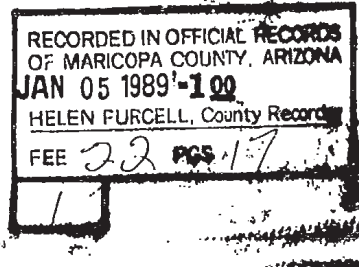


TICOR TITLE INSURANCE COMPANY OF CALIFORNIA
WHEN RECORDED, RETURN TO:

Shea Homes of Arizona
4040 East Camelback
Suite 200
Phoenix, Arizona 85018



88090608-46/219510 KLS ASSIGNMENT (AS)

1/23

ASSIGNMENT OF DECLARANT RIGHTS
UNDER DECLARATIONS OF COVENANTS, CONDITIONS AND RESTRICTIONS

89 005376

This Assignment of Declarant Rights under Declarations of Covenants, Conditions and Restrictions (this "Assignment") is made as of this 4~~th~~ day of January, 1989, by and between Knoell Homes, Inc., an Arizona corporation, formerly known as Knoell Bros. Construction, Inc. (the "Assignor"), and Shea Homes of Arizona, a California general partnership (the "Assignee").

RECITALS:

A. Concurrently with the execution of this Assignment, Assignee is purchasing from Assignor the real property described on Exhibit A attached to this Assignment (the "Property"). Various parts of the Property are subject to the Declarations of Covenants, Conditions and Restrictions identified on Exhibit B attached to this Assignment (the "Declarations").

B. In connection with the purchase of the Property by Assignee, Assignor desires to assign to Assignee all of Assignor's rights as the Declarant under the Declarations.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth in this Assignment, Assignor and Assignee agree as follows:

1. Assignor assigns to Assignee all of its rights as the Declarant under the Declarations. Assignor agrees to execute, at the request of Assignee, any additional documents which may reasonably be requested by Assignee in order to transfer all of Assignor's rights as the Declarant under the Declarations to Assignee.

2. This Assignment shall be binding upon Assignor and its successors and assigns and shall inure to the benefit of Assignee and its successors and assigns, but is not intended to confer any rights or obligations upon any other person or entity.

3. This Assignment shall be construed and interpreted in accordance with the laws of the State of Arizona.

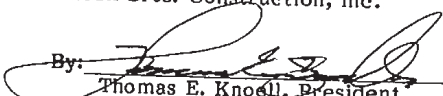
Courtesy of
TICOR TITLE INSURANCE COMPANY
NON-INSURED

89 005376

4. Assignee shall indemnify, defend, protect and hold Assignor harmless, for, from and against any claims, demands, liabilities, costs and expenses (including, but not limited to, reasonable attorneys' fees) incurred or suffered by Assignor as a result of any exercise by Assignee of the rights assigned to Assignee by this Assignment from and after the date hereof.

ASSIGNOR:

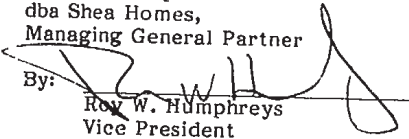
KNOELL HOMES, INC., an Arizona corporation, formerly known as Knoell Bros. Construction, Inc.

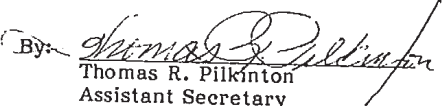
By: 
Thomas E. Knoell, President

ASSIGNEE:

SHEA HOMES OF ARIZONA,
a California general partnership

By: J.F. Shea Co., Inc.,
a Nevada corporation
dba Shea Homes,
Managing General Partner

By: 
Roy W. Humphreys
Vice President

By: 
Thomas R. Pilkinton
Assistant Secretary

89 005376

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 4th day of January, 1988, by Thomas E. Knoell, the President of KNOELL HOMES, INC., an Arizona corporation, on behalf of the corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Robin Cramer
Notary Public

My Commission Expires:

Jan. 7, 1989

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 4th day of January, 1988, by Roy W. Humphreys, the Vice President of J. F. SHEA CO., INC., a Nevada corporation, Managing General Partner of Shea Homes of Arizona, a California general partnership on behalf of the corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Robin Cramer
Notary Public

My Commission Expires:

Jan. 7, 1989

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 4th day of January, 1988, by Thomas R. Pilkinton, the Assistant Secretary of J. F. SHEA CO., INC., a Nevada corporation, Managing General Partner of Shea Homes of Arizona, a California general partnership on behalf of the corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Robin Cramer
Notary Public

My Commission Expires:

Jan 7, 1989



Order Number: 88090618-U6

89 005376

EXHIBIT "A" - PAGE 1

LOTS 8 THROUGH 13, INCLUSIVE, LOTS 38 THROUGH 42, INCLUSIVE, LOTS 45 THROUGH 68, INCLUSIVE, LOT 73, AND LOTS 75 THROUGH 117, INCLUSIVE, COPPERFIELD, ACCORDING TO BOOK 309 OF MAPS, PAGE 49, AND AFFIDAVIT OF CORRECTION RECORDED AT RECORDERS NO. 87 285701, RECORDS OF MARICOPA COUNTY, ARIZONA.

ORDER NUMBER: 88090613-U6

89 005376

EXHIBIT 'A' - PAGE 2

LOTS 4 THROUGH 13, INCLUSIVE, LOTS 15 THROUGH 25, INCLUSIVE, LOTS 28 THROUGH 44, INCLUSIVE, LOTS 46 THROUGH 48, INCLUSIVE, LOTS 66 THROUGH 74, INCLUSIVE, LOTS 77 THROUGH 80, INCLUSIVE, LOTS 91 THROUGH 115, INCLUSIVE, AND LOTS 117 THROUGH 121, INCLUSIVE OF LAS VISTAS, ACCORDING TO BOOK 302 OF MAPS, PAGE 35, RECORDS OF MARICOPA COUNTY, ARIZONA.

ORDER NUMBER: 88090617-U6

EXHIBIT 'A' - PAGE 3

89 005376

LOTS 301 THROUGH 310 INCLUSIVE; 333; 338 THROUGH 342 INCLUSIVE; 351, 396, 438, 439, 446, 447, 449; 453 THROUGH 458 INCLUSIVE; 463, 514 THROUGH 525 INCLUSIVE, PALOS VERDES, ACCORDING TO BOOK 283 OF MAPS, PAGE 33, AND CERTIFICATE OF CORRECTION RECORDED AT RECORDERS NO. 85 363063 AND RECORDERS NO. 86 248167, RECORDS OF MARICOPA COUNTY, ARIZONA.

ORDER NUMBER: 88090609-U6

EXHIBIT 'A' - PAGE 4

89 005376

PARCEL NO. 1:

LOTS 101 THROUGH 133, INCLUSIVE, 135, 136, 138, 139, 141 THROUGH 144, INCLUSIVE, 157 THROUGH 160, INCLUSIVE, 162, 164, 229 THROUGH 236, 259 THROUGH 263, INCLUSIVE, KEYSTONE, ACCORDING TO BOOK 306 OF MAPS, PAGE 20, RECORDS OF MARICOPA COUNTY, ARIZONA.

PARCEL NO. 2:

LOTS 1, 21, 24, 27 THROUGH 29, INCLUSIVE, 31, 37, 50, 51, 53, 57 THROUGH 60, INCLUSIVE, DIAMOND RIDGE, ACCORDING TO BOOK 306 OF MAPS, PAGE 27, RECORDS OF MARICOPA COUNTY, ARIZONA.

ORDER NUMBER: 8809061G-U6

EXHIBIT 'A' - PAGE 5

89 005376

LOTS 401 THROUGH 447, INCLUSIVE, LOTS 449 THROUGH 469, INCLUSIVE AND LOTS 471 THROUGH 509, INCLUSIVE, AND TRACTS A AND B, CRYSTAL CANYON, ACCORDING TO BOOK 320 OF MAPS, PAGE 32, RECORDS OF MARICOPA COUNTY, ARIZONA.

ORDER NUMBER: 88090614-U6

EXHIBIT 'A' - PAGE 6

89 005376

LOTS 301 THROUGH 323 INCLUSIVE, 327 THROUGH 334, 336 THROUGH 341 INCLUSIVE,
346, 347, 349, 350, 352 THROUGH 356 INCLUSIVE, 358, 361, 362, 365 THROUGH 369
INCLUSIVE AND 371 THROUGH 373 INCLUSIVE, DIAMOND RIDGE II, ACCORDING TO BOOK
320 OF MAPS, PAGE 31, RECORDS OF MARICOPA COUNTY, ARIZONA.

ORDER NUMBER: 88090611-U6

EXHIBIT 'A' - PAGE 7

89 005376

PARCEL NO. 1:

LOTS 1 THROUGH 4, 11, 12, 21, 26 THROUGH 28, 44 THROUGH 51, TWELVE OAKS,
ACCORDING TO BOOK 276 OF MAPS, PAGE 49, RECORDS OF MARICOPA COUNTY, ARIZONA.

PARCEL NO. 2:

LOTS 601 THROUGH 621, INCLUSIVE, 624 THROUGH 627, INCLUSIVE, 629, 631, 637,
681, 684 THROUGH 723, INCLUSIVE, 725, 726, 736, 744, 748, 749, 752 THROUGH
754, INCLUSIVE, TWELVE OAKS IV, ACCORDING TO BOOK 299 OF MAPS, PAGE 39,
RECORDS OF MARICOPA COUNTY, ARIZONA.

ORDER NUMBER: 88090615-U6

EXHIBIT 'A' - PAGE 8

89 005376

LOTS 101 THROUGH 108 INCLUSIVE, 117, 119 THROUGH 123 INCLUSIVE, 125, 128
THROUGH 166 INCLUSIVE, 168, 171, 179, 191 THROUGH 196 INCLUSIVE, 198 THROUGH
202 INCLUSIVE, VALENCIA, ACCORDING TO BOOK 309 OF MAPS, PAGE 41 AND AFFIDAVITS
OF CORRECTION RECORDED AT RECORDERS NO. 87 293850, RECORDERS NO. 87 707812 AND
RECORDERS NO. 88 107872, RECORDS OF MARICOPA COUNTY, ARIZONA.

ORDER NUMBER: 88090616-U6

EXHIBIT 'A' - PAGE 9

89 005376

LOTS 1 THROUGH 4 INCLUSIVE; 80 THROUGH 85 INCLUSIVE; 89 THROUGH 91 INCLUSIVE,
AND 99 THROUGH 102 INCLUSIVE, SILVERADO, ACCORDING TO BOOK 278 OF MAPS, PAGE
21, RECORDS OF MARICOPA COUNTY, ARIZONA.

ORDER NUMBER: 88090608-U6

EXHIBIT 'A' - PAGE 10

89 005376

LOTS 480 THROUGH 493, INCLUSIVE, LOTS 495 THROUGH 552, INCLUSIVE, LOTS 554 THROUGH 572, INCLUSIVE, LOTS 574 THROUGH 577, INCLUSIVE AND LOTS 579 THROUGH 602, INCLUSIVE, OF RIDGEVIEW UNIT IV, ACCORDING TO BOOK 321 OF MAPS, PAGE 13, RECORDS OF MARICOPA COUNTY, ARIZONA;

EXCEPT ALL GAS, OIL, METAL AND MINERAL RIGHTS, AS RESERVED IN PATENT FROM THE STATE OF ARIZONA.

ORDER NUMBER: 88090619-U6

EXHIBIT 'A' - PAGE 11

89 005376

PARCEL NO. 1:

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 1 NORTH, RANGE 6 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST QUARTER CORNER OF SAID SECTION 11; THENCE NORTH 00 DEGREES 04 MINUTES 28 SECONDS WEST ALONG THE EAST LINE OF SAID SECTION 11, A DISTANCE OF 40.00 FEET;

THENCE SOUTH 89 DEGREES 16 MINUTES 36 SECONDS WEST, 1390.36 FEET TO THE BEGINNING OF A 1350.00 FOOT RADIUS NON-TANGENT CURVE WHOSE CENTER BEARS SOUTH 89 DEGREES 52 MINUTES 39 SECONDS WEST;

THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 24 DEGREES 20 MINUTES 14 SECONDS, A DISTANCE OF 573.43 FEET;

THENCE NORTH 65 DEGREES 32 MINUTES 33 SECONDS EAST, 40.00 FEET TO THE BEGINNING OF A 1390.00 FOOT RADIUS NON-TANGENT CURVE WHOSE CENTER BEARS SOUTH 65 DEGREES 32 MINUTES 33 SECONDS WEST SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING;

THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 18 DEGREES 30 MINUTES 02 SECONDS, A DISTANCE OF 448.83 FEET;

THENCE NORTH 42 DEGREES 57 MINUTES 36 SECONDS WEST, 307.70 FEET;

THENCE NORTH 48 DEGREES 08 MINUTES 11 SECONDS EAST, 924.91 FEET;

THENCE SOUTH 41 DEGREES 51 MINUTES 49 SECONDS EAST, 750.00 FEET;

THENCE SOUTH 48 DEGREES 08 MINUTES 11 SECONDS WEST, 982.40 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL NO. 2:

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 1 NORTH, RANGE 6 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST QUARTER CORNER OF SAID SECTION 11;

THENCE NORTH 00 DEGREES 04 MINUTES 28 SECONDS EAST ALONG THE EAST LINE OF SAID SECTION 11, A DISTANCE OF 1259.36 FEET;

THENCE NORTH 89 DEGREES 55 MINUTES 32 SECONDS WEST, 55.00 FEET TO THE TRUE POINT OF BEGINNING;

EXHIBIT "A" - PAGE 11(a)

89 005376

THENCE SOUTH 89 DEGREES 16 MINUTES 36 SECONDS WEST, 690.00 FEET;

THENCE NORTH 41 DEGREES 51 MINUTES 49 SECONDS WEST, 750.00 FEET;

THENCE NORTH 48 DEGREES 08 MINUTES 11 SECONDS EAST, 129.47 FEET;

THENCE NORTH 89 DEGREES 16 MINUTES 36 SECONDS EAST, 1094.98 FEET;

THENCE SOUTH 00 DEGREES 04 MINUTES 28 SECONDS WEST, 650.06 FEET TO THE TRUE
POINT OF BEGINNING.

ORDER NUMBER: 88090612-U6

EXHIBIT 'A' - Page 12

89 005376

PARCEL NO. 1:

THE NORTH HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 10, TOWNSHIP 1 NORTH, RANGE 5 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;

EXCEPT THAT PARCEL DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE NORTH HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 10;

RUN THENCE NORTH 0 DEGREES 01 MINUTES 00 SECONDS WEST, ALONG THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 10, A DISTANCE OF 105 FEET;

RUN THENCE NORTH 89 DEGREES 19 MINUTES 20 SECONDS EAST, A DISTANCE OF 540.00 FEET;

RUN THENCE SOUTH 0 DEGREES 01 MINUTES 00 SECONDS EAST, A DISTANCE OF 105 FEET TO A POINT ON THE SOUTH LINE OF THE NORTH HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 10;

RUN THENCE SOUTH 89 DEGREES 19 MINUTES 20 SECONDS WEST, ALONG THE SOUTH LINE OF THE NORTH HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 10, A DISTANCE OF 540 FEET TO THE POINT OF BEGINNING.

89 005376

EXHIBIT B

Declaration of Covenants, Conditions and Restrictions for Copperfield recorded as Instrument No. 87-291450, records of Maricopa County, Arizona

Declaration of Covenants, Conditions and Restrictions for Diamond Ridge recorded as Instrument No. 87-200696, and Recorder's No. 87-640229, records of Maricopa County, Arizona

Declaration of Covenants, Conditions and Restrictions for Keystone recorded as Instrument No. 87-200680, records of Maricopa County, Arizona

Amended and Restated Declaration of Covenants, Conditions and Restrictions for Palos Verdes recorded as Instrument No. 86-382456, and Recorder's No. 86-424817, records of Maricopa County, Arizona

Declaration of Covenants, Conditions and Restrictions for Twelve Oaks recorded as Instrument No. 85-190894, records of Maricopa County, Arizona

Declaration of Covenants, Conditions and Restrictions for Twelve Oaks IV recorded as Instrument No. 86-369873, records of Maricopa County, Arizona

Declaration of Covenants, Conditions and Restrictions for Diamond Ridge II recorded as Instrument No. 88-195021, records of Maricopa County, Arizona