When Recorded, Return To:
Peter W. Furlow, Esq.
Quarles & Brady LLP
Renaissance One
Two North Central Avenue
Phoenix, Arizona 85004

Recorded Electronically
Fee No: 2025020129
By: Mohave Co
Date & Time: 4/2/25 10:00am

FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR TRINITY AT HAVASU FOOTHILLS ESTATES HOMEOWNERS ASSOCIATION

THIS FIRST AMENDMENT TO DECLARATION OF CONDITIONS, AND RESTRICTIONS FOR TRINITY AT HAVASU FOOTHILLS ESTATES HOMEOWNERS ASSOCIATION (this "**First Amendment**") is made by **MDCAB, LLC**, an Arizona limited liability company ("**Declarant**") and is effective as of the date and time it is recorded in the Mohave County Recorder's Office (the "**County Recorder**").

RECITALS

WHEREAS, Declarant recorded that certain Declaration of Covenants, Conditions and Restrictions for Trinity at Havasu Foothills Estates Homeowners Association on or about October 10, 2024 Fee # 2024050262 in the County Recorder (as amended from time to time, the "**Declaration**");

WHEREAS, capitalized terms used and not defined in this First Amendment shall have the same meaning as ascribed to such terms in the Declaration; and

WHEREAS, pursuant to Declarant's rights under Article 11, Section 11.4(a) of the Declaration, Declarant herein exercises its unilateral right to amend the Declaration as herein provided.

NOW, THEREFORE, Declarant hereby amends the Declaration as follows:

1. **Incorporation**. The recitals above and the Declaration are incorporated herein by reference.

2. **Definitions**. Unless otherwise defined herein, capitalized terms used in this First Amendment shall have the same meaning ascribed to them in the Declaration.

3. Section 4.2(b) of the Declaration is hereby deleted in its entirety, and replaced with the following:

"(b) **Initial Annual Assessment**. For the first three (3) years following the date of this Declaration, the amount of the Annual Assessments shall be nine hundred dollars ($900) or seventy-five dollars ($75) per month which shall be billed quarterly in arrears. Thereafter, the Board shall annually determine and fix the amount of the Annual (calendar year) Assessment against each Lot or Parcel, excluding those owned by Declarant while there is a Class B Membership. The Annual Assessment shall be prorated based on the number of months remaining before December 31 of such year as well as any partial months remaining."

FEE# 2025020129
OFFICIAL RECORDS OF MOHAVE COUNTY
LYDIA DURST, COUNTY RECORDER
04/21/2025 10:00 AM Fee $30.00
PAGE: 1 of 5

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4. Section 4.4 of the Declaration is hereby deleted in its entirety, and replaced with the following:

"4.4. **WORKING CAPITAL FUND**. To ensure that the Association has adequate funds to meet its initial expenses or to purchase necessary equipment or services, each Purchaser of a Lot shall pay to the Association, at the time of becoming the Owner of the Lot, a Working Capital Fund contribution in the amount of One Hundred Fifty Dollars ($150.00), unless adjusted by the Board. This amount shall be deposited into the Association's general operating account and shall not be considered an advance payment of regular assessments."

4. A new section 4.9 shall hereby be added to the Declaration to read as follows:

"4.9. **TRANSFER FEE**. Upon the conveyance of any Lot, the Owner shall pay to the Association a transfer fee in an amount established from time to time by the Board. The transfer fee shall be due and payable at the close of escrow for such conveyance. The transfer fee shall be used to offset the administrative and operational costs incurred by the Association in connection with the transfer of Lots and the maintenance of ownership records."

5. Section 5.25 of the Declaration is hereby deleted in its entirety, and replaced with the following:

"5.25. **OUTDOOR LIGHTING & DARK SKY COMPLIANCE**. To preserve the natural nighttime environment, reduce light pollution, and promote neighborhood aesthetics, all exterior lighting installed on any Lot, Dwelling Unit, or Common Area shall comply with Dark Sky principles and applicable local ordinances. The Association may adopt additional lighting guidelines or requirements consistent with local laws and Dark Sky objectives. Owners shall modify or remove any non-compliant lighting upon written notice from the Association. All exterior lighting not installed by or on behalf of the Declarant must receive prior written approval from the Architectural Committee."

6. A new section 5.28 shall hereby be added to the Declaration to read as follows:

"5.28. **CONNECTION OF FENCES AND WALLS**. To promote design continuity and eliminate unnecessary gaps between fences and walls on adjacent Lots, Owners may connect their fence or wall Improvements to those on adjoining Lots, provided that the connection (i) does not extend more than twelve inches (12"), (ii) does not violate any applicable setbacks, easements, or building codes, and (iii) does not impair the structural integrity of the existing Improvement. The connecting Owner is responsible for constructing the new fence or wall in accordance with the Design Guidelines and for any repairs resulting from the connection. This provision does not create a "party wall" unless otherwise agreed by the adjoining Owner in writing. The Architectural Committee may adopt additional guidelines governing such connections, including approved materials, spacing tolerances, and tie-in methods."

7. **Remainder of Declaration Unaffected; Continuing Validity**. Nothing contained in this First Amendment shall be deemed to amend any other provision of the Declaration, except as specifically provided herein. All terms and conditions contained in the Declaration not so amended hereby shall remain in full force and effect and the Declaration is hereby ratified, confirmed and shall remain in full force and effect.

8. **Headings; Governing Law; Severability.** Headings used herein are for ease of reference only and shall have no substantive meaning. This Amendment shall be interpreted in accordance with Arizona law. If a court of competent jurisdiction should find that any provision of this First Amendment is unenforceable or otherwise in conflict with the Declaration, Arizona law or the laws of the United States of America, such provision shall be deemed stricken and the remainder of this First Amendment (and the Declaration, as applicable) shall continue in full force and effect as if such provision were never included herein. This First Amendment and the provisions contained herein shall be deemed limited and shall be construed as strictly as possible.

[REMAINDER OF PAGE INENTIONALLY LEFT BLANK; SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, Declarant has executed this Declaration on the day and year first above written.

DECLARANT:

MDCAB, LLC
an Arizona limited liability company

By: _____
Name: Andrew Oxley
Its: Manager

STATE OF ARIZONA)
) ss.
County of Mohave)

The foregoing instrument was acknowledged before me this 8th day of April, 2025, by Andrew Oxley, the Manager of **MDCAB, LLC** an Arizona limited liability company, on behalf of such entity.

AMY FRANCIS
Notary Public, State of Arizona
Mohave County
Commission # 661001
My Commission Expires
December 26, 2027

_____
Notary Public

My Commission Expires:

December 26, 2027

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

Those portions of the NW1/4 Section 33, T14N, R19W, G&SRM, Mohave County, Arizona, described in the Warranty Deeds recorded at Reception NO. 2021045830 and Reception No. 2022058287, Records of Mohave County.

LHC 32

When Recorded, Return To:
Peter W. Furlow, Esq.
Quarles & Brady LLP
Renaissance One
Two North Central Avenue
Phoenix, Arizona 85004

FEE# 2024050262

OFFICIAL RECORDS
OF MOHAVE COUNTY
LYDIA DURST,
COUNTY RECORDER

10/10/2024 09:36 AM Fee: $30.00

PAGE: 1 of 32

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR TRINITY AT HAVASU FOOTHILLS ESTATES HOMEOWNERS ASSOCIATION

Lake Havasu City, Arizona

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR TRINITY AT HAVASU FOOTHILLS ESTATES HOMEOWNERS ASSOCIATION is made as of the 10th day of October, 2024, by MDCAB, LLC, an Arizona limited liability company.

INTRODUCTION

A. Declarant is the owner of certain real property situated in Lake Havasu City, Arizona legally described on Exhibit A attached hereto and incorporated herein by this reference (the "**Property**"), which is to be commonly known as "Trinity".

B. Declarant desires to reserve to the Declarant the right to expand the real property subject to this Declaration by annexing and subjecting to this Declaration all or any part of the Annexable Property.

C. WHEREAS, Declarant also deems it desirable to provide for the creation of a nonprofit corporation under the laws of the State of Arizona to administer and maintain, repair and replace the Areas of Association Responsibility and to provide for the levying and collecting of Assessments and other charges by the Association for the purpose, among other things, of paying all costs and expenses incurred or to be incurred by the Association in connection with the maintenance, repair and replacement and administration of the Areas of Association Responsibility and the enforcement of covenants, conditions and restrictions contained in this Declaration.

ARTICLE I
DEFINITIONS

Unless otherwise defined, the following words and phrases when used in this Declaration shall have the meanings ascribed to them in this Article.

1.1 "**Affiliate**" of a Person shall mean a Person that controls, is controlled by, or is under common control with such other Person. With respect to Declarant, the term Affiliate shall also include any land trust of which Declarant is a beneficiary, and any beneficiary of Declarant.

1.2 "**Alleged Defect**" means any alleged defect(s) or deficiency in the planning, design, engineering, grading, construction, or other development of any portion of the Common Areas, any Lot or Dwelling Unit constructed thereon, and/or any Improvements constructed within the Property.

1.3 "**Annual Assessments**" means the assessments levied and assessed against each Lot pursuant to Section 4.2 of this Declaration.

1.4 "**Architectural Committee**" means the committee which may be established pursuant to Section 3.5 of this Declaration.

1.5 "**Architectural Guidelines**" means those architectural and design guidelines established by the Board and/or Architectural Committee pursuant to Section 3.5, as such guidelines may be amended from time to time.

1.6 "**Areas of Association Responsibility**" means: (a) all of the Common Areas; (b) all land, and the Improvements situated thereon, which the Association is obligated to maintain, repair, and replace pursuant to the terms of this Declaration, the Plat, or other recorded document executed by the

Declarant or the Association; and (c) all land or easements which are dedicated to a governmental entity or utility pursuant to this Declaration, the Plat, or other recorded document and which the governmental entity or utility requires the Association to maintain.

1.7 **"Articles"** means the Articles of Incorporation of the Association that are filed in the Office of the Corporation Commission of the State of Arizona, as said Articles may be amended from time to time.

1.8 **"Assessments"** means all the Assessments levied and assessed against each Lot pursuant to Article 4 of this Declaration, including, without limitation, Annual Assessments, Special Assessments, and Use Assessments.

1.9 **"Association"** means the Trinity at Havasu Foothills Estates Homeowner's Association, an Arizona nonprofit corporation, and its successors and assigns.

1.10 **"Association Rules"** means the rules and regulations adopted by the Association pursuant to Section 3.3, as the same may be amended from time to time.

1.11 **"Board"** means the Board of Directors of the Association.

1.12 **"Bylaws"** means the Bylaws of the Association, as such Bylaws may be amended from time to time.

1.13 **"Common Area"** and **"Common Areas"** means (a) any tracts shown on a Plat and designated as Common Areas, together with all Improvements situated thereon, (b) any easements, land, or Improvements shown on the Plat that the Association is obligated to maintain by virtue of a designation in the Plat including, without limitation, the right-of-way adjacent to the Project shown on the Plat and the private roadway easement shown on the Plat, and (c) all land, together with all Improvements situated thereon, which the Association at any time owns in fee or in which the Association has a leasehold or easement interest for as long as the Association is the Owner of such interest, except Common Area shall not include any Lot the Association acquires by the foreclosure of the Assessment lien or by any deed in lieu of foreclosure.

1.14 **"Community"** shall mean the Property, together with all Improvements located thereon.

1.15 **"Community Documents"** means this Declaration, the Articles, the Bylaws, the Association Rules, the Architectural Guidelines, any amendments to the foregoing, any duly adopted resolution of the Board, and any other document, agreement or covenant pertaining to the Property.

1.16 **"Declarant"** means MDCAB, LLC, an Arizona limited liability company, or any Person or entity to whom any part or all of such rights reserved hereunder are assigned. Notwithstanding the foregoing or anything to the contrary contained herein, no termination or assignment of Declarant's rights shall serve to terminate any Declarant's right to benefit from any limitations of liability, releases, waivers or indemnities in favor of Declarant as set forth herein, and all such limitations of liability, releases, waivers or indemnities in favor of Declarant shall survive any termination or assignment of Declarant's rights.

1.17 **"Declaration"** means this Declaration of Covenants, Conditions and Restrictions for Trinity at Havasu Foothills Estates Homeowner's Association, as it may be amended from time to time.

1.18 **"Declarant Control Period"** shall mean the period commencing upon the Recordation of this Declaration in the Official Records of Mohave County, and ending on the earlier of: (a) in accordance with A.R.S. § 33-1820, the date when all Lots and Parcels owned by Declarant except for one (1) Lot have been conveyed, so that Declarant no longer owns any Lot or Parcels in the Community other than one (1) Lot; or (b) the date specified in a written notice from Declarant to the Association that the Period of Declarant Control will terminate on such date.

1.19 **"Dwelling Unit"** means any building or portion of a building situated upon a Lot designed and intended for use and occupancy as a residence by a Single Family.

1.20 **"First Mortgage"** means any mortgage or deed of trust recorded against a Lot which has first priority over any other mortgage or deed of trust recorded against the same Lot.

1.21 **"Improvement"** or **Improvements"** means buildings, driveways, roads, parking areas, fences, walls, rocks, hedges, plantings, planted trees and shrubs, and all other structures, improvements, or landscaping improvements of every type and kind.

1.22 **"Lot"** means any parcel of real property designated as a lot on the Plat and which is covered by this Declaration and any Dwelling Unit, building, structure or other Improvement situated thereon.

1.23 **"Member"** means any Person, corporation, partnership, joint venture, or other legal entity who owns one (1) or more Lots in the Project and is therefore a Member of the Association.

1.24 **"Membership"** means a Membership in the Association and the rights granted to the Owners hereof to participate in the Association.

1.25 **"Owner"** means the record owner, whether one (1) or more Persons or entities, of beneficial or equitable title (and legal title if the same has merged with the beneficial or equitable title) to the fee simple interest of a Lot. Owner shall not include (a) Persons or entities having an interest in a Lot merely as security for the performance of an obligation, or (b) a lessee or tenant of a Lot. Owner shall include a purchaser under a contract for the conveyance of real property, a contract for deed, a contract to convey, an agreement for sale or any similar contract through which a seller has conveyed to a purchaser equitable title in a Lot under which the seller is obligated to convey to the purchaser the remainder of seller's title in the Lot, whether legal or equitable, on payment in full of all monies due under the contract. Owner shall not include a purchaser under a purchase contract and receipt, escrow instructions, or similar executory contracts that are intended to control the rights and obligations of the parties to the transaction. In the case of Lots the fee simple title to which is vested in a trustee pursuant to Arizona Revised Statutes, Section 33-801, et. seq., the Trustor under the deed of trust shall be deemed to be the Owner. In the case of Lots the fee simple title to which is vested in a trustee pursuant to a subdivision trust agreement or similar agreement, the beneficiary of such trust who is entitled to possession of the trust Property shall be deemed to be the Owner.

1.26 **"Person"** means a natural Person, corporation, business trust, estate, trust, limited liability company, partnership, Association, joint venture, municipality, governmental subdivision or agency or other legal or commercial entity.

1.27 **"Plat"** means the Final Plat for Trinity, recorded at Instrument No. _2024048069_, Official Records of the Mohave County, Arizona Recorder's Office, and all amendments thereto. The Plat contains numerous general notes and specific notes pertaining to the Project, the Lots, Common Areas, and other matters and should be reviewed in conjunction with the Project Documents.

1.28 **"Property"** or **"Project"** means the real Property described on the Plat and legally described on **Exhibit A,** together with all buildings and other Improvements located thereon from time to time, and all easements, rights and appurtenances belonging thereto.

1.29 **"Purchaser"** means any Person, other than the Declarant, who becomes the Owner of a Lot, except for (a) a Person who purchases a Lot and then leases it to the Declarant for use as a model in connection with the sale or lease of other Lots or (b) a Person who, in addition to purchasing a Lot, is assigned any or all of the Declarant's rights under this Declaration.

1.30 **"Reserve Account"** means the federally insured bank accounts maintained by the Association for the segregation and retention of Reserve Funds from the Association's general operating account.

1.31 **"Reserves"** or **"Reserve Funds"** means those amounts specifically collected by the Association for, and in anticipation of, future expenses associated with (a) the proper operation and maintenance of the Association, (b) repair, replacement and maintenance of the Common Areas and Improvements thereon, and (c) repair, replacement and maintenance of the Areas of Association Responsibility.

1.32 **"Resident"** means (a) each occupant legally occupying or actually residing in a Dwelling Unit, and (b) Members of the immediate family of each Owner actually living in the same household with such Owner. Subject to such rules and regulations as the Association may hereafter specify, the term "Resident" also shall include the guests or invitees of any such Owner.

1.33 **"Single Family"** means an individual living alone, a group of two (2) or more Persons each related to the other by blood, marriage, or legal adoption, or a group of not more than three (3) Persons not all so related, together with their domestic servants, who maintain a common household in a Dwelling Unit.

1.34 **"Single Family Residential Use"** means the occupation or use of a Dwelling Unit by a Single Family in conformity with this Declaration and the requirements imposed by applicable zoning laws or other state, county or municipal statutes, ordinances, rules and regulations.

1.35 **"Special Assessments"** means the Assessments levied and assessed against each Lot pursuant to Section 4.8 of this Declaration.

1.36 **"Use Assessments"** means the Assessments levied and assessed against each Lot pursuant to Section 4.9 of this Declaration.

1.37 **"Visible From Neighboring Property"** shall mean with respect to an object upon or within a Lot, that such object is or would be visible to a person six (6) feet tall, standing on any part of the Community outside such Lot at an elevation no higher than the ground level where the object is located.

ARTICLE 2
PROPERTY SUBJECT TO THE DECLARATION

2.1 GENERAL DECLARATION. Declarant intends by this Declaration to impose certain covenants, conditions and restrictions upon the Property in order to establish a general scheme for the development, sale, use, maintenance and enjoyment of the Property for the purpose of enhancing and protecting the value, desirability and quality of life within the Property. Declarant hereby declares that all of the Property is and shall be held, conveyed, hypothecated, encumbered, leased,

occupied, built upon or otherwise used, improved or transferred, in whole or in part, subject to this Declaration, as amended or modified from time to time; provided, however, that any Property owned by or dedicated to a governmental agency or the public shall not be subject to this Declaration while owned by any such governmental entity or the public, except that any restrictions imposed in this Declaration upon the Owners concerning the use and maintenance of such Property shall be applicable at all times. This Declaration shall run with the Property for all purposes and shall be binding upon and inure to the benefit of Declarant, the Association, and all Owners of the Property and their successors in interest.

2.2 LIMITATION OF RESTRICTIONS ON DECLARANT. Declarant is undertaking the work of constructing Dwelling Units and incidental Improvements upon the Property. The completion of that work and the sale, rental, and other disposal of said Dwelling Units is essential to the establishment and welfare of the Property as a residential community. In order that said work may be completed and Dwelling Units constructed on the Lots and the Property established as a fully occupied residential community as rapidly as possible, nothing in this Declaration shall be understood or construed to: (a) prevent the Declarant, its contractors or subcontractors from doing on the Property whatever is necessary or advisable in connection with the completion of said work; or (b) prevent the Declarant or its representatives from erecting, constructing and maintaining, on any part of the Property, such structures as may be reasonable or necessary for the conduct of the business of completing said work and establishing the Property as a residential community and disposing of the same by sale, lease or otherwise; or (c) prevent the Declarant from maintaining such sign or signs on any of the Property as may be reasonable or necessary for the sale, lease or disposition thereof, including, but not limited to, such sign or signs as may be required or requested by the institution(s) providing financing for the Project; or (d) prevent the Declarant from modifying the Plat or any portion thereof, subject to the terms and conditions otherwise contained herein. Notwithstanding the foregoing, Declarant shall use commercially reasonable efforts to avoid disturbing the Owners' use and enjoyment of the Lots while completing any work necessary on the Property.

2.3 ASSOCIATION BOUND. This Declaration shall be binding upon and shall benefit the Association.

2.4 DISCLAIMER OF REPRESENTATIONS AND IMPLIED COVENANTS. Declarant makes no representation or warranty that the Property will be developed in accordance with the zoning or the development plan for the Property as it exists as of the recording of this Declaration. Each Owner, Resident and other Person acquiring any Lot or other real Property in the Property acknowledges that the zoning and/or the development plan may be amended from time to time by the applicable governmental authority and/or Declarant. Declarant makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of the Project Documents or as to the compliance of any provision of the Project Documents with public laws, ordinances, or regulations applicable to the Property. Nothing contained in this Declaration and nothing which may be represented to a Purchaser by real estate brokers or salesmen shall be deemed to create any implied covenants, servitudes or restrictions with respect to the use of any Property subject to this Declaration and each Resident hereby acknowledges and agrees that any adjacent land owned by the State of Arizona or any other third party may be developed for any possible land use in the future.

ARTICLE 3
THE ASSOCIATION: RIGHTS AND DUTIES, MEMBERSHIP AND VOTING RIGHTS

3.1 FORMATION OF THE ASSOCIATION. The Association shall be a nonprofit Arizona corporation. The Association shall have all common law and statutory powers conferred upon nonprofit corporations under Arizona law and all powers necessary or desirable to perform the Association's duties and obligations and to exercise the rights and powers of the Association set forth in the Community Documents. The Association shall not be dissolved unless another entity has agreed to assume the obligations of the Association under this Declaration with respect to the operation and maintenance of the Common Area.

3.2 BOARD OF DIRECTORS. The affairs of the Association shall be managed by a Board of Directors appointed and elected in accordance with this Declaration, the Articles, and the Bylaws, and such officers as the Board may elect or appoint in accordance with the Articles and Bylaws. The initial directors and officers of the Association shall be designated in the Articles, and such persons shall serve until their death, resignation, or removal from office. Until Declarant has conveyed all Lots to Owners other than Declarant, Declarant shall have the right to appoint and remove all Directors, and thereafter Directors shall be elected by the Members in accordance with the Bylaws.

3.3 GENERAL DUTIES OF THE ASSOCIATION. The Association shall manage the Common Area in accordance with this Declaration and the Articles and Bylaws. The Owners covenant and agree that the administration of the Community shall be in accordance with the provisions of the Community Documents, subject to the standards set forth in all applicable laws, regulations and ordinances of any governmental or quasi-governmental body or agency having jurisdiction over the Community. In addition to the duties and powers enumerated in the Bylaws and the Articles, and without limiting the generality thereof, the Association shall have the duties and powers as set forth in this Declaration.

3.4 MEMBERSHIP. The Members of the Association shall be the Owners. Automatically, upon becoming an Owner, each Owner shall become a Member of the Association and shall remain a Member thereof until such time as its ownership of such Lot or Parcel ceases for any reason, at which time its Membership in the Association automatically shall cease. Tenants shall not have any voting or Membership rights in the Association by virtue of their occupancy of any Lot or Dwelling thereon. Membership in the Association shall not be transferred, pledged or alienated in any way, except upon the transfer of ownership of the Lot or Parcel to which it is appurtenant, and then automatically to the new Owner.

3.5 ARCHITECTURAL COMMITTEE:

(a) *Approval Required.* No Improvement which would be Visible From Neighboring Property, or which would cause any Person or thing to be Visible From Neighboring Property, shall be constructed or installed on any Lot without the prior written approval of the Architectural Committee, which shall have the authority to regulate the external design and appearance of the Lots and all Improvements constructed thereon. No addition, alteration, repair, change, or other work which in any way alters the exterior appearance of any part of a Lot, or any Improvements located thereon, which are or would be Visible From Neighboring Property shall be made or done without the prior written approval of the Architectural Committee. Any Owner desiring approval of the Architectural Committee for the construction, installation, addition, alteration, repair, change, or replacement of any Improvement which is or would be Visible From Neighboring Property shall submit to the Architectural Committee their written request for approval specifying

in detail the nature and extent of the addition, alteration, repair, change, or other work which the Owner desires to perform. Any Owner requesting the approval of the Architectural Committee shall also submit to the Architectural Committee any additional information, plans, and specifications which the Architectural Committee may reasonably request.

(b) *Design Review Fee.* The Architectural Committee shall have the right to charge a fee for reviewing requests for approval of any construction, installation, alteration, addition, repair, change, or other work pursuant to this Section 3.5, which fee shall be payable at the time the application for approval is submitted to the Architectural Committee.

(c) *Construction Deposit.* A $15,000 refundable deposit shall be payable to the Association prior to the commencement of construction, which shall be refunded upon the Owner obtaining a certificate of occupancy for the Improvements on a Lot, provided that construction has conformed with the plans provided to the Architectural Committee prior to construction. If construction has not conformed with the plans, the Architectural Committee may hold the deposit until remedied.

(d) *Owners in Good Standing.* In addition to all other requirements of this Section 3.5, the Owner of a Lot must be in good standing to be eligible to submit plans for Improvements, additions, alterations, repairs, changes, or other work to the Architectural Committee for approval.

(e) *Timeline for Review.* The Architectural Committee shall review all applications submitted to it and shall furnish a written decision to the applicant setting forth the reasons for its decision and the nature of any objections. If the Architectural Committee fails to approve or disapprove an application for approval within sixty (60) days after an application meeting all of the requirements of this Declaration and of the Architectural Guidelines, together with any fee required to be paid and any additional information, plans, and specifications requested by the Architectural Committee, and any other requirements, have been submitted to the Architectural Committee, the application will be deemed to have been disapproved. The approval by the Architectural Committee of any construction, installation, addition, alteration, repair, change, or other work shall not be deemed a waiver of the Architectural Committee's right to withhold approval of any similar construction, installation, addition, alteration, repair, change, or other work subsequently submitted for approval.

(f) *Review of Plans.* In reviewing plans and specifications for any construction, installation, addition, alteration, repair, change, or other work which must be approved by the Architectural Committee, the Architectural Committee, among other things, may consider the quality of workmanship and design, harmony of external design with existing structures and location in relation to surrounding structures, topography, and finish-grade elevation. The Architectural Committee may disapprove plans and specifications for any construction, installation, addition, alteration, repair, change, or other work which must be approved by the Architectural Committee pursuant to this Section 3.5 if the Architectural Committee determines, in its sole and absolute discretion, that:

(i) The proposed construction, installation, addition, alteration, repair, change, or other work would violate any provision of this Declaration;

(ii) The proposed construction, installation, addition, alteration, repair, change, or other work does not comply with all of the Architectural Guidelines;

(iii) The proposed construction, installation, addition, alteration, repair, change, or other work is not in harmony with existing Improvements on the Property or with Improvements previously approved by the Architectural Committee but not yet constructed;

(iv) The proposed construction, installation, addition, alteration, repair, change, or other work is not aesthetically acceptable;

(v) The proposed construction, installation, addition, alteration, repair, change, or other work would be detrimental to or adversely affect the appearance of the Property; or

(vi) The proposed construction, installation, addition, alteration, repair, change, or other work is otherwise not in accord with the general plan of development for the Property.

The approval required by the Architectural Committee pursuant to this Section 3.5 shall be in addition to, and not in lieu of, any approvals or permits which may be required under any federal, state or local law, statute, ordinance, rule or regulation. The approval by the Architectural Committee of any construction, installation, addition, alteration, repair, change, or other work pursuant to this Section 3.5 shall not be deemed a warranty or representation by the Architectural Committee as to the quality of such construction, installation, addition, alteration, repair, change, or other work or that such construction, installation, addition, alteration, repair, change, or other work conforms to any applicable building codes or other federal, state or local law, statute, ordinance, rule, or regulation.

(g) *Architectural Committee.* During the Declarant Control Period, Declarant shall have the sole right (a) to determine if an Architectural Committee will be established or if the Board will act in such capacity; (b) to determine the number of members on the Architectural Committee; and (c) to appoint and remove the members of the Architectural Committee (if any) at any time, with or without cause. Following the Declarant Control Period, the Board shall have the right to determine the foregoing with regard to the Architectural Committee. All members of the Architectural Committee appointed by the Board shall serve for a term of one (1) year, subject to the right of the Board to remove such Person from the Committee prior to the expiration of such committee Member's term. Declarant may at any time voluntarily surrender its right to appoint and remove the members of the Architectural Committee, and in that event Declarant may require, if during the Declarant Control Period, that specified actions of the Architectural Committee, as described in a recorded instrument executed by Declarant, be approved by Declarant before they become effective. Members of the Architectural Committee need not be Owners or Residents; however, at least one (1) Member of the Board shall serve as a Member of the Architectural Committee and the chair of the Architectural Committee must be a Member of the Board.

(h) *Architectural Guidelines.* The Architectural Committee and the Board may adopt, amend, and repeal Architectural Guidelines, standards, and procedures to be used in rendering its decisions. Such guidelines, standards, and procedures may include, without limitation, provisions regarding (i) architectural design, with particular regard to the harmony of the design with the surrounding structures and topography, (ii) placement of Dwelling Units

and other buildings, (iii) landscape design, content and conformance with the character of the Property and permitted and prohibited plants, (iv) requirements concerning exterior color schemes, exterior finishes, and materials, (v) signage, (vi) perimeter and screen wall design and appearance, and (vii) such other limitations and restrictions as the Architectural Committee, in its reasonable discretion, may adopt. Notwithstanding anything herein to the contrary, the Architectural Guidelines may not conflict with this Declaration and this Declaration will prevail in the case of any conflict with the Architectural Guidelines.

(i) *Decisions and Appeals.* Except as provided in this Section 3.5, the decisions of the Architectural Committee shall be final on all matters submitted to it pursuant to this Declaration. An Owner who submitted a request for approval to the Architectural Committee may, in writing, appeal the Architectural Committee's decision to the Board. The Board shall have the right, but not the obligation, to review an appeal of any decision of the Architectural Committee and the decision of the Board shall in all cases be final and binding.

(j) *Exclusions.* The provisions of this Section 3.5 shall not apply to, and approval of the Architectural Committee shall not be required for, the construction, erection, installation, addition, alteration, repair, change, or replacement of any Improvements (including, without limitation, Dwelling Units) made by or on behalf of Declarant.

3.6 IDENTITY OF MEMBERS. Membership in the Association shall be limited to Owners of Lots. An Owner of a Lot shall automatically, upon becoming the Owner thereof, become a Member of the Association and shall remain a Member of the Association so long as such Owner owns a Lot.

3.7 CLASSES OF MEMBERS. The Association shall have two (2) classes of voting Membership. CLASS A Members shall be all Owners of Lots, with the exception of the Declarant until the termination of the Class B Membership. Each Class A Member shall be entitled to one (1) vote for each Lot owned, subject to the authority of the Board to suspend such voting rights as provided herein. Declarant shall be the Class B Member. The Class B Member shall be entitled to three (3) votes for each Lot owned. Class B Membership automatically shall convert to Class A Membership and shall forever cease upon the termination of the Declarant Control Period.

3.8 JOINT MEMBERSHIP. When more than one (1) Person is the Owner of any Lot, all such Persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) ballot be cast with respect to any Lot. The vote or votes for each such Lot must be cast as a unit, and fractional votes shall not be allowed. In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question.

3.9 CORPORATE OWNERSHIP. In the event any Lot is owned by a corporation, partnership or other entity, the corporation, partnership or entity shall be a Member and shall designate in writing at the time of acquisition of the Lot an individual who shall have the power to vote said Membership, and in the absence of such designation, the general partner or chief executive officer of such corporation, partnership or entity shall have the power to vote for that Membership.

3.10 SUSPENSION OF VOTING RIGHTS. In the event any Owner is in arrears in the payment of any Assessments or other amounts due under any of the provisions of the Project Documents for a period of sixty (60) days, said Owner's right to vote as a Member of the Association shall be automatically suspended and shall remain suspended until all payments, including accrued interest, late charges and attorney's fees, are brought current. In addition, the Board may suspend an

Owner's right to vote for a period not to exceed ninety (90) days for any other infractions of the Project Documents.

3.11 NO PERSONAL LIABILITY. No member of the Board or of any committee of the Association, no officer of the Association, and no manager or other employee of the Association shall be personally liable to any Member, or to any other Person, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of the Association, the Board, the manager, any representative or employee of the Association or any committee, committee member or officer of the Association.

3.12 FUND. All funds received by the Association and the titles of all properties acquired by the Association shall be held in trust for the Members of the Association in accordance with this Declaration, the Articles and the Bylaws.

3.13 LIST OF APPROVED BUILDERS. To ensure harmonious development, Owners must use builders approved in writing by the Declarant for constructing Residential Units or related structures within the Project. Declarant has sole discretion in approving or disapproving builders and may maintain a list of approved builders. Owners should obtain the current list from Declarant or the Architectural Committee, and any violation will be subject to remedies, including legal action by Declarant or the Committee, with associated costs borne by the Lot owner.

* ARTICLE 4 *
COVENANT FOR MAINTENANCE ASSESSMENT

SEE AMENDMENT RECORDED 4-21-2025

4.1 PURPOSE OF ASSESSMENTS. The Assessments levied by the Association shall be used (a) for the upkeep, maintenance and repair of Areas of Association Responsibility; (b) for promoting the health, safety and welfare of the Owners and Residents of Lots within the Project; (c) for the performance and exercise by the Association of its rights, duties and obligations under the Project Documents; (d) for any upkeep, maintenance or repair of property required by any governmental authority as Areas of Association Responsibility; and (e) to pay the actual and estimated expenses incurred or anticipated to be incurred by or on behalf of the Association, including any allocations to the Reserve Fund determined by the Board to be necessary and appropriate, and all other financial liabilities of the Association. No Owner shall be relieved of the obligation to pay any of the Assessments by abandoning or not using his, her or its Lot or the Common Areas, or by leasing or otherwise transferring occupancy rights with respect to his, her or its Lot.

4.2 ANNUAL ASSESSMENTS. Annual Assessments shall include a reasonable amount for Reserve Funds for taxes, insurance, maintenance, repairs and replacement of the Areas of Association Responsibility and all other areas for which the Association is responsible. All Reserve Funds collected by the Association shall be deposited into one (1) or more Reserve Accounts.

(a) *Annual Budget; Delivery to Membership.* The Board shall annually determine and fix the amount of the Annual Assessments against the Lots and shall notify the Owners of the Lots, in writing, as to (i) the amount of the Annual Assessments and (ii) the fractional payment cycle for the Annual Assessment (e.g., quarterly or monthly). The written notice shall be provided to Owners not less than thirty (30) days prior to the date that such Annual Assessments are to commence. Along with such notification, the Board shall provide the Owners with a proposed budget for the next fiscal year. In addition to including amounts for the estimated common expenses and cash requirements of the Association, each budget shall also provide for such other amounts required under the Project Documents, including, without limitation, Reserve Funds in such amounts as shall be determined by the Board to

be reasonably adequate, taking into account the number and nature of replaceable property within the Common Areas and other areas for which the Association is responsible, the expected life of such item and each item's expected repair or replacement cost. Not later than sixty (60) days following the meeting of the Board at which the Board adopts the annual budget for the year in question, the Board shall cause a copy of the budget and statement of the amount of the Annual Assessments to be levied against the Lots for the fiscal year in question to be delivered or mailed to the Owners. In the event the Board fails to adopt a budget for any fiscal year prior to commencement of the fiscal year, then until and unless a budget is adopted, the budget (and the amount of the Annual Assessments provided for therein) for the year immediately preceding shall remain in effect.

(b) *Initial Annual Assessment.* For the first three (3) years following the date of this Declaration, the amount of the Annual Assessments shall be ~~three hundred dollars ($300)~~ $900 ~~or twenty-five dollars ($25)~~ $75 per month which shall be billed quarterly in arrears. Thereafter, the Board shall annually determine and fix the amount of the Annual (calendar year) Assessment against each Lot or Parcel, excluding those owned by Declarant while there is a Class B Membership. The Annual Assessment shall be prorated based on the number of months remaining before December 31 of such year as well as any partial months remaining.

AMENDED

(c) *Maximum Increase in Annual Assessments.* Except as to the first Annual Assessments, the Annual Assessments may be neither increased by more than twenty percent (20%) above, nor decreased by more than twenty percent (20%) below the Annual Assessments for the previous year, without the vote or written consent of sixty-seven percent (67%) of the membership present and voting at a meeting at which a quorum equal to ten percent (10%) of the Members are present in person or by proxy. Notwithstanding the foregoing, the Board may, without the approval of the Members, increase the maximum Annual Assessments for any fiscal year by an amount sufficient to permit the Board to cover any increase over the preceding fiscal year for: (i) premiums for any insurance coverage required by the Declaration to be maintained by the Association; (ii) taxes on the Common Areas; or (iii) charges for utility services necessary to the Association's performance of its obligations under this Declaration. If item (i), (ii) or (iii) in the preceding sentence results in an increase in the maximum Annual Assessments, such increase shall be permitted notwithstanding the fact that the resulting increase in maximum Annual Assessments is at a rate greater than otherwise permitted by the preceding portions of this Section. Increases in Annual Assessments shall be subject to any limitations imposed by A.R.S. § 33-1803 or other law as such may be amended from time to time.

(d) *Due Dates.* Unless otherwise determined by the Board, Assessments shall be due and payable within fifteen (15) days of assessment thereof. Assessments shall be deemed "paid" when actually received by the Association or by its designated manager or agent (but if any Assessments are paid by check and the bank or other institution upon which such check is drawn thereafter dishonors and refuses to pay such check, those Assessments shall not be deemed "paid" and shall remain due and payable with interest accruing from the date such Assessments were originally due).

(e) *Reserve Studies.* Reserves may be funded from Assessments, the Reserve contribution fee paid pursuant to Section 4.6, or any other revenue of the Association. The Board shall periodically obtain Reserve studies and updates to assist the Board in determining an appropriate amount for Reserves for the Association; provided, however, (i) no such report or study shall be required until at least three (3) years have elapsed following the date

Assessments begin to accrue; and (ii) the results of any such studies and reports shall be advisory only and the Board shall have the right to provide for Reserves which are greater or less than those shown in the study; and (iii) in establishing Reserves for the Association, in addition to the recommendations of any such studies or reports and other relevant factors, the Board may take into account (A) the amount of Annual Assessments for the Property as compared to other comparable developments; (B) the past occurrences of required repairs at the Property; and (C) projected funds available to the Association pursuant to the working capital fees, initiation fees and Reserve contributions paid pursuant to this Declaration.

(f) *Exemption.* During the Declarant Control Period and notwithstanding anything to the contrary contained herein, Declarant, shall not be required to pay any Assessments for Lots owned by Declarant, but instead may pay the operating deficiencies of the Association as set forth below. Upon the termination of the Declarant Control Period, all Members shall pay the Assessments for Lots as are payable for Lots owned by Class A Members. If a Lot ceases to qualify for the exemption granted herein to Declarant during the period for which Assessments are attributable, the Assessments shall be prorated between the applicable rates on the basis of the number of months in the applicable period that Lots owned by Declarant qualified for each rate.

(g) *Obligation for Deficiencies.* During the Declarant Control Period, Declarant, shall pay or contribute to the Association cash as may be necessary to make up any budget shortfalls, which contribution shall be based upon the number of Lots owned by Declarant as of the end of the period for which the deficiency has been calculated, which period shall be determined by the Board in its sole discretion (hereinafter referred to as "Deficiency Assessments"). The Deficiency Assessments shall not exceed the Annual Assessments or pro rata portion thereof that would be payable by an Owner other than Declarant. Declarant may at any time in its sole discretion elect to cease paying the Deficiency Assessment, if any, and to pay instead the full Annual Assessment. Amounts paid directly by Declarant to the Association's creditors, or assets purchased by Declarant for the Association, or amounts paid for services rendered by Declarant, or affiliates for the benefit of the Association that otherwise would have been an expense of the Association, shall apply against the obligations of Declarant to pay all or a portion of such Association deficiency. Any deficiency to be paid by Declarant under this Article may be in the form of "in-kind" contributions of goods or services, or in any combination of the foregoing, and any "in-kind" contributions of goods or services shall be valued at the fair market value of the goods or services contributed.

4.3 SURPLUS FUNDS. The Association shall not be obligated to spend in any year all the Assessments and other sums received by it in such year, and may carry forward as surplus any balances remaining. The Association shall not be obligated to reduce the amount of the Annual Assessments in the succeeding year if a surplus exists from a prior year, and the Association may carry forward from year to year such surplus as the Board in its discretion may determine to be desirable for the greater financial security of the Association and the accomplishment of its purposes.

4.4 WORKING CAPITAL FUND. To insure that the Association shall have adequate funds to meet its expenses or to purchase necessary equipment or services, each Purchaser of a Lot shall pay to the Association immediately upon becoming the Owner of the Lot a sum established by the Board.

AMENDED

$150.00

4.5 RESERVE CONTRIBUTION. Each Purchaser of a Lot shall pay to the Association immediately upon becoming the Owner of the Lot a sum established by the Board as a contribution to the

Association's Reserves. All amounts paid pursuant to this Section shall be paid by the Association into the Reserve Account to fund future major repair and replacements of Property owned by the Association or Areas of Association Responsibility that are otherwise required to be maintained by the Association. Funds shall be drawn from the Reserve Account by resolution of the Board and used for the aforementioned purpose.

4.6 SPECIAL ASSESSMENTS. In addition to the Annual Assessments authorized above, the Association may levy, in any fiscal year, Special Assessments applicable to that fiscal year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital Improvement of the Areas of Association Responsibility, including fixtures and personal Property related thereto, or for any other lawful Association purpose.

4.7 INFRACTION ASSESSMENTS. The Board may, in its discretion, levy infraction Assessments against a Lot for uncured violations of the restrictive covenants contained herein, provided that the Association must follow the due process provisions of the Bylaws.

4.8 EFFECT OF NONPAYMENT OF ASSESSMENTS; REMEDIES OF THE ASSOCIATION. The Association shall have a lien on each Lot for: (a) all Assessments levied against the Lot or the Owners, and (b) any other amounts payable to the Association pursuant to the Project Documents, subject to A.R.S. § 33-1807, as amended from time to time. Such lien shall be prior and superior to all other liens affecting the Lot in question, except (a) taxes, bonds, Assessments and other levies which, by law, are superior thereto, and (b) the lien or charge of any First Mortgage made in good faith and for value. Such liens may be foreclosed in the manner provided by law for the foreclosure of mortgages. The sale or transfer of any Lot pursuant to a mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of the Assessments as to payments which became due prior to such sale or transfer, but shall not relieve such Lot from liability for any Assessments becoming due after such sale or transfer, or from the lien thereof. The Association shall have the power to bid for any Lot at any sale to foreclose the Association's lien on the Lot, and to acquire and hold, lease, mortgage and convey the same. During the period the Lot is owned by the Association, no right to vote shall be exercised with respect to that Lot and no Assessment shall be assessed or levied on or with respect to that Lot, provided, however that the Association's acquisition and ownership of a Lots shall not be deemed to convert the same into Common Areas. Recording of this Declaration constitutes record notice and perfection of the liens established hereby, and further recordation of any claim of a lien for Assessments or other amounts hereunder shall not be required, whether to establish or perfect such lien or to fix the priority thereof, or otherwise (although the Board shall have the option to record written notices of claims of lien in such circumstances as the Board may deem appropriate).

The Board may invoke any or all of the sanctions provided for herein or in this Declaration, or any other reasonable sanction, to compel payment of any Assessment (or installment thereof), or any other amount payable to the Association under the Project Documents, which is not paid when due (a "Delinquent Amount"). Such sanctions include, but are not limited to, the following:

(a) *Interest and Late Fees.* The Board may impose late fees for payment of any Delinquent Amount that is not made within fifteen (15) days of the due date, and interest in such amounts as it determines are appropriate from time to time, subject to any limitations stated herein or imposed by law which such amounts shall be secured by the aforementioned liens;

(b) *Suspension of Rights.* The Board may suspend for the entire period during which a Delinquent Amount remains unpaid the obligated Owner's voting rights, rights to use and

enjoy the Common Areas, and other Membership rights as provided herein, in accordance with the procedures that conform to Arizona law;

(c) *Collection of Delinquent Amount.* The Board may institute an action at law for a money judgment or any other proceeding to recover the Delinquent Amount to the fullest extent permitted by law;

(d) *Recording of Notice.* Subject to applicable law, the Board may record a notice of lien covering the Delinquent Amount plus interest and accrued collection costs as provided in this Declaration. The Board may establish a fixed fee to reimburse the Association or its representative for the cost of recording the notice, processing the delinquency, and recording a notice of satisfaction of the lien; and

(e) *Foreclosure of Lien.* The Board may foreclose the recorded lien against the Lot in accordance with the prevailing Arizona law relating to the foreclosure of realty mortgages (including the right to recover any deficiency).

It shall be the duty of every Owner to pay all Assessments and any other amount payable with respect to the Owner's Lot in the manner provided herein. Such Assessments and other amounts, together with interest, late fees, attorneys' fees, and costs of collection as provided for herein, shall, until paid, be a charge and continuing servitude and lien upon the Lot against which such Assessments and other amounts are made, provided, however, that such lien shall be subordinate to only those matters identified in this Declaration. The Association and the Board shall have the authority to exercise and enforce any and all rights and remedies provided for in this Declaration or the Bylaws, or otherwise available at law or in equity for the collection of all unpaid Assessments or other amounts payable to the Association, interest thereon, costs of collection thereof and reasonable collection agency fees and attorneys' fees.

4.9 TRANSFER FEE ADDED

ARTICLE 5
PERMITTED USES AND RESTRICTIONS

5.1 COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS APPLICABLE TO THE PROPERTY. The covenants, conditions, restrictions and reservations of easements and rights contained in this Article 5 shall apply to all portions of the Property (unless otherwise specifically indicated) and the Owners thereof.

5.2 RESTRICTIONS ON FURTHER PROPERTY RESTRICTIONS. No further covenants, conditions, restrictions or easements shall be recorded by any Owner, Resident, occupant or other Person against any Lot without the provisions thereof having been first approved in writing by the Board and, during the Declarant Control Period, Declarant. Any covenants, conditions, restrictions or easements recorded without such approval being evidenced thereon shall be null and void.

5.3 HEALTH, SAFETY AND WELFARE. In the event any uses, activities and facilities on any Lot are deemed by the Board to be a nuisance or to adversely affect the health, safety or welfare of Owners, the Board may make rules restricting or regulating such uses within the Property, or may direct the Architectural Committee to make rules governing such uses on Lots as part of the Association Rules and/or Architectural Guidelines.

5.4 RESIDENTIAL USE. All Lots and Dwelling Units within the Project shall be used, improved and devoted exclusively to Single Family Residential Use. No gainful occupation, profession trades or other nonresidential use shall be conducted on any Lot. No trade or business may be conducted on

any Lot, except that an Owner or Resident may conduct a business activity within a Dwelling Unit so long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Dwelling Unit; (ii) the business activity conforms to all applicable zoning ordinances or requirements for the Project; (iii) the business activity does not involve Persons coming on to the Lot for purposes other than U.S. Mail or normal, infrequent parcel delivery; (iv) the business activity does not involve the door-to-door solicitation of Owners or other Residents in the Project; (v) the business activity does not violate any provision of this Declaration, the Architectural Guidelines, or the Association Rules; and (vi) the business activity is consistent with the residential character of the Project and does not constitute a nuisance or a hazardous or offensive use or threaten security or safety of other Residents in the Project, as may be determined from time to time in the sole discretion of the Board. The terms "business" and "trade" as used in this Section shall be construed to have ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to Persons other than the provider's family and for which the provider receives a fee, compensation of other form of consideration, regardless of whether (i) such activity is engaged in full or part time, (ii) such activity is intended to or does generate a profit, or (iii) a license is required for such activity. The leasing of an entire Dwelling Unit by the Owner thereof shall not be considered a trade of business within the meaning of this Section.

5.5 ANIMALS. No animals, birds, foul, poultry, or livestock, other than a reasonable number of generally recognized house or yard pets, shall be maintained on any Lot and then only if they are kept or raised thereon solely as domestic pets and not for commercial purposes. No animal shall be allowed to make an unreasonable amount of noise, or to become a nuisance. No structure for the care, housing, or confinement of any animal shall be maintained so as to be Visible From Neighboring Property. Upon the written request of any Owner, the Board shall conclusively determine, in its sole and absolute discretion, whether for the purposes of this Section, a particular animal is a generally recognized house or yard pet, or nuisance, or whether the number of animals on any such Property is reasonable. Any decision rendered by the Board shall be enforceable to the same extent as other restrictions contained in this Declaration.

5.6 UTILITY AND DRAINAGE EASEMENTS. No lines, wires, 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 Lot unless the same shall be contained in conduits or cables installed and maintained underground or concealed in, under or on buildings or other structures, unless otherwise approved by the Board or the Declarant.

5.7 TEMPORARY OCCUPANCY. No trailer, basement of any incomplete building, tent, shack, garage or barn, and no temporary buildings or structure of any kind shall be used at any time for a residence on any Lot, either temporary or permanent. Except for temporary buildings, trailers or other structures used by Declarant or approved in writing by Declarant, temporary buildings, trailers or other structures used during the construction or modification of Improvements approved by the Architectural Committee shall be removed immediately after the completion of such construction or modification, and in no event shall any such buildings, trailers or other structures be maintained or kept on any Property for a period in excess of twelve (12) months without the prior written approval of the Architectural Committee.

5.8 TRAILERS AND MOTOR VEHICLES. No semi-truck, any truck or other vehicle having a load capacity more than one (1) ton commercial vehicles or recreational vehicles (including, without limitation, campers, motor homes, boats, trailers of any kind, mobile homes, or similar type vehicles) shall be parked in front of a Lot or Parcel, in a front driveway, or on the streets within the Community or otherwise on a Lot or Parcel where it can be seen from any street, except for

temporary parking only, not exceeding twenty-four (24) consecutive hours during each three (3) month period. Commercial vehicles shall not include (i) sedans or standard size pickup trucks which are used both for business and personal use, provided that any signs or markings of a commercial nature on such vehicles shall be unobtrusive and inoffensive as determined by the Architectural Review Committee, or (ii) those public service and public safety emergency vehicles that cannot be prohibited from parking on a street or driveway by applicable law.

No vehicles (including commercial vehicles and recreational vehicles) or other mechanical equipment may be dismantled or repaired (except for ordinary maintenance and repair of such vehicles and equipment inside an enclosed garage, and emergency repairs elsewhere for a time period not exceeding seventy-two (72) hours) or allowed to park or accumulate on any Lot or Parcel, or in front of any Lot or Parcel or on any roadway, or over parked or used on any Common Area for a time period not exceeding seventy-two (72) hours, except as required by the Association for it to perform its duties hereunder. No vehicle which is abandoned or inoperative, or not currently licensed for street use, shall be stored or kept on any Lot or Parcel or in front of a Lot or Parcel on any roadway, in such manner as to be Visible from Neighboring Property, or on any Common Area.

5.9 NUISANCES. No nuisance shall be permitted to exist or operate upon any Lot so as to be offensive or detrimental to any other Property in the vicinity thereof or to its occupant or which shall in any way interfere with the quiet enjoyment of each of the Owners of their respective Lots and Dwelling Units. Without limiting the generality of the forgoing provisions, no horns, whistles, bells or other sound devices, except fire detection and security devices used exclusively for such purposes, shall be located, used or placed on the exterior of any Dwelling Unit. No loud, noxious, or offensive activity shall be carried on or permitted on any Lot, nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to Persons or Property in the vicinity of such Lot, or which shall interfere with the quiet enjoyment of each of the Owners and Residents. Owners shall not allow any standing bodies of water to accumulate on their Lot, including, but not limited to, neglected pools, spas, or water features, that could become breeding environments for mosquitoes or other insects. The Board shall have the right to determine, in its sole discretion, whether the provisions of this Section 5.9 have been violated. Any decision rendered by the Board shall be enforceable and be binding in the same manner as other restrictions in this Declaration. Nothing contained in this Section 5.9 shall be construed to prevent the construction, installation, sales, or marketing by Declarant of any Dwelling Units on any Lot within the Property.

5.10 CONSTRUCTION ACTIVITIES. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot and no odors shall be permitted to arise or emit therefrom so as to render any such Property or any portion thereof, or activity thereon, unsanitary, unsightly, offensive or detrimental to any other Lot in the vicinity thereof or to the occupants of such other Lot. No other nuisance shall be permitted to exist or operate upon any Lot so as to be offensive or detrimental to any other Property in the vicinity thereof or to its occupants. Temporary toilets shall be located in reasonable proximity to each Lot upon which construction has commenced and shall be maintained in such locations during the entire course of such construction, and all construction workers shall be required to use such toilets. Such toilets shall be maintained in presentable, safe, clean, sanitary and odor-free condition and removed immediately after completion of construction. Normal construction activities and parking in connection with the building of Improvements on a Lot shall not be considered a nuisance or otherwise prohibited by this Declaration, but all Lots shall be kept in a neat and tidy condition during construction periods, trash and debris shall not be permitted to accumulate and supplies of brick, block, lumber and other building materials shall be piled only in such areas as may be approved by the Architectural Committee. All trash and construction debris shall be immediately deposited in an enclosed metal container maintained by the Owner on the Lot. Such container shall be emptied with sufficient frequency to prevent the

accumulation of trash and debris. Each Owner shall be responsible for immediately removing any dirt, mud or debris collecting in the streets as a result of the Owner's construction activities. In addition, any construction equipment and building materials stored or kept on any Lot during construction of Improvements may be kept only in areas approved by the Architectural Committee. The Architectural Committee may also require screening of said storage areas. The Board, in its sole discretion, shall have the right to determine the existence of any such nuisance.

5.11 REPAIR OF BUILDINGS. No building, landscaping or other Improvement upon any Lot shall be permitted to fall into disrepair, and each such building, landscaping or other Improvement shall at all times be kept in good condition and repair and adequately painted or otherwise finished as designated by published guidelines of the Board and/or Architectural Committee. In the event a Dwelling Unit, building, landscaping or other Improvement falls into disrepair, the Board may give notice thereof to the Owner to commence repair of such Dwelling Unit, building, landscaping or other Improvement within fourteen (14) days of mailing of such notice. If at the expiration of the fourteen (14) day period the repair of such building, landscaping or other Improvement has not commenced or if it has commenced and is not thereafter diligently pursued to completion, the Board shall be authorized and empowered to cause such repair to occur and the cost thereof shall be added to, and become a part of, the Assessment to which the offending Owner and the Owner's Lot is subject, and shall be secured by a lien against such Lot.

5.12 TRASH CONTAINERS AND COLLECTION. No garbage, rubbish or trash shall be placed or kept on any Lot except in covered containers. In no event shall such containers be stored or maintained so as to be Visible From Neighboring Property except to make the same available for collection and such containers shall not be made available for collection more than twenty four (24) hours in advance of collection and shall be returned no later than twenty four (24) hours after collection. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot, and no odors shall be permitted to arise therefrom so as to render any such property or any portion thereof unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. No incinerators shall be kept or maintained on any Lot.

5.13 SCREENING AND FENCING. All clotheslines, woodpiles, storage areas, machinery and equipment shall be prohibited upon any Lot, except in the rear yard and unless they are erected, placed or maintained in such a manner as to not be Visible From Neighboring Property.

5.14 ENCROACHMENTS. No tree, shrub, or planting of any kind on any Lot shall be allowed to overhang or otherwise to encroach upon any sidewalk, street, pedestrian way, or other adjacent area (including, without limitation, Common Areas and adjacent Lots) from ground level to a height of eight (8) feet without prior approval from the Architectural Committee.

5.15 MACHINERY AND EQUIPMENT. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Lot except such machinery or equipment as is usual and customary in connection with the use, maintenance or repair of a Dwelling Unit, appurtenant structures, or other Improvements constructed by the Declarant or approved by the Architectural Committee.

5.16 RESTRICTION ON FURTHER SUBDIVISION. No Lot shall be further subdivided or separated into smaller Lots or parcels by any Owner other than the Declarant, and no portion less than all of any such Lot or an undivided interest in all of any such Lot shall be conveyed or transferred by any Owner other than the Declarant.

5.17 SIGNS. No signs whatsoever which are Visible From Neighboring Property shall be erected or maintained on any Lot except:

(a) Signs required by legal proceedings and signs that must be permitted by law;

(b) No more than two (2) identification signs for individual Dwelling Units, each with a face area of seventy-two square inches (72") or less;

(c) Signs and notices erected or posted in connection with the provision of building security with a face area of seventy-two square inches (72") or less;

(d) Promotional and advertising signs of Declarant on any Lot; and

(e) Such other signs (including, but not limited to, construction job identification signs, builder identification signs and subdivision identification signs) which are in conformance with the applicable requirements of all applicable governmental agencies and which are permitted by Declarant during the Declarant Control Period or, thereafter, have approved in advance and in writing by the Architectural Committee as to size, color, design, message content, and location.

5.18 MINERAL EXPLORATION. No Lot shall be used in any manner to explore for or to remove any water, oil or other hydrocarbons, minerals of any kind, gravel, earth, or any earth substance of any kind and no derrick or other equipment designed or intended for any such activity shall be erected, placed, constructed or maintained on any Lot.

5.19 COMMON WALLS. Common walls are walls or fences separating the yards between two (2) Lots or one or more Lots and a portion of the Areas of Association Responsibility, which do not constitute a portion of a Dwelling Unit. The rights and duties of Owners of Lots with respect to common walls shall be as follows:

(a) The Owners of contiguous Lots who have a common wall shall both equally have the right to use such wall provided that such use by the Owner does not interfere with the use and enjoyment of same by the other Owner;

(b) In the event that any common wall is damaged or destroyed through the act of an Owner, or its agents, tenants, licensees, guests or family (whether or not such act is negligent or otherwise culpable), it shall be the obligation of such Owner to promptly rebuild and repair the common wall without cost to the other Owner or Owners and such Owner shall rebuild and repair the common wall such that it matches all adjacent walls in look, finish and color;

(c) In the event any such common wall is damaged or destroyed by some cause other than the act of one of the adjoining Owners, its agents, tenants, licensees, guests or family (including wind damage, ordinary wear and tear and deterioration from lapse of time) then, in such event, both such adjoining Owners shall promptly proceed to rebuild or repair the same to as good a condition as formerly at their joint and equal expense;

(d) In addition to meeting the other requirements of this Declaration and of any other building code or similar regulations or ordinances, any Owner proposing to modify, make additions to or rebuild a common wall shall first obtain the written consent of the adjoining Owners. In the event any common wall encroaches upon a Lot or the Common Area, a valid easement for such encroachment and for the maintenance of the common wall shall and

does exist in favor of the Owners of the Lots that share such common wall or in favor of the Association to the extent the common wall encroaches upon a Lot.

5.20 OUTDOOR BURNING. There shall be no outdoor burning of trash or other debris; provided, however, that the foregoing shall not be deemed to prohibit the use of normal residential barbecues or other similar outside cooking grills, or typical residential outdoor fireplaces, so long as such activities only take place in the rear yard.

5.21 SOLAR COLLECTORS; ANTENNAS; SATELLITE DISHES. Solar collectors and related equipment may be installed on roofs of houses or located elsewhere on the Lots not Visible from Neighboring Property with the prior written approval from the Architectural Review Committee prior to installing the same, subject to applicable laws and legal requirements (including without limitation under A.R.S. § 33-1816). The Association, through the Architectural Review Committee, may from time to time adopt reasonable rules or guidelines concerning the types of solar collectors and related equipment which may be installed in the Community and acceptable means of installation therefor, subject to applicable laws and legal requirements.

5.22 GARAGES AND DRIVEWAYS. The interior of all garages situated on any Lot shall be maintained in a neat, clean and sightly condition. Garages shall be used only for the parking of vehicles and the storage of normal household supplies and material and shall not be used or converted for living quarters or recreational activities, except that Declarant may use a garage in one (1) or more model homes for a sales office and/or a construction office.

5.23 LEASING RESTRICTIONS. For purposes of this Section 5.24, a lease is defined as any occupancy of the Dwelling Unit (whether or not money is exchanged) by anyone other than: (a) the Owner, (b) the Owner's spouse, (c) the Owner's or the Owner's spouse's children or parents, (d) any individuals living with the Owner who are maintaining a common household with the Owner, or (e) guests of an Owner residing with the Owner of the Lot. No Owner may lease less than his, her or its entire Lot. Any lease must be in writing and be subject to the requirements of the Project Documents. No Lot may be leased for a period of less than six (6) consecutive months. Each Owner who rents a Lot or his Dwelling Unit thereon is required to advise the Board within fifteen (15) days of the effective date of the lease therefor and must provide the Association the following information (including upon any renewal or lease extension): (a) name of tenant, (b) date and term of the lease, and (c) current address of the Owner. Failure to provide the Association with such information is a violation of this Declaration. The Association shall have the right to charge an administrative fee in connection with the Association's record keeping for each new lease.

5.24 LANDSCAPING. All landscaping shall be completed in accordance with all applicable statutes, ordinances and/or the Architectural Guidelines, whichever is most restrictive. Except as expressly provided herein or approved by the Architectural Committee, landscaping on the Property shall be consistent with the character of the native desert environment surrounding the Project, and shall comply with the provisions of the Architectural Guidelines relating to permitted and prohibited plants, and with all applicable native plant preservation regulations of the Mohave County and the State of Arizona. Front yard landscaping shall be completed by the Owner of the applicable Lot within ninety (90) days from the date of the initial close of escrow, and rear yard landscaping shall be completed by the Owner of the applicable Lot within one hundred and eighty (180) days from the date of the initial close of escrow. All Owners must obtain the prior written approval of the Architectural Committee before installing such landscaping. In the event an Owner fails to complete such landscaping within said time period, the Board may by resolution make a finding to such effect and pursuant thereto give notice thereof to such Owner that unless the landscaping is

commenced within fourteen (14) days after receipt of the notice and thereafter diligently pursued to completion, the Board may cause such landscaping to be completed at such Owner's expense. If, at the expiration of said fourteen (14) day period of time, such landscaping has not been commenced and thereafter diligently pursued to completion, the Board shall be authorized and empowered to cause such landscaping to be completed and the cost thereof shall be added to, and become a part of, the Assessment to which the offending Owner and the Owner's Lot is subject, and shall be secured by a lien. Following the installation of the initial front and rear yard landscaping, any alterations to the landscaping Improvements located on a Lot must be approved in writing by the Architectural Committee prior to installation or modification.

AMENDED 5.25 OUTDOOR LIGHTING. All exterior lighting not installed by or on behalf of the Declarant must receive prior written approval from the Architectural Committee. DARK SKY POLICY

5.26 PARKING. All vehicles of Owners and Residents and of their lessees, employees, guests, and invitees shall be kept in garages or residential driveways wherever and whenever such facilities are sufficient to accommodate the number of vehicles on a Lot; provided, however, this section shall not be construed to permit the parking in the above described areas of any vehicle whose parking is otherwise prohibited by this Declaration or the parking of any inoperable vehicle.

5.27 DECLARANT'S EXEMPTION. Nothing contained in this Declaration, the Architectural Guidelines, or the Association Rules shall be construed to prevent or materially impair the erection, operation, maintenance, replacement and repair by Declarant, or its duly authorized agents, of structures, Improvements, or signs necessary or convenient to the development, administration, management, sale, operation, maintenance and repair of model homes, Dwelling Units, or other Property within the Property. Without limiting the generality of the forgoing, the Declarant shall be exempt from the requirements of all architectural control provisions contained herein or in the Articles or Bylaws. Any provisions of this Declaration which prohibit non-residential use of Lots and regulate parking and vehicles shall not prohibit the construction and operation of model homes (including, without limitation, any use in whole or in part for sales offices, construction offices, parking or flags, banners or signs used in connection with sales or construction) (collectively, the "Models") by Persons engaged by Declarant for the construction of homes on the Property and parking available to the visiting of such Models so long as construction, operation and maintenance will otherwise comply with all of the provisions of this Declaration. The Declarant may also permit Lots in other areas to be used for parking in connection with the showing of Models. Any homes or other structures constructed as Models shall cease to be used as Models at any time that the Owner thereof is not actively engaged in the construction and sale of homes within the Property or within other properties being developed by Declarant within a reasonable proximity to the Property regardless of whether such other properties are part of this Association. Neither the provisions of this Section nor the provisions of any other Section in this Declaration shall restrict or prohibit the right of Declarant or an affiliate of Declarant to construct, operate and maintain Models within the Property.

5.28 CONNECTION OF FENCES + WALLS ADDED

ARTICLE 6
EASEMENTS

6.1 UTILITY EASEMENT. There is hereby created a (a) blanket easement upon, across, over and under the Common Area and (b) limited, specific easement over and through those portions of the Property shown as public utility easement areas (or shown with a similar designation) on the Plat, for ingress, egress, installation, replacing, repairing and maintaining all utilities approved by the Declarant, or the Board, including, but not limited to, water, sewer, gas, telephone, electricity and a cable television system. By virtue of this easement, it shall be expressly permissible for the providing utility to erect and maintain any necessary facilities and equipment on the Common Area.

This easement shall in no way affect any other recorded easements on the Common Area. Notwithstanding anything to the contrary contained in this Section, no sewers, electrical lines, water lines, or other utility or service lines may be installed or relocated within the Property except as initially created or approved by the Declarant without the prior written approval of, in the case of a Common Area, the Association and the Architectural Committee or, in the case of a Lot, the Owner of such Lot and the Architectural Committee.

6.2 EASEMENTS FOR INGRESS AND EGRESS. Easements for ingress and egress are hereby reserved to the Declarant, the Owners, and their families, guests, tenants and invitees for pedestrian traffic over, through and across sidewalks, paths, walks and lanes: (a) as the same from time to time may exist upon the Common Area, (b) as depicted on the Plat, and (c) for such other purposes reasonably necessary to the use and enjoyment of a Lot or the Common Area.

6.3 ASSOCIATION'S RIGHT OF ENTRY. During reasonable hours, any member of the Architectural Committee, any member of the Board, or any authorized representative of the Association or Architectural Committee (including, without limitation, a managing agent) shall have the right to enter upon and inspect any Lot, excluding the interior of any Dwelling Unit located thereon, for the purpose of making inspections to determine whether the provisions of this Declaration, the Association Rules, and the Architectural Guidelines are being complied with by the Owner of said Lot.

6.4 ASSOCIATION'S EASEMENT FOR PERFORMING MAINTENANCE RESPONSIBILITIES. The Association shall have an easement upon, across, over and under the Common Area and the Lots for the purpose of repairing, maintaining and replacing the Areas of Association Responsibility and for performing all of the Association's other rights, duties and obligations under the Project Documents.

6.5 DECLARANT'S EASEMENT. An easement is hereby reserved by the Declarant over the Lots and Tracts for the purpose of constructing, maintaining, and/or repairing all Dwelling Units and other Improvements. Declarant may make limited temporary assignments of its easement rights to any Person performing construction, installation, or maintenance on any portion of the Property.

6.6 USE AND DRAINAGE. Each Lot shall be subject to an easement for the drainage and/or retention of water from other Lots, Common Area or other property in accordance with the drainage plans for the Property or for any Lot as shown on the Plat or the drainage plans on file with Mohave County or any other applicable governmental authority. Such easement shall include, without limitation, those Lots subject to any drainage easement described in the Plat, those Lots receiving the runoff from roofs and drainage under and through garden walls, and those Lots where water flows from such Lot under or through one (1) or more other Lots. No Owner may alter or change such easement area including, without limitation, impeding, diverting, altering, or otherwise changing the drainage, the drainage flow, or the finished grade of such Owner's Lot, without the prior written consent of the Architectural Committee and any applicable governmental authority. Without limiting the generality of the foregoing, it is Declarant's intention that there shall be no interference with the Established Drainage pattern over any Lot, Common Area, or other real property within the Property unless the prior written approval of the Architectural Committee and all applicable governmental authorities is obtained. For purposes hereof, "Established Drainage" shall mean the drainage that exists at the time the overall grading of the Property is completed, or which is on any plans conforming to all governmental agency rules, regulations, and ordinances. No fence, wall, or other structure shall be constructed along Lot lines in such a manner as to obstruct the natural flow of drainage across Lot lines except as authorized by the Architectural Committee and all applicable governmental authorities.

6.7 NO LIABILITY. In no event is Declarant making any representation or warranty regarding the adequacy of any drainage onto or off of any Lot, Common Area or other part of the Property and Declarant is assuming no responsibility or liability for drainage of water over, under, or across the Lots, Common Area or any other part of the Property (whether such drainage is from neighboring property or other parts of the Property) nor for any damage, loss, costs, expenses or fees incurred as a result of any debris, silt, erosion, or other incidental consequences thereof.

ARTICLE 7
PROPERTY RIGHTS

7.1 OWNERS' EASEMENT OF ENJOYMENT. Every Owner, and each Person residing with such Owner, shall have a right and easement of enjoyment in and to the Common Area. Said easement shall be appurtenant to and shall pass with the title to every Lot subject to the following provisions:

(a) The right of the Association to adopt reasonable rules and regulations governing the use of the Common Area and facilities located thereon, including without limitation hours of use;

(b) The right of the Association to suspend the rights of an Owner (and such Owner's family, tenants and guests) to use the recreational facilities located on the Common Area for any period during which any Assessment against such Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of the Project Documents;

(c) The right of the Association to dedicate or transfer (including, but not limited to, mortgage) all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members; provided, however, that (1) no such dedication or transfer (except utility easements) shall be effective unless evidenced by an instrument signed by at least two-thirds (2/3) of each class of Members, and (2) all such dedications and transfers shall be subject to easements in favor of Owners for ingress and egress through the Common Area to their respective Lots;

(d) The right of Declarant, and their agents and representatives, in addition to the rights set forth elsewhere in this Declaration, to the non-exclusive use, without charge, of the Common Area for maintenance of sales and leasing facilities, display and exhibit, and such other purposes as are determined by Declarant in its sole and absolute discretion;

(e) The right of the Association to charge reasonable Use Assessments for the use of the Common Areas or any facilities constructed thereon. Any such Use Assessments shall be set by the Board from time to time, in its discretion. Use Assessments shall be charged only for actual entry upon or utilization of those Common Areas determined by the Board to be subject thereto;

(f) The right of the Association to change the use of the Common Areas in accordance with this Declaration;

(g) The use of the entry facilities, including entry gates and private streets within the Property by Declarant and its affiliates and designees; and

(h) The right of the Association to change the size, shape or location of Common Areas, to exchange Common Areas for other lands or interests therein which become Common Areas

and to abandon Common Areas so long as, in each case, the change does not conflict with Mohave County's, the City of Chandler's, or any other applicable governmental authority's intended use of the Property and, either (i) the Board determines that the Members are not materially or adversely affected, or (ii) two-thirds (2/3) of each class of Memberships have executed an instrument agreeing to such change in size, shape or location, exchange or abandonment.

7.2 LESSEES. If a Lot is leased or rented by the Owner thereof, the lessee and Members of such lessee's family residing with such lessee shall have the right to use the Common Area during the term of the lease.

7.3 GUESTS AND INVITEES. The Board shall have the right to regulate and limit the use of the Common Area by guests and invitees of Owners and Residents.

7.4 PRIVATE STREETS. The streets within the Property, as more particularly described in the Plat, are owned by the Association. Accordingly, the Declarant or the Association:

(a) shall have the right, as set forth in Section 7.5 below, to install access control structures within the medians of the private access ways shown on the Plat at the entrances to the Property, or portions thereof, which the Declarant or the Association, as appropriate, may, in such party's sole and absolute discretion, staff with personnel;

(b) the personnel shall have the right to stop any Person entering the Property to inquire as to the Person's purposes for entering the Property; and

(c) the personnel shall have the right to prohibit a person's access to the Property where such Person has no legitimate reason, in the reasonable discretion of such personnel, to access the Property.

7.5 GATED ENTRY. Declarant or Association may, in its sole discretion, construct one (1) or more gated entries for pedestrian and automobile access on one or more private streets leading into the Property to limit access and to provide more privacy for the Owners and Residents; however, there is no guarantee that such gated entries will provide security and safety to all Owners, Residents, and their respective families, guests and invitees. Each Owner and Resident, for themselves and on behalf of their families, guests and invitees, acknowledge and assume the risks that the gated entries may restrict or delay entry into the Property by the police, fire department, ambulances and other emergency vehicles or personnel, and that the pedestrian gates will not keep all unauthorized pedestrians out of the Property. Neither Declarant, the Association, nor any director, officer, agent or employee of Declarant or the Association shall be liable to any Owner or Resident, or their families, guests or invitees, for any claims or damages resulting, directly or indirectly, from the construction, existence, operation, failure of operation, or maintenance of the gated entries and/or delays caused by reason of restricted access to the Property and the Lots therein or the entry of unauthorized pedestrians into the Property.

ARTICLE 8
MAINTENANCE

8.1 MAINTENANCE OF AREAS OF ASSOCIATION RESPONSIBILITY BY THE ASSOCIATION. The Association, or its duly delegated representative or Affiliate, shall manage, maintain, repair, and replace the Common Area and all Improvements located thereon and any public rights-of-way, except the Association shall not be obligated to maintain areas which any

governmental entity or any utility company is maintaining or is obligated to maintain. The Association, or its duly delegated representative, shall manage, maintain, repair, and replace the entrance gate and landscaping. The Board shall be the sole judge as to the appropriate maintenance of all Common Area and other properties maintained by the Association. Any cooperative action necessary or appropriate to the proper maintenance and upkeep of said properties shall be taken by the Board or by its duly delegated representative.

8.2 MAINTENANCE OF LOTS BY OWNERS. Each Owner shall be solely responsible for the maintenance, repair and replacement of such Owner's Lot, and the Dwelling Unit and all Improvements located thereon (including, but not limited to, the roofs of the Dwelling Unit, all walls and fences on the Lot and the landscaping Improvements to both the front and rear yards.

8.3 DAMAGE OR DESTRUCTION OF AREAS OF ASSOCIATION RESPONSIBILITY BY OWNERS. No Owner shall in any way damage or destroy any Areas of Association Responsibility or interfere with the activities of the Association in connection therewith. Any expenses incurred by the Association by reason of any such act of an Owner, Resident, or any lessee or guest of an Owner shall be paid by the Owner of the Lot at issue, upon demand, to the Association, and such amounts shall be a lien on any Lots owned by said Owner and the Association shall enforce collection of any such amounts in the same manner as provided elsewhere in this Declaration for the collection and enforcement of Assessments.

8.4 NONPERFORMANCE BY OWNERS. If any Owner fails to maintain any portion of such Owner's Dwelling Unit, Lot, and/or the Improvements located thereon, the Association shall have the right, but not the obligation, to enter upon such Owner's Lot to perform the maintenance and repairs not performed by the Owner, and the cost of any such work performed by or at the request of the Association shall be paid for by the Owner of the Lot, upon demand from the Association, and such amounts shall be a lien upon the Owner's Lot, and the Association shall enforce collection of such amounts in the same manner and to the same extent as provided elsewhere in this Declaration for the collection and enforcement of Assessments.

8.5 PAYMENT OF UTILITY CHARGES. Each Lot shall be separately metered for water, sewer and electrical service and all charges for such services shall be the sole obligation and responsibility of the Owner of each Lot. The cost of water, sewer and electrical service to the Common Area shall be a common expense of the Association and shall be included in the budget of the Association.

8.6 SERVICES. The Association may enter into agreements and expend funds for facilities, services, and activities which benefit the Property and the surrounding area. The Association may provide, or provide for, such services and facilities for all of the Owners and Residents and their Lots, and the Association is authorized to enter into and terminate contracts or agreements with other entities, including the Declarant or its affiliate, to provide such services and facilities. The Association may charge use or service fees for any such services and facilities provided, but may also include all or a portion of the cost thereof in the Association's budget as a common expense and assess it as part of the Annual Assessments if the services and facilities are provided to all Lots or may also include all or a portion of the cost thereof in a Use Assessment if the services and facilities are provided to less than all of the Lots.

ARTICLE 9
INSURANCE

9.1 SCOPE OF COVERAGE. Commencing not later than the time of the first conveyance of a Lot to a Person or entity other than the Declarant, the Association shall maintain, to the extent reasonably available, the following insurance coverage:

(a) Property insurance on the Areas of Association Responsibility insuring against all risk of direct physical loss, insured in an amount equal to the maximum insurable replacement value of the Areas of Association Responsibility, as determined by the Board; provided, however, that the total amount of insurance after application of any deductibles shall not be less than one hundred percent (100%) of the current replacement cost of the insured property, exclusive of land, excavations, foundations, and other items normally excluded from a property policy;

(b) Comprehensive general liability insurance, including medical payments insurance, in an amount determined by the Board, but not less than $1,000,000. Such insurance shall cover all occurrences commonly insured against for death, bodily injury and property damage arising out of, or in connection with, the use, ownership or maintenance of the Areas of Association Responsibility, and shall also include hired automobile and non-owned automobile coverage with cost liability endorsements to cover liabilities of the Owners as a group to an Owner and provide coverage for any legal liability that results from lawsuits related to employment contracts in which the Association is a part;

(c) Worker's compensation insurance to the extent necessary to meet the requirements of the laws of Arizona; and

(d) Such other insurance as the Association shall determine from time to time to be appropriate to protect the Association, Members of the Board and Architectural Committee, or the Owners.

9.2 INSURANCE OBTAINED BY OWNERS. Each Owner shall be responsible for obtaining property insurance for such Owner's own benefit and expense covering such Owner's Lot, and all Improvements and personal property located thereon. Each Owner shall also be responsible for obtaining personal liability coverage for death, bodily injury or property damage arising out of the use, ownership or maintenance of such Owner's Lot.

9.3 PAYMENT OF INSURANCE PROCEEDS. With respect to any loss to the Areas of Association Responsibility covered by property insurance obtained by the Association in accordance with this Article, the loss shall be adjusted with the Association and the insurance proceeds shall be payable to the Association and not to any mortgagee or beneficiary under a deed of trust.

9.4 REPAIR AND REPLACEMENT OF DAMAGED OR DESTROYED PROPERTY. Any portion of the Areas of Association Responsibility damaged or destroyed shall be repaired or replaced promptly by the Association unless (a) repair or replacement would be illegal or unauthorized under any state or local statute or ordinance, or (b) Owners owning at least eighty percent (80%) of the Lots vote not to rebuild or replace such Area of Association Responsibility; provided, however, that the Association should rebuild or replace such Area of Association Responsibility if required by law. The cost of repair or replacement in excess of insurance proceeds and Reserves shall be paid by the Association.

ARTICLE 10
RIGHTS AND POWERS OF ASSOCIATION

10.1 ASSOCIATION'S RIGHTS AND POWERS AS SET FORTH IN ARTICLES AND BYLAWS. In addition to the rights and powers of the Association set forth in this Declaration, the Association shall have such rights and powers as are set forth in its Articles and Bylaws.

10.2 ASSOCIATION'S RIGHTS OF ENFORCEMENT OF PROVISIONS OF THIS AND OTHER INSTRUMENTS. The Association, as the agent and representative of the Owners, shall have the right to enforce the covenants set forth in this Declaration and/or any and all covenants, restrictions, reservations, charges, servitudes, Assessments, conditions, liens or easements provided for in any contract, deed, declaration or other instrument which (i) shall have been executed pursuant to, or subject to, the provisions of this Declaration, or (ii) otherwise shall indicate that the provisions of such instrument were intended to be enforced by the Association or by Declarant.

10.3 CONTRACTS WITH OTHERS FOR PERFORMANCE OF ASSOCIATION'S DUTIES. Subject to the restrictions and limitations contained herein, the Association may enter into contracts and transactions with others, including Declarant and its affiliated companies, and such contracts or transactions shall not be invalidated or in any way affected by the fact that one (1) or more directors or officers of the Association, or members of any committee, is employed by, or otherwise connected with, Declarant or its affiliates, provided that the fact of such interest shall be disclosed or known to the other directors acting upon such contract or transaction, and provided further that the transaction or contract is fair and reasonable. Any such director, officer or committee member may be counted in determining the existence of a quorum at any meeting of the Board or committee of which he is a member which shall authorize any contract or transaction described above or grant or deny any approval sought by the Declarant, its affiliated companies or any competitor thereof and may vote thereat to authorize any such contract, transaction or approval with like force and effect as if he were not so interested.

ARTICLE 11
GENERAL PROVISIONS

11.1 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. Any Owner found to be in violation of this Declaration shall be responsible for the costs of enforcement of this Declaration including reasonable attorneys' fees required to obtain compliance.

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

11.3 DURATION. The covenants and restrictions of this Declaration shall run with and bind the Property for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be extended automatically for successive periods of ten (10) years. This Declaration may be terminated at any time by the written approval or the affirmative vote of Owners representing not less than ninety percent (90%) of the Lots. Any termination of this Declaration shall be evidenced by a Declaration of Termination signed by the President or Vice President of the Association and recorded with the County Recorder of Mohave County, Arizona. Thereupon, these

covenants shall have no further force and effect, and the Association shall be dissolved pursuant to the terms set forth in its Articles.

11.4 AMENDMENT.

(a) *By Declarant.* In addition to specific amendment rights granted elsewhere in this Declaration, until termination of the Declarant Control Period, Declarant may amend this Declaration for any reason whatsoever, and without the consent or approval of any Owners or Members, or any other Person.

(b) *By the Association.* Except as otherwise specifically provided above or elsewhere in the Declaration, this Declaration may be amended at a meeting where quorum is present, by the approval of at least two-thirds (2/3) of the votes entitled to be cast by the Members of the Association, provided that no such amendment shall be valid without Declarant's written consent, so long as Declarant owns any portion of the Property.

11.5 REMEDIES CUMULATIVE. Each remedy provided herein is cumulative and not exclusive.

11.6 DELIVERY OF NOTICES AND DOCUMENTS. Any written notice or other documents relating to or required by this Declaration may be delivered either personally or by mail. If by mail, it shall be deemed to have been delivered twenty-four (24) hours after a copy of same has been deposited in the United States mail, postage prepaid, addressed as follows: if to the Association or the Architectural Committee, to the current Association Statutory Agent which is on file with the Arizona Corporation Commission; if to the Declarant, to the current Association Statutory Agent which is on file with the Arizona Corporation Commission; if to an Owner, to the address of such Owner's Lot or to any other address last furnished by the Owner to the Association; provided, however, that any such address may be changed at any time by the party concerned by recording a written notice of change of address and delivering a copy thereof to the Association.

11.7 BINDING EFFECT. By acceptance of a deed or by acquiring any interest in any of the Property subject to this Declaration, each Person or entity, and such Person or entities heirs, personal representatives, successors, transferees and assigns, are hereby bound to all of the provisions, restrictions, covenants, conditions, rules and regulations now or hereafter imposed by this Declaration and any amendments thereof.

11.8 SURVIVAL of LIABILITY. The termination of Membership in the Association shall not relieve or release any such former Member from any liability or obligation incurred under or in any way connected with the Association during the period of such Membership, or impair any rights or remedies which the Association may have against such former Member arising out of or in any way connected with such Membership and the covenants and obligations incident thereto.

11.9 INTERPRETATION. In the event of any discrepancies, inconsistencies or conflicts between the provisions of this Declaration and the Articles, Bylaws, Association Rules or Architectural Guidelines, the provisions of this Declaration shall prevail. The Board's interpretation of the Articles, Bylaws, Association Rules, Architectural Guidelines and this Declaration is final.

11.10 JOINT AND SEVERAL LIABILITY. In the case of joint ownership of a Lot, the liabilities and obligations of each of the joint Owners set forth in or imposed by this Declaration, shall be joint and several.

ARTICLE 12
CLAIM AND DISPUTE RESOLUTION

The Association, the Board, and all Owners and Residents shall be bound by the following claim resolution procedures:

12.1 RIGHT TO CURE ALLEGED DEFECT. If a Person claims, contends, or alleges an Alleged Defect (such Person hereinafter referred to as "Claimant"), the party that constructed the Improvement with respect to which the Alleged Defect relates including, without limitation, Declarant (such party hereinafter referred to as the "Developer") shall have the right to inspect, repair and/or replace such Alleged Defect as set forth herein.

(a) *Notice of Alleged Defect.* If Claimant discovers an Alleged Defect, within fifteen (15) days after discovery thereof, Claimant shall give written notice of the Alleged Defect to the Developer stating plainly and concisely: (a) the nature and location of the Alleged Defect; (b) the date on which the Association or Owner giving the notice of Alleged Defect first became aware of the Alleged Defect; and (c) whether the Alleged Defect has caused any damage to any Persons or Property (such notice referred to as "Notice of Alleged Defect"). If the Alleged Defect is alleged to be the result of an act or omission of a Person licensed by the State of Arizona under Title 20 or Title 32 of the Arizona Revised Statutes or any successor statutes (a "Licensed Professional"), then the Notice of Alleged Defect from the Association must be accompanied by an affidavit from a Licensed Professional in the same discipline as the Licensed Professional alleged to be responsible for the Alleged Defect. The affidavit must contain the information required to be contained in a preliminary expert opinion affidavit submitted pursuant to Section 12-2602B of the Arizona Revised Statutes, as amended from time to time.

(b) *Right to Enter, Inspect, Repair and/or Replace.* Within a reasonable time after the receipt of a Notice of Alleged Defect, or the independent discovery of any Alleged Defect, Developer shall have the right, upon reasonable notice to Claimant and during normal business hours, to enter onto or into the Common Area, any Lot or Dwelling Unit, and/or any Improvements for the purposes of inspecting and/or conducting testing and, if deemed necessary by Developer in its sole and absolute discretion, repairing and/or replacing such Alleged Defect. In conducting such inspection, testing, repairs and/or replacement, Developer shall be entitled to take any actions as it shall deem reasonable and necessary under the circumstances.

12.2 ALTERNATIVE DISPUTE RESOLUTION.

(a) *Mediation.* Prior to any suit being filed, any party desiring to enforce the provisions of this Declaration or resolve a matter of interpretation hereof must first mediate said dispute with a mutually agreed mediator, with said mediation being completed within ninety (90) days of such dispute arising.

(b) *Final and Binding Arbitration.* If the parties cannot resolve their Dispute pursuant to the procedures described in Section 12.2(a) above, the Disputing Party shall have thirty (30) days following termination of mediation proceedings (as determined by the mediator) to submit the Dispute to arbitration in accordance with the Commercial Arbitration Rules of

the AAA (the "Commercial Arbitration Rules"). If the Disputing Party does not submit the Dispute to arbitration within thirty (30) days after termination of mediation proceedings, the Disputing Party shall be deemed to have fully and forever waived any claims related to the Dispute and all other parties to the Dispute shall be released and discharged from any and all liability to the Disputing Party on account of such Dispute; provided, nothing herein shall release or discharge such party or parties from any liability to Persons not a party to the foregoing proceedings.

(i) Place. The arbitration proceedings shall be heard in Mohave County or such other place as the parties to the Dispute may agree.

(ii) Arbitration. A single arbitrator shall be selected in accordance with the rules of the American Arbitration Association form panels maintained by the Association with experience in relevant matters which are the subject of the Dispute. The arbitrator shall not have any relationship to the parties or interest in the Project. The parties to the Dispute shall meet to select the arbitrator within ten (10) days after service of the complaint (or such other notice of claims or document required by the AAA) on all defendants named therein.

(iii) Discovery. The parties to the Dispute shall be entitled to limited discovery only.

(vi) Limitation on Remedies/Prohibition on the Award of Punitive Damages. Notwithstanding contrary provisions of the Commercial Arbitration Rules, the arbitrator in any proceeding shall not have the power to award punitive or consequential damages; however, the arbitrator shall have the power to grant all other legal and equitable remedies and award compensatory damages.

(vii) Expenses of Arbitration. Each party to the Dispute shall bear all of its own costs incurred prior to and during the arbitration proceedings, including the fees and costs of its attorneys or other representatives, discovery costs, and expenses of witnesses produced by such party, and the arbitrator shall have no authority to award recovery of attorney fees or expert expenses. Each party to the Dispute shall share equally all charges rendered by the arbitrator unless otherwise agreed to by the parties.

ARTICLE 13
ANNEXATION

13.1 ANNEXATION OF ADDITIONAL PROPERTY. Until the later of (a) thirty (30) years following recordation of this Declaration or (b) termination of the Declarant Control Period, Declarant hereby reserves the right from time to time to subject all or any portion of any additional real property to the terms and provisions of this Declaration. Annexation of additional property shall become effective upon recordation by the Declarant of a signed and acknowledged "Declaration of Annexation" with the County Recorder of Mohave County, Arizona, stating that such additional property has been annexed to this Declaration.

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IN WITNESS WHEREOF, Declarant has executed this Declaration on the day and year first above written.

"DECLARANT"

MDCAB, LLC
an Arizona limited liability company

By: _____
Name: Dustin Runyon
Its: Manager

STATE OF ARIZONA)
) ss.
County of Mohave)

The foregoing instrument was acknowledged before me this 10th day of October, 2024, by Dustin Runyon, the manager of **MDCAB, LLC** an Arizona limited liability company, on behalf of such entity.

_____
Notary Public

My Commission Expires:
December 26, 2027

AMY FRANCIS
Notary Public, State of Arizona
Mohave County
Commission # 661001
My Commission Expires
December 26, 2027

Exhibit A
Legal Description of Property

Those portions of the NW1/4 Section 33, T14N, R19W, G&SRM, Mohave County, Arizona, described in the Warranty Deeds recorded at Reception No. 2021045830 and Reception No. 2022058287, Records of Mohave County.