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**Second Amended and Restated Declaration of
Horizontal Property Regime and
Declaration of Covenants, Conditions, and Restrictions
Establishing and Governing The Pines at Show Low
Condominiums
A 132 Unit Residential Condominium Project Located
in Show Low, Navajo County, Arizona**

**Index to Second Amended and Restated Declaration of Horizontal Property Regime
and Declaration of Covenants, Conditions, and Restrictions for
The Pines at Show Low Condominiums**

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This Second Amended and Restated Declaration is made as of the date hereinafter set forth by The Pines Apartments 1984 limited Partnership, an Arizona Limited Partnership, (hereinafter referred to as the “Declarant”).

Recitals

Whereas, Declarant is the fee owner of that certain real property situated in the City of Show Low, County of Navajo, State of Arizona, described on Exhibit “A”, attached hereto and hereby incorporated by reference, referred to herein as the “Parcel”;

Whereas, Declarant desires to submit the Parcel, together with all buildings and improvements now or hereafter constructed on the Parcel, and all easements and rights appurtenant thereto (herein after referred to as the “Property”), to a Horizontal Property Regime pursuant to Sections 33-551 through 33-561, Arizona Revised Statutes; and

Whereas, Declarant desires to establish for its own benefit and for the mutual benefit of all future Owners or Occupants of the Property, certain covenants, conditions, and restrictions, easements, rights, privileges, assessments, and liens as set forth herein (herein after collectively referred to as the “Restrictions”), which shall run with and be a burden upon the Property; and

Whereas, Declarant intends that the Owners, Occupants, Lenders, and all other persons herein after acquiring any interest in the Property shall at all times enjoy the benefits of, and shall hold their interest subject to, this Declaration, which is recorded in furtherance of establishing a general plan of condominiums ownership for the Property;

and for establishing rules for the use, occupancy, management, and enjoyment thereof, all for the purpose of enhancing and protecting the value, desirability, and attractiveness of the Property and the quality of life therein; and

Whereas, on October 18, 1985, Declarant executed a Declaration of Horizontal Property Regime and Declaration of Covenants, Conditions, and Restrictions Establishing and Governing, The Pines at Show Low Condominiums, which was recorded on October 23, 1985 in Docket 801, pages 334- 401, inclusive, Records of Navajo County (the “Original Declaration”); and

Whereas, on March 19, 1986, Declarant executed a First Amended and Restated Declaration of Horizontal Property Regime and Declaration of Covenants, Conditions, and Restrictions Establishing and Governing, The Pines at Show Low Condominiums, which was recorded on March 19, 1986, in Docket 816, pages 1-68, inclusive, Records of Navajo County, Arizona (the “First Amended Declaration”); and

Whereas, on November 20, 1985, Declarant caused to be established The Pines at Show Low Condominiums Owners’ Association, Inc., an Arizona non-profit corporation (defined below as the “Association”); and

Whereas, Declarant and Association wish to amend and completely restate the Original Declaration and First Amended Declaration pursuant to the authority granted to Declarant and the Association by section 4.18b of the Original Declaration and First Amended Declaration;

Now Therefore, Declarant and Association, on behalf of the owners of the Property and for the purposes above set forth, declare as follows:

I Definitions

As used herein, unless the context otherwise requires:

Section 1.01. “Act” shall mean Sections 33-551 through 33-561, Arizona Revised Statutes, pertaining to Horizontal Property Regimes in the State of Arizona, as it may be amended from time to time.

Section 1.02. “Association” shall refer to The Pines at Show Low Condominium Owners’ Association, Inc., whose membership shall included each Owner of a Condominium Unit in the Property and whose function shall be to serve as the Council of Co-Owners as defined in the Act. The Association will be incorporated under the name of The Pines at Show Low Condominiums Owners’ Association, Inc., an Arizona non-profit corporation, prior to the conveyance of a Condominium Unit by Declarant.

Section 1.03. “Association Rules” shall mean and refer to the rules and regulations adopted by the Association pursuant to this Declaration and in the furtherance of the Bylaws and in accordance with section 33-561 of the Act.

Section 1.04. “Assessments” shall mean the charges against Owners to defray the Common Expenses as well as miscellaneous Special Assessments, Special Assessments for Capital Improvements, and Special Assessments for the purpose of restoring and reconstructing the Property in the event of casualty, all as provided in this Declaration.

Section 1.05. “Board” shall mean the Board of Directors of the Association elected pursuant to the Bylaws and serving as the governing

body of the Association.

Section 1.06. “Building” shall mean and refer to each of the eleven principal structures located on the Parcel and forming part of the Property as shown on the Plat, whether or not such structures are composed of one or more floors or stories.

Section 1.07. “Bylaws” shall mean the Bylaws adopted by the Association pursuant to Section 33-561 of the Act for the purpose of regulating the affairs of the Association, as the same may be amended from time to time.

Section 1.08. “Common Expenses” shall mean the actual and estimated costs for: **(a)** maintenance, management, operation, repair and replacement of the Common Elements and other portions of the Property which are maintained by the Association; **(b)** deficiencies arising by reason of unpaid Assessments; **(c)** management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys, and employees; **(d)** utilities including domestic and irrigation water, but excluding separately metered utilities for the Condominium Units, trash pickup and disposal, gardening, pool service, snow removal, and other related services; **(e)** insurance and bonds required by this Declaration or any additional insurance and bonds obtained by the Board in its discretion; **(f)** the establishment of reasonable reserves as the Board shall deem appropriate in its discretion; **(g)** personal and real property taxes with respect to the Common Elements; **(h)** assessments for sewer mains, road maintenance, and city sewer fees; **(i)** other miscellaneous charges incurred by the Association or the Board pursuant to this Declaration, the Bylaws, or Association Rules in furtherance of the purposes of the

Association or in discharge of the duties and powers of the Association.

Section 1.09. “Common Elements” shall mean the entire Property, excluding the Condominium Units.

Section 1.10. “Condominium Units” or “Units” shall mean part of the Property, including one or more rooms situated in a Building comprising part of the Property, designed or intended for independent use as a dwelling unit, together with the respective percentage interest in the Common Elements, and any exclusive and no-exclusive easements appurtenant thereto, as described in this Declaration and the Plat.

“Condominium Unit” shall be synonymous with “Apartment” as defined in Section 33-551 of the Act.

Section 1.11. “Declarant” shall mean The Pines Apartments 1984 Limited Partnership, an Arizona Limited Partnership, an Arizona Limited Partnership and the successors and assigns of Declarant’s rights hereunder.

Section 1.12. “Declaration” shall mean this Declaration including all exhibits attached hereto, which are hereby incorporated by reference, and any and all amendments hereof and supplements hereto.

Section 1.13. “Lender” shall mean an institutional holder of a first mortgage or first deed of trust on a Condominium Unit which is a bank, savings, and loan association, insurance company, established mortgage company, or other entity chartered under state or federal law.

Section 1.14. “Limited Common Elements” shall mean a Person or Persons, other than an Owner, in possession of a Condominium Unit.

Section 1.16. “Owner” shall mean the Person or Persons who are vested with record title of a Condominium Unit according to the records of the County Recorder of Navajo Count, Arizona; however, Owner shall not include a Person who holds an interest in a Condominium Unit merely as security for the performance of an obligation. Owner shall not include the lessee or tenant of a Unit. Declarant shall be considered the record Owner of any Condominium Unit prior to its initial conveyance by Declarant.

Section 1.17. “Plat” means the plat of survey of the Property submitted to this Horizontal Property Regime and showing thereon one hundred thirty-two Condominium Units, each of which is identified by a number, and showing Common Elements identified as “Tract A”. The original Plat is recorded in Book 6 of Maps, Page 1, in the records of the County Recorder of Navajo County, Arizona.

Section 1.18. “Person” shall mean a natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

Section 1.19. “Property” shall mean the Parcel, the Buildings, improvements and permanent fixtures located thereon, and all easements and rights appurtenant thereto.

Section 1.20. “Restrictions” shall mean the covenants, conditions, assessments, easements, liens and restrictions set forth in this Declaration.

II

Creation of The Horizontal Property Regime

Section 2.01. Submission. Declarant hereby submits and subjects the Property to a Horizontal Property Regime pursuant to the Act, and in furtherance thereof, makes and declares the Restrictions contained in this Declaration, and Declarant hereby declares and agrees that the transferred, sold, leased, or mortgaged, encumbered, occupied, used, and improved subject to the Restrictions, which Restrictions shall constitute covenants and conditions running with the land and shall be binding upon and inure to the benefit of Declarant, the Association, and each Owner, including their respective heirs, executors, administrators, personal representatives, successors, and assigns.

III

Description of the Condominium Units, the Common Elements, and the Limited Common Elements

Section 3.01. Name. The Property shall be known as “The Pines at Show Low Condominiums”.

Section 3.02. Cubic Content Space of Condominium Units.

- (a) The cubic content space of each of the one hundred thirty-two Condominium Units within the Buildings is set fort on the Plat.
- (b) The boundaries of each Condominium Unit Shall consist

(1) Horizontal Boundaries: the upper and lower boundaries of the Unit shall be the following boundaries extended to an intersection with the vertical boundaries:

(a) Upper Boundary: the upper boundary of lower floor units is the horizontal plane of the bottom surface of the floor joists above each Unit. The upper boundary of the upper floor Units is the horizontal plane of the bottom surface of the roof joists above each Unit.

(b) Lower Boundary: the lower boundary of a Unit is the horizontal plane of the top surface of the floor joists below each Unit.

(2) Vertical Boundaries: the vertical boundaries of the Unit are the vertical planes, extended to intersections with each other and with the Unit's upper and lower boundaries, of the inner surface of the studs which support the dry wall or plaster perimeter walls bounding the Unit.

(c) If any chute, flute, duct, wire, conduit, bearing wall, bearing column, or any portion of an electrical system, water system, sewer system, heating or cooling apparatus, exhaust system, fireplace, firebox, or chimney, or any other similar fixture lies partially within and partially outside the designated boundaries of a Unit, any portion thereof serving only that Unit up to the point where the duct, conduit or line serving one or more other

Units or serving any Common Element is designated as a Limited Common Element allocated solely to that Unit, and any portion thereof serving more than one Unit or any portion of the Common Elements is a part of the Common Elements.

(d) All spaces, interior partitions and other fixtures and improvements within the boundaries of a Unit are a part of the Unit.

(e) Any shutters, awnings, window boxes, balconies, door steps, stoops porches and all exterior doors and windows or other fixtures designed to serve a single Unit, but located outside the Unit's boundaries, are Limited Common Elements allocated exclusively to that Unit.

(f) Declarant reserves the right to relocate the boundaries between adjoining Units owned by Declarant and to reallocate between such Units their Common Element interests, votes in the Association, and Common Expense Liabilities.

Section 3.03. Designation of Common Elements. The Common Elements shall consist of the entire Property, excluding the Condominium Units.

Section 3.04. Designation of Limited Common Elements

(a) The following portions of the property are designated as Limited Common Elements:

(1) Front entry decks, storage areas and the wood storage areas on the front entry decks shall be Limited Common Elements allocable to the Units to which each front entry deck, storage area and wood storage area is adjacent, subject to the easement for ingress & egress specified in Section 7.08, where an entry decks is adjacent to two Units, each Unit shall be allocated the portion of the entry deck

on that Unit's side of the imaginary extension line of the party wall between the two Units.

(2) Balconies; exterior doors and windows and their related frames, sills and hardware; shutters; awnings; window boxes; fireplace boxes; and other fixtures designed to serve a single Unit, but located outside that Unit's boundaries, are Limited Common Elements allocated exclusively to that Unit.

(b) The Limited Common Elements described in Section 3.02 (c) and (e).

Section 3.05. Designation of Reserved Common Elements. Reserved Common Elements are those parts of the Common Elements which the Board may designate from time to time for use by less than all of the Unit Owners or by non-owners of any Units for specified periods of time or by only those persons paying fees or satisfying other reasonable conditions for use as may be established by the Board. Such designation by the Board shall not be construed as a sale or disposition of such portions of the Common Elements.

Section 3.06. Percentage Interest of Each Condominium Unit in the Horizontal Property Regime. The designation of the percentage interest which each Condominium Unit bears to the entire Horizontal Property Regime, which percentage interest is based on proportionate cubic content space and which percentage interest shall constitute the percentage interest of each Owner in the Common Elements, shall be set forth in Exhibit "B". attached hereto and hereby incorporated by reference.

Section 3.07. Maintenance Responsibilities of Owner. Each Owner of a Unit shall be responsible for the following maintenance responsibilities

(a) The Owner shall maintain, repair and replace all portions of his Unit, including but not limited to: dishwashers, laundry equipment, ranges, ovens, water heaters and other built-in appliances; all carpeting, tile, ceiling, and wall coverings; and all interior partitions and doors.

(b) The Owner shall maintain, repair, replace, and restore, at his own expense, all Limited Common Elements allocated solely to his Unit, including but not limited to: all exterior doors, window glass, window sills and frames and window screens (including all exterior hardware and trim); all balconies; all electrical, water, sewer, heating, cooling or exhaust chutes, flues, ducts, wires, conduits, which serve his Unit, up to the point where the chute, flue, duct wire or conduit joins another chute, flue, ducts, wires, conduit serving one or more other Units or serving any Common Element; all fireboxes, fire flues, and chimneys; all storage areas and wood storage area; all balconies; and all entry decks, The Owner shall remove all snow from his entry decks and balconies.

(c) Each Owner shall be liable to the Association for any damage to any Reserved Common Elements which have been reserved for the exclusive use of the Owner.

(d) Each Owner shall have an easement over, across through such portions of the Common Elements as are necessary in order for the Owner to perform his obligations under this Section 3.07.

(e) Each Owner, to the extent permitted by law, does hereby waive, to the extent of any liens created pursuant to this Declaration, whether such liens are now in existence or are created at any time in

the future, the benefit of any homestead or exemption laws of the State of Arizona now in effect, or in effect from time to time, hereafter.

Section 3.08. Owner Default in Maintenance. If an owner fails to so maintain his Condominium his Condominium Unit or make repairs thereto in such a manner as may be deemed reasonably necessary in the judgment of the Board to preserve and protect the attractive appearance and value of the Property, or if an Owner shall fail to observe any covenant or restriction imposed on such Owner by the terms of the Declaration, then the Board shall give written notice to such Owner stating with particularity the nature of the default and the corrective action which the Board determines to be required and requesting that the same be carried out within a period of fifteen days after the giving of such notice. If such Owner fails to carry out such action within the period specified by the notice, the Board shall cause such action to be taken and shall levy a special assessment for the cost thereof to such Owner, such special assessment to be due and payable within thirty days after the Board gives written notice thereof and to be secured by the Assessment lien created in Section 5.01 of this Declaration.

Section 3.09. Maintenance Responsibilities of Association. The Association shall be responsible for the following maintenance responsibilities:

(a) The Association shall maintain, repair, and make necessary improvements to all of the Common Elements (except those portions to be maintained by the Owners pursuant to Section 3.07), including but not limited to: all common recreational facilities and improvements, all roadways, landscaping, drainage facilities, parking areas, sidewalks,

exterior portions of the buildings, roof, exterior vertical walls, foundations, stairways, the space above the buildings, the water distribution system within the Property and the sewer collection system within the Property; and the refuse collection system;

(b) The Association shall maintain, repair, and make necessary improvements to the Reserved Common Element (except as the Reserved Common Elements are required to be maintained by the Owners pursuant to Section 3.07.)

Section 3.10. Utilities. All utilities for individual Condominium Units, except water, sewer, and gas service charges (which will be metered collectively and paid by the Association as a Common Expense item) will be metered separately to each Condominium Unit and such utility charges shall be the responsibility of the respective Owners.

IV Management

Section 4.01. Association. The Association will be formed so as to constitute the Council of Co-Owners as that term is defined in the Act to serve as the governing body for all Owners and shall make provisions for the maintenance, repair, replacement, irrigation, administration, and operation of the Common Elements, assessment of expenses, payment of losses, division of profits, acquisition of a source of potable water, acquisition of hazard insurance, and disposal of such hazard insurance proceeds, and other matters as provided in the Act, the Declaration, and the Bylaws. The Association shall not be deemed to be conducting a business of any kind, and all funds

received by the Association shall be held and applied by it for the Owners in accordance with the Declaration and the Bylaws.

Section 4.02. Membership. Each Owner shall be a member of the Association so long as he shall be an Owner and such membership shall automatically terminate when he ceases to be an Owner, and upon the transfer of such ownership interest likewise succeed to such membership in the Association.

Section 4.03. Voting. The Association shall have two classes of voting membership.

Class A. Class A members shall be all Owners other than Declarant. Class A members shall be entitled to one vote fore each Condominium Unit owned. When more than one person owns an interest in a Condominium Unit, each such Person shall be a member of the Association but the vote for such Condominium Unit shall be exercised as the Co-Owners themselves determine, but in no event shall more than one vote be cast with respect to any Condominium Units. The Association shall not be required to recognize the vote or written assent of the Co-Owner designated in a writing executed by all of such Co-Owners and delivered to the Association.

Class B. Class B member shall be Declarant. The Declarant shall be entitled to three votes for each Condominium Unit which it owns except with respect to any actions the Association may take with respect to the provisions of water to a Condominium Unit or to the Common Elements, or with respect to any assessment of expenses therefore, concerning which actions the Declarant shall be entitled to one vote for each Condominium Unit it owns; provided, however, the Class B Membership shall cease and be converted into Class A Membership

not later than one hundred twenty days after the happening of whichever of the following is first in time:

(a) When the total votes outstanding in the Class A Membership equal or exceed the total votes outstanding in the Class B Membership; or

(b) On the seventh anniversary of the first conveyance of a Condominium Unit by Declarant to an Owner.

Section 4.04. Board of Directors. The governing body of the Association shall be the Board of Directors elected pursuant to the Bylaws. The Board shall consist of not less than three members and not more than five members. Except as otherwise provided in this Declaration, the Bylaws, or Association Rules, the Board may act in all instances on behalf of the Association. The board shall act to adopt the Bylaws and Association Rules.

Section 4.05. Qualification of Directors. Except for Board members designated by Declarant, each Director shall be an Owner or the spouse of an Owner(or if an Owner is a corporation, partnership, or trust, a Director may be an officer, partner, trustee or beneficiary of such Owner). If a Director shall cease to meet such qualifications during his or term, he will thereupon cease to be a Director and his place on the Board shall be deemed vacant.

Section 4.06. Independent Manager. The Board may employ a responsible person or entity as manager to manage, operate, and maintain Common Elements, with all of the administrative functions and such powers and duties as the Board may delegate from time to time and for such fees as the Board may establish consistent with other provisions of this Declaration. Any agreement for management of the

Property shall be in writing and shall provide for termination by either the Association or the management agent for cause on not more than thirty days written notice, and the term of such agreement shall not exceed one year, renewable by written agreement of the parties for successive periods of one year.

Section 4.07. Action by Owners. The Board may not act on behalf of the Association to amend or terminate this Declaration, or to elect members of the Board, except in filling vacancies in its membership for the unexpired portion of any terms. The Owners, acting by a majority of the voting power of the Association at a general or special meeting, may reject any act of the Board in fixing the annual budget, general Assessments, or special Assessments; provided such veto is exercised within thirty days after the Board action.

Section 4.08. Annual Meeting. The first meeting of the Association shall be held not later than one hundred twenty days from the first conveyance of a Condominium Unit from Declarant to an Owner is recorded. Thereafter, the annual meeting shall be held as provided in the Bylaws.

Section 4.09. Right of Association to Enter Condominium Units. The Association acting through the Board or its duly authorized agent shall have the right at all times upon reasonable notice (and at any time in case of an emergency) to enter upon or in any Condominium Unit to abate any infractions, to make repairs, or correct any violation of any of the Restrictions herein set forth, and in connection therewith shall have the further right to assess all costs incurred against the Owner, such assessment to be secured by the lien provided in Section 5.01.

Section 4.10. Association Rules. The Board shall adopt Association Rules in furtherance of the Bylaws for the regulation and operation of the Property, including recreational facilities. The Board shall have the right to exclude from the use of the recreational facilities any Owner who is delinquent in the payment of any Assessment levied in accordance with Article V hereof.

Section 4.11. Reserve Fund. The Association shall maintain an adequate reserve fund for maintenance, repairs, and replacement of those Common Elements that must be replaced on a periodic basis, and such reserve shall be funded as part of monthly Assessments.

V

Covenant for Assessments

Section 5.01. Creation of Lien and Personal Obligation for Assessments. Each Owner, including Declarant to the extent Declarant is an Owner as defined herein, of any Condominium Unit, by acceptance of a deed or other instrument creating in such Owner the interest required to be deemed an Owner, whether or not it shall be so expressed in any such deed or other instrument, is deemed to covenant and agree to pay the Association, such Assessments to be fixed, established and collected from time to time as provided in this Declaration. The Assessments, together with interest thereon, late charges, attorney's fees, court costs and other costs of collection as herein after provided, shall be a continuing lien upon the Condominium Unit against which each such Assessment is made. Each such Assessment, together with such

interest, late charges, costs and attorney's fees shall also be the personal obligation of the Owner of such Condominium Unit at the time the Assessment becomes due. The personal obligation shall not pass to the successor in title of an Owner unless expressly assumed by such successor.

Section 5.02. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purposes of promoting the health, safety, and welfare of the Owners, the management, maintenance, care, preservation, and protection of the Property, enhancing the quality of life in the Property and the value of the Property including, without limitation, the improvement and maintenance of the services and facilities devoted to this purpose and related to the use and enjoyment of the Limited Common Elements and Common Elements, or in furtherance of any other duty or power of the Association, including assessments for road maintenance and city sewer fees.

Section 5.03. Regular Assessments. Not later than thirty days prior to the beginning of each fiscal year, the Board shall distribute to each Owner a pro forma operating statement or budget for the upcoming fiscal year which shall, among other things, estimate the total Common Expenses to be incurred for such fiscal year. The Board shall at that time determine the amount of the regular Assessment to be paid by each Owner. Each Owner shall thereafter pay to the Association his regular assessment in equal monthly installments on the first day of each month. In the event the Board shall determine that the estimate of total charges for the current year is, or will become, inadequate to meet all Common Expenses for any reason, it shall then immediately determine the approximate amount of such inadequacy and

issue and supplemental estimate of the common Expenses and determine the revised amount of the regular Assessment against each Owner, and the date or dates when due.

Section 5.04. Capital Improvement Assessments. In addition to regular Assessments, the Board may levy in any fiscal year a capital improvement Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction or replacement (other than due to destruction) of a described capital improvement upon the Common Elements, including the necessary fixtures and personal property related thereto. The Board shall not impose a capital improvement Assessment exceeding ten percent of the then estimated annual Common Expenses without the approval of a majority of the voting power of the Association. All amounts collected as capital improvement Assessments may only be used for capital improvements and shall be deposited by the Board in a separate bank account to be held in trust for such purpose and said funds shall not be co-mingled with any other funds of the Association.

Section 5.05. Uniform Assessments; Exception. Except as provided herein, all Assessments (other than special Assessments) shall be fixed at an equal amount for each Condominium (1/132). However, the Assessment for Condominiums on which construction has not been substantially completed shall be equal to twenty-five percent of the Assessment for Condominiums which have been substantially completed. Declarant agrees to pay to the Association any deficiency in monies due to the reduced assessment for incomplete units and necessary for the Association to timely pay all Common Expenses.

Section 5.06. Certificate of Payment. The Association shall, upon demand, furnish to any Owner liable for Assessments a certificate in writing signed by an officer or authorized agent of the Association setting forth whether the Assessments relating to a specified Condominium Unit have been paid and the amount of delinquency, if any. A reasonable charge may be collected by the Board for the issuance of each such certificate. Each certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

Section 5.07. Special Assessments. Special Assessments shall be levied by the Board against a Condominium Unit and its Owner to reimburse the Association for:

(a) costs incurred in bringing an Owner and his Condominium Unit into compliance with the provisions of this Declaration, the Bylaws, or Association Rules;

(b) any other charge designated as a special Assessment in this Declaration, Bylaws, or Association Rules; and

(c) attorneys' fees, interest and other charges relating thereto as provided in this Declaration.

In the event the Association undertakes to provide materials or services which benefit individual Condominium Units and which can be accepted or not by individual Owners, such Owners, in accepting such materials or services, agree that the costs thereof may be part of the regular Assessment or a special Assessment.

Section 5.08. Date of Commencement of Assessments. Regular and other Assessments as to Condominium Units within the Property shall commence as to all such Condominium Units on the first day of the month following the conveyance of the first Condominium Unit by Declarant to

an Owner. Until the Association makes an Assessment, the Declarant shall pay all Common Expenses of the Property.

Section 5.09. Reduction or Abatement of Regular Assessments. In the event the amount budgeted to meet Common Expenses for a particular fiscal year proves to be excessive in light of the actual Common Expenses, the Board in its discretion may either reduce the amount of the regular Assessments or may abate collection of regular Assessments as it deems appropriate.

Section 5.10. No Offsets. All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount shall be permitted for any reason, including, without limitation: (i) a claim that the Association is not properly exercising its duties and powers as provided in this Declaration; or (ii) an Owner has made or elects to make no use of recreational facilities.

Section 5.11. Homestead Waiver. Each Owner, to the extent permitted by law, does hereby waive, to the extent of any liens created pursuant to this Declaration, whether such liens are now in existence or are created at any time in the future, the benefit of any homestead or exemption laws of the State of Arizona now in effect, or in effect from time to time hereafter.

VI

Effect of Non-Payment of Assessments and Remedies

Section 6.01. Delinquency. Any Assessment which is not paid when due, is delinquent. Whenever an Assessment is delinquent, the Board may

at its option invoke any or all of the sanctions provided for herein.

Section 6.02. Late Charge. If any Assessment is not paid within fifteen days after it becomes due and payable, Owner shall be obligated to pay the late charge then provided for in the Rules. The amount of the late charge until paid shall constitute part of the Assessment lien as provided for in Section 5.01 of this Declaration.

Section 6.03. Interest. If any Assessment is not paid within thirty days after it becomes due and payable, interest at the rate set forth in the Rules at the time may be assessed on the amount owing from the date due until such time as it is paid.

Section 6.04. Action at Law. The Association may bring an action to recover a delinquent Assessment either personally against the Owner obligated to pay same or, upon compliance with the notice provisions herein, to foreclose the Assessment lien; provided, however, that the Associations choice of one remedy shall not prejudice or constitute a waiver of the Associations right to exercise the other. The costs of preparing and filing the complaint shall be assessed against the delinquent Owner and his Condominium Unit and reasonable attorney's fees and court costs will thereafter be added to the amount in delinquency (plus interest and/or late charges, if appropriate) in the event that a judgment is obtained by the Association, each Owner vests in the Association or its assigns the right and power to bring actions at law and/or lien foreclosures against such Owner or Owners for the collection of delinquent Assessments.

Section 6.05. Notice of Lien. No action shall be brought to foreclose an Assessment lien at a time less than thirty days after the date that a certified or registered notice of claim of lien is

deposited in the United States Mail, postage prepaid, to the Owner of the applicable Condominium Unit and a copy thereof is recorded by the Association in the office of the County Recorder of Navajo County, Arizona.

Section 6.06. Foreclosure Sale. Any foreclosure sale provided for in this Declaration is to be conducted in accordance with applicable provisions relating to the foreclosure of realty mortgages in the State of Arizona. The Association, upon approval by a majority vote of the Owners, may through its duly authorized agents have and exercise the power to bid on the Condominium Unit at the foreclosure sale and to acquire, hold, lease, mortgage, and convey such Condominium Unit.

Section 6.07. Suspension of Votes. The Board shall suspend for the entire period during which and Assessment remains delinquent the obligated Owner's right to vote on any matter at regular or special meetings of the Association.

Section 6.08. Suspension of Recreational Privileges. The Board shall also suspend for the entire period during which an Assessment remains delinquent the obligated Owner's right to the use of the recreational facilities of the Property.

VII

Easements

Section 7.01. Unit Owner's Easement to Common Elements. Subject to this Declaration and the Association Rules, non-exclusive reciprocal easements are hereby reserved and created for the purpose of support, ingress and egress, access, use and enjoyment in favor of each Owner,

upon, across, over, under and through the Common Elements, including the use of all pipes, wires, ducts, cables, conduits, and public utility lines and recreational facilities which shall be subject to such reasonable rules, regulations, and restrictions as may be imposed by the Association.

Section 7.02. Association's Easement Across Units and Limited Common

Elements. The Association, acting through the Board or its authorized agent, and public utility companies providing service to the Property, shall have non-exclusive easements with the right of access to each Condominium Unit and Limited Common Elements to make inspections, to remove violations, to maintain, repair, replace or effectuate the restoration of the Common Elements or Limited Common Elements accessible in such Unit or Limited Common Elements; provided, however, such rights shall be exercised in a reasonable manner and at reasonable times with prior notification, unless emergency situations demand immediate access.

Section 7.03. Public Utilities. Easements and rights over the Property for the installation and maintenance of electricity lines, telephone lines, cable television, water lines, gas lines, sanitary sewer lines, drainage facilities, and such other public utilities needed to serve the Property are hereby reserved by Declarant, together with the right to grant and transfer the same; provided, however, such easements and rights shall not unreasonably interfere with the use of the Common Elements and the Condominium Units by the Owners or Occupants.

Section 7.04. Easements For Encroachments. If any portion of the Common Elements now encroaches upon any Condominium Unit, or if any

Condominium Unit now encroaches upon any other Condominium Unit or the Common Elements, or if any such encroachment shall occur hereafter as a result of the manner in which the buildings have been constructed or due to settling, shifting, alteration, replacement, repair, or restoration by Declarant or the Association, a valid easement for encroachment shall exist so long as the Buildings stand.

Section 7.05. Development Easements for Declarant. Until all Condominium Units have been sold by Declarant, there are hereby reserved to Declarant, together with the right to grant and transfer the same to others, including Declarant's sales and leasing agents, representatives, and assigns, easements and rights upon, across, over, under and through the Property for construction, display (including the use of the Condominium Units as models), maintenance, sales, leasing, and exhibit purposes (including the use of signs and other advertising devices) in connection with the erection and sale or lease of Condominium Units within the Property; provided, however, that no such use by Declarant or its agents shall otherwise restrict Owners or Occupants in the reasonable use and enjoyment of their Condominium Units.

Section 7.06. Balconies. Each Owner of a Type D Condominium Unit shall have an exclusive easement to use the adjacent balcony area, which shall be appurtenant to the respective Condominium Unit.

Section 7.07. Declarant's Easements. (a) Declarant reserves an easement to use portions of the Common Elements and any Units owned by Declarant for construction or renovation related purposes including the storage of tools, machinery, equipment, building materials, appliances, supplies, and fixtures, and the performance of work respecting the Property.

(b) Declarant reserves an easement on, over, and under those portions of the Common Elements not located with a building for the purpose of maintaining and correcting drainage of surface, roof or storm water. The easement created by this Section 7.07 (b) expressly includes the right to cut any trees, bushes, or shrubbery , to grade soil or to take any other action reasonably necessary, following which the Declarant shall restore the affected property as closely to its original condition as practicable.

Section 7.08. Entry Decks. Each Unit Owner within a building shall have an easement in common with such other Unit Owners within that building over the entry decks within that building for ingress and egress from the Common Elements to that Owner's Unit, subject to such reasonable rules, regulations and restrictions as may be imposed by the Association. Each unit is hereby burdened with and subjected to an easement over the entry deck adjoining his Unit by persons entitled to use same for ingress and egress.

VII

Use Restrictions

Section 8.01. Residential Use. The Property shall be used exclusively for residential purposes and each Condominium Unit shall be improved, used and occupied as a separate dwelling unit. Unless specifically approved by the Board, no part of the Property may be used for any business, commercial, manufacturing, storing, vending, or any non-residential purposes. However, nothing contained herein shall be construed to prevent Declarant and its agents from engaging in all

forms of construction and sales and leasing activities within the Property including use of Condominium Units owned by Declarant as models until all Condominiums have been sold by Declarant.

Section 8.02. Signs. No sign of any kind shall be displayed to public view from any portion of the Property without the approval of the Board. Notwithstanding the foregoing, a single sign of reasonable dimension advertising a Condominium Unit for sale or rent may be placed by the Owner or his agent within the Condominium Unit or immediately adjacent thereto located on the Common Elements, subject to reasonable regulation by the Board. Nothing herein shall prevent Declarant and its agents and assigns from utilizing reasonable signs, flags, markers, and sales devices in furtherance of sales activities until all Condominium Units have been sold by Declarant.

Section 8.03. Nuisance. No noxious or offensive activity shall be carried on upon the Property, nor shall any activity which might be or become an annoyance or nuisance to Owners or Occupants be permitted to interfere with their rights of quiet enjoyment or increase the rate of insurance. No Owner or Occupant shall engage in activity within the Property in violation of any law, ordinance, statute, rule or regulation of any local, county, state, or federal body. Nothing herein shall be construed to prevent Declarant and its agents from engaging in all forms of construction and sales activities until all Condominium Units have been sold by Declarant.

Section 8.04. Temporary Structures. No structure or building of a temporary character, including a tent or shack, shall be placed upon the Property or used therein unless the same and its proposed use are approved by the Board. Nothing herein shall be construed as preventing

Declarant from using temporary structures or trailers for construction and/or sales purposes or engaging in all forms of construction and sales activities within the Property.

Section 8.05. Parking. Unless otherwise permitted by the Board, no motor vehicle (including a motorcycle), trailer, camper, boat, or similar item, and no bicycle, shall be permitted to remain upon the Property unless parked or placed within the Property in spaces designated for such use; provided, however, temporary parking of motor vehicles shall be permitted. For purposes hereof, “temporary parking” shall mean parking of vehicles belonging to invitees of Owners and Occupants, parking of delivery trucks, service vehicles and other commercial vehicles being used in the furnishing of goods and services to the Association or to the other Owners and Occupants as well as parking of vehicles belonging to and being used by Owners, Occupants, and invitees for loading and unloading purposes. Except for temporary parking, no buses, vans, or trucks having a carrying capacity in excess of $\frac{3}{4}$ tons or designed for commercial purposes shall be maintained or parked upon the Property except with the prior written approval of the Board. The Board may adopt Association Rules relating to the admission and temporary parking of vehicles within the Property, including the assessment of charges to Owners and Occupants who violate, or whose invitees violate, such rules. Any charges so assessed shall be special Assessments. Nothing herein shall be construed as preventing Declarant from using temporary structures or trailers for construction and/or sales purposes or engaging in all forms of construction and sales activities within the Property.

Section 8.06. External Fixtures. No external items, such as, but not limited to, television and radio antennas, flag poles, clotheslines, wiring, insulation, air conditioning equipment, water softening equipment, fences, awnings, ornamental screens, screen doors, porch or patio or balcony enclosures, sunshades, walls, landscaping and planting, other than those provided in connection with the original construction of the Property, and any replacements thereof, and other than those approved by the Board and any replacements thereof, shall be constructed, erected or maintained on the Property, including Buildings thereof. The foregoing notwithstanding, nothing herein shall be construed as preventing Declarant and its agents and assigns from engaging in all forms of construction and sales activities within the Property. The Association may maintain in effect or cause to be maintained in effect a central antenna system or systems, which shall provide connections to each Condominium Unit via underground or internal wall wiring, or a combination thereof.

Section 8.07. Window Covers. Only curtains, drapes, and shades may be installed as window covers. No window shall be covered by paint, foil, sheets or similar items. The Board may adopt Association Rules regulating the type, color and design of the external surface of window covers.

Section 8.08. External Laundering. Unless otherwise permitted by the Board, external laundering and drying of clothing and other items is prohibited.

Section 8.09. Outside Speakers and Amplifiers. No radio, stereo, broadcast or loudspeaker units and no amplifiers of any kind shall be placed upon or outside, or be directed to the outside of any Building

without the prior written approval of the Board.

Section 8.10. Repairs. No repairs of any detached machinery, equipment or fixtures, including without limitation, motor vehicles, shall be made upon the Property.

Section 8.11. Unsightly Items. All rubbish, debris or unsightly materials or objects of any kind shall be regularly removed from Condominium Units and shall not be allowed to accumulate therein or thereon. Refuse containers and machinery and equipment not a part of the Condominium Units, shall be prohibited upon any Condominium Units unless obscured from view of adjoining Condominium Units and Common Elements. Trash and garbage not disposed of by equipment contained within the Condominium Units shall be placed in containers by Owners and Occupants for removal from the Property in accordance with the Association Rules applicable thereto adopted by the Board. The Board may adopt rules applicable to the provisions of the Section and their enforcement, including the assessment of charges to Owners and Occupants who violate, or whose invitees violate, such rules. Any charges so assessed shall be special Assessments. The foregoing notwithstanding, herein shall be construed as prevent Declarant and its agents and assigns from engaging in all forms of construction and sales activities within the Property.

Section 8.12. Oil and Mineral Activity. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon the surface of the Property, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be installed upon the surface of the Property or within five hundred feet below the surface of the Property. No derrick or other structure

designed for use in boring for water, oil or natural gas shall be erected, maintained or permitted upon the Property.

Section 8.13. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept upon the Property, except that dogs, cats, or other household pets may be kept within a Condominium Unit provided they are not raised, bred, kept or maintained for any commercial purpose or in numbers deemed unreasonable by the Board.

Notwithstanding the foregoing, no animal or fowl may be kept within the Property. All animals permitted to be kept by this Section shall be kept on a leash when on any portion of the Property except within a Condominium Unit. The Board may adopt Association Rules applicable to the provisions of this Section and to the keeping of pets within the Property, and their enforcement, including the assessment of charges to Owners and Occupants who violate such rules. Any charges so assessed shall be special Assessments.

Section 8.14. Leases. Any agreement for the leasing or rental of a Condominium Unit (hereinafter in this Section referred to as a “lease”) shall provide that the terms of such lease shall be subject in all respects to the provisions of the Declaration, the Bylaws and the Association Rules. Said lease shall further provide that any failure by the Occupant there under to comply with the terms of the foregoing documents shall be a default under the lease. All leases shall be in writing. No Owner may lease less than his entire Condominium Unit. Any Owner who shall lease his Condominium Unit shall be responsible for assuring compliance with the Occupant with this Declaration, the Bylaws

and the Association Rules. Failure by an Owner to take legal action, including the institution of a forcible entry and detainer proceeding against his Occupant who is in violation of this Declaration, the Bylaws and the Association Rules within ten days after receipt of written demand so to do from the Board, shall entitle the Association, through the Board, to take any and all such action including the institution of proceedings in forcible entry and detainer on behalf of such Owner against his Occupant. Any expenses incurred by the Association, including attorney's fees and costs of suit, shall be repaid to it by such Owner. Failure by such Owner to make such repayment within 10 days after receipt of a written demand therefore shall entitle the Board to levee a special Assessment against such Owner and his Condominium Unit for all such expenses incurred by the Association. In the event such special Assessment is not paid in thirty days of its due date, the Board may resort to all remedies of the Association for the collection thereof.

Section 8.15. Rules and Regulations. The Association shall have the power to make and adopt reasonable Association Rules with respect to activities which may be conducted on any part of the Property. The Board's determination as to whether a particular activity being conducted or to be conducted violates or will violate such Association Rules shall be conclusive unless, at a regular or special meeting of the Association, Owners representing a majority of the voting power of the Association vote to the contrary.

Section 8.16. Fireplaces and Firewood Storage. No wood storage is permitted within a Unit except in the firewood storage area within each Unit's entry deck. Unit Owners may only burn types of firewood

previously approved by the Board. Cooking in fireplaces is expressly prohibited. All ashes and other fireplace residue shall be disposed of as provided in the Association Rules.

IX

Insurance

Section 9.01. Authority to Purchase. Commencing not later than the date of a Condominium Unit is conveyed to a Person other than Declarant, the Board shall have the authority to and shall obtain the insurance provided for in this Article.

Section 9.02. Hazard Insurance. The Board shall obtain a master or blanket policy of property insurance on the entire Property including the Condominium Units and the Common Elements (excluding land, additions, improvements and decorations made in the Condominium Units by the Owners and Occupants) insuring the Property against loss or damage by fire and hazards covered by the standard extended coverage endorsement, and against loss or damage by sprinkler leakage, debris, removal, cost of demolition, vandalism, malicious mischief, windstorm, and water damage. Such master policy of property insurance shall be in a total amount of insurance equal to 100% of the current replacement cost, exclusive of land, excavations, foundations and other items normally excluded from such property policies. Such master policy of property insurance shall contain an Agreed Amount Endorsement or its equivalent, if available, or an Inflation Guard Endorsement, together with such endorsements as may be satisfactory to any Lender. If more

than one Lender exists, such policy and endorsements shall meet the highest maximum standards of all such lenders.

Section 9.03. Comprehensive Public Liability Insurance. The Board shall obtain comprehensive general liability insurance insuring the Association, the Declarant, the agents and employees of the Association and the Declarant, the Owners and Occupants and the respective family members, guest and invitees of the Owners and Occupants, against liability incident to the ownership or use of the Common Elements. The limits of such insurance shall not be less than \$1,000,000.00 covering all claims for death or injury to anyone person and/or property damage in any single occurrence. Such insurance shall contain a Severability of Interest Endorsement or equivalent coverage which would preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or another Owner or Occupant. Such insurance shall also include protection against water damage liability, liability for non-owned and hired automobiles, and liability for the property of others. Such insurance must provide that, despite any provisions giving the carrier the right to elect to restore damage in lieu of a cash settlement; such option shall not be exercisable without the approval of the Association. The Board shall adjust the amount of the insurance carried under this Section from time to time.

Section 9.04. Workmen's Compensation Insurance. The Board shall purchase and maintain in effect workmen's compensation for all employees of the Association to the extent that such insurance is required by law.

Section 9.05. Fidelity Insurance. The Board shall obtain fidelity coverage against dishonest acts on the part of directors, officers, employees, or volunteers who handle or who are responsible for handling the funds of the Association. Such fidelity bonds shall name the Association an obligee and shall be written in an amount equal to one hundred fifty percent of the estimated current annual Common Expenses of the Association, including reserves, and shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of “employee” or similar expression.

Section 9.06. Premiums. Premiums upon insurance policies purchased by the Board on behalf of the Association shall be paid by the Association as part of the Common Expenses.

Section 9.07. Policy Provisions. (a) Any insurer that has issued an insurance policy to the Association under this Article shall also issue a certificate or memorandum of insurance to the Association and, upon request, to any Owner or Lender.

(b) The named insured under any policy of insurance shall be the Association, as trustee for the Owners, or its authorized representative, including any trustee with which the Association may enter into any Insurance Trust Agreement, or any successor trustee, each of which shall be referred to as the “Insurance Trustee” who shall have exclusive authority to negotiate losses under the policies.

(c) Insurance coverage may not be brought into contribution with insurance purchased by the Owners.

(d) Coverage must not be limited by **(i)** any act or neglect by Owners or Occupants which is not within control of the Association;

or **(ii)** any failure of the Association to comply with any warranty or condition regarding any portion of the Property over which the Association has no control.

(e) Coverage may not be cancelled or substantially modified (including cancellation for nonpayment of premiums) without at least thirty days prior written notice to the Association and all Lenders, and to any Owner to whom a certificate has been issued.

(f) All policies must contain a waiver of subrogation by the insurer as to any and all claims against the Association, Owners, Occupants and their respective agents and employees, and any defenses based on co-insurance or on invalidity arising from acts of the insured.

Section 9.08. Supplemental Insurance. The Board may obtain such other policies of insurance in the name of the Association as the Board deems appropriate to protect the Association and Owners, including, without limitation, errors, and omissions insurance for officers and directors of the Association. Notwithstanding any other provisions herein, the Association shall continuously maintain in effect such casualty, flood, and liability insurance and fidelity bond meeting the insurance and fidelity bond requirements for condominium projects established by Federal National Mortgage Association, so long as either is a mortgagee or Owner of a Condominium Unit, except to the extent such coverage is not available or has been waived in writing by Federal National Mortgage Association or Government National Mortgage Association, so long as either is a mortgagee or Owner of a Condominium Unit, except to the extent such coverage is not available or has been waived in writing by Federal National Mortgage Association or Government National Mortgage Association.

Section 9.09. Annual Insurance Report. Not later than sixty days prior to the beginning of each fiscal year, the Board shall

obtain a written report by a reputable independent insurance broker or consultant setting forth the existing insurance obtained pursuant to this Article and stating whether, in the opinion of such broker or consultant, the insurance complies with the requirements of this Article. Such report shall also set forth recommendations regarding current policy provisions and for additional insurance reasonable required for the protection of the Owners and Lenders in light of the insurance then available and the prevailing practice with respect to other similar Condominium Units. The Board shall be fully protected in relying on the written report furnished pursuant to this Section provided reasonable care and prudence were exercised in selecting such independent insurance broker or consultant.

Section 9.10. Insurance Obtained By Owners. An Owner or Occupant shall be permitted to insure his personal property against loss by fire or other casualty and may carry public liability insurance covering his individual liability for damage to persons or property occurring inside his Condominium Unit and improvements as well as additional liability insurance covering exposure from the ownership or use of the Common Elements. All such policies as may be carried by an Owner shall contain waivers of subrogation of claims against the Association, the Board, other Owners or Occupants, the Declarant and the agents and employees of each of the foregoing. All such policies as may be carried by an Owner shall not adversely affect or diminish any liability under any insurance obtained by the Association, and the Owner shall deposit a duplicate copy or certificate of any such other policy with the Board, except for casualty policies covering personal property

and liability policies covering loss within the Condominium Unit.

X

Destruction of Improvements

Section 10.01. Automatic Reconstruction. In the event of a particular or total destruction of a Building or Buildings or any portion of the Common Elements within the Property, the Board shall promptly take the following action:

(a) The Board shall ascertain the cost of reconstruction by obtaining fixed price bids from at least two reputable contractors, including the obligation to obtain performance and lien payment bonds.

(b) The Board shall determine the amount of insurance proceeds, if any, payable by contacting the appropriate representative of the insurer of said Building or Buildings.

(c) If the Board determines: (i) that insurance proceeds will cover eighty-five percent or more of the estimated cost of reconstruction, or (ii) that available insurance proceeds together with available reserves and/or a special Assessment equal to twenty-five percent or less of the then aggregate annual regular Assessments for all Condominium Units will completely cover the estimated cost of reconstruction, then the Board shall cause notice to be sent to all Owners and to all Lenders encumbering Condominium Units within the Property setting forth such findings and informing said Owners and Lenders that the Board intends to commence reconstruction pursuant to this Declaration. In the event that at least twenty percent of the Owners, based on one vote for each Condominium Unit, object in

writing to such reconstruction in such notice, the Board shall call a special meeting of the Owners pursuant to Section 10.02. In the event that the foregoing requirements are satisfied and the requisite number of Owners does not object in writing to such reconstruction, the Board shall cause reconstruction to take place as promptly as practicable thereafter, in connection with such reconstruction. The Board shall levy a uniform special Assessment against each Owner at such time and in such amount as the Board shall determine is necessary to cover the costs of reconstruction in excess of insurance proceeds and available reserves.

(d) If the Board in good faith determines that none of the bids submitted under this Section reasonably reflects the anticipated reconstruction costs, the Board shall continue to attempt to obtain an additional bid which it determines reasonably reflects such costs. Such determination shall be made by the Board as soon as possible. However, if such determination cannot be made within ninety days after the date of such destruction because of the unavailability or unacceptability of an insurance estimate or reconstruction bid, or otherwise, the Board shall immediately call a meeting of the affected Owners and all Lenders pursuant to the Section 10.02.

(e) If the Board determines that any Condominium Unit has become uninhabitable by reason of its total or partial destruction, Assessments may abate against the Owner thereof until the Board determines that habitability has been restored. However, if the Board determines that such abatement would adversely and substantially affect the management, maintenance and operation of the Property, it may elect to disallow such abatement.

Section 10.02. Reconstruction By Vote. If reconstruction is not to take place pursuant to 10.01, as soon as predictable after same has been determined the Board shall call a special meeting of the Owners by mailing a notice of such meeting to each such Owner. Such meeting shall be held not less than fourteen days and not more than twenty-one days after the date of such notice. Unless the Owners, by a vote at such meeting or by the written consent of not less than seventy-five percent of the Owners based on one vote for each Condominium Unit, determine not to proceed with such reconstruction, reconstruction must take place and the Board shall levy a uniform special Assessment against each Owner at such time and in such amount as the Board shall determine is necessary to cover the costs of reconstruction in excess of insurance proceeds and available reserves.

Section.10.03. Procedure for Minor Reconstruction. If the cost of reconstruction is equal to or less than ten percent of the face amount of insurance then carried under the Associations hazard insurance policy, then the Board shall contract with a licensed contractor or contractors to rebuild or repair such damaged or destroyed portions of the Property in conformance with the original plans and specifications, or if the Board determines that adherence to such original plans and specifications is impracticable or is not in conformance with applicable laws, ordinances, building codes, or other governmental rules or regulations then in effect, then such repairs or rebuilding shall be of a kind and quality substantially equivalent to the original construction of such improvements.

Section 10.04. Procedure For Major Reconstruction. If the cost of reconstruction is greater than ten percent of the face amount

of insurance then carried under the Associations hazard insurance policy, all insurance proceeds, together with such amounts from available reserves or special Assessments as are needed to complete the cost or reconstruction, shall be paid directly to a bank or savings and loan association located in Navajo County, Arizona, whose accounts are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, or the successor to either agency, as designated by the Board, as trustee (hereinafter called the “Insurance Trustee”) for all Owners and Lenders. Such proceeds shall be received, held and administered by the Insurance Trustee subject to the provisions of an insurance trust agreement which shall be consistent with the provisions of this Declaration and which shall be entered into between the Insurance Trustee and the Board. Disbursement of such funds shall be made only upon the signatures of two members of the Board and upon the terms and conditions provided in this Section. As soon as practicable after notification of the receipt of insurance proceeds by the Insurance Trustee, the Board shall enter into a contract with a licensed contractor or contractors for the repair or rebuilding of all of the damaged or destroyed Condominium Units and Common Elements according to the original plans and specifications of said improvements or, if the Board determines that adherence to such original plans and specification is impracticable or not in conformity with applicable statutes, ordinances, building codes, or other governmental rules and regulations then in effect, then of a quality and kind substantially equivalent to the original construction of such improvements. The contract with such licensed contractor or contractors shall provide for payment to the contractor or contractors of a specified sum

of performance and execution of the work therein described, and shall have provisions for periodic disbursement of funds by the Insurance Trustee, which shall be consistent with procedures then followed by prudent lending institutions doing business in Navajo County, Arizona. Such periodic disbursements of funds shall be for specific dollar amounts and shall not be paid until the contractor who is engaged by the Board shall furnish to the Board before the commencement of construction a full performance and lien payment bond written by a good and responsible corporate surety. Disbursements to the contractor shall be made subject to the prior presentation of an architect's certificate containing such provisions as may be appropriate in the circumstances and deemed suitable by the Board. The Board shall employ a licensed architect to supervise the repair and rebuilding to insure that all work, services and supplies are in conformity with the requirements of the construction contract.

Section 10.05. Termination. If seventy-five percent or more of the Owners elect not to proceed with the reconstruction at the special meeting held pursuant to Section 10.02. the Board shall divide the insurance proceeds and then available reserves into as many shares as there are Condominium Units, said shares to be in the same proportions as the Owner's respective percentage interest in the Common Elements. The Board shall first make application of each Owner's share to the payment of each mortgage, deed of trust, or other encumbrance or lien of record with respect to said Condominium Unit, with the balance being distributed to the Owner. If all encumbrances are fully discharged by the Board with applicable insurance proceeds and available reserves, the Horizontal Regime shall be terminated at such

time as all Owners execute, acknowledge and record a declaration evidencing such withdrawal. If there are mortgages, deeds of trust, or other encumbrances remaining against any of the Condominium Units after disbursement by they Board of the proportionate share of insurance proceeds and available reserves, and such deficiencies are not paid by the respective Owner or Owners, the holders of any such mortgage, deed of trust, or other encumbrance must also execute and acknowledge such declaration in order to lawfully withdraw the Property from the Horizontal Property Regime pursuant to the Act.

Section 10.06. Negotiation with Insurer. The Board shall have full authority to negotiate in good faith with representatives of the insurer of any totally or partially destroyed Building or any other portion of the Common Elements, and to make settlements with the insurer for less than full insurance coverage on the damage to such Building or any other portion of the Common Elements. Any settlement made by the Board in good faith shall be binding upon all Owners and Lenders.

Section 10.07. Repair of Condominium Units. Installation of improvements to, and repair of any damage to, the interior of a Condominium Unit shall be made by and at the individual expense of the Owner of that Condominium Unit and, in the event of a determination to reconstruct after partial or total destruction, shall be completed as promptly as practicable and in a lawful and workman like manner.

Section 10.08. Priority. Nothing contained in this Article shall entitle an Owner to priority over any Lender under a lien encumbering his Condominium Unit as to any portion of insurance proceeds allocated to such Condominium Unit.

XI

Eminent Domain

Section 11.01. Total Taking of a Condominium Unit. If a Condominium Unit is taken by eminent domain, or sold under threat thereof, or if part of a Condominium Unit is taken by eminent domain, or sold under threat thereof, leaving the Owner with a remnant which may not be practically or lawfully used for any purpose permitted by this Declaration, the award must compensate the Owner for his Condominium Unit and percentage interest in the Common Elements. Upon such a taking, that Condominium Unit's percentage interest in the Common Elements shall automatically be reallocated to the remaining Condominium Units in proportion to the respective interests immediately before the taking.

Section 11.02. Partial Taking of a Condominium Unit. If part of a Condominium Unit is taken by eminent domain, or sold under threat thereof, so that such Condominium Unit may still be practically and lawfully used under this Declaration, the award must compensate the Owner for reduction in the value of the Condominium Unit and its percentage interest in the Common Elements. Upon such a taking, that Condominiums Units percentage interest in the Common Elements is reduced in proportion to the reduction in size of the floor space of such Condominium Unit and such reduction amount shall automatically be reallocated to the remaining Condominium Units in proportion to their respective interests immediately before the taking.

Section 11.03. Taking of the Common Elements. If the portion of the Property taken by eminent domain, or sold under threat thereof,

shall not be comprised of, or include, any Condominium Unit, the Board shall, as soon as practicable, cause the award to be utilized for the purpose of repairing or restoring the Property so taken, and the portion of the award not used for restoration shall be divided among the Owners in proportion to their percentage interest in the Common Elements before the taking.

Section 11.04. Taking of Entire Property. In the event the Property in its entirety is taken by eminent domain, or sold under threat thereof, the Board shall distribute the award (after deducting there from fees and expenses related to the condemnation proceedings including, without limitation, fees for attorneys, appraisers and court costs) to the Owners and such award shall be appropriated among the Owners in accordance with the judgment if such judgment of condemnation provides for apportionment, and if no apportionment is made, the Board shall distribute the award to Owners in the same proportion as the Owner's respective percentage interest in the Common Elements; provided, however, the Board shall first apply the award, as ultimately distributable to each Owner, to the payment of any mortgage, deed of trust or other encumbrance or lien of record with respect to such Condominium Unit and the Horizontal Property Regime shall not be terminated unless the applicable provisions of Section 10.05 are satisfied.

Section 11.05. Priority. Nothing contained in this Article shall entitle an Owner to priority over any Lender under a lien encumbering his Condominium Unit as to any portion of any condemnation award allocated to such Condominium Unit.

XII

Right of Lenders

Section 12.01. Notices of Lenders. A Lender shall not be entitled to receive any notice which this Declaration requires the Association to deliver to Lenders unless and until such Lender, or its mortgage servicing contractor, has delivered to the Board a written notice stating that such Lender is the holder of a loan encumbering a Condominium Unit within the Property. Notwithstanding the foregoing, if any right of a Lender under this Declaration is conditioned on a specific written request to the Association, in addition to having delivered the notice provided in this Section a Lender must also make such request in writing limitation, the priority of any mortgage lien over the lien of Assessments levied by the Association hereunder shall not be affected by the failure to deliver a notice or request to the Board.

Section 12.02. Priority of Lenders. No breach of the Restrictions herein contained, nor the, enforcement of any lien provision herein, shall affect, impair , defeat or render invalid the lien or charge of any Lender made in good faith and for value encumbering any Condominium Unit, any Owner whose title to a Condominium Unit is derived through foreclosure or trustee's sale, or otherwise.

Section 12.03. Relationship with Assessment Liens. (a) The lien provided for in Article V for the payment of Assessments shall be subordinate to the lien of any lender which was recorded prior to the

date any such Assessment becomes due.

(b) If any Condominium Unit which is subject to a monetary lien created by this Declaration is also subject to the lien of a Lender, then: **(i)** the foreclosure of any lien created by this Declaration shall not operate to affect or impair the lien of such Lender; and **(ii)** the foreclosure of the lien of a Lender or the sale under a power of sale included in a mortgage or deed of trust shall not operate to affect or impair the lien hereof, except that any Person who obtains an interest thereafter shall take title free of any lien created by this Declaration or any personal obligation for said charges as shall have accrued up to the time of any foreclosure, but subject to the lien hereof for all said charges that shall accrue subsequent to such foreclosure.

(c) Without limitation the provisions of subsection **(b)** of this Section, any Lender who obtains title to a Condominium Unit by reason of any foreclosure or deed of assignment in lieu of foreclosure, or any Person who obtains title at a private or judicial foreclosure sale, shall take title to such Condominium Unit free of any lien or claim for unpaid Assessments against such Condominium Unit which accrued prior to the time such Lender or purchase takes title to such Condominium Unit, except for liens or claims for a share of such Assessments resulting from a pro rate reallocation of such Assessment to all Condominium Units within the Property.

(d) Nothing in this Section shall be construed as releasing any Person from his personal obligation to pay for any Assessments levied pursuant to this Declaration during the period such Person is an Owner.

Section 12.04. Required Lender Approval. Except upon the prior written approval of all Lenders, neither the Association nor the Board shall be entitled by action or inaction to do any of the following:

(a) Abandon or terminate by any act or omission the legal status of the Property as a Horizontal Property Regime, except for abandonment or termination provided by law and/or this Declaration in the case of substantial destruction by fire or other casualty or in the case of a taking by eminent domain;

(b) Amend a material provision of this Declaration or the Bylaws or the Articles, including, without limitation, any change of an Owner's percentage interest in the Common Elements;

(c) Partition or subdivide a Condominium Unit or the Common Elements;

(d) Terminate professional management of the Property and assume self-management of the Property.

Section 12.05. Other Rights of Lenders. Any Lender shall, upon written request to the Association, be entitled:

(a) To inspect the books and records of the Association during normal business hours;

(b) To receive an annual audited financial statement of the Association within ninety days following the end of the Associations fiscal year;

(c) To receive written notice of all annual and special meetings of the Association, and Lenders shall further be entitled to designate a representative to attend all such meetings in order to, among other things, draw attention to violations of this Declaration which have not been corrected or made the subject of remedial action by

the Association; provided, however, nothing contained in this Section shall give a Lender the right to call a meeting of the Association for any purpose or to vote at any such meeting; and

(d) To receive written notification from the Association of any default in the performance of the obligations imposed by this Declaration, Bylaws or Association Rules by the Owner whose Condominium Unit is encumbered by a Lender, which default has not been cured within thirty days; provided, however, the Association shall only be obligated to provide such notice to Lenders who have delivered a written request therefore to the Association specifying the Condominium Unit to which such request relates.

Section 12.06. Notice of Destruction or Taking. In the event any Condominium Unit or the Common Elements are damaged or are made the subject of any condemnation proceedings or are otherwise sought to be acquired by a condemning authority, the Board shall promptly notify any Lender affected by such destruction, taking or threatened taking.

XIII

Limitations Upon Partition and Severance

Section 13.01. No Partition. The right to partition the Property is hereby suspended, except that the right to partition shall revive and the Property may be sold as a whole when the conditions for such action set forth in the Article X dealing with Destruction of Improvements, and Article XI dealing with Eminent Domain have been met; provided, however, nothing contained in this Section shall be construed as limiting partition by joint Owners, upon the prior written approval of an applicable Lender, of one or more Condominium Units as to individual

ownership of such Condominium Units provided the Horizontal Property Regime is not terminated.

Section 13.02. No Severance. The elements of a Condominium Unit and other rights appurtenant to the ownership of a Condominium Unit, including exclusive easements over the Common Elements, if any, are inseparable, and each Owner agrees that he shall not, while this Declaration is in effect, make any conveyance of less than an entire Condominium Unit and such appurtenances, Any conveyance made in contravention of this Section shall be void.

Section 13.03. Proceeds of Partition Sale. If an action is brought for the partition of the Property by sale, whether upon the occurrence of an event of destruction and a decision not to reconstruct or the taking of all or a portion of the Property by eminent domain, Owners shall share in the proceeds of such sale in the same proportion as their interest in the Common Elements, but in such event, the liens and provisions of all Lenders or Assessment liens encumbering Condominium Units within the Property so encumbered shall extend to each applicable Owner's in the proceeds of such partition and sale. The interest of an Owner in such proceeds shall not be distributed to such Owner except upon the prior payment of any Assessment lien or lien of a Lender encumbering such proceeds.

XIV

General Provisions

Section 14.01. Enforcement. The Association or any Owner shall have the right to enforce, by proceedings at law or in equity, all

Restrictions and other provisions now or hereafter imposed by this Declaration, or any amendments thereto, including the right to prevent the violation of any such Restrictions, and the right to recover damages and other sums for such violation. The Association or any Owner shall also have the right to enforce by proceedings at law or in equity the provisions of the Bylaws and Association Rules and any respective amendments thereto.

Section 14.02. No Waiver. Failure by the Association and by any Owner to enforce any Restriction or provision herein contained or contained in the Bylaws or Association Rules, in any certain instance or on any particular occasion shall not be deemed a waiver of such right of enforcement as to any such future breach of the same or any other Restriction or provision.

Section 14.03. Cumulative Remedies. All rights, options and remedies of Declarant, the Association, the Owners or the Lenders under this Declaration are cumulative, and no one of them shall be exclusive of any other, and Declarant, the Association, the Owners and the Lenders shall have the right to pursue any one or all of such rights, options and remedies or any other remedy or relief which may be provided by law, whether or not stated in this Declaration.

Section 14.04. Severability. Invalidation of any one or a portion of the Restrictions or provisions set forth in this Declaration of in the Bylaws or Association Rules by judgment or court order shall in no way affect any other Restrictions or provisions contained herein or therein which shall remain in full force and effect.

Section 14.05. Covenants to Run with the Land; Term. The Restrictions and other provisions of the Declaration shall run with

and bind the Property as equitable servitudes and also as covenants running with the land and shall inure to the benefit of and be enforceable by the Association or any Owner, their respective legal representatives, heirs, successors, and assigns, for a term of fifty years from the date this Declaration is recorded, after which time the Restrictions and other provisions shall be automatically extended for successive periods of tens days, unless an instrument, signed and acknowledged by Owners of seventy-five percent or more of the Condominium Units with the Property and their Lenders has been recorded within one year prior to the end of any such period, agreeing to change or revoke the Restrictions and other provisions of this Declaration in whole or in part.

Section 14.06. Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a plan for the development of a residential Condominium community and for the maintenance of the Property. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

Section 14.07. Gender and Number. Whenever the context of this Declaration requires, the singular shall include the plural, and vice versa, and the masculine shall include the feminine and the neuter, and vice versa.

Section 14.08. Nuisance. The result of every act or omission whereby any provision or Restriction contained in this Declaration or any provision contained in the Bylaws of Association Rules is violated in whole or in part is hereby declared to be and shall constitute a nuisance, and every remedy allowed at law or in equity against a

nuisance, either public or private, shall be applicable with respect to the abatement thereof and may be exercised by the Association or any Owner. Such remedy shall be deemed cumulative to all other remedies set forth in this Declaration and shall not be deemed exclusive.

Section 14.09. Attorneys' Fees. In the event any action is instituted to enforce any of the provisions contained in this Declaration, the Bylaws, or Association Rules, the part prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment reasonable attorneys' fees and costs of Unit.

Section 14.10. Notices. Any notice to be given to an Owner, a Lender, or the Association under the provisions of this Declaration shall be in writing and shall be delivered as follows:

(a) Notice to an Owner shall be delivered personally or placed in the first class United States mail, postage prepaid, to the most recent address furnished by such Owner in writing to the Board for the purpose of giving notice, or if no such address shall have been furnished, then to the street address of such Owner's Condominium Unit. Any notice so deposited in the mail shall be deemed delivered seventy-two hours after such deposit. In the case of co-Owners, any such notice may be delivered or sent to any one of the co-Owners on behalf of all co-Owners and shall be deemed delivered to all such co-Owners.

(b) Notice to a Lender shall be delivered by first class United States mail, postage prepaid, to the most recent address furnished by such Lender in writing to the Board for the purpose of notice or, if no such address shall have been furnished, to any office of the

Lender in Pima County, Arizona, or if not such office is located in Pima County, to any office of such Lender. Any notice so deposited in the mail shall be deemed delivered seventy-two hours after such deposit.

(c) The Declaration of an officer or authorized agent of the Association declaring under penalty of perjury that a notice has been mailed to any Owner or Owners, or to any Lender or Lenders, to the address or addresses for the giving of notice pursuant to this Section, shall be deemed conclusive proof of such mailing.

(d) Notice to the Association shall be delivered by registered or certified United States mail, postage prepaid, addressed as follows:

The Pines at Show Low Condominium Owners Association Inc.
7670 East Broadway, Suite 208
Tucson, AZ 85710

any notice so deposited in the mail shall be deemed delivered upon the date of receipt.

Section 14.11. Effect of Declaration. This Declaration is made for the purposes set forth in the recitals in this Declaration and Declarant makes no warranties or representation, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, or as to the compliance of any of these provisions with public laws, ordinances, regulations and the like applicable thereto. Declarant shall have no liability whatsoever if any provisions of this Declaration, the Bylaws or Association Rules are determined to be unenforceable in whole and in part or under certain circumstances.

Section 14.12. Personal Covenant. To the extent the acceptance of a conveyance of a Condominium Unit creates a personal covenant between the Owner of such Condominium Unit and Declarant, other Owners or the Association, such personal covenant shall terminate and be of no further force or effect from and after the date when a person ceases to be an Owner except to the extent this Declaration provides for personal liability with respect to the Assessments incurred during the period a Person is an Owner.

Section 14.13. Nonliability of Officials. To the fullest extent permitted by law, neither the Board nor any officer of the Association shall be liable to any Owner or the Association for any damage, loss, or prejudice suffered or claimed on account of any decision, approval or disapproval, course of action, act, omission, error, or negligence if such Board member or officer acted in good faith within the scope of his or their duties.

Section 14.14. Unsegregated Real Property Taxes. Until such time as real property taxes have been segregated by the County Assessor of Navajo County for the Condominium Units, the taxes shall be paid by the Association on behalf of the Owners. In connection with such payment, the proportionate share of such tax or installment thereof for a particular Condominium Unit shall be determined by multiplying the tax or installment in question by the respective percentage interest of such Condominium Unit in the Common Elements. The Association may levy a special Assessment against any Owner who fails to pay his share of any real property taxes pursuant to this Section. In the event such special Assessment is not paid within thirty days of its due date,

the Board may resort to all remedies of the Association for the collection thereof.

Section 14.15. Use of Funds Collected by the Association. All funds collected by the Association, including Assessments and contributions to the Association paid by Owners, of any, shall be held by the Association in a fiduciary capacity to be expended in their entirety for non-profit purposes of the Association in managing, maintaining, caring for, and preserving the Common Elements and for other permitted purposes as set forth in this Declaration. No part of said funds shall inure to the benefit of any Owner (other than as a result of the Association managing, maintaining, caring for, and preserving the Common Elements and other than as a result of expenditures made for other permitted purposes as set forth in this Declaration).

Section 14.16. Notification of Sale and Transfer Fee. Concurrently with the consummation of the sale or other transfer of any Condominium Unit, or within fourteen days after the date of such transfer, the transferee shall notify the Association in writing of such transfer and shall accompany such written notice with a non-refundable transfer fee to cover Association documentation and processing. The transfer fee shall be equal to twice the then current regular monthly assessment. The written notice shall set forth the name of the transferee and his transferor, the street address of the Condominium Unit purchased or acquired by the transferee, the transferee's mailing address, the date of the sale or transfer, and the name and address of the transferee's Lender, if any. Prior to the receipt of such written notice, all notices required or permitted to be

given by the Association to the Owner shall be deemed to be duly made and given to the transferee if duly and timely made and given to the transferee's predecessor in interest. The transfer fee shall be the personal obligation of the new Owner and shall be secured by the lien in Section 5.01 hereof. Notwithstanding the other provisions hereof, this Section shall not apply to a Lender who becomes an Owner by a foreclosure proceeding or any deed or assignment in lieu of foreclosure.

Section 14.17. Conflicting Provisions. In the case of any conflict between this Declaration and the Bylaws, or Association Rules, this Declaration shall control.

Section 14.18. Amendments. Subject to the other provisions of this Declaration, including, without limitation, the rights of Lenders, this Declaration may be revoked or amended as follows:

(a) Prior to the conveyance of the first Condominium Unit to an Owner other than a Declarant, this Declaration and any amendments thereto may be amended or revoked by the execution by Declarant of an instrument amending or revoking the same.

(b) Subsequent to the conveyance of the first Condominium Unit in the Property to an Owner other than Declarant, this Declaration may be amended by any group of Owners entitled to vote not less than seventy-five percent of the total voting power of the Association.

(c) An amendment or revocation which only requires the execution of an instrument by Declarant as hereinabove provided shall be effective when executed by Declarant and when recorded in the office

of the County Recorder of Navajo County, Arizona. An amendment which requires the affirmative written assent or vote of the Owners as hereinabove provided shall be effective when executed by the President and Secretary of the Association who shall certify that the amendment has been so approved, and when the amendment has been recorded in the office of the County Recorder of Navajo County, Arizona.

(d) Notwithstanding the foregoing, any provisions of this Declaration, the Articles, Bylaws or Association Rules which expressly requires the approval of a specified percentage or specified percentage of the voting power of the Association or Lenders for action to be taken under said provision can be amended only with the affirmative written assent or vote of not less than the same percentage or percentages of the voting power of the Association and/or Lenders.

In Witness Whereof, Declarant and the Association have executed this Second Amended and Restated Declaration as of this 6th day of November, 1986.

The Pines Apartments 1984
Limited Partnership, an Arizona
Limited Partnership

By: Decker Properties, an Arizona
General Partnership, as General Partner

By: Ronald W Decker,
General Partner

State of Arizona)

County of Pima) ss:

On this 6th day of November, 1986, before me the undersigned

officer, personally appeared Ronald W Decker, who acknowledged himself to be General Partner of Decker Properties, and acknowledged that he, as such officer, being authorized so to do, executed the foregoing instrument for the purpose contained therein on behalf of Decker Properties, which is the General Partner of The Pines Apartments 1984 Limited Partnership, an Arizona Limited Partnership.

In Witness Whereof, I hereunto set my hand and official seal.

Catherine a Leon
Notary Public

My Commission Expires 10/1/1988

The Pines At Show Low Condominium
Owners Association, an Arizona
Non-profit Corporation
By: Wendell T Decker, Jr
President

State of Arizona)
County of Pima) ss:

On this 6th day of November, 1986, before me the undersigned officer, personally appeared Wendell T Decker Jr., who acknowledged himself to be the President of The Pines At Show Low Condominium Owners Association and acknowledged that he, as such officer, being authorized so to do, executed the foregoing instrument for the purpose contained therein.

In Witness Whereof, I hereunto set my hand and official seal.

Catherine a Leon
Notary Public My Commission Expires 10/1/1988

Exhibit A

Legal Description

Units 101-104 inclusive, 121-124 inclusive, 201-206 inclusive, 221-226 inclusive, 301-304 inclusive, 321-324 inclusive, 401-407 inclusive, 421-427 inclusive, 501-507 inclusive, 521-527 inclusive, 601-604 inclusive, 621-624 inclusive, 701-707 inclusive, 721-727 inclusive, 801-807 inclusive, 821-827 inclusive, 901-904 inclusive, 921-924 inclusive, 1001-1009 inclusive, 1021-1029 inclusive, 1101-1107 inclusive, and 1121-1127 inclusive, The Pines At Show Low Condominiums, according to Declaration of Horizontal Property Regime recorded October 23, 1985, in docket 801, page 334 and in plat recorded in book 16 of plats, page 1, records of Navajo County, Arizona. Together with an undivided interest in and to the common elements as more particularly described in Declaration of Horizontal Property Regime, recorded October 23, 1985, in docket 801, page 334.

Exhibit B

Condominium Unit No.	Condominium Unit Type	Percentage Interest in the Common Element
101	D	.757576
102	D	.757576
103	D	.757576
104	D	.757576
121	D	.757576
122	D	.757576
123	D	.757576
124	D	.757576
201	A	.757576
202	A	.757576
203	A	.757576
204	A	.757576
205	D	.757576
206	D	.757576
221	C	.757576
222	C	.757576
223	C	.757576
224	C	.757576
225	D	.757576
226	D	.757576
301	D	.757576
302	D	.757576
304	D	.757576
321	D	.757576
322	D	.757576
323	D	.757576
324	D	.757576
401	A	.757576
402	A	.757576
403	B	.757576
404	B	.757576
405	D	.757576
406	B	.757576
407	B	.757576
421	C	.757576
422	C	.757576
423	B	.757576
424	B	.757576
425	D	.757576
426	B	.757576
427	B	.757576

501	D	.757576
502	B	.757576
503	B	.757576
504	B	.757576
505	B	.757576
506	A	.757576
507	A	.757576
521	D	.757576
522	B	.757576
523	B	.757576
524	B	.757576
525	B	.757576
526	C	.757576
527	C	.757576
601	D	.757576
602	D	.757576
603	D	.757576
604	D	.757576
621	D	.757576
622	D	.757576
623	D	.757576
624	D	.757576
701	B	.757576
702	B	.757576
703	A	.757576
704	A	.757576
705	D	.757576
706	B	.757576
707	B	.757576
721	B	.757576
722	B	.757576
723	C	.757576
724	C	.757576
725	D	.757576
726	B	.757576
727	B	.757576
801	D	.757576
802	B	.757576
803	B	.757576
804	B	.757576
805	B	.757576
806	A	.757576
807	A	.757576
821	D	.757576
822	B	.757576

823	B	.757576
824	B	.757576
825	B	.757576
826	C	.757576
827	C	.757576
901	D	.757576
902	D	.757576
903	D	.757576
904	D	.757576
921	D	.757576
922	D	.757576
923	D	.757576
924	D	.757576
1001	A	.757576
1002	A	.757576
1003	D	.757576
1004	A	.757576
1005	A	.757576
1006	D	.757576
1007	A	.757576
1008	A	.757576
1009	D	.757576
1021	C	.757576
1022	C	.757576
1023	D	.757576
1024	C	.757576
1025	C	.757576
1026	D	.757576
1027	C	.757576
1028	C	.757576
1029	D	.757576
1101	A	.757576
1102	A	.757576
1103	D	.757576
1104	B	.757576
1105	B	.757576
1106	B	.757576
1107	B	.757576
1121	C	.757576
1122	C	.757576
1123	D	.757576
1124	B	.757576
1125	B	.757576
1126	B	.757576
1127	B	.757576