the design

(e) Tree Preservation. The cutting, removal or intentional damage of existing trees (including excessive pruning or failure to use due care with equipment or when removing other trees permitted to be removed) shall be strictly regulated under the Design Code. The Architectural Review Board may require the relocation and replanting of trees which must be removed for construction. If particularly significant trees are found within the building setback lines, the Architectural Review Board shall determine whether the placement of the building should be altered to accommodate the trees, or whether the trees may be removed

(f) Drainage. All plans shall comply with applicable drainage, water conservation, erosion control and stormwater detention requirements

(g) Modifications. Modifications after completion of construction, or additions or changes to the approved plans during construction, must be reviewed and approved. However, review is not required to paint with originally approved materials and colors, or to replace the roof or other components with duplicates of the original material. Significant new landscaping, grading and any removal or substantial pruning of trees or plants must be approved in advance

12.2 Review Procedure

(a) Application. The plans to be submitted for approval shall include (i) the construction plans and specifications, including all materials and colors, (ii) elevations of all proposed improvements (iii) proposed clearing, grading and landscaping, and (iv) all other items required by the Architectural Review Board. Plans and specifications for review shall be submitted in the form required by the Architectural Review Board

(b) Uniform Procedures. The Architectural Review Board may establish forms and procedures for the review of applications, including review costs and fees, if any, to be paid by the applicant. The Architectural Review Board may provide lists of approved materials and may allow for staff review and approval of routine or minor matters.

(c) Basis for Decision. Applications shall be approved or denied based upon compliance with the provisions of the Design Code in effect at the time of the submittal, and overall quality of design. If the Architectural Review Board rejects an application due to overall

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design quality, despite compliance with the Design Code, the Architectural Review Board shall make suggestions for improving the design. Decisions of the Architectural Review Board shall be final and non-appealable.

(d) Variances The Architectural Review Board may grant variances from the Design Code based on existing topographical or landscape conditions, existing trees, or architectural merit. Any such variance must be in writing. Approval of a variance does not constitute a precedent for other applications, and such requests may be arbitrarily denied.

(e) Notification; Construction; Inspection The Architectural Review Board shall make best efforts to notify the applicant of its decision within the time allowances set out in its design approval process handbook. Failure to respond to an application within thirty (30) days shall be deemed an approval. If approval is given, construction of the improvements may begin. If construction is not begun within six months after approval of the plans and specifications and there has been any change in the Design Code in the intervening months, then the approval will expire and the plans and specifications must be resubmitted.

(f) Inspection The Architectural Review Board or its agent may inspect the property during construction but has no obligation to make any such inspection.

(g) Governmental Compliance Owners are responsible for making sure that construction conforms to governmental regulations and all local building codes. If the Architectural Review Board notes noncompliance, the Owner will be required to make the necessary changes. However, the Architectural Review Board is not responsible for compliance with governmental requirements.

12.3 Approval of Architects, Builders

(a) Generally The creation of the Campus streetscape depends on the quality of design and construction, and adherence to the Design Code. While architects and contractors are selected by the Owner, they must cooperate with the Architectural Review Board. Approval of architects and contractors is necessary to assure quality construction and a reasonable spirit of cooperation. Once granted, approval status may be reviewed and revoked or extended from time to time based on actual performance.

(b) Architects Architects and house designers must be approved by the Architectural Review Board before submitting plans. Approval shall be based on quality of past work, client satisfaction and understanding of, and willingness to work within, the Design Code.

(c) Contractors Contractors must be approved by the Architectural Review Board before building in the Campus. Approval shall be based on sensitivity to the historic nature of the property, willingness to build in accordance with approved plans and specifications, quality of past work, client satisfaction and financial history. Contractors must agree to comply with construction regulations, to dispose of construction debris properly and to build in accordance with the approved plans and specifications. Contractors must post a deposit for compliance and damages. Failure to comply may result in fines, forfeiture of the deposit and revocation of the right to build in the Campus.

12.4 Enforcement

(a) Fines The Architectural Review Board may require the builder or Owner to post a deposit from which the Architectural Review Board may deduct fines for failure to comply with the approved plans and specifications, tree regulations and rules for builder conduct. The collection of a fine shall not in any way diminish the available remedies at law or equity.



(b) Suit Permitted If any construction is begun which has not been approved or which deviates from approved plans and specifications, the Architectural Review Board, the Founder or the Campus Association may require the Owner to resolve the dispute through binding arbitration or may bring suit seeking damages, specific performance, declaratory decree and/or injunction, or any other remedy at law or in equity. The Board shall be empowered to bring suits on behalf of the Campus Association. If suit is brought and the court finds that the construction was not approved or that the construction deviated from the approved plans or specifications, then the party bringing suit shall also be awarded reasonable attorney's fees, even if the relief requested is not granted

(c) Trees. Improper cutting, removal or intentional damage to existing trees is subject to fines plus a requirement that the tree be replaced with an approved species of comparable caliper, or, if approved by the Architectural Review Board, a combination of trees totaling the caliper of the removed tree. Fines shall be set by the Architectural Review Board

(d) No Waiver. Failure to enforce any provision of these Master Deed Restrictions shall not be deemed a waiver of the right to do so at any time thereafter. Variances from the Design Code may be granted in particular circumstances; however, such variances shall not create a precedent for other applications

12.5 Liability The Architectural Review Board and its inspectors are concerned primarily with the Design Code, and are not responsible for compliance with governmental requirements or design or construction defects or use of materials affecting the safety or structural integrity of the building. Approval by the Architectural Review Board of an application shall not constitute a basis for any liability of the Founder, or members of the Architectural Review Board, Board of Directors or Campus Association for failure of the plans to conform to any applicable building codes or inadequacy or deficiency in the plans resulting in defects in the improvements, or for the performance or quality of work of any contractor or architect approved by it, or for non-compatible or unstable soil conditions or soil erosion, or any other condition of the property.

ARTICLE XIII: Founder's Reserved Rights

Most of the rights contained in this Article apply only to the Development Period or other stated period of time and will expire automatically

13.1 Selection of Board. During the Development Period, for so long as the City owns all Parcels other than Old Main and the Classroom Parcels, one (1) Board member shall be appointed by the Founder, one (1) Board member shall be appointed by the City, and the two (2) appointees shall appoint the third (3rd) Board member. After the Founder or its designee has acquired another Parcel in addition to Old Main and the Classroom Parcels, then the Founder may appoint two (2) Board members and the City shall appoint the third (3rd) Board member. Elections shall be conducted in accordance with the Bylaws. The Founder may voluntarily surrender the right to appoint and remove officers and members of the Board before termination of the Development Period, in which case the Founder reserves the right to record an instrument specifying that certain actions of the Campus Association or Board must be approved by the Founder before they become effective.

13.2 Easements in Favor of the Founder. In addition to the easements in Section 4.2, the Founder reserves for itself and its assigns the following easements in perpetuity:

(a) Construction. To the extent reasonably necessary, an easement over, under and through any roads, whether public or private, and any other Commons for construction



equipment and any other purpose related to continued construction of any property within the Master Plan Area. This easement shall expire when all improvements to the Master Plan Area are complete.

(b) Cable. An exclusive easement for installation, replacement, repair and maintenance of cable and fiber optic systems. By virtue of this easement the Founder, and its successors or assigns, may install and maintain facilities and equipment, excavate for such purposes and affix and maintain wires, circuits and conduits. However, the exercise of this easement must not unreasonably disturb each Owner's right of quiet enjoyment of his Parcel.

(c) Gas. An exclusive easement for installation, replacement, repair and maintenance of underground pipes for the distribution of propane or natural gas or both. By virtue of this easement the Founder, and its successors or assigns, may install and maintain facilities and equipment and excavate for such purposes. However, the exercise of this easement must not unreasonably disturb each Owner's right of quiet enjoyment of his Parcel.

13.3 Models; Sales and Management Offices. The Founder reserves for itself and its assigns the right to maintain a sales and/or rental office, a management office and an unlimited number of models within the Campus during the Development Period. These facilities may be located on any Parcel in the Campus and may be relocated from time to time at the Founder's discretion. The sales office, management office and models may be owned by different entities, including builders and other entities which are unrelated to the Founder. At the end of its use as a sales or management office or model, the Parcel shall be owned by the owner of record, subject to all normal covenants and restrictions for the Campus. Subject to state law and local ordinances, the Founder or its assigns may maintain signs on the Commons and on the sales office, management office and models advertising the Campus. All signs shall comply with applicable Design Code and City regulations.

13.4 Commercial Use of Images. The Founder shall have the following rights during the Development Period:

(a) together with the City, the exclusive right to grant permission for the Commons to be photographed, sketched, painted or its image otherwise reproduced for commercial use (including without limitation its use as a motion picture set or as a background for the display of fashions or other goods), and

(b) the right to grant permission for similar reproduction of the exteriors of any other part of the Campus which can be viewed from streets, alleys or Commons. Such exteriors may be reproduced without the consent of, or payment to, the Parcel Owner, but the above right is not intended to prevent any Parcel Owner from granting independent permission for any part of the Campus owned exclusively by that Owner, in which case the consent of the Founder shall not be required.

The Founder may collect a fee for its consent to the use of such images, or for the providing of support services to photographers or others. The Founder will equally share any such fees with the City. The exercise of these rights shall not interfere with normal and customary rights of architects as to structures designed by them. Consent of the Founder shall not be required for photography or other reproductions of the images of the Campus in connection with any news or feature coverage, for academic purposes, or by any governmental agency interested in the promotion of tourism or commerce or any other similar purpose.



ARTICLE XIV:
Amendment,
Redevelopment and
Termination

Property Owners should be able to rely on the Declaration and the general principles it states. Amendment should not be easy. However, new solutions will be proposed from time to time to make the Campus Association operate more efficiently or to adjust to changing conditions. Where clearly to the community's benefit, these new provisions should be incorporated into the Declaration

14.1 Amendment

(a) By Members. This Declaration may be amended at any time by an instrument signed by the president or vice president and secretary of the Campus Association, certifying approval in writing by two-thirds (2/3) of all Members. Any amendment during the Development Period shall require Founder's consent. Rights reserved to the Founder may not be amended at any time without the specific consent of the Founder.

(b) By the Founder. The Founder specifically reserves the absolute and unconditional right, at any time during the Development Period, to amend this Declaration without the consent or joinder of any other Owner, but with the consent of the Board, not to be unreasonably withheld (i) to conform to the requirements of the Federal Home Loan Mortgage Corporation, Veterans Administration, Federal National Mortgage Association or any other generally recognized institution involved in the guarantee or purchase and sale of home loan mortgages, (ii) to conform to the requirements of institutional mortgage lenders or title insurance companies, or (iii) to clarify the Declaration's provisions or correct errors.

(c) City Approval. All amendments to this Declaration shall require City approval, which shall not be unreasonably withheld.

(d) Limitation. Whenever any action described in this Declaration requires approval of greater than two-thirds (2/3) of the Members, amendment of that provision shall require the same percentage vote as would be required to accomplish that action directly.

(e) Recording. Any amendment shall take effect upon recording in the public records.

14.2 [Intentionally Deleted]

14.3 Redevelopment. All or a portion of the Campus, known as a "Redevelopment Area," may be purchased for redevelopment in accordance with the following provisions:

(a) Purpose. If the Campus should ever be struck by a natural disaster or other casualty, all or a portion of the Campus might be destroyed and need to be rebuilt. In general, after any casualty loss, improvements are to be rebuilt in accordance with the original plan. Alternatively, this section provides a method for redevelopment in accordance with a new plan when Parcel Owners representing sixty seven percent (67%) of the votes in the Campus Association, and a majority of the Mortgagees agree that it is necessary and desirable to do so. This super-majority approval is designed to protect individual property owners' rights and expectations in their property. However, when such consensus is achieved, this section allows redevelopment, while continuing to protect the dissenting owners by assuring payment to them of fair market value, plus a relocation allowance. The same method may be used when, after long periods of time, changing uses and conditions make redevelopment desirable.

(b) Redevelopment Area. A Redevelopment Area is a portion of the Campus which must be a defined, logical section for redevelopment. Both the plan for redevelopment and

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exercise of the purchase option for a Redevelopment Area must be approved by the Architectural Review Board and the Board prior to exercise of the option. The plan for redevelopment may include modification of the Design Code or termination of the Declaration for the Redevelopment Area.

(c) Purchase Option; Time When Available. The option to purchase Parcels within the Campus for redevelopment is not available until the occurrence of one of the following:

(i) Any time after fifty (50) years from the recording of this Declaration, or

(ii) Upon a casualty loss destroying at least 75%, by value, of the insurable improvements, either within all of the Campus, or within a Redevelopment Area. The option period for a casualty loss ends ninety (90) days after the casualty, and if the option is not exercised within that time, the damage must be repaired in accordance with Section 10 7 ("Repair and Reconstruction after Fire or Other Casualty").

(d) Requirements for Exercise. If Owners representing sixty seven percent (67%) of the Member's votes within the Campus or the Redevelopment Area, as applicable, and Mortgagees holding mortgages on a majority of the Parcels encumbered by mortgages, wish to make a new use of that portion of the property, such Owners may exercise an option to purchase the remaining Parcels and the Commons appurtenant thereto. The option to purchase must be executed by all Owners of all Parcels seeking the option, and must include all remaining Parcels and the Commons appurtenant thereto.

(e) Delivery of Option; Closing. The option to purchase (or copy of the original, executed option) must be delivered in person or by registered mail to each Owner of a Parcel to be purchased and to the City. The sale price shall be paid in cash or upon terms approved by the seller, and the sale shall be closed in a timely fashion following determination of the sale price.

(f) Price. The price for each Parcel and the applicable Commons to be purchased shall be its fair market value determined by agreement between the seller and purchaser within 30 days of the delivery or mailing of the notice. In the absence of agreement, the purchasing Owners and the selling Owners and the City shall each select a real estate appraiser, which appraiser shall then choose a third appraiser, and the purchase price shall be the average (mean) of the three appraisals. The fair market value of the property shall be determined in its present, as-is condition, subject to the Declaration, and the seller shall be entitled to any insurance proceeds attributable to that Parcel distributed on account of the casualty loss. The expense of the appraisals and all closing costs shall be paid by the purchaser.

(g) Relocation Allowance. In addition to the purchase price, the purchaser shall pay to the selling Owner a relocation allowance of five percent (5%) of the purchase price.

(h) Enforcement. A judgment of specific performance of the purchase based upon the determination of the price by the appraisers may be entered in any court of competent jurisdiction.

(i) Limitation. If necessary for this section's validity under the Rule Against Perpetuities or similar law, this option shall expire 90 years from the time of recording of this Declaration, or whatever greater time period allowed by law.

14 4 Duration; Termination. The covenants and restrictions contained in this Declaration shall run with and bind the Campus and shall inure to the benefit of and be enforceable by the Founder, the Campus Association, the City, and all Owners of property within the Campus, their respective legal representatives, heirs, successors or assigns for twenty years, and shall be

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automatically extended for each succeeding ten year periods unless an instrument signed by Owners representing 90% of the votes in the Campus Association, and the City, shall have been recorded, agreeing to terminate the Declaration as of a specified date.

This Declaration may also be terminated in any of the following ways:

(a) Unanimous Consent. The Declaration may be terminated at any time by the consent in writing of all Owners and the City.

(b) Redevelopment. The Declaration may be terminated for all or a part of the Campus in accordance with the redevelopment provisions of Section 14.3.

14.5 Rerecording. Unless this Declaration is terminated, the Campus Association shall rerecord this Declaration or other notice of its terms at intervals necessary under New Mexico law to preserve its effect

ARTICLE XV: General Provisions

15.1 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating a uniform and consistent plan for the development and operation of the Campus as a community of the highest quality. The italicized portions at the beginning of each Article are intended to state the purposes for the provisions that follow and may be used as an aid to interpretation. However, if the italicized portion conflicts with the operative provision, the operative provision shall govern

15.2 Invalidity. The invalidity of any part of this Declaration shall not impair or affect the validity or enforceability of the rest of the Declaration, which shall remain in full force and effect

15.3 Enforcement of Declaration

(a) Enforcement. Suit may be brought against any person, persons or entity violating or attempting to violate the provisions of this Declaration, either to restrain violation or to recover damages, and against his or its property to enforce any lien created by this Declaration. To enforce this Declaration or the Rules and Regulations, the Campus Association, the Founder or any Owner may bring an action for damages, specific performance, declaratory decree or injunction, or any other remedy at law or in equity. The Board shall be empowered to bring suits on behalf of the Campus Association.

(b) No Waiver. Failure to enforce any provision of this Declaration or the Rules and Regulations shall not be deemed a waiver of the right to do so at any time thereafter.

(c) Campus Association's Legal Fees. Any and all costs, including but not limited to attorneys' fees and court costs, which may be incurred by the Campus Association in the enforcement of any of the provisions of this Declaration, whether or not suit is brought, may be assessed as an Individual Parcel Assessment to the Owner against whom such action was taken.

15.4 Notices. Any notice required to be sent to the Owner shall be deemed to have been properly sent when mailed, postage prepaid, or hand delivered to the Parcel and, if different, to AHS Campus Declaration 2/23/01



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the last known address of the person who appears as Owner of the Parcel as that address is stated on the records of the Campus Association at the time of the mailing

15.5 Gender and Number. The use of the masculine gender herein shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

15.6 Consent of Mortgagees

(a) When Consent Required. This Declaration contains provisions concerning various rights, priorities, remedies and interests of Mortgagees. Such provisions are to be construed as covenants for the protection of the Mortgagees on which they may rely in making loans secured by a mortgage on a Parcel. Accordingly, no amendment or modification of this Declaration specifically impairing such rights, priorities, remedies or interests of a mortgagee shall be adopted without the prior written consent of Mortgagees as provided in subsection (b). This section shall not be construed, however, as a limitation upon the rights of the Founder, the Campus Association or the Members to make amendments which do not adversely affect the Mortgagees.

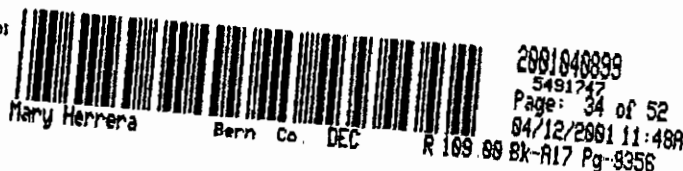
(b) Percentage Required. Wherever consent of the Mortgagees is required, it shall be sufficient to obtain the written consent of Mortgagees holding a lien on a majority or more of all Parcels encumbered by a mortgage.

(c) Timely Response. Any such required consent shall be given promptly and shall not be unreasonably withheld. Any consent not given or denied within 30 calendar days of receipt of request for consent shall be deemed given

15.7 Nondiscrimination. Neither the Founder nor any Owner shall discriminate upon the basis of race, creed, religion, color, gender, sexual preference or national origin in the sale, lease or rental or in the use or occupancy of any part of the Campus or any improvement. Neither the Founder nor any Owner shall effect or execute any agreement, lease, conveyance or other instrument whereby the Campus or any part of it is restricted upon the basis of race, creed, religion, color, gender, sexual preference or national origin in any sale, lease or occupancy. The founder and all Owners shall comply with all state and local laws in effect from time to time prohibiting discrimination or segregation by reason of race, creed, religion, color, gender, sexual preference or national origin in the sale, lease or occupancy of the Campus.

15.8 Law to Govern. This Declaration shall be construed in accordance with the laws of the State of New Mexico.

15.9 City Provisions. The City hereby designates the Chief Administrative Officer of the City of Albuquerque, P. O. Box 1293, 1 Civic Plaza, Albuquerque, New Mexico 87103, as the "City Office" authorized to accept notices and to take actions on behalf of the City. Notices shall also be delivered to the Manager of Albuquerque Development Services, 2700 Central S.W., Albuquerque, New Mexico 87104. The address and/or the name of the authorized City Office may be changed by supplement to this Declaration, duly authorized and executed on behalf of the City and filed in the real estate records of Bernalillo County, New Mexico. Wherever this Declaration requests the consent of the City, the approval of the City, or similar actions, such consent, approval or other action shall be conclusively established by execution by the authorized City Office. The City Office shall be responsible to determine that approval or consent has been obtained from applicable officials or staff of the City Administration, or the City Counsel



IN WITNESS WHEREOF, the undersigned does hereby make this Declaration of Charter, Easements, Covenants and Restrictions for the Campus and has caused this Declaration to be executed as of the day and year first above written.

FOUNDER:

PARADIGM & COMPANY, L.L.C., a New Mexico limited liability company

By: Robert H. Dickson
Name: Robert H. Dickson Jr
Title: Managing Member

CITY:

CITY OF ALBUQUERQUE, a municipal corporation

By: Jim Baca
Name: _____
Title: _____

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss.

This instrument was acknowledged before me on March 30, 2000 by Robert H. Dickson Jr., Managing Member of Paradigm & Company, L.L.C., a New Mexico limited liability company.

D S Stuart
Notary Public

My commission expires:

OFFICIAL SEAL
D.S. STUART
NOTARY PUBLIC STATE OF NEW MEXICO
My commission expires 7-19-03

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STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

This instrument was acknowledged before me on April 6, 2008 by Jim Baca of City of Albuquerque, a municipal corporation.

Trina M. Sprunk
Notary Public

My commission expires:



Exhibits:

- A - Master Plan Area
- B - Articles of Incorporation
- C - Bylaws
- D - Initial Assessment Allocation



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EXHIBIT A

Campus

High School Block:

Tracts lettered A-1-A, A-3, A-4, A-5, A-6 and A-7 of BANNER SQUARE ADDITION, to the City of Albuquerque, New Mexico, being a replat of Tract A-1 of said Addition, as the same are shown and designated on said replat, filed in the office of the County Clerk of Bernalillo County, New Mexico on December 22, 2000 in Map Book 2000C, Folio 314

Manual Arts Building:

Tract A-2 of BANNER SQUARE ADDITION, to the City of Albuquerque, New Mexico, being a replat of Tract A-1 of said Addition, as the same are shown and designated on said replat, filed in the office of the County Clerk of Bernalillo County, New Mexico on December 22, 2000 in Map Book 2000C, Folio 314. (The Manual Arts Building is not submitted to this Declaration at this time.)

North Block:

Tracts lettered B-1-A of BANNER SQUARE ADDITION, to the City of Albuquerque, New Mexico, being a replat of Tract A-1 of said Addition, as the same is shown and designated on said replat, filed in the office of the County Clerk of Bernalillo County, New Mexico on December 22, 2000 in Map Book 2000C, Folio 314.

South Block:

Tracts lettered C-1-A, C-2 and C-3 of BANNER SQUARE ADDITION, to the City of Albuquerque, New Mexico, being a replat of Tract A-1 of said Addition, as the same are shown and designated on said replat, filed in the office of the County Clerk of Bernalillo County, New Mexico on December 22, 2000 in Map Book 2000C, Folio 314



EXHIBIT B

ARTICLES OF INCORPORATION

FOR

**HISTORIC ALBUQUERQUE HIGH SCHOOL CAMPUS ASSOCIATION, INC.,
A NEW MEXICO NOT-FOR-PROFIT CORPORATION**



The undersigned for the purposes of forming a nonprofit corporation under the provisions of the New Mexico Nonprofit Corporation Act, NMSA § 53-8-1, et seq., adopts the following Articles of Incorporation for such Corporation.

**ARTICLE I
NAME**

The name of the corporation is the HISTORIC ALBUQUERQUE HIGH SCHOOL CAMPUS ASSOCIATION, INC., hereinafter referred to as the "Association." The street address of the Association is c/o Paradigm & Company, 300 West Avenue, Suite 4322, Austin, Texas 78701.

**ARTICLE II
REGISTERED AGENT**

The address of the initial registered office of the Association is 1401 Central Avenue N W, Albuquerque, New Mexico 87104. The name of its initial registered agent at such address is Charles P. Price III.

**ARTICLE III
PURPOSES**

The Association does not contemplate pecuniary gain or profit to its members. The Association's specific purposes are to provide for the maintenance and preservation of the property to be known as the Historic Albuquerque High School Campus (the "Campus") in accordance with the Declaration of Charter, Easements, Covenants and Restrictions, recorded or to be recorded in the public records of Bernalillo County, New Mexico (the "Declaration") for the mutual advantage and benefit of the members of the Association, who shall be owners of Parcels within the Campus. To promote the health, safety and welfare of the owners of Parcels, the Association shall have and exercise the following authority, powers and duties:

(a) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration, which is hereby incorporated by reference, as it may be amended from time to time.



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(b) To acquire, by gift, purchase or otherwise, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association

(c) To operate, maintain and manage the surface water or stormwater management system(s) in a manner consistent with governmental requirements and applicable rules; to assist in the enforcement of the restrictions and covenants contained therein; and to levy and collect adequate assessments against members of the Association for the costs of maintenance and operation of the surface water or stormwater management system, including but not limited to work within retention areas, drainage structures and drainage easements

(d) To borrow money and to mortgage, pledge or hypothecate any and all of its real or personal property as security for money borrowed or debts incurred.

(e) To participate in mergers and consolidations with other nonprofit corporations organized for similar purposes.

(f) To have all other authority, powers and duties of a nonprofit corporation within the State of New Mexico which are not inconsistent with the Declaration.

ARTICLE IV MEMBERSHIP

Every person or entity who is a record owner of a Parcel (as defined in the Declaration) within the Campus shall be a member of the Association, subject to the provisions of the Declaration. Membership shall be appurtenant to and may not be separated from ownership of any Parcel

ARTICLE V VOTING RIGHTS

Voting rights are assigned in accordance with the provisions of the Declaration. However, until the occurrence of certain events as described of the Declaration, the developer of the Campus shall have the right to elect a majority of the members of the Board

ARTICLE VI BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of Directors, who do not need to be members of the Association. The Board of Directors shall be selected as provided in the Declaration and Bylaws.

The initial Board of Directors shall consist of three (3) persons. The initial Board of Directors who shall hold office until their successors shall take office, are as follows:

2



Robert H. Dickson, Jr.
300 West Avenue, Suite 4322
Austin, TX 78701

Rick Davis
1114 Pennsylvania N.E.
Albuquerque, NM 87110

Ken Balizer
Albuquerque Development Services
2700 Central Avenue SW
Albuquerque, NM 87104

ARTICLE VII TERM OF EXISTENCE

This corporation shall commence existence with the filing of these Articles of Incorporation with the Public Regulation Commission of New Mexico. The corporation shall have perpetual existence unless sooner dissolved in accordance with the provisions herein contained or in accordance with the laws of the State of New Mexico

ARTICLE VIII DISSOLUTION

The Association may be dissolved as provided in the Declaration

ARTICLE IX OFFICERS

Subject to the direction of the Board, the affairs of this Association shall be administered by its officers, as designated in the Bylaws of this Association. Said officers shall be elected annually by the Board in accordance with the Bylaws.

ARTICLE X BYLAWS

The Bylaws of this Association shall be adopted by the first Board and recorded as required by law. The Bylaws may be altered, amended, modified or repealed by (a) a majority of the Directors, or (b) assent in writing of members representing a majority of the voting interests. Any such modification shall be effective upon recording as required by law.



Mary Herrera

Bern Co

DEC

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ARTICLE XI
AMENDMENTS

This Association reserves the right to amend or repeal any of the provisions contained in these Articles by approval in writing of two-thirds (2/3) of the membership

ARTICLE XII
SUPREMACY

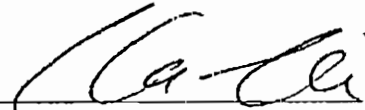
These Articles and the Bylaws are subject to the Declaration and in the event of a conflict, the Declaration shall govern. In the event of a conflict between the Articles and Bylaws, the Articles shall govern.

ARTICLE XIII
INDEMNIFICATION

This Association shall indemnify and hold harmless any and all of its present or former directors, officers, employees or agents, to the full extent permitted by law. Said indemnification shall include but not be limited to the expenses, including the cost of any judgments, fines, settlements and counsel's fees actually and necessarily paid or incurred in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative, and any appeal thereof, to which any such persons or his legal representative may be made a party or may be threatened to be made a party by reason of his being or having been a director, officer, employee or agent as herein provided. The foregoing right of indemnification shall not affect any their rights to which any director, officer, employee or agent may be entitled as a matter of law or which he may be lawfully granted.

Dated: 2/27, 2001.

Incorporator:



Charles P. Price III
1401 Central Avenue N W.
Albuquerque, New Mexico 87104



Mary Herrera

Bern. Co

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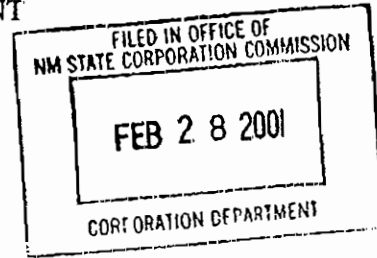
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AFFIDAVIT OF ACCEPTANCE OF APPOINTMENT
BY DESIGNATED REGISTERED AGENT



To the Public Regulations Commission
State of New Mexico

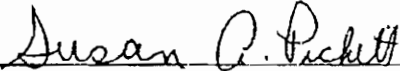
State of New Mexico)
)ss:
County of Bernalillo)

On this 21st day of February, 2001, before me, a Notary Public, in and for the State and County aforesaid, personally appeared Charles P. Price III, who is to me known to be the person and who, being by me duly sworn, acknowledged to me that he does hereby accept her appointment as the initial Registered Agent of HISTORIC ALBUQUERQUE HIGH SCHOOL CAMPUS ASSOCIATION, INC., the Corporation which is named in the annexed Articles of Incorporation, and which is applying for a Certificate of Incorporation pursuant to the provisions of the Nonprofit Corporation Act of the State of New Mexico.



CHARLES P. PRICE III

SUBSCRIBED AND SWORN to before me this 21st day of February, 2001, by Charles P Price III.



Notary Public

My Commission Expires:

4/29/03

Articles doc
2/26/01



EXHIBIT C

BYLAWS FOR HISTORIC ALBUQUERQUE HIGH SCHOOL CAMPUS ASSOCIATION, INC., A NEW MEXICO NOT-FOR-PROFIT CORPORATION

ARTICLE I MEMBERS

1.1 Membership. The members of the Historic Albuquerque High School Campus Association, Inc. (the "Association"), a corporation not for profit organized under New Mexico law, shall consist of the owners of parcels ("Parcels") in Albuquerque (the "Campus") located in Bernalillo County, New Mexico, as described in the Declaration of Charter, Easements, Covenants and Restrictions recorded or to be recorded in the public records of Bernalillo County, New Mexico (the "Declaration"). The membership of each Owner shall terminate when the Owner ceases to be an Owner of a Parcel. Upon the sale, transfer or other disposition of an ownership interest in a Parcel, membership in the Association shall automatically be transferred to the new Parcel Owner. The Association may issue certificates evidencing membership.

1.2 Shares; Votes. Each member shall have an interest in the funds and assets of the Association and shall be assigned a vote as set out in the Declaration.

ARTICLE II MEETINGS OF MEMBERSHIP

2.1 Rules. The meetings of the membership shall be held in accordance with the provisions of the Declaration and, subject to the Declaration, in accordance with these By-Laws. Except where in conflict with the Declaration, Roberts Rules of Order (as amended) shall govern the conduct of all membership meetings.

2.2 Annual Meeting. The annual meeting of the Association membership shall be held at the offices of the Association or at such other place in the state of New Mexico as shall be designated by the Board or the President of the Association. The annual meeting shall be at a place and time determined by the Board, which shall ordinarily be at least 11 months but no later than 13 months since the previous annual meeting.

2.3 Special Meetings. Unless specifically provided otherwise herein or in the Declaration, meetings of the membership shall be held when directed by the President or the Board or when requested in writing by members holding a majority of the votes having the right to vote at such meeting. The call for the meeting shall be issued by the secretary.



2.4 Notice. Notice of all members' meetings, regular or special, shall be given by the President, Vice President or Secretary of the Association to each member unless waived in writing. Such notices shall be mailed or personally delivered to each member not less than ten (10) nor more than thirty (30) days prior to the meeting, except in an emergency, in which case the Board shall give such notice as is reasonable under the circumstances.

In addition, except in an emergency, when such notice requirement shall be waived, written notice shall be posted at a conspicuous place on the Campus not less than forty-eight (48) hours prior to any special meeting and not less than fourteen (14) days prior to the annual meeting.

2.5 Waiver. Any Owner may waive notice of a meeting or consent to the holding of a meeting without notice or consent to action taken without a meeting, by execution of a waiver or consent in writing. Such waiver or consent may be executed prior to, at, or subsequent to the meeting or Association action to which the waiver or consent relates.

2.6 Quorum. Voting at an Association meeting requires presence of Members (in person, by proxy or, to the extent allowed by New Mexico law, by telephone conference) representing the percentage of votes established by the Board as necessary to transact business. The Board may revise this percentage from time to time, but in no event shall the required percentage be less than 25% or more than 50% of the membership.

2.7 Proxies. Proxies shall be in writing and are revocable at any time at the pleasure of the member executing it. A proxy shall be valid only for the particular meeting designated and any lawfully adjourned meetings thereof (but in no event shall a proxy be valid for more than 90 days after the date of the first meeting for which it was given). All proxies must be filed with the Secretary before the appointed time of the meeting.

2.8 Action without Meeting. If permitted by the Board, the membership may approve any matter (specifically including the election of Directors) by written ballot. Ballots shall be mailed or hand delivered to all Members. The Board shall establish for each vote the amount of time to be permitted for voting, which shall be no less than 10 days nor more than 60 days, and all ballots returned within the permitted time shall be counted. The Board may also establish a minimum number of ballots which must be returned in order for the vote to be valid, within the limits required for a quorum.

ARTICLE III BOARD OF DIRECTORS

3.1 Initial Composition. The Board shall initially consist of at least three persons who shall be originally appointed by the Developer.

3.2 Election By Owners. Owners shall elect a majority of the Board of the Association as provided in the Declaration.



3.3 First Election. Within sixty (60) days after the Owners other than the Developer become entitled to elect a member of the Board, the Association shall call a meeting of the Owners to elect a member or members of the Board. Notice shall be given not less than thirty (30) days nor more than forty (40) days before the meeting. The meeting may be called and notice given by any Owner if the Association fails to do so. At the meeting, such Owners shall elect the director or directors which they are then entitled to elect, who shall replace those named by the Developer and who shall serve until the next regularly scheduled annual meeting of the Association, when their successors shall be elected as provided in the Bylaws.

3.4 Number of Directors. The Board shall consist of at least three Directors, plus the immediate past president, if not already a director and otherwise available to serve. The number of directors shall be determined from time to time by the Board. When the immediate past president serves as an additional director, he or she shall not vote when an even number of directors is present.

3.5 Term. Directors shall hold office for a term of two years, except the immediate past president, who shall serve for one year. A director may be elected to a one-year term to permit staggered terms. Directors may be elected for successive terms.

3.6 Qualifications. Directors are not required to be Members.

3.7 Voting Procedure. Each Member shall have one vote for each seat to be filled. No cumulative voting shall be permitted. The candidates receiving the highest number of votes shall be declared elected.

3.8 Removal. Except for directors selected by the Developer, any director may be removed from office, with or without cause, by at least a majority vote of all Members, at any duly called meeting of Members. A special Association meeting to remove a director or directors from office may be called by Members representing 10% of the membership giving notice of the meeting unless a lower percentage is permitted by law. The notice shall state the purpose of the meeting and shall be given to all Members in writing at least one week prior to the Association meeting.

3.9 Vacancy. Any vacancy occurring in the Board may be filled by a majority vote of the remaining Board members, except that a vacancy resulting from removal of a director by the members shall be filled by a vote of the membership. Members shall also vote to fill a vacancy if there are not sufficient remaining Board members to constitute a quorum.

3.10 Meetings. An annual meeting of the Board shall be held immediately following the annual meeting of the membership and at the same place. Special meetings of the Board shall be held upon call by the President or a majority of the Board on not less than forty-eight (48) hours notice in writing to each director, unless the Board determines an emergency to exist, in which event the Board shall give such notice as is reasonable under the circumstances. All meetings of the Board

at which official action may take place shall be open to all members and, except in an emergency as provided above, notices of all such meetings shall be posted in a conspicuous place on the Campus at least 48 hours prior to the meeting. However, members shall not be entitled to vote or participate in any other way at the meeting.

3.11 Waiver. Any director may waive notice of a meeting or consent to the holding of a meeting without notice or consent to any action of the Board without a meeting. Such waiver or consent may be executed prior to, at, or subsequent to the meeting or Board action to which the waiver or consent relates.

3.12 Quorum. Voting at a Board meeting requires presence of at least one-half of the directors, in person or telephone conference or, if permitted by law, by proxy or by any other permissible means. Any action required to be taken by vote of the Board may be taken in the absence of a meeting (or in the absence of a quorum at a meeting) by obtaining the written approval of a majority of the Board.

3.13 Compensation. Directors shall receive no compensation for their services unless expressly provided for in resolutions duly adopted by the Owners but may be reimbursed for expenses.

3.14 Powers and Duties. The Board shall have the following powers and duties:

- (a) To elect the officers of the Association as hereinafter provided;
- (b) To administer the affairs of the Association and the Campus and formulate policies for such purposes;
- (c) To adopt administrative rules and regulations governing the administration, management, operation and use of the Campus and to amend such rules and regulations from time to time;
- (d) To provide for the maintenance, repair and replacement of those parts of the Campus stated in the Declaration to be maintained by the Association;
- (e) To provide for the designation, hiring and removal of employees and other personnel or service companies, including a property manager, to engage or contract for the services of others, to make purchases for the maintenance, repair, replacement, administration, management and operation of the Campus and to delegate any such powers to the employees or agents of the Association;
- (f) To estimate the amount of the annual budget, to provide the manner of assessing and collecting from the Owners their respective shares of such estimated expenses as hereinafter provided and to assess any supplemental assessment as the Board shall deem necessary;

(g) Unless otherwise provided herein or in the Declaration, to comply with the instructions of a majority of the Owners as expressed in a resolution duly adopted at any annual or special meeting of the Owners; and

(h) To exercise all other powers and duties of the Board provided for in the Declaration and the Articles.

ARTICLE IV OFFICERS

4.1 Election. Subject to the provisions of the Declaration and Articles, at each annual meeting of the Board, the Board shall elect the following officers of the Association:

(a) A President, who shall be a director, shall preside over the meetings of the Board and of the Association and shall be the chief executive officer of the Association. In the recess of the Board, the President shall have general control and management of the business and affairs of the Association;

(b) One or more Vice Presidents, who shall also be directors and who shall, in the absence or disability of the President, perform the duties and exercise the powers of the President;

(c) A Secretary, who shall keep the minutes of all meetings of the Board and of the membership and who shall perform all the duties generally incident to the office of Secretary;

(d) A Treasurer, who shall cause to be kept the financial records and books of account of the Association; and

(e) Such additional officers as the Board shall see fit to elect. An individual may hold more than one position

4.2 Powers. The officers shall have the general powers usually vested in such officers of a not-for-profit corporation, provided that the Board may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any officer as the Board may deem necessary.

4.3 Term. Each officer shall hold office for the term of one year and until his successor shall have been elected and qualified.

4.4 Vacancy. Vacancies in any office shall be filled by the Board at special meetings thereof. Any officer may be removed at any time, with or without cause, by the affirmative vote of a majority of the whole Board.



4 5 Compensation. Officers shall receive no compensation for their services, unless expressly provided for in a resolution duly adopted by the Owners, but may be reimbursed for expenses.

ARTICLE V RECORDS

5 1 Accounting. The Board shall maintain accounting records according to generally accepted accounting practices, which records shall be open to inspection by Owners at reasonable times and upon reasonable notice. These accounting records shall include a record of receipts and expenditures and a separate account for each Owner showing the assessments charged to and paid by such Owner. Within ninety (90) days after the end of each year covered by an annual budget, the Board shall cause to be furnished to each Owner a statement for such year showing the receipts and expenditures and such other information as the Board may deem desirable. Upon reasonable notice to the Board, any owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from him...

5 2 Meetings. The Board shall keep a record of all meetings, both of the Board and of the Association. For each action taken, the record shall state the vote and a description of the action approved, and, where applicable, the reasons why the action was considered necessary and a summary of the information on which the decision was based. The record shall be available for inspection by any Member.

ARTICLE VI AMENDMENT

The Bylaws may be altered, amended, modified or repealed by (a) a majority of the Directors, or (b) assent in writing of members representing a majority of the voting interests. Any such modification shall be effective upon recording as required by law.

ARTICLE VII SUPREMACY

In the event of a conflict among the Bylaws, Articles or Declaration, the Declaration shall control, followed by the Articles and then Bylaws.




These Bylaws were adopted by the Board on _____, 2001

HISTORIC ALBUQUERQUE HIGH SCHOOL
CAMPUS ASSOCIATION, INC , a New Mexico
Not-for-profit Corporation

By: _____
Name: _____
Title: _____

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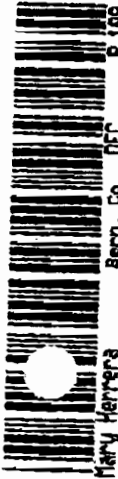
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EXHIBIT D

**Historic Albuquerque High School Campus Association, Inc.
Initial Assessment Allocation**

Building	Size	Assessment Basis	Assessment		Unimproved Assessment
			Total Units	Shell Assessment	
Old Main/Classroom	69 residential units	0.1/100 sq. ft.	49.9	49.9	49.9
Library	12,000 sq. ft. office	1.0/500 sq. ft.	24.0	8.0	8.0
Gym	50,000 sq. ft. (50% residential/office)	As above	75.0	25.0	25.0
New Campus Buildi	24 residential units/18,000 sq. ft.	0.1/100 sq. ft.	18.0	N/A	4.5
Hotel	100 rooms	1.0/room	66.7	N/A	16.7
South Lot/Central	6, 24 x 50 lots, 3 floors Retail 1st floor Residential 2nd & 3rd floors	4.0/first floor 1.2/second floor 1.2/third floor	25.6	N/A	6.4
South Lot/Arno	5, 35 x 80, 1 floor office spaces	1.0/500 sq. ft.	18.7	N/A	4.7
South Lot/Copper	6, 24 x 40, 3 floor live/work units	2.0/first floor 1.0/second floor 1.0/third floor	16.0	N/A	4.0



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EXHIBIT D

**Historic Albuquerque High School Campus Association, Inc.
 Initial Assessment Allocation**

Building	Size	Assessment			Unimproved Assessment
		Basis	Total Units	Shell Assessment	
North Lot/Arno	6, 25 x 35, 3 floor live/work units	1.8/first floor	14.4	N/A	3.6
		0.9/second floor			
North Lot/Tijeras	6,875 sq. ft. retail	1.0/300 sq. ft.	15.3	N/A	3.8
North Lot/Broadway	9, 25 x 35, 4 floor retail/office/residential	1.0/300 sq. ft./first floor	38.5	N/A	9.6
		1.0/500 sq. ft./second floor			
		0.1/100 sq. ft./3rd & 4th floors			
North Lot/MLK	15,750 sq. ft. office, 3 floors	1.0/500 sq. ft.	21.0	N/A	5.3
TOTALS			383.0		141.4

Notes:

- Properties on North and South Lots assessed at 2/3 of full value. Properties on Campus assessed at full value.
- Shell properties assessed at 1/3 of their improved value.
- Unimproved properties assessed at 1/4 of their improved value.

9/25/00

IN WITNESS WHEREOF, the undersigned does hereby make this Declaration of Charter, Easements, Covenants and Restrictions for the Campus and has caused this Declaration to be executed as of the day and year first above written.

FOUNDER:

PARADIGM & COMPANY, L.L.C., a New Mexico limited liability company

By: Robert H. Dickson, Jr.
Name: ROBERT H. DICKSON, JR.
Title: MANAGING MEMBER

CITY:

CITY OF ALBUQUERQUE, a municipal corporation

By: _____
Name: _____
Title: _____



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