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OFFICIAL RECORDS OF MOHAVE COUNTY
JOAN MC CALL, MOHAVE COUNTY RECORDER
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STATE TITLE AGENCY INC
RECORDING FEE 104.00

DECLARATION OF CONDOMINIUM

AND

COVENANTS, CONDITIONS AND RESTRICTIONS FOR

THE PRESERVE AT KIOWA NORTE

This Declaration is made pursuant to and in compliance with A.R.S. §33-1201, et. seq., this 3 day of March, 2003, by OUR, L.L.C., referred to as "Declarant".

WITNESSETH:

WHEREAS, the Declarant is the fee owner of that certain real property situated in Lake Havasu City, Mohave County, Arizona, described on Exhibit "A" attached hereto.

WHEREAS, Declarant desires to develop the subject property, together with all Buildings and improvements now or hereafter constructed on the property, and all easements and rights appurtenant thereto (hereinafter collectively referred to as "the Property") as a residential condominium, and

WHEREAS, Declarant desires to establish for its own benefit and for the mutual benefit of all future Owners who hold their interest subject to this Declaration, which is recorded in furtherance of establishing the general plan of condominium ownership for the Property and for establishing rules for the use, occupancy and management thereof, all for the purpose of enhancing and protecting the value, utility, desirability, and attractiveness of the Property;

THIS DOCUMENT IS BEING RE-RECORDED TO AMEND EXHIBIT "A" AND TO ADD THE AMENDED EXHIBIT "B".

INDEXED

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The Preserve CC&Rs



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OFFICIAL RECORDS OF MOHAVE COUNTY
JOAN MC CALL, MOHAVE COUNTY RECORDER
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STATE TITLE AGENCY INC
RECORDING FEE 111.00

ARTICLE I

DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meaning:

(a) "Act" shall mean Section 33-1201, et seq., Arizona Revised Statutes, pertaining to Condominiums in the State of Arizona.

(b) "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.

(c) "Association" shall refer to the THE PRESERVE AT KIOWA NORTE CONDOMINIUM OWNERS ASSOCIATION, whose membership shall include each Owner of a Family Dwelling Condominium Unit in the Property and whose function shall be to serve as the OWNERS ASSOCIATION as defined in the Act. The Association will be incorporated under the name of THE PRESERVE AT KIOWA NORTE CONDOMINIUM OWNERS ASSOCIATION, an Arizona non-profit corporation, prior to the conveyance of a Condominium Unit by Declarant.

(d) "Association Rules" shall mean and refer to the rules and regulations adopted by the Association pursuant to

1 this Declaration and in furtherance of the Bylaws and in
2 accordance with the Act.

3 (e) "Board" shall mean the Board of Directors
4 appointed pursuant to this Declaration by the Declarant or
5 elected pursuant to the Bylaws following period of Declarant's
6 control.

7 (f) "Building(s)" shall mean and refer to each of the
8 Twelve (12) Family Dwelling Buildings, the Garage Condominium
9 Building and the Office/Clubhouse located on the Parcel and
10 forming part of the Property as shown on the Plat.

11 (g) "Bylaws" shall mean the Bylaws adopted by the
12 Association pursuant to the Act for the purpose of regulating
13 the affairs of the Association, as the same may be amended from
14 time to time.

15 (h) "Common Elements" or "Common Area(s)" shall mean
16 the entire Property excluding the Condominium Units.

17 (i) "Common Expenses" shall mean the actual and
18 estimated Assessments;

19 (1) maintenance, management operation, repair
20 and replacement of the Common Elements which are maintained by
21 the Association;

22 (2) deficiencies arising by reason of unpaid
23 Assessments;

24 (3) management and administration of the
25 Association, including, but not limited to, compensation paid by
26 the Association to managers, accountants, attorneys and

1 employees;

2 (4) utilities, including, but not necessarily
3 limited to electricity, trash pickup and disposal water (if any)
4 landscaping services and related services;

5 (5) insurance and bonds required by this
6 Declaration or any additional insurance and bonds obtained by
7 the Board in its discretion;

8 (6) the establishment of reasonable reserves as
9 the Board shall deem appropriate in its discretion;

10 (7) other miscellaneous charges incurred by the
11 Association or the Board pursuant to the Declaration, the
12 Bylaws, or Association Rules in furtherance of the purposes of
13 the Association or in discharge of the duties and powers of the
14 Association.

15 (j) "Common Wall" shall mean the wall or walls which
16 shall separate contiguous Condominium Units.

17 (k) "Condominium Instruments" shall mean all
18 documents and authorized amendments thereto recorded pursuant to
19 the provisions of the Act, including this Declaration, the
20 Bylaws and the Plat.

21 (l) "Condominium Unit(s)" shall mean and encompass
22 both Family Dwelling Condominium Units and Garage Condominium
23 Units.

24 (m) "Declarant" shall mean OUR, L.L.C.

25 (n) "Declaration" shall mean this entire document,
26 as same from time to time may be amended.

1 (o) "Family Dwelling Building" shall mean and refer
2 to each of the twelve (12) principal structures containing
3 Family Dwelling Condominium Units located on the Parcel and
4 forming part of the Property as shown on the Plat.

5 (p) "Family Dwelling Condominium Unit" shall mean a
6 part of the Property, designed or intended for independent use
7 as a dwelling unit, together with the pro rata fractional
8 interest in the Common Elements (excluding the Garage Buildings'
9 Common Elements) and any exclusive and non-exclusive easements
10 appurtenant thereto. Each Family Dwelling Condominium Unit shall
11 be a separate freehold estate enclosed and bounded by the
12 horizontal and vertical planes as shown on the Plat.

13 (1) The lower horizontal boundary for all
14 units is the upper surface of the floor thereof.

15 (2) The upper horizontal boundary is a
16 horizontal plane, the elevation of which coincides with the
17 elevation of the surface of the finished ceiling or ceilings
18 thereof.

19 (3) The lateral boundaries are the interior
20 surfaces of the perimeter walls, windows and doors thereof and
21 vertical planes coincidental with the interior surfaces of the
22 perimeter walls thereof, and the vertical planes coincidental
23 with the outer surfaces of all utility chases extended upward to
24 intersect the upper horizontal boundary.

25 (4) Each Family Dwelling Condominium Unit
26 includes the surfaces so described, and the portions of the

1 building and improvements lying within said boundaries. Each
2 such Family Dwelling Condominium Unit shall also include the
3 heating and air-conditioning unit or units, ranges, garbage
4 disposal units, and other household appliances lying within said
5 boundaries and/or appurtenant areas.

6 (5) Unless otherwise indicated, all airspace
7 boundary lines intersect at right angles.

8 (6) Each Family Dwelling Condominium Unit
9 shall also have airspace denominated as parking, and the
10 airspace for each parking space shall consist of airspace for
11 which the upper horizontal boundary is the surface of the
12 ceiling thereof, and the lateral boundaries of which are
13 vertical planes coincidental with the perimeters of the concrete
14 floor or pavement for each parking space.

15 The following are not part of a Family Dwelling
16 Condominium Unit: Bearing walls, columns, vertical supports,
17 roofs, floors, cement slabs, foundations, external stairs,
18 pipes, ducts, flues, front doors, conduits, wires and other
19 utility installations, wherever located, except the outlets
20 thereof when located within the Family Dwelling Condominium
21 Unit. In interpreting deeds, plats, declarations and plans the
22 existing physical boundaries of a Family Dwelling Condominium
23 Unit or a Family Dwelling Condominium Unit reconstructed in
24 substantial accordance with the original plans thereof shall be
25 conclusively presumed to be its boundaries rather than the
26 description expressed in the deed, Plat, plan or Declaration,

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1 regardless of settling or lateral movement of the Family
2 Dwelling Building, and regardless of minor variances between the
3 boundaries as shown on the plan or in the deed and Declaration
4 and those of the Family Dwelling Building. Each Family Dwelling
5 Condominium Unit in each Family Dwelling Building, as the case
6 may be, shall be deemed to be a separate and distinct Family
7 Dwelling Condominium Unit.

8 (q) "Garage" shall mean and refer to the forty-nine
9 (49) garages, each of which is attached and assigned to, and an
10 indivisible part of one(1) specific two(2) bedroom Family
11 Dwelling Condominium Unit, as designated on the Parcel and
12 forming part of the Property as shown on the Plat. Each of the
13 forty-nine (49) two(2) bedroom Family Dwelling Condominium Units
14 includes one(1) indivisible/inseparable assigned Garage, which
15 is to be considered a Limited Common Element allocated only to
16 the Family Dwelling Condominium Unit to which it is assigned.

17 (r) "Garage Condominium Building" shall mean and
18 refer to each of the two (2) structures containing the Garage
19 Condominium Units located on the Parcel and forming part of the
20 Property as shown on the Plat.

21 (s) "Garage Condominium Unit" shall mean a part of
22 the Property, designed or intended for independent use as a
23 garage/storage unit contained in one of the two (2) Garage
24 Condominium Buildings, together with any exclusive and non-
25 exclusive easements appurtenant thereto. Each Garage
26 Condominium Unit shall consist of the space enclosed and bounded

1 by the horizontal and vertical planes as shown on the Plat;
2 provided, however, that no structural components of the Garage
3 Buildings in which the Garage Condominium Units are located, and
4 no pipes, wires, conduits, ducts, flues, shafts or utility,
5 water or sewer lines (if any) situated within such Garage
6 Condominium Unit and forming part of any system serving one or
7 more other Condominium Units, shall be a part of the Garage
8 Condominium Units.

9 (t) "Lender" shall mean: (1) an institutional holder
10 of a first mortgage or first deed of trust on a Condominium Unit
11 which is a bank, savings and loan association, insurance
12 company, established mortgage company, or other entity chartered
13 under state or federal law; and (2) any Person which is a holder
14 of a first mortgage or first deed of trust on a Condominium
15 Unit.

16 (u) "Limited Common Elements" shall mean and refer to
17 a portion of the Common Elements allocated by this Declaration
18 or in accordance with the Act for the exclusive use and benefit
19 of one or more but fewer than all of the Condominium Units.

20 (v) "Member" shall mean any person, corporation,
21 partnership, joint venture or other legal entity who is an Owner
22 of a Family Dwelling Condominium Unit as provided for herein.

23 (w) "Occupant" shall mean a Person or Persons, other
24 than an Owner, in possession of a Condominium Unit.

25 (x) "Office/Clubhouse" shall mean and refer to that
26 structure designated for use as an Office/Clubhouse located on

1 the Parcel and forming part of the Property as shown on the
2 Plat.

3 (y) "Owner" shall mean the Person or Persons who
4 are vested with record title to a Condominium Unit according to
5 the records of the County Recorder of Mohave County, Arizona.
6 However, Owner shall not include a Person who holds an interest
7 in a Condominium Unit merely as security for the performance of
8 an obligation. Declarant shall be considered the record Owner of
9 any Condominium Unit prior to its initial conveyance by
10 Declarant.

11 (z) "Parcel" shall mean the real property described
12 in the first recital to this Declaration.

13 (aa) "Parking Rights" shall mean the right to park
14 only non-commercial passenger automobiles or motorcycles in a
15 parking space, initially designated on the Plat as appurtenances
16 to specific Family Dwelling Condominium Units. Parking Rights
17 are a Limited Common Element appurtenant to the Family Dwelling
18 Condominium Unit acquiring such right.

19 Parking Rights may be transferred by the Declarant or
20 the Owner with the transfer of a Family Dwelling Condominium
21 Unit or to another Family Dwelling Condominium Unit Owner only,
22 except for those Parking Rights to the two (2) bedroom Family
23 Dwelling Condominium Unit's Garages, which may only be
24 transferred with its assigned Family Dwelling Condominium Unit,
25 as depicted on the Plat.

1 (bb) "Person" shall mean a natural individual,
2 corporation, partnership, trustee or other legal entity capable
3 of holding title to real property.

4 (cc) "Plat" means the recorded final subdivision
5 plat of the Property submitted for this Condominium and showing
6 thereon Seventy-Three (73) Family Dwelling Condominium Units,
7 Twenty-four (24) Garage Condominium Units and One (1)
8 Office/Clubhouse, together with Forty-nine (49) covered parking
9 spaces (Garages) and one hundred and twenty-four (124) other
10 parking spaces, some of which are also designated by a number
11 and shown as initially being appurtenant to specific Family
12 Dwelling Condominium Units as shown on the Plat attached hereto
13 as Exhibit B. The original Plat is recorded as Fee Number 2003-
14 16453, Book N/A, Page N/A, in the records of the County
15 Recorder of Mohave County, Arizona.

16 (dd) "Property" shall mean the real property: the
17 Buildings; improvements and permanent fixtures located thereon;
18 and all easements and rights appurtenant thereto.

19 (ee) "Restrictions" shall mean the covenants,
20 conditions, assessments, easements, liens and restrictions set
21 forth in this Declaration.

22 (ff) "Undivided Interest" shall mean the undivided
23 percentage of ownership in the Common Elements of each
24 Condominium Unit Owner set forth in Article V hereof.

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1 (gg) "Unoccupied" with reference to any Condominium
2 Unit or Units shall mean any Condominium Unit that has been
3 constructed but not yet conveyed by Developer or Declarant.
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5 ARTICLE II

6 DECLARATION OF CONDOMINIUM

7 Section 1. PROPERTY SUBJECT TO THIS DECLARATION:

8 Declarant is the owner of the real Property which is to be the
9 subject of this Declaration and which is to be held,
10 transferred, sold, conveyed and/or occupied subject to this
11 Declaration and which is more particularly described as in
12 Exhibit "A" attached hereto and incorporated by reference herein
13 as though fully set forth.

14 Section 2. DECLARATION. Submission. Declarant
15 hereby submits and subjects the Property to a Condominium
16 pursuant to the Act, and in furtherance thereof, makes and
17 declares the Restrictions contained in this Declaration, and
18 Declarant hereby declares and agrees that the Property and all
19 of the Condominium Units shall be held, conveyed, transferred,
20 sold, leased, mortgaged, encumbered, occupied, used, and
21 improved subject to the Restrictions, which Restrictions shall
22 constitute covenants and conditions running with the land and
23 shall be binding upon and inure to the benefit of Declarant, the
24 Association, and each Owner, including their respective heirs,
25 executors, administrators, personal representatives, successors
26 and assigns.

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Section 3. DESCRIPTION OF PROJECT.

(a) NAME. The Property shall be known as
THE PRESERVE AT KIOWA NORTE.

(b) DESCRIPTION OF THE SPACE OF THE CONDOMINIUM.

Twelve (12) Multi-Family Dwelling Condominium Unit Buildings
comprised of seventy-three (73) Family Dwelling Condominium
Units, of which forty-nine (49) are two (2) bedroom with an
included Garage; two (2) Garage Condominium Buildings, each
comprised of twenty four (24) Garage Condominium Units; and one
(1) Office/Clubhouse, all to be constructed upon the said real
property, together with one hundred and seventy-three (173)
parking spaces, including the forty-nine (49) parking spaces
contained within the above-referenced Garages.

The Family Dwelling Buildings shall be identified
numerically as 1-12 as shown on the recorded Plat. The Family
Dwelling Buildings and the number of Family Dwelling Unit
Condominium Units contained in each are as follows:

Building Units

1	8
2	4
3	9
4	6
5	8
6	4
7	4

1	8	9
2	9	4
3	10	4
4	11	9
5	12	4

6 The Garage Condominium Buildings shall consist of one
7 (1) containing sixteen (16) Garage Condominium Units and one (1)
8 containing eight (8) Garage Condominium Units, all as shown on
9 the recorded Plat.

10 (c) DIMENSIONS OF CONDOMINIUM UNITS.

11 The dimensions of each of the seventy-three 73 Family
12 Dwelling Condominium Units within the Family Dwelling Buildings
13 and the twenty-four (24) Garage Condominium Units within the
14 Garage Buildings are set forth on the Plat. Each Condominium
15 Unit shall be identified numerically as shown on the recorded
16 Plat.

17 The dimensions and designation of each parking space
18 are set forth on the Plat. Each parking space shall be
19 identified numerically as shown on the recorded Plat.

20 (d) PHASED DEVELOPMENT. This project will be
21 constructed in six (6) phases as follows:

22 (1) Family Dwelling Buildings five(5) and
23 twelve(12) consisting of twelve(12) Family Dwelling Condominium
24 Units.

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1 (2) Family Dwelling Buildings one(1) and two(2)
2 consisting of twelve(12) Family Dwelling Condominium Units and
3 the Clubhouse/Office.

4 (3) Family Dwelling Buildings three(3) and
5 four(4) consisting of fifteen(15) Family Dwelling Condominium
6 Units.

7 (4) Family Dwelling Buildings six(6) and
8 eleven(11) consisting of thirteen(13) Family Dwelling
9 Condominium Units. Garage Condominium Buildings consisting of
10 twenty-four (24) Garage Condominium Units.

11 (5) Family Dwelling Buildings seven(7) and
12 ten(10) consisting of eight(8) Family Dwelling Condominium
13 Units.

14 (6) Family Dwelling Buildings eight(8) and
15 nine(9) consisting of thirteen(13) Family Dwelling Condominium
16 Units.

17 The units comprising each phase shall not be
18 considered part of the Condominium unless and until construction
19 shall have commenced on each such phase. At any stage of the
20 development of the Property, the Common Elements shall always be
21 considered to be owned by each Condominium Unit Owner in
22 proportion to the number of Condominium Units existing at the
23 time.

24 (e) DESCRIPTION OF COMMON ELEMENTS. The Common
25 Elements shall consist of the entire Property, excluding the
26 Condominium Units.

1 (f) FRACTIONAL INTEREST. Once all six (6) phases are
2 commenced, each Family Dwelling Condominium Unit shall bear an
3 undivided 1/73 fractional interest in the entire Condominium,
4 except for the Garage Condominium Buildings. Until then, at any
5 stage of the development of the Property, the Common Elements,
6 excluding the Garage Condominium Buildings' Common Elements,
7 shall always be considered to be owned by each Family Dwelling
8 Condominium Unit Owner in proportion to the number of Family
9 Dwelling Condominium Units existing at the time.

10 Once the Garage Condominium Buildings are completed,
11 each Garage Condominium Unit Owner owning a Garage Condominium
12 Unit in the Garage Condominium Building containing sixteen (16)
13 Garage Condominium Units shall bear an undivided 1/16 fractional
14 interest in that Garage Condominium Building's Common Elements,
15 and each Garage Condominium Unit Owner owning a Garage
16 Condominium Unit in the Garage Condominium Building containing
17 eight (8) Garage Condominium Units shall bear an undivided 1/8
18 fractional interest in that Garage Condominium Building's Common
19 Elements. Until then, the Garage Condominium Buildings' Common
20 Elements shall be considered to be owned by each Garage
21 Condominium Unit Owner in proportion to the number of Garage
22 Condominium Units existing in the particular Garage Condominium
23 Building at the time.

24 (g) MAINTENANCE BY OWNERS. Each Condominium Unit
25 Owner shall furnish and be responsible for, at his/her own
26 expense, all of the maintenance, repairs, and replacements

1 within his/her own Condominium Unit and the appurtenant Limited
2 Common Elements. Such obligation shall include: (a) the
3 maintenance of all interior doors, all lath, furring, wallboard,
4 plasterboard, plaster, paneling, tiles, wallpapers, paint,
5 finished flooring and any other materials constituting the
6 finished surfaces of floors, ceilings or interior walls (all
7 other portions of the walls, floors or ceilings are part of the
8 Common Elements); (b) repair and replacement of all window and
9 door glass and the interior and exterior cleaning of such window
10 and door glass; (c) the maintenance of, in an open and
11 unobstructed condition, all sewer and drainage pipes, water and
12 other utility lines serving an Owner's respective Condominium
13 Unit and Limited Common Elements between the points at which
14 the same enter the respective Condominium Unit and Limited
15 Common Elements and the points where the same join the utility
16 lines serving other Condominium Units and Limited Common
17 Elements; and (d) maintenance, replacement, repair and
18 restoration of all of the following which service an Owner's
19 Condominium Unit and Limited Common Elements exclusively:
20 lighting fixtures, plumbing fixtures, stoves, refrigerators, hot
21 water heaters, air conditioning units (including compressors and
22 condensers) and such other appliances, fixtures, and decorations
23 as an Owner may install. A Condominium Unit Owner may make non-
24 structural alterations within his/her Condominium Unit or
25 Limited Common Elements, but an Owner shall not make any
26 structural or exterior alternations of the Common Elements.

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(h) UTILITIES. All utilities for individual Condominium Units and Limited Common Elements and such utility charges shall be the responsibility of the respective Owners.

Section 4. VERTICAL DIMENSION. All references to vertical dimensions made in this document or on the recorded map referred to in Article II, Section 1, shall be based upon the elevations as described below:

Bench Mark Elevation - assumed 100 feet @ Kiowa and Sandwood Drive.

Boat Spikes - On Kiowa 50.88, 72.05 & 97.45

On Sandwood 85.48, 97.18 & 102.59

ARTICLE III

OWNERS ASSOCIATION

Section 1. THE PRESERVE AT KIOWA NORTE CONDOMINIUM OWNER'S ASSOCIATION, a non-profit corporation organized under and by virtue of the laws of the State of Arizona governing non-profit corporations, shall accept responsibility for and provide such necessary and appropriate action for the proper maintenance, repair, replacement, operation, management, beautification, and improvement of that certain property and improvements to be used in common by and for the benefit of the Owners of Condominium Units constructed on said properties.

Section 2. Until such time as seventy-three (73) Condominium Units in the above described properties have been conveyed to the purchasers thereof, or three (3) years after the

1 first Condominium Unit is offered for sale, whichever occurs
2 first; all right, discretion, power and authority herein granted
3 to said Owners Association and said Condominium Unit Owners
4 through said Owners Association, including the right to collect
5 Assessments and appoint or remove any officer of the Association
6 or Board Director, shall, at the option of Declarant remain
7 with Declarant directly or through said Owners Association
8 (referred to as "Declarant's Period of Control" in the
9 Condominium Instruments).

10 Upon the sale of not less than seventy-three (73) of
11 said Condominium Units, or three (3) years after the first
12 Condominium Unit is offered for sale, or unless earlier required
13 by Declarant, whichever occurs first; all such right,
14 discretion, power and authority shall be assumed by the
15 Condominium Unit Owners who are then Members of the Owners
16 Association, through their Officers and Directors who shall be
17 duly elected at such time.

18 Section 3. Until such time as seventy-three (73)
19 Condominium Units have been conveyed or transferred from
20 Declarant to the purchasers thereof, or three (3) years after
21 the first Condominium Unit is offered for sale, whichever occurs
22 first; Declarant shall be liable for any Assessment referred to
23 herein for any unoccupied Condominium Unit. In lieu of payment
24 of such Assessment, Declarant will assume responsibility for
25 month-to-month maintenance, repair, and management of the Common
26 Elements until these functions are assumed by the Owners. In

1 the event Declarant shall not convey any Condominium Unit but
2 shall utilize any Condominium Unit for rental use or any other
3 beneficial use (except as a model), Declarant shall be liable
4 for Assessments referred to herein. For purposes of this
5 paragraph, assumption of control of the Association is defined
6 as having passed, conclusively, to the Owners, collectively,
7 upon completion of the following requirements:

8 (a) Declarant shall notify the Owner of each
9 Condominium Unit that the Declarant has resigned and the Owner's
10 Association shall assume control effective Thirty (30) days
11 after date of notice.

12 (b) Declarant shall deliver to the Owners
13 Association corporate minutes, records, and seal, to any one of
14 the Owners of record receiving such notice, or to a committee
15 organized by the Owners of record for such purpose.

16 There shall be no outstanding or accrued debts
17 against the Association at the time of assumption of control by
18 the Owners beginning with the date of control of the Association
19 by the Owners. Declarant or its successor shall at no time be
20 responsible for any Assessment against Condominium Units not
21 available for occupancy or available for occupancy but unsold,
22 except as in this Article III, Section 3.

23 Except as provided by statute in case of condemnation
24 or substantial loss to the Condominium Units and/or Common
25 Elements of the Condominium project, the Owners Association
26 shall not be entitled to:

1 (a) by act or omission, seek to abandon or terminate
2 the Condominium project;

3 (b) change the pro rata interest or obligations of
4 any individual Condominium Unit for the purpose of:

5 (i) levying Assessments or charges or
6 allocating distributions of hazard insurance proceeds or
7 condemnation award, or

8 (ii) determining the pro rata share of
9 ownership of each Condominium Unit in the Common Elements;

10 (c) partition or subdivide any Condominium Unit;

11 (d) by act or omission, seek to abandon, partition,
12 subdivide, encumber, sell or transfer the Common Elements. (The
13 granting of easements for public utilities or for other public
14 purposes consistent with the intended use of the Common Elements
15 by the Condominium project shall not be deemed a transfer within
16 the meaning of this clause);

17 (e) use hazard insurance proceeds for losses to any
18 Condominium Property (whether to units or to Common Elements)
19 for other than the repair, replacement or reconstruction of such
20 Condominium Property.

21 All taxes, Assessments and charges which may become
22 liens prior to the first mortgage under local law shall relate
23 only to the individual Condominium Units and not the Condominium
24 project as a whole.

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ARTICLE IV

PROPERTY RIGHTS

Section 1. OWNERS' EASEMENTS OF ENJOYMENT. Every

Owner shall have a right and easement of enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to every Condominium Unit subject to the following provisions:

(a) The rights of the Association to suspend voting rights and right to use of the Common Areas by an Owner for any period during which any Assessment against his/her Condominium Unit remains unpaid and for a period not to exceed Sixty (60) days, for any infraction of this Declaration.

(b) The right of the Declarant during the period of Declarant's control, and thereafter, the right of the Association upon agreement of fifty-five (55) of the Family Dwelling Condominium Unit Owners, to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility, for such purposes and subject to such conditions deemed necessary to such dedication or transfer.

(c) The right of Declarant (and its sales agents and representatives) to the non-exclusive use of the Common Area and the facilities thereof, for display and exhibit purposes in connection with the sale of Condominium Units which right Declarant hereby reserves until such time Declarant no longer offers any Condominium Units for sale. No such use by Declarant

1 or its sales agents or representatives shall otherwise restrict
2 the Owners in their use and enjoyment of the Common Areas.

3 (d) The right of the Association to establish
4 uniform rules and regulations pertaining to the use of the
5 Common Areas.

6 (e) The right of the Association in accordance with
7 its Articles and Bylaws to borrow money for the purpose of
8 improving the Common area and facilities thereon.

9 Section 2. DELEGATION OF USE. Any Owner may
10 delegate, in accordance with this Declaration, his/her right of
11 enjoyment to the Common Areas and facilities to the members of
12 his/her family or his/her tenants, or to a reasonable number of
13 his/her guests or invitees, said number shall be as determined
14 from time to time by the Board of Directors of the Association.

15 Section 3. USE OF LIMITED COMMON ELEMENTS. Subject
16 to the provisions of Article X hereof, the portion of the Common
17 Elements designated as Limited Common Elements are reserved for
18 the exclusive use of the Condominium Unit or Condominium Units
19 which they serve. The rights of use herein reserved shall
20 extend to the Condominium Unit Owner whose Condominium Unit is
21 benefited thereby, members of his/her family who reside with
22 him/her, and his/her lessees, servants and invitees.

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ARTICLE V

MEMBERSHIP AND VOTING RIGHTS

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3 Section 1. MEMBERSHIP. Every Owner of a Family
4 Dwelling Condominium Unit which is subject to the covenants of
5 record and Assessment shall be a Member of the Association.
6 Membership shall be appurtenant to and may not be separated from
7 ownership of any Family Dwelling Condominium Unit which is
8 subject to Assessment. The rights and obligations of an Owner
9 and membership in the Association shall not be assigned,
10 transferred, pledged, conveyed, or alienated in any way except
11 upon transfer of ownership to such Family Dwelling Condominium
12 Unit or by intestate succession, testamentary disposition,
13 foreclosure of a mortgage of record, or such other legal process
14 that is now in effect or as may hereafter be established under
15 or pursuant to the laws of the State of Arizona. Any attempt to
16 make a prohibited transfer shall be void. Any transfer of
17 ownership shall operate to transfer said membership to the new
18 Owner, and a reasonable charge may be assessed by the
19 Association for each such transfer.

20 Section 2. VOTING RIGHTS. All Owners shall be
21 entitled to one (1) vote for each Family Dwelling Condominium
22 Unit owned. When more than one person holds an interest, all
23 such persons shall become Members. The vote for such Family
24 Dwelling Condominium Unit shall be exercised as they among
25 themselves determine, but in no event shall more than one vote
26 be cast with respect to any Family Dwelling Condominium Unit,

1 and fractional votes shall not be allowed. In the event more
2 than one (1) vote is cast for a particular Family Dwelling
3 Condominium Unit, none of the votes shall be counted and said
4 votes shall be deemed void.

5 There exists no voting rights associated with
6 ownership of a Garage Condominium Unit.

7 Section 3. Approval of Litigation. Except for any
8 legal proceedings initiated by the Association to: (i) enforce the
9 use restrictions contained in this Declaration; (ii) enforce the
10 Condominium Instruments; (iii) enforce the Association Design
11 Guidelines; (iv) collect any unpaid Assessments levied pursuant to
12 this Declaration; or (v) collect any "small claims" (i.e., matters
13 in which the amount in controversy related to said claim and all
14 their similar or related claims could not be reasonably expected
15 to exceed \$5,000.00) (items described in clauses (i) through (v)
16 immediately above are herein collectively called "Routine
17 Disputes"), the Association shall not incur litigation expenses
18 including, without limitation, attorneys' fees and costs, where
19 the Association initiates legal proceedings or is joined as a
20 plaintiff in legal proceedings, without the prior approval of at
21 least two-thirds (2/3) of the Members of the Association entitled
22 to vote, excluding the vote of any Owner who would be a defendant
23 in such proceedings. The costs of any legal proceedings initiated
24 by the Association which are not included in the above exceptions
25 shall be financed by the Association with monies that are
26 specifically collected for that purpose and the Association shall

1 not borrow money, use reserve funds or use monies collected for
2 other specific Associations obligations. Each Owner shall notify
3 prospective purchasers of such legal proceedings initiated by the
4 Board and not included in the above exceptions and must provide
5 such prospective purchasers with a copy of the notice received
6 from the Association in accordance with Section 15.3 of this
7 Declaration. Nothing in this Section shall preclude the Board
8 from incurring expenses for legal advice in the normal course of
9 operating the Association to: (i) enforce the Condominium
10 Instruments; (ii) comply with the statues or regulations related
11 to the operation of the Association or the Common Areas; (iii)
12 amend any document as provided in this Declaration and/or therein;
13 (iv) grant easements or convey Common Area as provided in this
14 Declaration; (v) perform the obligations of the Association as
15 provided in this Declaration; or (vi) prosecute or defend Routine
16 Disputes.

17 Notwithstanding anything herein to the contrary, this
18 Section may not be modified or amended without proper vote and
19 approval of the two-thirds of the Members of the Association
20 entitled to vote.

21
22 **ARTICLE VI**

23 **COVENANT FOR MAINTPENANCE ASSESSMENTS**

24 Section 1. PERSONAL OBLIGATION FOR ASSESSMENTS. Each
25 Owner of a Family Dwelling Condominium Unit, except as provided
26 by Article III, Section 3 hereof, by acceptance of a deed

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The Preserve CC&Rs

1 therefor, whether or not it shall be so expressed in such deed,
2 is deemed to covenant and agree to pay to the Association: (1)
3 monthly Assessments or charges, and (2) special Assessments for
4 capital improvements, such Assessments to be established and
5 collected as provided in the Articles and Bylaws.

6 Each owner of a Garage Condominium Unit is deemed to
7 covenant and agreed to pay the association a separate monthly
8 maintenance Assessment for each Garage Condominium Unit owned
9 and any special Assessments for improvements and/or maintenance
10 to the Garage Condominium Units, such Assessments to be
11 established and collected as provided in the Articles and
12 Bylaws.

13 The monthly and special Assessments, late payment
14 penalties, if any, together with interest thereon, and
15 reasonable attorney's fees and costs of collection thereof,
16 shall be a continuing lien on the Condominium Unit. Each such
17 Assessment, together with interest, costs, reasonable attorney's
18 fees and costs of collection, shall also be the personal
19 obligation of the person who was the Owner of such Condominium
20 Unit at the time when the Assessment fell due.

21 Section 2. PURPOSE OF ASSESSMENTS. The Assessments
22 levied by the Association shall be used to pay utility charges
23 and for the improvement and maintenance of the Common Areas, and
24 for all purposes set forth in the Articles, including but not
25 limited to, management fees, insurance premiums unless otherwise
26 provided for, expenses for maintenance, repairs and replacements

1 of Common Areas, reserves for contingencies, taxes, charges for
2 water and other utilities for the Common Areas.

3 By appropriate action the Association will establish
4 and maintain a reserve fund for replacement by the allocation
5 and payment monthly to such reserve fund an amount to be
6 designated from time to time by the Board of Directors. Such
7 fund shall be depository, and may be in the form of cash deposit
8 or invested in obligations of, or fully guaranteed as to
9 principal by the United States of America. The reserve fund is
10 for the purpose of effecting replacement or repair because of
11 damage, depreciation or obsolescence to Common Area Elements.

12 Section 3. UNIFORM RATE OF ASSESSMENT. Both monthly
13 and special Assessments must be fixed at a uniform rate for all
14 Family Dwelling Condominium Units and may be collected on a
15 monthly basis.

16 Both monthly and special Assessments must be fixed at
17 a uniform rate for all Garage Condominium Units and may be
18 collected on a monthly basis.

19 Section 4. DATE OF COMMENCEMENT OF MONTHLY
20 ASSESSMENTS. The monthly Assessments shall commence as to any
21 Family Dwelling Condominium Unit and/or to any Garage
22 Condominium Unit upon close of escrow for sale for the
23 conveyance to an Owner, partial months to be prorated, except as
24 provided in Article III, Section 2. The Board shall fix the
25 amount of the monthly Assessment against each unit at least
26 Thirty (30) days in advance of each monthly Assessment period.

1 Written notice of the monthly Assessments shall be sent to every
2 Owner subject thereto. The due dates shall be established by the
3 Board of Directors.

4 Section 5. SPECIAL ASSESSMENT FOR CAPITAL
5 IMPROVEMENTS. In addition to the monthly Assessments authorized
6 above, the Association may levy a special Assessment for the
7 purpose of defraying, in whole or in part, the cost of any
8 construction, reconstruction, repair or replacement of a capital
9 improvement upon the Common Area, including fixtures and
10 personal property related thereto, provided that any such
11 Assessment shall have the assent of Three-Fourths (3/4) of the
12 votes of Members who are voting in person or by proxy at a
13 meeting duly called for this purpose.

14 Section 6. NOTICE AND QUORUM FOR ANY ACTION
15 AUTHORIZED UNDER SECTION 5. Written notice of any meeting
16 called for the purpose of taking any action authorized under
17 Section 5 shall be sent to all Members not less than Thirty (30)
18 days nor more than Sixty (60) days in advance of the meeting. At
19 the first such meeting called, the presence of Members or of
20 proxies entitled to cast Sixty Percent (60%) of all votes of the
21 membership shall constitute a quorum. If the required quorum is
22 not present, another meeting may be called subject to the same
23 notice requirement, and the required quorum at the subsequent
24 meeting shall be One-half (1/2) of the required quorum at the
25 preceding meeting. No such subsequent meeting shall be held
26 more than Sixty (60) days following the preceding meeting.

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Section 7. NONPAYMENT OF ASSESSMENTS - REMEDIES OF THE ASSOCIATION. Any Assessment not paid within Thirty (30) days after the due date shall bear interest from the due date at the rate of Fifteen Percent (15)% per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against any Condominium Unit owned. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Area or abandonment of his/her Condominium Unit(s).

Section 8. SUBORDINATION OF THE LIEN TO MORTGAGES.
The lien of the Assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Condominium Unit shall not affect the Assessment lien. No sale or transfer shall relieve such Condominium Unit from liability for any Assessments thereafter becoming due or from the lien thereof.

Section 9. 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 use the recreational facilities of the Property.

ARTICLE VII

RIGHTS OF FIRST MORTGAGEES

SECTION 1. NOTICE

First Mortgagees, upon filing a written request for notification with the Board, shall have the right to timely written notice of:

(a) any condemnation or casualty loss that affects either a material portion of the project or the Condominium Unit securing its mortgage;

(b) any 60 day delinquency in the payment of Assessments or charges owed by the Owner of any Condominium Unit on which it holds the mortgage;

(c) a laps, cancellation, or material modification of any insurance policy maintained by the Association; and

(d) any proposed action that requires the consent of a specified percentage of eligible mortgage holders.

Section 2. ACCESS TO DOCUMENTS

First Mortgagees, upon written request:

(a) shall have the right during normal business hours to inspect/examine project documentation as well as the Association's book, records and financial statements.

(b) shall receive from the Association an ~~audited~~ financial statement for the preceeding fiscal year within one hundred twenty (120) days of the Association's fiscal year-end.

AMENDED 1-26-2009

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Section 3. DELINQUENT ASSESSMENT LIENS

Each First Mortgagee of a Mortgage encumbering any Condominium Unit, which obtains title to such Condominium Unit, pursuant to judicial foreclosure or the powers provided in such Mortgage, shall take title to such Condominium Unit free and clear of any claims or liens for unpaid Assessments or charges against such Condominium Unit which accrued prior to the time such holder acquires title to such Condominium Unit, notwithstanding anything herein to the contrary. Such unpaid share of Assessments or charges shall be deemed to be Common Expenses collectible from all of the Condominium Units including such acquirer, its successors and assigns. Should acquirer fail to pay its share of the Common Expenses, Assessments or other charges when due, the Board may take action against such acquirer similar to any other Owner of a Condominium Unit, as provided in this Declaration.

ARTICLE VIII

WORKING CAPITAL FUND

Declarant shall establish a Working Capital Fund to meet unforeseen expenditures and/or to purchase any additional equipment or services. Declarant may not use any Working Capital Funds to defray any of its expenses, reserve contributions, or construction costs or to make up any budget deficit during Declarant's Period of Control.

1 The Working Capital Fund is to be funded by an amount
2 equal to two (2) months of the monthly Assessment for the
3 Condominium Unit, payable at the close of escrow upon purchasing
4 of said Condominium Unit. The amounts paid into this fund shall
5 not be considered as advanced payments of regular monthly
6 Assessments.

7 Upon the completion of Declarant's Period of Control,
8 the Working Capital Fund shall be transferred to the Association
9 for deposit in a segregated fund.

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11 **ARTICLE IX**

12 **ARCHITECTURAL CONTROL**

13 ARCHITECTURAL APPROVAL. No building, fence, wall or
14 other structure shall be commenced, erected or maintained upon
15 the Properties, nor shall any exterior addition to or change or
16 alteration therein be made until the plans and specifications
17 showing the nature, kind, shape, height, materials, and location
18 of the same shall have been submitted to and approved in writing
19 by the Board.

20
21 **ARTICLE X**

22 **COMMON WALLS**

23 The rights and duties of Owners with respect to
24 Common Walls shall be as follows:

25 (a) The Owners of contiguous Condominium Units who
26 have a Common Wall or Walls shall both equally have the right

1 to use such wall or walls provided that such use by one Owner
2 does not interfere with the use and enjoyment of same by the
3 other Owner.

4 (b) In the event that any Common Wall or Walls are
5 damaged or destroyed through the act of an Owner, any of his/her
6 agents, tenants, guests or members of his/her family (whether or
7 not such act is negligent or otherwise culpable), it shall be
8 the obligation of such Owner to rebuild and repair the Common
9 Wall or Walls without cost to the other adjoining Owner or
10 Owners.

11 (c) In the event any such Common Wall or Walls are
12 destroyed or damaged (including deterioration from ordinary wear
13 and tear and lapse of time), other than by the act of an
14 adjoining Owner, his/her agents, or tenants, guests, or family
15 it shall be the obligation of the Association to rebuild and
16 repair such wall or walls.

17 (d) Notwithstanding anything to the contrary herein
18 contained, there shall be no impairment of the structural
19 integrity of any Common Wall or Walls without the prior consent
20 of the Board.

21 (e) In the event of a dispute between Owners with
22 respect to the construction, repair or rebuilding of a Common
23 Wall or walls, or with respect to the bearing of the cost
24 thereof, the Owners shall submit the dispute to the Board, the
25 decision of which shall be final and binding on all Owners.

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ARTICLE XI

REPAIR AND MAINTENANCE

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Section 1. BY OWNER. Each Owner of a Condominium Unit(s) shall maintain, repair, replace, and restore at his own expense all portions of the Condominium Unit(s), including doors and such maintenance, repair, replacement or restoration shall be subject to control and prior written approval of the Association. No Owner shall remove, alter, injure or interfere with any shrubs, trees, or planting placed upon any Property by Declarant or the Association without first obtaining the written consent of the Association.

Each Owner shall keep the interior of his/her Condominium Unit including interior walls, drywall, windows, ceilings, floors and permanent fixtures and appurtenances thereto and the exterior surface of any floors of Limited Common Elements allocated exclusively to that Condominium Unit, in a clean and sanitary condition and in a state of good repair. In the event that any such Condominium Unit or Limited Common Elements allocated to that Condominium Unit shall develop an unsanitary or unclean or unsafe condition or fall into a state of disrepair, and in the event that the Owner of such Condominium Unit or Limited Common Elements allocated to that Condominium Unit shall fail to correct such condition or state of disrepair promptly following written notice from the Board of Directors, the Board of Directors on behalf of the Association shall have the right, at the expense of the Owner and without

1 liability to the Owner for trespass or otherwise, to enter said
2 Condominium Unit or Limited Common Elements allocated to that
3 Condominium Unit and correct or eliminate said unsanitary or
4 unclean condition or state of disrepair; provided, however, that
5 the Association shall in no event have the obligation to correct
6 or eliminate any such condition or state of disrepair. In
7 addition to keeping the interior of his/her Condominium Unit and
8 Limited Common Elements allocated to that Condominium Unit
9 clean, sanitary, and in good repair, each Condominium Unit shall
10 be responsible, at Owner's sole expense, for:

11 a) cleaning, maintenance, repair, and/or
12 replacement of any and all plumbing fixtures, electrical
13 fixtures, and/or appliances (whether "built-in" or free-
14 standing, including, by way of example and not of limitation:
15 water heaters (and associated parts), furnaces, plumbing
16 fixtures, lighting fixtures, refrigerators, dishwashers, garbage
17 disposals, microwave ovens, washers, dryers, ranges and smoke
18 detectors), within the Condominium Unit;

19 b) cleaning, maintenance, repair, and/or
20 replacement of: (i) the door connecting the Condominium Unit to
21 the patio (including, if such door is a glass door the metal
22 frames, tracks, and exterior screens thereof), and (ii) any
23 storage room door located on the patio; respectively subject to
24 the requirement that the exterior appearance as originally
25 installed by Declarant;

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1 c) cleaning, maintenance, painting and repair of
2 the interior of the front door of the Condominium Unit; cleaning
3 and maintenance of the exterior of said front door, subject to
4 the requirement that the exterior appearance of such door shall
5 not deviate from its external appearance as originally installed
6 by Declarant;

7 d) cleaning, maintenance, repair, and/or
8 replacement of all windows and window glass within or
9 exclusively associated with, the Condominium Unit, including the
10 metal frames, tracks, and exterior screens thereof, subject to
11 the requirement that the exterior appearance shall not deviate
12 from its external appearance as originally installed by
13 Declarant;

14 e) cleaning, maintenance, and non-structural repair
15 to the patio floor, ceiling, and the interior surfaces of the
16 patio exterior wall, subject to the requirement that the
17 appearance of such areas, visible from ground level adjacent to
18 the Condominium Unit, shall not deviate from their appearance as
19 originally installed by Declarant;

20 f) cleaning, and prompt, like-kind replacement of
21 burned-out patio light bulbs;

22 g) cleaning of the stairway landing and deck area
23 adjacent to the front door of the Condominium Unit; and

24 h) cleaning, maintenance, repair, and replacement
25 of the HVAC, subject to the requirement that the appearance of
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1 such items shall not deviate from their appearance as originally
2 installed by Declarant.

3 Each owner shall promptly report in writing to the
4 Board any and all visually discernible items or other
5 conditions, with respect to his/her Condominium Unit,
6 appurtenant patio, building, stairway, landing and deck areas
7 adjacent to his/her Condominium Unit, which reasonably appear to
8 require repair. Delay or failure to fulfill such reporting duty
9 may result in further damage to improvements, requiring costly
10 repair or replacement.

11 Section 2. BY THE ASSOCIATION. The Association
12 shall have full power and control and it shall be its duty to
13 maintain, repair and make necessary improvements to and pay for
14 out of the maintenance fund to be provided, all Common Areas and
15 the improvements thereon, and all private roadways, streets,
16 parking area, walks and other means of ingress and egress within
17 the project. This shall include the exterior portions of the
18 Condominium Units, the Buildings (except for the Condominium
19 Units and doors), and the swimming pool; the land upon which the
20 Buildings are located; the airspace above the Buildings, all
21 bearing walls, columns, floors, roofs, slabs, foundations,
22 storage spaces, doors, all water pipes, ducts, conduits, wires
23 and all other utility installation of the Building, wherever
24 located, except the outlets thereof when located within the
25 Condominium Units. The Association shall further be empowered
26 with the right and duty to periodically inspect all Common Areas

1 in order that minimum standards of repair, design, color and
2 landscaping shall be maintained for appearance, harmony and
3 conservation within the entire project. The Board shall be the
4 sole judge as to the appropriate maintenance of the Common
5 Areas.

6 Section 3. GENERAL MAINTENANCE. In the event that
7 the Association determines that an improvement of the Common
8 Area is in need of repair, restoration or painting, or that the
9 landscaping is in need of installation, repair, or restoration,
10 the Association shall undertake to remedy such condition and the
11 cost thereof shall be charged to the Owners and shall be subject
12 to levy, enforcement and collection by the Association in
13 accordance with the Assessment lien procedure provided for in
14 this Declaration. The Association shall have a limited right of
15 entry in and upon all Common Areas as defined above and the
16 exterior of all Condominium Units for the purpose of taking
17 whatever corrective action may be deemed necessary or proper by
18 the Association. Nothing in this Article shall in any manner
19 limit the right of the Owner to exclusive control over the
20 interior of his/her Condominium Unit. Provided, however, that
21 the Owner shall grant the right of entry therein to the
22 Association or any other person or other Owner or Owners, or
23 their authorized representatives, in case of any emergency
24 originating in or threatening his/her Condominium Unit whether
25 the owner is present or not, when so required to enter his/her
26 Condominium Unit for the purpose of performing installation,

1 alterations or repair to the mechanical or electrical services,
2 including water, and other utility services, provided that
3 reasonable requests for entry are made and that such entry is at
4 a time reasonably convenient to the Owner whose Condominium Unit
5 is to be entered. In case of an emergency such right of entry
6 shall be immediate without the necessity for a request having to
7 be made.

8 Section 4. REPAIR NECESSITATED BY OWNER. In the
9 event that the Association determines that the Common Areas are
10 in need of improvement, repair, restoration or painting, or that
11 the landscaping is in need of installation, repair, or
12 restoration which has been caused by an Owner, or any person
13 designated by the Owner, then the Association shall give written
14 notice of the Owner of the conditions complained of. Unless the
15 Board has approved in writing corrective plans proposed by the
16 Owner to remedy the condition complained of within such
17 reasonable period of time as may be determined by the Board
18 after said written notice is first given, and such corrective
19 work so approved is completed thereafter within the time
20 allotted by the Board, the Association shall undertake to remedy
21 such condition or violation complained of. The cost thereof
22 shall be deemed to be an Assessment to such Owner and his/her
23 Condominium Unit and subject to levy, enforcement and collection
24 provided for herein or in the Articles or Bylaws. The
25 Association shall have the same right of entry in and upon all
26 Common Areas and Condominium Units as defined. The Board shall

1 have the sole right to determine whether any such costs expended
2 by the Association were related to general maintenance or were
3 repairs necessitated by an Owner, and the determination of same
4 shall be binding and final as to an Owner.

5
6 **ARTICLE XII**

7 **EASEMENTS**

8 Section 1. GENERAL EASEMENTS TO COMMON ELEMENTS.

9 Subject to this Declaration and the Association Rules, non-
10 exclusive reciprocal easements are hereby reserved and created
11 for the purpose of support, ingress and egress, access, use and
12 enjoyment in favor of each Owner, upon, across, over, under and
13 through the Common Elements, including the use of all pipes,
14 wires, ducts, cables, conduits, and public utility lines, which
15 easements shall be appurtenant to each Condominium Unit. The
16 Association, acting through the Board or its authorized agent,
17 and public utility companies providing service to the Property,
18 shall have non-exclusive easements with the right of access to
19 each Condominium Unit to make inspections, to remove violations,
20 to maintain, repair, replace or effectuate the restoration of
21 the Common Elements accessible in such Condominium Unit;
22 provided, however, such rights shall be exercised in a
23 reasonable manner and at reasonable times with prior
24 notification unless emergency situations demand immediate
25 access.

26

1 Section 2. PUBLIC UTILITIES. Easements and rights
2 over the Property for the installation and maintenance of
3 electricity lines, telephone lines, water lines, drainage
4 facilities, and such other public utilities needed to serve the
5 Property are hereby reserved by Declarant, together with the
6 right to grant and transfer the same; provided, however, such
7 easements and rights shall not unreasonably interfere with the
8 use of the Common Elements and the Condominium Units by the
9 Owners or their tenants.

10 Section 3. EASEMENTS FOR ENCROACHMENTS. If any
11 portion of the Common Elements encroaches upon any Condominium
12 Unit, or if any Condominium Unit encroaches on the Common
13 Elements, or if any such encroachment shall occur hereafter as a
14 result of the manner in which the Buildings have been
15 constructed or due to settling, shifting, alteration,
16 replacement, repair, or restoration by Declarant or the
17 Association, a valid easement for encroachment shall exist so
18 long as the Buildings stand.

19 Section 4. DEVELOPMENT EASEMENTS FOR DECLARANT.
20 Until all Condominium Units have been sold by Declarant, there
21 are hereby reserved to Declarant, together with the right to
22 grant and transfer the same to others, including Declarant's
23 sales agents, representatives and assigns, easements and rights
24 upon, across, over, under and through the Property for
25 construction, display (including the use of the Condominium
26 Units as models), maintenance, sales and exhibit purposes

1 (including the use of signs and other advertising devices) in
2 connection with the erection and sale or lease of Condominium
3 Units within the Property; provided, however, that no such use
4 by Declarant or its agents shall otherwise restrict Owners in
5 the reasonable use of their Condominium Units.

6 Section 5. PARKING. The unassigned parking area is
7 a portion of the Common Elements intended for the parking of
8 only non-commercial passenger automobiles or motorcycles on the
9 basis of one vehicle per parking space. All unassigned parking
10 spaces shall be utilized for guest parking.

11
12 **ARTICLE XIII**

13 **USE RESTRICTIONS**

14 Section 1. SINGLE-FAMILY RESIDENTIAL USE. A Family
15 Dwelling Condominium Unit shall be used, improved, and devoted
16 exclusively to Single-Family Residential use. No occupation,
17 profession, trade or other non-residential use shall be
18 conducted on any such property without the approval of the Board
19 of Directors of the Association. Nothing herein shall be deemed
20 to prevent the lease or rental of a Family Dwelling Condominium
21 Unit to a single-family from time to time by the Owner thereof,
22 subject to all of the provisions of this Declaration. The Board
23 of Directors of the Association shall have the right to
24 determine the minimum age, if any, of any permanent resident and
25 the maximum number of occupants of any Family Dwelling
26 Condominium Unit.

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1 Section 2. STORAGE USE. A Garage Condominium Unit
2 shall be used, improved, and devoted exclusively to storage
3 uses. No activity, except passive storage shall be allowed. No
4 Garage Condominium Unit shall be used for purposes of
5 manufacture, fabrication, sales (whether at wholesale or resale)
6 or any other form of business, industrial or construction use.
7 No Garage Condominium Unit shall be allowed to be used, at
8 anytime, for living quarters or any residential use.

9 Section 3. ANIMALS No animals, livestock or
10 poultry of any kind shall be raised, bred or kept in any Family
11 Dwelling Condominium Unit or in the Common Elements except that
12 a maximum of two household pets may be kept or housed in Family
13 Dwelling Condominium Unit when expressly permitted in writing to
14 the Board of Directors. Each Owner who desires to keep a pet in
15 his/her Family Dwelling Condominium Unit shall apply in writing
16 to the Board of Directors for permission to keep such pet.
17 Walking of pets on the Common Elements shall be restricted. In
18 no event shall any pet be permitted in any portions of the
19 Family Dwelling Common Elements unless carried or on a leash not
20 exceeding six (6) feet in length. No pet owner shall permit any
21 pet to relieve itself on any portion of the Common Elements. It
22 shall be the responsibility of the Owner, lessee or guest to
23 remove immediately any droppings from pets. Each Owner who
24 keeps a pet in a Family Dwelling Condominium Unit shall identify
25 and hold all other Owners harmless against any loss or liability
26 of any kind or character whatsoever arising from or as a result

1 of having such pet in the Project. If a pet disturbs other
2 Owners, the Board of Directors will give notice to the Owner of
3 such pet to cause such annoyance to be discontinued, and if such
4 annoyance is not discontinued and corrected, the Board of
5 Directors may revoke its permission to keep the pet on the
6 Property and the pet shall be removed therefrom.

7 No animals, whether fowl, poultry, livestock or
8 domestic animals shall be allowed to reside or be maintained in
9 any Garage Condominium Unit.

10 Section 4. OUTSIDE FURNITURE AND FIXTURES

11 Enclosures, shades, screens or other items affecting
12 the exterior appearance of any patio or balcony shall not be
13 permitted without the express written consent of the Board of
14 Directors and shall be furnished only with normal patio
15 furniture and furnishings and shall not be used for storage of
16 personal items, such as bicycles, exercise equipment, trash
17 containers, pet houses, storage boxes.

18 Section 5. Window Coverings. No reflective
19 materials, including, but not limited to, aluminum foil,
20 reflective screens or glass, mirrors or similar items shall be
21 installed upon the outside or inside of any window of a
22 Condominium Unit. All enclosures, drapes, blinds, shades,
23 screens, or other items affecting the exterior appearance of a
24 Condominium Unit shall be white to the exterior view and shall
25 be subject to the approval of the Board of Directors.

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Section 6. UTILITY SERVICE. No lines, wire, or other devices for the communication or transmission of electric current or power, including telephone, television, and radio signals, shall be erected, placed or maintained anywhere in or upon any property unless the same shall be contained in conduits or cables installed and maintained underground or concealed in, under or on Buildings or other structures approved by the Board. No provision hereof shall be deemed to forbid the erection of temporary power or telephone structures incident to the construction of buildings or structures approved by the Board.

Section 7. TEMPORARY STRUCTURES. No temporary buildings or structures of any kind shall be used at any time for a residence on any property.

Section 8. TRASH CONTAINERS AND COLLECTION. No garbage or trash may be stored or placed on any portion of the Property except in a trash receptacle of a size, type, and style approved by the Board of Directors and the City. All garbage and trash must be removed regularly. Trash receptacles serving the Property may be located only at places approved by the Board of Directors and must be screened from view in a manner approved by the Board of Directors.

Section 9. CLOTHES DRYING FACILITIES. Outside clotheslines or other outside facilities for drying or airing clothes shall not be erected, placed or maintained on any property.

1 Section 10. OUTSIDE SPEAKERS AND AMPLIFIERS. No
2 radio, stereo, broadcast or loudspeaker units and no amplifiers
3 of any kind shall be placed upon or outside, or be directed to
4 the outside of any Building without the prior written approval
5 of the Board.

6 Section 11. REPAIRS. No repairs of any detached
7 machinery, equipment of fixtures, including without limitation
8 motor vehicles, shall be made upon the Property.

9 Section 12. UNSIGHTLY ITEMS. All rubbish, debris or
10 unsightly materials or objects of any kind shall be regularly
11 removed from Condominium Units and shall not be allowed to
12 accumulate therein or thereon. Refuse containers and machinery
13 and equipment not a part of Condominium Units, shall be
14 prohibited upon any Condominium Unit unless obscured from view
15 of adjoining Condominium Units and Common Elements. Trash and
16 garbage shall be placed in containers by Owners and Occupants
17 for removal from the Property in accordance with Association
18 Rules applicable thereto adopted by the Board. The Board may
19 adopt rules applicable to the provisions of this Section and
20 their enforcement, including the Assessment of charges to Owners
21 and Occupants who violate, or whose invitees violate, such
22 rules. Any charges so assessed shall be special Assessments. The
23 foregoing notwithstanding, nothing herein shall be construed as
24 preventing Declarant and its agents and assigns from engaging in
25 all forms of construction and sales activities within the
26 Property.

1 Section 13. DECLARANT'S EXEMPTION. Nothing
2 contained in this Declaration shall be construed to prevent the
3 erection or maintenance by Declarant or its duly authorized
4 agents, of structures, improvements or signs necessary or
5 convenient to Developer, for sale, operation or other
6 disposition of Property.

7 Section 14. NUISANCES. No nuisance shall be
8 permitted to exist to operate upon any property so as to be
9 offensive or detrimental or any other property in the vicinity
10 thereof or to its Occupants. No rubbish, debris, material, or
11 containers of any kind shall be placed or permitted to
12 accumulate upon or adjacent to property and no odors shall be
13 permitted to arise therefrom, so as to render any such property
14 or any portion thereof unsanitary, unsightly, offensive or
15 detrimental to any other property in the vicinity thereof or to
16 its occupants. No exterior speakers, horns, whistles, bells or
17 other sound devices, except security devices used exclusively
18 for security purposes, shall be located, used or placed on any
19 such property. The Board in its sole discretion shall have the
20 right to determine the existence of any nuisance.

21 Section 15. RENTING/LEASING. Subject to the
22 foregoing obligations, the Owners of the Family Dwelling
23 Condominium Units shall have the right to lease same provided
24 that said lease is made subject to the covenants and
25 restrictions contained in this Declaration and further subject
26 to the Bylaws and Association rules. Each Owner shall be

1 responsible for compliance by said Owner's agent, tenant, guest,
2 invitee, lessee, licensee, their respective servants and
3 employees with the provisions of said Declaration, Bylaws and
4 Association rules. The Owner's failure to so insure compliance
5 by such persons shall be grounds for the same action available
6 to the Board by reason of said Owner's own non-compliance.

7 The Family Dwelling Condominium Units shall not be
8 rented/leased by the Owner's thereof for any period less than
9 ~~seven (7)~~ days.

10 **THIRTY (30) DAYS AMENDED 6-16-2022**

11 The Garage Condominium Units shall only be
12 rented/leased in conjunction with and for the same duration as
13 the Owners rental/leasing of his/her Family Dwelling Condominium
14 Unit.

15 Section 16. OWNERSHIP AND SALE OF GARAGE CONDOMINIUM
16 UNITS. Garage Condominium Units shall only be owned by Owner's
17 of at least one (1) Family Dwelling Condominium Unit and shall
18 only be sold together with a Family Dwelling Condominium Unit or
19 to an existing Family Dwelling Condominium Unit Owner.

20 Section 17. NOISE. No Owner, his agents, tenants,
21 employees or visitors shall be allowed to make or cause improper
22 noises in the Buildings or Common Areas, nor in anyway interfere
23 with the use and enjoyment of other Condominium Units by other
24 Owners.

25 Section 18. EXPLOSIVES AND FLAMMABLE ITEMS. No
26 Condominium Unit shall be allowed to be used for storage of any
explosive or flammable substances, except as to petroleum

1 products (gasoline or diesel) in the Garages and/or Garage
2 Condominium Units, which might be located in fuel tanks of motor
3 vehicles or watercraft (stored in the Garage Condominium Units)
4 incidental to their use. No other petroleum products shall be
5 allowed to be stored on the premises except as contained in
6 legally authorized and approved containers not to exceed 50
7 gallons per Condominium Unit. No explosive devices of any
8 nature whatsoever may be stored within any Condominium Unit.

9 Section 19. ODORS. No Owner shall permit any
10 Condominium Unit to be used for or to contain any substance
11 which shall emit noxious and/or offensive odors, whether toxic
12 or otherwise, which may or do permeate to and/or effect the use
13 and enjoyment of any other Condominium Unit.

14 Section 20. FIRE HAZARDS. No Owner shall occupy,
15 use or store any materials in any Condominium Unit, nor permit
16 any Unit to be occupied or used for any purpose which would
17 increase the premium for fire insurance on the Common Areas over
18 the normal rates applicable to mini storage facilities. Upon
19 notice that any such activity is or has been taking place, or
20 that any such materials have been, are or will be stored upon
21 said premises, the Owner of the respective Condominium Unit(s)
22 shall immediately cause same to be removed.

23 Section 21. COMPLIANCE WITH LAW. No Condominium
24 Unit shall be used for any purpose in violation of any state,
25 federal or local statute or ordinance or of any regulation,
26 order, or directive of a governmental agent as such statutes,

1 ordinances, regulations, orders or directives now exist or may
2 hereafter provide concerning the use and safety of the
3 Condominium Unit and Common Areas. On the breach of any
4 provision hereof by any Owner, the Association may, at its
5 option, order such use to terminate, and that failing, enter
6 upon the premises of the Condominium Unit and terminate such
7 use.

8 Section 22. SIGNS. No sign whatsoever (including but
9 not limited to, commercial, political and similar signs) which
10 are visible from neighboring property shall be erected or
11 maintained on any Property except:

12 (a) Such signs as may be required by legal
13 proceedings;

14 (b) Such signs the nature, number and location of
15 which have been approved by the Board in advance.

16 Section 23. RULES AND REGULATIONS. The Association
17 shall have the power to make and adopt reasonable Association
18 Rules with respect to activities which may be conducted on any
19 part of the Property. The Board's determination as to whether a
20 particular activity being conducted or to be conducted violates
21 or will violate such Association Rules shall be conclusive
22 unless, at a regular or special meeting of the Association,
23 Owners representing a majority of the voting power of the
24 Association vote to the contrary.

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ARTICLE XIV

INSURANCE

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3 Section 1. AUTHORITY TO PURCHASE. Commencing not
4 later than the date a Condominium Unit is conveyed to a Person
5 other than Declarant, the Board shall have the authority to and
6 shall obtain the insurance provided for in this Article.

7 Section 2. HAZARD INSURANCE. The Board shall obtain
8 a master or blanket policy of property insurance on the entire
9 Property including the Condominium Units and the Common Elements
10 insuring the Property against loss or damage by fire and other
11 hazards covered by the standard extended coverage endorsement,
12 and against loss or damage by sprinkler leakage, debris removal,
13 cost of demolition, vandalism, malicious mischief, windstorm,
14 and water damage. Such master policy of property insurance shall
15 be in a total amount of insurance equal to 100% of the current
16 replacement cost, exclusive of land, excavations, foundations
17 and other items normally excluded from such property policies.

18 Section 3. COMPREHENSIVE PUBLIC LIABILITY INSURANCE.
19 The Board shall obtain comprehensive general liability insurance
20 insuring the Association, the Declarant, the agents and
21 employees of the Association and the Declarant, the Owners and
22 Occupants and the respective family members, guests and invitees
23 of the Owners and Occupants, against liability incident to the
24 ownership or use of the Common Elements. The limits of such
25 insurance shall not be less than \$1,000,000.00 covering all
26 claims for death of or injury to any one person and/or property

1 damage in any single occurrence. Such insurance shall also
2 include protection against water damage liability, liability
3 for non-owned and hired automobiles, and liability for the
4 property of others. Such insurance must provide that, despite
5 any provisions giving the carrier the right to elect to restore
6 damage in lieu of a cash settlement, such option shall not be
7 exercisable without the approval of the Association. The Board
8 shall adjust the amount of the insurance carried under this
9 Section from time to time.

10 Section 4. WORKMEN'S COMPENSATION INSURANCE. The
11 Board shall purchase and maintain in effect Workmen's
12 Compensation Insurance for all employees of the Association to
13 the extent that such insurance is required by law.

14 Section 5. FIDELITY INSURANCE. The Board shall
15 obtain fidelity coverage against dishonest acts on the part of
16 directors, officers, employees or volunteers who handle or who
17 are responsible for handling the funds of the Association. Such
18 fidelity bonds shall name the Association as obligee and shall
19 be written in an amount equal to one hundred fifty percent
20 (150%) of the estimated current annual Common Expenses of the
21 Association, including reserves, and shall contain waivers of
22 any defense based on the exclusion of persons who serve without
23 compensation from any definition of "employee" or similar
24 expression.

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1 Section 6. PREMIUMS. Premiums upon insurance
2 policies purchased by the Board on behalf of the Association
3 shall be paid by the Association as part of the Common Expenses.

4 Section 7. POLICY PROVISIONS.

5 (a) Any insurer that has issued an insurance policy
6 to the Association under this Article shall also issue a
7 certificate or memoranda of insurance to the Association and,
8 upon request, to any Owner or Lender.

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

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

18 (d) Coverage must not be limited by (i) any act or
19 neglect by Owners or Occupants which is not within control of
20 the Association; or (ii) any failure of the Association to
21 comply with any warranty or condition regarding any portion of
22 the Property over which the Association has no control.

23 (e) Coverage may not be canceled or substantially
24 modified (including cancellation for nonpayment of premiums)
25 without at least thirty (30) days prior written notice to the
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1 Association and all Lenders, and to any Owner to whom a
2 certificate has been issued.

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

8 Section 8. SUPPLEMENTAL INSURANCE. The Board may
9 obtain such other policies of insurance in the name of the
10 Association as the Board deems appropriate to protect the
11 Association and Owners, including, without limitation, errors
12 and omissions insurance for officers and directors of the
13 Association. Notwithstanding any other provision herein, the
14 Association shall continuously maintain in effect such casualty,
15 flood and liability insurance.

16 Section 9. INSURANCE OBTAINED BY OWNERS. An Owner
17 or Occupant shall be permitted to insure his personal property
18 against loss by fire or other casualty and may carry public
19 liability insurance covering his individual liability for damage
20 to persons or property occurring inside his/her Condominium
21 Unit. An Owner may carry additional hazard insurance covering
22 his/her Condominium Unit and improvements as well as additional
23 liability insurance covering exposure from the ownership or use
24 of the Common Elements.

ARTICLE XV

DESTRUCTION OF IMPROVEMENTS

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3 Section 1. AUTOMATIC RECONSTRUCTION. In the event
4 of partial or total destruction of a Building or any portion of
5 the Common Elements within the Property, the Board shall
6 promptly take the following action:

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

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

14 (c) If the Board determines: (i) that insurance
15 proceeds will cover eighty-five percent (85%) or more of the
16 estimated cost of reconstruction, or (ii) that available
17 insurance proceeds together with available reserves and/or a
18 special Assessment equal to Twenty-Five (25%) or less of the
19 then annual aggregate of regular monthly Assessments for Family
20 Dwelling Condominium Units, or, if the Building in question is a
21 Garage Condominium Building, the Garage Condominium Units' then
22 annual aggregate of regular monthly Assessments, will completely
23 cover the estimated cost of reconstruction, then the Board shall
24 cause notice to be sent to all Owners setting forth such
25 findings and informing said Owners and Lenders that the Board
26 intends to commence reconstruction pursuant to this Declaration.

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1 In the event that at least Twenty-Five percent (25%) of the
2 Owners based on one (1) vote for each Family Dwelling
3 Condominium Unit, object in writing to such reconstruction as
4 indicated in such notice, the Board shall call a special meeting
5 of the Owners pursuant to Section 2. In the event that the
6 foregoing requirements are satisfied and the satisfied and
7 requisite number of Owners do not object in writing to such
8 reconstruction, the Board shall cause reconstruction to take
9 place as promptly as practicable thereafter. In connection with
10 such reconstruction, the Board shall levy a uniform special
11 Assessment against each Owner at such time and in such amount as
12 the Board shall determine is necessary to cover the costs of
13 reconstruction in excess of insurance proceeds and available
14 reserves.

15 (d) If the Board in good faith determines that none
16 of the bids submitted under this Section reasonably reflects the
17 anticipated reconstruction costs, the Board shall continue to
18 attempt to obtain an additional bid which it determines
19 reasonably reflects such costs. Such determination shall be made
20 by the Board as soon as possible. However, if such
21 determination cannot be made within Ninety (90) days after the
22 date of such destruction because of the unavailability or
23 unacceptability of an insurance estimates or reconstruction bid,
24 or otherwise, the Board shall immediately call a meeting of the
25 affected Owners pursuant to Section 2.

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

9 Section 2. RECONSTRUCTION BY VOTE. If
10 reconstruction is not to take place pursuant to Section 1, as
11 soon as practicable after the same has been determined, the
12 Board shall call a special meeting of the Owners by mailing a
13 notice of such meeting to each such Owner. Such meeting shall be
14 held not less than Fourteen (14) days and not more than twenty-
15 one (21) days after the date of such notice. Unless the Owners,
16 by a vote at such meeting or by the written consent of not less
17 than Seventy-Five percent (75%) of the Owners based on One (1)
18 vote for each Family Dwelling Condominium Unit, determine not to
19 proceed with such reconstruction, reconstruction must take place
20 and the Board shall levy a uniform special Assessment against
21 each Owner at such time and in such amount as the Board shall
22 determine is necessary to cover the costs of reconstruction in
23 excess of insurance proceeds and available reserves.

24 Section 3. PROCEDURE FOR MINOR RECONSTRUCTION. If
25 the cost of reconstruction is equal to or less than Ten percent
26 (10%) of the face amount of insurance then carried under the

1 Association's hazard insurance policy, then the Board shall
2 contract with a licensed contractor or contractors to rebuild or
3 repair such damaged or destroyed portions of the Property in
4 conformance with the original plans and specifications, or if
5 the Board determines that adherence to such original plans and
6 specifications is impracticable or is not in conformance with
7 applicable laws, ordinances, building codes, or other
8 governmental rules or regulations then in effect, then such
9 repairs or rebuilding shall be of a kind and quality
10 substantially equivalent to the original construction of such
11 improvements.

12 Section 4. PROCEDURE FOR MAJOR RECONSTRUCTION. If
13 the cost of reconstruction is greater than Ten percent (10%) of
14 the face amount of insurance then carried under the
15 Association's hazard insurance policy, all insurance proceeds,
16 together with such amounts from available reserves or special
17 Assessments as are needed to complete the cost of
18 reconstruction, shall be paid directly to a bank or savings and
19 loan association located in Mohave County, Arizona, whose
20 accounts are insured by the Federal Deposit Insurance
21 Corporation or the Federal Savings and Loan Insurance
22 Corporation, or the successor to either agency, as designated by
23 the Board, as trustee (hereinafter called the "Insurance
24 Trustee") for all Owners and Lenders. Such proceeds shall be
25 received, held and administered consistent with the provisions
26 of this Declaration. Disbursement of such funds shall be made

1 only upon the signatures of two (2) members of the Board. As
2 soon as practicable after notification of the receipt of
3 insurance proceeds, the Board shall enter into a contract with a
4 licensed contractor or contractors for the repair or rebuilding
5 of all of the damaged or destroyed Condominium Units and Common
6 Elements according to the original plans and specifications of
7 said improvements or, if the Board determines that adherence to
8 such original plans and specifications is impracticable or not
9 in conformity with applicable statutes, ordinances, building
10 codes, or other governmental rules and regulations then in
11 effect, then of a quality and kind substantially equivalent to
12 the original, construction of such improvements. The contract
13 with such licensed contractor or contractors shall provide for
14 payment to the contractor or contractors of a specified sum for
15 performance and execution of the work therein described, and
16 shall have provisions for periodic disbursement of funds, which
17 shall be consistent with procedures then followed by prudent
18 lending institutions doing business in Mohave County, Arizona.
19 The Board may employ a licensed architect to supervise the
20 repair and rebuilding to insure that all work, services and
21 supplies are in conformity with the requirements of the
22 construction contract.

23 Section 5. TERMINATION. If Seventy-Five percent
24 (75%) or more of the Owners elect not to proceed with the
25 reconstruction at the special meeting held pursuant to Section
26 2, the Board shall divide the insurance proceeds and then

1 available reserves into as many shares as there are then
2 Condominium Units, said shares to be in the same proportion as
3 the Owner's respective percentage interest in the Common
4 Elements. If there are mortgages, deeds of trust, or other
5 encumbrances remaining against any of the Condominium Units
6 after disbursement by the Board of the proportionate share of
7 insurance proceeds and available reserves, and such deficiencies
8 are not paid by the respective Owner or Owners, the holders of
9 any such mortgage, deed of trust, or other encumbrance must also
10 execute and acknowledge such declaration in order to lawfully
11 withdraw the Property from the Condominium pursuant to the Act.

12 Termination of the legal status of the project after
13 substantial destruction or condemnation of the property must be
14 agreed to by seventy-five percent (75%) of the Family Dwelling
15 Condominium Unit Owners and fifty-one percent (51%) of holders
16 of a First Mortgage on a Condominium Unit who have submitted a
17 written request to the Association requesting notification of
18 any such proposed action.

19 Section 6. NEGOTIATIONS WITH INSURER. The Board
20 shall have full authority to negotiate in good faith with
21 representative of the insurer of a totally or partially
22 destroyed Building or any other portion of the Common Elements,
23 and to make settlements with the insurer for less than full
24 insurance coverage on the damage to such Building or any other
25 portion of the Common Elements. Any settlement made by the Board
26 in good faith shall be binding upon all Owners.

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Section 7. REPAIR OF CONDOMINIUM UNITS.

Installation or 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 workmanlike manner.

Section 8. PRIORITY. Nothing contained in this

Article shall entitle an Owner to priority over any Lender under a lien encumbering his/her Condominium Unit as to any portion of insurance proceeds allocated to such Condominium Unit.

ARTICLE XVI

REMEDIES FOR BREACH OF COVENANTS,
RESTRICTIONS AND REGULATIONS

Section 1. ABATEMENT AND ENJOYMENT. The

violation of any rule or regulation adopted by the Board, or the breach of any covenant, restriction or provision contained in the Condominium Instruments, shall give the Board or any representative thereof, the right, in addition to the other rights provided in the Act, the Condominium Instruments or otherwise:

(a) to enter upon the Property upon which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Condominium Unit Owner, any structure, thing or condition that may exist

1 thereon contrary to the intent and meaning of the provisions
2 hereof, and the Board, and its agents, shall not thereby be
3 deemed guilty in any manner of trespass; or
4 (b) to enjoin, abate or remedy by appropriate
5 legal proceedings, either at law or in equity, the continuance
6 of any such breach or violation. All expenses of the Board in
7 connection with such actions or proceedings, including court
8 costs and attorneys fees and other fees and expenses, and all
9 damages, liquidated or otherwise, together with interest
10 thereon at the rate of eighteen percent (18%) per annum or at
11 the highest rate otherwise permitted by applicable law until
12 paid, shall be charged to and assessed against such defaulting
13 Condominium Unit Owner, and shall be added to and deemed part
14 of his respective share of the Common Expenses, and the Board
15 shall have a lien for all of the same upon the Units of such
16 defaulting Condominium Unit Owner and upon all of his personal
17 property in his/her Condominium Unit or located elsewhere in
18 the Property. Any and all of such rights and remedies may be
19 exercised at any time and from time to time, cumulatively or
20 otherwise, by the Board.

21 Section 2. INVOLUNTARY SALE. If any
22 Condominium Unit Owner shall violate any of the covenants,
23 restrictions or provisions of the Condominium Instruments or
24 the rules or regulations adopted by the Board, and such
25 violation shall continue for thirty (30) days after notice in
26 writing from the Board, or shall occur repeatedly during any

1 thirty (30) day period after written notice or request to cure
2 such violation from the Board, then the Board shall have the
3 power to issue to the defaulting Condominium Unit Owner, a ten
4 (10) day notice in writing to terminate the rights of the
5 defaulting Condominium Unit Owner to continue as a Condominium
6 Unit Owner and to continue to occupy, use or control his/her
7 Condominium Unit. Thereupon an action in equity may be filed
8 by the Board against the defaulting Condominium Unit Owner for
9 a decree of mandatory injunction against such Condominium Unit
10 Owner or, subject to the prior consent in writing of any
11 mortgagee having a lien against the Condominium Unit of the
12 defaulting Condominium Unit Owner, which consent shall not be
13 unreasonably withheld, in the alternative a decree declaring
14 the termination of the defaulting Condominium Unit Owner's
15 right to occupy, use or control the Condominium Unit owned by
16 him/her on account of said breach, and ordering that all the
17 right, title and interest of such Condominium Unit Owner in the
18 Property shall be sold (subject to the lien of any existing
19 mortgage) at a judicial sale upon such notice and terms as the
20 court shall establish, except that the court shall enjoin and
21 restrain the defaulting Condominium Unit Owner for re-acquiring
22 his interest at such judicial sale. The proceeds of any such
23 judicial sale shall be first paid to discharge court costs,
24 court reporter charges, reasonable attorneys fees and all other
25 expenses of the proceeding and sale, and all such items shall
26 be taxed against the defaulting Condominium Unit Owner in said

1 decree. Any balance of proceeds, after satisfaction of such
2 charges and any unpaid Assessments hereunder or any liens,
3 shall be paid to such Condominium Unit Owner. Upon the
4 confirmation of such sale, the purchaser thereat shall
5 thereupon be entitled to a deed to the applicable Condominium
6 Unit, to immediate possession of the Condominium Unit sold and
7 may apply to the court for a writ of assistance for the purpose
8 of acquiring such possession. It shall be a condition of any
9 such sale and the decree shall so provide, that the purchaser
10 shall take the interest in the Property sold subject to the
11 Condominium Instruments, and the purchaser shall become a
12 member of the Association, in the place and stead of the
13 defaulting Condominium Unit Owner. In the event the violation
14 upon which such action in equity is predicated shall consist of
15 conduct by any Condominium Unit Owner, occupant or invitee
16 which in the judgment of the Board, which judgment shall be
17 conclusive and shall not be subject to question, creates a
18 substantial hazard to the safety of any other Condominium Unit
19 Owner or occupant or to any employee of the Association or to
20 the Property or any portion thereof or to any invitee thereon,
21 the Board may file such action in equity without first giving
22 the thirty (30) day notice or the ten (10) day notice herein
23 above provided for. Pending the disposition of such
24 proceeding, the Board may exercise any or all of its summary
25 rights under Section 1 hereof.

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ARTICLE XVII

CLAIM AND DISPUTE RESOLUTION/LEGAL ACTIONS

It is intended that the Common Areas, each Building and all Improvements constructed on the Property will be constructed in substantial compliance with all applicable building codes and ordinances and/or in a manner reasonably believed by Declarant not to be objectionable to local building authorities and that all Improvements will be of a quality that is consistent with reasonably good construction and development practices in the area where the Property is located for housing similar to that constructed on the Property. It is acknowledged that the Development will be built in accordance with its "as-built" plans and specifications and not necessarily in accordance with plans and specifications initially provided to any Municipal unit, each owner by accepting a deed to any portion of the Property acknowledging that certain decisions are made "in the field" or other times are made and choices undertaken in good faith by Declarant and its contractors and variation between the "as-built" plans and Municipal approved plans will not be or give rise to a cause of an Alleged Defect unless the said Defect is not otherwise either reasonable construction practice or is in violation of Municipal code. Nevertheless, due to the complex nature of construction and the subjectivity involved in evaluating such quality, disputes may arise as to whether a

1 defect exists and the responsibility therefore. It is intended
2 that all disputes and claims regarding Alleged Defects will be
3 resolved amicably, without the necessity of time-consuming and
4 costly litigation. Accordingly, Declarant, the Association, the
5 Board and all Owners shall be bound by the following claim
6 resolution procedures.

7 Section 15.1 Right to Cure Alleged Defect. If a
8 Claimant claims, contends or alleges an Alleged Defect, Declarant
9 shall have the right to inspect, repair and/or replace such
10 Alleged Defect as set forth herein.

11 Section 15.1.1 Notice of alleged Defect. If a
12 Claimant discovers an Alleged Defect, within (15) days after
13 discovery thereof, the Claimant shall give a Notice of Alleged
14 Defect to Declarant with respect to which the Alleged Defect
15 relates.

16 Section 15.1.2 Right to Enter, Inspect, Repair and/or
17 Replace. Within a reasonable time after the receipt by Declarant
18 of a Notice of Alleged Defect, or the independent discovery of
19 any Alleged Defect by Declarant, Declarant shall have the right,
20 upon reasonable notice to the relevant Claimant and during normal
21 business hours, to enter onto or into the Common Areas, any
22 Condominium Unit and/or any Improvements for the purposes of
23 inspecting and/or conducting testing and, if deemed necessary by
24 Declarant in its sole discretion, repairing and/or replacing such
25 Alleged Defect. In conducting such inspection, testing, repairs
26 and/or replacement, Declarant shall be entitled to take any

1 actions as it shall deem reasonable and necessary or prudent
2 under the circumstances.

3 Section 15.2 No Additional Obligations; Irrevocably
4 and Waiver of Right. Nothing set forth in this Article XV shall
5 be construed to impose any obligation on Declarant to inspect,
6 test, repair or replace any item or Alleged Defect for which
7 Declarant is not otherwise obligated under applicable law, this
8 Declaration or any warranty provided by Declarant in connection
9 with the sale of the Condominium Unit and/or the Improvements
10 constructed thereon. The right reserved to Declarant to enter,
11 inspect, test, repair and/or replace an Alleged Defect shall be
12 irrevocable and may not be waived or otherwise terminated with
13 regard to Declarant except by a written document executed by
14 Declarant and recorded. Notwithstanding anything contained
15 herein to the contrary, to the extent permitted by law, Declarant
16 and its respective successors and assigns, shall not be liable
17 for any claim whatsoever arising out of or by reason of any
18 actions performed pursuant to any authorities granted to or
19 delegated to it by or pursuant to the Condominium Instruments, or
20 arising by reasons of, the Property or any part thereof being or
21 becoming out of repair containing any patent or latent defects,
22 or by reason of any act of neglect of any Condominium Unit Owner,
23 the Board, the Association, and their respective agents,
24 employees, guest and invitees, or by reason of any neighboring
25 property or personal property located on or about the Property,
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1 or by reason of the failure to function or disrepair of any
2 utility services.

3 Section 15.3 Legal Actions. All legal actions
4 initiated by a Claimant shall be brought in strict accordance
5 with, and expressly subject to this Section 15.3 and Section 15.4
6 and to Article V, Section 3 of this Declaration. If a Claimant
7 initiates any legal action, cause of action, regulatory action,
8 proceeding, reference, mediation or arbitration against Declarant
9 alleging: (1) damages for Alleged Defect Costs; (2) the
10 diminution in value of any real or personal property resulting
11 from such Alleged Defect; or (3) any consequential damages
12 resulting from such Alleged Defect, any judgment or award in
13 connection therewith shall first be used to correct and repair
14 such Alleged Defect or to reimburse the Claimant for any costs
15 actually incurred by such Claimant in correcting and/or repairing
16 the Alleged Defect. If the Association as a Claimant recovers
17 any funds from Declarant (or any other Person) to repair an
18 Alleged Defect, any excess funds remaining after repair of such
19 Alleged Defect shall be paid into the Association's reserve fund.
20 If the Association is a Claimant, the Association must provide a
21 written notice to all Members prior to initiation of any legal
22 action, regulatory action, cause of action, proceeding,
23 reference, mediation or arbitration against Declarant, which
24 notice shall include at a minimum: (1) a description of the
25 Alleged Defect; (2) a description of the attempts of Declarant to
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1 correct such Alleged Defect and the opportunities provided to
2 Declarant to correct such Alleged Defect; (3) a certification
3 from an architect or engineer licensed in the State of Arizona
4 that such Alleged Defect exists, along with a description of the
5 scope of work necessary to cure such Alleged Defect and a resume
6 of such an architect or engineer; (4) the estimated Alleged
7 Defect Costs; (5) the name and professional background of the
8 attorney retained by the Association to pursue the claim against
9 Declarant and a description of the relationship between such
10 attorney and member(s) of the Board of the Association's
11 management company (if any); (6) a description of the fee
12 arrangement between such attorney and the Association; (7) the
13 estimated attorney's fees and expert fees and costs necessary to
14 pursue the claim against Declarant and the source of funds which
15 will be used to pay such fees and expenses; (8) the estimated
16 time necessary to conclude the action against Declarant; and (9)
17 an affirmative statement from a majority of the members of the
18 Board that the action is in the best interests of the Association
19 and its Members.

20 Section 15.4 Alternative Dispute Resolution. Except
21 for the Routine Disputes, any dispute or claim between or among:
22 (a) Declarant (or its brokers, agents, consultants, contractors,
23 subcontractors or employees), on the one hand, and any Owner(s)
24 or the Association, on the other hand; or (b) any Owner(s) and
25 another Owner(s); or (c) the Association and any Owner, regarding
26 any controversy or claim between parties, including any claim

1 based on contract, tort, or statute, arising out of or relating
2 to: (i) the rights or duties of the parties under this
3 Declaration; (ii) the design or construction of the Property
4 and/or Improvements; or (iii) an Alleged Defect, but excluding,
5 in all cases, Routine Disputes (collectively, a "Dispute"), shall
6 be subject to negotiation, mediation and arbitration as set forth
7 in this Section prior to any party to the Dispute instituting
8 litigation with regard to the Dispute.

9 Section 15.4.1 Negotiation. Each party to a
10 Dispute shall make every reasonable effort to meet in person and
11 confer for the purpose of resolving a Dispute by good faith
12 negotiation. Upon receipt of a written request from any party to
13 the Dispute, the Board may appoint a representative to assist the
14 parties in resolving the dispute by negotiation, if in its
15 discretion the Board believes its efforts will be beneficial to
16 the parties and to the welfare of the community. Each party to
17 the Dispute shall bear its own attorneys' fees and costs in
18 connection with such negotiation.

19 Section 15.4.2 Mediation. If the parties
20 cannot resolve their Dispute pursuant to the procedures described
21 in Section 15.4.1 above within such time period as may be agreed
22 upon or if the parties cannot agree, sixty (60) days from the
23 time the closing party gives specific written notice to the other
24 party(ies) of the existence and nature of the Dispute by such
25 parties (the "Termination of Negotiations"), the party
26 instituting the Dispute (the "Disputing Party") shall have thirty

1 (30) days after the Termination of Negotiations within which to
2 submit the Dispute to mediation pursuant to the mediation
3 procedures adopted by the American Arbitration Association or any
4 successor thereto or to any other independent entity providing
5 similar services upon which the parties to the Dispute may
6 mutually agree. No person shall serve as a mediator in any
7 Dispute in which such person has a financial or personal interest
8 in the result of the mediation, except by written consent of all
9 parties to the Dispute. Prior to accepting any appointment, the
10 prospective mediator shall disclose any circumstances likely to
11 create a presumption of bias or to prevent a prompt commencement
12 of the mediation process. If the Disputing Party does not submit
13 the Dispute to mediation within thirty (30) days after
14 Termination of Negotiations, the Disputing Party shall be deemed
15 to have waived any claims related to the Dispute and all other
16 parties to the Dispute shall be released and discharged from any
17 and all liability to the Disputing Party on account of such
18 Dispute; provided, nothing herein shall release or discharge such
19 party or parties from any liability to Persons not a party to the
20 foregoing proceedings.

21 Section 15.4.2.1 Position Memoranda; Pre-Mediation
22 Conference. Within ten (10) days of the selection of the
23 mediator, each party to the Dispute shall submit a brief
24 memorandum setting forth its position with regard to the issues
25 to be resolved. The mediator shall have the right to schedule a
26 pre-mediation conference and all parties to the Dispute shall

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The Preserve CC&Rs

1 attend unless otherwise agreed. The mediation shall commence
2 within ten (10) days following submittal of the memoranda to the
3 mediator and shall conclude within fifteen (15) days from the
4 commencement of the mediation unless the parties to the Dispute
5 mutually agree to extend the mediation period. The mediation
6 shall be held in Mohave County or such other place as is mutually
7 acceptable to the parties to the Dispute.

8 Section 15.4.2.2 Conduct of Mediation. The
9 mediator has discretion to the conduct the mediation in the
10 manner in which the mediator believes most appropriate for
11 reaching a settlement of the Dispute. The mediator is authorized
12 to conduct joint and separate meetings with the parties to the
13 Dispute and to make oral and written recommendations for
14 settlement. Whenever necessary, the mediator may also obtain
15 expert advise concerning technical aspects of the dispute,
16 provided the parties to the Dispute agree to obtain and assume
17 the expenses of obtaining such advice as provided in Section
18 15.4.2.5 below. The mediator shall not have the authority to
19 impose a settlement on any party to the Dispute.

20 Section 15.4.2.3 Exclusion Agreement. Any
21 admissions, offers of compromise or settlement negotiations or
22 communications at the mediation shall be excluded in any
23 subsequent dispute resolution forum.

24 Section 15.4.2.4 Parties Permitted at Sessions.
25 Persons other than the parties to the Dispute may attend
26 mediation sessions only with the permission of all parties to the

1 Dispute and the consent of the mediator. Confidential
2 information disclosed to a mediator by the parties to the Dispute
3 or by witnesses in the course of the mediation shall be
4 confidential. There shall be no stenographic or other record of
5 the mediation process.

6 Section 15.4.2.5 Expenses of Mediation. The
7 expenses of witnesses for either side shall be paid by the party
8 producing such witnesses. All other expenses of the mediation,
9 including, but not limited to, the fees and costs charged by the
10 mediator and the expenses any witnesses or the cost of any proof
11 or expert advice produced at the direct request of the mediator,
12 shall be borne equally by the parties to the Dispute unless
13 agreed otherwise. Each party to the Dispute shall bear its own
14 attorneys' fees and costs in connection with such mediation.

15 Section 15.4.3 Final and Binding Arbitration.
16 If the parties cannot resolve their Dispute pursuant to the
17 procedures described in Section 15.4.2 above, the Disputing Party
18 shall have thirty (30) days following termination of mediation
19 proceedings (as determined by the mediator) to submit the Dispute
20 to arbitration in accordance with the Commercial Arbitration
21 Rules of the American Arbitration Association, as modified or as
22 otherwise provided in this Section. If the Disputing Party does
23 not submit the Dispute to arbitration within thirty (30) days
24 after termination of mediation proceedings, the Disputing Party
25 shall be deemed to have waived any claims related to the Dispute
26 and all other parties to the Dispute shall be released and

1 discharged from any and all liability to the Disputing Party on
2 account of such Dispute; provided, nothing herein shall release
3 or discharge such party or parties from any liability to Persons
4 not a party to the foregoing proceedings.

5 The existing parties to the Dispute shall cooperate in
6 good faith to ensure that all necessary and appropriate parties
7 are included in the arbitration proceeding. Declarant shall not
8 be required to participate in the arbitration proceeding if all
9 parties against whom Declarant would have necessary or permissive
10 cross-claims or counterclaims are not or cannot be joined in the
11 arbitration proceedings. Subject to the limitations imposed in
12 this Section, the arbitrator shall have the authority to try all
13 issues, whether of fact or law.

14 Section 15.4.3.1 Place. The arbitration
15 proceedings shall be heard in Mohave County.

16 Section 15.4.3.2. Arbitration. A single arbitrator
17 shall be selected in accordance with the rules of the American
18 Arbitration Association from panels maintained by the Association
19 with experience in relevant matters which are the subject of the
20 Dispute. The arbitrator shall not have any relationship to the
21 parties or interest in the Property. The parties to the Dispute
22 shall meet to select the arbitrator within ten (10) days after
23 service of the initial complaint on all defendants named therein.

24 Section 15.4:3.3. Commencement and Timing of
25 Proceedings. The arbitrator shall promptly commence the
26 arbitration proceeding at the earliest convenient date in light

1 of all of the facts and circumstances and shall conduct the
2 proceeding without undue delay.

3 Section 15.4.3.4. Pre-hearing Conference. The
4 arbitrator may require one or more pre-hearing conferences.

5 Section 15.4.3.5. Discovery. The parties to the
6 Dispute shall be entitled to limited discovery only, consisting
7 of the exchange between the parties of the following matters:

8 (i) witness lists; (ii) expert witness designations; (iii)
9 expert witness reports; (iv) exhibits; (v) reports of testing or
10 inspections of the property subject to the Dispute, including but
11 not limited to, destructive or invasive testing; and (vi) trial
12 briefs. Declarant shall also be entitled to conduct further
13 tests and inspections as provided in Section 15.1 above. Any
14 other discovery shall be permitted by the arbitrator upon a
15 showing of good cause or based on the mutual agreement of the
16 parties to the Dispute. The arbitrator shall oversee discovery
17 and may enforce all discovery orders in the same manner as any
18 trial court judge.

19 Section 15.4.3.6. Limitation on Remedies/Prohibition
20 on the Award of Punitive damages. Notwithstanding contrary
21 provisions of the Commercial Arbitration Rules, the arbitrator in
22 any proceeding shall not have the power to award punitive,
23 special indirect or consequential damages; however, the
24 arbitrator shall have the power to grant all other legal and
25 equitable remedies and award compensatory damages. The
26 arbitrator's award may be enforced as provided for in the Uniform

1 Arbitration Act, A.R.S. §12-1501, et seq., or such similar law
2 governing enforcement of awards in a trial court as is applicable
3 in the jurisdiction in which the arbitration is held.

4 Section 15.4.3.7. Motions. The arbitrator shall
5 have the power to hear and dispose of motions, including motions
6 to dismiss, motions for judgment on the pleadings and summary
7 judgment motions, in the same manner as a trial court judge,
8 except the arbitrator shall also have the power to adjudicate
9 summarily issues of fact or law including the available remedies,
10 whether or not the issue adjudicated could dispose of an entire
11 cause of action or defense.

12 Section 15.4.3.8. Expenses of Arbitration. Each
13 party to the Dispute shall bear all of its own costs incurred
14 prior to and during the arbitration proceedings, including the
15 fees and costs of its attorneys or other representatives,
16 discovery costs and expenses of witnesses produced by such party.
17 Each party to the Dispute shall share equally all charges
18 rendered by the arbitrator unless otherwise agreed to by the
19 parties.

20 Section 15.5. Waiver. DECLARANT, ON ONE HAND, AND,
21 BY ACCEPTING A DEED FOR OR TO THE COMMON AREA OR A CONDOMINIUM
22 UNIT, AS THE CASE MAY BE, THE ASSOCIATION, AND EACH OWNER, ON THE
23 OTHER HAND, AGREE TO HAVE ANY DISPUTE WHICH THIS ARTICLE XV IS
24 APPLICABLE RESOLVED ACCORDING TO THE PROVISIONS OF THIS ARTICLE
25 XV AND WAIVE THEIR RESPECTIVE RIGHTS TO PURSUE ANY SUCH DISPUTE
26 IN ANY MANNER OTHER THAN AS PROVIDED IN THIS ARTICLE XV. SUCH

1 PARTIES ACKNOWLEDGE THAT BY AGREEING TO RESOLVE SUCH DISPUTES AS
2 PROVIDED IN THE ARTICLE XV. SUCH PARTIES ACKNOWLEDGE THAT THEY
3 ARE GIVING UP THEIR RESPECTIVE RIGHTS TO HAVE SUCH DISPUTES TRIED
4 BEFORE A COURT OR JURY.

5 Section 15.6. Statutes of Limitations. Nothing in
6 this Article shall be considered to stay, reduce or extend any
7 applicable statute of limitations.

8 Section 15.7. Enforcement of Resolution. If the
9 parties to a Dispute resolve such Dispute through negotiation or
10 mediation in accordance with Subsection 15.4.1. or Subsection
11 15.4.2. above, and any party thereafter fails to abide by the
12 terms of such negotiation or mediation, or if an award of
13 arbitration is made in accordance with Subsection 15.4.3. and any
14 party to the Dispute thereafter fails to comply with such award,
15 then the other party to the Dispute may file suit or initiate
16 administrative proceedings to enforce the terms of such
17 negotiation, mediation or the award without the need to again
18 comply with the procedures set forth in this Article. In such
19 event; the party taking action to enforce the terms of the
20 negotiation mediation or the award shall be entitled to recover
21 from the non-complying party (or if more than one non-complying
22 party, from all such parties pro rata), all costs incurred to
23 enforce the terms of the negotiation or mediation or the award
24 including, without limitation, attorneys' fees and court costs.

25 Section 15.8. Conflicts. Notwithstanding anything
26 to the contrary in this Declaration, if there is a conflict

1 between this Article and any other provisions of the Condominium
2 Instruments, this Article shall control.

3 Section 15.9. Definitions. The following
4 definitions shall apply to this Article XV:

5 Section 15.9.1. "Alleged Defect" means alleged
6 defect(s) caused by the negligence of Declarant, or its agents,
7 consultants, contractors or subcontractors, in the planning,
8 design, engineering, grading, construction, or other development
9 of any portion of the Common Area, any Condominium Unit, and/or
10 any Improvements constructed on the Property. Alleged Defects
11 shall not include any defects which were known to the
12 Association, to any Owner or to any representative of any Owner
13 at the time of Turnover or which could have been discovered by
14 the exercise of reasonable care on behalf of the owners at the
15 time of turnover pursuant to the Walkthrough. For purposes of
16 Turnover only (and not for Alleged Defects allegedly discovered
17 after Turnover), the term "Alleged Defect" shall not include
18 "construction defects" caused by, or which are the responsibility
19 of, Declarant (and/or its contractors or subcontractors), as the
20 term "construction defect" (or reasonable variants thereof) are
21 interpreted, defined or to which reference is made in the
22 statutes/regulations of or related to the Registrar of
23 Contractors of the State of Arizona. Alleged Defects at the time
24 of Turnover which are "construction defects" shall be Declarant's
25 sole responsibility to remedy from its own funds.

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1 Section 15.9.2. "Alleged Defect Costs" means the
2 costs of repairing or replacing any defective portion of the
3 Common Area, any Condominium Unit, and/or any Improvements
4 constructed on the Property.

5 Section 15.9.3. "Claimant" means any Owner, the
6 Association or any agent or lienor or either or both, which
7 brings a claim regarding, or alleges, that an Alleged Defect
8 exists with respect to any of the Common Area, any Improvement,
9 any Condominium Unit, or any other issue arising out of or
10 relating to the Property, and/or brings, alleges or prosecutes
11 any claim for damages or any other relief relating to any Alleged
12 Defects.

13 Section 15.9.4. "Dispute" means a dispute or claim
14 described in Section 15.4 of this Declaration.

15 Section 15.9.5. "Disputing Party" means the party
16 instituting a Dispute pursuant to Section 15.4.2 of this
17 Declaration.

18 Section 15.9.6. "Notice of Alleged Defect" means a
19 notice from a Claimant to Declarant describing the specific
20 nature of an Alleged Defect.

21 Section 15.9.7. "Turnover" means the process
22 pursuant to which control of the Association is transferred from
23 Declarant to the Owners Association pursuant to Article III of
24 this Declaration.

25 Section 15.9.8. "Walkthrough" means the
26 walkthrough of the Property to be conducted by representatives of

1 the Association (unaffiliated with Declarant) and Declarant
2 (and/or its designees) at or around Turnover. If the Association
3 does not avail itself of its Walkthrough rights, the Association
4 shall be deemed to have irrevocably waived the same and to have
5 waived any rights it may have against Declarant or any affiliate
6 or agent of Declarant to claim any Alleged Defect which could
7 have been discovered by a Walkthrough or which should have been
8 known to a reasonable observer/investigator who
9 utilized/conducted a Walkthrough.

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ARTICLE XVIII

12

EMINENT DOMAIN

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Section 1. AWARD UPON TAKING. If a Condominium

Unit is acquired by eminent domain, or if part of a Condominium
Unit is acquired by eminent domain leaving the Condominium Unit
with a remnant which may not practically or lawfully be used for
any purpose permitted by the Declaration, the award must
compensate the Condominium Unit Owner for his/her Condominium
Unit and its interest in the Common Elements, regardless of
whether any Common Elements are acquired. On acquisition, unless
the decree otherwise provides, the Condominium Unit's allocated
interests are automatically reallocated to the remaining
Condominium Units in proportion to the respective Undivided
Interests of those Condominium Units before the taking, and the
Association shall promptly prepare, execute, and record an
amendment to the Declaration reflecting the reallocations. Any

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1 remnant of a Condominium Unit remaining after part of a
2 Condominium Unit is taken under this subsection becomes a Common
3 Element.

4 Section 2. PARTIAL TAKING. Except as provided in
5 Section 1, if part of a Condominium Unit is acquired by eminent
6 domain the award must compensate the Condominium Unit Owner for
7 the reduction in value of the Condominium Unit and its interest
8 in the Common Elements, regardless of whether any Common Elements
9 are acquired. On acquisition, unless the decree otherwise
10 provides, all of the following apply:

11 (a) The Condominium Unit's Undivided Interests
12 are reduced in proportion to the reduction in the size of the
13 Condominium Unit;

14 (b) The portion of the Undivided Interests
15 divested from the partially acquired Condominium Unit is
16 automatically reallocated to that Condominium Unit and the
17 remaining Condominium Units in proportion to the respective
18 Undivided Interests of those Condominium Units before the taking,
19 with the partially acquired Condominium Unit participating in the
20 reallocation on the basis of its reduced Undivided Interests.

21 Section 3. COMMON ELEMENTS. If part of the
22 Common Elements is acquired by eminent domain, the portion of the
23 award attributable to the Common Elements taken shall be paid to
24 the Association for the benefit of the Condominium Unit Owners.
25 Any portion of the award attributable to the acquisition of a
26 Limited Common Element shall be equally divided among the Owners

1 of the Condominium Units to which that Limited Common Element was
2 allocated at the time of acquisition.

3 Section 4. RIGHTS OF OTHERS. This Article does
4 not restrict the rights of lessees, mortgagees, Declarant or any
5 other person holding an interest in a Condominium Unit or its
6 Common Elements from receiving separate compensation or a portion
7 of the compensation payable, or both, pursuant to this Article.

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ARTICLE XIX

11

GENERAL PROVISIONS

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Section 1. ENFORCEMENT. The Association, or any
Owner, shall have the right to enforce, by any proceeding at Law
or in equity, all restrictions, conditions, covenants,
reservations, liens and charges now or hereafter imposed by the
provisions of this Declaration. Failure by the Association or by
any Owner to enforce any covenant or restriction herein contained
shall in no event be deemed a waiver of the right to do so
thereafter.

Section 2. SEVERABILITY. Invalidation of any one of
these covenants or restrictions by judgment or court order shall
in no way affect any other provisions which shall remain in full
force and effect.

Section 3. COVENANTS TO RUN WITH THE LAND; TERM;
AMENDMENT. The covenants and restrictions of this Declaration
shall run with and bind the Condominium Units and Common Areas,

1 for the term of Twenty-Five (25) years from the date this
2 Declaration is recorded, after which time they shall be
3 automatically extended for successive periods of Ten (10) years.
4 This Declaration may be amended during the first Twenty (20) year
5 period by an instrument signed by not less than seventy-five
6 percent (75%) of the Family Dwelling Condominium Unit Owners, and
7 thereafter by an instrument signed by not less than sixty-seven
8 percent (67%) of the Family Dwelling Condominium Unit Owners. Any
9 amendments must be recorded. Prior to the conveyance of the
10 first Condominium Unit to an Owner other than a Declarant, this
11 Declaration and any amendments thereto may be amended or revoked
12 by the execution by Declarant of an instrument amending or
13 revoking the same.

14 In addition, amendments changing any of the provisions
15 governing the following must be agreed to by fifty-one percent
16 (51%) of holders of a First Mortgage on a Condominium Unit who
17 have submitted a written request to the Association requesting
18 notification of any such proposed action:

- 19 (a) voting rights
- 20 (b) increases in Assessments that raise the previously
21 assessed amount by more than 25%, Assessment liens, or the
22 priority of Assessment liens;
- 23 (c) reductions in reserves for maintenance, repair,
24 and replacement of Common Elements;
- 25 (d) responsibility for maintenance and repairs;

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- 1 (e) reallocation of interests in general or Limited
2 Common Elements, or rights to their use;
- 3 (f) redefinition of any Condominium Unit boundaries;
- 4 (g) convertibility of Condominium Units into Common
5 Elements or vice versa
- 6 (h) expansion or contraction of the project, or the
7 addition, annexation or withdrawal of property to or from the
8 project;
- 9 (i) hazard or fidelity insurance requirements;
- 10 (j) imposition of any restrictions on the leasing of
11 Condominium Units;
- 12 (k) imposition of any restrictions on a Condominium
13 Unit Owner's right to sell or transfer his or her Condominium
14 Unit;
- 15 (l) a decision by the Association to establish self-
16 management if professional management had been required
17 previously by the Condominium Instruments or by an eligible
18 mortgage holder;
- 19 (m) restoration or repair of the project (after damage
20 or partial condemnation) in a manner other than that specified in
21 the documents: or
- 22 (n) any provisions that expressly benefit mortgage
23 holders, insurers, or guarantors.

24 In addition, termination of the legal status of the
25 project for reasons other than substantial destruction or
26 condemnation of the property must be agreed to by seventy-five

1 percent (75%) of the Family Dwelling Condominium Unit Owners and
2 sixty-seven percent (67%) of holders of a First Mortgage on a
3 Condominium Unit who have submitted a written request to the
4 Association requesting notification of any such proposed action.

5 Section 4. VIOLATION OF LAW. Any violation of any
6 state, municipal or local law, ordinance or regulation,
7 pertaining to the ownership, occupation or use of any property is
8 hereby declared to be a violation of this Declaration and subject
9 to any and all of the enforcement procedures set forth herein.

10 Section 5. CONSTRUCTION. The provisions of this
11 Declaration shall be liberally construed to effectuate its
12 purpose of creating a plan for the development of a Residential
13 Condominium Unit and for the maintenance of the Property. The
14 Article and Section headings have been inserted for convenience
15 only, and shall not be considered or referred to in resolving
16 questions of interpretation or construction.

17 Section 6. GENDER AND NUMBER. Whenever the context of
18 this Declaration requires, the singular shall include the plural,
19 and vice versa, and the masculine shall include the feminine and
20 the neuter, and vice versa.

21 Section 7. WAIVER OF DAMAGES. Neither Declarant nor
22 Developer, nor their respective beneficiaries, representatives,
23 successors or assigns, shall be liable for any claim whatsoever
24 arising out of or by reason of any actions performed pursuant to
25 any authorities granted to or delegated to it or them by or
26 pursuant to the Condominium Instruments, or arising by reason

1 of the Property or any part thereof being or becoming out of
2 repair or containing any patent or latent defects, or by reason
3 of any act or neglect of any Condominium Unit Owner, the Board,
4 the Association, and their respective agents, employees, guests
5 and invitees, or by reason of any neighboring property or
6 personal property located on or about the Property, or by reason
7 of the failure to function or disrepair of any utility services.

8 Section 8. NUISANCE. The result of every act or
9 omission whereby any provision or Restriction contained in this
10 Declaration or any provision contained in the Bylaws or
11 Association Rules is violated in whole or in part is hereby
12 declared to be and shall constitute a nuisance, and every remedy
13 allowed at law or in equity against a nuisance, either public or
14 private, shall be applicable with respect to the abatement
15 thereof and may be exercised by the Association or any Owner.
16 Such remedy shall be deemed cumulative to all other remedies set
17 forth in this Declaration and shall not be deemed exclusive.

18 Section 9. ATTORNEY'S FEES. In the event any action is
19 instituted to enforce any of the provisions contained in this
20 Declaration, the Bylaws, or Association Rules, the party
21 prevailing in such action shall be entitled to recover from the
22 other party thereto as part of the judgment reasonable attorney's
23 fees and costs of suit.

24 Section 10. NOTICES. Any notice to be given to an
25 Owner, a Lender, or the Association under the provisions of this
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1 Declaration, shall be in writing and shall be delivered as
2 follows:

3 (a) Notice to an Owner shall be delivered personally
4 or placed in the first class United States mail, postage prepaid,
5 to the most recent address furnished by such Owner in writing to
6 the Board for the purpose of giving notice, or if no such address
7 shall have been furnished, then to the street address of such
8 Owner's Family Dwelling Condominium Unit. Any notice so
9 deposited in the mail shall be deemed delivered Seventy-two (72)
10 hours after such deposit. In the case of co-Owners, any such
11 notice may be delivered or sent to any one of the co-Owners on
12 behalf of all co-owners and shall be deemed delivered to all such
13 co-Owners.

14 (b) Notice to a Lender shall be delivered by first
15 class United States mail, postage prepaid, to the most recent
16 address furnished by such Lender in writing to the Board for the
17 purpose of notice or, if no such address shall have been
18 furnished, to any office of the Lender in Mohave County, Arizona,
19 or if no such office is located in Mohave County, to any office
20 of such Lender. Any notice so deposited in the mail shall be
21 deemed delivered Seventy-two (72) hours after such deposit.

22 (c) The declaration of an officer of authorized agent
23 of the Association declaring under penalty of perjury that a
24 notice has been mailed to any Owner or Owners, or to any Lender
25 or Lenders, to the address or addresses for the giving of notice
26

1 pursuant to this Section, shall be deemed conclusive proof of
2 such mailing.

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

6 The Preserve at Kiowa Norte
7 Condominium Owners Association
8 2212 Kiowa North Association
9 Lake Havasu City, Arizona

10 Any notice so deposited in the mail shall be deemed delivered
11 upon the date of receipt.

12 Section 11. EFFECT OF DECLARATION. This Declaration
13 is made for the purpose set forth in the recitals in this
14 Declaration and Declarant makes no warranties or representations,
15 express or implied, as to the binding effect or enforceability of
16 all or any portion of this Declaration, or as to the compliance
17 of any of these provision with public laws, ordinances,
18 regulations and the like applicable thereto.

19 Declarant shall have no liability whatsoever if any of the
20 provisions of this Declaration, the Bylaws or Association Rules
21 are determined to be unenforceable in whole or in part or under
22 certain circumstances.

23 Section 12. PERSONAL COVENANT. To the extent the
24 acceptance of a conveyance of a Condominium Unit creates a
25 personal covenant between the Owner of such Condominium Unit and
26 Declarant, other Owners, or the Association, such personal

1 covenant shall terminate and be of no further force or effect
2 from and after the date when a Person ceases to be an Owner
3 except to the extent this Declaration provides for personal
4 liability with respect to the Assessments incurred during the
5 period a Person is an Owner.

6 Section 13. NONLIABILITY OF OFFICIALS. To the fullest
7 extent permitted by law, neither the Board nor any officer of the
8 Association shall be liable to any Owner or the Association for
9 any damage, loss, or prejudice suffered or claimed on account of
10 any decision, approval or disapproval, course of action, act,
11 omission error, or negligence if such Board member or officer
12 acted in good faith within the scope of his or their duties.

13 Section 14. UNSEGREGATED REAL PROPERTY TAXES. Until
14 such time as real property taxes have been segregated by the
15 County Assessor of Mohave County for the Condominium Units, the
16 taxes shall be paid by the Association on behalf of the Owners.
17 In connection with such payment, the proportionate share of such
18 tax or installment thereof for a particular Condominium Unit
19 shall be determined by multiplying the tax or installment in
20 question by the respective percentage interest of such
21 Condominium Unit in the Common Elements. The Association may
22 levy a special Assessment against any Owner who fails to pay his
23 share of any real property taxes pursuant to this Section. In
24 the event such special Assessment is not paid within Thirty (30)
25 days of its due date, the Board may resort to all remedies of the
26 Association for the collection thereof.

1 Section 15. USE OF FUNDS COLLECTED BY THE ASSOCIATION.

2 All funds collected by the Association, including Assessments and
3 contributions to the Association paid by Owners, if any, shall be
4 held by the Association in a fiduciary capacity to be expended in
5 their entirety for non-profit purposes of the
6 Association in managing, maintaining, caring for, and preserving
7 the Common Elements and for other permitted purposes as set forth
8 in this Declaration. No part of said funds shall inure to the
9 benefit of any Owner (other than as a result of the Association
10 managing, maintaining, caring for, and preserving the Common
11 Elements and other than as a result of expenditures made for
12 other permitted purposes as set forth in this Declaration).

13 Section 16. ASSOCIATION RULES. By a majority vote of

14 the Board, the Association may, from time to time, and subject to
15 the provisions of this Declaration; adopt, amend and repeal rules
16 and regulations to be known as the "Association Rules". The
17 Association Rules may restrict and govern the use of any area by
18 an Owner, by the family of such Owner, or by an invitee, licensee
19 or lessee of such Owner; provided, however, that the Association
20 Rules may not discriminate among Owners and shall not be
21 inconsistent with this Declaration, the Articles or Bylaws. A
22 copy of the Association Rules as they may from time to time be
23 adopted, amended or repealed, shall be mailed or otherwise
24 delivered to each Owner and may be recorded. Upon such adoption
25 said Rules shall have the same force and effect as if they were
26 set forth in and were a part of the Declaration.

1 Section 17. NOTIFICATION OF SALE AND ADMINISTRATIVE

2 FEE. Upon the closing of the sale of each Condominium Unit by the
3 Declarant, the purchaser/transferee shall provide the Association
4 with a non-refundable administrative fee. The administrative fee
5 shall be equal to the then current regularly monthly Assessment.

6 Upon any subsequent transfer of any Condominium Unit,
7 or within Fourteen (14) days after the date of such transfer, any
8 transferee shall notify the Association in writing of such
9 transfer and shall accompany such written notice with a non-
10 refundable administration fee. The administration fee shall be
11 equal to the then current regular monthly Assessment. The written
12 notice shall set forth the name of the transferee and his
13 transferor, the unit number of the Condominium Unit purchased or
14 acquired by the transferee, the transferee's mailing address, the
15 date of the sale or transfer, and the name and address of the
16 transferee's Lender, if any. Prior to the receipt of such
17 written-notice, all notices required or permitted to be given by
18 the Association to the Owner shall be deemed to be duly made or
19 given to the transferee if duly and timely made and given to the
20 transferee's predecessor in interest. The administrative fee
21 shall be the personal obligation of the new Owner and shall be
22 secured by the lien.

23 Notwithstanding the other provisions hereof, this
24 Section shall not apply to a Lender who becomes an Owner by a
25 foreclosure proceeding or any deed of assignment in lieu of
26 foreclosure.

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Section 18. EMERGENCY VEHICLES AND PERSONNEL. Emergency vehicles and/or personnel shall have the right to access to all Common Areas herein described when on the premises in response to any emergency or in the abatement of a public nuisance.

Section 19. RESTRICTION ON FURTHER SUBDIVISION. No Condominium Unit within the Property shall be further subdivided or separated into smaller Condominium Unit by an Owner and no portion less than all of any such Condominium Unit nor any easement or other interest therein, shall be conveyed or transferred by any Owner without the prior written approval of the Board. Only the entire Condominium Unit, together with the improvements thereon, may be rented/leased, and then only to a single family and subject to provisions of this Declaration.

IN WITNESS WHEREOF the undersigned has signed this document the date and year above written. OUR, L.L.C.


By Gerald C. Clark By Rebecca A. Buchanan
Gerald C. Clark Rebecca Buchanan

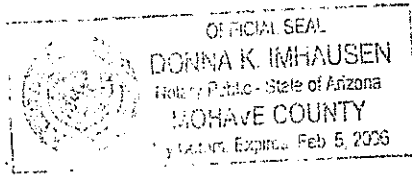
STATE OF ARIZONA)
COUNTY OF MOHAVE) ss:

Before me this 3rd day of March, 2003, personally appeared Gerald C. Clark and Rebecca Buchanan who acknowledged themselves to be the Managers of OUR, L.L.C. that they as such Managers, being authorized to do so, executed the

jb
Wachtel, Bielm & Malin
Attorneys at Law
22240 McCulloch Blvd
Lake Havasu City
Arizona 86403
(928) 855-5115
Fax (928) 855-5211

1 foregoing instrument for the purposes therein contained by
2 signing the name of the L.L.C. as Declarant, by themselves as
3 such Managers.


Notary Public



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EXHIBIT "A"

Units 101,102,103,104,201,202,203 and 204 Building # 1, Units 105,106,205 and 206 Building # 2, Units 107,108,109,110,111,208 209,210 and 211 Building # 3, Units 112,113,114,212,213 and 214 Building # 4, Units 115,116,117,118,215,216,217 and 218 Building # 5, Units 119,120,219 and 220 Building # 6, Units 121,122,221 and 222 Building # 7, Units 123,124,125,126,127,224,225,226 and 227 Building # 8, Units 128,129,228 and 229 Building # 9, Units 130,131,230 and 231 Building # 10, Units 132,133,134,135,136,233,234,235 and 236 Building # 11 and Units 137,138,237 and 238 Building # 12, all in THE PRESERVE AT KIOWA NORTE, according to the official plat recorded March 3, 2003 as Reception No. 2003-16453, being a division of lots 2-9 and 11-13, Block 10, Tract 2192, Lake Havasu City, Arizona according to the plat of record in the office of the County Recorder of Mohave County, Arizona recorded November 7, 1968 at Fee No. 51211

EXCEPT an undivided 1/16th of all oil, gases, and other hydrocarbon substances, coal or stone, metals, minerals, fossils, and fertilizer of every name and description, together with all uranium, thorium, or any other material which is or may be determined by the laws of the United States, the State of Arizona, or decisions of courts to be peculiarly essential to the production of fissionable materials, whether or not of commercial value, as reserved by the State of Arizona, in Section 37-231, Arizona Revised Statutes, and in patent of record; and

EXCEPT all oil, gas, coal, and minerals whatsoever already found or which may hereafter be found in or under said land, and all underground water in, under, or flowing through said land, and water-rights appurtenant thereto as reserved in instrument recorded in Book 498 of Official Records, Page 117 (Lot 5), in Book 278 of Deeds, Page 250 (Lot 8), in Book 325 of Official Records, Page 654 (Lot 9), and in Book 216 of Official Records, Page 44 (Lot 13); and

EXCEPT all oil, gases, and other hydrocarbon substances, coal, stone, metals, minerals, fossils and fertilizers of every name and description, together with all uranium, thorium, or any other material which is or may be determined to be peculiarly essential to the production of fissionable materials, whether or not of commercial value, and except all underground water in, under or flowing through said land, with water rights appurtenant thereto, as set forth in instrument recorded in Book 1775 of Official Records, Page 281 (Lot 2), in Book 1058 of Official Records, Pages 388 and 389 (Lot 3), in Book 3494 of Official Records, Page 412 (Lot 4), in Book 840 of Official Records, Page 319 (Lot 6), in Book 1750 of Official Records, Page 464 (Lot 7), in Book 1674 of Official Records, Pages 294 and 296 (Lot 11), and in Book 1610 of Official Records, Page 555 (Lot 12).

AND AS SHOWN ON ATTACHED PLAT RECORDED MARCH 31, 2003 AT RECEPTION NO. 2003-2461.

EXHIBIT "B" AMENDED

AMENDED
 MARCH 23, 2003

THE PRESERVE AT KIOWA NORTE
 TRACT 2192, BLOCK 10, LOTS 2-9, 11-13, LAKE HAVASU CITY, A PORTION OF SECTION 34, T.14N., R.20W., G.S.R.N.C., MOHAVE COUNTY, ARIZONA

2307-2307F

LEGEND

- 1 HOUSING TRACT CONTIGUOUS WITH SPINE
- 2 HOUSING TRACT 1/2" REAR YIELD 15 11793
- 3 HOUSING TRACT 1/2" REAR YIELD 15 22311
- 4 HOUSING TRACT 1/2" REAR YIELD 15 27919
- 5 HOUSING TRACT 1/2" REAR YIELD 15 11793
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- 100 HOUSING TRACT 1/2" REAR YIELD 15 27919

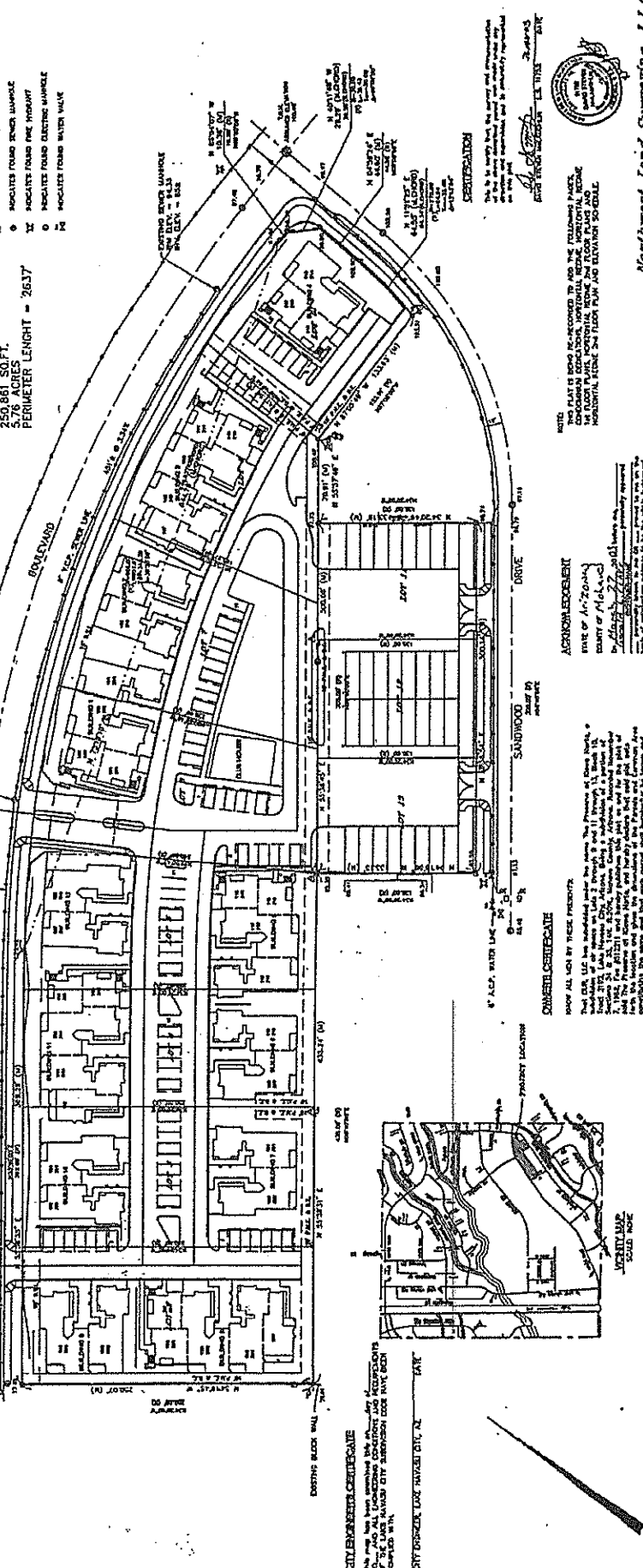
RECORDATION
 Filed and Recorded at Registrar of Maricopa County, Arizona
 On March 21, 2003 at 10:00 AM of Phoenix
 Project No. 2003-0001
 By Northwest Land Surveying, L.L.C.
 County Recorder Scott R. Haggerty
 Reception No. 42003-2001 Fee \$124.00

TOTAL PROJECT AREA
 250,861 SQ. FT.
 5.76 ACRES
 PERIMETER LENGTH = 2637'

ASSISTANCE
 City of Lake Havasu City, Arizona
 City Clerk, Lake Havasu City, Arizona
 City Clerk, Lake Havasu City, Arizona
 City Clerk, Lake Havasu City, Arizona

STOLEN CERTIFICATE
 I, the undersigned, being the holder of the original certificate of the City of Lake Havasu City, Arizona, do hereby certify that the above described certificate is a true and correct copy of the original certificate on file in the City Clerk's Office, Lake Havasu City, Arizona.

CLASSIFIED CERTIFICATE
 This plan is being recorded as a Classified Certificate of the City of Lake Havasu City, Arizona, and is subject to the provisions of the City of Lake Havasu City, Arizona, Ordinance No. 100, as amended, which provides that the City of Lake Havasu City, Arizona, may, at its discretion, classify any certificate as a Classified Certificate.



ACKNOWLEDGMENT
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Northwest Land Surveying, L.L.C.
 1100 Phoenix Avenue, Suite 100
 Phoenix, Arizona 85001
 Phone: (602) 998-1100
 Fax: (602) 998-1101
 Website: www.nwland.com

OUR, LLC
 1100 Phoenix Avenue, Suite 100
 Phoenix, Arizona 85001
 Phone: (602) 998-1100
 Fax: (602) 998-1101
 Website: www.our.com

ACKNOWLEDGMENT
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THE PRESERVE AT KIOWA NORTE

TRACT 2199, BLOCK 10, LOTS 2-9, 11-13, LAKE HAVASU CITY, A PORTION OF SECTION 34, T.14N., R.20W., G.453.R.4., MOHAVE COUNTY, ARIZONA

LAND DEVELOPER
The data contained in this subdivision plat is the property of the City of Lake Havasu City, Arizona. It is submitted for the purpose of making the public use of the same.

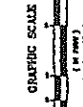
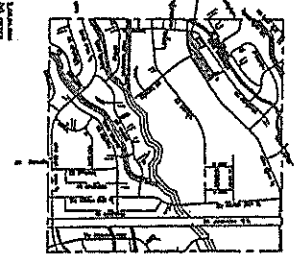
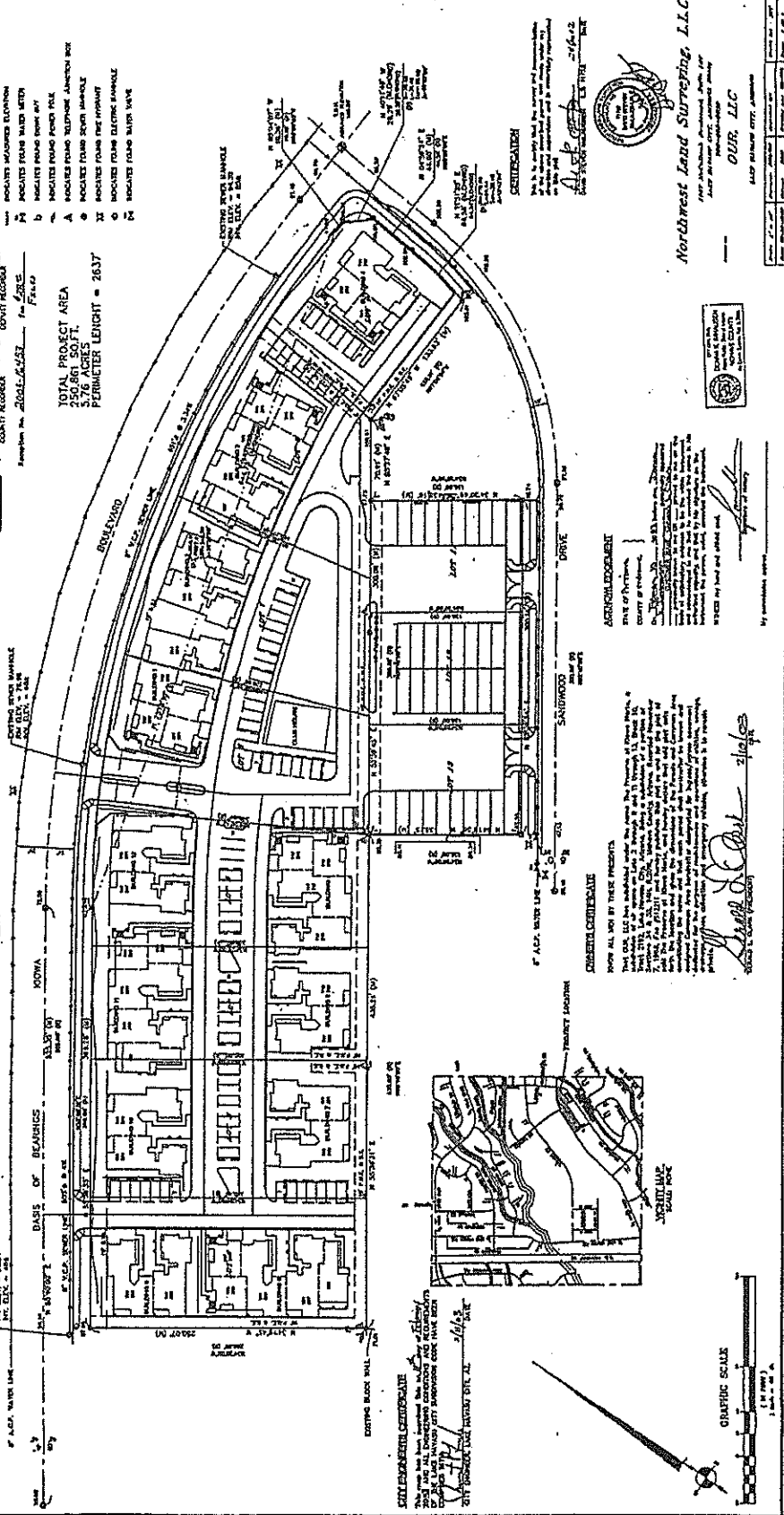
CITY CLERK CERTIFICATE
I, *Christina S. ...*, City Clerk of Lake Havasu City, Arizona, do hereby certify that the above described plat is a true and correct copy of the original as filed in my office.

ASSISTANT
I, *Bob ...*, Assistant City Clerk of Lake Havasu City, Arizona, do hereby certify that the above described plat is a true and correct copy of the original as filed in my office.

RECORDATION
First and last of Parcel of ...
I, *...*, County Recorder of Mohave County, Arizona, do hereby certify that the above described plat is a true and correct copy of the original as filed in my office.



- LEGEND**
- 1. LOCATES PUBLIC UTILITY LOCATION
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 - 50. LOCATES PUBLIC UTILITY LOCATION



AGREEMENT
I, *...*, do hereby agree to the terms and conditions of this agreement.

GENERAL CERTIFICATE
I, *...*, do hereby certify that the above described plat is a true and correct copy of the original as filed in my office.

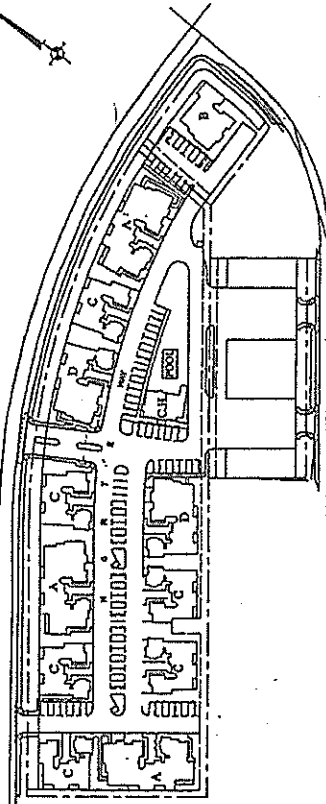
CONTRIBUTION
I, *...*, do hereby contribute to the project.

NOTICE
I, *...*, do hereby give notice of this project.

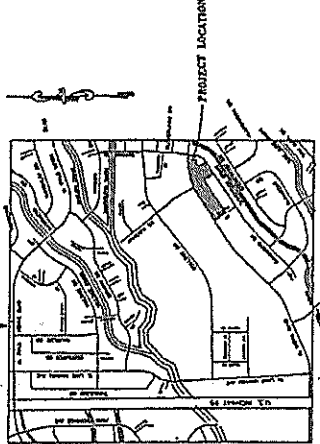
Northwest Land Surveys, L.L.C.
OUR, LLC
1000 ...
LAKE HAVASU CITY, ARIZONA

CONDOMINIUM DEDICATIONS FOR THE PRESERVE AT KIOWA NORTE

TRACT 2192, BLOCK 10, LOTS 2-9, 11-13
LAKE HAVASU CITY, ARIZONA



KEY MAP
NOT TO SCALE



VICINITY MAP

- LEGEND**
- INDICATES FOUND CENTERLINE BOAT SPIKE
 - INDICATES SET 1/2" REBAR W/CAP LS 11752
 - INDICATES FOUND 1/2" REBAR W/CAP PE 5478
 - INDICATES FOUND 1/2" REBAR W/CAP PE 5478
 - ▲ INDICATES FOUND 1/2" REBAR W/FOUND CAP LS 11752
 - INDICATES FOUND 1/2" REBAR, NO CAP, SET FOUND CAP
 - P.U.E. INDICATES PUBLIC UTILITY EASEMENT
 - D.E. INDICATES DRAINAGE EASEMENT
 - B.S.L. INDICATES BUILDING SET-BACK LINE
 - (M) INDICATES FIELD MEASURED DATA
 - (R) INDICATES RECORDED DATA
 - ⊕ INDICATES T.B.M. ASSUMED ELEVATION 100.0'
 - ⊖ INDICATES MEASURED ELEVATION
 - ⊗ INDICATES FOUND WATER METER
 - ⊙ INDICATES FOUND DOWN GUY
 - ⊚ INDICATES FOUND POWER POLE
 - ⊛ INDICATES FOUND TELEPHONE JUNCTION BOX
 - ⊜ INDICATES FOUND SEWER MANHOLE
 - ⊝ INDICATES FOUND FIRE HYDRANT
 - ⊞ INDICATES FOUND ELECTRIC MANHOLE
 - ⊟ INDICATES FOUND WATER VALVE

OWNER/DEVELOPER
OUR, L.L.C.
1987 McCulloch Blvd.
Lake Havasu City, Arizona 86403
Phone #: (928) 855-4328

ENGINEER
RED STAR ENGINEERING
PO BOX 1181
FLAGSTAFF, AZ 86002-1181
PHONE: (520) 774-5359
FAX: (520) 774-5729

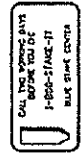
ARCHITECT
CLARK & ASSOC.
1414 E. INDIAN SCHOOL RD
SUITE 201
PHOENIX, ARIZONA 85014

SHEET INDEX

SHEET NO.	DESCRIPTION
S.1	COVER SHEET
S.2	SITE LAYOUT
S.3	FIRST FLOOR BUILDING LAYOUT
S.4	SECOND FLOOR BUILDING LAYOUT

BENCH MARK

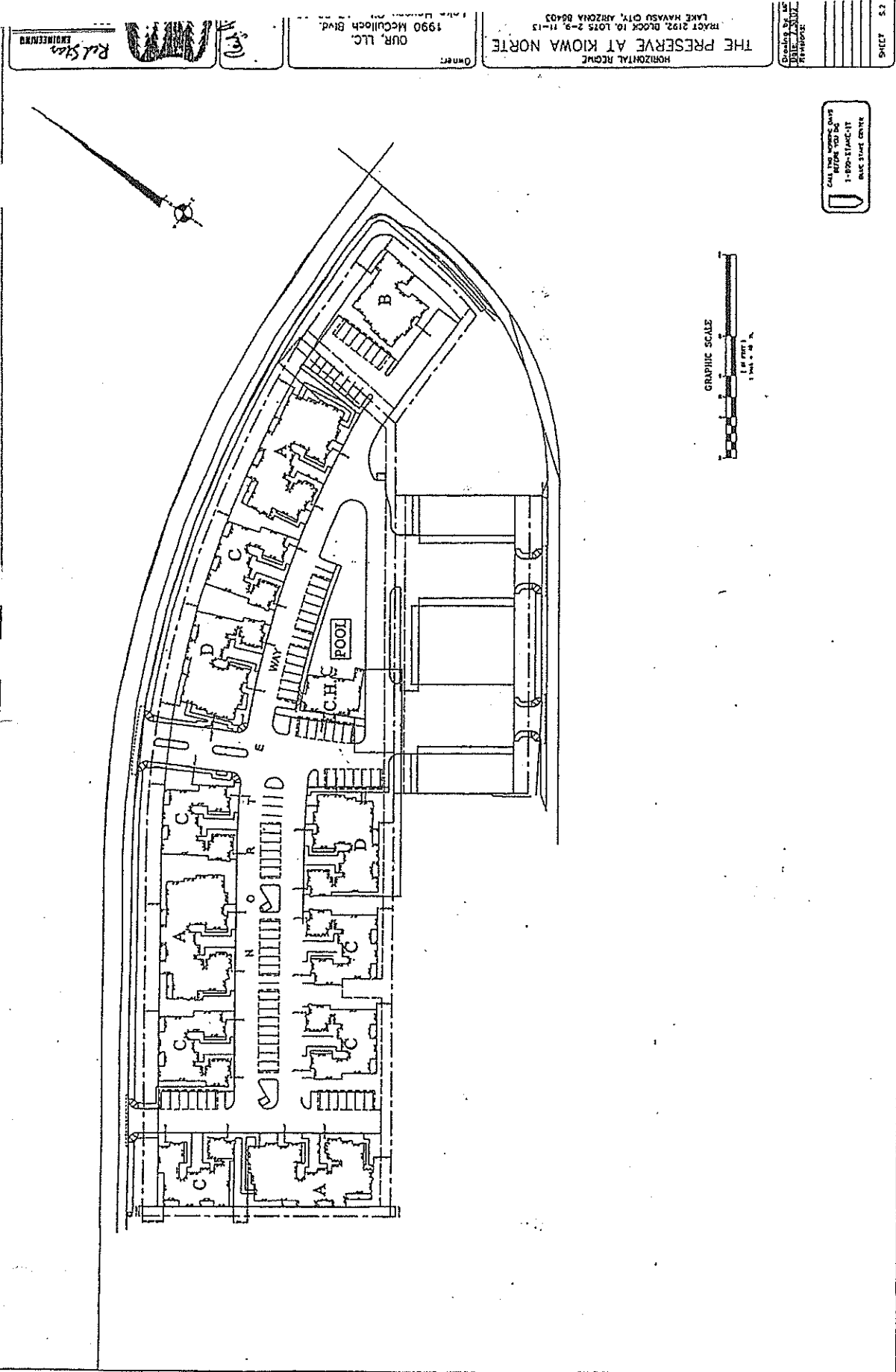
INTERSECTION OF
KIOWA BLVD AND I.B.H.
ASSUMED ELEVATION
100.00'

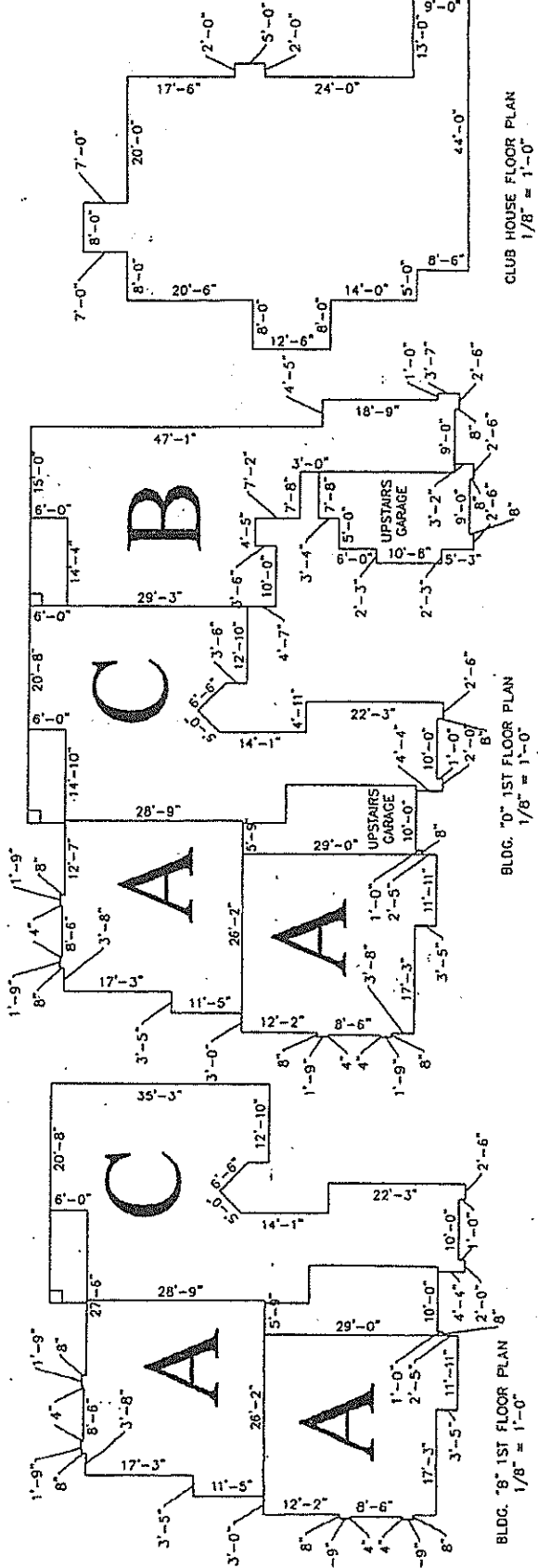
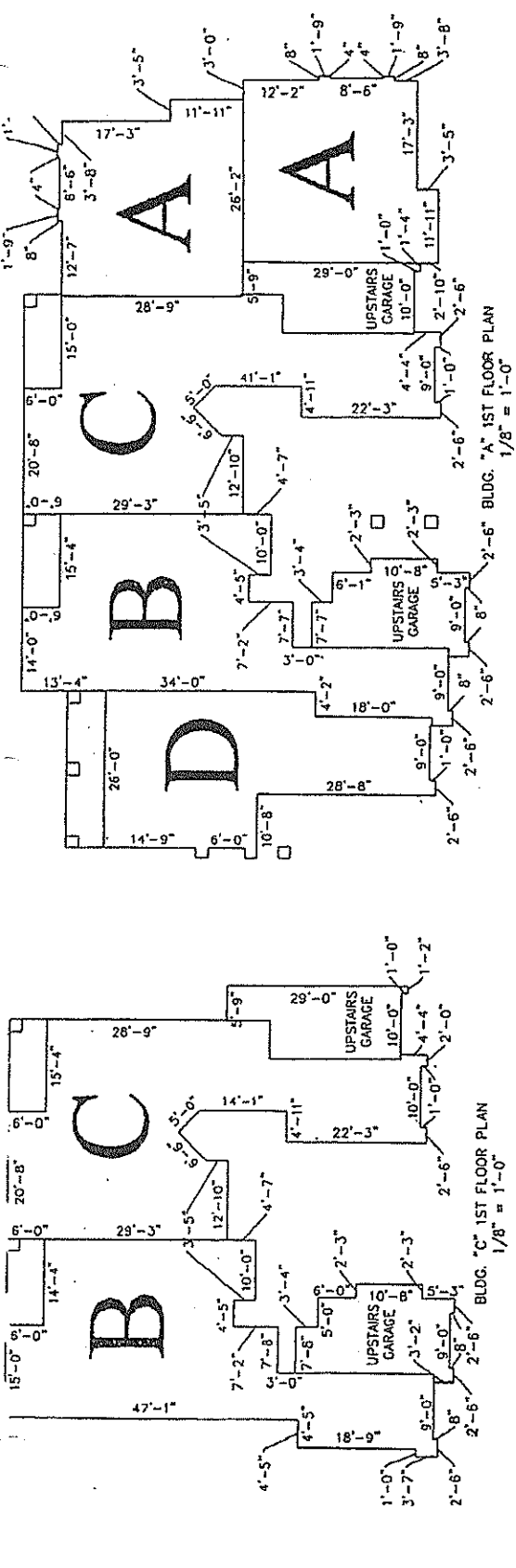


OUR, L.L.C.
1987 McCulloch Blvd.
LAKE HAVASU CITY, AZ 86403

THE PRESERVE AT KIOWA NORTE
COVER SHEET
TRACT 2192, BLOCK 10, LOTS 2-9, 11-13
LAKE HAVASU CITY, ARIZONA 86403

DATE: 11/13/08
DRAWN BY: [Name]
CHECKED BY: [Name]
SCALE: [Scale]
SHEET 5.1





CLUB HOUSE FLOOR PLAN
 1/8" = 1'-0"

BLDG. "D" 1ST FLOOR PLAN
 1/8" = 1'-0"

BLDG. "B" 1ST FLOOR PLAN
 1/8" = 1'-0"

RLS
 R.L. SIMS
 ENGINEERING
 1000 W. WILSON BLVD.
 TULSA, OKLA. 74103
 PHONE 465-1111

OUR, L.T.C.
 1990 McCulloch Blvd.
 Lake Havasu City, AZ 86403

THE PRESERVE AT KIOWA NORTE
 HORIZONTAL RECREATION 1ST FLOOR PLANS
 TRACT 2192, BLOCK 10, LOTS 2-9, 11-13
 LAKE HAVASU CITY, ARIZONA 86403

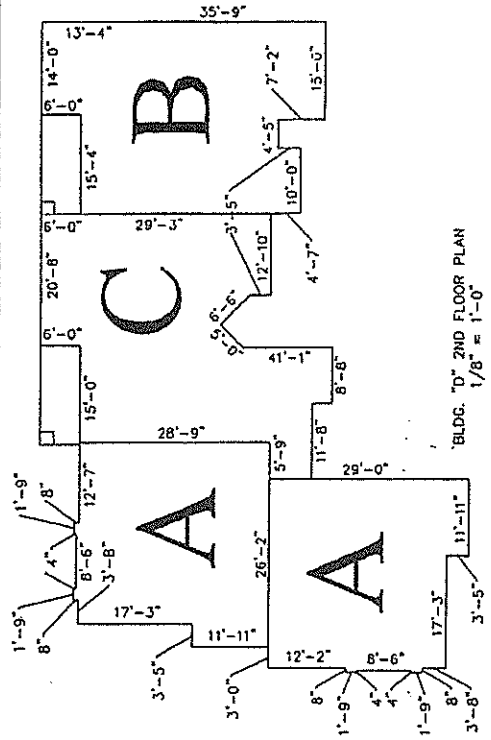
Created by: RLS
 Date: 10/20/07
 Network:
 SHEET 5.3



OUR, LLC
1990 McCulloch Blvd.
LAKE HAVASU CITY, AZ 86403

THE PRESERVE AT KIOWA NORTH
TRACT 2192, BLOCK 19, LOTS 2-3, 11-13
LAKE HAVASU CITY, ARIZONA 86403

DATE	11/13
BY	RLS
REVISION	



Bldg Type	Bldg #	Dwelling Unit		Garage		Patio		Dwelling Unit		Patio		Garage	
		Unit	Floor	Ceiling	Floor	Ceiling	Floor	Ceiling	Unit	Floor	Ceiling	Floor	Ceiling
D	1	104,103	82.80	91.88	82.47	91.55	82.55	91.63	203,204	93.21	102.30	92.88	101.96
C	2	105,106	85.50	94.58	83.17	92.25	85.25	94.33	205,206	95.91	105.00	95.58	104.66
A	3	109,108	89.50	98.58	89.25	98.33	89.17	98.25	209,208	99.91	109.00	99.58	108.66
B	4	112,113	89.80	108.88	89.55	108.63	89.47	108.55	212,213	110.21	119.30	109.88	118.96
D	5	117,118	78.30	87.38	78.05	87.13	77.97	87.05	217,218	88.71	97.80	88.38	97.46
C	6	119,120	75.70	84.78	75.45	84.53	75.37	84.45	219,220	86.11	95.20	85.78	94.86
C	7	121,122	72.70	81.78	72.45	81.53	72.37	81.45	221,222	83.11	92.20	82.78	91.86
A	8	124,125	70.70	79.78	70.45	79.53	70.37	79.45	224,225	81.11	90.20	80.78	89.86
C	9	128,129	65.7	74.78	65.45	74.53	65.37	74.45	228,229	76.11	85.19	75.78	84.86
C	10	130,131	70.75	79.83	70.50	79.58	70.42	79.50	230,231	81.16	90.23	80.83	89.91
A	11	133,134	74.50	83.58	74.25	83.33	74.17	83.25	235,234	84.91	94.00	84.58	93.66
C	12	137,138	71.60	80.68	71.35	80.43	71.27	80.35	237,238	88.01	97.10	87.68	96.76
D	1	102	82.80	91.88	82.47	91.55	82.55	91.63	202	93.21	102.30	92.88	101.96
D	1	101	82.80	91.88	82.47	91.55	82.55	91.63	201	93.21	102.30	92.88	101.96
A	3	107	89.50	98.58	89.25	98.33	89.17	98.25	NA	99.91	109.00	99.58	108.66
B	4	114	89.30	108.88	89.55	108.63	89.47	108.55	214	110.21	119.30	109.88	118.96
D	5	115,116	78.30	87.38	78.05	87.13	77.97	87.05	215,216	88.71	97.80	88.38	97.46
A	8	123	70.70	79.78	70.45	79.53	70.37	79.45	NA	81.11	90.20	80.78	89.86
A	8	126,127	70.70	79.78	70.45	79.53	70.37	79.45	NA	81.11	90.20	80.78	89.86
A	11	132	74.50	83.58	74.25	83.33	74.17	83.25	NA	84.91	94.00	84.58	93.66
A	3	110,111	89.50	98.58	89.25	98.33	89.17	98.25	210,211	99.91	109.00	99.58	108.66
A	11	135,136	74.50	83.58	74.25	83.33	74.17	83.25	235,236	87.91	94.00	84.58	93.66

3

When Recorded
Return To:
The Preserve at Kiowa Norte HOA
2212 N. Kiowa Blvd., Unit 239
Lake Havasu City, AZ 86403

B: 7390 P: 758

OFFICIAL RECORDS
OF MOHAVE COUNTY
CAROL MEIER,
COUNTY RECORDER



01/26/2009 03:05 PM Fee: \$14.00
DOC TYPE: AMCCR
PAID BY: PRESERVE AT KIOWA NORTE

**FIRST AMENDMENT TO THE
DECLARATION OF CONDOMINIUM AND COVENANTS, CONDITIONS, AND
RESTRICTION FOR THE PREASERVE AT KIOWA NORTE**

Whereas a DECLARATION OF CONDOMINIUM AND COVENANTS, CONDITIONS, AND RESTRICTION FOR THE PREASERVE AT KIOWA NORTE was recorded April 15, 2003 in book number 4453 page 384 through 485, 102 total recorded pages, establishing the condition for use of the property described in Exhibit "A".

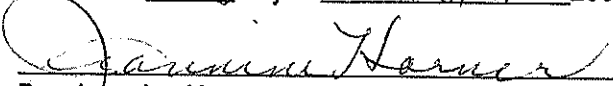
Whereas the undersign Secretary of the Association has received more than 75% written approval from the membership to hereby make the following amendment to the DECLARATION OF CONDOMINIUM AND COVENANTS, CONDITIONS, AND RESTRICTION FOR THE PREASERVE AT KIOWA NORTE:

Article VII. Section 2 (b). Page 30:

First Mortgages, upon written request:

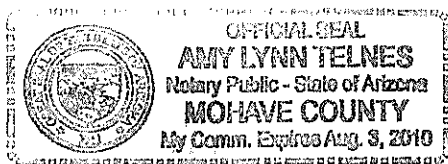
shall receive from the Association an annual review or compilation for the preceding fiscal year within one hundred twenty (120) day of the Association's fiscal year end.

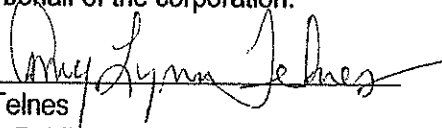
Dated this 22nd day of JANUARY 2009


By: Jeannine Horner: Corporate Officer / Secretary of the Corporation

State of Arizona
County of Mohave

The foregoing instrument was acknowledged before me this 22nd day of January 2009 by JEANNINE HORNER, Corporate Officer and Secretary of The Preserve at Kiowa Norte Home Owner's Association, Inc., an Arizona non-profit corporation, on behalf of the corporation.




Amy Telnes
Notary Public
My Commission Expires: 1/22/09

3

FEE# 2022038942

OFFICIAL RECORDS
OF MOHAVE COUNTY
KRISTI BLAIR,
COUNTY RECORDER



06/16/2022 03:11 PM Fee: \$30.00

PAGE: 1 of 3

When Recorded Return to:

The Preserve at Kiowa Norte
Condominium Owners Association
c/o Amy Telnes Management
2563 N. Kiowa Boulevard
Lake Havasu City, AZ 86404

**CERTIFICATE OF
SECOND AMENDMENT TO
DECLARATION OF CONDOMINIUM AND COVENANTS, CONDITIONS AND
RESTRICTIONS FOR THE PRESERVE AT KIOWA NORTE**

Whereas a Declaration of Condominium and Covenants, Conditions and Restrictions for the Preserve at Kiowa Norte was recorded April 15, 2003 at Fee No. 2003-019089 ("Original CC&Rs"); whereas a First Amendment to the Declaration of Condominium and Covenants, Conditions and Restrictions for the Preserve at Kiowa Norte was recorded on January 26, 2009 at Fee No. 2009-004358 ("First Amendment to CC&Rs"), both documents referred to herein as "The CC&Rs for The Preserve at Kiowa Norte,"

THE PRESERVE AT KIOWA NORTE CONDOMINIUM OWNERS ASSOCIATION ("Association") hereby amends the CC&RS FOR THE PRESERVE AT KIOWA NORTE as follows:

Article XIII, Section 15 is hereby amended in its entirety as follows:

Section 15. Renting/Leasing. Subject to the foregoing obligations, the Owners of the Family Dwelling Condominium Units shall have the right to lease same provided that said lease is made subject to the covenants and restrictions contained in this Declaration and further subject to the Bylaws and Association rules. Each Owner shall be responsible for compliance by said Owner's agent, tenant, guest, invitee, lessee, licensee, their respective servants and employees with the provisions of said Declaration, Bylaws and Association rules. The Owner's failure to so insure compliance by such persons shall be grounds for the same action available to the Board by reason of said Owner's own non-compliance.

The Family Dwelling Condominium Units shall not be rented/leased by the Owner's thereof for any period less than thirty (30) days. However, Units H124, H127 and D212 may be rented for a

THE PRESERVE AT KIOWA NORTE CONDOMINIUM OWNERS ASSOCIATION
SPECIAL MEMBERSHIP MEETING APRIL 25, 2022

Certification of 75% Written Approval Obtained for Second Amendment to Declaration of Condominium

I, Ralph Meyer, the Secretary of The Preserve at Kiowa Norte Condominium Owners Association Board of Directors, hereby certifies the following:

A Special Meeting of the Membership was duly notice and held on April 25, 2022 for the purpose of seeking an Amendment to Article XIII, Section 15-Renting/Leasing of the Declaration of Condominium and Covenants, Conditions and Restrictions of Preserve at Kiowa Norte (the "Declaration");

Per Article XIX, Section 3 of the Declaration, to Amend the Declaration required an instrument signed by not less than 75% of all the Family Dwelling Condominium Unit Owners ("FDCUO")¹

This is to Certify that the Association received fifty-five (55) signed instruments from FDCUO's approving the proposed amendment to Article XIII, Section 15 (verbiage attached). This meets/exceeds the 75% Member approval requirement.

The signed Instruments and related meeting materials are being retained.

Executed under Penalty of Perjury this 11 day of MAY, 2022

Ralph J Meyer
(Signature)

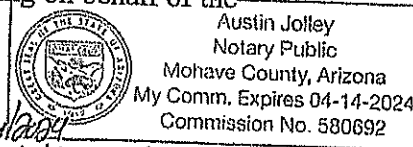
Ralph Meyer, Secretary
Board of Directors of The Preserve at Kiowa Norte Condominium Owners Association

STATE OF ARIZONA)
) ss.
County of Mohave)

On this 11th day of May, 2022 before me the undersigned Notary Public, personally appeared Ralph Meyer, who acknowledged to me that he is the Secretary of the Association and that he executed the foregoing on-behalf-of-the Association for the purposes expressed therein.

[Signature]

Notary Public
My Commission expires: 04/14/2024



¹ The CC&Rs also state that if any mortgage holder has given notice that it wants to be alerted to amendments, then 51% of such mortgage holders would also need to approve this amendment (Article XIX, Section 3(j)). This is to certify that when Notice of the Special Meeting was sent, no mortgage holder had given notice to the Association that it wanted to be alerted to any proposed amendments.

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles }

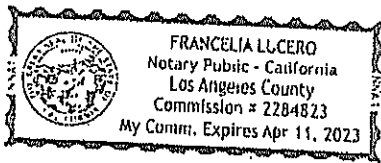
On May 27, 2022 before me, Francelia Lucero, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared David Fuller
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal and/or Stamp Above

Signature [Handwritten Signature]
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Certificate of Second Amendment to Declaration of Condominium and covenants conditions and restrictions for the preserve at Kiowa Norte
Document Date: 5/27/22 Number of Pages: 3

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

- Signer's Name: _____
- Corporate Officer – Title(s): _____
 - Partner – Limited General
 - Individual Attorney in Fact
 - Trustee Guardian or Conservator
 - Other: _____

- Signer's Name: _____
- Corporate Officer – Title(s): _____
 - Partner – Limited General
 - Individual Attorney in Fact
 - Trustee Guardian or Conservator
 - Other: _____

Signer is Representing: _____

Signer is Representing: _____

period of no less than seven (7) days until the ownership of these Units are transferred to a subsequent Owner, at which time all Family Dwelling Condominium Units will be subject to this rental restriction of no less than 30 days.

The Garage Condominium Units shall only be rented/leased in conjunction with and for the same duration as the Owners rental/leasing of his/her Family Dwelling Condominium Unit.

Certification: The President of the Association hereby certifies that this Second Amendment has been approved via instrument(s) in writing by at least seventy five percent (75%) of all Owners of the Family Dwelling Condominium Units.

DATED this 27th day of MAY, 2022.

THE PRESERVE AT KIOWA NORTE CONDOMINIUM OWNERS ASSOCIATION

By: [Signature]
(Signature)

By: David Fuller

Its: President

STATE OF ARIZONA)
County of Mohave) ss.
)

On this _____ day of _____, _____ before me the undersigned Notary Public, personally appeared _____, who acknowledged to me that he is the President of the Association and that he executed the foregoing on behalf of the Association for the purposes expressed therein.

[Signature]

Notary Public

My Commission expires: