



OFFICIAL RECORDS OF
PINAL COUNTY RECORDER
LAURA DEAN-LYTLÉ

When recorded mail to:

Standard Pacific of Arizona, Inc.
6710 N. Scottsdale Road, Suite 150
Scottsdale, Arizona 85253
Attn: Connie Dean
NCS-290249 2/5

DATE/TIME: 05/30/07 1524
FEE: \$14.00
PAGES: 4
FEE NUMBER: 2007-063694

RESTRICTIVE COVENANT REGARDING CONSTRUCTION FOR QUAIL RUN

This Restrictive Covenant Regarding Construction for Quail Run ("Restrictive Covenant") is made as of this 30th day of May, 2007 (the "Effective Date") by Standard Pacific of Arizona, Inc., a Delaware corporation (Standard Pacific), with reference to the following:

A. As of the date hereof, Standard Pacific is the owner of fee title to the real property located in Pinal County, Arizona, legally described on Exhibit A attached hereto (the "Property"), which Property is intended to be and has in part been developed as a single family residential project known as "Quail Run."

B. As of the date hereof, Standard Pacific is contractually bound to convey the Property (including all lots as stated on Exhibit A (collectively, "Finished Lot(s)"), attached hereto), and subject to such agreement, Standard Pacific is authorized to record against the Property this Restrictive Covenant.

C. Standard Pacific intends by this Restrictive Covenant to impose upon the Property and as the Property may be held, sold, purchased and conveyed after the Effective Date to be subject to certain restrictions and covenants that are more fully detailed below.

D. Standard Pacific intends that this Restrictive Covenant shall run with the Property now and hereafter (until released as more fully detailed below) and that any and all parties, heirs, personal representatives, successors, companies, corporations, partnerships, assigns, and all other entities or persons (collectively "Builder(s)") that acquire the Property (or any portion thereof) after the Effective Date shall be subject to this Restrictive Covenant.

Now, therefore, Standard Pacific hereby binds and restricts the Property as follows:

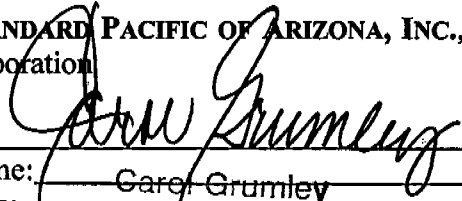
1. **Post Tension Requirement.** Any and all Builders that elect to construct and sell residential dwelling units on any Finished Lot on the Property hereby agrees to and shall construct post-tension slabs/foundations on the Finished Lots ("Post-Tension

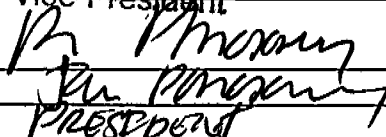
Requirement"). Prior to construction of such post-tension slabs/foundations, Builders shall meet all Pinal County or other requirements for the construction on the Finished Lots, including but not limited to meeting all optimum moisture conditions.

2. **Indemnification.** Any and all Builders that elect to construct and sell residential dwelling units on any Finished Lot on the Property hereby agrees to and shall indemnify, defend and hold harmless Standard Pacific and its employees, officers, directors, owners, representatives and agents (collectively, "agents") for, from and against any and all actual or alleged claims, demands, causes of action, suits, regulatory proceedings, liabilities, costs, damages, expenses, fees and charges (including attorneys' fees and costs) incurred by Standard Pacific arising from, in connection with, or as a result of, any construction defect claims made by any third party and relating to the Property and any residential dwelling unit constructed on the Property, including, without limitation, any claims relating to soils conditions, fissures or subsidence, provided such claims are not the result of any work, occurrence, conduct, or act (which specifically does not include the hiring or retention of HSP Arizona, Inc. or the third party engineers, contractors, subcontractors and materialmen that actually work on or supply materials for the preparation of the plans and specifications or construction of the Improvements) pertaining to the Property or any portion thereof actually performed by Standard Pacific or its agents (which specifically does not include any work, occurrence, conduct or act actually performed by HSP Arizona, Inc. (and HSP Arizona, Inc.'s agents, even if such agents have joint capacity with Standard Pacific, so long as such work, occurrence, conduct or act was performed on behalf of HSP Arizona, Inc.), or any of the third party engineers, contractors, subcontractors and materialmen that actually work on or supply materials for the preparation of the plans and specifications or construction of the Improvements) ("Indemnification").

3. **Termination of Restrictive Covenant.** This Restrictive Covenant is intended to and does run with the land, and this Restrictive Covenant shall no longer be a covenant affecting the Property or any Finished Lot therein when such conveyance regards (a) solely one individual Finished Lot of the Property, and (b) upon such Finished Lot a residential dwelling unit has previously been constructed thereon (collectively, "Conveyance"). Notwithstanding anything to the contrary, the Indemnification shall survive the Conveyance and shall be a continuing obligation of the Builder in favor of Standard Pacific or its agents.

STANDARD PACIFIC OF ARIZONA, INC., a Delaware corporation

By: 
Name: Carol Grumley
Title: Vice President

By: 
Name: Jim Proxmire
Title: PRESIDENT

STATE OF ARIZONA)
) ss.
County of Maricopa)

Acknowledged before me this 22nd day of May, 2007, by
Carol Grumley, the Vice President and by
John P. Morahan, the President of **STANDARD
PACIFIC OF ARIZONA, INC.**, a Delaware corporation, for and on behalf thereof.

Connie S. Dean
Notary Public

My Commission Expires:

11-08-10



Exhibit A

Legal Description of Real Property

Lots 1 through 351, inclusive, of Quail Run, according to the plat recorded in Cabinet F, Slide 172, Official Records of Pinal County, Arizona.