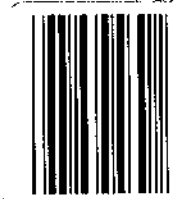


Unofficial Document



When recorded return to:

Neil D. Biskind, Esq.
O'Connor, Cavanagh, Anderson,
Westover, Killingsworth & Beshears
One E. Camelback, Suite 1100
Phoenix, Arizona 85012

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL

95-0070250 02/07/95 03:26

L1L18H 78 OF 82

DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
EAGLE MOUNTAIN

TABLE OF CONTENTS

Page

ARTICLE 1
DEFINITIONS

1.1	Defined Terms	1
	Additional Property	1
	Annual Assessment	1
	Apartment Development	1
	Articles	2
	Assessable Property	2
	Assessment	2
	Assessment Lien	2
	Assessment Period	2
	Board	2
	Bylaws	2
	Commercial Design Review Committee	2
	Commercial Design Review Guidelines	2
	Condominium Development	2
	Condominium Unit	2
	Covenants	2
	Declarant	2
	Declaration	3
	Deed	3
	Design Review Committee	3
	Dwelling Unit	3
	Eagle Mountain Rules	3
	Exempt Property	3
	Golf Course Land	3
	Golf Course Lot and Golf Course Parcel	4
	Land Use Classification	4
	Lessee	4
	Lot	4
	Maintenance Charges	4
	Master Association	4
	Master Association Land	4
	Master Common Area	4
	Master Plan	4
	Member	5
	Membership	5

Non-Residential Parcels	5
Owner	5
Parcel	5
Party Fence	5
Party Wall	5
Person	5
Property or Eagle Mountain	5
Recording or Recordation	5
Resident	6
Residential Design Review Committee	6
Residential Design Review Guidelines	6
Residential Parcels	6
Satellite Association	6
Single Family	6
Special Assessment	6
Special Service Area	6
Special Service Area Assessment	7
Special Service Area Expenses	7
Special Use Fees	7
Tenant	7
Tract Declaration	7
Visible From Neighboring Property	7

Unofficial Document

ARTICLE 2

PROPERTY SUBJECT TO EAGLE MOUNTAIN DECLARATION

2.1 General Declaration Creating Eagle Mountain	8
2.2 Master Association Bound	9
2.3 Satellite Associations Bound	9

ARTICLE 3

EASEMENTS AND RIGHTS OF ENJOYMENT IN MASTER COMMON AREAS

3.1 Easements of Enjoyment	9
3.2 Delegation of Use	10

ARTICLE 4
 LAND USE CLASSIFICATIONS, PERMITTED USES AND RESTRICTIONS

4.1	Land Use Classifications	10
4.2	Declarant's Right to Change Land Use Classifications	11
4.3	Covenants, Conditions, Restrictions and Easements	
	Applicable to Parcels Within All Land Use Classifications	11
(a)	Residential Architectural Control	11
(b)	Commercial Architectural Control	12
(c)	Restriction on Further Subdivision, Property Restrictions and Rezoning	12
(d)	Utility Easements	13
(e)	Health, Safety and Welfare	13
(f)	Model Homes	13
(g)	Incidental Uses	14
(h)	Maintenance of Lawns and Plantings	14
(i)	Nuisances, Construction Activities	15
(j)	Repair of Building	15
(k)	Signs	15
(l)	Utility Service	16
(m)	Right of Entry	16
(n)	Declarant's Exemption	16
(o)	Animals	17
(p)	Temporary Occupancy and Temporary Buildings	17
(q)	Diseases and Insects	17
(r)	Antennas	17
(s)	Mineral Exploration	17
(t)	Trash Containers and Collection	18
(u)	Clothes Drying Facilities	18
(v)	Machinery and Equipment	18
(w)	Party Walls	18
(x)	Overhead Encroachments	19
(y)	Trucks, Trailers, Campers and Boats	19
(z)	Motor Vehicles	20
(aa)	Parking	20
(ab)	Floodlights	20
(ac)	Rooftop Equipment	20
(ad)	Basketball Poles and Backboards	21

**ARTICLE 5
ORGANIZATION OF MASTER ASSOCIATION**

5.1	Formation of Master Association	21
5.2	Board of Directors and Officers	21
5.3	The Eagle Mountain Rules	21
5.4	Personal Liability	21
5.5	Satellite Associations	22

**ARTICLE 6
MEMBERSHIPS AND VOTING**

6.1	Owners of Lots and Parcels	22
6.2	Declarant	23
6.3	Voting	24
	(a) Memberships	24
	(b) Residential Parcels	24
	(c) Declarant Retention of Voting Rights	25
6.4	Right to Vote	25
6.5	Membership Rights	25
6.6	Transfer of Membership	25

**ARTICLE 7
Unofficial Document
COVENANT FOR ASSESSMENTS AND CREATION OF LIEN**

7.1	Creation of Lien and Personal Obligation of Assessments and Maintenance Charges	26
7.2	Annual Assessments	26
7.3	Maximum Annual Assessments	27
7.4	Special Service Area Assessments	28
7.5	Special Assessments for Capital Improvements and Extraordinary Expenses	29
7.6	Uniform Amount of Assessment	30
7.7	Notice and Quorum for Any Action Authorized Under Section	30
7.9	Rules Regarding Billing and Collection Procedures	30
7.10	Collection Costs and Interest on Delinquent Assessments	31
7.11	Evidence of Payment of the Assessments	31
7.12	Property Exempted from the Annual, Special Service Area and Special Assessments	32
7.13	Declarant Not Subject to Assessment.	32

**ARTICLE 8
ENFORCEMENT OF ASSESSMENT LIEN
AND PAYMENT OF ASSESSMENTS**

8.1	Master Association as Enforcing Body	32
8.2	Master Association's Remedies to Enforce Payment of Annual Assessments, Special Service Area Assessments, Special Assessments and Maintenance Charges	32
8.3	Subordination of Assessment Lien to First Mortgage or Deed of Trust; Priority of Lien	33
8.4	Costs to be Borne by Member in Connection with Enforcement of Payment of Annual Assessments, Special Service Area Assessments, Special Assessments and Maintenance Charges	33

**ARTICLE 9
USE OF FUNDS; BORROWING POWER**

9.1	Purposes for which Master Association's Funds May Be Used	34
9.2	Borrowing Power	34
9.3	Master Association's Rights in Spending Funds from Year to Year ...	34
9.4	Administration of Special Use Fees	34
9.5	Insurance	35

Unofficial Document

**ARTICLE 10
MAINTENANCE**

10.1	Master Common Areas	35
10.2	Assessment of Certain Costs of Maintenance and Repair of Master Common Areas and Public Areas	36
10.3	Improper Maintenance and Use of Parcels	36

**ARTICLE 11
DESIGN REVIEW COMMITTEE**

11.1	Establishment	37
11.2	Purpose	38
11.3	View Preservation	38
11.4	Operation/Authority	38
11.5	Fee	39
11.6	Limited Liability of Design Review Committee Approval	39
11.7	Waiver	39
11.8	Nonapplicability to Declarant	39
11.9	Additional Governmental Approvals	39

ARTICLE 12
RIGHTS AND POWERS OF MASTER ASSOCIATION

12.1	Master Association's Rights and Powers as Set Forth in Articles and Bylaws	40
12.2	Contracts with Others for Performance of Master Association's Duties	40

ARTICLE 13
ANNEXATION AND DEANNEXATION

13.1	Annexation Without Approval and Pursuant to Master Plan	40
13.2	Deannexation Without Approval	41
13.3	Supplementary Declarations and Certificates of Deannexation	41

ARTICLE 14
TERM: AMENDMENTS; TERMINATION

14.1	Term: Method of Termination	42
14.2	Amendments	42
	(a) Amendments to this Declaration	42
	(b) Amendment to Tract Declarations	43
14.3	Right of Amendment if Requested by Governmental Agency or Lending Institutions	43
14.4	Declarant's Right of Amendment	43

ARTICLE 15
MISCELLANEOUS

15.1	Interpretation of the Covenants	44
15.2	Severability	44
15.3	Rules and Regulations	44
15.4	Declarant's Disclaimer of Representations	44
15.5	References to the Covenants in Deeds	44
15.6	Successors and Assigns of Declarant	44
15.7	Gender and Number	45
15.8	Captions and Titles	45
15.9	Notices	45

**ARTICLE 16
GOLF COURSE LAND**

16.1	Non-Applicability; Not Master Common Area	45
16.2	No Right to Use of Golf Course	45
16.3	Waiver of Liability	46
16.4	Operation of the Golf Course	46

Unofficial Document

DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
EAGLE MOUNTAIN

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR EAGLE MOUNTAIN (hereinafter termed the "Declaration") is made effective as of the 1st day of January, 1995, by EAGLE MOUNTAIN INVESTORS L.L.C., an Arizona limited liability company (hereinafter sometimes termed "Declarant").

ARTICLE 1

DEFINITIONS

The following words, phrases or terms used in this Declaration shall have the following meanings:

Unofficial Document

Section 1.1 Defined Terms.

(a) "Additional Property" shall mean real property located adjacent to the Property. For purposes of the foregoing, real property shall be deemed to be located adjacent to the Property if it is separated from the Property solely by land dedicated to and accepted by the United States of America, the State of Arizona, Maricopa County, the Town of Fountain Hills or any other political subdivision (e.g., land dedicated for public rights-of-way).

(b) "Annual Assessment" shall mean the charge levied and assessed each year against each Membership pursuant to Section 7.2 hereof.

(c) "Apartment Development" shall mean a Parcel which is limited by the applicable Tract Declaration therefor to residential use and is comprised of rental apartments and surrounding area which are intended, as shown by the site plan therefor approved by the Town of Fountain Hills, County of Maricopa or other applicable governmental agencies and the Commercial Design Review Committee, as one integrated apartment operation under the same ownership.

(d) "Articles" shall mean the Articles of Incorporation of the Master Association as the same may from time to time be amended or supplemented.

(e) "Assessable Property" shall mean any Lot or Parcel, except such part or parts thereof as may from time to time constitute Exempt Property.

(f) "Assessment" shall mean an Annual Assessment, Special Service Area Assessment, Special Assessment and/or Maintenance Charge.

(g) "Assessment Lien" shall mean the lien created and imposed by Article 7.

(h) "Assessment Period" shall mean the period for which the Annual Assessment is to be levied which shall be a calendar year; however, the Board may from time to time in its sole discretion, change the Assessment Period.

(i) "Board" shall mean the Board of Directors of the Master Association.

(j) "Bylaws" shall mean the Bylaws of the Master Association as the same may from time to time be amended or supplemented.

(k) "Commercial ^{Unofficial Document} Design Review Committee" shall mean the committee of the Master Association to be created pursuant to Section 11.1 hereof.

(l) "Commercial Design Review Guidelines" shall mean those guidelines and standards established by the Declarant pursuant to Section 11.1 hereof, as same may be amended from time to time by the Commercial Design Review Committee.

(m) "Condominium Development" shall mean a condominium established under the laws of the State of Arizona with respect to a Parcel which is limited by the Tract Declaration therefor to residential use.

(n) "Condominium Unit" shall mean a unit, together with any appurtenant interest in all common elements, within a Condominium Development. Such term shall not include a rental apartment in an Apartment Development.

(o) "Covenants" shall mean the covenants, conditions, restrictions, assessments, charges, servitudes, liens, reservations and easements set forth herein.

(p) "Declarant" shall mean and refer to the above recited Declarant or any person or persons to whom any part or all of Declarant's rights reserved

to the Declarant hereunder are assigned. The Declarant's rights shall only be assigned by a written, Recorded instrument expressly assigning those rights.

(q) "Declaration" shall mean this Declaration of Covenants, Conditions and Restrictions, as amended or supplemented from time to time.

(r) "Deed" shall mean a deed or other instrument conveying the fee simple title in a Lot or Parcel.

(s) "Design Review Committee" shall mean either the Residential Design Review Committee or Commercial Design Review Committee, as applicable, and as the context requires.

(t) "Dwelling Unit" shall mean any building or portion of a building situated upon a Lot or Parcel designed and intended for use and occupancy as a residence by a Single Family.

(u) "Eagle Mountain Rules" shall mean the rules for Eagle Mountain adopted by the Board pursuant to Section 5.3 as same may be amended or modified from time to time.

(v) "Exempt Property" shall mean the following parts of Eagle Mountain:

Unofficial Document

(i) All land and improvements owned by or dedicated to and accepted by the United States of America, the State of Arizona, Maricopa County, the Town of Fountain Hills or any other political subdivision, for as long as any such entity or political subdivision is the owner thereof or for so long as said dedication remains effective;

(ii) All Master Association Land, for as long as the Master Association is the owner thereof; and

(iii) Any Parcel owned by a Satellite Association.

(w) "Golf Course Land" shall mean any real property immediately adjacent to Eagle Mountain, which is substantially undeveloped land upon which is located landscaping, irrigation systems, paths, golf greens and tees and other equipment and improvements customarily associated with a golf course or open space greenbelt area, or any such land immediately adjacent to Eagle Mountain which is owned and operated as part of a golf course, or is restricted for use only as a golf course as contemplated by A.R.S. §42-146.

(x) "Golf Course Lot" and "Golf Course Parcel" shall mean a Lot or Parcel, respectively, which has a portion of its boundary immediately adjacent to Golf Course Land.

(y) "Land Use Classification" shall mean the classification to be established by the Declarant pursuant to Section 4.1 hereof, which designates the type of improvements which may be constructed on a Lot or Parcel or Master Association Land and the purposes for which such improvements and surrounding land may be utilized.

(z) "Lessee" shall mean the Lessee under an occupancy lease pertaining to any property within Eagle Mountain, including an assignee of a lease but excluding any person who has assigned all of his interest in a lease.

(aa) "Lot" shall mean (a) any area of real property within Eagle Mountain designated as a Lot on any Recorded subdivision plat and limited by a Tract Declaration to either Single Family Residential Use or Cluster Residential Use, and (b) any Condominium Unit within Eagle Mountain which is limited to residential use by a Tract Declaration.

(ab) "Maintenance Charges" shall mean any and all costs assessed pursuant to Article 10 hereof.

(ac) "Master Association" shall mean Eagle Mountain Community Association, an Arizona non-profit corporation, or its successors and assigns, which will be organized to administer and enforce the Covenants and to exercise the rights, powers and duties set forth in this Declaration, the Articles and Bylaws .

(ad) "Master Association Land" shall mean such part or parts of Eagle Mountain, together with the buildings, structures and improvements thereon, and other real property which the Master Association may at any time own in fee or in which the Master Association may at any time have a leasehold interest, for as long as the Master Association is the owner of the fee or leasehold interest.

(ae) "Master Common Area" and "Master Common Areas" shall mean (a) all Master Association Land; and (b) all land within Eagle Mountain which the Declarant, by this Declaration, a Tract Declaration or other Recorded instrument signed by Declarant, designates as "Master Common Area".

(af) "Master Plan" shall mean the Eagle Mountain development plan approved by the Town of Fountain Hills, County of Maricopa or other applicable governmental agencies, as the same may be from time to time amended, a copy of which shall be on file at all times in the office of the Master Association.

(ag) "Member" shall mean any person holding a Membership in the Master Association pursuant to this Declaration.

(ah) "Membership" shall mean a Membership in the Master Association and the rights granted to the Owners pursuant to Article 6 hereof to participate in the Master Association.

(ai) "Non-Residential Parcels" shall mean those Lots and Parcels which are not Residential Parcels.

(aj) "Owner" shall mean (when so capitalized) the record holder of legal title to the fee simple interest in any Lot or Parcel, but excluding those who hold such title merely as security for the performance of an obligation. In the case of a Lot or Parcel, the fee simple title to which is vested of Record in a seller under a valid and outstanding agreement or contract of sale, as defined in A.R.S. § 33-741, legal title shall be deemed to be in the purchaser under such agreement or contract of sale. In the case of a Lot or Parcel, the fee simple title to which is vested of Record in a trustee pursuant to A.R.S. § 33-801, et seq., legal title shall be deemed to be in the trustor. An Owner shall include any Person who holds record title to a Lot or Parcel in joint ownership with any other Person or holds an undivided fee interest in any Lot or Parcel.

(ak) "Parcel" shall mean all contiguous area of real property within Eagle Mountain, which is owned by the Unofficial Document on, other than Lots.

(al) "Party Fence" and "Party Wall" shall mean a fence or wall constructed on, or immediately adjacent to, (i) the common boundary of Lots or (ii) the common boundary of Master Common Areas and a Lot or Parcel, or (iii) the common boundary of Golf Course Land and any Lot, Parcel or Master Common Area.

(am) "Person" means an individual, firm, corporation, partnership, association, estate, trust, pension or profit sharing plan, or any other entity.

(an) "Property" or "Eagle Mountain" shall mean the Property situated in the County of Maricopa, State of Arizona, as described on Exhibit "A" to this Declaration, and such additions thereto, if any, as may hereafter become subject to this Declaration and be brought within the jurisdiction of the Master Association pursuant to the provisions of Article 13 of this Declaration.

(ao) "Recording" or "Recordation" shall mean placing an instrument of public record in the office of the County Recorder of Maricopa County, Arizona, and "Recorded" shall mean having been so placed of public record.

(ap) "Resident" shall mean:

(i) Each Lessee actually residing or conducting a business on any part of the Assessable Property; and

(ii) Members of the immediate family of each Owner and Lessee actually living in the same household with such Owner or Lessee.

Subject to such rules and regulations as the Master Association may hereafter specify (including the imposition of special non-resident fees for use of the Master Association Land if the Master Association shall so direct), the term "Resident" also shall include guests or invitees of any such Owner or Lessee, if and to the extent the Board in its absolute discretion by resolution so directs.

(aq) "Residential Design Review Committee" shall mean the committee of the Master Association to be created pursuant to Section 11.1 hereof.

(ar) "Residential Design Review Guidelines" shall mean those guidelines and standards established by the Declarant pursuant to Section 11.1 hereof as same may be amended from time to time by the Residential Design Review Committee.

(as) "Residential Parcels" shall mean those Lots and Parcels the Land Use Classification of which is Single ^{Unofficial Document} Family Residential Use, Residential Condominium Development Use, Cluster Residential Use or similar residential uses (but specifically excluding Apartment Development Use).

(at) "Satellite Association" shall mean any homeowners or similar association formed by the developer (other than Declarant) of a Parcel as referenced in Section 5.5 of this Declaration.

(au) "Single Family" shall mean a group of one or more persons each related to the other by blood, marriage or legal adoption, or a group of not more than three (3) persons not all so related, who maintain a common household in a Dwelling Unit.

(av) "Special Assessment" shall mean any Assessment levied and assessed pursuant to Section 7.5 hereof.

(aw) "Special Service Area" shall mean any part of Eagle Mountain designated in a Tract Declaration, Recorded subdivision plat approved and signed by Declarant or the Master Association, or any other Recorded instrument approved and signed by Declarant or the Master Association, as an area within which certain services are to be

provided for the primary benefit of the Owners of less than all of the Lots and Parcels in Eagle Mountain.

(ax) "Special Service Area Assessment" shall mean an Assessment levied against less than all of the Lots and Parcels in Eagle Mountain pursuant to Section 7.4 of this Declaration. Each Lot and Parcel shall be subject to a separate Special Service Area Assessment for each Special Service Area within which such Lot or Parcel is located.

(ay) "Special Service Area Expenses" shall mean all costs and expenses, including insurance costs, administrative expenses and any allocations to reserves, incurred by the Master Association in providing any services which benefit the Owners of Lots and Parcels located in a Special Service Area, including, without limitation, all costs and expenses pertaining to the construction, installation, operation, maintenance, repair and replacement of: any private streets, street lights, street signage, guardhouse, electronic gate, mechanical equipment, landscaping, private trash removal, and any other improvements located in, or services provided to Owners of Lots or Parcels in, a Special Service Area.

(az) "Special Use Fees" shall mean special fees authorized by this Declaration which an Owner, Lessee, Resident or any other person is obligated to pay to the Master Association over, above and in addition to any Annual Assessments, Special Service Area Assessment, Special Assessments or Maintenance Charges imposed or payable hereunder.

Unofficial Document

(ba) "Tenant" shall mean any person who occupies property located in Eagle Mountain under any type of rental or letting arrangement but is not included in the definition of a Lessee.

(bb) "Tract Declaration" shall mean a declaration Recorded pursuant to Section 4.1 of this Declaration.

(bc) "Visible From Neighboring Property" shall mean, with respect to any given object, that such object is, or would be, visible to a person six (6) feet tall, standing on the same plane as the object being viewed at a distance of one hundred (100) feet or less from the nearest boundary of the property being viewed, or otherwise visible so as to materially impair (as determined by the Design Review Committee) the available view of surrounding areas by Residents of adjacent Dwelling Units.

ARTICLE 2

PROPERTY SUBJECT TO EAGLE MOUNTAIN DECLARATION

Section 2.1 General Declaration Creating Eagle Mountain. Declarant intends to develop Eagle Mountain by subdivision into various Parcels and to sell and convey such Parcels. As portions of Eagle Mountain are developed, Declarant intends to Record one or more Tract Declarations covering Lots or Parcels, which Tract Declarations may designate Master Common Areas and shall incorporate this Declaration by reference. The Tract Declarations may establish such additional covenants, conditions, and restrictions as may be appropriate for the Lots or Parcels covered by the applicable Tract Declaration. Declarant hereby declares that all of the real property within Eagle Mountain is, and shall be, held, conveyed, hypothecated, encumbered, leased, occupied, built upon or otherwise used, improved or transferred, in whole or in part, subject to this Declaration and any Recorded Tract Declarations applicable thereto, as amended or modified from time to time; provided, however, that such portions of the Property as are dedicated to the public or a governmental entity for public purposes shall not be subject to this Declaration and the Covenants herein contained while owned by the public or the governmental entity, although any restrictions imposed in this Declaration upon the Owners, Lessees, Tenants or the Residents concerning the use and maintenance of such portion or portions of the Property shall at all times apply to the Owners, Lessees, Tenants and the Residents. This Declaration and the Tract Declarations are declared and agreed to be in furtherance of a general plan for the subdivision, improvement and sale ^{Unofficial Document} of Eagle Mountain, and are established for the purpose of enhancing and protecting the value, desirability and attractiveness of Eagle Mountain and every part thereof. All of this Declaration shall run with all Parcels and Lots for all purposes and shall be binding upon and inure to the benefit of Declarant, the Master Association, all Owners, Lessees, Tenants and Residents and their successors in interest. Nothing in this Declaration shall be construed to prevent the Declarant from modifying the Master Plan or any portions thereof. **IT IS EXPRESSLY INTENDED BY DECLARANT THAT EAGLE MOUNTAIN, AS DESCRIBED IN THIS DECLARATION, NOT INCLUDE THE GOLF COURSE LAND, AND THIS DECLARATION SHALL NOT APPLY TO THE GOLF COURSE LAND OR ANY GOLF COURSE CONSTRUCTED AND OPERATED ON THE GOLF COURSE LAND. EACH PERSON ACQUIRING A MEMBERSHIP IN THE MASTER ASSOCIATION, AND THE HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS OF THE FOREGOING, ACKNOWLEDGE AND AGREE THAT THE ACQUISITION OF ANY INTEREST IN ONE OR MORE LOTS OR PARCELS LOCATED IN EAGLE MOUNTAIN SHALL NOT IN ANY WAY ENTITLE ANY SUCH PERSON TO ANY INTEREST IN OR ANY RIGHT TO USE THE GOLF COURSE LAND OR TO MEMBERSHIP IN ANY CLUB OR OTHER GOLF OPERATION NOW OR HEREAFTER EXISTING IN CONNECTION WITH THE GOLF COURSE LAND.**

Section 2.2 Master Association Bound. Upon issuance of a Certificate of Incorporation by the Arizona Corporation Commission to the Master Association, the Covenants shall be binding upon and shall benefit the Master Association.

Section 2.3 Satellite Associations Bound. Any and all Satellite Associations shall be bound by and, to the extent specifically set forth in this Declaration or the applicable Tract Declaration, benefitted by the Covenants.

ARTICLE 3

EASEMENTS AND RIGHTS OF ENJOYMENT IN MASTER COMMON AREAS

Section 3.1 Easements of Enjoyment. Declarant and every Owner, Lessee, Tenant and Resident shall have a right and easement of enjoyment in and to the Master Common Areas which shall be appurtenant to, and shall pass with, the title to every Parcel and Lot, subject to the following provisions:

(a) The right of the Master Association to charge reasonable admission and other Special Use Fees for the use of the Master Common Areas or any facilities constructed thereon.

(b) The right of the ^{Unofficial Document} Master Association to suspend the voting rights and right to use of the facilities and other Master Common Areas by any Member (i) for any period during which any Assessment against his Parcel or Lot remains delinquent; (ii) for a period not to exceed 60 days for any infraction of this Declaration, a Tract Declaration or the Eagle Mountain Rules, and (iii) for successive 60-day periods if any such infraction is not corrected during any prior 60-day suspension period.

(c) The right of the Master Association to regulate the use of the Master Common Areas through the Eagle Mountain Rules and to prohibit or limit access to certain Master Common Areas not intended for use by the Members. The Eagle Mountain Rules shall be intended, in the absolute discretion of the Board, to enhance the preservation of the Master Common Areas for the safety and convenience of the users thereof, and otherwise shall serve to promote the best interests of the Owners, Lessees, Tenants and Residents.

(d) The right of the Master Association to dedicate or transfer to any public agency, authority, or utility all or any part of the Master Common Areas for such purposes and subject to such conditions as may be necessary or advisable as determined by the Board.

(e) The right of the Master Association to change the use of the Master Common Areas in accordance with this Declaration.

(f) The right of the Master Association to change the size, shape or location of Master Common Areas, to exchange Master Common Areas for other lands or interests therein which become Master Common Areas and to abandon or otherwise transfer Master Common Areas so long as, in each case, either (1) the Board determines that the Members are not materially or adversely affected, or (ii) Declarant or, if Declarant no longer possesses a Class B Membership, then two-thirds (2/3) of the total of all Class A and Class C Memberships, has/have executed an instrument agreeing to such change in size, shape or location, exchange, abandonment or transfer.

Section 3.2 Delegation of Use. Any Member may, in accordance with this Declaration and the Eagle Mountain Rules and the limitations therein contained, delegate his right of enjoyment in the Master Common Areas to the members of his family, his Lessees, Tenants or his Residents.

ARTICLE 4

LAND USE CLASSIFICATIONS, PERMITTED USES AND RESTRICTIONS

Section 4.1 Land Use Classifications. As portions of Eagle Mountain are prepared for development, the Land Use Classifications, restrictions, easements, rights-of-way, and other matters, including new or different uses and restrictions thereon and including any number of subclassifications thereof for any special uses, shall be fixed by Declarant in a Tract Declaration which shall be Recorded for that portion of Eagle Mountain. Any such Tract Declaration shall expressly set forth restrictions on the use of the Parcel(s) subject to the Tract Declaration. Any such Tract Declaration shall be construed as a supplement to this Declaration and fully a part hereof for all purposes to the same extent as if all of the provisions thereof were set forth in this Declaration. Contemplated Land Use Classifications include, but are not limited to, the following Land Use Classifications:

- (a) Single Family Residential Use.
- (b) Apartment Development Use, which may be converted to Condominium Development Use upon approval by the Board.
- (c) Condominium Development Use, which may be converted to Apartment Development Use upon approval by the Board.

(d) Cluster Residential Use, which shall consist of Lots with Dwelling Units intended for Single Family occupancy and may include those types of residential housing arrangements known as townhouses, clustered housing, zero-lot line housing and similar arrangements, together with related areas intended for the use and enjoyment of the Owners and Residents of the Lots in the cluster development.

(e) Commercial Office Use.

(f) General Commercial Use.

(g) Hotel Use.

(h) Master Association Use, which may include Master Common Areas.

(i) General Public Use.

(j) Well-Site Use.

Unless otherwise specifically provided in this Declaration, the definitions and characteristics of such Land Use Classifications, and specific permitted and prohibited uses in such classifications, shall be determined in the Tract Declaration.

Unofficial Document

Section 4.2 Declarant's Right to Change Land Use Classifications. Unless the applicable Tract Declaration provides to the contrary, for so long as Class B Memberships exist Declarant (if Declarant is the Owner of said Lot or Parcel) or Declarant and the Owner(s) of said Lot or Parcel (if Declarant is not the Owner or the sole Owner of said Lot or Parcel), without the approval of the Board, shall have the right to change the Land Use Classification of a Lot or Parcel as established in a Recorded Tract Declaration by Recordation of an amendment to the applicable Tract Declaration executed by Declarant and, if applicable, the Owner(s) of said Lot or Parcel.

Section 4.3 Covenants, Conditions, Restrictions and Easements Applicable to Parcels Within All Land Use Classifications. The following covenants, conditions, restrictions and reservations of easements and rights shall apply to all Parcels and Lots, and the Owners, Residents, Tenants and Lessees thereof, regardless of Land Use Classifications.

(a) Residential Architectural Control. All Residential Parcels at Eagle Mountain are subject to architectural control as established by the Residential Design Review Committee. Except as otherwise expressly provided in this Declaration, no improvements, alterations, repairs, excavation, grading, landscaping or other work which in any way alters any Residential Parcels within Eagle Mountain or the exterior appearance of improvements located thereon, from its natural or improved state existing on the date a

Tract Declaration for such property was first Recorded shall be made or done without prior written approval of the Residential Design Review Committee. The exterior (and those interior portions of structures visible from the outside of the applicable structure) of any building, fence, wall, residence or other structure shall not be commenced, erected, maintained, improved, altered, or made without the prior written approval of the Residential Design Review Committee. All subsequent additions to or changes or alterations in any building, fence, wall or other structure, including exterior color scheme, and all changes in the grade of Residential Parcels shall be subject to the prior written approval of the Residential Design Review Committee. No changes or deviations in or from the plans and specifications once approved in writing by the Residential Design Review Committee shall be made without prior written approval of the Residential Design Review Committee. This Section does not apply to improvements, alterations, repairs, excavation, grading, landscaping or other work performed by or on behalf of Declarant. The approval of the Residential Design Review Committee required hereby shall be in addition to, and not in lieu of, any approvals, consents or permits required under the ordinances or rules and regulations of any county or municipality having jurisdiction over the applicable Residential Parcel.

(b) Commercial Architectural Control. All Non-Residential Parcels at Eagle Mountain are subject to architectural control as established by the Commercial Design Review Committee. Except as otherwise expressly provided in this Declaration, no improvements, alterations, repairs, excavation, grading, landscaping or other work which in any way alters any Non-Residential Parcel within Eagle Mountain or the exterior appearance of improvements located Unofficial Document thereon, from its natural or improved state existing on the date a Tract Declaration for such property was first Recorded shall be made or done without prior written approval of the Commercial Design Review Committee. The exterior (and those interior portions of structures visible from the outside of the applicable structure) of any building, fence, wall, Dwelling Unit or other structure shall not be commenced, erected, maintained, improved, altered, or made without the prior written approval of the Commercial Design Review Committee. All subsequent additions to or changes or alterations in any building, fence, wall or other structure, including exterior color scheme, and all changes in the grade of Non-Residential Parcels, shall be subject to the prior written approval of the Commercial Design Review Committee. No changes or deviations in or from the plans and specifications once approved in writing by the Commercial Design Review Committee shall be made without prior written approval of the Commercial Design Review Committee. This Section does not apply to improvements, alterations, repairs, excavation, grading, landscaping or other work performed by or on behalf of Declarant. The approval of the Commercial Design Review Committee required hereby shall be in addition to, and not in lieu of, any approvals, consents or permits required under the ordinances or rules and regulations of any county or municipality having jurisdiction over the applicable Non-Residential Parcel.

(c) Restriction on Further Subdivision, Property Restrictions and Rezoning. No Lot or Parcel subject to a Recorded Tract Declaration shall be further

subdivided or separated into smaller Lots or Parcels by any Owner, and no portion less than all of any such Lot or Parcel, nor any easement or other interest therein, shall be conveyed or transferred by any Owner, without the prior written approval of the Board and Declarant (so long as Declarant is the Owner of any Lot or Parcel), which approval must be evidenced on the Recorded plat or other Recorded instrument creating the subdivision, easement or other interest. No further covenants, condition, restrictions or easements shall be Recorded by any Owner, Lessee or other person against any Lot or Parcel without the provisions thereof having been first approved in writing by the Board and any covenants, conditions, restrictions or easements Recorded without such approval being evidenced thereon shall be null and void. Except as set forth in Section 4.2 above, any rezoning or change of use of Lots or Parcels covered by a Tract Declaration must first be approved in writing by the Board or applicable Design Review Committee as appropriate. For so long as Declarant owns any Lot or Parcel in Eagle Mountain, this Subsection (c) shall not be applicable to or binding upon Declarant with respect to any such Lot or Parcel.

(d) Utility Easements. There is hereby created a blanket easement upon, across, over and under each Lot and Parcel for ingress to, egress from and the installation, replacing, repairing and maintaining of all utility and service lines and systems including, but not limited to, water, sewer, gas, telephone, electricity, television cable or communication lines and systems, etc. as such utilities are installed in connection with the initial development of each Lot and Parcel and the construction of the first Dwelling Unit or other building thereon. Pursuant to this easement, a providing utility or service company may install and maintain facilities and equipment Unofficial Document on the Property and affix and maintain wires, circuits and conduits on, in and under the roofs and exterior walls of buildings on the Lots and Parcels. Notwithstanding anything to the contrary contained in this Subsection, no sewers, electrical lines, water lines, or other utility or service lines may be installed or relocated on any Lot or Parcel except as initially approved in writing by the Declarant or the applicable Design Review Committee.

(e) 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, Lessees or Residents, the Board may make rules restricting or regulating their presence on Eagle Mountain as part of the Eagle Mountain Rules, or may direct the appropriate Design Review Committee to make rules governing their presence on Lots or Parcels as part of the design guidelines applicable to Residential Parcels or Non-Residential Parcels, as appropriate.

(f) Model Homes. The provisions of this Declaration and of Tract Declarations which prohibit non-residential use of Parcels and regulate parking of vehicles shall not prohibit the construction and maintenance of model homes by persons engaged in the construction of residential dwellings on Eagle Mountain and parking incidental to the visiting of such model homes so long as the location of such model homes are approved by the Residential Design Review Committee, and the construction, operation

and maintenance of such model homes otherwise comply with all of the provisions of this Declaration. The Residential Design Review Committee may also permit other areas to be used for parking in connection with the showing of model homes provided such parking and parking areas are in compliance with the ordinances of the governing municipality, other applicable governmental agencies and any rules of the Residential Design Review Committee. Any homes constructed as model homes shall cease to be used as model homes at any time the Owner or builder thereof is not actively engaged in the construction and sale of Single Family Dwelling Units at Eagle Mountain, and no home shall be used as a model home for the sale of homes not located on Eagle Mountain.

(g) Incidental Uses. The Board may approve uses of property within a Land Use Classification which are incidental to the full enjoyment by the Owners of the property within that Land Use Classification. Such approval may be subject to such regulations, limitations and restrictions, including termination of the use, as the Board may wish to impose, in its sole discretion, for the benefit of Eagle Mountain as a whole. By way of example and not of limitation, the uses which the Board may permit are private roadways and streets within an area having a Land Use Classification of Cluster Residential Use or Condominium Development Use, recreation facilities intended primarily for the benefit of all or certain Owners and Residents within areas having a Land Use Classification of Cluster Residential Use or Condominium Development Use, recreational facilities intended for usage by the Residents or Owners of more than a single Parcel within any area classified for residential use, and a sales, information and marketing center operated by Declarant.

Unofficial Document

(h) Maintenance of Lawns and Plantings. Each Owner of a Lot or Parcel shall keep all shrubs, trees, hedges, grass and plantings of every kind located on (i) his Lot or Parcel (including set back areas), (ii) planted public right-of-way areas between sidewalks (or bike paths) and the street curb in front of his property, if any, (iii) any other public right-of-way or easement area which abuts the Owner's Lot or Parcel and which is located between the boundary line of his Lot or Parcel and the paved area of any street, sidewalk, bike path or similar area, and (iv) any non-street public right-of-way, neatly trimmed and shall keep all such areas properly cultivated and free of trash, weeds and other unsightly material; provided, however, that such Owner shall not be responsible for maintenance of any area (1) which is Master Common Area; or (2) over which the Town of Fountain Hills, County of Maricopa or other public agency assumes responsibility, for so long as said political subdivision or other public agency assumes or has responsibility as provided in (2) above. Notwithstanding the foregoing, the applicable Design Review Committee having jurisdiction, or Declarant, may require the Owner of any Lot or Parcel adjacent to the areas described in subsections (ii), (iii) and (iv) above to install and maintain landscaping in such areas on such terms and conditions established by the applicable Design Review Committee or Declarant as the case may be. The Board may impose such conditions as may be determined to be reasonably necessary (including, without limitation, the requirement that certain improvements be constructed or that any landscaping be installed and maintained by the Owner for a sufficient grow-in period) prior to accepting any

portion of a Lot or Parcel intended to be dedicated for use as Master Common Area or prior to accepting any maintenance responsibility.

(i) Nuisances, Construction Activities. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot or Parcel and no odors shall be permitted to arise or emit therefrom so as to render any such property or any portion thereof, or activity thereon, unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to the occupants of such other property. No other nuisance shall be permitted to exist or operate upon any Lot or Parcel so as to be offensive or detrimental to any other property in the vicinity thereof or to its occupants. 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 such Lot or Parcel. Normal construction activities and parking in connection with the building of improvements on a Lot or Parcel shall not be considered a nuisance or otherwise prohibited by this Declaration, but Lots and Parcels shall be kept in a neat and tidy condition during construction periods, trash and debris shall not be permitted to accumulate and supplies of brick, block, lumber and other building materials shall be piled only in such areas as may be approved by the applicable Design Review Committee. 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 the applicable Design Review Committee. Either Design Review Committee may also require screening of said storage areas. The Board, in its sole discretion, shall have the right to determine the existence of any such nuisance.

(j) Repair of Building. No building or structure on any Lot or Parcel shall be permitted to fall into disrepair and each such building and structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished. If any building or structure is damaged or destroyed, then, subject to the approvals required by either Subsection (a) or (b) above (as applicable), such building or structure shall be immediately repaired or rebuilt or shall be demolished.

(k) Signs. No signs whatsoever (including, but not limited to, commercial, political and similar signs) which are unsightly or Visible From Neighboring Property shall be erected or maintained on any Lot or Parcel except:

(i) Signs required by legal proceedings.

(ii) No more than two (2) identification signs for individual residences, each with a face area of seventy-two (72) square inches or less, the nature and location of which have been approved in advance and in writing by the Residential Design Review Committee.

(iii) A single sign identifying a security company or service or the existence of security devices, having a face area no greater than three (3) square feet, the location and design of which has been approved in advance and in writing by the Residential Design Review Committee.

(iv) Promotional and advertising signs of builders on any Lot or Parcel, approved from time to time in advance and in writing by the applicable Design Review Committee as to number, size, color, design, message content, location and type.

(v) Such other signs (including, but not limited to, construction job identification signs, builder identification signs, and subdivision, shopping center, apartment and business identification signs) which are in conformance with the applicable requirements of the Town of Fountain Hills, County of Maricopa or other applicable governmental agencies and which have been approved in advance and in writing by the applicable Design Review Committee as to size, color, design, message content and location.

(l) Utility Service. No lines, wires, or other devices for the communication or transmission of electric current or power, including telephone, television and radio signs, shall be erected, placed or maintained anywhere in or upon any Lot or Parcel unless the same shall be contained in conduits or cables installed and maintained underground, except to the extent (if any) such underground or concealed placement may be prohibited by law, and except for Subofficial Document above-ground structures and/or media for transmission as may be originally constructed by Declarant or as may be otherwise approved by the applicable Design Review Committee. No provision hereof shall be deemed to forbid the erection of temporary power or telephone structures incident to the construction of buildings or structures approved by the applicable Design Review Committee.

(m) Right of Entry. During reasonable hours and upon reasonable notice to the Owner or other occupant of a Lot or Parcel, any member of the applicable Design Review Committee, any member of the Board, or any authorized representative of either of them, 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, for the purpose of ascertaining 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.

(n) Declarant's Exemption. Nothing contained in this Declaration shall be construed to prevent the erection or maintenance by Declarant, or its duly authorized agents, of structures, improvements or signs necessary or convenient to the development or sale of Lots and Parcels within Eagle Mountain.

(o) Animals. No animal, bird, fowl, poultry or livestock, other than a reasonable number of generally recognized house or yard pets, shall be maintained on any Lot or Parcel and then only if they are kept, bred or raised thereon solely as domestic pets and not for commercial purposes. No animal, bird, fowl, poultry, or livestock shall be allowed to make any unreasonable amount of noise or to become a nuisance. No structure for the care, housing or confinement of any animal, bird, fowl, poultry, or livestock shall be maintained so as to be unsightly or Visible From Neighboring Property. Upon the written request of any Member or Resident, the Board shall conclusively determine, in its sole and absolute discretion, whether, for the purpose of this Section, a particular animal, bird, fowl, poultry, or livestock is a generally recognized house or yard pet, whether such a pet is a nuisance, or whether the number of animals, birds, fowl, poultry or livestock on any such property is reasonable. Any decision rendered by the Board shall be enforceable in the same manner as other restrictions contained herein. The Board may include in the Eagle Mountain Rules a limit on the number of pets that may be kept on any Lot or Parcel.

(p) Temporary Occupancy and Temporary Buildings. No trailer, basement of any incomplete building, tent, shack, garage or barn, and no temporary buildings or structures of any kind, shall be used at any time for a residence, either temporary or permanent. Temporary buildings or structures used during the construction of a dwelling or other structure on any property shall be removed immediately after the completion of construction.

(q) 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.

(r) Antennas. Except as otherwise provided herein, no antenna or other device for the transmission or reception of television or radio signals or any other form of electromagnetic radiation, including, but not limited to, satellite television or radio disks, antennas or equipment, shall be erected, used or maintained outdoors on any Lot or Parcel, whether attached to a building or structure or otherwise, unless approved in writing by the applicable Design Review Committee. In deciding whether to consent to the installation of any antenna, satellite television or radio disk or other similar equipment, the applicable Design Review Committee will place significant emphasis upon ensuring that the antenna, satellite disk or other equipment is not creating any type of nuisance for neighboring property Owners, or otherwise impairing any aesthetic views available to other Owners.

(s) 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, except for grading and excavation work and the removal of fill material including, but without limitation, gravel, rock and sand, in connection with the construction of Dwelling Units, buildings, structures or other

improvements which have been approved in writing by the applicable Design Review Committee except for grading, excavation and removal work being performed by, or on behalf of, Declarant.

(t) 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 in writing by the applicable Design Review Committee. In no event shall such containers be maintained so as to be unsightly or Visible From Neighboring Property except to make the same available for collection and then only for the shortest time reasonably necessary to affect such collection. All rubbish, trash, or garbage shall be removed from the Lots and Parcels and shall not be allowed to accumulate thereon. No outdoor incinerators shall be kept or maintained on any Lot or Parcel.

(u) 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 service yard or otherwise concealed and shall not be unsightly or Visible From Neighboring Property.

(v) 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 (i) such machinery or equipment as is usual and customary in connection with the use, maintenance or construction (during Unofficial Document period of construction) of a building, appurtenant structures, or other improvements; (ii) that which Declarant or the Master Association may require for the operation and maintenance of Eagle Mountain; or (iii) that used in connection with any business permitted under a Tract Declaration.

(w) Party Walls. Except as hereinafter provided, the rights and duties of Owners with respect to Party Walls or Party Fences shall be as follows:

(i) The Owners of contiguous Lots or Parcels who have a Party Wall or Party Fence shall both equally have the right to use such wall or fence, provided that such use by one (1) Owner does not interfere with the use and enjoyment of same by the other Owner.

(ii) If any Party Wall or Party Fence is damaged or destroyed through the act of an Owner or any of his Tenants, Lessees, agents, guests, or members of his family (whether or not such act is negligent or otherwise culpable), it shall be the obligation of such Owner to rebuild and repair the Party Wall or Party Fence without cost to the Owner of the adjoining Lot or Parcel. Any dispute over an Owner's liability for such damage shall be resolved as provided in subsection (v) below, but any liability imposed on an Owner hereunder shall not prevent the Owner from seeking indemnity therefor from the persons causing such damage.

(iii) If any Party Wall or Party Fence is destroyed or damaged (including deterioration from ordinary wear and tear and lapse of time), other than by the act of an adjoining Owner, his Tenants, Lessees, agents, guests or family, it shall be the obligation of all Owners whose Lots or Parcels adjoin such Party Wall or Party Fence to rebuild and repair such wall or fence at their joint expense, such expense to be allocated among the Owners in accordance with the frontage of their Lots or Parcels on the Party Wall or Party Fence.

(iv) Notwithstanding anything to the contrary herein contained, there shall be no modification of any Party Wall or Party Fence or impairment of the structural integrity of any Party Wall or Party Fence without the prior consent of all Owners of any interest therein, whether by way of easement or in fee.

(v) If a dispute occurs between Owners with respect to the construction, repair or rebuilding of a Party Wall or Party Fence, or with respect to the sharing of the cost thereof, such adjoining Owners shall submit the dispute to the Board, the decision of which shall be binding.

(vi) Anything in the foregoing to the contrary notwithstanding:

1. In the case of Party Fences or Party Walls (a) between Master Common Areas and Lots or Parcels, (b) between Golf Course Land and Lots or Parcels, or (c) constructed by Unofficial Document or the Master Association on Master Common Areas, the Master Association, only following its approval of the construction of such Party Fence and acceptance of the maintenance thereof, shall be responsible for all maintenance thereof, subject to the provisions of Sections 10.2 and 10.3, except that each Owner of a Lot or Parcel shall be responsible for painting the portion of the Party Fence facing his Lot or Parcel or the portion thereof which is not a portion of the Master Common Area or facing the Golf Course Land.

2. The provisions of this Section 4.3(w) shall not apply to any Party Wall which separates the interiors of two (2) Dwelling Units and the rights of the Owners of such Dwelling Units with respect to Party Walls shall be governed by plats and any covenants, conditions and restrictions to be Recorded on the real property on which the Dwelling Units are located by the developer of the Dwelling Units.

(x) 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 area from ground level to a height of eight (8) feet without the prior written approval of the applicable Design Review Committee.

(y) Trucks, Trailers, Campers and Boats. No truck, mobile home, recreational vehicle, travel trailer, tent trailer, trailer, camper shell, detached camper, boat,

boat trailer, or other similar equipment or vehicle may be parked, maintained, constructed, reconstructed or repaired on any Lot, Parcel or on any street in Eagle Mountain so as to be unsightly, Visible From Neighboring Property, or visible from the Master Common Areas or the streets, except for trucks, trailers and campers parked in areas designated for parking on Non-Residential Parcels in connection with permitted commercial activities conducted in such Non-Residential Parcels.

(z) Motor Vehicles. No automobile, motorcycle, motorbike or other motor vehicle shall be constructed, reconstructed or repaired upon any Lot, Parcel or street in Eagle Mountain, and no inoperable vehicle may be stored or parked on any such Lot, Parcel or street, so as to be unsightly or Visible From Neighboring Property or to be visible from Master Common Areas or streets; provided, however, that the provisions of this subsection shall not apply to emergency vehicle repairs or temporary construction shelters or facilities maintained during, and used exclusively in connection with, the construction of any improvement approved in writing by the applicable Design Review Committee.

(aa) Parking. Vehicles of all Owners, Lessees, Tenants and Residents, and of their employees, guests and invitees, are to be kept in garages, carports, residential driveways of the Owner, designated spaces in commercial areas, and other designated parking areas wherever and whenever such facilities are sufficient to accommodate the number of vehicles at a Lot or Parcel; provided, however, this subsection shall not be construed to permit the parking in the above described areas of any vehicle whose parking at Eagle Mountain is otherwise Unofficial Document prohibited or the parking of any inoperable vehicle.

(ab) Floodlights. To preserve the special nature of Eagle Mountain, no Dwelling Unit may be floodlighted. All security, landscaping, and safety lighting shall be low wattage, incandescent and indirect. No fixtures shall be permitted which shine toward the street or adjacent properties; nor shall any obvious or harsh light source be allowed to create "hot spots" within Eagle Mountain.

(ac) Rooftop Equipment. The applicable Design Guidelines may restrict the installation of rooftop equipment and may require that all such equipment be fully screened. The applicable Design Guidelines may require such screening to take into account not only views from the adjacent street and property, but also from more distinct locations which occur at a higher elevation within Eagle Mountain.

(ad) Basketball Poles and Backboards. No basketball pole and/or backboard or similar sport equipment that will be located in a front yard or visible from adjacent streets may be installed without the prior written consent of the Residential Design Review Committee, which consent may be withheld in the sole and absolute discretion of such Committee.

ARTICLE 5

ORGANIZATION OF MASTER ASSOCIATION

Section 5.1 Formation of Master Association. The Master Association shall be a nonprofit Arizona corporation charged with the duties and invested with the powers prescribed by law and set forth in the Articles, Bylaws and this Declaration. Neither the Articles nor Bylaws shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

Section 5.2 Board of Directors and Officers. The affairs of the Master Association shall be conducted by the Board and such officers as the Board may elect or appoint in accordance with the Articles and the Bylaws as the same may be amended from time to time. The Board may also appoint various committees and may appoint a manager who shall, subject to the direction of the Board, be responsible for the day-to-day operation of the Master Association. The Board shall ^{Unofficial Document} determine the compensation to be paid to the manager or any other employee of the Master Association.

Section 5.3 The Eagle Mountain Rules. By a majority vote of the Board, the Master Association may, from time to time and subject to the provisions of this Declaration, adopt, amend and repeal rules and regulations to be known as the Eagle Mountain Rules. The Eagle Mountain Rules may, for example, establish certain fines for violations of the provisions of this Declaration or of any rules, regulation or Design Guidelines promulgated hereunder, or restrict and govern the use of any Master Common Area by any Member, Lessee, Tenant or Resident; provided, however, that the Eagle Mountain Rules shall not be inconsistent with this Declaration, the Articles, the Bylaws or any applicable Tract Declaration. Upon adoption, the Eagle Mountain Rules shall have the same force and effect as if they were set forth in and were a part of this Declaration.

Section 5.4 Personal Liability. No member of the Board or of any committee of the Master Association, no officer of the Master Association, and no manager or other employee of the Master Association shall be personally liable to any Member, or to any other person, including the Master Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of the Master Association, the Board, the manager, any representative or employee of the Master Association or any committee, committee member or officer of the Master Association;

provided, however, the limitations set forth in this Section 5.4 shall not apply to any person who has failed to act in good faith or has engaged in willful or intentional misconduct.

Section 5.5 Satellite Associations. If any homeowners or similar association is to be formed by the developer (other than the Declarant) of a Parcel or number of Lots, the articles of incorporation and bylaws or other governing documents for such satellite association shall not be effective unless the contents thereof have been approved by the Board and the governing documents specify that such association and the rights of its members are subject and subordinate to this Declaration, the Articles and Bylaws of the Master Association, any applicable Tract Declaration and the Eagle Mountain Rules.

ARTICLE 6

MEMBERSHIPS AND VOTING

Section 6.1 Owners of Lots and Parcels. Each Owner of a Lot or Parcel which is subject to assessment, pursuant to Article 7 hereof, shall be a Member of the Master Association. Each such Membership shall be appurtenant to and may not be separated from ownership of the Parcel or Lot to which the Membership is attributable and joint ownership or ownership of undivided interests in any real property which establishes a Membership shall not cause there to be ^{Unofficial Document} more Memberships than the number established for purposes of this Section 6.1. Each Owner shall have the following number of Memberships in the Master Association:

(a) Each Owner of a Lot shall have: (i) one (1) Membership for each Lot until the date that is six (6) months after recordation of the subdivision plat or declaration of condominium for the subdivision in which the Lot is situated; (ii) two (2) Memberships for each Lot from the date which is six (6) months after recordation of the subdivision plat or declaration of condominium for the subdivision in which the Lot is situated until a certificate of occupancy or equivalent permit is issued for any Dwelling Unit situated on the Lot; and (iii) three (3) Memberships for each Lot from and after the date the certificate of occupancy or equivalent permit is issued for any Dwelling Unit situated on the Lot.

(b) Each Owner of a Parcel the use of which is limited by a Tract Declaration to Apartment Development Use, shall have: (i) one (1) Membership for each 14,520 gross square feet contained in the Parcel until a certificate of occupancy or equivalent permit is issued for any building located on the Parcel; and (ii) three (3) Memberships for each 14,520 gross square feet contained in the Parcel from and after the date a certificate of occupancy or equivalent permit is issued for any building located on the Parcel. Tenants and Lessees shall not be Members of the Master Association.

(c) Unless otherwise provided in the applicable Tract Declaration, each Owner of a Non-Residential Parcel shall have: (i) one (1) Membership for each 14,520 gross square feet contained in the Non-Residential Parcel owned by such Owner until a certificate of occupancy or equivalent permit is issued for any building located on the Parcel; and (ii) three (3) Memberships for each 14,520 gross square feet contained in the Parcel after the certificate of occupancy is issued for any building located on the Parcel.

(d) Each Owner of a Parcel the use of which is limited by a Tract Declaration to Single Family Residential Use, Residential Condominium Development Use, Cluster Residential Use or similar residential uses (but specifically excluding Apartment Development Use), shall have one (1) Membership for each Lot permitted upon the Parcel by the applicable Tract Declaration. At such time as a subdivision plat or other instrument creating Lots is Recorded covering all or part of the Parcel, the Memberships attributable to the Lots shall be determined as set forth above, and the number of Memberships held by the Owner, as Owner of the remainder of the unplatted portion of the Parcel, if any, shall be equal to the number of Lots permitted by the Tract Declaration minus the number of Lots included within the Recorded plat. All Memberships attributable to the Parcel (as opposed to the Lots) shall cease when the land area ceases to be a Parcel because all of the area in the Parcel has been platted or otherwise dedicated to the public.

Dedication of portions of the Parcel for public rights-of-way or similar purposes shall not result in the reduction of the number of Memberships attributable to a Parcel; rather, such Memberships shall ^{Unofficial Document} be apportioned to the portion of the Parcel not constituting Exempt Property on a fair and equitable basis as determined by the Board. Except as set forth above, the exercise by a governmental entity of the power of eminent domain or condemnation of a Parcel or a substantial portion of a Parcel shall result in the reduction of Memberships attributable to such Parcel for so long as such portion remains Exempt Property, such reduction to be determined by the Board based on the gross square footage of the real property taken by eminent domain or condemnation.

The number of Memberships held by an Owner of a Parcel shall be equal to the result obtained by dividing the total number of square feet of real property in the Parcel by 14,520 gross square feet; however, if the result is not a whole number, then the total number of Memberships shall be equal to the result rounded to the nearest whole number.

Section 6.2 Declarant. The Declarant shall be a Member of the Master Association for so long as Declarant holds a Class B Membership pursuant to Section 6.3 below or owns any Lot or Parcel in Eagle Mountain.

Section 6.3 Voting.

(a) Memberships. The Master Association shall have three (3) classes of voting Memberships:

(i) Class A. Class A Memberships shall be all Memberships, except the Class B and Class C Memberships, which are appurtenant to Residential Parcels, and each Owner of a Residential Parcel shall be entitled to one (1) vote for each Class A Membership held by the Owner, subject to the authority of the Board to suspend the voting rights of the Owner for violations of this Master Declaration in accordance with the provisions hereof or any applicable Tract Declaration;

(ii) Class B. Until converted to either Class A or Class C Memberships as provided below, each Membership owned by Declarant shall be a Class B Membership. At the time of any vote by the Members of the Master Association, Declarant shall be entitled to three (3) votes for each Class B Membership held by Declarant. The Class B Memberships shall cease and be converted to either Class A or Class C Memberships, as applicable, on the first to occur of the following:

(A) The date Declarant no longer owns (or controls the beneficial interest in) any Lot or Parcel in Eagle Mountain; or

(B) ^{Unofficial Document} The Declarant notifies the Board that Declarant is terminating its Class B Memberships.

(iii) Class C. Class C Memberships shall be all Memberships, except the Class A and Class B Memberships, which are appurtenant to Non-Residential Parcels, and each Owner of a Non-Residential Parcel shall be entitled to one (1) vote for each Class C Membership held by the Owner subject to the authority of the Board to suspend the voting rights of the Owner for violations of this Master Declaration in accordance with the provisions hereof or any applicable Tract Declaration.

(b) Residential Parcels. With respect to Residential Parcels, Declarant expressly reserves the right to require the establishment, in accordance with the applicable terms of this Declaration, of a Satellite Association for one or more of such Parcels. Declarant further reserves the right to require, through the terms of the applicable Tract Declaration, that the votes of all Memberships held by Owners of Residential Parcels be cast only by the Satellite Association designated in the applicable Tract Declaration as entitled to cast the votes of the Members. In such event, the Satellite Association's board of directors shall cast such votes in accordance with the Tract Declaration and the Satellite Association's articles of incorporation and bylaws.

(c) Declarant Retention of Voting Rights. Notwithstanding anything contained in this Article or elsewhere in this Declaration, during any period that an Owner is paying no Assessments at all because the Board has not levied any Assessments, Declarant shall be entitled to exercise any and all voting rights otherwise entitled to be cast by such Member as a result of its ownership of such Lot or Parcel or portion thereof.

Section 6.4 Right to Vote. No change in the ownership of a Membership shall be effective for voting purposes unless and until the Board is given actual written notice of such change and is provided with satisfactory proof thereof. The vote for each Membership must be cast as a unit and fractional votes shall not be allowed. If a Membership is owned by more than one (1) person or entity and such Owners are unable to agree amongst themselves as to how their vote or votes shall be cast, they shall lose the right to vote on the matter in question. If any Member casts a vote representing a certain Membership, it will thereafter be conclusively presumed for all purposes that such Member was acting with the authority and consent of all other Owners of the same Membership unless objection thereto is made at the time the vote is cast. If more than one (1) vote is cast for a particular Membership, none of said votes shall be counted and all said votes shall be deemed void.

Section 6.5 Membership Rights. Each Member shall have the rights, duties and obligations set forth in this Declaration and such other rights, duties and obligations as are set forth in the Articles, Bylaws and any applicable Tract Declarations, as the same may be amended from time to time to Unofficial Document

Section 6.6 Transfer of Membership. The rights and obligations of the Owner of a Class A or Class C Membership in the Master Association shall not be assigned, transferred, pledged, conveyed or alienated in any way except upon transfer of ownership to an Owner's Lot or Parcel and then only to the transferee of ownership of the Lot or Parcel. A transfer of ownership to a Lot or Parcel may be effectuated by Deed, intestate succession, testamentary disposition, foreclosure of a mortgage or deed of trust of record or such other legal process as is now in effect or as may hereafter be established under or pursuant to the laws of the State of Arizona. Any attempt to make a prohibited transfer shall be void. Any transfer of ownership to a Lot or Parcel shall operate to transfer the Membership(s) appurtenant to said Lot or Parcel to the new Owner thereof. The Master Association may require the new Owner of a Lot or Parcel to pay to the Master Association, or its designated representative, a transfer fee in an amount to be set by the Board, and payment of the transfer fee shall be secured by the Assessment Lien.

ARTICLE 7

COVENANT FOR ASSESSMENTS AND CREATION OF LIEN

Section 7.1 Creation of Lien and Personal Obligation of Assessments and Maintenance Charges. The Declarant, for each Lot or Parcel hereafter established within Eagle Mountain, hereby covenants and agrees, and each Owner by acceptance of a Deed therefor (whether or not it shall be so expressed in such Deed) is deemed to covenant and agree, to pay to the Master Association the following Assessments: (1) Annual Assessments established by this Article; (2) Special Service Area Assessments for expenses incurred in providing improvements or services that benefit Lots or Parcels in a Special Service Area as established by this Article; (3) Special Assessments for capital improvements or other extraordinary expenses or costs established by this Article; and (4) Maintenance Charges established by Article 10, all such Assessments to be established and collected as hereinafter provided. The Annual Assessments, Special Service Area Assessments, Special Assessments, and Maintenance Charges (sometimes hereinafter referred to collectively as the "Assessments" and individually as an "Assessment"), together with interest, costs, and reasonable attorneys' fees, shall be a charge, continuing servitude and lien upon the Lot or Parcel against which each such Assessment is made, which lien (the "Assessment Lien") shall be for the benefit of, and enforceable by, the Master Association. The Assessments assessed against each Lot or Parcel shall be based upon the number of Memberships appurtenant to the Lot or Parcel. Each such Assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal Unofficial Document obligation of the person who was the Owner of the Lot or Parcel at the time the Assessment was due. The personal obligation for delinquent Assessments shall not pass to the successors in title of the Owner unless expressly assumed by such successors.

Section 7.2 Annual Assessments. To provide for the uses and purposes specified in Article 9 hereof, including the establishment of replacement and maintenance reserves, the Board shall assess against each Membership an Annual Assessment. The amount of the Annual Assessment shall be determined with the objective of fulfilling the Master Association's obligations under this Declaration to provide for the uses and purposes specified in Article 9. The Board may, during the Assessment Period, revise the amount of the Annual Assessment to meet expenses which exceed the amounts anticipated by the Master Association and collect such increased assessment in accordance with procedures established pursuant to Section 7.9 below. The Annual Assessment shall be assessed against each Member commencing with the year the first Tract Declaration is Recorded, provided, however, that if fulfillment of the purposes of the Association does not require the imposition of an Annual Assessment at that time, the Board may delay the initial imposition of the Annual Assessment against each Member until such time as the fulfillment of the purposes of the Association require such imposition.

Section 7.3 Maximum Annual Assessments. The Annual Assessment to be established by the Board may not exceed a certain amount (the "Maximum Annual Assessment"), which amount shall be determined and shall vary in accordance with the following provisions:

(a) Until January 1, 1996, the Maximum Annual Assessment against each Owner of a Parcel or Lot shall be One Hundred Forty Dollars (\$140.00) per each Membership.

(b) From and after January 1 of the year immediately following the Recording of the first Tract Declaration and during such year, the Maximum Annual Assessment shall be increased effective January 1 of each year without a vote of the Membership by a maximum of ten percent (10%) of the Maximum Annual Assessment for the previous year or in applicable conformance with the percentage rise, if any, of the Consumer Price Index as hereinafter defined, whichever is greater. The maximum Annual Assessment attributable to the Consumer Price Index for each such period shall be computed by reference to the statistics published in the Monthly Labor Review by the United States Department of Labor, Bureau of Labor Statistics, designated "Consumer Price Index for All Urban Consumers, 1982 Equals 100, All Items", hereinafter called the "Consumer Price Index." The Maximum Annual Assessment shall be computed by the following formula:

X = Consumer ^{Price} _{Unofficial Document} Index for September of the calendar year immediately preceding the year of the first Annual Assessment.

Y = Consumer Price Index for September of the year immediately preceding the calendar year for which the Maximum Annual Assessment is to be determined.

$\left(\frac{Y - X}{X} \right)$ plus one, multiplied by the initial Maximum Annual Assessment figure equals the Maximum Annual Assessment for the year in question.

If the Bureau of Labor Statistics changes the method of determining the Consumer Price Index, the formula for determining the Maximum Annual Assessment shall be altered or amended, if possible, so as to continue the base period and base figure, but if it shall be impossible to do so, or if the Bureau of Labor Statistics ceases to publish the said statistical information and such information is not available from any other source, public or private, then, and in any such event, a new formula for determining the Maximum Annual Assessment shall be adopted by the Board.

(c) From and after January 1, 1996 the Maximum Annual Assessment may be increased above the Maximum Annual Assessment otherwise determined under subsection (b) above by a vote of two-thirds (2/3) of the Members who are voting in person or by proxy at a meeting duly called for such purpose.

Section 7.4 Special Service Area Assessments.

(a) If the Board determines that certain services provided, or to be provided, by the Master Association benefit any Lots or Parcel in a disproportionate manner (e.g., maintenance of private streets, electronic gates or certain Master Common Area, or providing security guard service or sanitation services), the Board shall be entitled to assess Special Service Area Assessments against the Memberships appurtenant to the Lots or Parcels benefited by such services. Owners receiving benefits in a disproportionate manner may be located in more than one Special Service Area; and thus subject to more than one Special Service Area Assessment. Unofficial Document

(b) The Board may establish Special Service Area Committees (each a "SSA Committee") which shall make all decisions regarding the type, quality and frequency of the specific services to be provided within each respective Special Service Area, including, without limitation, the level of services to be provided or whether to discontinue or reduce any services being provided (e.g., elimination of a security guard in lieu of an electronic security gate). However, the Board, with the input of each respective SSA Committee, shall make all decisions regarding the budget and the financial issues concerning each Special Service Area, including, without limitation, the amount of each Special Service Area Assessment. Declarant may establish and adopt guidelines and procedural rules and regulations to direct each SSA Committee in the performance of its duties. Each SSA Committee shall consist of no less than three (3) regular members and an alternative member, each appointed by Declarant. The appointees must be Owners of Lots or Parcels located within the particular Special Service Area. If any member of a SSA Committee dies or resigns, Declarant shall replace that member within ninety (90) days following such death or resignation. Pending the replacement of such deceased or resigned member, the remaining members of the particular SSA Committee shall have full authority to act under, and in accordance with, this Declaration. Declarant's right to appoint members to any SSA Committee shall cease upon the earliest to occur of the following: (i) at such time as Declarant no longer owns any Lot or Parcel in Eagle Mountain; or (ii) when such rights are

expressly relinquished by Declarant to the Board in writing. Once the Declarant's right to appoint members to any SSA Committee ceases, the Board shall be vested with that right and with all rights of Declarant pertaining to each SSA Committee; however, only those directors who are Class A Members shall have the authority to appoint and remove members of any SSA Committee pertaining to any Special Service Area that includes any Residential Parcels. Notwithstanding anything to the contrary contained in the foregoing, any decision of a SSA Committee, or appointment of a member to the SSA Committee, may be overruled and modified or reversed by Declarant, if it still holds a Class B Membership or, if no Class B Membership exists, by the Board; however, if the Board fails or refuses to act, then the decision may be overruled and modified or reversed by two-thirds (2/3) of the votes of the Members who own Lots or Parcels within the particular Special Service Area who are voting in person or by proxy at a meeting duly called for such purpose.

(c) The Tract Declaration or Recorded subdivision plat approved and signed by Declarant must designate each Special Service Area that the Lots or Parcel are located within, and each Owner of a Lot or Parcel so designated as being located in one or more Special Service Areas shall be subject to a Special Service Area Assessment for each such Special Service Area. The Board, with the input of the particular SSA Committee, shall adopt a separate budget for all Special Service Area Expenses pertaining to that Special Service Area. The Special Service Area Expenses pertaining to a specific Special Service Area shall be assessed solely against the Lots and Parcels which are benefitted by services provided to Lots and Parcels located in that Special Service Area. No Special Service Area Expense shall be used in computing the Annual Assessments to be levied pursuant to Section 7.2 of this Declaration. Special Service Area Assessments shall be levied against the Lots and Parcels located in the particular Special Service Area at a uniform amount per Membership determined in the sole discretion of the Board, with the objective of providing to the Master Association all funds required to pay all Special Service Area Expenses incurred by the Master Association in providing the operational, maintenance and other services to the particular Special Service Area. Special Service Area Assessments shall commence upon the date established by the Board. If the Board determines during any Assessment Period that Special Service Area Assessments with respect to any Special Service Area are, or will become, inadequate to meet all Special Service Area Expenses pertaining to that Special Service Area for any reason, including, without limitation, non-payment of Special Service Area Assessments by Members, the Board may increase that Special Service Area Assessment for that Assessment Period and the revised Special Service Area Assessment shall commence on the date designated by the Board.

Section 7.5 Special Assessments for Capital Improvements and Extraordinary Expenses. In addition to the Annual Assessments and Special Service Area Assessments authorized above, the Master Association may levy, in any Assessment Period, a Special Assessment applicable to that Assessment Period only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Master Common Area, including fixtures and personal

property related thereto, or for the purpose of defraying other extraordinary expenses; provided that any such Special Assessment shall have the assent of Declarant, if it still holds a Class B Membership or, if no Class B Memberships exist, two-thirds (2/3) of the votes of the Members who are voting in person or by proxy at a meeting duly called for such purpose. The provisions of this Section shall not preclude or limit the assessment, collection or use of Annual Assessments or Special Service Area Assessments for the aforesaid purposes.

Section 7.6 Uniform Amount of Assessment. Except as hereinafter specifically set forth in this Article 7, the amount of any Annual Assessment, Special Service Area Assessment or Special Assessment shall be fixed at a uniform amount per Membership. The Annual Assessments and Special Service Area Assessment may be collected on a monthly, quarterly or annual basis as determined by the Board and Special Assessments may be collected as specified by the Board unless otherwise determined by the resolution of the Members of the Master Association approving the Special Assessment.

Section 7.7 Notice and Quorum for Any Action Authorized Under Section 7.4(b). Written notice of any meeting of the Members called for the purpose of taking any action authorized under Section 7.4(b) of this Article shall be sent to all Members subject to the particular Special Service Area Assessment in question no less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members subject to such Special Service Area Assessment or of proxies, entitled to cast sixty percent (60%) of all ^{the Official Document} the votes of those Members subject to such Special Service Area Assessment (exclusive of suspended voting rights) shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7.8 Notice and Quorum for Any Action Authorized Under Section 7.5. Written notice of any meeting called for the purpose of taking any action authorized under Section 7.5 of this Article shall be sent to all Members subject to such Special Assessment no less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes (exclusive of suspended voting rights) shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7.9 Rules Regarding Billing and Collection Procedures. The Board shall have the right to adopt rules and regulations setting forth procedures for the purpose of making the Assessments provided herein and for the billing and collection of the

Assessments, provided that said procedures are not inconsistent with the provisions hereof. The failure of the Master Association to send a bill to a Member shall not relieve any Member of his liability for any Assessment or charge under this Declaration, but the Assessment Lien therefor shall not be foreclosed or otherwise enforced until the Member has been given not less than thirty (30) days' written notice, prior to such foreclose or enforcement at the address of the Member on the records of the Master Association, that the Assessment, or any installment thereof is, or will be, due, and of the amount owing. Such notice may be given at any time prior to or after delinquency of such payment. The Master Association shall be under no duty to refund any payments received by it even though the ownership of a Membership changes during an Assessment Period; successor Owners of Lots or Parcels shall be given credit on a prorated basis for prepayments made by prior Owners. The amount of the Annual Assessment against Members who become such during an Assessment Period upon the Recording of a Tract Declaration shall be prorated and such new Members shall not be liable for any previously levied Special Assessment. Declarant expressly reserves the right to provide in the applicable Tract Declaration that it shall have the right to assess a Satellite Association for all Assessments attributable to Members whose Lots or Parcels are located within the Satellite Association.

Section 7.10 Collection Costs and Interest on Delinquent Assessments. Any Assessment or installment thereof not paid when due shall be deemed delinquent and shall bear interest at a rate of twelve percent (12%) per annum, and, in addition, a late fee, the amount of which shall be determined by the Board, may be assessed for each late occurrence, and the Member whose Assessment is delinquent shall be liable for all costs, including attorney's fees, which may be incurred by the Master Association in collecting the same. The Board also may, but is not obligated to, Record a notice of delinquent assessment against any Lot or Parcel as to which an Assessment is delinquent and constitutes a lien and may establish a fixed fee to reimburse the Master Association for the Master Association's cost in Recording such notice, processing the delinquency and Recording a notice of payment, which fixed fee shall be treated as a collection cost of the Master Association secured by the Assessment Lien.

Section 7.11 Evidence of Payment of the Assessments. Upon receipt of a written request by a Member or any other person, the Master Association (or designated representative), within a reasonable period of time thereafter, shall issue to such Member or other person a written certificate stating (a) that all Assessments (including costs and attorney's fees, if any, as provided in Section 7.10 above) 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 costs and attorney's fees, if any) due and payable as of such date. The Master Association (or designated representative) may make a reasonable charge for the issuance of such certificates, which charge must be paid at the time the request for any such certificate is made. Any such certificate, when duly issued as herein provided, shall be conclusive and binding with respect to any matter therein stated as against any bona fide purchaser of, or lender on, the Lot or Parcel in question.

Section 7.12 Property Exempted from the Annual, Special Service Area and Special Assessments. Exempt Property shall be exempted from the Annual Assessments, Special Service Area Assessments and Special Assessments.

Section 7.13 Declarant Not Subject to Assessment. Notwithstanding any other provision of this Declaration to the contrary, no Assessment shall be levied against Lots and Parcels owned by Declarant. However, for so long as Declarant holds any Class B Memberships, Declarant shall subsidize the Association annually for the difference between (a) the cost of operating and administering the Association (exclusive of all costs associated with all Special Service Areas) and (b) the total amount of Annual Assessments levied against Lots and Parcels owned by Owners other than Declarant. In calculating the amount of any Special Service Area Assessment or any Special Assessment to be levied against a Lot or Parcel, the Board shall allocate all applicable Special Service Area Expenses only against Lots and Parcels not owned by Declarant.

ARTICLE 8

ENFORCEMENT OF ASSESSMENT LIEN AND PAYMENT OF ASSESSMENTS

Section 8.1 Master Association's Enforcing Body. The Declarant, for so long as it holds a Class B Membership, and the Master Association, as the agent and representative of the Members, shall have the exclusive right to enforce the provisions of this Declaration and the Tract Declarations. However, if the Declarant and Master Association shall fail or refuse to enforce this Declaration, the Tract Declarations or any provision hereof of thereof for an unreasonable period of time after written request to do so, then any Member may enforce them on behalf of the Master Association, by any appropriate action, whether at law or in equity but not at the expense of the Master Association. A Member need not own property covered by a Tract Declaration to enforce the covenants and restrictions set forth in such Tract Declaration.

Section 8.2 Master Association's Remedies to Enforce Payment of Annual Assessments, Special Service Area Assessments, Special Assessments and Maintenance Charges. If any Member fails to pay the Annual Assessments, Special Service Area Assessments, or Special Assessments or installments when due, or to pay Maintenance Charges assessed pursuant to Article 10, the Master Association may enforce the payment of such 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 hereinafter set forth, the Master Association does not prejudice or waive its right to exercise the other remedy):

(a) Bring an action at law and recover judgment against the Member personally obligated to pay the Assessments;

(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 or deeds of trust (including, where applicable, the right to recover any deficiency) and, if foreclosed as a realty mortgage, the Lot or Parcel may be redeemed after foreclosure sale as provided by law.

Section 8.3 Subordination of Assessment Lien to First Mortgage or Deed of Trust; Priority of Lien. The Assessment Lien provided for herein shall be subordinate to any first mortgage lien held by, or deed of trust of which the beneficiary is, a lender who has lent funds with the Lot or Parcel as security, or held by the lender's successors and assigns, and shall also be subject and subordinate to liens for taxes and other public charges which by applicable law are expressly made superior. Except as above provided, the Assessment Lien shall be superior to any and all charges, liens or encumbrances which hereafter in any manner may arise or be imposed upon each Lot or Parcel. Sale or transfer of any Lot or Parcel shall not affect the Assessment Lien; provided, however, that if the sale or transfer is pursuant to foreclosure of a mortgage or deed of trust to which the Assessment Lien is subordinate, or pursuant to any sale or proceeding in lieu thereof, 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 Annual Assessments, Special Service Area Asses^{Unofficial Document}ments, Special Assessments and Maintenance Charges that have accrued up to the date of issuance of a sheriff's or trustee's deed or deed in lieu of foreclosure; but upon the date of issuance of a sheriff's or trustee's deed or deed in lieu of foreclosure, the Assessment Lien immediately shall become and remain superior to any and all other charges, liens or encumbrances (except liens for taxes or other public charges which by applicable law are expressly made superior), and such mortgage or deed of trust foreclosure sale purchaser or grantee shall take subject to all Annual Assessments, Special Service Area Assessments, Special Assessments, Maintenance Charges and the Assessment Lien thereof accruing subsequent to the date of issuance of a sheriff's or trustee's deed or deed given in lieu of foreclosure.

Section 8.4 Costs to be Borne by Member in Connection with Enforcement of Payment of Annual Assessments, Special Service Area Assessments, Special Assessments and Maintenance Charges. In any action taken pursuant to Section 8.2 of this Article, the Member shall be personally liable for, and the Assessment Lien shall be deemed to secure the amount of, the Annual Assessments, Special Service Area Assessments, Special Assessments and Maintenance Charges together with interest on all such delinquent amounts as provided in Section 7.10 and the Master Association's collection costs and attorney's fees, including those costs and fees specified in Section 7.10.

ARTICLE 9

USE OF FUNDS: BORROWING POWER

Section 9.1 Purposes for which Master Association's Funds May Be Used.

The Master Association shall apply all funds and property collected and received by it (including the Annual Assessments and Special Assessments, fees, loan proceeds, surplus funds and all funds and property received by it from any other source) for the common good and benefit of Eagle Mountain and the Members and Residents by devoting said funds and property, among other things, to the acquisition, construction, alteration, management (including risk management), maintenance, provision and operation, by any manner or method whatsoever, of any and all land, properties, improvements, facilities, services, projects, programs, studies and systems, within or without Eagle Mountain, which may be necessary, desirable or beneficial to the general common interests of Eagle Mountain, the Members and the Residents. The following are some, but not all, of the areas in which the Master Association may seek to aid, promote and provide for such common benefit: maintenance of landscaping on Master Common Areas and public right-of-way and drainage areas within Eagle Mountain, obtaining of liability insurance, supplying of utilities and other public services, providing for communication and transportation within and dissemination of information concerning Eagle Mountain, indemnification of, and insurance protecting, officers and directors of the Master Association and generally protecting the health and safety of the Members and the Residents. The Master Association also may expend its funds for any purposes which any municipality Unofficial Document expend its funds under the laws of the State of Arizona or such municipality's charter.

Section 9.2 Borrowing Power. The Master Association may borrow money in such amounts, at such rates, upon such terms and security, and for such period of time as in the determination of the Board is necessary or appropriate.

Section 9.3 Master Association's Rights in Spending Funds from Year to Year. The Master Association shall not be obligated to spend in any year all the sums received by it in such year (whether by way of Annual Assessments, Special Service Area Assessments or Special Assessments, fees or otherwise), and may carry forward as surplus any balances remaining. The Master Association shall not be obligated to reduce the amount of the Annual Assessment in the succeeding year if a surplus exists from a prior year and the Master Association may carry forward from year to year such surplus as the Board in its discretion may determine to be desirable for the greater financial security of the Master Association and the accomplishment of its purposes.

Section 9.4 Administration of Special Use Fees. The Master Association is authorized to bill for, sue for, collect, administer and disburse all Special Use Fees and the payment thereof shall be secured by the Assessment Lien; provided, however, that all Special Use Fees collected shall, if imposed in connection with a particular improvement,

be separately accounted for as to each separate improvement pertaining to which they are collected and shall be expended on the particular improvement to which they pertain.

Section 9.5 Insurance. The Master Association shall maintain insurance against liability incurred as a result of death or injury to persons or damage to property on the Master Common Areas, with the amount and type of coverage to be determined by the Board, and it may also obtain and maintain any other insurance coverage (e.g., directors and officers liability) as the Board may determine to be advisable from time to time.

ARTICLE 10

MAINTENANCE

Section 10.1 Master Common Areas. The Master Association, or its duly delegated representative, shall maintain and otherwise manage, all Master Common Areas and all other areas which the Board, pursuant to the authority contained in this Declaration, has the right and elects to maintain, and such other areas required to be maintained by the Master Association as identified in a Recorded document or instrument signed by the Declarant or the Master Association.

The Board shall use a reasonably high standard of care in providing for the repair, management and maintenance of ~~the~~ ^{Unofficial Document} Common Areas so the Eagle Mountain development will reflect a high pride of ownership. In this regard, the Master Association may (but without any obligation to do so), in the discretion of the Board:

- (a) Reconstruct, repair, replace or refinish any improvement or portion thereof upon any Master Common Area;
- (b) Replace injured and diseased trees and other vegetation in any Master Common Area and plant trees, shrubs and ground cover to the extent that the Board deems necessary for the conservation of water and soil and for aesthetic purposes;
- (c) Place and maintain upon any Master Common Area such signs as the Board may deem appropriate for the proper identification, use and regulation thereof;
- (d) Do all such other and further acts which the Board deems necessary to preserve and protect the Master Common Area and the beauty thereof, in accordance with the general purposes specified in this Declaration.

The Board shall be the sole judge as to the appropriate maintenance of all Master Common Areas. Any cooperative action necessary or appropriate for the proper maintenance and

upkeep of any Master Common Area shall be taken by the Board or by its duly delegated representative.

If any Recorded subdivision plat, Tract Declaration, deed restriction or this Declaration permits the Board to determine whether Owners of certain Lots or Parcels will be responsible for maintenance of certain Master Common Areas or public right-of-way areas, the Board shall have the sole discretion to determine whether or not it would be in the best interest of the Owners, Lessees and Residents of Eagle Mountain for the Master Association or an individual Owner to be responsible for such maintenance, considering cost, uniformity of appearance, location and other factors deemed relevant by the Board. The Board may cause the Master Association to contract with others for the performance of the maintenance and other obligations of the Master Association under this Article 10 and, in order to promote uniformity and harmony of appearance, the Board may also cause the Master Association to contract to provide maintenance services to Owners of Lots and Parcels having such responsibilities in exchange for the payment of such fees as the Master Association and Owner may agree upon. Fees for the above provided maintenance services shall be secured by the Assessment Lien.

Section 10.2 Assessment of Certain Costs of Maintenance and Repair of Master Common Areas and Public Areas. If the need for maintenance or repair of Master Common Areas and other areas maintained by the Master Association is caused through the willful or negligent act of any Member, his family, guests or invitees, the cost of such maintenance or repairs shall be added to, Unofficial Document become a part of, the Assessment to which such Member and the Member's Lot or Parcel is subject, and shall be secured by the Assessment Lien. Any charges or fees to be paid by the Owner of a Lot or Parcel in connection with a contract entered into by the Master Association with an Owner for the performance of an Owner's maintenance responsibilities shall also become a part of such Assessment and shall be secured by the Assessment Lien.

Section 10.3 Improper Maintenance and Use of Parcels. If any portion of any Lot or Parcel is so maintained as to present a public or private nuisance, or as to substantially detract from the appearance or quality of the surrounding Lots or Parcels or other areas of Eagle Mountain which are substantially affected thereby or related thereto, or if any portion of a Lot or Parcel is being used in a manner which violates this Declaration or any Tract Declaration applicable thereto, or if the Owner of any Lot or Parcel is failing to perform any of its obligations under this Declaration, any Tract Declaration or the applicable Design Review Guidelines, standards and rules and regulations of either the Residential Design Review Committee or Commercial Design Review Committee, as applicable, the Board may by resolution make a finding to such effect, specifying the particular condition or conditions which exist, and pursuant thereto give notice thereof to the offending Owner that unless corrective action is taken within fourteen (14) days, the Board may cause such action to be taken at said Owner's cost. If at the expiration of said fourteen (14) day period of time the requisite corrective action has not been taken, the

Board shall be authorized and empowered to enter the Lot or Parcel and cause such action to be taken. The cost of taking such action (together with a fee determined by the Board its sole discretion on a case by case basis to compensate the Master Association for its overhead and supervision relating to such action) shall be deemed a Maintenance Charge and shall be added to, and become a part of, the Assessment to which the offending Owner and the Owner's Lot or Parcel is subject to, and shall be secured by, the Assessment Lien.

ARTICLE 11

DESIGN REVIEW COMMITTEE

Section 11.1 Establishment. Declarant shall establish two (2) Design Review Committees: a Residential Design Review Committee, which shall exercise all powers of the Design Review Committee with regard to all Lots and Parcels limited by the applicable Tract Declaration to Single Family Residential Use, Residential Condominium Development Use, Cluster Residential Use and similar residential uses (but specifically excluding Apartment Development Use); and a Commercial Design Review Committee, which shall exercise all powers of the Design Review Committee not specifically delegated to the Residential Design Review Committee by virtue of the foregoing. Declarant shall establish and adopt Residential Design Review Guidelines and procedural rules and regulations to direct the Residential Design Review Committee in the performance of its duties, and shall establish and adopt Commercial Design Review Guidelines and procedural rules and regulations to direct the Commercial Design Review Committee in the performance of its duties. Each Design Review Committee shall consist of no less than three (3) regular members and an alternate member, each appointed by Declarant. The appointees need not be Owners, Lessees or Residents and need not possess any special qualifications except such as Declarant may, in its discretion, require. Declarant may replace any member of a Design Review Committee at any time with or without cause. If any member of a Design Review Committee dies or resigns, Declarant shall replace said member within ninety (90) days following such death or resignation. Pending the replacement of such deceased or resigned member, the remaining member or members of the applicable Design Review Committee shall have full authority to act under, and in accordance with, this Declaration. Declarant's right to appoint members of either Design Review Committee shall cease upon the earliest to occur of the following: (i) at such time as Declarant no longer owns any Lot or Parcel in Eagle Mountain; or (ii) when such rights are expressly relinquished by Declarant to the Board in writing. Once the Declarant's right to appoint members to either Design Review Committee ceases, the Board shall be vested with that right and with all rights of the Declarant pertaining to either the Residential Design Review Committee or the Commercial Design Review Committee; however, only those directors who are Class A Members shall have the authority to appoint and remove the members of the Residential Design Review Committee, and likewise, only those directors who are Class

C Members shall have the authority to appoint and remove the members of the Commercial Design Review Committee.

Section 11.2 Purpose. The purpose of each Design Review Committee is to maintain uniformity of architectural and landscaping standards throughout Eagle Mountain and thereby enhance the aesthetic and economic value of Eagle Mountain. Each respective Design Review Committee is hereby empowered to supplement and amend the Residential Design Review Guidelines or Commercial Design Review Guidelines, as applicable, and its procedural rules and regulations to the extent and with the frequency it deems necessary; provided, however, that such modifications are in general conformity with the standards set forth in this Declaration and the applicable Tract Declarations.

Section 11.3 View Preservation. Declarant, being sensitive to the fact that Eagle Mountain is located in an area that provides spectacular views of the adjacent surroundings, desires to ensure that development will occur in a fashion which is sensitive to the need to preserve available views of the surrounding areas, and as such the applicable Design Guidelines may impose restrictions on the construction and installation of improvements that could, as determined by Declarant in its sole and absolute discretion, impair any such views.

Section 11.4 Operation/Authority. It shall be the duty of each Design Review Committee to consider and act upon all proposals and plans submitted to it pursuant to this Declaration. Each Design Review Committee shall hold regular meetings in accordance with its procedural rules and regulations. A quorum for such meetings shall consist of a majority of the members and an affirmative vote of two of the members shall be necessary for any decision. A duly appointed alternate member may participate in any meeting in which there is not a quorum of regular members present, may constitute a quorum by his/her presence and shall have all the authority of a regular member while so participating. Each Design Review Committee shall review all applications submitted to it and shall furnish a written decision to the applicant setting forth the reasons for its decision and the nature of any objections. If a Design Review Committee fails to furnish a written decision within 45 calendar days after a complete application has been submitted or resubmitted to it, then the application as submitted or resubmitted, as the case may be, shall be deemed approved. Each Design Review Committee shall have broad discretionary powers in determining whether an application is in conformance with the Residential Design Review Guidelines or the Commercial Design Review Guidelines, as applicable. In addition, each Design Review Committee may disapprove any application if it, in its discretion, believes the applicant has not supplied sufficient or accurate information for the applicable Design Review Committee to exercise the judgment required by this Declaration. Each Design Review Committee has the authority to grant variances to his respective design review guidelines by an affirmative vote of the majority of the members of the applicable Design Review Committee. Each Design Review Committee shall keep complete written records of all applications for approval submitted to it (including one set of all preliminary

sketches and all architectural plans) in connection with all actions taken by it under the provisions of the applicable design review guidelines. All such records shall be maintained for a minimum of three years after approval or disapproval.

Section 11.5 Fee. The Board (or its designated representative) shall have the right, in its sole discretion, to assess against applicants a processing fee to defer the costs incurred by the applicable Design Review Committee in considering any requests for approval submitted to it. If imposed, the fee shall be in such amount and payable in accordance with such schedule as reasonably determined by each respective Design Review Committee.

Section 11.6 Limited Liability of Design Review Committee Approval. All plans, drawings and specifications approved by either Design Review Committee are not approved for engineering, design or architectural competence. Through its approval of such plans, drawings and specifications, a Design Review Committee does not assume liability or responsibility therefor or for any defect in any structure constructed from such plans, drawings and specifications. Declarant, members of each Design Review Committee and members of the Board shall not be liable to the Master Association, any Owner or any other person or entity for any damage, loss or prejudice suffered or claimed because of:

(a) the approval or disapproval of any plans, drawings or specifications, whether or not defective; or

Unofficial Document

(b) the construction or performance of any work, whether or not pursuant to approved plans, drawings or specifications.

Section 11.7 Waiver. The approval by a Design Review Committee of any plans, drawings or specifications for any work done or proposed, or for any other matter requiring the approval of the applicable Design Review Committee, shall not be deemed to constitute a waiver of any right to withhold approval of a similar plan, drawing, specification or matter subsequently submitted for approval.

Section 11.8 Nonapplicability to Declarant. The provisions of this Article are not to apply to any Lots and Parcels owned by Declarant or any person affiliated with Declarant.

Section 11.9 Additional Governmental Approvals. The approval of either Design Review Committee contemplated by this Article and required by Section 4.3 shall be in addition to, and not in lieu of, any approvals, consents or permits required under the ordinance or rules and regulations of any county or municipality having jurisdiction over Eagle Mountain.

ARTICLE 12

RIGHTS AND POWERS OF MASTER ASSOCIATION

Section 12.1 Master Association's Rights and Powers as Set Forth in Articles and Bylaws. The Master Association, as the agent and representative of the Owners and Lessees, shall have the right to enforce the Covenants set forth in this Declaration, any Tract Declaration and/or any and all covenants, restrictions, reservations, charges, servitudes, assessments, conditions, liens or easements provided for in any contract, deed, declaration or other instrument which (i) shall have been executed pursuant to, or subject to, the provisions of this Declaration, or (ii) otherwise shall indicate that the provisions of such instrument were intended to be enforced by the Master Association or by Declarant.

Section 12.2 Contracts with Others for Performance of Master Association's Duties. Subject to the restrictions and limitations contained herein, the Master 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 Master 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 ^{Unofficial Document} quorum at any meeting of the Board or committee of which he is a member which shall authorize any contract or transaction described above or grant or deny any approval sought by the Declarant, its affiliated companies or any competitor thereof and may vote thereat to authorize any such contract, transaction or approval with like force and effect as if he were not so interested.

ARTICLE 13

ANNEXATION AND DEANNEXATION

Section 13.1 Annexation Without Approval and Pursuant to Master Plan. The Additional Property may be annexed to the Property and become subject to this Declaration and subject to the jurisdiction of the Master Association without the approval, assent or vote of the Master Association or its Members, provided that a Supplementary Declaration of Covenants, Conditions and Restrictions, as hereinafter described, covering the portion of the Additional Property sought to be annexed shall be executed and Recorded by Declarant or its successors and assigns (and by the fee title holder(s) of the portion of the Additional Property sought to be annexed, if Declarant or its successors and assigns does not hold fee title to all of said property), provided, however, that no Supplementary Declaration shall be so executed and Recorded pursuant to this Section more than 15 years

(i) subsequent to the Recording of this Declaration or (ii) subsequent to the last Recording of a Supplementary Declaration, whichever of (i) or (ii) shall have later occurred. Such execution and Recording of a Supplementary Declaration shall constitute and effectuate the annexation of said portion of the Additional Property described therein, making said real property subject to this Declaration and subject to the functions, powers and jurisdiction of the Master Association, and thereafter the Additional Property so annexed shall be part of the Property and all of the Owners of Parcels and Lots in the Additional Property so annexed shall automatically be Members of the Master Association. Although Declarant, its successors and assigns, shall have the ability to so annex all or any portion of the Additional Property, neither Declarant, nor its successors and assigns, shall be obligated to annex all or any portion of the Additional Property, and such Additional Property shall not become subject to this Declaration unless and until a Supplementary Declaration annexing such Additional Property shall have been so executed and Recorded.

Section 13.2 Deannexation Without Approval. A portion or portions of the Property may be deannexed from the Property and be withdrawn from this Declaration and the jurisdiction of the Master Association without the approval, assent or vote of the Master Association or its Members, provided that a Certificate of Deannexation covering the portion of the Property sought to be deannexed shall be executed and Recorded by Declarant or its successors and assigns, the portion of the Property covered by such Certificate of Deannexation is owned by Declarant or its successors and assigns and the total acreage of all portions of the Property deannexed pursuant to this Section does not exceed 150 acres. No Certificate of Deannexation shall be Unofficial Document and Recorded pursuant to this Section more than 15 years subsequent to the Recording of this Declaration.

Section 13.3 Supplementary Declarations and Certificates of Deannexation. The annexations and deannexations authorized under the foregoing Sections shall be made by Recording in the office of the County Recorder of Maricopa County, Arizona, a Supplementary Declaration of Covenants, Conditions and Restrictions, or similar instrument with respect to the Additional Property which shall extend the plan of this Declaration to such property or a Certificate of Deannexation which shall remove the portion of the Property covered thereby from the plan of this Declaration. The Supplementary Declarations contemplated above may contain such complementary additions and modifications of the covenants, conditions and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the annexed property and as are not inconsistent with the plan of this Declaration. In no event, however, shall any such Supplementary Declaration, revoke, modify or add to the covenants established by this Declaration within the existing Property.

ARTICLE 14

TERM: AMENDMENTS: TERMINATION

Section 14.1 Term: Method of Termination. This Declaration shall be effective upon the date of its Recordation and, as amended from time to time, shall continue in full force and effect for a term of 30 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 10 years each, unless there is an affirmative vote to terminate this Declaration by the then Members casting 90 percent of the total votes cast at a meeting held for such purpose within six months prior to the expiration of the initial effective period hereof or any ten-year extension. The Declaration may be terminated at any time if 90 percent of the votes cast shall be cast in favor of termination at a meeting held for such purpose. 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, within a period from six months prior to such vote to six months after such vote from the holders of Recorded first mortgages or deeds of trust to which the Assessment Lien is subordinate pursuant to Section 8.3 above, on 75 percent 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 with the County Recorder of Maricopa County, Arizona, a Certificate of Termination, duly signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Master Association, with their signatures Unofficial Document dged. Thereupon these Covenants shall have no further force and effect, and the Master Association shall be dissolved pursuant to the terms set forth in its Articles.

Section 14.2 Amendments.

(a) Amendments to this Declaration. This Declaration may be amended by Recording with the County Recorder of Maricopa County, Arizona, a Certificate of Amendment, duly signed and acknowledged. The Certificate of Amendment shall set forth in full the amendment adopted, and, except as provided in Sections 14.3 and 14.4 of this Article, shall certify that, at a meeting duly called and held pursuant to the provisions of the Articles and Bylaws, the Owners casting at least 75 percent of the votes then entitled to be cast voted affirmatively for the adoption of the Amendment. Notwithstanding the foregoing, the affirmative vote of the Owners casting at least 75 percent of the votes that are entitled to be cast by all Class A Members and the Declarant (for so long as Declarant owns a Lot or Parcel) may amend any use restrictions contained in Section 14.3 of this Declaration as to the manner in which such use restrictions affect only the Residential Parcels without the consent of any Owners holding Class C Memberships. Similarly, and notwithstanding anything to the contrary contained above, the affirmative vote of the Owners casting at least 75 percent of the votes then entitled to be cast by all Class C Members and the Declarant (for so long as the Declarant owns a Lot or Parcel) may

amend any use restrictions contained in Section 4.3 of this Declaration as to the manner in which such use restrictions affect only the Non-Residential Parcels without the consent of any Owners holding Class A Memberships.

(b) Amendment to Tract Declarations. Unless the Tract Declaration provides otherwise, or as otherwise set forth in Section 4.2, Tract Declarations may be amended by approval of the Board and the Owners of all Lots and Parcels subject to the Tract Declaration. As long as the Declarant owns any Lot or Parcel in Eagle Mountain, Declarant's approval is also required for any amendment to a Tract Declaration.

Section 14.3 Right of Amendment if Requested by Governmental Agency or Lending Institutions. Anything in this Article to the contrary notwithstanding, Declarant reserves the right, but not the obligation, to amend all or any part of this Declaration to such an extent and with such language as may be requested by the FHA, VA, FNMA or FHLMC and to further amend to the extent requested by any other federal, state or local governmental agency which requests such an amendment as a condition precedent to such agency's approval of this Declaration, or by any federally or state chartered lending institution as a condition precedent to lending funds upon the security of any Lot(s) or Parcel(s) or any portions thereof. Any such amendment shall be effected by the Recording, by Declarant, of a Certificate of Amendment duly signed by or on behalf of the partners, authorized agents, or authorized officers of Declarant, as applicable, with their signatures acknowledged, specifying the federal, state or local governmental agency or the federally or state chartered lending institution requesting ^{the} amendment and setting forth the amendatory language requested by such agency or institution. The Recording of such a Certificate shall be deemed conclusive proof of the agency's or institution's request for such an amendment, and such Certificate, when Recorded, shall be binding upon all of Eagle Mountain and all persons having an interest therein. It is the desire of Declarant to retain control of the Master Association and its activities during the anticipated period of planning and development. If any amendment requested pursuant to the provisions of this Section deletes, diminishes or alters such control, Declarant shall have the right to prepare, provide for and adopt, as an amendment thereto, other and different control provisions.

Section 14.4 Declarant's Right of Amendment. Notwithstanding anything in this Article to the contrary, Declarant shall, for so long as it possesses a Class B Membership, be entitled to unilaterally amend this Declaration to correct minor errors and omissions.

ARTICLE 15

MISCELLANEOUS

Section 15.1 Interpretation of the Covenants. Except for judicial construction, the Master 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 Master Association's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all persons and property benefitted or bound by the Covenants and provisions hereof.

Section 15.2 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 hereof.

Section 15.3 Rules and Regulations. In addition to the right to adopt rules and regulations on the matters expressly mentioned elsewhere in this Declaration, the Master Association shall have the right to adopt rules and regulations with respect to all other aspects of the Master Associations' rights, activities and duties, provided said rules and regulations are not inconsistent with the provisions of this Declaration.

Unofficial Document

Section 15.4 Declarant's Disclaimer of Representations. Anything to the contrary in this Declaration notwithstanding, and except as otherwise may be expressly set forth on a Recorded plat or other instrument signed by Declarant and Recorded in the office of the County Recorder of Maricopa County, Arizona, Declarant makes no warranties or representations whatsoever that the plans presently envisioned for the complete development of Eagle Mountain can, or will be, carried out, or that any land now owned or hereafter acquired by it is, or will be, subjected by 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.

Section 15.5 References to the Covenants in Deeds. Deeds to, and instruments affecting, any Lot or Parcel or any part of Eagle Mountain may contain the Covenants herein set forth by reference to this Declaration; but regardless of whether any such reference is made in any Deed or instrument, each and all of the Covenants shall be binding upon the grantee/Owner or other person claiming through any instrument and his heirs, executors, administrators, successors and assigns.

Section 15.6 Successors and Assigns of Declarant. Any reference in this Declaration to Declarant shall include any successors or assigns of Declarant's rights and

powers hereunder, provided that Declarant's rights and powers may only be assigned by a written, Recorded instrument expressly assigning such rights and powers.

Section 15.7 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.

Section 15.8 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.

Section 15.9 Notices. If notice of any action or proposed action by the Board or any committee or of any meeting is required by applicable law, this Declaration or resolution of the Board, to be given to any Owner, Lessee or Resident then, unless otherwise specified herein 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 Town of Fountain Hills. 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.

Unofficial Document

ARTICLE 16

GOLF COURSE LAND

Section 16.1 Non-Applicability; Not Master Common Area. As used in this Declaration, the terms "Property" and "Eagle Mountain" do not include or apply to Golf Course Land. Golf Course Land shall not be part of the Master Common Area, and no Owner, Lessee, Tenant or Resident shall acquire any right, title or interest whatsoever in the Golf Course Land or the use of the Golf Course Land solely by reason of owning, leasing or occupying any Lot, Parcel or other property in Eagle Mountain.

Section 16.2 No Right to Use of Golf Course. Each grantee of Declarant by the acceptance of a deed of conveyance, and each purchaser under any contract for such deed of conveyance, and each purchaser under any agreement of sale, and each Person acquiring a Membership in the Master Association, and the heirs, personal representatives, successors and assigns of the foregoing, acknowledge and agree that the acquisition of any interest in one or more Lots or Parcels located in Eagle Mountain shall not in any way entitle any such Person to any interest in or any right to the use of the Golf Course Land

or membership in any club or other golf operation now or hereafter existing in connection with the Golf Course Land.

Section 16.3 Waiver of Liability. Each Owner and other occupant of any Golf Course Lot or Golf Course Parcel, by becoming the Owner or occupant thereof, acknowledges that golf balls may be hit onto their Lot or Parcel by persons playing golf on the adjacent golf course and that such golf balls may cause injury to persons on the Lot or Parcel or cause damage to the dwelling unit or other structures or improvements situated on the Lot or Parcel. Each Owner and occupant assumes the risk of such injury or damage and releases: (i) Declarant and all of its constituent owners, officers, directors, employees and agents; (ii) the Master Association and all of its officers, directors, employees and agents; and (iii) the owner of the Golf Course Land and its constituent owners, officers, directors, employees and agents, from all claims, causes of action, duties, liabilities and obligations of any and every sort or nature, in law or in equity, which it has or which it may hereafter have, or which in the future may arise from or as a result or by reason of, or in connection with, the design, construction, operation or maintenance of the Golf Course Land and any golf course constructed and operated thereon.

Section 16.4 Operation of the Golf Course. Each Owner, Resident, Lessee and Tenant acknowledge that the operation and maintenance of a golf course on the Golf Course Land will require that maintenance men and other workers required to operate and maintain the golf course will commence work as early as 5:00 a.m. on a daily basis. In connection therewith, each Owner, Resident, Lessee and Tenant agree that neither Declarant nor its employees, agents and contractors nor the Master Association or its employees, agents and contractors shall be responsible or accountable for, and shall be held harmless for, from and against, any claims, causes of action, loss or liability arising in connection with or associated with any noise or inconvenience normally associated with such maintenance activities.

LENDER RATIFICATION

The undersigned, as beneficiary, under that certain Deed of Trust recorded in the official records of Maricopa County, Arizona, as Instrument No. 86-708596, as amended by that certain Amended and Restated Deed of Trust recorded in the official records of Maricopa County, Arizona, as Instrument No. 94-0424581, hereby consents to and joins in the foregoing Declaration of Covenants, Conditions and Restrictions for Eagle Mountain, and agrees to the provisions thereof, and agrees that such Declaration shall be superior to, and have priority over, the lien created by the above-described Amended Deed of Trust.

Dated as of JANUARY 11, 1995.

BENEFICIARY:

M & I MARSHALL & ILSLEY BANK, a Wisconsin banking association

By: Philip M. McGowan

T.S.: SENIOR VICE PRESIDENT

Unofficial Document

Wisconsin
STATE OF ARIZONA)
Milwaukee) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 11th day of January, 1995, by Philip M. McGowan, the Sr. Vice President of M & I MARSHALL & ILSLEY BANK, a Wisconsin banking association, for and on behalf thereof.

Syndee M. Jorgensen
Notary Public

My Commission Expires:

3/15/98

SYNDEE M. JORGENSEN
Notary Public, State of Wisconsin
My Commission Expires 3-15-98

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Unofficial Document

EXHIBIT "A"

THIRD AMENDED
NO. DR-622710

A part of Section 28 and 29, Township 3 North, Range 6 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona and more particularly described as follows:

BEGINNING at the Southeast corner of said Section 29; thence South 89 degrees 49 minutes 54 seconds West, and along the South line of said Section, a distance of 2638.21 feet to the South quarter corner; thence North 89 degrees 57 minutes 36 seconds West, 2636.88 feet to the Southwest corner of said Section; thence North 00 degrees 03 minutes 51 seconds West and along the West line of said Section, 2642.91 feet to the West quarter corner of said Section; thence North 00 degrees 03 minutes 52 seconds West along said Section line, 1216.11 feet to a point being on the Southerly right-of-way of Shea Boulevard; thence North 70 degrees 18 minutes 51 seconds East, and departing said line and along said right-of-way 162.37 feet to the beginning of a non-tangent curve being concave Southerly and having a radius of 2686.79 feet (from which a radial line bears South 19 degrees 42 minutes 07 seconds East); thence along the arc of said curve through a central angle of 23 degrees 11 minutes 58 seconds, an arc length of 1087.90 feet (from which a radial line bears South 03 degrees 29 minutes 51 seconds West); thence South 86 degrees 31 minutes 46 seconds East, 451.66 feet to the beginning of a non-tangent curve, concave Northerly and having a radius of 3056.21 feet (from which a radial line bears North 03 degrees 28 minutes 03 seconds East); thence along the arc of said curve through a central angle of 14 degrees 11 minutes 55 seconds and an arc length of 757.37 feet (from which a radial line bears North 10 degrees 43 minutes 52 seconds West); thence North 79 degrees 13 minutes 03 seconds East, 1682.26 feet; thence departing said right-of-way, South 10 degrees 46 minutes 57 seconds East, 438.00 feet; thence South 17 degrees 54 minutes 27 seconds East, 80.62 feet; thence North 62 degrees 14 minutes 48 seconds East, 369.73 feet; thence South 08 degrees 54 minutes 17 seconds East, 102.75 feet; thence South 26 degrees 49 minutes 09 seconds East, 1008.48 feet; thence East, 288.95 feet to the Easterly line of said Section 29; thence South 00 degrees 02 minutes 26 seconds East along said Section line, a distance of 418.78 feet to the East quarter corner of said Section; thence continuing along said line South 00 degrees 07 minutes 04 seconds East, 492.32 feet to a point on a curve being concave Southerly and having a radius of 758.00 feet (from which point a radial line bears South 12 degrees 16 minutes 30 seconds West); thence along the arc of said curve through a central angle of 14 degrees 21 minutes 00 seconds and an arc length of 189.85 feet; thence South 63 degrees 22 minutes 30 seconds East, 141.60 feet to a point on a curve being concave Easterly and having a radius of 442.00 feet (from which point a radial line bears South 68 degrees 49 minutes 39 seconds East); thence along the arc of said curve through a central angle of 43 degrees 31 minutes 21 seconds and an arc length

of 335.75 feet; thence South 22 degrees 21 minutes 00 seconds East, 101.15 feet to the beginning of a tangent curve being concave Northwesterly and having radius of 258.00 feet; thence along the arc of said curve through a central angle of 92 degrees 04 minutes 30 seconds and an arc length of 414.61 feet; thence South 69 degrees 43 minutes 30 seconds West, 29.15 feet; thence South 08 degrees 28 minutes 01 seconds West, 49.68 feet; thence South 21 degrees 14 minutes 06 seconds West, 157.97 feet; thence South 12 degrees 39 minutes 55 seconds East, 130.38 feet; thence South 08 degrees 16 minutes 10 seconds East, 160.92 feet; thence South 77 degrees 10 minutes 45 seconds East, 59.65 feet; thence South 20 degrees 00 minutes 55 seconds East, 217.67 feet; thence South 56 degrees 55 minutes 55 seconds East, 50.46 feet; thence South 25 degrees 03 minutes 38 seconds East, 83.43 feet; thence South 41 degree 42 minutes 19 seconds East, 40.03 feet; thence South 11 degrees 57 minutes 53 seconds East, 88.78 feet; thence South 04 degrees 22 minutes 58 seconds West, 90.08 feet; thence South 04 degrees 05 minutes 42 seconds West, 238.78 feet to the South line of said Section 28; thence South 89 degrees 46 minutes 58 West and along the South line of said Section, a distance of 384.59 feet to the POINT OF BEGINNING;

EXCEPT all mineral and ground water rights, as reserved in Deed recorded in 86-708594, Official Records, records of Maricopa County, Arizona. Unofficial Document

AND EXCEPT THE FOLLOWING DESCRIBED LAND:

Description

For

CWW No. 900502-21 Summit West Joint Venture April 5, 1991

PARCEL 2

AT

LOS ALTOS HILLS

Being a portion of Section 29, Township 3 North, Range 6 East, G. & S. R. B. & M., Maricopa County, Arizona, more particularly described as follows:

COMMENCING at the east Quarter Corner of said Section 29;
THENCE $N00^{\circ}02'36''W$, along the east line of said Section, 432.33 feet;
THENCE $S89^{\circ}57'24''W$, 1655.41 feet to the POINT OF BEGINNING;
THENCE $S34^{\circ}44'47''W$, 84.02 feet to a point marking the beginning of a tangent curve, having a radius of 458.00 feet to the right;
THENCE southwesterly, along the arc of said curve, through a central angle of $32^{\circ}09'37''$, having an arc distance of 257.08 feet;
THENCE $S66^{\circ}54'24''W$, 309.18 feet to a point marking the beginning of a tangent curve, having a radius of 1442.00 feet to the left;
THENCE southwesterly, along the arc of said curve, through a central angle of $02^{\circ}02'59''$, having an arc distance of 51.59 feet;
THENCE $N07^{\circ}13'52''E$, 112.34 feet;

SCB/jm

THENCE N19°32'07"W, 116.93 feet;
THENCE N44°28'12"W, 680.20 feet;
THENCE N10°37'11"W, 94.17 feet to a point marking the beginning of a non-tangent curve, the central point of which bears N38°19'35"E, 642.00 feet;
THENCE southeasterly, along the arc of said curve, through a central angle of 37°24'47", having an arc distance of 419.21 feet;
THENCE S89°05'12"E, 166.92 feet to a point marking the beginning of a tangent curve, having a radius of 533.00 feet to the right;
THENCE southeasterly, along the Unofficial Document arc of said curve, through a central angle of 33°31'02", having an arc distance of 311.80 feet;
THENCE S55°34'10"E, 293.54 feet;
THENCE S10°24'41"E, 28.21 feet to the POINT OF BEGINNING.

Comprising 8.405 Acres, more or less, subject to all easements of record.

Description

For

CWW No. 900502-21

Summit West Joint Venture

April 5, 1991

TRACT C-2

AT

LOS ALTOS HILLS

Being a portion of Section 29, Township 3 North, Range 6 East, G. & S. R. B. & M., Maricopa County, Arizona, more particularly described as follows:

COMMENCING at the east Unofficial Document Quarter Corner of said Section 29;
THENCE N00°02'36"W, along the east line of said Section, 322.27 feet;
THENCE S89°57'24"W, 1317.02 feet to the POINT OF BEGINNING;
THENCE N54°47'04"W, 233.45 feet;
THENCE N55°34'10"W, 421.27 feet;
THENCE N10°46'57"W, 918.57 feet to a point on the southerly Right-Of-Way line of Shea Boulevard;
THENCE N79°13'03"E, along said southerly Right-Of-Way line, 848.17 feet;
THENCE S10°46'57"E, 438.00 feet;
THENCE S17°54'27"E, 80.62 feet;
THENCE S67°19'22"W, 303.63 feet;

SCB/jm

THENCE S03°33'08"E, 811.35 feet to the POINT OF BEGINNING.

Comprising 18.064 Acres, more or less, subject to all easements of record.

Unofficial Document

TRACT C-3 AT EAGLE MOUNTAIN

A portion of Section 29 and a portion of the southwest quarter of Section 28, Township 3 North, Range 6 East, Gila and Salt River Base and Meridian, Maricopa County, Arizona, being more particularly described as follows:

COMMENCING at the southeast corner of said Section 29;
THENCE S89°49'54"W, along the south line of said Section 29, a distance of 1410.14 feet to the POINT OF BEGINNING;
THENCE continuing S89°49'54"W, along said south line, 775.00 feet;
THENCE N15°29'00"W, 849.99 feet;
THENCE N23°05'47"E, 623.19 feet;
THENCE N76°50'18"E, 228.90 feet;
THENCE S41°30'47"E, 156.27 feet;
THENCE S23°27'55"W, 509.95 feet; Unofficial Document
THENCE S01°42'32"W, 115.00 feet;
THENCE S40°43'38"E, 73.20 feet;
THENCE N51°50'25"E, 725.77 feet;
THENCE N15°13'12"E, 300.54 feet;
THENCE N06°54'54"W, 761.64 feet;
THENCE N84°39'09"W, 58.38 feet;
THENCE S44°30'47"W, 469.90 feet;
THENCE S42°59'34"E, 52.44 feet;
THENCE S42°32'39"E, 62.71 feet;
THENCE S18°58'04"E, 64.61 feet;
THENCE S04°36'10"W, 71.03 feet;
THENCE S20°57'57"W, 57.29 feet;
THENCE S47°21'27"W, 77.35 feet;
THENCE S72°51'24"W, 74.00 feet;
THENCE S76°50'18"W, 455.60 feet to the beginning of a curve with a radius of 274.50 feet to the right;
THENCE westerly, along the arc of said curve, through a central angle of 21°09'48", for an arc distance of 101.39 feet to the beginning of a non-tangent line;
THENCE N19°01'39"W, 59.33 feet;
THENCE N00°49'45"W, 69.11 feet;

THENCE N59°12'26"E, 281.48 feet;
THENCE N34°32'31"W, 70.90 feet;
THENCE N12°16'56"E, 83.20 feet;
THENCE N34°35'35"E, 366.01 feet;
THENCE N41°26'44"E, 394.62 feet;
THENCE N05°18'09"E, 153.66 feet;
THENCE N64°46'34"W, 87.00 feet;
THENCE S38°41'18"W, 243.00 feet;
THENCE S53°53'41"W, 1104.42 feet;
THENCE S29°45'49"W, 76.14 feet;
THENCE S41°04'27"W, 86.75 feet;
THENCE S63°20'16"W, 85.93 feet;
THENCE N57°32'34"W, 33.94 feet to the beginning of a curve with a radius of 447.78 feet to the right;
THENCE northwesterly, along the arc of said curve, through a central angle of 25°32'20", for an arc distance of 199.59 feet to the beginning of a non-tangent line;
THENCE N15°39'38"E, 216.79 feet to the beginning of a non-tangent curve, the center of which bears N36°10'42"W, 892.00 feet;
THENCE northeasterly, along the arc of said curve to the left, through a central angle of 00°38'32" for an arc distance of 10.00 feet;
THENCE N53°10'46"E, 879.38 feet to the beginning of a curve with a radius of 1358.00 feet to the right;
THENCE northeasterly, along the arc of said curve, through a central angle of 13°43'38", for an arc distance of 325.36 feet;
THENCE N66°54'24"E, 309.18 feet to the beginning of a curve with a radius of 542.00 feet to the left;
THENCE northeasterly, along the arc of said curve, through a central angle of 32°09'37", for an arc distance of 304.23 feet;
THENCE N34°44'47"E, 84.48 feet;
THENCE N79°35'19"E, 28.36 feet;
THENCE S56°20'56"E, 349.46 feet;
THENCE S17°15'26"E, 401.46 feet;
THENCE S07°49'37"E, 1036.86 feet;
THENCE S13°59'42"W, 202.61 feet;
THENCE S82°36'57"E, 57.58 feet;
THENCE N66°07'07"E, 988.53 feet;
THENCE S82°33'04"E, 98.30 feet to a point on the west line of the aforementioned southwest quarter of Section 28 ;
THENCE continuing S82°33'04"E, 57.51 feet;
THENCE S41°34'58"E, 103.21 feet;
THENCE S02°02'27"E, 87.06 feet;
THENCE S18°37'10"W, 78.61 feet;
THENCE S48°11'26"W, 83.85 feet;
THENCE S67°09'07"W, 1060.29 feet;

THENCE S66°30'22"W, 310.30 feet;
THENCE S15°03'14"W, 97.61 feet;
THENCE S27°19'08"W, 304.85 feet;
THENCE N62°51'55"E, 394.64 feet;
THENCE N80°45'46"E, 122.77 feet;
THENCE S85°04'54"E, 842.09 feet;
THENCE S30°45'05"E, 68.46 feet;
THENCE S01°07'10"E, 80.54 feet;
THENCE S33°17'44"W, 69.91 feet;
THENCE N60°39'01"W, 90.80 feet;
THENCE S80°39'00"W, 767.85 feet;
THENCE S62°18'07"W, 557.59 feet to the POINT OF BEGINNING, as shown on Exhibit
"A" attached herewith as pages 4 and 5. Subject parcel comprising 83.875 acres, more or
less, and subject to all easements of record.

Unofficial Document

Description

For

CWW No. 900502-21

Summit West Joint Venture

April 5, 1991

TRACT C-4

AT

LOS ALTOS HILLS

Being a portion of Section 29, and a portion of the southwest quarter of Section 28, Township 3 North, Range 6 East, G. & S. R. B. & M., Maricopa County, Arizona, more particularly described as follows:

COMMENCING at the southwest Corner of said Section 28;

Unofficial Document

THENCE N89°46'58"E, along the south line of said Section 28, 384.59 feet;

THENCE N04°05'42"E, 238.78 feet;

THENCE N04°22'58"E, 90.08 feet to the POINT OF BEGINNING;

THENCE S43°53'55"W, 86.82 feet;

THENCE S66°23'08"W, 110.34 feet;

THENCE N81°50'55"W, 113.55 feet;

THENCE N53°43'17"W, 62.02 feet;

THENCE N32°11'55"W, 86.00 feet;

THENCE N11°38'57"W, 198.66 feet to a point on the east line of the aforementioned Section 29;

SCB/jm

THENCE, continuing N11°38'57"W, 104.31 feet;
THENCE N01°29'48"W, 333.11 feet;
THENCE N36°11'19"E, 75.71 feet;
THENCE S84°19'15"E, 93.42 feet;
THENCE S12°39'55"E, 106.13 feet;
THENCE S08°16'10"E, 160.92 feet;
THENCE S77°10'45"E, 59.65 feet;
THENCE S20°00'55"E, 217.67 feet;
THENCE S56°55'55"E, 50.46 feet;
THENCE S25°03'38"E, 83.43 feet;
THENCE S41°42'19"E, 40.03 feet;
THENCE S11°57'53"E, 88.78 feet to the POINT OF BEGINNING.

Comprising 4.620 Acres, more or less, subject to all easements of record.

Description

For

CWW No. 900502-21

Summit West Joint Venture

April 5, 1991

TRACT C-5

AT

LOS ALTOS HILLS

Being a portion of Section 29, Township 3 North, Range 6 East, G. & S. R. B. & M., Maricopa County, Arizona, more particularly described as follows:

COMMENCING at the south Quarter Corner of said Section 29;
THENCE N89°57'36"W, along the south line of said Section, 774.63 feet;
THENCE N00°02'24"E, 60.48 feet to the POINT OF BEGINNING, said point marking the beginning of a non-tangent curve, the central point of which bears N02°55'59"E, 375.00 feet;
THENCE westerly, along the arc of said curve, through a central angle of 22°13'21", having an arc distance of 145.45 feet;
THENCE N64°50'40"W, 107.94 feet to a point marking the beginning of a tangent curve, having a radius of 275.00 feet to the right;
THENCE northwesterly, along the arc of said curve, through a central angle of 06°42'51", having an arc distance of 32.23 feet;
THENCE N18°35'54"E, 1498.55 feet;

SCB/jm

THENCE N28°18'03"E, 55.45 feet to a point marking the beginning of a non-tangent curve, the central point of which bears N43°58'06"E, 497.78 feet;

THENCE southeasterly, along the arc of said curve, through a central angle of 11°30'39", having an arc distance of 100.01 feet;

THENCE S57°32'34"E, 40.44 feet;

THENCE S04°17'25"W, 850.94 feet;

THENCE S21°07'18"W, 596.37 feet;

THENCE S43°02'12"W, 105.51 feet to the POINT OF BEGINNING.

Unofficial Document

Comprising 10.117 Acres, more or less, subject to all easements of record.

GOLF COURSE HOLES 12 - 16

A portion of the west half of Section 29 , Township 3 North, Range 6 East, Gila and Salt River Base and Meridian, Maricopa County, Arizona, being more particularly described as follows:

BEGINNING at the west Quarter Corner of said section 29;
THENCE N00°03'52"W, along the west line of said section, 1216.11 feet to the southerly right-of-way line of Shea Boulevard;
THENCE N70°18'51"E, along said southerly right-of-way line, 162.37 feet to the beginning of a non-tangent curve, the center of which bears S19°42'07"E, 2686.79 feet;
THENCE easterly, continuing along said right-of-way line and along the arc of said curve to the right, through a central angle of 01°08'02" for an arc distance of 53.18 feet to the beginning of a non-tangent line;
THENCE S68°07'28"E, 100.23 feet;
THENCE S44°43'58"E, 60.67 feet;
THENCE S25°53'08"E, 49.02 feet;
THENCE S07°35'24"E, 402.02 feet;
THENCE S04°01'27"E, 39.90 feet;
THENCE S09°18'07"W, 35.26 feet;
THENCE S13°51'31"W, 469.67 feet;
THENCE S06°58'22"W, 14.00 feet;
THENCE S34°05'09"W, 16.06 feet;
THENCE S26°57'14"W, 210.91 feet;
THENCE S61°13'13"E, 48.60 feet;
THENCE S38°10'47"E, 42.87 feet;
THENCE S25°32'56"E, 40.35 feet;
THENCE S04°27'27"E, 37.31 feet;
THENCE S00°58'33"E, 393.46 feet;
THENCE S83°44'20"E, 88.03 feet;
THENCE S67°55'17"E, 53.74 feet;
THENCE S39°48'20"E, 70.29 feet;
THENCE S30°36'38"E, 465.00 feet;
THENCE S01°26'15"E, 110.00 feet;
THENCE S27°24'35"E, 45.00 feet;
THENCE S41°51'15"E, 402.00 feet;
THENCE S26°06'59"E, 56.20 feet;

Unofficial Document

THENCE S26°42'39"W, 56.20 feet;
THENCE S30°16'55"W, 87.40 feet;
THENCE S11°17'46"W, 80.00 feet;
THENCE S22°56'35"E, 115.00 feet;
THENCE S33°53'10"E, 210.00 feet;
THENCE S41°19'57"E, 441.71 feet;
THENCE S32°42'55"E, 148.53 feet to the beginning of a curve with a radius of 325.00 feet to the left;
THENCE southeasterly, along the arc of said curve, through a central angle of 24°08'02", for an arc distance of 136.90 feet to the beginning of a non-tangent line;
THENCE S21°42'11"W, 57.02 feet;
THENCE S77°24'58"W, 68.89 feet;
THENCE N60°01'36"W, 575.72 feet;
THENCE N43°43'08"W, 898.72 feet;
THENCE N21°49'05"W, 181.20 feet;
THENCE N03°12'21"E, 66.32 feet;
THENCE N23°43'11"E, 144.88 feet;
THENCE N39°02'26"W, 243.37 feet;
THENCE N07°52'04"W, 360.66 feet;
THENCE N37°31'09"W, 245.82 feet to the aforementioned west line of Section 29;
THENCE N00°03'51"W, along said west line, 548.44 feet to the POINT OF BEGINNING, as shown on Exhibit "A" attached herewith as page 3 of 3. Subject parcel comprising 35.581 acres, more or less, and subject to all easements of record.

Description

For

CWW No. 900502-21

Summit West Joint Venture

April 5, 1991

TRACT C-8

AT

LOS ALTOS HILLS

Being a portion of Section 29, Township 3 North, Range 6 East, G. & S. R. B. & M., Maricopa County, Arizona, more particularly described as follows:

COMMENCING at the west Quarter Corner of said Section 29;

Unofficial Document

THENCE N00°03'52"W, along the west line of said Section, 707.48 feet;

THENCE N89°56'08"E, 2145.76 feet to the POINT OF BEGINNING;

THENCE N31°04'17"W, 313.86 feet;

THENCE N71°19'09"W, 951.23 feet;

THENCE N52°22'00"W, 54.04 feet;

THENCE N09°00'15"W, 47.28 feet;

THENCE N27°32'56"E, 73.30 feet to a point on a curve on the southerly Right-Of-Way line of Shea Boulevard from which the central point bears S00°10'34"W, 2686.79 feet;

THENCE easterly, along said southerly Right-Of-Way line, and along the arc of said curve, through a central angle of 03°19'17", having an arc.

SCB/jm

distance of 155.75 feet;

THENCE S86°31'46"E, continuing along said southerly Right-Of-Way line, 451.66 feet to a point marking the beginning of a non-tangent curve, the central point of which bears N03°28'03"E, 3056.21 feet;

THENCE easterly, continuing along said southerly Right-Of-Way line, and along the arc of said curve through a central angle of 10°28'26", having an arc distance of 558.69 feet to a point marking the beginning of a non-tangent curve, the central point of which bears N78°45'07"E, 1000.00 feet;

THENCE southerly, along the arc of said curve, through a central angle of 09°49'44", having an arc distance of 171.55 feet;

THENCE S21°04'38"E, 121.52 feet to a point marking the beginning of a tangent curve, having a radius Unofficial Document 2.00 feet to the left;

THENCE southeasterly, along the arc of said curve, through a central angle of 30°35'48", having an arc distance of 342.84 feet;

THENCE S10°37'11"E, 94.17 feet;

THENCE S44°28'12"E, 680.20 feet;

THENCE S19°32'07"E, 116.93 feet;

THENCE S07°13'52"W, 112.34 feet to a point marking the beginning of a non-tangent curve, the central point of which bears S25°08'35"E, 1442.00 feet;

THENCE southwesterly, along the arc of said curve, through a central angle of 08°32'30", having an arc distance of 214.97 feet;

THENCE N43°16'39"W, 1033.90 feet to the POINT OF BEGINNING.