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OFFICIAL RECORDS OF
PINAL COUNTY RECORDER
LAURA DEAN-LYTTLE

DATE: 05/16/01 TIME: 1002
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**DECLARATION OF ESTABLISHMENT OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR LAS MONTANAS**

The undersigned Tierra Rica Development, Inc. Defined Benefit Pension Plan
(Developer) being the owner of following described premises situated in Pinal County, Arizona,
to-wit:

LEGAL DESCRIPTION:

See exhibit A

This declaration is made to establish the nature of the use and enjoyment thereof; does hereby
declare said premises subject to the following express covenants, conditions, and restrictions as
to the use and enjoyment thereof, all of which are to be construed as restrictive covenants
running with the title to said premises and with each and every part and parcel thereof, shall
inure to and pass with each and every parcel of said property and shall apply to and bind the
respective successors in interest of the present owner thereof; said provisions, conditions,
restrictions, and covenants are and each thereof is imposed upon said property therein as the
dominant tenement or tenements as follows:

1) Said property and the whole thereof shall be used for private residential purposes
only, no building or structures intended for or adopted to business with employees shall be
erected, placed, permitted or maintained on said property or on any part thereof. No
improvement or structures whatsoever, other than one first class private dwelling house, patio
walls, swimming pool and customary outbuildings, including but not limited to a private stable,
garage, or guest house may be erected, placed or maintained on any lot in said property. No
manufactured homes, mobile homes, prefabricated homes, prefabricated storage buildings or
prefabricated garages shall be permitted.

No dwelling house shall be erected upon said property which shall contain less than 2500
square feet of livable floor space, exclusive of storage, porches, garages (minimum double car
garage) and basement. No improvement or structure including dwelling shall exceed (2) two
stories and a maximum of (28) twenty eight feet in height. No guest house shall be erected on
said property which shall contain less than 500 square feet or a maximum of 1,250 square feet of
livable floor space, exclusive of storage, porches, garage and basement. All guest house, barn,
garage, stable and tack room construction shall blend in quality and architecture to that
construction of the main dwelling (guest house shall be no further than 50 feet from main
dwelling house).

2) No elevated tanks of any kind shall be erected, placed or permitted upon any part of said property. Any tanks for use in connection with any residence, including tanks for the storage of fuels must be buried or walled sufficiently to conceal them from the view of neighboring lots, roads or streets. All clotheslines, garbage cans, gas meters, equipment or storage piles shall be walled in or otherwise concealed from the view of neighboring lots, roads or streets. Plans for all such enclosures of this nature must be approved by the Developer prior to construction.

3) Any single-family dwelling, garage, corral, guest house, building, wall, fence, hedge, coping, or other structure more than six feet in height, erected upon any lot and every part thereof shall be located not closer to any property line of said building site than thirty feet excepting those property lines which form the perimeter of the subdivision. The minimum setback from such perimeter lot lines shall be fifteen feet. A fence, hedge, wall or coping under six feet in height may extend to a property (or easement) line. In determining the height of such fence, wall, hedge, or coping, the average ground level shall be used. All set backs and wall heights must conform to Pinal County requirements.

4) All electrical service and telephone lines from the utility company pole lines shall be placed underground and no outside lines shall be placed overhead. Exposed radio transmission and/or receiving antennas and television antennas must be at least partly concealed. Lot owner shall avoid any digging, such as post holes or tree holes, directly over underground utilities; and will be responsible for any damage repairs so caused.

5) On Lots 4 thru 31 unit I and lots 1 thru 27 of unit II a maximum of (2 (two) horses shall be allowed per parcel. No other animals, livestock or fowl may be kept, raised for any purpose, except that dogs, cats, horses or other household pets may be kept provided that they are not kept, bred, or maintained for any commercial purpose. Owner may construct horse corrals within the rear center portion of the desert setting with good and orderly workmanship. The corrals must meet with the following setbacks from rear and side of property, from back property line a minimum of forty (40) feet, from each side of property line a minimum of 40 (forty) feet. Manure to be disposed of promptly and not to be stored or piled on property (to be disposed of at least once each month). All other set backs are to conform with Pinal County standards.

On all remaining lots in all units (1-5) no animals, horses, livestock or fowl may be kept, raised for any purpose, except that dogs, cats, or other household pets may be kept provided that they are not kept, bred, or maintained for any commercial use.

6) No lot shall be used in whole or in part for the storage of rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such lot to appear in an unclean or untidy condition or that will be obnoxious to the eye, nor shall any substance, thing or material be kept upon any lot that will emit sour or obnoxious odors, or that will cause any noise that will or might disturb the peace, quiet, comfort or serenity of the occupants of surrounding property.

7) No billboards or advertising signs of any character shall be erected, placed, permitted or maintained on any lot or improvement thereon except that one 18" X 24" for sale sign is permitted from time to time as a parcel is placed upon the market. The provisions of this paragraph may be waived for the initial sale and development of this area.

8) No derrick or other structure designed for use in boring for oil or natural gas shall be erected, placed or permitted upon any part of said property, nor shall any oil, natural gas or petroleum be produced or extracted therefrom.

9) The said first class private dwelling house erected upon any such lot shall be constructed of frame stucco, masonry, burnt adobe, clay brick or slump block with either tile roof, or built up roof concealed behind parapet walls, but no white or light colored roofs shall be permitted, if exposed. No exposed evaporative cooler and/or refrigeration unit or other equipment shall be placed, installed, or maintained on the roof of any building or structure.

10) Drainage ways shall conform to the requirements of all lawful public authorities, including the County Engineer of Pinal County, State of Arizona, to the full extent of the authority given them by law.

11) Storage of disabled, dismantled, inoperative vehicles, construction or like equipment upon this land (in any exposed area) is prohibited. Owners shall keep any such vehicles in an enclosed garage.

12) No residence placed or erected on said property shall be occupied in any manner while in the course of construction, or at any time prior to its being fully completed as herein required. No garage or other outbuilding shall be placed, erected or maintained upon any part of said property except for use in connection with a residence already constructed or under construction at the time that such garage or other outbuilding is placed or erected on the property. Nothing herein shall be construed to prevent the incorporation and construction of a garage as part of such dwelling house.

13) No temporary house, dwelling, garage, outbuilding, trailer-home, mobile-home or other structure shall be placed, erected or moved upon any said lot. No single family private dwelling house placed or erected upon any lot shall be occupied in any manner while in the course of construction, nor at any time prior to its being fully completed, as herein required; nor shall any residence, when completed, be in any manner occupied until made to comply with the improved plans, the requirements herein and all other conditions and restrictions herein set forth; all construction shall be completed within one year from the start thereof; provided, that the Developer may extend such time if, in their opinion conditions warrant same.

14) All plans for the construction of private roads and driveways and all building plans for any building, fence, corral, wall, or structure to be erected upon any lot, including exterior color schemes and the proposed location thereof, upon any lot, any changes for approval thereof, any remodeling, reconstruction, alteration or addition to any building, road, driveway or other structure upon any lot in said property, shall require the Developer's approval in writing.

The Developer shall not be responsible for any structural defects in said plans and specifications. It is intended also that the construction of any corrals or fencing shall not be of a temporary nature, that they must blend architecturally with the main house as to quality, appearance and permanency of materials. Complete detailed plans for any corral structures and fencing must be submitted for approval, as above. This approval by Developer shall remain in effect until 80% of the lots in the subdivision are sold, at which time the approval needed will be that which is required by the building department that governs the subdivision at the time.

(15) Mountain preserve: A portion of the Las Montanas Project has been or will be designated "Mountain Preserve" area. This area shall be maintained by Developer or as otherwise directed in the plat of dedication.

(16) Non-access easement. In addition to those specific easements shown on any plat of the property, there exists or will exist, a one (1) foot non-access easement between the northern property line of "Las Montanas" and land on the adjacent Gila Indian Community. All lot owners inclusive of any family, guests, etc. are prohibited from crossing this easement onto the adjacent land owned by the Gila Indian Community located directly to the North of the Las Montanas parcel. It shall be the responsibility of the Las Montanas Home owners association to maintain the existing barbed wire fencing between the Las Montanas Development and the adjacent Gila Indian Community land. No fencing of any type may be erected along this easement without the approval of the Las Montanas Home Owners Association.

(17) Retention area easement and drainage covenant.
A portion of Las Montanas shall be subject to the certain requirements and restrictions with respect to drainage and a certain area of lots in the development will be required to retain storm water from the development. That certain area known as the "Retention Area" as shown on the final plat for Las Montanas and shall be maintained by the Las Montanas Home Owners Association at the minimum level required by the Pinal County Flood Control District to adequately handle any storm water runoff coming from within the Las Montanas Development and that nothing will be constructed to hinder the flow of storm water from such sub-division lands to the "Retention Area". The restrictions on lots containing drainage easements shall be a covenant running with the land, and upon the recording of these restrictions shall be binding upon any subsequent purchaser or occupier of said land.

(18) Section 11.4 Individual Wastewater Disposal System. Based on the percolation tests, soil borings, and the information contained in the geological report prepared for this subdivision, conventional septic tank systems may not be an acceptable means of sewage disposal for all lots within this subdivision. Given the information contained in the geological report, it must be assumed that alternative systems may be required for certain lots within the subdivision. The individual lot owner is responsible for the design, installation, operation, and maintenance, and all costs thereof, of the on-site alternative individual wastewater disposal system for his individual lot.

(19) Fire and Rescue Services. Until fire and rescue services become available as a public service via a municipality or other governmental organization it is recommended that each home owner contract with a private organization for these services.

All of the aforesaid conditions and restrictions shall continue and remain in full force and effect at all times as against the Owner of any part or parcel of said property until the commencement of the calendar year 2024, on which date said conditions and restrictions shall be automatically extended for a period of ten years and thereafter in successive ten year periods, unless on or before the end of one of such extension periods or the base period, the Owners of a majority (80% or more) of the property in said described site shall set out a written instrument duly recorded to declare a termination or change(s) of the same.

ENFORCEMENT POLICIES & PROCEDURES

If any Owner or the Developer employ council to enforce any of the foregoing provisions, conditions, restrictions or covenants or re-entry, by reason of such breach, all cost incurred in enforcing these restrictions, including a reasonable fee for council, shall be paid by the Owner of such lot or lots. The Owner or the Developer's rights shall have a lien upon such lot or lots to secure payment of any such accounts (in an amount equal to a levied judicial judgment).

PROVIDED, that the breach of any foregoing provisions, conditions, restrictions or covenants or any re-entry by reason of such breach, shall not defect or render invalid the lien of any security documents or deed of trust made in good faith for value as to any property, but said provisions, conditions, restrictions and covenants shall be binding upon and effective against any such mortgages or Trustee or Owner thereof, whose title hereto or whose Grantor's title is or was acquired by foreclosure, Trustee's sale or otherwise.

PROVIDED FURTHER, that no delay or omission on the part of the Owners or the Developer or the subsequent Owners of parcels in said property in exercising any rights, power or remedy herein provided, in the event of any breach of the conditions, restrictions, covenants or reservations herein contained, shall be construed as a waiver thereof or acquiescence therein, or no right of action shall occur, nor shall any action be brought or maintained by anyone whatsoever against the Owners or the Developer on account of their failure to bring any action on account of any breach of said provisions, conditions, restrictions or covenants or for imposing restrictions herein which may be unenforceable by the Owners or the Developer.

PROVIDED FURTHER, that in the event any one or more of the conditions and restrictions herein before set forth and contained shall be declared for any reason, by a court or competent jurisdiction, to be null and void, such judgment or decree shall not in any manner whatsoever affect, modify, change, abrogate, or nullify any of said conditions or restrictions not so expressly held to be void and they shall continue unimpaired and in full force and effect.

PROVIDED FURTHER, that said property shall be subject to any and all rights and privileges which a city governmental entity and/or the County of Pinal and/or State of Arizona, may have

PROVIDED FURTHER, that said property shall be subject to any and all rights and privileges which a city governmental entity and/or the County of Pinal and/or State of Arizona, may have acquired through dedication, annexation or the filing or recording of maps or plats of said property, as authorized by law and provided further, that no conditions, restrictions or privileges or acts performed shall be in conflict with any governmental zoning ordinance or law.

FENCING INFORMATION & PERMITTED CONSTRUCTION

- 1) Masonry, of same color, texture, etc. as the main house shall be permitted.
- 2) Intermittent masonry columns, approximately 2 ft. square, with redwood, cedar grape stake, metal post or similar material in between shall be permitted.
- 3) Barbed wire shall not be permitted.
- 4) "T-bar" fence posts shall be permitted, however they shall be of a color to match
- 5) the permitted desert colors (see below). No green "T-bar" posts with white tips. Cedar posts shall be permitted ("T-bar" stakes shall be kept appropriately painted in permitted desert blend color-see below).
- 5) Railroad ties with wire fencing in between each such railroad tie shall not be permitted.
- 6) Chain link fencing shall not be permitted.
- 7) Ornamental one or two rail split cedar fencing posts to be minimum 6" split: rails, not less than 2" X 4" splits shall be permitted.
- 8) Permitted colors: walnut brown stain, frontier tan, sand, etc. All colors to blend with the desert setting.

Dated this 8th day of May, 2001
Tierra Rica Development, Inc., Defined Benefit Pension Plan (Developer)
as Trustee

Harlyn Griffiths 5-8-01
By Harlyn Griffiths Date

State of Arizona)

)ss.

County of Pinal)

The foregoing instrument was acknowledged before me this 8th
day of May, 2001, by Harlyn Griffiths

Denise Kortsen

Notary Public

Commission Expiration: 11-6-2002

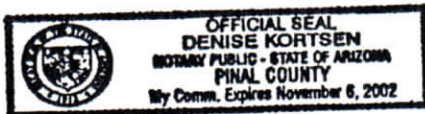


EXHIBIT "A"

PARCEL 1:

The Northwest quarter of the Northeast quarter of Section 29, Township 5 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona;

EXCEPTING all uranium, thorium or other materials which are or may be determined to be peculiarly essential to the production of fissionable materials, as reserved in the Patent recorded in Docket 12, Page 161.

PARCEL 2:

That portion of the Southwest quarter of Section 29, Township 5 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona, described as follows:

BEGINNING at the West quarter corner of said Section 29;

THENCE South 0 degrees 03 minutes East, along the West line of said Southwest quarter of Section 29, a distance of 525 feet to a point;

THENCE South 84 degrees 35 minutes East, 859.53 feet to the TRUE POINT OF BEGINNING of the parcel herein described;

THENCE North 17 degrees 39 minutes West, 330 feet to a point;

THENCE North 72 degrees 21 minutes East, 660 feet to a point;

THENCE South 17 degrees 39 minutes East, 660 feet to a point;

THENCE South 72 degrees 21 minutes West, 660 feet to a point;

THENCE North 17 degrees 39 minutes West, 330 feet to the TRUE POINT OF BEGINNING;

EXCEPTING all uranium, thorium or other materials which are or may be determined to be peculiarly essential to the production of fissionable materials, as reserved in the Patent recorded in Docket 12, Page 161.

(SEE CONTINUATION PAGE)

EXHIBIT "A" CONT'D

PARCEL 3:

The North half of the Northeast quarter of the Southeast quarter of the Northeast quarter of Section 29, Township 5 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona;

EXCEPTING all uranium, thorium or other materials which are or may be determined to be peculiarly essential to the production of fissionable materials, as reserved in the Patent recorded in Docket 12, Page 161.

PARCEL 4:

The Southeast quarter of the Northeast quarter of Section 29, Township 5 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona;

EXCEPT the North half of the Northeast quarter of the Southeast quarter of the Northeast quarter thereof; and

EXCEPT that part of the Southeast quarter of the Northeast quarter of said Section 29 as recorded in Docket 876, Page 105, Pinal County records and described as follows:

BEGINNING at the East quarter corner of said Section 29;

THENCE North 1 degrees 29 minutes 16 seconds West, following the East line of the Northeast quarter of said Section 29, a distance 250.85 feet to a point which is a 2 inch pipe set in concrete;

THENCE South 89 degrees 11 minutes 20 seconds West, parallel to the East-West centerline of said Section 29, a distance of 694.60 feet to a point which is a drill hole and stake set in a granite boulder;

THENCE South 1 degrees 29 minutes 16 seconds East, parallel with said East line of Section 29, a distance of 250.85 feet to a point which is a pipe set in a drill hole in a granite bedrock, and said point being located on the said East-West center line of said Section 29;

THENCE North 89 degrees 11 minutes 20 seconds East, following said East-West center line of said Section 29, a distance of 694.60 feet to the POINT OF BEGINNING;

EXCEPTING all uranium, thorium or other materials which are or may be determined to be peculiarly essential to the production of fissionable materials, as reserved in the Patent recorded in Docket 12, Page 161.

(SEE CONTINUATION PAGE)

EXHIBIT "A" CONT'D

PARCEL 5:

The Northeast quarter of the Northeast quarter of Section 29, Township 5 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona;

EXCEPTING all uranium, thorium or other materials which are or may be determined to be peculiarly essential to the production of fissionable materials, as reserved in the Patent recorded in Docket 12, Page 161.

PARCEL 6:

The West half of the Southeast quarter, and the Southwest quarter of the Northeast quarter of Section 29, Township 5 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona as recorded in Docket 775, Page 469, records of Pinal County, Arizona;

EXCEPT the South 250 feet of the East 100 feet of said West half of the Southeast quarter; and

EXCEPTING all uranium, thorium or other materials which are or may be determined to be peculiarly essential to the production of fissionable materials, as reserved in the Patent recorded in Docket 12, Page 161.

PARCEL 7:

The West half of Section 29, Township 5 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona;

EXCEPT the North half of the Northwest quarter of said Section 29;

EXCEPT that portion of the Southwest quarter of Section 29, Township 5 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona, described as follows:

BEGINNING at the West quarter corner of said Section 29;

THENCE South 0 degrees 03 minutes East, along the West line of said Southwest quarter of Section 29, 525 feet to a point;

THENCE South 84 degrees 35 minutes East, 859.53 feet to the TRUE POINT OF BEGINNING of the parcel herein described;

THENCE North 17 degrees 39 minutes West, 330 feet to a point;

THENCE North 72 degrees 21 minutes East, 660 feet to a point;

THENCE South 17 degrees 39 minutes East, 660 feet to a point;

THENCE South 72 degrees 21 minutes West, 660 feet to a point;

(SEE CONTINUATION PAGE)

EXHIBIT "A" CONT'D

THENCE North 17 degrees 39 minutes West, 330 feet to the TRUE POINT OF BEGINNING;

EXCEPTING all uranium, thorium or other materials which are or may be determined to be peculiarly essential to the production of fissionable materials, as reserved in the Patent recorded in Docket 12, Page 161.

PARCEL 8:

The Northwest quarter of the Northwest quarter of the Northeast quarter of the Northwest quarter of Section 29, Township 5 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona:

EXCEPTING all uranium, thorium or other materials which are or may be determined to be peculiarly essential to the production of fissionable materials, as reserved in the Patent recorded in Docket 12, Page 161.

PARCEL 9:

The Southeast quarter of Section 30, Township 5 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona;

EXCEPT the West half of the Northwest quarter of the Southeast quarter of said Section.