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AMENDED AND RESTATED
DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
TROON VILLAGE.

THIS DOCUMENT IS BEING RERECORDED FOR THE SOLE PURPOSE OF INSERTING THE DATE WHICH THE INSTRUMENT WAS MADE.

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AMENDED AND RESTATED

88-430025

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR TROON VILLAGE

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR TROON VILLAGE is made as of this 28th day of December, 1987, by DESERT FOOTHILLS DEVELOPERS, an Arizona joint venture, and CANDLEWOOD INVESTORS, an Arizona joint venture.

RECITALS:

A. Desert Foothills Developers and Candlewood Investors recorded (i) that certain Declaration of Covenants, Conditions and Restrictions for Troon Village, dated December 27, 1984, and recorded December 28, 1984, as Instrument No. 84-557396, records of Maricopa County, Arizona, (ii) that certain First Certificate of Amendment to Declaration of Covenants, Conditions and Restrictions for Troon Village, dated May 14, 1985, and recorded June 7, 1985, as Instrument No. 85-261820, records of Maricopa County, Arizona, (iii) that certain Second Certificate of Amendment to Declaration of Covenants, Conditions and Restrictions for Troon Village, dated September 5, 1985, and recorded September 26, 1985, as Instrument No. 85-457214, records of Maricopa County, Arizona, and (iv) that certain Third Certificate of Amendment to Declaration of Covenants, Conditions and Restrictions for Troon Village, dated December 19, 1985, and recorded February 11, 1986, as Instrument No. 86-067860, records of Maricopa County, Arizona (collectively, the "Original Declaration"):

B. Article II, Section 11.02 of the Original Declaration provides for amendment of the Declaration prior to the Change Date (as defined therein) by the affirmative vote of owners holding at least fifty-one percent (51%) of the total voting power in the Association and the approval of Desert Foothills Developers, as Declarant.

C. The owners of greater than fifty-one percent (51%) of the voting power in the Association have voted to amend and restate the Original Declaration, to, among other things, consolidate the Original Declaration into one document and correct the legal descriptions of the Property and the Golf Course as necessary to rectify certain errors in those descriptions which have been disclosed following final surveying of the Property and Golf Course.

D. Desert Foothills Developers and Candlewood Investors recorded the Original Declaration as the owners of real property located in Scottsdale, Maricopa County, Arizona, and legally described on Exhibit A to this Amended and Restated Declaration (the "Property"). Candlewood Investors owns that portion of the Property which is described on Exhibit B to this Amended and Restated Declaration (the "Glenn Moor Property").

E. Desert Foothills Developers intended, without obligation, in conjunction with others, including Candlewood Investors, to develop the Property, in stages, as a first-class planned community to be called Troon Village. Troon Village may include, without obligation, single-family and multi-family residential areas, parks, recreational areas, open spaces, walkways, drives and other similar amenities.

F. Desert Foothills Developers and Candlewood Investors deemed it desirable to establish covenants, conditions and restrictions upon the Property which would constitute a general scheme for the government of Troon Village and for the use, occupancy and enjoyment of the Property, all for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property and enhancing the quality of life within Troon Village.

G. In order to preserve the value, desirability and attractiveness of the Property, Desert Foothills Developers created a corporation, known as the Troon Village Association, which, pursuant to the Original Declaration, has the responsibility to maintain and administer the Common Areas, to administer and enforce this Amended and Restated Declaration, to collect and disburse funds as provided in this Amended and Restated Declaration, and to perform such other acts as set forth in this Amended and Restated Declaration and as shall generally benefit the Property and Troon Village.

NOW, THEREFORE, Desert Foothills Developers and Troon Village Association hereby declare and agree (i) that the Original Declaration, is hereby superseded by this Amended and Restated Declaration and (ii) that the Property shall

be held, sold and conveyed subject to the following reservations, easements, limitations, restrictions, servitudes, covenants, conditions, charges and liens which are for the purpose of protecting the value and desirability of the Property and which shall run with the Property, inure to the benefit of, and be binding on all Owners and Occupants and all other parties having any right, title or interest in, or otherwise coming upon, using, or enjoying the Property or any portion thereof, their heirs, personal representatives, administrators, executors, successors and assigns:

ARTICLE 1

DEFINITIONS

As used in this Declaration, the following terms shall have the following meanings:

1.01 "Architectural Review Committee" means the committee described in Article 8 of this Declaration.

1.02 "Articles" means the Articles of Incorporation of the Association, as they may be amended from time to time.

1.03 "Assessment" means either a Regular Assessment or a Special Assessment as described in Article 7 of this Declaration.

1.04 "Assessment Lien" means the lien described in Section 7.02 of this Declaration.

1.05 "Association" means the Arizona non-profit corporation to be organized by Declarant to administer and enforce this Declaration and to exercise the rights, powers and duties of the Association as set forth in this Declaration and such corporation's successors and assigns.

1.06 "Association Rules" means the rules adopted by the Board pursuant to Section 5.04 of this Declaration.

1.07 "Board" means the Board of Directors of the Association.

1.08 "Buffer Area(s)" means that portion of a public or private right-of-way dedication located between the boundary of a Lot or Parcel and the paved area of the right-of-way.

1.09 "Bylaws" means the Bylaws of the Association, as they may be amended from time to time.

1.10 "Change Date" means the first to occur of:

(a) The date on which Jerry Nelson, Douglas Simonson and Robert A. Bradburn have all ceased to have any ownership interest whatsoever, direct or indirect, in Declarant; or

(b) December 31, 2014.

1.11 "Common Area(s)" means any portion of the Property designated as Common Area pursuant to Section 3.01 of this Declaration.

1.12 "Declarant" means Desert Foothills Developers, an Arizona joint venture, and any successor or assign of Declarant's rights and powers hereunder to which such rights and powers have been assigned by a recorded instrument. Candlewood Investors has joined in this Declaration for the sole purpose of subjecting the Glenn Moor Property to this Declaration; however, Candlewood Investors shall not be considered a Declarant and shall not be entitled to exercise any of the rights and powers delegated to the Declarant pursuant to this Declaration.

1.13 "Declaration" means this Amended and Restated Declaration of Covenants, Conditions and Restrictions for Troon Village, as amended or supplemented from time to time.

1.14 "Default Rate" means an annual rate of interest equal to the prime rate of The Valley National Bank of Arizona, a national banking association, Phoenix, Arizona, from time to time while interest is accruing (with interest being adjusted as and when the prime rate is adjusted) plus four (4) percentage points, but never less than eighteen percent (18%) per annum. Notwithstanding any other provision in this Declaration to the contrary, if, during any period, the highest lawful rate of interest which may be paid by the person required to pay the Default Rate is less than the Default Rate, the interest payable by such person during said periods shall be the highest lawful rate. If The Valley National Bank of Arizona should cease doing business or no longer announces its prime rate as described above, the Board may elect to use 18% as the Default Rate or may specify the rate, in lieu of said prime rate, for purposes of computing the Default Rate, which the Association would reasonably have to pay to borrow money at the time.

1.15 "Glenn Moor Property" means the real property described on Exhibit B to this Declaration.

1.16 "Golf Course Property" means the real property described on Exhibit C to this Declaration.

1.17 "Improvement(s)" means each and every change, alteration, or addition of any kind whatsoever to any portion of the Property, including, but not limited to, any excavation, grading, fill work, building, walkway, driveway, road, parking area, wall, fence, swimming pool, utility installation, drainage facility, stair, patio, courtyard, pole, sign, or landscaping and any and all components of any of the foregoing (including, but not limited to, exterior paint, texture, color and finish scheme) and any and all modifications or alterations of or additions to any of the foregoing.

1.18 "Lot" means any area of real property within the Property designated as a lot on any subdivision plat and limited by a Tract Declaration to single-family residential use. The term "Lot" also includes single-family lots in so-called townhouse developments where the residences share a common or party wall.

1.19 "Occupant" means the family, tenants, guests, employees, invitees, licensees, and agents of any Owner.

1.20 "Owner" means the record holder of legal title to the fee simple interest in any Lot or Parcel, including Declarant and including a purchaser of a Lot or Parcel who holds equitable title to the Lot or Parcel pursuant to a recorded contract of sale, but excluding others (including trustees under deeds of trust) who hold title merely as security for performance of an obligation or the seller under a recorded contract of sale. An Owner shall include each person who holds title to a Lot or Parcel in joint tenancy, tenancy in common, as community property, or in other form of joint ownership. An Owner shall also include any homeowners' or property owners' association, trust, or similar organization owning any portion of the Property, including the Association.

1.21 "Parcel" means any lot, tract or parcel within the Property other than a Lot. If a horizontal property regime establishing a condominium is recorded with respect to a Parcel, then following the recordation, each separate condominium unit shall be deemed to be a separate Parcel and any common areas within the horizontal property regime which are separately owned by a property owner's association or like organization shall also be considered a separate Parcel.

1.22 "Property" means the real property described on Exhibit A to this Declaration. The term "Property" also includes any real property subsequently annexed in the manner described in Article 12 of this Declaration.

1.23 "Restricted Common Area(s)" means any portion of the Common Area which constitutes an easement over a Lot or Parcel and which lies inside a perimeter wall located on the Common Area.

1.24 "Tract Declaration" means a declaration recorded pursuant to Section 2.01 of this Declaration.

ARTICLE 2

LAND USE CLASSIFICATIONS

2.01 Land Use Classifications. From time to time, as portions of the Property are readied for development, additional declarations (a "Tract Declaration") as to portions of the Property may be recorded restricting the use of the portion of the Property covered by the Tract Declaration to the specific uses specified in the Tract Declaration, such as single-family residential, condominium, or apartment. Except for social or recreational amenities, no non-residential uses shall be permitted within the Property. A Tract Declaration may also impose restrictions and conditions on the Property covered by the Declaration in addition to those contained in this Declaration; however, this Declaration shall continue to apply to the Property covered by a Tract Declaration. Declarant shall have the unrestricted and absolute right, without the consent of any other Owner, to record Tract Declarations as to portions of the Property owned by Declarant. As to a portion of the Property not owned by Declarant, Declarant and the Owner of such portion of the Property shall have the unrestricted and absolute right, without the consent of any other Owner, jointly to record a Tract Declaration as to such portion of the Property; however, any instrument recorded pursuant to this sentence shall be considered a declaration recorded pursuant to Section 4.24 of this Declaration and not a Tract Declaration unless the instrument specifically recites that it is intended to constitute a Tract Declaration. Any such Tract Declarations shall be construed as a supplement to this Declaration and fully a part of this Declaration for all purposes to the same extent as if the provisions of the Tract Declaration were set forth in this Declaration. Each Tract Declaration shall be directly enforceable by the Association.

2.02 Amendments to Tract Declarations. Prior to the Change Date and except as otherwise provided in this Section 2.02, Declarant shall have the unrestricted and absolute right, without the consent of any other Owner, to amend a Tract Declaration from time to time or to revoke a Tract Declaration as to all or any of the property subject to the Tract Declaration. However, if any of the property subject to the Tract Declaration is not owned by Declarant, Declarant shall not have the right to amend or revoke the Tract Declaration as to that property without the prior written consent to such amendment or revocation from Owners holding at least fifty-one percent (51%) of the total Association voting power with respect to the property subject to that Tract Declaration which is not owned by Declarant. After the Change Date, the provisions of Article 11 shall apply and amendments to Tract Declarations shall be treated the same as amendments to any other provision of this Declaration and revocations of Tract Declarations shall be treated the same as a revocation of the Declaration.

2.03 Master Plan. Except as provided in this Section 2.03, Declarant shall have the unrestricted and absolute right, without the consent of any other Owner, to modify or amend the existing Pinnacle Peak Village East Master Plan and to dedicate portions of the Property to appropriate governmental entities for use as roadways, streets, greenbelts, drainage facilities, parks, open space, or other similar uses. If a modification or an amendment to the existing Pinnacle Peak Village East Master Plan would materially alter that Master Plan as it relates to a portion of the Property no longer owned by Declarant, the prior written consent to such amendment or modification shall be required from Owners holding at least fifty-one percent (51%) of the total Association voting power with respect to such portion of the Property.

ARTICLE 3

EASEMENTS AND RIGHTS OF ENJOYMENT IN COMMON AREAS AND BUFFER AREAS

3.01 Common Areas. From time to time, Declarant may designate as Common Areas portions of the Property or rights therein (such as easements), such designation to be accomplished by the conveyance of the portion of the Property so designated to the Association or by the recordation of an easement or other appropriate document in favor of the Association with respect to such portion of the Property, or right therein. However, if the portion of the Property, or right therein, designated is not then owned by Declarant, the prior written consent of the Owner upon such terms and

conditions as such Owner may require, shall be required. If such consent is not obtained, then the property or right therein shall not be Common Area. No Improvements shall be constructed or placed on any of the Common Areas, with the exception of landscaping (including perimeter and other walls, planters, entryway and road beautification structures and designs (excluding, however, guard houses, security gates, or similar structures) and appropriate landscape lighting), necessary public utilities, identification signs, walkways, paths, drainage facilities, maintenance facilities used in connection with Common Area maintenance, or other Improvements required by the City of Scottsdale. The Association shall not acquire or hold any other Common Areas. Declarant shall also have the right to acquire interests, whether in fee, or by easement, lease, or otherwise, in portions of the Golf Course Property and to convey those interests to the Association. When conveyed to the Association, such interests shall be deemed Common Areas. All such acquisitions shall be for the purpose of constructing and maintaining perimeter walls and landscaping on portions of the Golf Course Property compatible with and as a continuation of the perimeter wall landscaping theme throughout Troon Village. In no event shall Declarant acquire interests in the Golf Course Property and convey those interests to the Association as Common Areas if the Association would thereafter be required to operate a golf course, or any part thereof, on or with respect to those interests.

3.02 Easements of Enjoyment. Every Owner and Occupant shall have a right and easement of enjoyment in and to the Common Areas, other than Restricted Common Areas, which shall be appurtenant to and shall pass with the title to every Lot and Parcel, subject to the following provisions of this Article. The Owner and Occupants of a Lot or Parcel, a portion of which is Restricted Common Area, shall have an exclusive easement (subject, however, to the paramount right of the Association to come upon the Restricted Common Area, from time to time, to maintain the perimeter wall) to use and enjoy the Restricted Common Area on such Lot or Parcel as if such Restricted Common Area were not designated as such, subject, however, to all of the provisions of this Declaration applicable to Lots and Parcels generally, and this exclusive easement shall be appurtenant to and pass with the title to the affected Lot or Parcel.

3.03 Association Rights with Respect to Common Areas. In addition to any other rights specifically granted in this Declaration to the Association with respect to Common Areas, the Association shall have the right to:

- (a) Levy assessments for the maintenance of the Common Areas and pay expenses incurred in connection with the Common Areas;
- (b) Dedicate, grant easements over, or transfer all or any part of the Common Areas to any public agency, authority, or utility so long as the transferee agrees to permit the Common Areas transferred to be used for substantially the same purposes as existed prior to the transfer;
- (c) Exchange portions of the Common Areas with Declarant or other Owners for other portions of the Property. Following any such exchange, the Common Area conveyed to Declarant or the other Owner shall no longer be Common Area and the portion of the Property conveyed to the Association shall be Common Area; and
- (d) Regulate the use of the Common Areas through Association Rules and prohibit access to those Common Areas, such as landscaped areas, not intended for use by Owners or Occupants, or various categories of either group.

3.04 Buffer Areas. Except to the extent a Buffer Area constitutes Common Area, in which case the provision of this Declaration pertaining to Common Areas shall control, each Owner and Occupant of a Lot or Parcel shall have a non-exclusive easement to use and enjoy any Buffer Area adjoining the Lot or Parcel owned by the Owner. No Improvements, other than landscaping or driveways which the Owner of the Buffer Area has approved, shall be made to any Buffer Area by any Owner or Occupant.

ARTICLE 4

USE RESTRICTIONS

4.01 Maintenance of Landscaping. Each Owner of a Lot or Parcel shall keep that Lot or Parcel and any Buffer Area adjoining the Lot or Parcel (to the extent the Buffer Area either is not Common Area or is Restricted Common Area).

clean and free of trash, rubbish, debris, weeds, dead or decaying vegetation (including compost piles), other unsightly material, and any plant or other vegetation which the Architectural Review Committee determines, for aesthetic or health reasons, should not be permitted within the Property. Each Owner of a Lot or Parcel shall maintain all landscaping on the Lot or Parcel and any Buffer Area adjoining the Lot or Parcel (to the extent the Buffer Area either is not Common Area or is Restricted Common Area) in good condition and repair, neatly trimmed, properly cultivated, and in an attractive and viable condition, free of trash, rubbish, debris, weeds, dead or decaying vegetation (including compost piles), or other unsightly material.

4.02 Repair of Improvements. No Improvement on any Lot or Parcel shall be permitted to fall into disrepair, and each Improvement shall, at all times, be kept in good condition and repair and adequately painted or otherwise finished. If any Improvement is damaged or destroyed, such Improvement shall be immediately repaired or rebuilt (after the approvals required by this Declaration have been obtained) or shall be demolished.

4.03 CONSTRUCTION ACTIVITIES. Normal and reasonable construction activities and parking in connection with an Improvement on a Lot or Parcel, as determined by the Architectural Review Committee, shall not be considered a nuisance or otherwise prohibited by this Declaration. Contractors, agents or suppliers shall not, in the course of construction, use any roads within the Property which Declarant or the Board designates as off-limits for construction vehicles. In addition, any construction equipment and building materials stored or kept on any Lot or Parcel during construction of Improvements may be kept only in areas approved by and screened in accordance with the requirements of the Architectural Review Committee. All construction refuse shall be contained on the Lot or Parcel where the construction is in progress, in an appropriate refuse container. All construction work shall be carried forward diligently from commencement until completion so that the Lot or Parcel shall not remain in a partly finished condition any longer than reasonably necessary for the completion of the construction work. No construction trailers or similar facilities shall be permitted in connection with construction on Lots, other than townhouse projects. Construction trailers shall be permitted on Parcels in connection with construction activities on such Parcels but only upon approval by the Architectural Review Committee as to placement on the Parcel, number of trailers permitted, and exterior appearance of the trailer (including any signs or advertising material located on any trailer). Any trailers or similar facilities approved for

use during construction shall be removed immediately following the completion of construction.

4.04 Compliance with Laws. All uses, activities and Improvements on any Lot or Parcel shall conform to and be done in compliance with all applicable governmental laws, rules, and regulations, including, but not limited to, building and safety codes, zoning regulations, the requirements set forth in the Master Plan for Pinnacle Peak Village East (including stipulations and development standards), and the City of Scottsdale Hillside Ordinance and Native Plant Ordinance, as those ordinances may be amended from time to time. Improvements shall be made only by licensed contractors.

4.05 Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Lot or Parcel except for machinery or equipment which is usual and customary in connection with the construction (but only during the period of construction) use, or maintenance of an Improvement, machinery or equipment which Declarant or the Association may require for the operation and maintenance of the Property or the performance of their respective duties under this Declaration, or machinery or equipment which is usual or customary in connection with the activities conducted on a Lot or Parcel (provided that such activities do not otherwise violate the provisions of this Declaration or any applicable Tract Declaration).

4.06 Exterior Appliances and Equipment. Following completion of an Improvement, any and all exterior appliances and equipment of every kind or nature shall be architecturally concealed from view, in accordance with plans approved by the Architectural Review Committee. No roof-mounted equipment, including air conditioning equipment, shall be permitted on any residence, other than a townhouse, on a Lot and no roof-mounted equipment, other than air conditioners integrated into the overall design of the building, shall be permitted on any multi-family apartment, townhouse or residential condominium building. However, if strict compliance with this Section would prevent a solar energy device from being functional or would otherwise effectively prohibit the installation or use of a solar energy device within the meaning of Arizona Revised Statutes, Section 33-439, as amended, then compliance with the requirements of this Section, as to a solar energy device, shall be required only to the extent reasonably consistent with the installation and use of the device.

4.07 Signs. No signs whatsoever (including, but not limited to, commercial, political and similar signs) shall be erected or maintained on any Lot or Parcel except:

- (a) Signs required by legal proceedings;
- (b) One (1) lighted identification sign for each individual residence, provided the sign and the location for the sign has received the prior written approval of the Architectural Review Committee; or
- (c) Such other signs (including, but not limited to, construction job identification signs, builders' signs, subdivision identification signs, "for sale" signs, "for lease" signs and temporary "tent" signs) as are in conformance with the requirements of the City of Scottsdale and which have been approved in advance and in writing by the Architectural Review Committee as to size, colors, design, message content, number and location.

4.08 Lighting. Exterior lights will be allowed on any Lot or Parcel only to the extent, as determined by the Architectural Review Committee, that they do not interfere or compete with the night-time views of the desert, surrounding mountains and the valley below. Lighted entry pylons at the entrance to each driveway providing lighted identification of the address shall be required of each Owner as part of any Improvement to the Lot or Parcel. The entry pylons must be illuminated from 6:00 p.m. to 6:00 a.m.

4.09 Storage Tanks. All fuel tanks, water tanks, or similar storage facilities shall be installed or constructed underground.

4.10 Tennis Courts. Tennis courts shall not be permitted on any Lot. Tennis courts shall be allowed as common recreational facilities within, and serving generally, an area covered by a Tract Declaration.

4.11 Height Restrictions. The maximum permitted height for any Improvement within the Property, excluding any chimneys, is 20 feet, with the height being measured from the highest, preconstruction natural grade within the perimeter of the Improvement to the highest projection of the Improvement, with the following exceptions permitted:

- (a) The maximum permitted height for any apartment building, condominium or

townhouse development is 30 feet, excluding the chimneys, if any, with the height being measured from the finished ground floor grade of the Improvement as determined by the grading and drainage plan approved by the City of Scottsdale and the Architectural Review Committee; and

- (b) If the Improvement is constructed on a sloping Lot or Parcel, the Improvement may extend a maximum of 10 feet below the midpoint of the pre-construction natural grade within the perimeter of the Improvement, with a maximum height of 30 feet measured from the lowest finished floor to the highest projection of the Improvement.

Chimneys may be constructed on a single-family residence or other building, provided no chimney is more than 2 feet higher than the highest point of the roof. No Improvement having more than two (2) stories shall be permitted on the Property. Vegetation elements of landscaping shall not be subject to the height-restrictions on Improvements set forth in this Section 4.11.

4.12 Trucks, Trailers, Campers and Boats. No mobile home, travel trailer, recreational vehicle, tent trailer, trailer, camper, detached camper shell, boat, boat trailer, motor vehicle classed by manufacturer rating as exceeding 3/4-ton, or other similar equipment or vehicle shall be parked, maintained, constructed, reconstructed or repaired on any Lot or Parcel or on any street within the Property unless appropriately screened from view as determined by the Architectural Review Committee; provided, however, the provisions of this Section shall not apply to:

- (a) Pickup trucks of less than 3/4-ton capacity with camper shells not exceeding seven (7) feet in height measured from ground level and mini-motor homes not exceeding seven (7) feet in height and eighteen (18) feet in length, provided such vehicles are parked as provided in Section 4.21 below and are used on a regular and recurring basis for basic transportation;
- (b) Emergency vehicle repairs, for a period of time reasonably necessary to make such repairs and provided

such repairs are commenced promptly and carried forward with due diligence to completion; or

- (c) Temporary construction trailers as approved by the Architectural Review Committee in accordance with Section 4.02 above.

4.13 Parking. No vehicles shall be parked or maintained on any public or private street within the Property except for such periods of time as shall be reasonably necessary to load or unload, except as otherwise provided in this Section. An Owner may seek prior written approval from the Board to park vehicles on the streets within the Property during special events such as social gatherings, unless the Board has adopted rules regulating parking within the Property in accordance with the provisions of Section 5.04 of this Declaration, in which case the Owner shall comply with those rules and regulations. All vehicles are to be kept in enclosed garages on Lots (or appropriately screened from view, as determined by the Architectural Review Committee), and within parking areas approved by the Association with respect to Parcels. However, this Section shall not be construed to permit parking of any vehicle in the above described areas where parking is otherwise prohibited.

4.14 Garage Doors. Garage doors shall be maintained in a closed position during all reasonable times. No plastic or metal garage doors shall be permitted. A minimum of 2 and a maximum of 3 garage doors, either joined or separate, each of a maximum size 8 feet high by 12 feet wide, shall be constructed on each Lot, except that if the area of the Lot is 65,000 square feet or more, the Architectural Committee may permit more than 3 garage doors in garages on those Lots. Carports and parking canopies shall not be permitted on Lots but shall be permitted elsewhere within the Property, subject to the provisions of Article 8 of this Declaration. All carports and parking canopies shall be architecturally integrated into the primary building to which they are ancillary and shall be appropriately screened from view, as determined by the Architectural Review Committee.

4.15 Overhead Encroachments. No tree, shrub, or planting of any kind on any Lot or Parcel shall be allowed to overhang or otherwise to encroach upon any sidewalk, street, pedestrian way or other similar area from ground level to a height of eight (8) feet.

4.16 No Obstructions to Drainage. No Improvement shall be permitted which would interrupt the normal drainage

of the land nor shall any Improvement be permitted within any area designated on a recorded document as a "drainage easement"; provided, however, with the prior consent of the City of Scottsdale and the Architectural Review Committee, non-permanent structures, including fences, may be erected over underground closed conduit storm drainage facilities.

4.17 Utility Service. All gas, electric, power, telephone, water, sewer, cable television and other utility or service lines and all other lines, pipes, cables, or conduits of every kind or character (whether now existing or hereafter invented or used) shall be placed and kept underground, except to the extent, if any, such underground placement may be prohibited by law or, by the nature of the service to be rendered, such underground placement prevents the lines from being functional. However, the foregoing restriction shall not prohibit service pedestals and above-ground switch cabinets and transformers, where required. This restriction shall also not prohibit temporary power or telephone structures approved by the Architectural Review Committee and which are incident to the construction of Improvements.

4.18 Nuisances and Offensive Activities. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot or Parcel. No odors or loud noises shall be permitted to arise or emit from any Lot or Parcel. No use or activity shall be undertaken or permitted on any Lot or Parcel which constitutes an annoyance to surrounding Owners or Occupants or a public or private nuisance or which would render any Lot or Parcel (or activity thereon) unsanitary, unsightly, unsafe, offensive or detrimental to any other property in the vicinity of the Lot or Parcel or to the Owners or Occupants of such other property. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, firecrackers, bells or other sound devices, except security devices used exclusively for security purposes, shall be located, used or placed on any Lot or Parcel.

4.19 Trash Containers and Collection. No garbage or trash shall be placed or kept on any Lot or Parcel, except in covered containers of a type, size and style which are approved by the Architectural Review Committee. In no event shall such containers be maintained so as to be visible from neighboring property except to make the same available for collection and then only for the shortest time reasonably necessary to effect such collection. The Architectural Review Committee may also, in its discretion and at its option, designate the location on a Lot or Parcel where such containers shall be stored between collection times in order to

protect adjacent properties from noise or odors emitting from the use of such containers. No rubbish, trash, garbage or debris of any kind shall be burned within the Property. No outdoor incinerators shall be kept or maintained on any Lot or Parcel.

4.20 Diseases and Insects. No Owner shall permit any thing or condition to exist upon any Lot or Parcel which shall induce, breed or harbor infectious plant diseases or noxious insects.

4.21 Health, Safety and Welfare. If additional uses, activities, and facilities are deemed by the Board to be a nuisance or to adversely affect the health, safety or welfare of Owners or Occupants or the quality or attractiveness of Troon Village, the Board may make rules restricting or regulating such uses, activities and facilities. Such rules, when adopted in the manner provided in Section 5.04 of this Declaration, shall be effective as Association Rules.

4.22 Model Homes. The provisions of this Declaration and of any Tract Declaration which may prohibit nonresidential use of Lots or Parcels and which regulate parking of vehicles shall not prohibit the construction and maintenance of model homes by persons engaged in the construction or marketing of residential dwellings within the Property or parking incidental to the visiting of such model homes, so long as the location of such model homes and parking areas is approved in advance by the Architectural Review Committee, the opening and closing hours are approved by the Board; and the construction, operation and maintenance of such model homes otherwise comply with all of the provisions of this Declaration. Any homes constructed as model homes shall cease to be used as model homes at any time when the owner thereof is not actively engaged in the construction and sale of residential dwellings within the Property, and no home shall be used as a model home for the sale of homes not located within the Property.

4.23 Greenhouses. Greenhouses shall be permitted within the Property provided they are appropriately screened from view as determined by the Architectural Review Committee.

4.24 Restriction on Further Subdivision, Property Restrictions. No Lot shall be split, subdivided or separated into smaller lots or parcels, and no Owner of a Lot shall sell or lease less than all of the Lot. No subdivision plat or horizontal property regime shall be recorded, modified or revoked with respect to a Parcel and no further covenants, conditions or restrictions (other than Tract Declarations

permitted by Article 2 of this Declaration) shall be recorded, modified or revoked by any Owner or other person with respect to any Parcel unless the Board has first approved the plat, horizontal property regime, or the proposed covenants, conditions or restrictions (or revocation or modification thereof), such approval to be evidenced by the Association's signature on the final, recorded plat (or revocation or modification thereof) or recorded instrument imposing, modifying, or revoking the covenants, conditions or restrictions or the horizontal property regime. Any plat, horizontal property regime, or covenants, conditions or restrictions (or revocation or modification thereof) recorded in violation of this Section shall be absolutely null and void. The Board's review shall be for the purpose of assuring, in the sole and absolute discretion of the Board, that the plat, horizontal property regime, or covenants, conditions and restrictions (or revocation or modification thereof) are consistent and compatible with the overall plan of development within the Property. However, in no event shall the approval of the Board of any plat, horizontal property regime, or covenant, condition or restriction (or revocation or modification thereof) be deemed an abandonment or waiver of any provision of this Declaration or of any Tract Declaration. The provisions of this Declaration and any applicable Tract Declaration shall be and remain superior to any such plat, horizontal property regime, or covenant, condition or restriction.

4.25 Formation of Associations. No homeowners' association, property owners' association or similar organization shall be formed with respect to any portion of the Property until the organizational documents (including the articles of incorporation and bylaws) have been reviewed and approved by the Board. Any and all modifications to such articles or bylaws shall also require the prior approval of the Board. The consents required by this Section 4.25 shall not be unreasonably withheld.

4.26 Temporary Occupancy. No trailer, vehicle, mobile home, basement of any incomplete building, tent, shack, garage, barn, or temporary building or structure of any kind shall be used at any time for a residence, either temporary or permanent, without prior written approval by the Board.

4.27 Animals. No animal, other than dogs or cats, shall be maintained on any Lot or Parcel. Not more than four (4) animals shall be permitted on any Lot or Parcel and then only if they are kept, bred or raised 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. The Board shall have the right, in its sole and absolute discretion, to determine what is an unreasonable amount of noise or whether a particular animal is a nuisance, and the determination of the Board shall be final and conclu-

No structure for the care, housing or confinement of any animal shall be maintained so as to be visible from neighboring property.

4.28 Antennas, Flag Poles. No antenna, satellite dish, or other device for the transmission or reception of television, radio, or any other form of electromagnetic radiation shall be erected, used or maintained on any Lot or Parcel unless appropriately screened from view and approved by the Architectural Review Committee. No flag poles over fifteen (15) feet high shall be erected, used or maintained on any Lot or Parcel.

4.29 Mineral Exploration. No Lot or Parcel 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.

4.30 Clothes Drying Facilities. Outside clotheslines or other outside facilities for drying or airing clothes shall not be erected, placed or maintained on any Lot or Parcel unless they are erected, placed and maintained exclusively within a fenced yard or otherwise are appropriately concealed as determined by the Architectural Review Committee.

4.31 Nonresidential Use. No gainful occupation, profession, trade or other nonresidential use shall be conducted on any Lot or on any Parcel which is developed with a residential dwelling unit, and no person shall enter upon such a Lot or Parcel for the purpose of engaging in such uses or for the purpose of receiving products or services arising out of such usage.

4.32 Single-Family Occupancy; Tenants. Each residential dwelling unit constructed on the Property may be occupied only by a single family. Any dwelling unit may be rented to a single-family tenant from time to time by the Owner, subject to the Association Rules. The Owner of each dwelling unit shall, at or prior to execution of any lease, furnish to the tenant a copy of the Declaration, the Articles and Bylaws and the Association Rules and obtain a receipt for such items executed by the tenant. The receipt obtained by the Owner shall be delivered to the Association on or before one week after the lessee or tenant is entitled to occupancy of the dwelling unit.

4.33 Variations. The Board may, at its sole option and in extenuating circumstances, grant variations from the restrictions set forth in Article 4 of this Declaration if the Board determines, in its sole discretion:

- (a) That either (i) enforcement of a particular restriction would create a substantial hardship or burden on an Owner or Occupant, or (ii) a change of circumstances since the recordation of this Declaration has rendered such restriction obsolete; and
- (b) That the activity permitted under the variance will not have any substantial adverse effect on the Owners and Occupants within Troon Village and is consistent with the high quality of life intended for residents of Troon Village.

ARTICLE 5

ASSOCIATION

5.01 Formation of Association. The Association shall be a non-profit Arizona corporation, to be known as Troon Village Association. Declarant has the exclusive right to incorporate the Association. The Association shall have only the powers and duties prescribed by this Declaration. Neither the Articles nor Bylaws shall be amended or otherwise changed or interpreted, for any reason, so as to be inconsistent with this Declaration. If there is an inconsistency, the provisions of this Declaration shall control over the inconsistent provisions of the Articles or Bylaws.

5.02 Powers and Duties. The Association shall have the following powers and duties and none others:

- (a) Subject to the restrictions and limitations contained in this Declaration, 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 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.

- (b) The Association shall maintain at least \$1,000,000 (combined limits) of insurance against liability incurred as a result of death or injury to persons or damage to property on the Common Areas. The Association may also maintain such other insurance as the Board determines is prudent under the circumstances.
- (c) The Association may improve the Common Areas (subject to the limitations in Section 3.01 above), and shall manage and maintain the Common Areas at a reasonably high standard of care, reflecting the first-class nature of Troon Village.
- (d) The Association shall have the right to levy and collect assessments and expend funds as provided in Article 7 of this Declaration.
- (e) The Association shall have the right to do such other things as are expressly authorized in this Declaration for the Association, the Board,

or any committee of either to perform, as well as such things as are reasonably necessary or proper for, or incidental to, the exercise of such express powers and duties.

(f) The Association shall have the right to sue and be sued.

(g) The Association shall perform the functions and discharge the obligations delegated to or imposed upon the Association, the Board, or any committee of either.

5.03 Board of Directors and Officers. The affairs of the Association shall be conducted by a Board of Directors of at least three (3) but not more than five (5) members and such officers as the Board may elect or appoint in accordance with the Articles and Bylaws. Unless a specific provision of this Declaration expressly permits or requires the members of the Association to take action, all actions and business of the Association shall be conducted exclusively by the Board and the Association officers, employees, committees, managers and agents appointed or elected by and acting under the direction of the Board, and actions taken by the Board, the officers, employees, committees, managers and agents shall not be subject to review by the members. The initial Board shall be appointed by Declarant. Board member shall serve a term of one (1) year and may be appointed or elected to successive terms. Prior to the Change Date, all members of the Board shall be appointed by Declarant and such appointees need not be Owners. After the Change Date, Board members shall be elected by the members of the Association, using cumulative voting, and each Board member shall be an Owner or an officer, director, shareholder, beneficiary, or trustee of, or partner in, an Owner. The Board may also appoint various committees and may appoint a manager who shall be responsible for the day-to-day operation of the Master Association, subject to the direction of the Board. The Board shall determine the compensation to be paid to the manager. The Board may also hire such employees as may be needed to carry out the Association's duties and may also retain the services of professional advisers, such as engineers, architects, accountants, and attorneys, to advise the Board with respect to the business of the Association.

5.04 Association Rules. By majority vote of the Board at a meeting duly noticed to all Owners, as provided in the Bylaws, the Association, from time to time, may adopt, amend and repeal rules and regulations to be known as the

Association Rules. Among other things, the Association Rules may restrict and govern the use of any Common Area by any Owner or Occupant; however, the Association Rules shall not discriminate among Owners or Occupants similarly situated nor shall the Association Rules be inconsistent with this Declaration, the Articles or Bylaws. Within five (5) days following adoption, amendment or repeal of an Association Rule, the Board shall send each Owner a copy of the adopted or amended Association Rule or a notice of repeal, if an Association Rule has been repealed. An Association Rule or an amendment to an Association Rule shall be effective fifteen (15) days following the Board action adopting or amending the Association Rule, unless the Board specifically finds that an earlier effective date is necessary, due to emergency circumstances, in which case the earlier date designated by the Board shall be the effective date. Actions repealing Association Rules shall be effective on the date the Board takes action to repeal the Association Rule. All actions of the Board in adopting, amending, or repealing Association Rules shall become effective as provided above, regardless of whether notice of the action is given to or actually received by the Owners. Once the Association Rules become effective, they shall have the same force and effect as if they were set forth in and were a part of this Declaration, subject, however, to the right of the Board to amend or repeal Association Rules as provided in this Section.

5.05 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 Owner, 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 member or officer of the Association; provided, however, the limitations set forth in this Section shall not apply to any person who has engaged in willful or intentional misconduct. The corporation shall be entitled to indemnify its members, directors, officers, employees, and agents to the full extent permitted by law.

ARTICLE 6

MEMBERSHIP AND VOTING

6.01 Membership. Every Owner, including Declarant, shall be a member of the Association. An Owner shall remain a member of the Association until such time as he ceases to be an Owner, at which time his membership in the Association

shall automatically cease. Ownership of a Lot or Parcel shall be the sole qualification and criterion for membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot or Parcel. A membership in the Association shall not be transferred, pledged or alienated in any way except on the sale of such Lot or Parcel and then only to the purchaser, or by intestate succession, testamentary disposition, trustee's sale, foreclosure of mortgage of record, or other legal process. Any attempt to make a prohibited transfer is void and will not be reflected upon the books and records of the Association. In the event an Owner fails or refuses to transfer the membership registered in his name to the purchaser of such Lot or Parcel, the Association shall have the right to record the transfer upon the books of the Association and thereupon the old membership outstanding in the name of the seller shall be null and void as though the same had been surrendered. Each Owner shall be entitled to one membership in the Association with the number of votes determined in the manner described in Section 6.02 of this Declaration. If a Lot or Parcel is owned by two or more persons in joint tenancy, tenancy in common, or as community property or other form of joint ownership, the membership as to such Lot or Parcel shall nevertheless be a single membership, and the joint Owners designate to the Association, in writing, the person who shall have the power to vote the membership. In the absence of such a designation, and until such a designation is made, the Board shall make the designation. No certificates of membership shall be issued, and memberships shall be evidenced by an official list of Owners kept by the secretary of the Association.

6.02 Number of Votes. Each Owner shall have the following number of votes in the Association, which such Owner may exercise in the manner and at the times specified in this Declaration:

- (a) One (1) vote for each Lot owned by the Owner.
- (b) One (1) vote for each acre, or fraction thereof, in each Parcel owned by the Owner. However, if an apartment building or other multi-family building is constructed on a Parcel and unless the provisions of Section 6.02(c) below apply, then, upon issuance of a certificate of occupancy or other evidence of substantial completion of the building and thereafter until such time, if ever, that the building no longer exists,

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the votes with respect to that Parcel shall be determined by allocating one-half ($\frac{1}{2}$) vote for each residential apartment or residential dwelling unit on the Parcel.

- (c) If a horizontal property regime establishing a condominium has been recorded with respect to a Parcel, then upon issuance of a certificate of occupancy or other evidence of substantial completion of the condominium building and thereafter until such time, if ever, that the building no longer exists, the votes with respect to that Parcel shall be determined by allocating one (1) vote for each condominium unit owned.

6.03 Fractional Votes. Except as provided in Section 6.02(b) above, fractional votes shall not be allowed. However, if an Owner holds more than one vote, the votes need not be cast as a unit.

6.04 Suspension of Voting Rights. No Owner shall be entitled to exercise any voting rights in the Association during any period in which the Owner is delinquent in the payment of any Assessment.

ARTICLE 7

ASSESSMENTS

7.01 Purposes. The Association shall apply all funds collected and received by it for the common good and benefit of the Property and the Owners by devoting those funds solely to payment of the expenses of the Association incurred in carrying out its powers and duties as specifically enumerated in this Declaration. Without limiting the generality of the foregoing provision, no funds of the Association shall be used to carry on propaganda or otherwise to attempt to influence legislation and the Association shall make no gift, donation or contribution to any organization engaged in such activities.

7.02 Creation of Lien; Personal Obligation. Each Owner, by acceptance of the deed or other instrument making such person an Owner (whether or not it shall be so expressed in such deed) is deemed to covenant and agree to pay to the Association any Assessments established from time to time as

provided in this Declaration. All Assessments, together with interest at the Default Rate from the due date until paid, costs and reasonable attorneys' fees of the Association incurred in connection with enforcement and collection of any Assessment or in otherwise enforcing this Declaration, and any other costs or expenses stated in this Declaration to be secured by an Assessment Lien, shall be a charge on, and shall be a continuing servitude and lien upon, the Lot or Parcel against which each such Assessment is made (an "Assessment Lien"). Each Assessment, together with interest at the Default Rate, costs and reasonable attorneys' fees as described above, shall also be the personal obligation of the person who was the Owner of the Lot or Parcel on January 1st of a given year, with respect to the Regular Assessment for that year or, with respect to any other Assessment, on the date such Assessment was levied by the Board. The personal obligation for Assessments shall not pass to the successors in title of the Owner unless expressly assumed by them; however, an Assessment Lien with respect to any Assessment shall continue as a charge and lien on the Lot or Parcel in the hands of the subsequent Owner.

7.03 Regular Assessments. In order to provide funds to enable the Association to carry out its powers and duties pursuant to this Declaration, including the establishment of appropriate and reasonable reserves, at least thirty (30) days prior to the beginning of each calendar year, commencing with the first full year after the year in which this Declaration is recorded, the Board shall estimate the total expenses of the Association for the upcoming year and shall assess against each Lot or Parcel a Regular Assessment. The Regular Assessment for each Lot or Parcel shall be based on the ratio of votes to which the Lot or Parcel is entitled to the total number of votes in the Association as of January 1st of the year for which the Regular Assessment is made. Written notice of the annual Regular Assessments shall be sent to each Owner. During the year, the Board may revise the amount of the Regular Assessments in order to meet expenses which exceed the amounts anticipated by the Association and collect such increased Assessments.

7.04 Special Assessments. If the need for maintenance or repair of any Common Area is caused through the willful or negligent act of any Owner, his family, guests, invitees, or any other person or Occupant using the Common Area with the permission of the Owner, the cost of such maintenance or repairs shall constitute a Special Assessment against such Owner and against each Lot and Parcel owned by such Owner and shall be secured by an Assessment Lien against each Lot and Parcel of the Owner. If any portion of any Lot or Parcel is maintained so as to present a public or private

nuisance or to substantially detract from the appearance or quality of the surrounding Lots and Parcels or other areas of the Property or if any portion of a Lot or Parcel is being used in a manner which violates this Declaration or a Tract Declaration or if the Owner or Occupant of any Lot or Parcel is failing to perform any of its obligations under this Declaration or any Tract Declaration or to abide by any of the provisions of this Declaration or any Tract Declaration, the Board may, by resolution, make a finding to such effect. The resolution of the Board shall specify the particular condition or conditions which exist, and notice shall be given to the Owner of the subject Lot or Parcel that unless corrective action is taken within fourteen (14) days of receipt of the notice, the Board may cause such action to be taken at the Owner's cost or the Board may commence appropriate legal action, whether at law or in equity, to compel compliance with this Declaration or the Tract Declaration. If, at the expiration of the 14-day notice, the requisite corrective action has not been taken, the Board shall have the right to cause corrective action to be taken and/or to commence appropriate legal action and all costs thereof, including court costs and attorneys' fees, shall bear interest from the date incurred until paid at the Default Rate and shall be a Special Assessment against the offending Owner and against each Lot and Parcel owned by the Owner and shall be secured by an Assessment Lien against each Lot and Parcel of the Owner.

7.05 Procedures Regarding Billing and Collections. Assessments shall be paid in monthly, quarterly, or annual installments, as determined by the Board and specified in the Notice of Regular Assessments sent to each Owner. The Board may adopt supplemental rules and regulations setting forth procedures for the purpose of making, billing for and collecting the Assessments provided for in this Declaration, provided that the procedures are not inconsistent with the provisions of the Declaration.

7.06 Refunds; Offsets. The Association shall be under no duty to refund any payments received by it even though the ownership of a Lot or Parcel changes during a year. Successor Owners of Lots or Parcels shall be given credit for prepayments, on a prorated basis, made by prior Owners. No offset against an Assessment shall be permitted for any reason, including, without limitation, a claim that the Association is not properly exercising its duties or responsibilities under this Declaration. No Owner may exempt himself from liability for any Assessment by waiver of the use or enjoyment of the Common Areas or by abandonment of his Lot or Parcel, or any improvement thereon.

7.07 Collection Costs and Interest on Delinquent Assessments. Any Assessment or installment thereof which is not paid when due shall be deemed delinquent and shall bear interest from the due date until paid at the Default Rate, and the Owner shall be liable for all costs, including attorneys' fees, which may be incurred by the Association in collecting the delinquent amount. The Board may also record a Notice of Delinquent Assessment against any Lot or Parcel as to which an Assessment is delinquent and may charge a reasonable fee to reimburse the Association for the Association's cost in recording such Notice and otherwise processing the delinquency, and that fee shall be treated as a collection cost of the Association, secured by the Assessment Lien.

7.08 Evidence of Payment of Assessments. Upon receipt of a written request by an Owner or any other person, the Association, within a reasonable period of time after receiving the request, shall issue to such Owner or other person a written certificate stating (a) that all Assessments (including interest, costs and attorneys' fees, if any, incurred in connection with the Assessment) have been paid with respect to any specified Lot or Parcel as of the date of such certificate, or (b) if all Assessments have not been paid, the amount of such Assessments (including interest, costs and attorney's fees, if any) due and payable as of such date. The Association may make a reasonable charge for the issuance of such certificates and that charge must be paid at the time the request for any such certificate is made.

7.09 Property Exempted from Assessments. Property owned by the Association shall be exempt from any Assessments pursuant to this Declaration, during such time as it is owned by the Association.

7.10 Association Remedies. If any Owner fails to pay the Assessments or installments when due, then, in addition to any other rights and remedies contained in this Declaration or otherwise available at law or in equity, the Association may enforce the payment of the Assessments and/or the Assessment Lien by taking either or both of the following actions, concurrently or separately (and, by exercising either of the remedies set forth below or any other remedy, the Association does not prejudice or waive its right to exercise the other remedy or any other right or remedy):

- (a) Bring an action at law and recover judgment against the Owner personally obligated to pay the Assessment; and/or

- (b) Foreclose the Assessment Lien against the Lot or Parcel in accordance with the then prevailing Arizona law relating to the foreclosure of realty mortgages (including the right to recover any deficiency).

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7.11 Subordination of Assessment Lien to First Mortgage or Deed of Trust; Priority of Assessment Lien. The Assessment Lien shall be subordinate to any first mortgage or deed of trust on the affected Lot or Parcel. The Assessment Lien shall also be subordinate to liens for taxes and other public charges which by applicable law are expressly made superior. Except as above provided, the priority of any Assessment Lien relates back to the date of recordation of this Declaration and each Assessment Lien shall be superior to any and all charges, liens or encumbrances which hereafter in any manner may arise or be imposed upon any Lot or Parcel. Sale or transfer of any Lot or Parcel shall not affect the Assessment Lien unless the sale or transfer is pursuant to foreclosure of a first mortgage or first deed of trust or pursuant to any trustee's sale or any proceeding in lieu thereof. In that case, the purchaser at the mortgage foreclosure or deed of trust sale or any grantee taking by deed in lieu of foreclosure shall take the Lot or Parcel free of the Assessment Lien for all Assessments that have accrued up to the date of issuance of a sheriff's or trustee's deed or deed in lieu of foreclosure. Such purchaser or grantee, however, shall be liable for all Assessments and associated Assessment Liens accruing subsequent to the date of issuance of a sheriff's or trustee's deed or deed in lieu of foreclosure.

7.12 Surplus Funds. The Association shall not be obligated to spend in any year all the sums received by it in such year (whether by way of Assessments, fees or otherwise), and may carry forward as surplus any balances remaining. The Association shall not be obligated to reduce the amount of the Regular Assessment in the succeeding year if a surplus exists from a prior year and the Association may carry forward from year to year such surpluses 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.

ARCHITECTURAL REVIEW COMMITTEE

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8.01 Approval of Plans. No Improvement shall be commenced, erected or maintained within any portion of the Property unless and until detailed plans and specifications (including site plans) showing the proposed nature; location; identity, type, and quality of proposed materials; size; area; height; color; shape; and design of the proposed Improvements, as well as any other matters required by this Declaration or by the architectural standards described in Section 8.04 below, have first been approved by the Architectural Review Committee. No Improvement shall be commenced, erected or maintained within the Property except in compliance with this Declaration and with the approved plans and specifications for such Improvement.

8.02 Establishment. The Architectural Review Committee shall consist of five (5) members appointed as set forth in this Section. The members of the Architectural Review Committee need not be architects, Owners or Occupants, and do not need to possess any special qualifications. Architectural Review Committee members shall serve for a term of one (1) year, except as otherwise expressly provided herein, and may be reappointed or reelected; provided that such members may be removed at any time during their term of office, with or without cause, by Declarant or by the majority vote of the Owners, as applicable, in the same manner as the member to be removed was appointed. Upon removal of a member of the Architectural Review Committee, the Declarant or Owners, as applicable, shall appoint a replacement member to the Architectural Review Committee as soon as possible such that the Committee consists of the number of members designated in this Section 8.02. During the first ten (10) years following the date of recordation of this Declaration, the Architectural Review Committee shall consist of five (5) members who shall be appointed by Declarant and who shall serve until their successors are duly appointed. Commencing ten (10) years and ending twenty (20) years following the date of recordation of this Declaration, three (3) members shall be appointed by Declarant and two (2) members shall be elected by majority vote of the Owners. Commencing twenty (20) years and ending thirty (30) years following the date of recordation of this Declaration, three (3) members shall be elected by majority vote of the Owners and two (2) members shall be appointed by Declarant. Commencing thirty (30) years following the date of recordation of this Declaration, all five (5) members of the Architectural Review Committee shall be elected by majority vote of the Owners.

8.03 Meetings. The Architectural Review Committee shall hold regular meetings. A quorum for such meetings.

shall consist of a majority of the members, and the affirmative vote of a majority of the members shall be necessary for any decision of the Architectural Review Committee. The Architectural Review Committee shall keep and maintain a record of all actions taken at its meetings.

8.04 Architectural Standards and Committee Procedures. The Architectural Review Committee shall promulgate written architectural standards and Architectural Review Committee procedures to be followed by Owners in preparing and submitting plans and specifications and to be used by the Architectural Review Committee in reviewing plans and specifications for proposed Improvements, in rendering its decisions and otherwise performing its functions under this Declaration. The standards and procedures adopted from time to time by the Architectural Review Committee must be approved by the Board prior to their implementation and once approved by the Board in the manner described in Section 5.04 of this Declaration, shall be effective as Association Rules. Subject to the provisions of Section 8.05 of this Declaration, the decision of the Architectural Review Committee shall be final on all matters submitted to it pursuant to this Declaration. Architectural standards and Architectural Review Committee procedures shall not be inconsistent with the terms of this Declaration and if there are any inconsistencies, the provisions of this Declaration shall control.

8.05 Appeal to Board. Any Owner or Occupant dissatisfied by a decision of the Architectural Review Committee may appeal the decision to the Board in accordance with procedures to be established by the Board. If the decision of the Architectural Review Committee is overruled by the Board on any issue or question, the prior decision of the Architectural Review Committee shall be deemed modified to the extent specified by the Board.

8.06 Fee. The Board may establish reasonable processing fees to defray the costs of the Architectural Review Committee in considering any requests for approvals submitted to it. The appropriate fee shall be paid at the time the request for approval is submitted.

8.07 Compensation; Delegation. Unless authorized by the Board, the members of the Architectural Review Committee shall not receive any compensation for services rendered. All members shall be entitled to reimbursement from Association funds for reasonable expenses incurred by them in connection with the performance of any Architectural Review Committee function or duty. Professional consultants retained by the Architectural Review Committee shall be paid such compensation as the Architectural Review Committee

determines. The Architectural Review Committee may delegate its plan review responsibilities, except final plan approval, to one or more of its members or to architectural consultants retained by the Committee.

8.08 Non-Liability. Neither the Association, the Board members, Declarant, or any member of the Architectural Review Committee shall be liable in damages to anyone submitting plans to them for approval or to any Owner or other person by reason of mistake in judgement, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve any plans submitted to the Architectural Review Committee, and each Owner or other person submitting plans agrees, by submission of such plans and specifications, that he will not bring any action or suit against the Architectural Review Committee or any member thereof, the Association, the Board members or Declarant, to recover damages as above described, including, without limitation, to recover damages arising out of or in connection with flooding, natural disaster, soil conditions, or golf course hazards. Approval by the Architectural Review Committee, any member thereof, the Board or Declarant shall not be deemed to be a representation or warranty that the Owner's plans and specifications or the actual construction of Improvements are free from defects (design, construction or otherwise) or are free from hazards, such as flooding, natural disaster, adverse soil conditions, or golf course hazards or complies with applicable governmental ordinances or regulations, including, but not limited to, rezoning ordinances and local building codes. It shall be the sole responsibility of the Owner or other person submitting plans to the Architectural Review Committee or performing any construction, to comply with all such ordinances, regulations and codes. Each Owner understands that due to the location and condition of the Owner's Lot or Parcel there may be certain inherent risks including, but not limited to, those related to golf course hazards, flooding, soil conditions or natural disaster and agrees for himself, his family, guests and invitees (the "Releasing Parties") to release the Association, the Board members, Declarant, and the members of the Architectural Review Committee from any and all liability arising from any damage or injury to the person or property of the Releasing Parties arising out of or in connection with such hazards.

ARTICLE 9

ENFORCEMENT

9.01 Rights of Enforcement. Declarant, any Owner, and the Association each shall have the right to enforce the

provisions of this Declaration. In addition, the Association and Declarant shall each have the right to enforce the provisions of any other instrument which, by its terms, indicates that the provisions of such instrument were intended to be enforced by the Association or by Declarant. Enforcement shall be by suit at law or in equity (for damages or injunctive relief); however, nothing contained in this Declaration shall be construed as indicating that damages are an adequate remedy. Additionally, the Association shall have the further enforcement rights, powers, and remedies set forth in this Declaration.

ARTICLE 10

EASEMENTS AND ACCESS RIGHTS

10.01 Easements. The following easements over the Property are hereby reserved over all Parcels of the Property:

- (a) Utility and Drainage Easements. Easements in favor of Declarant and the appropriate public utilities for the installation and maintenance of electric, telephone, cable television, water, gas, and sanitary sewer or similar lines, pipes and facilities, and for drainage facilities, as may be required or appropriate to service the Common Areas or any Lot or Parcel or as may otherwise be required by law.
- (b) Construction and Maintenance Easements. Easements in favor of Declarant for the purpose of construction, repairing and maintaining all Improvements upon the Common Areas.

The foregoing easements shall terminate, as to Lots, at the time of recordation of a subdivision plat creating the Lots, to the extent such easements are not expressly set forth on the subdivision plat or in another recorded instrument approved and signed by the Owner of the Lots.

10.02 Access. During reasonable hours and upon reasonable notice to the Owner or other Occupant of a Lot or Parcel, Declarant, any member of the Architectural Review Committee, any member of the Board, or an authorized representative of either, shall have the right to enter upon and

inspect any Lot or Parcel, and the Improvements thereon, except for the interior portions of any completed residence or business space, for the purpose of determining whether or not the provisions of this Declaration have been or are being complied with, and such persons shall not be deemed guilty of trespass by reason of such entry.

ARTICLE 11

TERM; AMENDMENTS; TERMINATION

11.01 Term; Method of Termination. This Declaration shall be effective upon the date of recordation and, as amended from time to time, shall continue in full force and effect for a term of fifty (50) years from the date this Declaration is recorded. From and after said date, this Declaration, as amended, shall be automatically extended for successive periods of ten (10) years each, unless there is an affirmative vote to terminate this Declaration by the then Owners holding at least ninety percent (90%) of the total voting power in the Association at an election held for such purpose within six (6) months prior to the expiration of the initial fifty (50) year term or any ten (10) year extension period. Anything in the foregoing to the contrary notwithstanding, no vote to terminate this Declaration shall be effective unless and until the written consent to such termination has been obtained from the holders of recorded first mortgages or deeds of trust on seventy-five percent (75%) of the Lots and Parcels upon which there are such recorded first mortgages and deeds of trust. If the necessary votes and consents are obtained, the Board shall cause to be recorded a Certificate of Termination, duly signed and acknowledged by the president or vice president and attested by the secretary or assistant secretary of the Association, with their signatures acknowledged. Thereupon, this Declaration shall have no further force and effect, and the Association shall be dissolved.

11.02 Amendments. PRIOR to the Change Date, the Declaration may be amended by the affirmative vote of Owners holding at least fifty-one percent (51%) of the total voting power in the Association at a meeting duly called pursuant to the Articles and Bylaws for the adoption of the amendment. Declarant shall be entitled to exercise all of the voting rights held by Declarant as an Owner at any such meeting, however, if Declarant votes against adoption of the proposed amendment, the amendment shall not be adopted even if Owners (other than Declarant) holding at least 51% of the total voting power have otherwise approved the amendment. After the Change Date, the Declaration may be amended by the

affirmative vote of Owners holding at least eighty percent (80%) of the total voting power in the Association at a meeting duly called pursuant to the Articles and Bylaws for the adoption of the amendment. This Declaration may be amended by recording a Certificate of Amendment, duly signed and acknowledged by the president or vice president and attested by the secretary or assistant secretary of the Association and, if the amendment is adopted prior to the Change Date by Declarant.

11.03 Tract Declarations. Amendments to and revocations of Tract Declarations shall be subject to the provisions of Section 2.02 of this Declaration.

ARTICLE 12

ANNEXATION OF ADDITIONAL PROPERTY

12.01 Annexation. Prior to the Change Date, Declarant may, with the approval, assent or vote of the Owners holding at least fifty-one percent (51%) of the total voting power of the Association, annex other unimproved real property located in the general vicinity of the Property to the Property covered by this Declaration. After the Change Date, unimproved real property located in the general vicinity of the Property may be annexed to the Property covered by this Declaration with the approval, assent or vote of the Owners holding at least eighty percent (80%) of the total voting power of the Association.

12.02 Supplementary Declarations. The annexations authorized under the foregoing Section 12.01 shall be made by recording a supplemental declaration of covenants, conditions and restrictions, or similar instrument, with respect to the annexed property. The recordation of said supplemental declarations shall constitute and effectuate the annexation of the annexed property, making the annexed property subject to this Declaration and subject to the functions, powers and jurisdiction of the Association, and thereafter the annexed property shall be part of the Property and all of the Owners of Lots or Parcels in the annexed property shall automatically be members of the Association.

12.03 Adjustment of Boundaries of Golf Course Property. In the event the owner(s) of fee simple title to the Golf Course Property (the "Golf Course Owners") shall convey any portion of the Golf Course Property to an Owner of any portion of the Property, including Declarant, such portion of the Golf Course Property shall be automatically annexed to the Property and covered by this Declaration, without the

necessity of recording a supplementary Declaration as provided in Section 12.02 above. The recordation of a deed of conveyance of any portion of the Golf Course Property to an Owner shall constitute and effectuate the annexation of the portion of the Golf Course Property so conveyed to the Property, making such Property subject to the Declaration and subject to the functions, powers and jurisdiction of the Association, and hereafter the Owners of the annexed real property shall automatically be members of the Association. In the event any Owner of a portion of the Property which is adjacent to the Golf Course Property shall convey any portion of such Owner's Lot or Parcel to the Golf Course Owners, upon recordation of the applicable deed of conveyance in the records of Maricopa County, Arizona, the portion of the Lot or Parcel so conveyed shall be de-annexed from the Property and released from this Declaration, without the necessity of recording a supplementary Declaration or an amendment to this Declaration; provided, however, that such de-annexation and release shall be contingent on the Golf Course Owners, evidencing their acceptance of the portion of the Property conveyed to the Golf Course Owners by executing and acknowledging the applicable deed of conveyance.

ARTICLE 13

EXEMPTION

13.01 Exemption. All land and improvements owned by or dedicated to and accepted by the United States, the State of Arizona, Maricopa County, the City of Scottsdale, or any subdivision thereof, shall be exempt from the provisions of this Declaration so long as such ownership and/or dedication remains in effect.

ARTICLE 14

MISCELLANEOUS

14.01 Interpretation of the Covenants. Except for judicial construction, the Association, by its Board, shall have the exclusive right to construe and interpret the provisions of this Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Association's construction or interpretation of the provisions of this Declaration shall be final, conclusive and binding as to all persons and property benefited or bound by the provisions of this Declaration.

14.02 Severability. Any determination by any court of competent jurisdiction that any provision of this Declaration is invalid or unenforceable shall not affect the validity or enforceability of any of the other provisions of this Declaration, but such provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable.

14.03 Rule Against Perpetuities. If any interest purported to be created by this Declaration is challenged under the rule against perpetuities or any related rule, the interest shall be construed as becoming void and of no effect as of the end of the applicable period of perpetuities computed from the date when the period of perpetuities starts to run on the challenged interest. The "lives in being" for computing the period of perpetuities shall be (a) those which would be used in determining the validity of the challenged interest, plus (b) those of the issue of the Board who are living at the time the period of perpetuities starts to run on the challenged interest.

14.04 Change of Circumstances. Except as otherwise expressly provided in this Declaration, no change of conditions or circumstances shall operate to extinguish, terminate or modify any of the provisions of this Declaration.

14.05 Declarant's Disclaimer of Representations. Anything to the contrary in this Declaration notwithstanding, Declarant makes absolutely no warranties, representations or agreements whatsoever that the plans presently envisioned for the development of Troon Village, in whole or in part, can or will be carried out, or that any land now owned or hereafter acquired by Declarant is or will be subjected to this Declaration, or that any such land (whether or not it has been subjected to this Declaration) is or will be committed to or developed for a particular (or any) use, or that if such land is once used for a particular use, such use will continue in effect.

14.06 Limitation on the Declarant's Liability. Notwithstanding anything to the contrary herein, it is expressly agreed that Declarant shall have no personal liability to the Association or to any Owner, Occupant or other person, arising under, in connection with, or resulting from this Declaration.

14.07 References to Covenants in Deeds; Binding Effect. Deeds to and instruments affecting any Lot or Parcel or any part of the Property may contain the provisions of this Declaration by reference to this Declaration; but regardless of whether any such reference is made in any deed or

... all of the provisions of this Declaration shall run with and burden the Property and each portion thereof and be binding upon each Owner and Occupant and all other parties having any right, title, or interest in, or otherwise coming upon, using, or enjoying the Property, their heirs, personal representatives, executors, administrators, successors and assigns.

14.08 Gender and Number. Wherever the context of this Declaration so requires, words used in the masculine gender shall include the feminine and neuter genders; words used in the neuter gender shall include the masculine and feminine genders; words in the singular shall include the plural; and words in the plural shall include the singular.

14.09 Captions and Titles. All captions, titles or headings of the Articles and Sections in this Declaration are for the purpose of reference and convenience only and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof or to be used in determining the intent or context thereof.

14.10 Notices. If notice of any action or proposed action by the Board or of any committee or of any meeting is required by applicable law, this Declaration or resolution of the Board to be given to any Owner or Occupant, then, unless otherwise specified in this Declaration or in the resolution of the Board, such notice requirement shall be deemed satisfied if notice of such action or meeting is published once in any newspaper in general circulation within the City of Scottsdale or the Property. This Section shall not be construed to require that any notice be given if not otherwise required and shall not prohibit satisfaction of any notice requirement in any other manner.

14.11 Original Declaration. At a duly called special meeting of the Association held December 28, 1987, the Owners holding greater than fifty-one percent (51%) of the voting power in the Association approved amending and restating the Original Declaration. Accordingly, the undersigned, as officers of the Association and Desert Foothills Developers, as Declarant, pursuant to the authority contained in the Original Declaration and the affirmative vote of the Members of the Association, hereby amend and restate the Original Declaration in its entirety, and the Original Declaration is hereby superseded and replaced.

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DATED as of the day and year first above written.

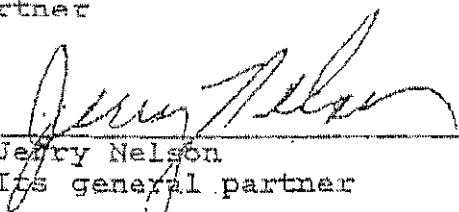
DESERT FOOTHILLS DEVELOPERS,
an Arizona joint venture

By MAYFAIR INVESTORS, a
Canadian limited partner-
ship, as a joint venture
partner

By R. A. BRADBURN ENTERPRISES INC.
an Alberta corporation, as
the sole general partner
in Mayfair Investors

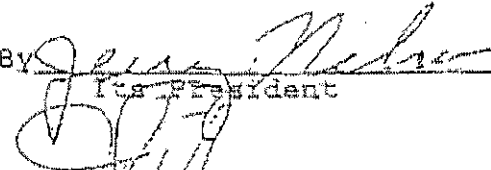
By 
Robert A. Bradburn, Jr.
Its President

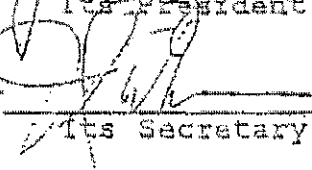
By N-S PROPERTIES NO.2
LIMITED PARTNERSHIP, an
Arizona limited partner-
ship, as a joint venture
partner

By  X
Jerry Nelson
Its general partner

"Declarant"

TROON VILLAGE ASSOCIATION, an
Arizona nonprofit association

By 
Its President

By 
Its Secretary

"Association"

88-357622

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STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 15th day of February, 1988, by JERRY NELSON, general partner in N-S^W PROPERTIES NO. 2 LIMITED PARTNERSHIP, an Arizona limited partnership, on behalf of the limited partnership as a joint venture partner in DESERT FOOTHILLS DEVELOPERS, an Arizona joint venture, on behalf of the joint venture.

Barbara L. Williams
Notary Public

My commission expires:
April 30, 1990

PROVINCE OF ALBERTA)
)
City of Edmonton)

The foregoing instrument was acknowledged before me this 7 day of MARCH, 1988, by ROBERT A. BRADBURN, president of R. A. BRADBURN ENT. INC., an Alberta corporation, on behalf of the corporation, as a general partner in MAYEAIR INVESTORS, a Canadian limited partnership, on behalf of the limited partnership as a joint venture partner in DESERT FOOTHILLS DEVELOPERS, an Arizona joint venture, on behalf of the joint venture.

[Signature]
Notary Public

My commission expires:
Does not - Lawyer

85 430025

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 15th day of January, 1988, by Linda D. Kaden the Secretary of TROON VILLAGE ASSOCIATION, an Arizona nonprofit corporation, on behalf of the corporation.

Linda P. Williams
Notary Public

My commission expires:

April 30, 1990

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 15th day of January, 1988, by Linda D. Kaden the Secretary of TROON VILLAGE ASSOCIATION, an Arizona nonprofit corporation, on behalf of the corporation.

Linda P. Williams
Notary Public

My commission expires:

April 30, 1990

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88-357622

CONSENT

METROPOLITAN FEDERAL BANK, a federal savings bank, formerly known as Metropolitan Federal Savings and Loan Association, as Beneficiary of (i) that certain Deed of Trust, Assignment of Rents and Security Agreement recorded October 3, 1984, as Instrument 84-431881, records of Maricopa County, Arizona, and (ii) that certain Deed of Trust, Assignment of Rents and Security Agreement recorded November 25, 1985, as Instrument No. 85-560736, records of Maricopa County, Arizona, hereby consents to the foregoing Amended and Restated Declaration and covenants and agrees that its interest in the Deeds of Trust described above and in each Trust Estate, as that term is defined in each of the Deeds of Trust, is subject and subordinate to the Amended and Restated Declaration, except to the extent specifically provided in Section 7.11 of the Amended and Restated Declaration.

DATED: February 1, 1988

METROPOLITAN FEDERAL BANK, a federal savings bank

By Gordon A. Everson
Its Dr. V.P.

STATE OF NORTH DAKOTA)
) ss.
County of CASS)

The foregoing instrument was acknowledged before me this 1st day of February, 1988, by Gordon A. Everson, the SVRVE President of METROPOLITAN FEDERAL BANK, a federal savings bank, on behalf of the bank.

Janet H. Hanson
Notary Public

My commission expires:
JANET H. HANSON
NOTARY PUBLIC STATE OF NORTH DAKOTA
My commission expires 03-23, 1990

CONSENT

85-357622

The Valley National Bank of Arizona, a national banking association, as Beneficiary of that certain Construction Deed of Trust and Security Agreement, dated December 2, 1983, which was recorded as Instrument No. 85-497223 on December 12, 1983, in the records of Maricopa County, Arizona, as amended by that certain Amendment to Construction Deed of Trust and Security Agreement, dated March 29, 1985, which was recorded as Instrument No. 85-151879, on April 5, 1985, in the records of Maricopa County, Arizona (together, the "Deed of Trust"), hereby consents to the foregoing Amended and Restated Declaration, and covenants and agrees that its interest in the Trust Property, as that term is defined in the Deed of Trust, is subject and subordinate to the Amended and Restated Declaration, except to the extent specifically provided in Section 7.11 of the Amended and Restated Declaration.

DATED: July 11, 1988

THE VALLEY NATIONAL BANK OF ARIZONA, a national banking association

By Leslie A. Newton
Its Assistant Vice President
"Beneficiary"

STATE OF ARIZONA)
County of Maricopa)

The foregoing instrument was acknowledged before me this 11th day of July, 1987, by Leslie A. Newton, the Asst. Vice President of the Valley National Bank of Arizona, a national banking association, on behalf of the association.

Janet McVernon
Notary Public

My Commission Expires:
4-30-89

of 280.00 feet;

thence Southeasterly along said curve and along the boundary of said Windy Walk Estates through a central angle of 10 degrees 01 minutes 43 seconds an arc length of 49.01 feet;

thence South 66 degrees 20 minutes 20 seconds East along the boundary of said Windy Walk Estates a distance of 129.15 feet to a tangent point on a curve, concave to the West, whose center bears South 23 degrees 39 minutes 40 seconds West a radius of 16.00 feet;

thence Southeasterly to Southwesterly along said curve and along the boundary of said Windy Walk Estates through a central angle of 90 degrees 00 minutes 00 seconds an arc length of 25.13 feet;

thence South 23 degrees 39 minutes 40 seconds West a distance of 185.80 feet;

thence South 65 degrees 35 minutes 28 seconds West along the boundary of said Windy Walk Estates a distance of 1619.12 feet;

thence South 10 degrees 33 minutes 32 seconds West along the boundary of said Windy Walk Estates a distance of 996.36 feet;

thence South 36 degrees 21 minutes 49 seconds West along the boundary of said Windy Walk Estates a distance of 833.90 feet;

thence South 03 degrees 07 minutes 29 seconds West along the boundary of said Windy Walk Estates a distance of 269.61 feet;

thence South 86 degrees 52 minutes 31 seconds East along the boundary of said Windy Walk Estates a distance of 429.12 feet to a tangent point on a curve, concave to the Southwest, whose center bears South 03 degrees 07 minutes 29 seconds West a radius of 155.00 feet;

thence Southeasterly along said curve and along the boundary of said Windy Walk Estates through a central angle of 16 degrees 21 minutes 41 seconds an arc length of 44.26 feet;

thence South 70 degrees 30 minutes 50 seconds East along the boundary of said Windy Walk Estates a distance of 86.12 feet to the Northwest corner of Ballantrae Ridge as shown in Book 272, Page 31, in the office of the Maricopa County Recorder, Maricopa County, Arizona;

thence South 12 degrees 48 minutes 20 seconds East along the boundary of said Ballantrae Ridge a distance of 211.51 feet;

thence South 00 degrees 40 minutes 15 seconds East along the boundary of said Ballantrae Ridge a distance of 252.53 feet;

thence South 01 degrees 30 minutes 27 seconds West along the boundary of said Ballantrae Ridge a distance of 301.95 feet;

thence South 21 degrees 33 minutes 24 seconds East along the boundary of said Ballantrae Ridge a distance of 262.35 feet;

thence South 36 degrees 32 minutes 12 seconds West along the boundary of said Ballantrae Ridge a distance of 177.00 feet;

thence North 53 degrees 27 minutes 49 seconds West a distance of 130.00 feet;

thence South 81 degrees 32 minutes 12 seconds West a distance of 95.00 feet;

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thence South 36 degrees 32 minutes 12 seconds West a distance of 327.01 feet to a point on the North Right of Way line of said Happy Valley Road and to a nontangent point on a curve, concave to the Southwest, whose center bears South 27 degrees 30 minutes 22 seconds West a radius of 2109.75 feet;

thence Northwesterly along the North Right of Way line of said Happy Valley Road and along said curve through a central angle of 13 degrees 00 minutes 05 seconds an arc length of 478.74 feet to the TRUE POINT OF BEGINNING.

Said parcel contains 3,772,853.7090 square feet or 86.6128 acres, more or less.

SOUTH NINE HOLES

Hole Number 10

Commencing at the Southwest corner of said Section 4;

thence Southeasterly along the center line of said Happy Valley Road and along the arc of a curve, concave to the Southwest, whose center bears South 00 degrees 02 minutes 48 seconds West a radius of 2054.75 feet through a central angle of 17 degrees 28 minutes 06 seconds an arc length of 626.45 feet to a point of nontangency;

thence South 17 degrees 30 minutes 54 seconds West a distance of 55.00 feet to a point on the South Right of Way line of said Happy Valley Road and to a nontangent point on a curve whose center bears South 17 degrees 30 minutes 54 seconds West a radius of 1999.75 feet said point being the TRUE POINT OF BEGINNING;

thence Southeasterly along the South Right of Way line of said Happy Valley Road and along the arc of said curve, concave to the Southwest, through a central angle of 08 degrees 19 minutes 20 seconds an arc length of 290.47 feet to a point of nontangency;

thence South 31 degrees 40 minutes 01 seconds West a distance of 117.77 feet;

thence South 28 degrees 32 minutes 09 seconds West a distance of 663.83 feet;

thence South 17 degrees 17 minutes 38 seconds West a distance of 399.55 feet;

thence South 03 degrees 23 minutes 51 seconds West a distance of 141.75 feet;

thence South 65 degrees 54 minutes 57 seconds East a distance of 61.86 feet;

thence North 88 degrees 38 minutes 18 seconds East a distance of 65.21 feet to a point on the West Right of Way line of Turnberry Road as shown on the plat of Glenn Moor in Book 278 of Maps, Page 3, in the office of the Maricopa County Recorder, Maricopa County, Arizona;

thence South 27 degrees 18 minutes 35 seconds West along the

West Right of Way of said Turnberry Road a distance of 29.00 feet;

thence South 86 degrees 28 minutes 06 seconds West a distance of 60.54 feet;

thence North 65 degrees 54 minutes 57 seconds West a distance of 66.72 feet;

thence South 56 degrees 05 minutes 45 seconds West a distance of 110.00 feet;

thence North 77 degrees 57 minutes 19 seconds West a distance of 100.32 feet;

thence North 39 degrees 05 minutes 09 seconds West a distance of 72.00 feet;

thence North 00 degrees 55 minutes 25 seconds West a distance of 290.18 feet;

thence North 11 degrees 08 minutes 10 seconds East a distance of 280.00 feet;

thence North 25 degrees 29 minutes 02 seconds East a distance of 97.14 feet;

thence North 28 degrees 12 minutes 08 seconds East a distance of 829.02 feet to a point on the South Right of Way line of said Happy Valley Road and to the TRUE POINT OF BEGINNING.

Said parcel contains 401,811.2158 square feet or 9.2243 acres, more or less.

Hole Number 11.

Commencing at the West Quarter corner of said Section 7, thence North 00 degrees 00 minutes 18 seconds West along the West line of the Southwest Quarter of said Section 9 a distance of 1087.68 feet;

thence North 89 degrees 53 minutes 42 seconds East a distance of 493.37 feet to the TRUE POINT OF BEGINNING.

thence North 27 degrees 18 minutes 35 seconds East a distance of 84.96 feet;

thence South 67 degrees 53 minutes 06 seconds East a distance of 351.53 feet;

thence South 62 degrees 52 minutes 19 seconds East a distance of 399.53 feet;

thence South 69 degrees 49 minutes 39 seconds East a distance of 612.21 feet;

thence North 81 degrees 59 minutes 15 seconds East a distance of 191.43 feet;

thence South 54 degrees 32 minutes 23 seconds East a distance of 156.44 feet;

thence South 07 degrees 29 minutes 20 seconds West a distance of 91.24 feet;

thence South 55 degrees 31 minutes 13 seconds East a distance of 110.08 feet to a point on the West Right of Way line of said Turnberry Road and to a nontangent point on a curve, concave to the Southeast, whose center bears South 38 degrees 57 minutes 40

seconds East a radius of 345.00 feet;

thence Southwesterly along the West Right of Way of said Turnberry Road and along said curve through a central angle of 04 degrees 38 minutes 43 seconds an arc length of 27.97 feet to a point of nontangency;

thence North 54 degrees 09 minutes 24 seconds West a distance of 90.52 feet;

thence South 72 degrees 12 minutes 30 seconds West a distance of 60.15 feet;

thence South 60 degrees 46 minutes 15 seconds West a distance of 75.41 feet;

thence South 86 degrees 49 minutes 29 seconds West a distance of 101.47 feet;

thence North 74 degrees 06 minutes 33 seconds West a distance of 585.67 feet;

thence North 62 degrees 07 minutes 44 seconds West a distance of 198.09 feet;

thence North 53 degrees 24 minutes 16 seconds West a distance of 680.84 feet;

thence North 40 degrees 33 minutes 05 seconds West a distance of 84.21 feet to the TRUE POINT OF BEGINNING.

Said parcel contains 371,395.8807 square feet or 8.5261 acres, more or less.

Hole Number 12

Commencing at the West Quarter corner of said Section 9;

thence South 89 degrees 56 minutes 19 seconds East a distance of 2627.44 feet to the Center of said Section 9 and to the TRUE POINT OF BEGINNING;

thence North 54 degrees 41 minutes 18 seconds West a distance of 411.54 feet;

thence North 67 degrees 33 minutes 01 seconds West a distance of 88.14 feet;

thence North 26 degrees 13 minutes 42 seconds West a distance of 94.08 feet to a point on the East Right of Way line of said Turnberry Road and to a nontangent point on a curve, concave to the Southeast, whose center bears South 49 degrees 04 minutes 36 seconds East a radius of 305.00 feet;

thence Northeasterly along the East Right of Way of said Turnberry Road and along said curve through a central angle of 18 degrees 03 minutes 20 seconds an arc length of 96.11 feet to a point of nontangency;

thence South 63 degrees 48 minutes 36 seconds East a distance of 642.64 feet;

thence South 59 degrees 00 minutes 15 seconds East a distance of 199.04 feet;

thence South 43 degrees 05 minutes 26 seconds East a distance of 287.55 feet;

thence South 40 degrees 31 minutes 27 seconds East a distance

of 100.00 feet;

thence South 13 degrees 36 minutes 31 seconds West a distance of 196.29 feet to a point on the Northwest Right of Way line of Alton Road as shown on the plat of said Glenn Moor and to a nontangent point on a curve, concave to the Northwest, whose center bears North 29 degrees 51 minutes 33 seconds West a radius of 430.00 feet;

thence Southwesterly along the Northwest Right of Way line of said Alton Road and along said curve through a central angle of 12 degrees 27 minutes 40 seconds an arc length of 93.52 feet to a point of nontangency;

thence North 58 degrees 53 minutes 59 seconds West a distance of 150.00 feet;

thence North 40 degrees 10 minutes 20 seconds West a distance of 224.10 feet;

thence North 53 degrees 00 minutes 42 seconds West a distance of 389.09 feet to the TRUE POINT OF BEGINNING.

Said parcel contains 262,705.2378 square feet or 6.0309 acres, more or less.

Holes Number 13 through 16

Commencing at the West Quarter corner of said Section 9;

thence South 89 degrees 56 minutes 19 seconds East a distance of 2627.44 feet to the Center of said Section 9;

thence South 00 degrees 02 minutes 37 seconds East a distance of 573.19 feet;

thence North 86 degrees 15 minutes 44 seconds East along the South Right of Way line of said Alton Road a distance of 486.45 feet to a tangent point on a curve, concave to the Northwest, whose center bears North 03 degrees 44 minutes 16 seconds West a radius of 470.00 feet;

thence Southwesterly along said curve and along the South Right of Way of said Alton Road through a central angle of 16 degrees 02 minutes 27 seconds an arc length of 131.58 feet to the TRUE POINT OF BEGINNING.

thence continuing Southwesterly along the South Right of Way of said Alton Road and along said curve through a central angle of 15 degrees 52 minutes 33 seconds an arc length of 130.23 feet;

thence North 54 degrees 20 minutes 44 seconds East along the Southeast Right of Way of said Alton Road a distance of 101.81 feet;

thence South 52 degrees 22 minutes 10 seconds East a distance of 134.95 feet;

thence South 22 degrees 59 minutes 41 seconds West a distance of 476.64 feet;

thence South 68 degrees 29 minutes 34 seconds East a distance of 445.47 feet;

thence South 73 degrees 58 minutes 54 seconds East a distance

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of 361.21 feet;
 thence South 28 degrees 24 minutes 17 seconds East a distance
 of 133.60 feet;
 thence South 53 degrees 11 26 seconds East a distance
 of 383.03 feet;
 thence North 47 degrees 22 39 seconds East a distance
 of 11.76 feet;
 thence South 54 degrees 27 59 seconds East a distance
 of 43.74 feet;
 thence South 41 degrees 30 05 seconds West a distance
 of 12.78 feet;
 thence South 53 degrees 11 26 seconds East a distance
 of 86.49 feet;
 thence South 75 degrees 58 03 seconds East a distance
 of 150.00 feet;
 thence North 70 degrees 01 10 seconds East a distance
 of 100.00 feet;
 thence North 57 degrees 44 40 seconds East a distance
 of 140.00 feet;
 thence North 31 degrees 13 minutes 26 seconds West a distance
 of 84.58 feet;
 thence North 03 degrees 54 minutes 06 seconds East a distance
 of 435.32 feet;
 thence North 40 degrees 07 minutes 13 seconds East a distance
 of 149.12 feet;
 thence South 73 degrees 18 minutes 31 seconds East a distance
 of 61.56 feet;
 thence North 23 degrees 00 minutes 00 seconds East a distance
 of 116.32 feet;
 thence North 11 degrees 04 minutes 27 seconds West a distance
 of 62.36 feet;
 thence North 36 degrees 20 minutes 14 seconds West a distance
 of 24.74 feet;
 thence North 84 degrees 01 minutes 26 seconds West a distance
 of 43.00 feet;
 thence North 50 degrees 56 minutes 35 seconds West a distance
 of 76.60 feet;
 thence North 57 degrees 52 minutes 27 seconds West a distance
 of 572.62 feet;
 thence North 43 degrees 23 minutes 16 seconds West a distance
 of 262.82 feet;
 thence South 88 degrees 47 minutes 12 seconds West a distance
 of 162.72 feet;
 thence North 38 degrees 04 minutes 16 seconds West a distance
 of 97.99 feet to a point on the Southeast Right of Way line of
 said Alton Road and to a nontangent point on a curve, concave to
 the Northwest, whose center bears North 38 degrees 04 minutes 16
 seconds West a radius of 620.00 feet;
 thence Northeasterly along the Southeast Right of Way line of
 said Alton Road and along said curve through a central angle of

20 degrees 44 minutes 05 seconds an arc length of 224.37 feet ^{88 430025}
 a point of nontangency;

thence North 74 degrees 39 minutes 07 seconds East along the
 Southeast Right of Way line of said Alton Road a distance of
 42.66 feet to a point on the Southwest Right of Way line of said
 Happy Valley Road;

thence South 60 degrees 39 minutes 16 seconds East along the
 Southwest Right of Way line of said Happy Valley Road a distance
 of 262.94 feet;

thence South 48 degrees 59 minutes 30 seconds East a distance
 of 852.09 feet;

thence South 08 degrees 12 minutes 37 seconds East a distance
 of 89.04 feet;

thence South 82 degrees 56 minutes 53 seconds West a distance
 of 61.16 feet;

thence South 36 degrees 20 minutes 16 seconds East a distance
 of 31.02 feet;

thence South 11 degrees 04 minutes 27 seconds East a distance
 of 77.22 feet;

thence South 23 degrees 00 minutes 00 seconds West a distance
 of 124.90 feet;

thence South 74 degrees 07 minutes 31 seconds East a distance
 of 43.14 feet;

thence South 34 degrees 11 minutes 02 seconds East a distance
 of 98.16 feet;

thence South 05 degrees 23 minutes 09 seconds West a distance
 of 97.44 feet;

thence South 25 degrees 14 minutes 44 seconds West a distance
 of 357.92 feet;

thence South 02 degrees 30 minutes 14 seconds East a distance
 of 73.46 feet;

thence South 51 degrees 43 minutes 39 seconds West a distance
 of 222.62 feet;

thence South 80 degrees 10 minutes 21 seconds West a distance
 of 196.68 feet;

thence North 64 degrees 22 minutes 17 seconds West a distance
 of 180.24 feet;

thence South 33 degrees 43 minutes 18 seconds West a distance
 of 60.00 feet;

thence South 78 degrees 21 minutes 30 seconds West a distance
 of 185.51 feet;

thence North 45 degrees 35 minutes 47 seconds West a distance
 of 499.19 feet;

thence North 63 degrees 23 minutes 58 seconds West a distance
 of 95.84 feet;

thence North 78 degrees 00 minutes 12 seconds West a distance
 of 679.98 feet;

thence North 44 degrees 24 minutes 48 seconds West a distance
 of 202.63 feet;

thence North 05 degrees 49 minutes 53 seconds West a distance

of 94.32 feet;

thence North 36 degrees 07 minutes 42 seconds East a distance of 394.44 feet;

thence North 23 degrees 53 minutes 10 seconds West a distance of 112.49 feet to a point on the South Right of Way of said Alton Road and to the TRUE POINT OF BEGINNING.

Said parcel contains 893,644.9972 square feet or 20.5153 acres, more or less.

Hole Number 17

Commencing at the Northwest corner of said Section 9;

thence Southeasterly along the center line of said Happy Valley Road and along the arc of a curve, concave to the Southwest, whose center bears South 00 degrees 02 minutes 48 seconds West a radius of 2054.75 feet through a central angle of 38 degrees 17 minutes 56 seconds an arc length of 1373.48 feet;

thence South 51 degrees 39 minutes 16 seconds East along the center line of said Happy Valley Road a distance of 1514.57 feet;

thence South 38 degrees 20 minutes 44 seconds West a distance of 55.00 feet to a point on the Southwest Right of Way line of said Happy Valley Road and to a nontangent point on a curve, concave to the Northeast, whose center bears North 38 degrees 20 minutes 44 seconds East a radius of 4655.00 feet said point being the TRUE POINT OF BEGINNING;

thence Southeasterly along the Southwest Right of Way line of said Happy Valley Road and along said curve through a central angle of 9 degrees 00 minutes 00 seconds an arc length of 731.21 feet;

thence South 60 degrees 39 minutes 16 seconds East along the South Right of Way of said Happy Valley Road a distance of 1229.21 feet to a point on the West Right of Way line of said Alton Road;

thence South 15 degrees 19 minutes 31 seconds East along the West Right of Way line of said Alton Road a distance of 42.18 feet to a nontangent point of a curve, concave to the Northwest, whose center bears North 58 degrees 40 minutes 43 seconds West a radius of 580.00 feet;

thence along said curve and along the West Right of Way line of said Alton Road through a central angle of 12 degrees 24 minutes 31 seconds an arc length of 125.61 feet to a point of nontangency;

thence North 69 degrees 16 minutes 27 seconds West a distance of 595.36 feet;

thence North 70 degrees 57 minutes 04 seconds West a distance of 199.90 feet;

thence North 65 degrees 39 minutes 57 seconds West a distance of 191.68 feet;

thence North 57 degrees 22 minutes 04 seconds West a distance of 599.49 feet;

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thence North 56 degrees 38 minutes 02 seconds West a distance of 388.14 feet;

thence North 04 degrees 53 minutes 10 seconds West a distance of 116.29 feet;

thence North 32 degrees 39 minutes 54 seconds East a distance of 96.97 feet;

thence North 30 degrees 06 minutes 11 seconds West a distance of 81.03 feet;

thence North 59 degrees 12 minutes 35 seconds West a distance of 65.19 feet to a point on the East Right of Way line of Glenn Moor Road as shown on the plat of said Glenn Moor;

thence North 48 degrees 18 minutes 05 seconds East along the East Right of Way line of said Glenn Moor Road a distance of 63.22 feet to a point on the South Right of Way line of said Happy Valley Road;

thence South 51 degrees 39 minutes 16 seconds East along the South Right of Way line of said Happy Valley Road a distance of 3.51 feet;

thence North 38 degrees 20 minutes 44 seconds East along the South Right of Way line of said Happy Valley Road a distance of 20.00 feet to the TRUE POINT OF BEGINNING.

Said parcel contains 526,427.1399 square feet or 12.0851 acres, more or less.

Hole Number 18

Commencing at the Northwest corner of said Section 9;

thence Southeasterly along the center line of said Happy Valley Road and along the arc of a curve, concave to the Southwest, whose center bears South 00 degrees 02 minutes 48 seconds West a radius of 2054.75 feet through a central angle of 37 degrees 26 minutes 05 seconds an arc length of 1342.48 feet;

thence South 37 degrees 28 minutes 53 seconds West a distance of 55.00 feet to a point on the South Right of Way line of said Happy Valley Road and to a nontangent point on a curve, concave to the Southwest, whose center bears South 37 degrees 28 minutes 53 seconds West a radius of 1999.75 feet said point being the TRUE POINT OF BEGINNING;

thence Southeasterly along the South Right of Way line of said Happy Valley Road and along said curve through a central angle of 00 degrees 51 minutes 51 seconds an arc length of 30.16 feet;

thence South 51 degrees 39 minutes 16 seconds East along the South Right of Way line of said Happy Valley Road a distance of 1374.57 feet;

thence South 38 degrees 20 minutes 44 seconds West along the South Right of Way line of said Happy Valley Road a distance of 20.00 feet;

thence South 51 degrees 39 minutes 16 seconds East a distance of 3.39 feet along the South Right of Way line of said Happy