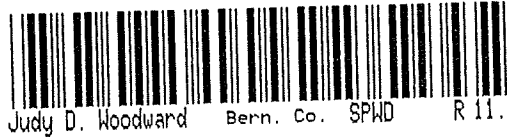


SPECIAL WARRANTY DEED

SANDIA FOUNDATION, a New Mexico nonprofit corporation _____, for consideration paid, grant s to THE REGENTS OF THE UNIVERSITY OF NEW MEXICO, a body corporate of the State of New Mexico, whose address is Director of Real Estate/Real Estate Office, University of New Mexico, Scholes Hall Rm. 252, Albuquerque, NM 87131, the following described real estate in Bernalillo County, New Mexico:

Described on Exhibit "A" attached hereto and incorporated herein by this reference.

SUBJECT TO general real estate taxes not yet due and payable, and the matters set forth on Exhibit "B" attached hereto and incorporated herein by this reference.



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with special warranty covenants.

WITNESS its hand and seal this 30th day of October, 1998.

SANDIA FOUNDATION,
a New Mexico nonprofit corporation

RK By John Perovich
John Perovich, Chairman, Board of Trustees

County of Bernalillo)
)
State of New Mexico) ss

This instrument was acknowledged before me on Nov. 2, 1998 by John Perovich as Chairman of the Board of Trustees of SANDIA FOUNDATION, a New Mexico nonprofit corporation.

Sue Dunworth
Notary Public Sue Dunworth
My Commission Expires: _____

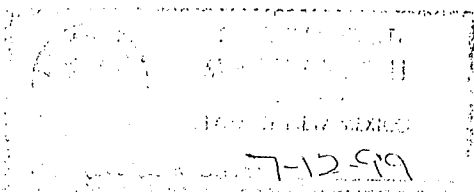


EXHIBIT APARCEL I

Tract "F" and Tract "F-1" as shown and designated on the Revised Assessment Plat of Tract "F" and "F-1", Lands of Southwestern Construction Company, Block 1, Valmonte Acres, Albuquerque, New Mexico, filed in the office of the County Clerk, Bernalillo County, New Mexico on June 9, 1960 in Volume C5, folio 12;

LESS AND EXCEPTING therefrom that portion conveyed to the City of Albuquerque, New Mexico, a municipal corporation by Warranty Deed recorded July 19, 1971 in Book D 898, page 625 as Document No. 35742, records Bernalillo County, New Mexico, being more particularly described as follows:

A certain parcel of land situate within the City Limits of the City of Albuquerque, New Mexico, and being identified as a Westerly portion of Tract F, Block 1, Valmonte Acres, as the same is shown and designated on the Revised Assessment Plat of Tracts F and F-1, Lands of Southwestern Construction Company, Block One (For Assessment Purposes), filed in the office of the County Clerk of Bernalillo County, New Mexico on June 9, 1960, and being more particularly described by metes and bounds survey as follows:

BEGINNING at the Southwest corner of the parcel herein described, said Southwest corner being the Southwest corner of above mentioned Tract F, Block 1, and a point on the existing Easterly line of University Boulevard NE;

thence N. 00 deg. 19' 00" E., 349.58 feet distant along said existing Easterly line of University Boulevard NE to a point of curvature;

thence Northeasterly, 52.05 feet distant along the arc of a curve bearing to the right (said arc having a radius of 25.00 feet and a long chord which bears N. 59 deg. 57' 30" E., 43.14 feet distant) to a Point of Tangency, said Point of Tangency being on the Southerly line of Lomas Boulevard NE;

thence S. 60 deg. 24' 00" E., 23.02 feet distant along said Southerly line of Lomas Boulevard NE to a point of curvature;

thence Southwesterly, 51.47 feet distant along the arc of a curve bearing to the left (said arc having a radius of 25.00 feet and a long chord which bears S. 60 deg. 36' 56" W., 42.85 feet distant) to a Point of Tangency;

thence S. 01 deg. 37' 52" W., 340.80 feet distant to the Southeast corner of the parcel herein described;

thence N. 81 deg. 15' 00" W., 12.40 feet distant to the Southwest corner of the parcel herein described and place of beginning.



Judy D. Woodward

Bern. Co. SPWD

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EXHIBIT B

AS TO PARCEL I:

Utility Easement reserved along the Southerly Three (3') feet of the insured premises, as shown and/or provided for on the Plat recorded September 22, 1952 in Volume C2, folio 133, records Bernalillo County, New Mexico.

Underground Easement granted to Public Service Company of New Mexico, a New Mexico corporation and US West Communications, Inc., a Colorado corporation, recorded June 27, 1997 in Book 97-17, page 4169 as Document No. 97065181, records Bernalillo County, New Mexico.

Implied Easements for access, use, maintenance and support over, across and through Tract F in favor of Tract F-1.

Rights of Tenants under unrecorded Leases and/or Rental Agreements, Sub-Leases and Assignments thereto.

Pro rata charges for water, sewer, and/or standby charges and any possible assessments for paving, sidewalk, sewer and water extensions which are or might be a lien by law, but have not yet been filed for record in the office of the County Clerk of Bernalillo County, New Mexico.

Encroachments, Prescriptive Easements and other matters as disclosed by that certain A.L.T.A./A.C.S.M. Land Title Survey dated August 4, 1998, prepared by Thomas W. Patrick, N.M.P.S. No. 12651.



Judy D. Woodward

Bern. Co. SPWD

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