

HILLCREST BAY, INC. HOMEOWNERS ASSOCIATION
924 Bay View Drive, Parker, AZ 85344

CERTIFICATION OF AMENDMENT TO
DECLARATION OF RESTRICTIONS

Comes now Art Ward, who acknowledges himself to be President of Hillcrest Bay, Inc. Homeowners Association, and hereby certifies and acknowledges that at a regularly scheduled meeting of the Directors that the Declaration of Restrictions - Hillcrest Bay Mobile Manor, Revised May 2002, were adopted, in writing, acknowledged, and executed by the owners of not less than three-fourths (3/4) of the lots in said subdivision; thereby amending the Covenants, Conditions and Restrictions heretofore recorded for Hillcrest Bay Mobile Manor, and

Comes now Robyn Stein, who hereby acknowledges and certifies that she is the Secretary of Hillcrest Bay, Inc. Homeowners Association, and she hereby certifies that the attached Declaration of Restrictions - Hillcrest Bay Mobile Manor, Revised May 2002, consisting of eight (8) pages, is the true and correct amendment adopted by a three-fourths (3/4) majority of Hillcrest Bay homeowners, and

The Secretary is hereby empowered and directed to record this Certification, together with the Declaration of Restrictions - Hillcrest Bay Mobile Manor, Revised May 2002, together with the acknowledgments by the owners of not less than three-fourths (3/4) of the lots in said subdivision.

Dated: Oct 23, 2004

Art Ward
ART WARD, President

STATE OF ARIZONA)
) ss.
County of La Paz)

SUBSCRIBED AND SWORN to before me this 23 day of Oct, 2004, by Art Ward.

My commission expires: 9/14/06

Margaret E. Hokenson
Notary Public



DATED: 10/23/2004

Robyn Stein
ROBYN STEIN, Secretary

STATE OF ARIZONA)
) ss.
County of La Paz)

SUBSCRIBED AND SWORN to before me this 23 day of Oct, 2004, by Robyn Stein.

My commission expires:

Margaret E. Hokenson
Notary Public



Declaration of Restrictions – Hillcrest Bay Mobile Manor

Revised May 2002

KNOW ALL MEN BY THESE PRESENTS:

This Revised Declaration of Restrictions for Hillcrest Bay Mobile Manor is made on May 10, 2002, by the undersigned (hereinafter by "Declarant"), being comprised of the Owners of that certain real property situated within the County of La Paz (formerly known as Yuma), State of Arizona, to wit:

Lots 2-273 inclusive HILLCREST BAY MOBILE MANOR, according to the plat of record in the office of the County Recorder of La Paz (formerly known as Yuma) County, Arizona, in Book 5 of Plats, Page 106 thereof;

And desiring to establish the nature of the use and enjoyment thereof, does hereby declare said premises subject to the following express covenants, stipulations and restrictions as to the use and enjoyment thereof, all of which are to be construed as restrictive covenants running with the title to said premises and with each and every part and parcel thereof, to wit:

1. Lots 2-273 inclusive HILLCREST BAY MOBILE MANOR (collectively "lots") shall be known and described as single-family residential lots. Not more than one single-family dwelling or one mobile home shall be erected or maintained on any of said residential lots.
2. No dwelling shall be erected, permitted, or maintained upon said lots which contains less than five hundred (500) square feet of living area (including interior storage) under permanent roof, exclusive of opened roof areas, cabanas, carports, and garages. If a mobile home is placed upon said lots, then said mobile home, apart from any permanent or temporary additions thereto, shall be not less than five hundred (500) square feet in area and a mobile home moved onto a lot shall not be older than four (4) years. All dwellings, mobile homes, structures and buildings erected, permitted and maintained upon said lots and all appurtenant structures and buildings erected, permitted and maintained upon said lots and all appurtenant structures thereto shall not be erected, placed or permitted closer than three (3) feet to the side lot line, or five (5) feet from the front or rear lot line of any of said lots. The maximum height of any shrub or tree, dwelling or structure erected, altered, placed or permitted to remain on residential lots shall be limited to one story, not to exceed fifteen (15) feet in height from lot grade. Maximum height measurement is to be taken as follows:
 - A. On down-hill side of street: Fifteen (15) foot measurement shall be taken from highest point of lot on up-hill street corner. A one (1) inch increase in height may be used for proper drainage to street level.

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- B. On up-hill side of street: Fifteen (15) foot measurement shall be taken from the highest point of up-hill side of building site. Building site to be inside of setbacks.
- C. Lots with frontage on Hillcrest Drive, Manor View Drive, Otis Court, and Dunlap Drive: Fifteen (15) foot measurement shall be taken from center of lot at the edge of the street.
- D. On lots where boundaries are above graded areas: Fifteen (15) foot measurement shall be taken from the highest graded uphill corner.

The Board of Directors of the Association of Hillcrest Bay, Inc. was formed, and continues to exist, for the purpose of developing and keeping said properties desirable and in the beneficial interest of all owners generally, and to keep any development, construction and improvements thereon desirable, uniform in quality and suitable in architectural design and use, as herein specified. The three fourths ($\frac{3}{4}$) majority vote of all Board members upon the workmanship, design, height, location and architectural harmony of any construction and improvements, or proposed construction and improvements, and other like or related matters, shall control (e.g. a $\frac{3}{4}$ majority of a 7 member Board is 6 members). All Board approvals and/or disapprovals must be in writing and signed by at least a three fourths ($\frac{3}{4}$) majority of then members of said Board.

The foregoing notwithstanding, the Board of Directors of Hillcrest Bay, Inc. may, after a three fourths ($\frac{3}{4}$) majority vote, grant a variance to height and/or setback restrictions set forth in this paragraph. The Board may allow reasonable variances and adjustments of restrictions in order to overcome practical difficulties and to prevent unnecessary hardships in the application of the provisions contained herein; provided, however, that such is done in conformity with the intent and purposes thereof and provided also that in every instance such variance or adjustment will not be materially detrimental or injurious to surrounding property or improvements. Setback and height requirements herein, may be varied or waived by the Board, as the case may be, to its discretion under such circumstances where the setback or height requirement is impractical or would cause extreme or material hardship to the lot, tract or parcel owner or adjoining owner, but only to the extent necessary to relieve such impracticability or hardship.

- 3. No store, office or other place of business of any kind and no hospital, sanitarium or other place for the care or treatment of the sick or disabled, physically or mentally, nor any church, shall ever be erected or permitted on any of said lots, or any part thereof; and no business of any kind or character whatever shall be conducted in or from any building on said lots.
- 4. No structure or improvement of any character, including but not limited to residences, apartments, mobile homes, structures, outbuildings, cabanas, fences, walls, etc., shall be erected, installed, maintained, or permitted on any of the lots of said subdivision without the prior written approval of the Board of Directors of HILLCREST BAY, INC. being first had and obtained as to

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design, materials, and location on the lot. No outside toilets shall be permitted in any event, and all toilets, sinks, baths, showers, and similar plumbing or sanitation facilities shall be promptly connected to and empty into underground septic tanks or a sewer system all of which must meet the requirements of the applicable County and State Health and Sanitation Departments.

5. None of the above described lots shall be subdivided into smaller lots nor conveyed or encumbered in less than the full dimension of the lot as shown by the plat of HILLCREST BAY MOBILE MANOR, except for public utilities, provided that this restriction shall not prevent the conveyance or encumbrance of adjoining or contiguous lots or portions of lots in such a manner as to create parcels of land in a common ownership having the same or a greater street frontage than shown on the plat of HILLCREST BAY MOBILE MANOR for any one of the lots portions of which are so conveyed or encumbered, or having a greater area than any of the lots portions of which are so conveyed or encumbered.
6. Easements for power lines, utilities and drainage facilities are reserved as shown on the recorded plat of HILLCREST BAY MOBILE MANOR. No structure, fence, planting or other materials shall be placed or permitted to remain upon said easements which shall interfere with the installation, maintenance, and utilization of said easements.
7. An entire residential lot together with the improvements thereon may be rented or leased by the owner thereof to a single family, but not otherwise.
8. No poultry, livestock, or other animals, other than the usual household pets, shall be permitted on any lot. This restriction is not intended to prohibit horseback riding upon and across any bridle path which may be established in HILLCREST BAY MOBILE MANOR.
9. No unlawful, offensive, noxious or immoral activity or condition shall be carried on or maintained upon any lot, nor shall anything be done or permitted thereon which may be or become a nuisance or annoyance to the neighborhood. No equipment, service yards, woodpiles, or storage piles, nor anything normally described as junk, trash, or rubble shall be kept or maintained on any lot. All rubbish, trash or garbage shall be removed from the lots and shall not be allowed to accumulate thereon. No incinerator, other than high-combustion burners, shall be kept or maintained on any lot.
10. With the exception of one "For Rent" or "For Sale" sign (which shall not exceed 18 x 24 inches in size), no advertising sign, billboard, unsightly

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objects or nuisances, shall be erected, placed, or permitted to remain on any lot.

11. No elevated tanks of any kind shall be erected, placed or permitted upon any of the above described lots except for such tanks as the domestic water company shall require for booster tanks to insure adequate pressure for the water system. Any tanks used in connection with any residences, mobile homes or structures on the lots, including tanks for storage of propane, fuel oil, gasoline, or oil must be kept buried or kept screened by adequate planting or fence to conceal them from neighboring lots and structures.
12. It is anticipated that residences and mobile homes will be constructed and maintained on all of the herein-before described lots and that ownership of each of said lots shall be evidenced by a Deed to the lot upon which said structure is situated. The streets and roadways located within the Subdivision are private and consequently the upkeep and maintenance thereof and lighting or other improvements thereto remain the obligation of lot owners. A non-profit corporation known as HILLCREST BAY, INC. ("corporation" or "Hillcrest Bay, Inc.") has been formed to accomplish said maintenance, upkeep, and improvements. The rights and obligations of said corporation with respect to said matters shall be as follows:
 - A. One membership in HILLCREST BAY, INC., an Arizona corporation, shall be issued to the owner or owners of record, or contract purchaser or purchasers, of each lot within HILLCREST BAY MOBILE MANOR. In the event a lot, or apportioned thereof, is owned or is being purchased under contract by two or more persons, one membership shall be issued in the names of all said owners or contract purchasers; and they collectively shall designate to the corporation in writing one of their number who shall have the power to vote the said membership at any annual or special meeting of the members of the corporation.
 - B. HILLCREST BAY, INC. shall upkeep and maintain all of the private streets and roadways within HILLCREST BAY MOBILE MANOR, make any improvements deemed necessary thereto, and pay all premiums for any hazard and public liability insurance carried thereon.
 - C. Each owner or owners of record of each lot in said subdivision shall pay to HILLCREST BAY, INC. within thirty (30) days from date of invoice, a sum equal to the aggregate of the following:
 - (i) Owner's share of the actual cost to HILLCREST BAY, INC. of all repairs, maintenance, improvements, insurance, taxes, and management required in Paragraph 12-B hereof,

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- for one (1) year, calculated on an average of such expense for the previous five (5) years.
- (ii) Owner's prorata share shall be determined by the Board of Directors of HILLCREST BAY, INC. and shall be in the ratio that the total number of lots owned by said owners bears to the total number of lots in HILLCREST BAY MOBILE MANOR. Invoices shall be submitted at such regular intervals as may be fixed by the Board of Directors of HILLCREST BAY, INC..
 - (iii) The maximum amount which may be assessed by the Board of Directors of HILLCREST BAY, INC. for any of the purposes enumerated herein shall not exceed \$20.00 per lot per year, provided, that said maximum amount may be raised by a majority vote of the members of HILLCREST BAY, INC. at any regular meeting or special meeting of said members called for that purpose.
- D. Each Owner of a lot, by acceptance of a Deed or recorded contract of sale therefore, whether or not it shall be so expressed in such document, is deemed to covenant and agrees to pay to the Association (a) regular annual assessments, (b) special assessments for capital improvements and unexpected expenses and (c) other charges made or levied by the Association against the owner of the lot pursuant to the Declaration or the Bylaws, including, but not limited to late charges for delinquent assessments, such assessments and charges to be established and collected as provided herein in the Bylaws of the Association. A late charge of \$10.00 shall be assessed to the Owner in the event any assessment is not paid within 30 days after the due date. Any part of any assessment (or other amount due from the Owner to the Association, including interest and/or late charges) not paid within thirty (30) days after the due date for the assessment established in this Paragraph 12, or elsewhere in the Declaration shall/may bear interest at the rate of twenty percent (20%) per annum from the due date until paid. The annual and special assessments and any other charge made against an Owner or a lot pursuant to this Declaration or the Bylaws, together with interest, costs and reasonable attorney's fees as provided above, shall also be the personal obligation of the person who was the owner of such lot at the time the assessment or other charge fell due as provided in this Paragraph 12, or elsewhere in this Declaration. The assessment lien on each lot shall be prior and superior to all other liens except (a) all taxes, bonds, assessments and other levies which, by law, would be superior thereto and (b) the lien or charge of any First Mortgage on that lot. No owner of a lot may exempt himself from liability for his contribution toward the Common Expenses by waiver

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of the use or enjoyment of any of the Common Elements or by the abandonment of his lot.

- E. In the event the owner of any lot shall fail to maintain the premises and the exterior of the improvements situated thereon in a manner satisfactory to the Board of Directors of HILLCREST BAY, INC., then said corporation through its agent and employees shall have the right to enter upon such premises and to repair, maintain, rehabilitate, and restore the exterior of any improvements situated thereon, and the cost thereof shall be charged against said owner of said lot by invoice in the manner set forth in Paragraph 12 hereof and make a lien on said lot and foreclosed as herein set forth, provided, however, that said HILLCREST BAY, INC. first give written notice to the owner of said lot of its intentions to make such repairs or of its intention to perform such maintenance or rehabilitation work and affording the owner of said lot sixty (60) days time in which to make said necessary repairs or maintenance work. If, at the end of the sixty-day period, the work to be performed has not been done by the owner, then HILLCREST BAY, INC. shall have the right as set forth herein to make such maintenance, repairs, or rehabilitation work. Nothing herein contained shall be construed to grant to HILLCREST BAY, INC. any right to enter into or inside any building or buildings located on any lot or tract without the consent of the owner thereof.
- F. No membership in HILLCREST BAY, INC. held by the owner of a lot in said subdivision shall be transferred, pledged, or alienated in any way except upon the sale or transfer of title of said lot and then only to the purchaser or transferee of said lot. Any attempt to make a prohibited transfer shall be void and shall not be reflected upon the books of the corporation.
- G. After notice and an opportunity to be heard, the Board of Directors of HILLCREST BAY, INC. may impose reasonable monetary penalties on members for violations of this Declaration, the Bylaws and/or the Rules of the Association.
13. The covenants, restrictions, reservations and conditions contained herein shall run with the land and shall be binding upon all persons purchasing, leasing, subleasing or occupying any lot or tract in said subdivision after the day on which this instrument has been recorded. These covenants, restrictions, reservations and conditions may be enforced by the beneficial owner of any lot or tract in said subdivision, HILLCREST BAY MOBILE MANOR, or by any one or more of said individuals and corporations, provided, however, that any breach of said covenants, restrictions, reservations and conditions or any right or re-entry by reason thereof, shall not defeat or affect the lien of a

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mortgage or deed of trust made in good faith and for value upon said land, but each and all of said covenants, restrictions, reservations and conditions shall be binding upon and effective against any owner of said premises whose title thereto is acquired by foreclosure, trustee's sale or otherwise, and provided also that the breach of any of said covenants, restrictions, reservations and conditions may be enjoined, abated or remedied by appropriate proceedings, notwithstanding the lien or existence of any such deed of trust mortgage. All instruments of conveyance of any interest in all or any part of said subdivision shall be subject to the covenants, restrictions, reservations and conditions herein as fully as though the terms and conditions of this instrument were therein set forth in full; provided, however, that the terms and conditions of this instrument shall be binding upon all persons affected by its terms, whether express reference is made to this instrument or not.

Failure to enforce any of the covenants, restrictions, rights, reservation and limitations contained herein shall not in any event be construed and held to be a waiver thereof or consent to any further or succeeding breach or violation thereof.

These covenants, restrictions and conditions shall remain in force and effect for successive periods of ten (10) years each unless revoked or amended by an instrument in writing executed and acknowledged by the owner of not less than three fourths (3/4) of said lots in said subdivision and recorded in the office of the Recorder of La Paz County, Arizona, within ninety (90) days prior to the expiration of the initial effective period hereof or any ten-year extension.

These covenants, restrictions, reservations and conditions may at any time be modified or amended by the vote or written assent of the owners of not less than three fourths (3/4) of the lots in said subdivision. Any such amendment shall become effective upon its recording with the Office of the County Recorder of La Paz County, Arizona, signed and acknowledged by the President or Vice-President of HILLCREST BAY, INC., and the Secretary or Assistant Secretary of HILLCREST BAY, INC. certifying that such votes or written consent have been obtained. For purposes of recording such instrument, the President or Vice-President and Secretary or Assistant Secretary of HILLCREST BAY, INC., are hereby granted an irrevocable power of attorney to act for and on behalf of each and every owner in certifying and executing and recording said amendment with the Office of the County Recorder of La Paz County, Arizona.

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

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The benefits and obligations, hereunder shall inure to and be binding upon the parties hereto, their successors and assigns.

It is the intent and purpose of the Revised Declaration to amend, supersede and restate the Declaration of Restrictions and any other revisions thereto in their entirety and further to rescind the original Declaration of Restrictions and any other revisions thereto.

IN WITNESS WHEREOF, this Revised Declaration of Restrictions is executed by the undersigned who constitute owners of lots in HILLCREST BAY MOBILE MANOR and who are members in HILLCREST BAY, INC.