

MEMORANDUM OF AGREEMENT

This Agreement made and entered into this 25 day of January 1930 by and between the City of Santa Fe, a municipal corporation, party of the first part, and John J. Dempsey, party of the second part,

WITNESSETH:

WHEREAS, the party of the first part is the owner of certain lands lying at the northerly end of the Santa Fe Grant, and

WHEREAS, it is the desire of said party of the first part to have said land developed so that revenue may be derived from the sale thereof and that the same may be placed upon the tax rolls; and

WHEREAS, it is the desire of the party of the second part to clear title to said lands and develop the same so that a sale thereof may be made;

NOW THEREFORE THIS AGREEMENT WITNESSETH: That the party of the second part approximately two thousand acres of land lying at the northerly end of the Santa Fe Grant, said land being more particularly described as follows, to-wit:

Bounded on the North by North boundary of Santa Fe Grant extending such land as is or will be deeded to John J. Dempsey. Bounded on the South by South boundary of sections 13 and 14, Township 17 North, Range 9 East and North boundary of land owned by School of American Research. Bounded on the east by Bishop's Lodge Road. Bounded on the west by a north and south line extended through the centers of sections 2, 11 and 14 of Township 17 North, Range 9 East.

upon the following conditions, to-wit:

1. Party of the second part covenants and agrees to endeavor to obtain a contract with the New Mexico Power Company for the furnishing of light, power and water to said lands, at prevailing city rates. Said contract, if obtained, to contemplate as to water supply, two trunk or main lines traversing said property; extensions thereof and laterals therefrom to be made, prior to a sale of the particular land to be served, as development demands.

2. The party of the second part further covenants and agrees to file a suit for the purpose of clearing title to said two thousands acres and so much more of the property of the city lying at the northerly end of the Santa Fe Grant as the City of Santa Fe may deem proper, and to pay toward the cost of said proceeding the sum of \$750.00. It being understood that said suit shall be filed as soon after the above described property is deeded to the party of the second part as may be reasonably possible. It is further understood by and between the parties hereto that if any substantial part of said acreage be lost in said suit to quiet title the party of the second part shall have the option of terminating this agreement upon a reconveyance to the first party of the lands to be conveyed under the terms hereof, but that the party of the first part, in the event of such termination, shall not be liable to second party for any monies or costs advanced or expended, and that the suit shall be deemed to have been successful unless a substantial portion of said acreage be lost.

3. The said party of the second part further covenants and agrees to offer to the estate of A.B. Renahan the sum of One Thousand Dollars for a quitclaim deed to that portion of the property above described included within the boundaries of the Roque Lovato Land Grant for the purpose of disposing of an interest in said property now claimed by the said A.B. Renahan Estate, and that in the event said A.B. Renahan Estate refuses said offer the said second party will pay said \$1000.00 to the first party to be used by first party in clearing said property of said claim.

4. Said second party covenants and agrees to have said land above described platted and landscaped as an addition to the City of Santa Fe with proper streets, parkways, etc. Said streets to be dedicated to the City of Santa Fe as official streets of said city and act to be considered as a sale of said land as hereinafter specified.

EXHIBIT

5. Said party of the second part in connection with said development of said lands covenants and agrees to sell said property by tracts in quantities and for such amounts as in his opinion may be proper for best development of said proposed addition. It being understood by between the parties hereto that the disposition of said land by said party shall be limited to bona fide sales at a reasonable market value and that none of said property shall be sold on a basis of less than \$5.00 per acre without the consent of the party of the first part. It is further understood and agreed that insofar as is reasonably possible, sales of said land by the second party shall be restricted to purchasers living the same for use and occupation, rather than for speculative purposes; but that this provision shall not be construed as a covenant running in the land, nor shall it affect the title of any purchaser thereof.

6. That the proceeds to be derived from the sale of said property shall be accounted for by said second party every three months and shall be divided as follows:

(a) Development expenses incurred by the second party including the installation of water, light and power, laying out of the addition, street expenses, taxes and expenses incident to the sale of acreage such as maintenance of an office in Santa Fe and Real estate commission payments or sales at the usual rates shall in all cases be deducted from the proceeds of said sales prior to any division of such proceeds. It being understood that the above expenses do not include any cost for financing said project or for the incorporation of a company for the purpose of handling said development or for corporate expenses such as salaries and office expenses in connection with said corporation. It being further understood that the initial cost of development shall not exceed Twenty Five Thousand Dollars over and above the cost of making water, light and power available to said land.

(b) The proceeds from said sale after the deduction of the items specified in sub-paragraph (a) hereof shall be construed as net proceeds and shall be divided fifty percent to each of the parties hereto.

(c) It is further understood and agreed that additional expenses for items specified in sub-paragraph (a) hereof for future development over and above the initial expense shall be deducted from the proceeds of sale, after the same are made, prior to the division of the net proceeds.

7. After the successful completion of the suit to quiet title above specified the party of the second part will be given ninety days within which to complete contract with the power company for the construction of water, light and power lines to said lands. It being understood that said contract when executed shall contain a provision that said water, light and power lines shall be completed within ninety days from the execution of said contract with said power company. Provided, however, that in the event of unavoidable delay the party of the second part may be given such additional time as may be deemed necessary by the party of the first part. It being understood between the parties hereto that this agreement is contingent upon the successful outcome of the suit to quiet title above specified and the execution of the contract by the party of the second part with the New Mexico Power Company for the construction of said water, light and power lines as above specified. It is further understood that the contract of said second party with the New Mexico Power Company, if obtained, will contain a provision that the water lines as to be constructed shall be available to all of the lands above described and to any other lands then owned by the party of the second party-parties hereto but that the same shall not be available to any other lands without the consent of the party of the second part, and party of the second part agrees that no such permission shall be granted by second party without a payment by the owners of said additional lands to which said lines are made available of their reasonable proportionate part of the cost thereof and that in such event fifty percent of such payment shall accrue to the party of the first part. It is further understood and agreed that in the event said suit be not successful or second party be unable to enter into a contract with the New Mexico Power Company as above specified he will deed back to the first party property covered by this agreement.

8. It is understood by and between the parties hereto that the party of the second part will make every reasonable effort to dispose of said lands at the best price obtainable for the interests of all parties concerned.

9. It is further understood and agreed by and between the parties hereto that buildings to be constructed upon said lands shall conform to what is known as the new-old Santa Fe Spanish or Indian Style of architecture.

10. It is further understood and agreed that the party of the second part may, if he so desires, transfer all of his rights and privileges hereby conferred upon him to any corporation he may designate, and may likewise transfer to any such corporation all of his rights, title and interest in and to the property to be conveyed under the terms hereof, and that if such corporation shall thereupon promptly assume in writing all of the obligations hereby imposed on said second party, and shall file an executed copy of such assumption with the party of the first part, such transfer shall not be construed to be a "sale" within the meaning of this contract.

11. It is further understood and agreed by and between the parties hereto that in the event the State of New Mexico decides to construct a highway through any portion of the land hereinafter specified that the right of way therefor shall be granted to the party of the first part.

IN WITNESS WHEREOF, the said party of the first part has caused this instrument to be executed by its duly authorized officers, and its corporate seal to be hereunto affixed and the party of the second part has hereunto set his hand on the day and year first above written.

City of Santa Fe,  
By J. C. McConvery, Mayor

Attest: Joe P. Conklin,  
City Clerk

John J. Dempsey  
Party of the Second Part