

When recorded return to:
PIONEER NATIONAL TITLE INSURANCE COMPANY
3033 North Central Avenue
Phoenix, Arizona 85012

118456

Attn: Builder Services Dept. DKT 14388 PG 454

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

OF
VILLAGE FAIRWAYS PIONEER NATIONAL TITLE INSURANCE COMPANY
NON-INSURED

THIS DECLARATION is made on the date hereinafter set forth by PIONEER TRUST COMPANY OF ARIZONA, an Arizona corporation, as Trustee, the "Declarant".

W I T N E S S E T H:

WHEREAS, Declarant is the owner of certain real property (the "Property") located in Maricopa County, Arizona, which is more particularly described in Exhibit "1" attached hereto and incorporated herein by this reference;

WHEREAS, Declarant has declared that all of the Property be held and conveyed subject to this Declaration of Covenants, Conditions and Restrictions (the "Declaration").

NOW, THEREFORE, Declarant hereby declares that all of the Property described in Exhibit "1" shall from and after the date hereof be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean VILLAGE FAIRWAYS HOMEOWNER'S ASSOCIATION, an Arizona non-profit corporation, its successors and assigns.

Section 2. "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Property" shall mean the real property described in Exhibit "1", and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners and designated as Tracts A-T on the Map referred to in Section 5 below. The Common Area to be conveyed to the Association prior to the time of the conveyance of the first Lot is described in Exhibit "2" attached hereto and incorporated herein by reference.

Section 5. "Lot" shall mean any plot of land shown upon the recorded subdivision map of the Property recorded in Book 221 of Maps, page 47 of the records of Maricopa County, Arizona with the exception of the Common Area.

Section 6. "Declarant" shall mean Pioneer Trust Company of Arizona, an Arizona corporation, its successors and assigns, if such successors or assigns should acquire more than one (1) undeveloped Lot from Declarant for the purpose of development, but shall not include any trustee of such Lots during any period prior to the sale of such Lot to a bona fide purchaser and the recordation of a deed therefor.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area as set forth in Articles VIII and IX which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) The right of the Association to suspend the voting rights and right to use of the recreational facilities situated

upon the Common Area by an Owner for any period during which any assessment against his Lot remains unpaid and, for a period not to exceed sixty (60) days for any infraction of the Association's published rules and regulations; and

(c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3rds) of each class of Members (as defined hereafter) agreeing to such dedication or transfer has been recorded.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment of the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to, and may not be separated from, ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two (2) classes of voting membership:

Class A. Class A members shall be all owners with the exception of Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B member shall be Declarant who shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership

on the happening of any of the following events, whichever first occurs:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) On December 31, 1985.

Section 3. The Declarant shall be considered to be the Owner of that number of Lots against which this Declaration of Covenants, Conditions and Restrictions has been recorded less the number of Lots sold to individual purchasers.

Section 4. In the event the general plan of development is not pursued to completion and an affirmative statement of abandonment of any or all parts of the general plan previously approved by the City of Phoenix is recorded in the Office of the County Recorder of Maricopa County, Arizona, then, in such event, the voting power of the Lots as set forth above shall be reduced by the number of Lots so abandoned.

Section 5. In the event that Developer shall make a "constructive abandonment" of the general plan of development, then, and in such event, the voting power of the Lots as set forth above shall be reduced by the number of Lots so constructively abandoned. For the purposes of this Section, a "constructive abandonment" shall be deemed to have occurred when Developer shall not have made any construction starts for a period of eighteen (18) months, or shall have made no substantial progress towards planning or preparation for continuation of the general plan of development. A constructive abandonment shall not occur if the lack of construction starts, planning or preparation shall be due to strikes, acts of God, war, riot, insurrection, or other acts which are beyond the control of the Developer.

ARTICLE IVCOVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the lien and Personal Obligation for Assessments. Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot 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 Association: (1) annual assessments or charges; (2) special assessments for capital improvements; and (3) individual special assessments levied against individual Lot Owners to reimburse the Association for extra costs for maintenance and repairs caused by the willful or negligent acts of the individual Owner not caused by ordinary wear and tear, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the Lot or Lots owned by the Owner and shall be a continuing lien upon his Lot or Lots against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of the Lots and for the improvement and maintenance of the Common Area.

Section 3. Maximum Annual Assessment. Until December 31 of the year immediately following the conveyance of the first

Lot to an Owner the maximum monthly assessment shall be One- hundred Dollars (\$100.00) per Lot, per month.

(a) From and after January 1 of the year immediately following the conveyance by Declarant or at its direction of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than fifteen percent (15%) above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance by Declarant or at its direction of the first Lot to an Owner, the maximum annual assessment may be increased above fifteen percent (15%) by a vote of two-thirds (2/3rds) of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

(c) The Board may fix the annual assessment at any amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements.

In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area or replacement of damaged or destroyed common elements, provided that any such assessment shall have the assent of two-thirds (2/3rds) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not 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 of each class of membership 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 6. Uniform Rate of Assessment. Both annual and special assessments for capital improvements must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 7. Date of Commencement of Annual Assessments and Due Dates. The annual assessments provided for herein for each Lot shall commence as to such Lot on the first day of the month following the conveyance of the Common Area. The first annual assessments shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnished a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid which certificate if properly executed shall be binding on the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments:
Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of sixteen percent (16 %) per annum.

The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure or landscaping shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein or change in the exterior appearance thereof or change in landscaping be made until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors, or by an architectural committee composed of three (3) or more representatives appointed by the Board of Directors. In the event the Board of Directors, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after the plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VI
USE RESTRICTIONS

The Lots and Common Area shall be occupied and used as follows:

Section 1. Use of Property. No building shall be erected, constructed, altered or maintained on any of the Lots other than a residence for a single-family (including guests and household servants) with customary and suitable outbuildings as permitted by law and the Architectural and Planning Board (the "Board").

Section 2. Location of Structures. Construction of any and every nature shall be confined to and take place only within the building limits of each building site. The location and design of swimming pools, covered gazebos, and other outbuildings, as well as the main structures upon each of the building sites, must be approved in writing by the Board prior to any construction or preparation for construction thereon; subject to compliance with City of Phoenix Zoning Ordinance.

Section 3. Resubdivision of Lots. None of the above-described Lots shall be resubdivided or split into lots of a lesser size than the size of the original Lot without the written consent of Declarant first had and obtained; subject to compliance with the City of Phoenix Zoning Ordinance.

Section 4. Clothes Lines and Storage. No clothes lines shall be placed on any Lot in a location visible from adjoining Properties and streets. No lumber, metals, machinery, equipment or bulk materials shall be kept, stored, or allowed to accumulate on any Lot or the Common Area except building or other materials to be used in connection with the work of construction, alteration or improvement approved in accordance with the terms hereof.

Section 5. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot or the Common Area, except that dogs, cats or other household pets may be kept on Lots, provided they are not kept, bred or

maintained for any commercial purpose, or in unreasonable numbers. Notwithstanding the foregoing, no animal or fowl may be kept on such lands which results in an annoyance or is obnoxious to residents within, or in the vicinity of, the Property, and, in any event, any Lot Owner shall be absolutely liable to each and all remaining owners, their families, guests and invitees and to the Association, for any and all damage to persons or property caused by any pets brought upon or kept upon any Lot or the Common Area by an Owner or by members of his family, guests or invitees.

Section 6. Mining and Drilling Operations. No drilling, mineral or hydrocarbon development operations, refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot or the Common Area, nor shall wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot or the Common Area. No derrick or other structure designed for use in boring for oil, natural gas, hydrocarbons or minerals shall be erected, maintained or permitted on any Lot or the Common Area. The foregoing are subject to any rights which may appear of record.

Section 7. Commercial Activities Prohibited. The Lots and Common Area shall not be used for or in connection with the conduct of any trade, business, professional or commercial activity of any kind or nature whatsoever, except as hereinafter provided. No building upon any Lot or upon the Common Area shall be used in the conduct of any real estate business, as an office or otherwise, except that Declarant, or its designees, may maintain thereon model homes and real estate offices for the purpose of selling any Lot or Lots (improved or unimproved) subject hereto or other real property owned by Declarant or persons designated by Declarant and contiguous to the property subject hereto; provided, however, that the

rights of Declarant to conduct such commercial activity shall expire five (5) years from and after the date hereof.

Section 8. Nuisances. No noxious or offensive activity shall be carried on upon any Lot or the Common Area, nor shall anything be done or kept thereon which may be or become an annoyance or nuisance to the Owners or occupants of any one or more neighboring Lots or of the Common Area.

Section 9. Signs. No sign or other advertising device of any nature whatsoever shall be placed or maintained upon any Lot or the Common Area except neatly painted "For Sale", "For Rent" or "Open For Inspection" signs not larger than is reasonable and customary in the area and in compliance with any City of Phoenix Ordinance then in existence regulating signs. Notwithstanding the foregoing, Declarant, or its designees, may erect and maintain upon any Lot or Lots owned by Declarant or upon the Common Area, such signs and other advertising devices as it may deem necessary in connection with the conduct of operations for the development, subdivision and sale of the properties or other real property owned by Declarant or its designees and contiguous to the property subject hereto.

Section 10. Temporary Residences. Except in connection with Section 7 above, no temporary residence structure or shelter of any kind shall be maintained on any Lot, nor shall any Lot be used for temporary residence purposes; provided, however, Declarant may erect and maintain temporary buildings used only for construction and administration purposes incidental to the original subdivision of any portion of the Properties and the initial construction of improvements and dwellings thereon, which temporary buildings may be erected and maintained thereon while such work of improvements and construction is carried on upon any portion of the Properties. All temporary

buildings permitted hereunder shall be promptly removed upon the completion of the original sale of Lots or houses upon the whole of the Properties.

Section 11. Automobiles, Boats and Trailers. Except as expressly hereinafter provided, no Lot shall be used as a parking, storing, display or accommodation area for any type of motor vehicle, boat, trailer, camper or motor driven cycle, the purpose of which parking, storage, display or accommodation area is to perform any activity thereon respecting maintenance, repair, rebuilding, dismantling, repainting, or servicing of any kind. Such activities may be performed within completely enclosed garages or other structures located on the designated Lot which screens the sight and sound of the activity from the street and from adjoining property. The foregoing shall not prohibit the washing and polishing of any private automobile or motor driven cycle, together with those activities normally incident and necessary to such washing and polishing.

Section 12. Poles, Masts and Antennas. No facilities, including poles and wires, for the transmission of electricity, telephone messages, television or radio, except as specifically provided herein, and the like shall be placed or maintained above the surface of the ground of any Lot. If at the time of occupancy of the house constructed on any Lot there is available underground television antenna connection cable, then no outside television or radio pole or antenna shall be constructed, erected or maintained on any building or on any Lot located in such a manner as to be visible from the outside of any such building except by and with the prior written consent of the Board. Such prior written consent for television antenna shall not be required in the event such television antenna cable is not available for connection at the date of occupancy of the house constructed on the Lot; however, no such antenna for a private dwelling shall be higher than ten

feet (10') above the highest point of the house. Upon the written demand of the Board, and after availability of underground television antenna connection cable, any private antenna shall be promptly removed.

Section 13. Changing Grades, Slopes and Drainage. No change in the established grade or elevation of the Lots, and no change in the established slope or ratio of the cuts and fills, which alters established drainage patterns shall be permitted without the prior written consent of the Board and without the prior written approval of the appropriate governmental agency. For the purposes hereof, established drainage patterns are defined as the drainage patterns existing at the time the grading of the Property was completed in conformity with the grading plan heretofore approved by the County of Maricopa. No drainage shall be allowed to drain over any banks.

Declarant hereby reserves the right to make any and all cuts and fills on the Property and on the building sites included therein, and to do such grading as in its judgment may be necessary to grade streets and lots designated or delineated upon the Map of the Property or any part thereof; except as to any Lot which has been conveyed by Declarant to a bona fide purchaser.

Each of the Owners of the Lots covenants to permit free access by Declarant and Owners of adjacent Lots to slopes or drainageways located on his property which such access is required for the maintenance or permanent stabilization of such slopes, or maintenance of the drainage facilities or for the protection and use of property other than the Lot on which the slopes or drainageway is located.

Section 14. Trees, Shrubs, Within Set-Backs and Easements. The Board hereby reserves the right to enter upon any of the Lots at any time to inspect and control the plants, trees and seed thereon and also to inspect for and control insect pests. This right shall be exercised in the following manner: if, after notice to the Owners from the Board of the existence

feet (10') above the highest point of the house. Upon the written demand of the Board, and after availability of underground television antenna connection cable, any private antenna shall be promptly removed.

Section 13. Changing Grades, Slopes and Drainage. No change in the established grade or elevation of the Lots, and no change in the established slope or ratio of the cuts and fills, which alters established drainage patterns shall be permitted without the prior written consent of the Board and without the prior written approval of the appropriate governmental agency. For the purposes hereof, established drainage patterns are defined as the drainage patterns existing at the time the grading of the Property was completed in conformity with the grading plan heretofore approved by the County of Maricopa. No drainage shall be allowed to drain over any banks.

Declarant hereby reserves the right to make any and all cuts and fills on the Property and on the building sites included therein, and to do such grading as in its judgment may be necessary to grade streets and lots designated or delineated upon the Map of the Property or any part thereof; except as to any Lot which has been conveyed by Declarant to a bona fide purchaser.

Each of the Owners of the Lots covenants to permit free access by Declarant and Owners of adjacent Lots to slopes or drainageways located on his property which such access is required for the maintenance or permanent stabilization of such slopes, or maintenance of the drainage facilities or for the protection and use of property other than the Lot on which the slopes or drainageway is located.

Section 14. Trees, Shrubs, Within Set-Backs and Easements. The Board hereby reserves the right to enter upon any of the Lots at any time to inspect and control the plants, trees and seed thereon and also to inspect for and control insect pests. This right shall be exercised in the following manner: if, after notice to the Owners from the Board of the existence

of infected plants, tree diseased, or of insect pests, the Owner fails or neglects to take such measures for the eradication or control of the same as the Board may deem necessary for the protection of the community, the Board may thereupon enter thereon and, at the expense of the Owner thereof, destroy or remove infected or diseased plants and/or trees, and/or spray the same, and/or take such other measures as may be deemed necessary in the opinion of the Board to protect the community from the spread of such infection and/or pests; and the Board or any officer or agent or designee thereof, shall not thereby be deemed guilty of or liable for any manner of trespass.

Section 15. Easements and Rights-of-Ways. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each Lot and all improvements in it shall be maintained continuously by Owner of the Lot, except for those improvements for which a public authority or utility company is responsible.

Section 16. Compliance with Laws. Each Owner shall promptly comply with all laws, statutes, ordinances, rules and regulations of Federal, State or municipal governments or authorities applicable to use and occupancy of, and construction and maintenance of improvements upon, the Lots and any additions thereto.

Section 17. Rules for Use of Common Area. There shall be no violation of rules for the use of the Common Area adopted

by the Association and furnished in writing to the Owner, and the Association is authorized to adopt such rules, subject to the rights of the Owners pursuant to the terms hereof. Upon a violation of any of such rules by any Owner, the Association shall give the Owner written notice by registered or certified mail to correct such violation and if the Owner fails to correct same within fifteen (15) days after the date the notice is mailed, the Association may apply to any court for performance of this Declaration, or for an injunction or for any other appropriate relief, including damages.

ARTICLE VII

MAINTENANCE OF COMMON AREA

The Common Area owned by the Association shall consist of but not be limited to landscaped lawns, walkways, and all other Common Area and recreation facilities. lying within the Common Area designated within Exhibit 2 attached hereto.

The Association shall provide maintenance upon the Common Areas as required, such maintenance to include, but not be limited to, care of trees, shrubs, grass, walks, and other uses appurtenant to the Common Areas. The Association shall be responsible for including in the monthly assessment an amount sufficient to pay the base assessment for water used on the Common Area, and for making the required periodic payments to any applicable Water Users' Association or district as billed to the Association by the Water Users' Association or district.

Common Area. In the event any part of the Common Area is damaged or destroyed by the wilful or negligent acts of an Owner or any members of his family, or any other person or persons for whose acts or omissions he would be liable under Arizona law, such Owner does hereby irrevocably authorize the Association to repair the damaged element and the Association shall so repair the damaged element in a good, workmanlike manner in substantial conformity with the original plans

and specifications. The Owner shall then repay the Association the amount actually expended for such repairs.

Lien and Collection. Each Owner further agrees that the charges for repairs shall be delinquent if not paid within ten (10) days after completion of the work and, together with interest, costs and reasonable attorneys' fees, shall be secured by a lien upon such Owner's Lot until fully paid. Such lien, in the same manner and to the same extent as the assessment lien, shall be subordinate to any first mortgage or deed of trust on the subject Lot. Such charges shall bear interest from the date of expenditure at the rate of sixteen percent (16%) per annum. The amount of principal and interest owed by such Owner to the Association shall be a debt, and together with the Association's costs and reasonable attorneys' fees, shall be collectible by any lawful procedure allowed by the laws of the State of Arizona. Each Owner, by his acceptance of a deed to a Lot, hereby expressly agrees to pay all such charges and vests in the Association or its agent the right and power to bring all actions against such Owner for the collection of such charges and to enforce the aforesaid lien by all methods available for the enforcement of such liens and such Owner hereby expressly grants to the Association a power of sale in connection with such lien.

ARTICLE VIII

USE RESTRICTIONS

The Common Area shall be used for appropriate recreational uses, including, but not limited to, hiking, bicycles on designated bicycle paths, walking and other appropriate uses on the Common Area. The Common Area shall not be used for equestrian purposes, except as designated in Exhibit "2" attached hereto, nor shall any motor driven vehicle be used upon the Common Area except as may be permitted by the Board of Directors of the Association.

ARTICLE IX

EASEMENTS

There is hereby created a blanket easement upon, across, over and under the Common Area for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to, water, sewers, gas, telephones, and electricity, a master television antenna system and a cable television system. Notwithstanding anything to the contrary contained in this Article, no sewers, electrical lines, water lines or other utilities may be installed or relocated thereon except as initially programmed and approved by the Developer of Village Fairways. This easement shall in no way affect any other recorded easements thereon. Each portion of the Common Area shall be subject to an easement for encroachments, created by construction, settling and overhangs, as designated or constructed by the Developer. A valid easement for such encroachments and for the maintenance of same, so long as it stands, shall and does exist. Notwithstanding any provision herein to the contrary, any encroachment permitted herein shall not exceed one (1) foot.

ARTICLE X

GENERAL PROVISIONS

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

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in

no way affect any other provisions which shall remain in full force and effect.

Section 3. Amendment.

(a) The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

(b) Anything in this Section 3 to the contrary notwithstanding, the Developer reserves the right to amend all or part of this Declaration to such an extent and with such language as may be requested by the Federal Housing Administration (FHA) and further amend, with the approval of the Federal Housing Administration, if then in existence, to the extent requested by any other Federal or State agency which requests such an amendment as a condition precedent to such agency's approval of this Declaration. Any such amendment shall be affected by the recordation, by the Developer of a Certificate of Amendment duly signed by an authorized officer thereof acknowledge, specifying the Federal or State agency requesting the amendment, setting forth the amendatory language requested by such agency and verifying that FHA approval has been secured if the agency is then in existence. Recordation of such a Certificate shall be deemed conclusive proof of the agency's request for such an amendment, and such Certificate, when recorded, shall be binding upon the Property and all persons having an interest in the Property. Except as provided in this Section 3, the Developer shall not have any unilateral right to amend this Declaration.

Section 4. Easement Reservations and Grants. Any and all easements referred to herein shall be deemed reserved or granted, or both reserved and granted, as appropriate, by reference to this Declaration in a conveyance of any Lot.

Section 5. Destruction or Damage to or Condemnation of Common Area. In the event of destruction or damage to the Common Area, or in the event of an exercise of the power of eminent domain or settlement of any threatened taking by exercise of the power of eminent domain, any proceeds of insurance payable to the Association shall be utilized by it to contract for the repair and reconstruction of such destroyed or damaged portions of the Common Area substantially as they existed prior to such destruction or damage and any proceeds payable by reason of the exercise or threatened exercise of eminent domain may be used by the Association for any of its authorized purposes.

Section 6. Non-Use of Common Area or Abandonment of Lot. No owner may waive or otherwise be relieved of liability for the assessments hereinabove provided by non-use of the Common Area or abandonment of his Lot.

Section 7. Exhibits. All Exhibits referred to herein are attached hereto and shall be deemed incorporated herein by reference.

EXECUTED this 3rd day of MARCH, 1980.

PIONEER TRUST COMPANY OF ARIZONA,
an Arizona corporation, as Trustee

By Charles A. Johnson
Its President

(DECLARANT)

STATE OF ARIZONA,)
) SS:.
 County of Maricopa)

The foregoing instrument was acknowledged before me
 this 3 day of MARCH, 1980, by CHARLES A. JOHNSON
TRUST OFFICER of PIONEER
 TRUST COMPANY OF ARIZONA, an Arizona corporation, as Trustee
 of Village Fairways Homeowner's Association, an Arizona non-
 profit corporation, on behalf of the corporation.

David J. J. J.
 NOTARY PUBLIC

My Commission Expires:

Sept 18, 1980

THAT PORTION of the South half of the North half of Section 19, Township 3 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

BEGINNING at the center of said Section 19, said point being the intersection of the monument lines of 44th Street and Choila Street; thence South 89 degrees 01 minute 43 seconds West, along the South line of the Northwest quarter of said Section 19, a distance of 650.07 feet; thence North 00 degrees 57 minutes 05 seconds West, a distance of 300.23 feet to a point on a curve having a central angle of 27 degrees 04 minutes 56 seconds, and whose radius point bears North 02 degrees 59 minutes 05 seconds East, a distance of 600.00 feet; thence along the arc of said curve, a distance of 283.60 feet; thence North 25 degrees 32 minutes 56 seconds East, a distance of 248.32 feet to the point of curvature of a curve having a central angle of 75 degrees 28 minutes 32 seconds and whose radius point bears North 64 degrees 27 minutes 04 seconds West, a distance of 237.70 feet; thence along the arc of said curve, a distance of 313.12 feet; thence North 75 degrees 09 minutes 20 seconds East, a distance of 262.57 feet; thence North 31 degrees 49 minutes 39 seconds East, a distance of 227.43 feet; thence South 58 degrees 10 minutes 21 seconds East, a distance of 312.30 feet; thence South 22 degrees 55 minutes 47 seconds West, a distance of 362.33 feet; thence South 68 degrees 11 minutes 55 seconds East, a distance of 81.56 feet; thence North 21 degrees 48 minutes 05 seconds East, a distance of 30.00 feet; thence South 68 degrees 11 minutes 55 seconds East, a distance of 135.41 feet; thence North 58 degrees 01 minute 30 seconds East, a distance of 290.17 feet; thence North 37 degrees 24 minutes 19 seconds East, a distance of 123.02 feet; thence East, a distance of 160.00 feet; thence South 38 degrees 39 minutes 35 seconds East, a distance of 256.13 feet; thence South 74 degrees 21 minutes 28 seconds East, a distance of 519.23 feet; thence South 53 degrees 20 minutes 59 seconds East, a distance of 300.98 feet; thence South 72 degrees 24 minutes 27 seconds East, a distance of 215.06 feet; thence South 65 degrees 13 minutes 29 seconds East, a distance of 87.40 feet; thence South 68 degrees 34 minutes 31 seconds East, a distance of 171.10 feet; thence South 76 degrees 52 minutes 13 seconds East, 277.05 feet; thence North 89 degrees 03 minutes 25 seconds East, a distance of 175.47 feet to the point of curvature of a curve having a central angle of 90 degrees 00 minutes 00 seconds, and whose radius point bears South 00 degrees 56 minutes 35 seconds East, a distance of 100.00 feet; thence along the arc of said curve, a distance of 157.08 feet; thence South 00 degrees 56 minutes 35 seconds East a distance of 145.00 feet; thence South 89 degrees 03 minutes 25 seconds West along the South line of the Northeast quarter of said Section 19, a distance of 226.22 feet; thence North 00 degrees 56 minutes 35 seconds West, a distance of 212.90 feet; thence South 89 degrees 03 minutes 25 seconds West 150.10 feet, thence North 80 degrees 23 minutes 30 seconds West, a distance of 175.30 feet; thence South 89 degrees 03 minutes 25 second West, a distance of 591.10 feet; to a point of curvature of a non-tangent curve concave Southeasterly having a radius of 338.16 feet which bears North 89 degrees 03 minutes 25 seconds East and a central angle of 00 degrees 27 minutes 57 seconds; thence Southerly along said curve, a distance of 2.65 feet; thence South 01 degrees 23 minutes 32 seconds East, a distance

EXHIBIT 1

1433876 475

of 208.81 feet to a point on a non-tangent curve having a radius of 25.00 feet which bears North 29 degrees 56 minutes 24 seconds East and a central angle of 30 degrees 52 minutes 59 seconds thence Southeasterly along the arc of said curve, a distance of 13.48 feet; thence South 00 degrees 56 minutes 35 seconds East 30.00 feet to a point on the South line of the North half of said Section 19, thence South 89 degrees 03 minutes 25 seconds West, along the South line of the North half of said Section 19, a distance of 1,357.45 feet to the center of said Section 19, said point being the POINT OF BEGINNING.

A PORTION OF THE S/2 N/2 OF SECTION 19, OF TOWNSHIP 3 NORTH, RANGE 4 EAST OF THE GLA AND SALT RIVER BASE AND MERIDIAN.

DATE OF BIRTH :
AGE :
COUNTRY OF ORIGIN :
DEATH IN ALL CASES OF MURDER

[illegible]

APPROVED BY THE CHIEF OF POLICE _____ DO NOT WRITE IN THESE SPACES

3 _____
DATE _____
BY _____

[illegible]

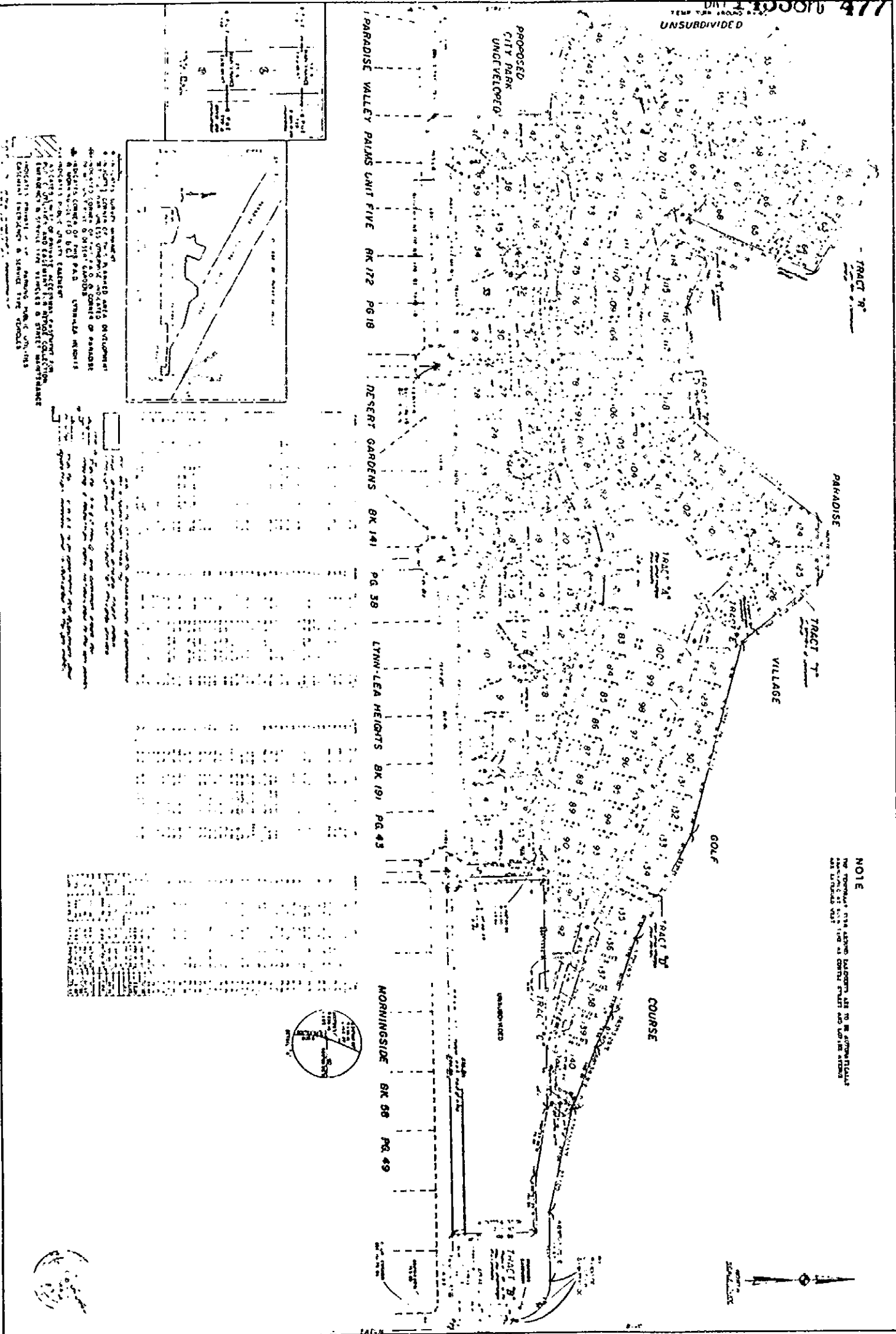
Red ink

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED
DATE 08-01-2001 BY 60322 UCBAW

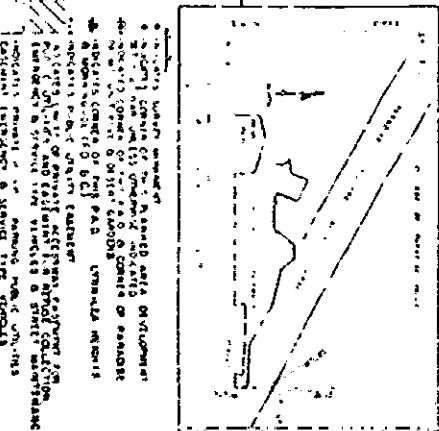
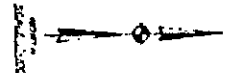
[illegible]

DK 14338-0 477

TEMP. THE ROAD AVE.
UNSUBDIVIDED



NOTE
THE TOWN OF LYNN-LEA HEIGHTS HAS TO BE APPROVED
BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES
BEFORE THE PLAT CAN BE RECORDED.



DKT 14338PC 478

STATE OF ARIZONA }
County of Maricopa } ss

I hereby certify that the within-
in instrument was duly and re-
corded at the office of
PIONEER NATIONAL TITLE INS. CO.

APR 8 - 1980 - 800

in Docket No. 14338
of 954-478
Y
S
L

By A. J. Northrup of
Deputy Notary Public, 12³⁰

RE4.51/GRZ
djp/ns: 5-6-81

DKT 15317 PG 625

201044

When recorded return to:

PIONEER NATIONAL TITLE INSURANCE COMPANY
3033 North Central Avenue
Phoenix, Arizona 85012

MOD RSTR

Attention: Builder Services Department

AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS OF
VILLAGE FAIRWAYS

THIS AMENDMENT to the Declaration of Covenants, Conditions and Restrictions of VILLAGE FAIRWAYS (hereinafter "Declaration"), recorded at Docket 14338, Pages 454-477, records of Maricopa County, Arizona, is made by PIONEER TRUST COMPANY OF ARIZONA, an Arizona corporation, as Trustee (the "Declarant") under that certain Trust Agreement, Trust Number 20,404, naming Cholla Development Company as the Owner of the Beneficial Interest in the trust property, more particularly described on Exhibit "1" attached hereto and incorporated herein by this reference.

W I T N E S S E T H:

WHEREAS, the Declaration may be amended by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners pursuant to Article X, Section 3(a) of the Declaration; and

WHEREAS, as of the date of execution of this Instrument by Declarant, Declarant is the owner of one hundred nineteen (119) out of one hundred forty (140) Lots or approximately eighty-five percent (85%) of the Lots subject to the Declaration;

NOW, THEREFORE, the Declaration is amended, altered, modified and changed as follows, and wherever there is a conflict between the Declaration and this Amendment, this Amendment shall prevail.

I. ARTICLE IV of the Declaration is amended in its entirety to read as follows:

1. Creation of the Lien and Personal Obligations for Assessments. Each Owner of a Lot by acceptance of a deed therefor, other than the Declarant, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) regular annual assessments or charges, and (2) special assessments for capital improvements and unexpected expenses; such assessments to be established and collected as provided herein and in the By-laws of the Association. The annual and special assessments and any other charge made on a Lot pursuant to this Declaration and the By-laws, together with interest, costs, and reasonable attorneys' fees, shall be a charge and a continuing lien upon the Lot against which each assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due and the personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them. No Owner of a Lot may exempt himself from liability for his contribution toward the common expenses by waiver of the use or enjoyment of any of the Common Area or by the abandonment of his Lot.

2. Purpose of Assessments. The assessments by the Association shall be used exclusively to promote the recreation, health, safety and welfare of all the residents of the Lots for the improvement

and maintenance of the Common Area. Annual Assessments shall include an adequate reserve fund for taxes, insurance, maintenance, repairs and replacement of the Common Area.

3. Annual Assessments. The Board shall annually determine and fix the amount of the annual (calendar year) assessment against each Lot, other than those owned by Declarant and shall notify the owner of each Lot in writing as to the amount of such annual assessment not less than thirty (30) days prior to the date that such assessment is to commence. All annual assessments shall be payable in twelve (12) equal monthly installments. Notwithstanding what is contained in this section, the following provisions shall be controlling during the applicable time periods:

a) Until December 31 of the year during which the first Lot was conveyed to an Owner, the maximum monthly assessment shall be One Hundred Dollars (\$100.00) per Lot, per month.

b) From and after January 1 of the year immediately following the conveyance by Declarant or at its direction of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than fifteen percent (15%) above the maximum assessment for the previous year without a vote of the membership.

c) From and after January 1 of the year immediately following the conveyance by Declarant or at its direction of the first Lot to an Owner, the maximum annual assessment may be increased above fifteen percent (15%) by a vote of two-thirds (2/3rds) of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

d) The Board may fix the annual assessment at any amount not in excess of the maximum.

4. Special Assessment for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area or replacement of damaged or destroyed common elements, provided that any such assessment shall have the assent of two-thirds ($2/3$ rd) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

5. Notice and Quorum for any Action Authorized Under Sections 3(c) and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3(c) or 4 shall be sent to all members not less than thirty (30) 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 of each class of membership 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.

6. Date of Commencement of Annual Assessment; Due Dates. The regular annual assessments provided for herein shall commence as to each lot on the first day of the month following the close of escrow on the sale of that lot. Lots owned by Declarant shall not be subject to

any obligation for annual or special assessments. While two classes of memberships exist pursuant to this Declaration, Declarant may impose and collect the assessments and charges provided for herein, and all such amounts collected by Declarant may be commingled with Declarant's general funds and no accounting, budget, application of funds, or justification of any sort shall be required of Declarant. Due dates of assessments shall be established by the Board and notice shall be given to each Lot Owner at least thirty (30) days prior to any due date; provided that if assessments are to be due on a monthly basis, no notice shall be required other than an annual notice setting forth the amount of monthly assessment and the day of each month on which each assessment is due. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid, which certificate if properly executed shall be binding on the Association as of the date of its issuance.

7. Maintenance of Project by Declarant. While two classes of membership exist pursuant to Article III, Section 2 of the Declaration, Declarant shall be responsible for the prompt payment on a current basis of all costs and expenses related to maintenance and repair of the Common Area.

8. Effect of Nonpayment of Assessments; Remedies of the Association. Any part of any assessment not paid within thirty (30) days after the due date shall bear interest from the due date until paid at the rate of sixteen percent (16%) per annum. The assessment lien on each respective Lot shall be prior and superior to all other liens except (1) all taxes, bonds, assessments and other levies which, by law,

would be superior thereto, and (2) the lien or charge of any first mortgage of record (meaning any recorded mortgage or deed of trust with first priority over other mortgages or deeds of trust) made in good faith and for value. Such lien, when delinquent, may be enforced by sale by the Association, its attorney or other person authorized by this Declaration or by law to make the sale, after failure of the owner to pay such assessment, in accordance with the provisions of Arizona Revised Statutes Section 33-721 - 33-730, applicable to the exercise of powers of sale in mortgages or deeds of trust, or in any other manner permitted by law; however, the right to foreclose the same shall be in addition to and not in substitution of all of the rights and remedies which the Association and Board may have in accordance with the provisions of this Declaration or otherwise. The Association, acting on behalf of the Owners, shall have the power to bid for the Lot at the foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. In the event the Owner against whom the original assessment was made is the purchaser or redemptionor, the lien shall continue in effect and the said lien may be enforced by the Association, or by the Board for the Association, for the respective Lot's assessment that was due prior to the final conclusion of any such foreclosure or equivalent proceedings. Further, any such unpaid assessment shall continue to exist as a personal obligation of the defaulting Owner of the respective Lot to the Association, and the Board may use reasonable efforts to collect the same from said Owner even after he is no longer a member of the Association. Suit to recover money judgment for unpaid common expenses, rent and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same. The Board may impose

reasonable monetary penalties and may temporarily suspend the Association membership rights of an owner who is in default in payment of any assessment according to the Bylaws.

9. Subordination of the Lien to Mortgages. The lien of the Assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

EXECUTED this 15th day of June, 1981.

PIONEER TRUST COMPANY OF
ARIZONA, an Arizona corporation,
as Trustee

By Charles A. Robinson
Its President

(DECLARANT)

STATE OF ARIZONA }
County of Maricopa }

DKT 15317 PG 632

The foregoing instrument was acknowledged before me this 15th day
of June, 1981, by CHARLES A. JOHNSON the
Trust Officer of PIONEER TRUST COMPANY OF ARIZONA, an Arizona
corporation, as Trustee.

Cynthia A. Wood
Notary Public

My commission expires:



STATE OF ARIZONA } ss
County of Maricopa }
I hereby certify that the within
instrument was acknowledged and re-
corded at request of
PIONEER NATIONAL TITLE

JUN 17 1981 - 8 00
in Book 1
on Page 632

Witness my hand and official
seal this 17th day of June, 1981.

By [Signature] County Recorder
Notary Public

450

RE4.51/GRZ
djp/ns: 5-6-81

~~DKT 15317 PG 625~~

~~201014~~

When recorded return to:

218674

PIONEER NATIONAL TITLE INSURANCE COMPANY
3033 North Central Avenue
Phoenix, Arizona 85012

~~MOB-RSTR~~

Attention: Builder Services Department

~~MOB-RSTR~~



AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS OF
VILLAGE FAIRWAYS

DKT 15404 PG 344

THIS AMENDMENT to the Declaration of Covenants, Conditions and Restrictions of VILLAGE FAIRWAYS (hereinafter "Declaration"), recorded at Docket 14338, Pages 454-477, records of Maricopa County, Arizona, is made by PIONEER TRUST COMPANY OF ARIZONA, an Arizona corporation, as Trustee (the "Declarant") under that certain Trust Agreement, Trust Number 20,404, naming Cholla Development Company as the Owner of the Beneficial Interest in the trust property, more particularly described on Exhibit "1" attached hereto and incorporated herein by this reference.

W I T N E S S E T H:

WHEREAS, the Declaration may be amended by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners pursuant to Article X, Section 3(a) of the Declaration; and

WHEREAS, as of the date of execution of this Instrument by Declarant, Declarant is the owner of one hundred nineteen (119) out of one hundred forty (140) Lots or approximately eighty-five percent (85%) of the Lots subject to the Declaration;

THIS INSTRUMENT IS BEING RE-RECORDED TO ADD
EXHIBIT "1" THAT WAS OMITTED AT FIRST RECORDING

NOW, THEREFORE, the Declaration is amended, altered, modified and changed as follows, and wherever there is a conflict between the Declaration and this Amendment, this Amendment shall prevail.

DKT 15404 PG 32

I. ARTICLE IV of the Declaration is amended in its entirety to read as follows:

1. Creation of the Lien and Personal Obligations for Assessments. Each Owner of a Lot by acceptance of a deed therefor, other than the Declarant, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) regular annual assessments or charges, and (2) special assessments for capital improvements and unexpected expenses; such assessments to be established and collected as provided herein and in the By-laws of the Association. The annual and special assessments and any other charge made on a Lot pursuant to this Declaration and the By-laws, together with interest, costs, and reasonable attorneys' fees, shall be a charge and a continuing lien upon the Lot against which each assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due and the personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them. No Owner of a Lot may exempt himself from liability for his contribution toward the common expenses by waiver of the use or enjoyment of any of the Common Area or by the abandonment of his Lot.

2. Purpose of Assessments. The assessments by the Association shall be used exclusively to promote the recreation, health, safety and welfare of all the residents of the Lots for the improvement

and maintenance of the Common Area. Annual Assessments shall include an adequate reserve fund for taxes, insurance, maintenance, repairs and replacement of the Common Area.

3. Annual Assessments. The Board shall annually determine and fix the amount of the annual (calendar year) assessment against each Lot, other than those owned by Declarant and shall notify the owner of each Lot in writing as to the amount of such annual assessment not less than thirty (30) days prior to the date that such assessment is to commence. All annual assessments shall be payable in twelve (12) equal monthly installments. Notwithstanding what is contained in this section, the following provisions shall be controlling during the applicable time periods:

a) Until December 31 of the year during which the first Lot was conveyed to an Owner, the maximum monthly assessment shall be One Hundred Dollars (\$100.00) per Lot, per month.

b) From and after January 1 of the year immediately following the conveyance by Declarant or at its direction of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than fifteen percent (15%) above the maximum assessment for the previous year without a vote of the membership.

c) From and after January 1 of the year immediately following the conveyance by Declarant or at its direction of the first Lot to an Owner, the maximum annual assessment may be increased above fifteen percent (15%) by a vote of two-thirds (2/3rds) of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

d) The Board may fix the annual assessment at any amount not in excess of the maximum.

DKT 15404 PG 347

4. Special Assessment for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area or replacement of damaged or destroyed common elements, provided that any such assessment shall have the assent of two-thirds (2/3rds) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

5. Notice and Quorum for any Action Authorized Under Sections 3(c) and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3(c) or 4 shall be sent to all members not less than thirty (30) 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 of each class of membership 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.

6. Date of Commencement of Annual Assessment; Due Dates. The regular annual assessments provided for herein shall commence as to each Lot on the first day of the month following the close of escrow on the sale of that Lot. Lots owned by Declarant shall not be subject to

any obligation for annual or special assessments. While two classes of memberships exist pursuant to this Declaration, Declarant may impose and collect the assessments and charges provided for herein, and all such amounts collected by Declarant may be commingled with Declarant's general funds and no accounting, budget, application of funds, or justification of any sort shall be required of Declarant. Due dates of assessments shall be established by the Board and notice shall be given to each Lot Owner at least thirty (30) days prior to any due date; provided that if assessments are to be due on a monthly basis, no notice shall be required other than an annual notice setting forth the amount of monthly assessment and the day of each month on which each assessment is due. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specified lot have been paid, which certificate if properly executed shall be binding on the Association as of the date of its issuance.

7. Maintenance of Project by Declarant. While two classes of membership exist pursuant to Article III, Section 2 of the Declaration, Declarant shall be responsible for the prompt payment on a current basis of all costs and expenses related to maintenance and repair of the Common Area.

8. Effect of Nonpayment of Assessments; Remedies of the Association. Any part of any assessment not paid within thirty (30) days after the due date shall bear interest from the due date until paid at the rate of sixteen percent (16%) per annum. The assessment lien on each respective Lot shall be prior and superior to all other liens except (1) all taxes, bonds, assessments and other levies which, by law,

would be superior thereto, and (2) the lien or charge of any first mortgage of record (meaning any recorded mortgage or deed of trust with first priority over other mortgages or deeds of trust) made in good faith and for value. Such lien, when delinquent, may be enforced by sale by the Association, its attorney or other person authorized by this Declaration or by law to make the sale, after failure of the owner to pay such assessment, in accordance with the provisions of Arizona Revised Statutes Section 33-721 - 33-730, applicable to the exercise of powers of sale in mortgages or deeds of trust, or in any other manner permitted by law; however, the right to foreclose the same shall be in addition to and not in substitution of all of the rights and remedies which the Association and Board may have in accordance with the provisions of this Declaration or otherwise. The Association, acting on behalf of the Owners, shall have the power to bid for the Lot at the foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. In the event the Owner against whom the original assessment was made is the purchaser or redemptionor, the lien shall continue in effect and the said lien may be enforced by the Association, or by the Board for the Association, for the respective Lot's assessment that was due prior to the final conclusion of any such foreclosure or equivalent proceedings. Further, any such unpaid assessment shall continue to exist as a personal obligation of the defaulting Owner of the respective Lot to the Association, and the Board may use reasonable efforts to collect the same from said Owner even after he is no longer a member of the Association. Suit to recover money judgment for unpaid common expenses, rent and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same. The Board may impose

~~DKT 15317 PG 631~~

reasonable monetary penalties and may temporarily suspend the Association membership rights of an Owner who is in default in payment of any assessment according to the Bylaws.

DKT 15404 PG 350

9. Subordination of the Lien to Mortgages. The lien of the Assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

EXECUTED this 15th day of June, 1931.

PIONEER TRUST COMPANY OF
ARIZONA, an Arizona corporation,
as Trustee

By Charles L. Johnson
Its President
(DECLARANT)

DKT 15404 PG 351

STATE OF ARIZONA }
County of Maricopa } ss.

~~DKT 15317 PG 632~~

The foregoing instrument was acknowledged before me this 15th day
of June, 1981, by CHARLES A. JOHNSON the
Trust Officer of PIONEER TRUST COMPANY OF ARIZONA, an Arizona
corporation, as Trustee.

Cynthia A. Wood
Notary Public

My commission expires:



STATE OF ARIZONA }
County of Maricopa } ss.
I hereby certify that the within
instrument was filed and re-
corded in the office of
PIONEER NATIONAL TITLE

JUN 17 1981 - 8 00

in Book 15317
on Page 632

Witness the seal and official
signature of the undersigned.

By *[Signature]* County Recorder
Deputy Recorder

450

~~EXHIBIT 1~~

DKT 15404 PG 352

THAT PORTION of the South half of the North half of Section 19, Township 3 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

BEGINNING at the center of said Section 19, said point being the intersection of the monument lines of 44th Street and Cholla Street; thence South 89 degrees 01 minute 48 seconds West, along the South line of the Northwest quarter of said Section 19, a distance of 650.07 feet; thence North 00 degrees 57 minutes 05 seconds West, a distance of 300.23 feet to a point on a curve having a central angle of 27 degrees 04 minutes 56 seconds, and whose radius point bears North 02 degrees 59 minutes 05 seconds East, a distance of 600.00 feet; thence along the arc of said curve, a distance of 283.60 feet; thence North 25 degrees 32 minutes 56 seconds East, a distance of 248.32 feet to the point of curvature of a curve having a central angle of 75 degrees 28 minutes 32 seconds and whose radius point bears North 64 degrees 27 minutes 04 seconds West, a distance of 237.70 feet; thence along the arc of said curve, a distance of 313.12 feet; thence North 75 degrees 09 minutes 20 seconds East, a distance of 262.57 feet; thence North 31 degrees 49 minutes 39 seconds East, a distance of 227.43 feet; thence South 58 degrees 10 minutes 21 seconds East, a distance of 312.30 feet; thence South 22 degrees 55 minutes 47 seconds West, a distance of 362.33 feet; thence South 68 degrees 11 minutes 55 seconds East, a distance of 31.56 feet; thence North 21 degrees 48 minutes 05 seconds East, a distance of 80.00 feet; thence South 68 degrees 11 minutes 55 seconds East, a distance of 135.41 feet; thence North 88 degrees 01 minute 30 seconds East, a distance of 290.17 feet; thence North 37 degrees 24 minutes 19 seconds East, a distance of 428.02 feet; thence East, a distance of 160.00 feet; thence South 38 degrees 39 minutes 35 seconds East, a distance of 256.13 feet; thence South 74 degrees 21 minutes 28 seconds East, a distance of 519.23 feet; thence South 63 degrees 20 minutes 59 seconds East, a distance of 300.98 feet; thence South 72 degrees 24 minutes 27 seconds East, a distance of 215.06 feet; thence South 65 degrees 13 minutes 29 seconds East, a distance of 87.40 feet; thence South 68 degrees 34 minutes 31 seconds East, a distance of 171.10 feet; thence South 76 degrees 52 minutes 13 seconds East, 277.05 feet; thence North 89 degrees 03 minutes 25 seconds East, a distance of 175.47 feet to the point of curvature of a curve having a central angle of 90 degrees 00 minutes 00 seconds, and whose radius point bears South 00 degrees 56 minutes 35 seconds East, a distance of 100.00 feet; thence along the arc of said curve, a distance of 157.08 feet; thence South 00 degrees 56 minutes 35 seconds East a distance of 145.00 feet; thence South 89 degrees 03 minutes 25 seconds West along the South line of the Northeast quarter of said Section 19, a distance of 226.22 feet; thence North 00 degrees 56 minutes 35 seconds West, a distance of 212.90 feet; thence South 89 degrees 03 minutes 25 seconds West 150.10 feet, thence North 80 degrees 23 minutes 30 seconds West, a distance of 175.30 feet; thence South 89 degrees 03 minutes 25 seconds West, a distance of 591.10 feet; to a point of curvature of a non-tangent curve concave Southeasterly having a radius of 338.16 feet which bears North 89 degrees 03 minutes 25 seconds East and a central angle of 00 degrees 27 minutes 57 seconds; thence Southerly along said curve, a distance of 2.65 feet; thence South 01 degrees 23 minutes 32 seconds East, a distance

EXHIBIT 1

DKT 15404 PG 353

of 208.81 feet to a point on a non-tangent curve having a radius of 25.00 feet which bears North 29 degrees 56 minutes 24 seconds East and a central angle of 30 degrees 52 minutes 59 seconds thence Southeasterly along the arc of said curve, a distance of 13.48 feet; thence South 00 degrees 56 minutes 35 seconds East 30.00 feet to a point on the South line of the North half of said Section 19, thence South 89 degrees 03 minutes 25 seconds West, along the South line of the North half of said Section 19, a distance of 1,357.45 feet to the center of said Section 19, said point being the POINT OF BEGINNING.

JUL 24 1981 -3 90

STATE OF ARIZONA }
County of Maricopa } ss

I hereby certify that the within
Instrument was filed and re-
corded at request of

PIONEER NATIONAL TITLE

In Doc't of 15404

on page 344-353

Witness my hand and seal the day and year aforesaid.

Bill Henry

By C. Michael County Recorder
Deputy Recorder

5.5

US 1111 Title Company in Arizona

84 558289

WHEN RECORDED, RETURN TO:

DONALD E. DYKMAN
4110 N. Scottsdale Road
Suite 308
Scottsdale, Arizona 85251

W/OUT RST

RECORDED IN THE RECORDS OF MARICOPA COUNTY, ARIZONA
DEC 31 1984 -8 00
ALL HENRY J. P.S.

SECOND AMENDMENT TO

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF VILLAGE FAIRWAYS

This Second Amendment to Declaration of Covenants, Conditions and Restrictions of Village Fairways is made this 10th day of DECEMBER, 1984, by VH Development, Inc., an Arizona corporation (the "Declarant").

R E C I T A L S:

A. A Declaration of Covenants, Conditions and Restrictions of Village Fairways was recorded with the County Recorder of Maricopa County, Arizona, in Docket 14388, pages 454 through 478, imposing certain covenants, conditions and restrictions upon the real property described in such Declaration. Such Declaration was subsequently amended by the instrument recorded in Docket 15317, page 625, and re-recorded in Docket 15404, page 344, records of Maricopa County, Arizona. Such Declaration, as amended, shall be hereinafter referred to as the "Declaration."

B. Capitalized terms used in this Second Amendment without definition shall have the meanings given to such terms in the Declaration.

C. The Declaration provides that it may be amended by an instrument signed by seventy-five percent (75%) or more of the lot owners. The Declarant is the owner of more than seventy-five percent (75%) of the lots within the Property.

D. The Declarant desires to amend the Declaration in the manner set forth below.

NOW, THEREFORE, the Declarant makes the following amendments to the Declaration:

84 558289

1. The following sentence is added to Article I,
Section 2:

"In the case of Lots the legal title to which is vested in a trustee pursuant to a subdivision trust agreement or similar agreement, the beneficiary of any such trust who is entitled to possession of the Lots shall be deemed to be the Owner of such Lots."

2. Article I, Section 6, of the Declaration is amended to read as follows:

Section 6. "Declarant" shall mean VH Development, Inc., an Arizona corporation, its successors and any person or entity to whom it may assign any or all of its rights under this Declaration.

3. Article III, Section 2, is amended to read as follows:

Section 2. The Association shall have two (2) classes of voting membership:

Class A. Class A members shall be all Owners with the exception of Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in a Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant who shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever first occurs: (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or (b) on December 31, 1986.

4. The last sentence of Article VI, Section 7, is amended to read as follows:

No building upon any Lot or upon the Common Area shall be used in the conduct of any real estate business, as an office or otherwise, except that as long as the Declarant owns any Lot or any other real property contiguous to the property subject hereto, the Declarant, or its designees, may maintain model homes and real estate offices on such Lots or the Common Area for the purpose of selling any Lot or Lots (improved or unimproved) subject hereto or the real property owned by the Declarant or persons designated by the Declarant which is contiguous to the property subject hereto.

5. The second sentence of Article X, Section 3(a), is amended to read as follows:

This Declaration may be amended at any time by an instrument signed by Owners representing sixty-seven percent (67%) or more of the total allocated votes in the Association.

6. The following Section 8 is hereby added at the end of Article X:

Section 8. Controlling Provisions. In the event of any conflict or inconsistency between the provisions of this Declaration and the provisions of the Articles of Incorporation, Bylaws or Rules and Regulations of the Association, the terms and provisions of this Declaration shall control.

84 558289

CONSENT OF TRUSTEE

US Life Title Company of Arizona, an Arizona corporation, as Trustee under its Trust No. 1151, hereby consents to, joins in and approves the foregoing Second Amendment to Declaration of Covenants, Conditions and Restrictions for Village Fairways.

Dated this 28 day of December, 1984.

US LIFE TITLE COMPANY OF
ARIZONA, an Arizona corporation

By: 

Its Trust Officer

State of Arizona)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 28 day of December, 1984, by Michael Johnston, the Trust Officer of US Life Title Company of Arizona, an Arizona corporation, as Trustee under its Trust No. 1151, on behalf of the corporation.


Notary Public

My Commission Expires:

4/27/86

Harold B. Chamberlain
Hon E Cortez
Phoenix Ariz 85074

When recorded return to:

310
MOD RSTR (DF)

RECORDED IN OFFICIAL RECORDS OF MARICOPA COUNTY, ARIZONA			
APR 29 1988			
KEITH POLETIS, County Recorder			
FEE	41	PGS	36 H.L.

AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS OF
VILLAGE FAIRWAYS

88 204520

This Amendment to the Declaration of Covenants, Conditions and Restrictions of VILLAGE FAIRWAYS (hereinafter "Declaration"), whereby the Declaration was recorded at Docket 14338, Pages 454-477, records of Maricopa County, Arizona, is made by the undersigned owners of lots within VILLAGE FAIRWAYS Subdivision in the City of Phoenix, Arizona.

WITNESSETH:

WHEREAS, lots owned by individuals and entities within the subdivision subject to the Declaration are:

Lots 1-140, inclusive, in VILLAGE FAIRWAYS
a subdivision in the City of Phoenix as
shown in Book 167, Map 45 of the records of
Maricopa County, Arizona; and

WHEREAS, the Declaration may be amended by an instrument signed by not less than seventy-five percent of the Lot Owners pursuant to Article X, Section 3(a) of the Declaration; and

WHEREAS, the Declaration has had one or more amendments; and wherever there is a conflict between this Amendment, the Declaration and the prior amendments, this Amendment shall prevail;

WHEREAS, there are 112 total Lot Owners of VILLAGE FAIRWAYS such that this Amendment is signed by 90 Lot Owners which represents at least 75% of the total Lot Owners;

NOW THEREFORE, the Declaration is amended as follows:

88 204520

I. Article IV of the Declaration is amended in its entirety to read as follows:

"ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot 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 Association: (1) annual assessments or charges; (2) individual special assessments levied against individual Lot Owners to reimburse the Association for extra costs for maintenance and repairs caused by the willful or negligent acts of the individual Owner not caused by ordinary wear and tear, such assessments to be established and collected as hereinafter provided; and (3) special assessments for capital improvements. The annual and special assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the Lot or Lots owned by the Owner and shall be an automatic and continuing lien upon his or her Lot or Lots against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment or assessment installment fell due. The personal obligation for delinquent assessments shall not pass to the Owners' successors in title unless expressly assumed by them. At the time this Amendment is recorded, each Lot Owner shall be personally obligated to pay assessment installments and each Lot will be subject to a lien for unpaid assessments for which such Lot Owner has received

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written notice of the assessment from the Association.

Section 2. Purpose of Assessments. The assessments by the Association shall be used exclusively to promote the recreation, health, safety and welfare of all the residents of the Lots for the improvement and maintenance of the Common Area. Annual assessments shall include an adequate reserve fund for taxes, insurance, maintenance, repairs and replacement of the Common Area.

Section 3. Maximum Annual Assessment. As of the date this Amendment is recorded in the records of Maricopa County, Arizona, the maximum annual assessment shall be \$540.00 for each Lot.

a) The maximum annual assessment may be increased by a vote of two-thirds of the members entitled to vote, in person or by proxy, at a meeting duly called for this purpose.

b) The Board of Directors of the Association may fix the annual assessment from time to time at any amount not in excess of the maximum annual assessment. The annual assessment shall correspond to an annual, calendar year budget of the Association whereby the annual budget shall be determined by the Board.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments, the Association may levy, in any assessment year, a special assessment 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 Common Area or of any replacement of damaged or destroyed common elements, provided that any such assessment shall have the assent of two-thirds of the votes of the members at a meeting duly called for this purpose.

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Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice to members of any meeting called for the purpose of taking any action authorized under Sections 3 or 4 of this Article IV shall be sent to all members not less than thirty days nor more than sixty days in advance of the meeting. At the first such meeting called, the presence of at least sixty percent of the members entitled to vote, in person or by proxy, shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than seventy days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly bases.

Section 7. Notice and Due Dates of Assessments. The Board of Directors shall give at least thirty days written notice to the members as provided in the Bylaws of the annual assessments, any special assessment or any increase in assessments. The Board shall fix the amount of the annual assessment against each Lot at least thirty days in advance of each annual assessment period. The due dates of the assessment installments shall be established by the Board. The Association shall, upon demand, and for a reasonable charge as set by the Board, furnish a certificate signed by an officer of the Association setting forth whether or not the assessments and installments on a specified Lot have been paid. Such a properly executed certificate shall be binding upon the Association as of the date of its issuance.

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Section 8. Assessments for Recording Transfers. The Board of Directors of the Association shall, from time to time, establish a transfer fee not to exceed \$50.00 to change the books of the Association to reflect a change in ownership of any Lot. The transfer fee shall be an assessment and lien upon the respective Lot and an obligation of the transferee. The transfer fee assessment and obligation shall be treated in the same manner as an annual assessment with the same rights and obligations of the Owners and the Association as an annual assessment.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association. Any part of any assessment not paid within thirty (30) days after the due date shall bear interest from the due date until paid at the rate of sixteen percent (16%) per annum. The assessment lien on each respective Lot shall be prior and superior to all other liens except (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto, and (2) the lien or charge of any first mortgage of record (which is a recorded mortgage or deed of trust with first priority over other mortgages or deeds of trust) made in good faith for value. Such lien, when delinquent, may be enforced by sale by the Association, its attorney or other person authorized by this Declaration or by law to make the sale, after failure of the Owner to pay such assessment, in accordance with the provisions of Arizona Revised Statutes, Sections 33-721-730, applicable to the exercise of powers of sale in mortgages or deeds of trust, or in any other manner permitted by law; however, the right to foreclose the same shall be in addition to and not in substitution of all of the rights and remedies which the Association and the Board of Directors may have in accordance with the provisions of

this Declaration or otherwise. The Association, acting on behalf of the members, shall have the power to bid for the Lot at the foreclosure sale or trustee's sale, and to acquire and to hold, lease, mortgage and convey the same. In the event the Owner against whom the original assessment was made is the purchaser or redemptioner, the lien shall continue in effect and the said lien may be enforced by the Association, or by the Board, for the respective Lot's assessment that was due prior to the conclusion of any such foreclosure or equivalent proceeding. Further, any such unpaid assessment shall continue to exist as a personal obligation of the defaulting Owner of the respective Lot to the Association, and the Board may use reasonable efforts to collect the same from said Owner even after he is no longer a member of the Association. Suit to recover a money judgment for unpaid common expenses, rent and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same. The Board may impose reasonable monetary penalties and may suspend the Association membership rights of an Owner who is in default in payment of any assessment according to the Bylaws.

Section 10. Subordination of the Lien to First Mortgages.

The lien of the assessments provided for herein shall be subordinate to the liens of any first mortgage or first deed of trust. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to a foreclosure of a first mortgage, to a trustee's sale of a first deed of trust or to any proceeding in lieu thereof, shall extinguish the lien of such assessment as to installments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments or installments

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which become due thereafter or from the lien thereof."

II. Section 3 of Article X is amended in its entirety to read as follows:

"Section 3. Amendment.

a) The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty years from the date the Declaration was recorded, after which time they shall be automatically extended for successive periods of ten years.

b) This Declaration may be amended by the affirmative vote of not less than seventy-five percent of ^{the} this members entitled to vote, in person or by proxy, at a meeting duly called for that purpose. An amendment to this Declaration must be signed by the President of the Association and filed for record in the records of Maricopa County, Arizona, along with a certification by the Secretary of the Association stating that the amendment was approved by an affirmative vote of not less than seventy-five percent of the members entitled to vote at a meeting duly called for the purpose of amending the Declaration.

c) For the first meeting of the members called for the purpose of amending this Declaration, the presence of at least sixty percent of the members entitled to vote, in person or by proxy, shall constitute a quorum. If the required quorum is not present, another meeting may be called with at least thirty days written notice to all members, and the required quorum at the subsequent meeting shall be one-half of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than seventy days following the preceding meeting."

88 204520

III. The following new Section 8 shall be added to Article X of the Declaration:

"Section 8. Not Subject to The Condominium Act. This Declaration is not subject to The Condominium Act of the Arizona Revised Statutes by this Amendment or otherwise."

CONSENT OF LOT OWNERS

The following Lot Owners representing at least seventy-five percent of the total Lot Owners of the 140 Lots within VILLAGE FAIRWAYS, by their signatures below, hereby approve and consent to this Amendment.

Lot 2 Owners: Ms. Margaret Ruccolo

Lot 3 Owners: Mr. R.J. Barnier / Kim Long

Lot 4 Owners: Mr. & Mrs. Joseph Lazzara

Lot 5 Owners: Mr. & Mrs. Arthur J. Herrera

Lot 6 Owners: Mr. & Mrs. Henry B. Gostony

Lot 7 Owners: V. H. Development, Inc.

Lot 8 Owners: Mr. J. Phillips / Ms. C. Lamar

Lot 9 Owners: Mr. Peter Kosta

Lot 10 Owners: Mr. Edward G. Robinson

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Lot 11 Owners: Mr. Robert Cram

Lot 12 Owners: Mr. David Kreutzberg

David W. Kreutzberg *Robin H. Kreutzberg*

Lot 13 Owners: Mr. & Mrs Harold Webster, 111

Harold M. Webster *Margie L. Webster*

✓ Lot 14 Owners: Mr. & Mrs. Howard Williams

Proxy (✓)

✓ Lot 15 Owners:

✓ Lot 16 Owners:

Lot 17 Owners:

Lot 18 Owners:

Lot 19 Owners:

Lot 20 Owners:

Robert Lundquist *Evelyn Lundquist*
Mr. Robert Lundquist

Lot 21 Owners:

V H Dev.

~~Lot 21 Owners:~~

Lot 22 Owners: Mr. Andrew A. Kwasniewski

Andrew A. Kwasniewski *Mrs. K. Kwasniewski*

Lot 23 Owners: Dr. & Mrs. Russell Blackman

Russell Blackman *Russell Blackman*

Lot 24 Owners: Mr. & Mrs. William Darden

William Darden *William Darden*

Lot 25 Owners:

Proxy (✓)

88 204520

✓ Lot 26 Owners: Mr. & Mrs. Robert Kopas

Proxy (2)

✓ Lot 27 Owners:

✓ Lot 28 Owners:

✓ Lot 29 Owners:

✓ Lot 30 Owners:

Margaret M. Rauch

Lot 31 Owners: Mr. & Mrs. James Rauch

✓ Lot 32 Owners:

Lot 33 Owners: Mr. & Mrs. Felix Jabczynski

Felix S. Jabczynski and Marie C. Jabczynski

Lot 34 Owners: Neil Hardon

Shelley B. Hardon

Shelley B. Hardon

Lot 35 Owners: Mr. & Mrs. Arnold Martin

Lot 36 Owners: Mr. & Mrs Steven Galasky

Paula A. Galasky & Steven P. Galasky

Lot 37 Owners: Mr. & Mrs Craig Rock

Kenneth E. Rock & Craig S. Rock

Lot 38 Owners: Mr. & Mrs. Peter Coleman

✓ Lot 39 Owners:

✓ Lot 40 Owners:

Kent W. Ngo

Lot 41 Owners: Mr. & Mrs. Kent W. Ngo

88 204520

Lot 42 Owners: Mr. & Mrs. Clay Perry

Clay Perry Elaine Perry

Lot 43 Owners: MR. & Mrs Micheal J. Caruso

✓ Lot 44 Owners:

✓ Lot 45 Owners:

✓ Lot 46 Owners:

✓ Lot 47 Owners:

✓ Lot 48 Owners:

- Lot 49 Owners: Mr. & Mrs. Bernard Duggan

Proxy ① Bernard Duggan

Lot 50 Owners: Mr. & Mrs Bill Robinson

Bill Robinson June Robinson

Lot 51 Owners: Mr. & Mrs. James Hornburg

James Hornburg Kathleen Hornburg

✓ Lot 52 Owners:

✓ Lot 53 Owners:

✓ Lot 54 Owners:

✓ Lot 55 Owners:

Lot 56 Owners: Mr. & Mrs. John Tam

Lot 57 Owners: Mr. & Mrs. Jack Wilson

Jack Wilson Betty Wilson

88 204520

Lot 58 Owners: Mr. ~~XXXXXX~~. Stephen Roman

✓ Lot 59 Owners:

✓ Lot 60 Owners:

Richard Fine *Cheryl Fine*

Lot 61 Owners: Mr. & Mrs. Richard Fine

Lot 62 Owners: Mr. & Mrs Rodney Brown

Lot 63 Owners Mr. & Mrs Jeffrey M. Hayes

Lot 64 Owners: Mr. & Mrs. R.R. Pozek

Proxy (2)

Lot 65 Owners: Mr. ~~XXXXXX~~. Kevin Wilkinson

Ab Lot 66 Owners: Mr. & Mrs. Neil Ginsberg

Lot 67 Owners: Mr. & Mrs. Abbas Reghabi

- Lot 68 Owners: Mr. & Mrs. Alvin Gould

Proxy (2)

Lot 69 Owners: Mr. & Mrs Russell Wright

Proxy (2)

- Lot 70 Owners: Mr. J.R. Woods

Proxy (2)

Lot 71 Owners: ~~Mr. & Mrs. George Sharp~~

Sharon Brooks *Chris H. Faudt*

Lot 72 Owners: Mr. & Mrs Roy Pixley

Roy C. Pixley *Doreen A. Pixley*

Lot 73 Owners: Mr. & Mrs. George Lopez

Relating to the attached C & R letter of
April 15, 1988

Jack
Wilson
Hiroshi
C. ...

Lot 74 Owners: Mr. & Mrs Mike Hausman

88 204520

Lot 75 Owners: Mr. & Mrs. Kirk Hawkinson *DIANA HAWKINSON*
Kirk Hawkinson *Diana Hawkinson*

Lot 75 Owners: Mr. & Mrs. Wilfred R. Barnard
Wilfred R. Barnard *Antoinette R. Barnard*

Lot 76 Owners: Mr. & Mrs. James Garitson
JAMES GARITSON *MARGARET GARITSON* *James M. Garitson* *Margaret J. Garitson*

Lot 77 Owners: Mr. & Mrs Duane Thoms

Duane Thoms *Patricia Thoms*

Lot 78 Owners: Mr. & Mrs. Raymond Walsh

78

Lot 79 Owners: Ms. E. Meyers Kelly

79

Wilson Kelly

Lot 80 Owners: Martha B. Maxwell

80

Martha B. Maxwell

Lot 81 Owners: Mr. & Mrs. Paul Burleson

81

Paul Burleson *Signet Letter enclosed for Paul*

Lot 82 Owners: Mr. Ed Friedman

82

✓ Lot 83 Owners: Mr. Greg Edin

83

Lot 84 Owners: Mrs. Doris M. Shockley

84

Doris M. Shockley

Lot 85 Owners: Mr. Myron Weintraub

85

Lot 86 Owners: Mr. & Mrs. Roger Weinberger

86

Roger Weinberger

Lot 87 Owners: Mr. Lloyd C. Brown

87

✓ Lot 88 Owners: Mr. & Mrs. Allan Perlin

88

Proxy (v)

88 204520

✓ Lot 90 Owners:

Lot 91 Owners: Tofhik Essa

Tofhik Essa

Betty Lou ESSA

Betty L. Essa
BONIE J. OLSEN

Lot 92 Owners: Mr. Charles Olsen

Charles H. Olsen

Daniel J. Olsen

Lot 93 Owners: Mr. & Mrs. Hugh Woodward Aileen Woodward

Hugh Woodward

Aileen Woodward

Lot 94 Owners: Mr. & Mrs. John Dannan MARIE DANNAN

John T. Dannan

Marie Dannan

Lot 95 Owners: Mr. Ronald Barrette K. Barrette

Ronald Barrette

Katherine J. Barrette

Lot 96 Owners: Mr. Larry Cerato ROSE CERATO

Larry Cerato

Rose Cerato

Lot 97 Owners: Mr. Ronald Mazzeo

Ronald Mazzeo

MARLENE MAZZEO

Marlene Mazzeo

Lot 98 Owners: Mr. Barry Nohava

Barry Nohava

Jodi Nohava

✓ Lot 99 Owners: Mr. & Mrs. Mittleman

Proxy (v)

Lot 100 Owners: Mr. Edward Phillippe

Edward Phillippe

DAISY PHILLIPPE

Daisy Phillippe

Lot 101 Owners: Mr. Miguel Duran

Miguel Duran

DOROTHEA DURAN

Dorothea Duran

Lot 102 Owners: Mr. & Mrs. J. Lee Davis DORTHINE E. DAVIS

J. Lee Davis

Dorthine E. Davis

✓ Lot 103 Owners: Mr. & Mrs. Dennis Dingman

Proxy (v)

✓ Lot 104 Owners: Mr. Thomas Moline

Proxy (v)

✓ Lot 105 Owners: Mr. & Mrs. Mike Santiago

Proxy (v)

Lot 106 Owners: JOHN PAUL OVENS, Trustee
Mr. John Owens

88 204520

John Paul Owens Trustee
Lot 107 Owners: Mr. & Mrs. Karl Wittfoth

Karl Wittfoth
Lot 108 Owners: Rikki Layne

Lot 109 Owners:

Lot 110 Owners:

Lot 111 Owners:

Lot 112 Owners: Mr. & Mrs. Gary Henglefeldt

Gary Henglefeldt Mary Jane Conrad
Lot 113 Owners: Mr. & Mrs. Robert Conrad

Robert Conrad Mary Jane Conrad
Lot 114 Owners: Mr. & Mrs. Harold Chamberlain

Harold B. Chamberlain Betty S. Chamberlain
Lot 115 Owners: Mr. & Mrs. Art Whalen Judith E. Whalen

Arthur Whalen Judith E. Whalen
✓ Lot 116 Owners: Mr. Arthur Torgerson

Proxy (1)
Lot 117 Owners: Mr. & Mrs. Milton Herman Harriette Herman

Milton Herman Harriette Herman
Lot 118 Owners: Ms. Lillian Capin

Lillian F. Capin
Lot 119 Owners: Mr. Laurence Dodd

Lot 120 Owners: Mr. Gerald Ryan

✓ Lot 121 Owners: Mr. Jon Shikany

Proxy (7)

88 204520

Lot 122 Owners: Mr. & Mrs. Stephen C. Payne Cathy L. Payne

Stephen C. Payne *Cathy L. Payne*

Lot 123 Owners: Mr. Harvey Kulekofsky

Lot 124 Owners: Ms. Marilyn Hanes

Marilyn Hanes

Lot 125 Owners: Mr. Mrs. James Kubota

James Kubota

Lot 126 Owners: Mr. & Mrs. Rick Ueable

Rebecca Ueable

Lot 127 Owners: Mr. & Mrs. William Wray Betty Wray

W. R. Wray *Betty Wray*

Lot 128 Owners: Mr. & Mrs. Micheal Norten Cynthia A. Norten

Cynthia A. Norten

Lot 129 Owners:

Lot 130 Owners: Mr. Frank Parker

Frank L. Parker

Beverly Parker

Beverly L. Parker

Lot 131 Owners: Mr. & Mrs. Clayton Vincent Dolores Vincent

Clayton Vincent *Dolores Vincent* *Sherry Scott*

✓ Lot 132 Owners: Mr. & Mrs. Donald Donelson

Proxy (2)

✓ Lot 133 Owners: Mr. Angelo Desiseri

Proxy (2)

Lot 134 Owners: Mr. Gordod Dean

Gordod L. Dean

Elizabeth A. Dean

Elizabeth A. Dean

Lot 135 Owners: Mr. Donald Webb

Donald Webb

Mary Lou Webb

Mary Lou Webb

Lot 136 Owners: Frederick R. Christmas

Frederick R. Christmas

Penny Christmas

Penny Christmas

Lot 137 Owners: Mr. Micheal J. Roswell

Micheal J. Roswell

Daryl Roswell

Daryl Roswell

88 204520

Lot 138 Owners: Mr. Ralph Baysinger

Edna Rose Baysinger

Lot 139 Owners: Mr. & Mrs. Robert Moubry Karen A. Moubry

Robert Moubry

Karen A. Moubry

Lot 140 Owners: Mr. & Mrs. John Kay Lois Kay

John R. Kay

Lois Kay

Lot 141 Owners: Mr. & Mrs. William Scott Sherrie C. Scott

William A. Scott

Sherrie C. Scott

CERTIFICATION

I, JUDITH M. POZEK, as Secretary of Village Fairways Homeowner's Association certify that the foregoing Amendment was signed by the foregoing Owners who are titleholders of Lots within VILLAGE FAIRWAYS as of the date that I execute this Certification.

Date: April 25, 1988

Judith M. Pozek
Secretary of Village Fairways
Homeowner's Association

State of Arizona, County of Maricopa
Subscribed and sworn to before me on this
29 day of April, 1988
Notary Public [Signature]
Notary Exp. Date [Signature]



(17)

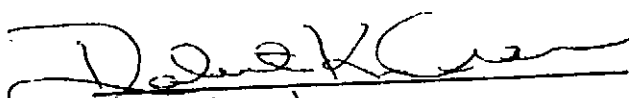
Harold B. Chamberlain
Director & Vic Pres
April 29 1988
for Village Fairways.
Homeowners Assoc.

The following form can be used if you will not be available to sign the composite of the amendment. Please return it to a Board of Director.

88 204520

ROBERT K. CRAM
(Print name)

(Print name)


(Signature)

(Signature)

Lot # 10

ROBERT K. CRAM
11402 N. 45th St.
Phoenix, AZ 85028

Sh 8

88 204520

III. The following new Section 8 shall be added to Article X
of the Declaration:

"Section 8. Not Subject to The Condominium Act. This
Declaration is not subject to The Condominium Act of the Arizona Revised
Statutes by this Amendment or otherwise."

CONSENT OF LOT OWNERS

The following Lot Owners representing at least seventy-five percent
of the total Lot Owners of the 140 Lots within VILLAGE FAIRWAYS, by their
signatures below, hereby approve and consent to this Amendment.

The following form can be used if you will not be available to
sign the composite of the amendment. Please return it to a
Board of Director.

Howard E. Williams
(Print name)

ROSEMARY W. Williams
(Print name)

Howard E. Williams
(Signature)

Rosemary W. Williams
(Signature)

Lot # 13

88 204520

III. The following new Section 8 shall be added to Article X of the Declaration:

"Section 8. Not Subject to The Condominium Act. This Declaration is not subject to The Condominium Act of the Arizona Revised Statutes by this Amendment or otherwise."

CONSENT OF LOT OWNERS

The following Lot Owners representing at least seventy-five percent of the total Lot Owners of the 140 Lots within VILLAGE FAIRWAYS, by their signatures below, hereby approve and consent to this Amendment.

The following form can be used if you will not be available to sign the composite of the amendment. Please return it to a Board of Director.

Steve Matarucci
(Print name)

Genny Matarucci
(Print name)

[Signature]
(Signature)

[Signature]
(Signature)

Lot # 24

sh 9

88 204520

III. The following new Section 8 shall be added to Article X of the Declaration:

"Section 8. Not Subject to The Condominium Act. This Declaration is not subject to The Condominium Act of the Arizona Revised Statutes by this Amendment or otherwise."

CONSENT OF LOT OWNERS

The following Lot Owners representing at least seventy-five percent of the total Lot Owners of the 140 Lots within VILLAGE FAIRWAYS, by their signatures below, hereby approve and consent to this Amendment.

The following form can be used if you will not be available to sign the composite of the amendment. Please return it to a Board of Director.

Beatrice A. Kopas
(Print name)

Robert F. Kopas
(Print name)

Beatrice A. Kopas
(Signature)

Robert F. Kopas
(Signature)

Lot # 25

5/10

88 204520

III. The following new Section 8 shall be added to Article X
of the Declaration:

"Section 8. Not Subject to The Condominium Act. This
Declaration is not subject to The Condominium Act of the Arizona Revised
Statutes by this Amendment or otherwise."

CONSENT OF LOT OWNERS

The following Lot Owners representing at least seventy-five percent
of the total Lot Owners of the 140 Lots within VILLAGE FAIRWAYS, by their
signatures below, hereby approve and consent to this Amendment.

The following form can be used if you will not be available to
sign the composite of the amendment. Please return it to a
Board of Director.

BERNARD DUGGAN
(Print name)

(Print name)

Bernard Duggan
(Signature)

(Signature)

Lot # 48

sh11

R. ROBERT POZEK
(Print name)

JUDITH M. POZEK
(Print name)

R Robert Pozek
(Signature)

88 204520
Judith M. Pozek
(Signature)

Lot # 63

\$112

88 204520

III. The following new Section 8 shall be added to Article X
of the Declaration:

"Section 8. Not Subject to The Condominium Act. This
Declaration is not subject to The Condominium Act of the Arizona Revised
Statutes by this Amendment or otherwise."

CONSENT OF LOT OWNERS

The following Lot Owners representing at least seventy-five percent
of the total Lot Owners of the 140 Lots within VILLAGE FAIRWAYS, by their
signatures below, hereby approve and consent to this Amendment.

The following form can be used if you will not be available to
sign the composite of the amendment. Please return it to a
Board of Director.

Alvin A. Gould
(Print name)

Jacklyn L. Gould
(Print name)

Alvin A. Gould
(Signature)

Jacklyn L. Gould
(Signature)

Lot # 67

sh12

88 204520

III. The following new Section 8 shall be added to Article X
of the Declaration:

"Section 8. Not Subject to The Condominium Act. This
Declaration is not subject to The Condominium Act of the Arizona Revised
Statutes by this Amendment or otherwise."

CONSENT OF LOT OWNERS

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sign the composite of the amendment. Please return it to a
Board of Director.

(Print name)

Christa Wright
(Print name)

(Signature)

Christa Wright
(Signature)

Lot # 68

gh 12

88 204520

III. The following new Section 8 shall be added to Article X of the Declaration:

"Section 8. Not Subject to The Condominium Act. This Declaration is not subject to The Condominium Act of the Arizona Revised Statutes by this Amendment or otherwise."

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John R. Woods
(Print name)

FRIS M Woods
(Print name)

[Signature]
(Signature)

[Signature]
(Signature)

Lot # 69

Sh 12

88 204520

III. The following new Section 8 shall be added to Article X
of the Declaration:

"Section 8. Not Subject to The Condominium Act. This
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signatures below, hereby approve and consent to this Amendment.

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sign the composite of the amendment. Please return it to a
Board of Director.

W. Paul Burleson
(Print name)

Roberta L. Burleson
(Print name)

W. Paul Burleson
(Signature)

Roberta L. Burleson
(Signature)

Lot # 81

24/3

88 204520

III. The following new Section 8 shall be added to Article X
of the Declaration:

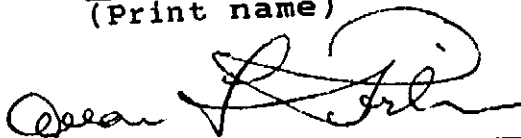
"Section 8. Not Subject to The Condominium Act. This
Declaration is not subject to The Condominium Act of the Arizona Revised
Statutes by this Amendment or otherwise."

CONSENT OF LOT OWNERS


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signatures below, hereby approve and consent to this Amendment.

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sign the composite of the amendment. Please return it to a
Board of Director.

ALLAN L. PERLIN
(Print name)


(Signature)

ANITA PERLIN
(Print name)


(Signature)

Lot # 88

8h 13

88 204520

III. The following new Section 8 shall be added to Article X of the Declaration:

"Section 8. Not Subject to The Condominium Act. This Declaration is not subject to The Condominium Act of the Arizona Revised Statutes by this Amendment or otherwise."

CONSENT OF LOT OWNERS

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The following form can be used if you will not be available to sign the composite of the amendment. Please return it to a Board of Director.

WE ARE IN FAVOR OF
THIS AMENDMENT

JERRY I. MITTELMAN
(Print name)

LINDA M. MITTELMAN
(Print name)

[Signature]
(Signature)

[Signature]
(Signature)

Lot # 98

sh 14

88 204520

III. The following new Section 8 shall be added to Article X of the Declaration:

"Section 8. Not Subject to The Condominium Act. This Declaration is not subject to The Condominium Act of the Arizona Revised Statutes by this Amendment or otherwise."

CONSENT OF LOT OWNERS

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The following form can be used if you will not be available to sign the composite of the amendment. Please return it to a Board of Director.

Jean K. Dingman
(Print name)

DENNIS A. DINGMAN
(Print name)

Jean K. Dingman
(Signature)

[Signature]
(Signature)

Lot # 102

5614

88 204520

III. The following new Section 8 shall be added to Article X
of the Declaration:

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Statutes by this Amendment or otherwise."

CONSENT OF LOT OWNERS

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signatures below, hereby approve and consent to this Amendment.

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sign the composite of the amendment. Please return it to a
Board of Director.

THOMAS A. Molive
(Print name)

LEETA L. Molive
(Print name)

Thomas A. Molive
(Signature)

Leeta L. Molive
(Signature)

Lot # 103

Sh 14

88 204520

III. The following new Section 8 shall be added to Article X of the Declaration:

"Section 8. Not Subject to The Condominium Act. This Declaration is not subject to The Condominium Act of the Arizona Revised Statutes by this Amendment or otherwise."

CONSENT OF LOT OWNERS

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Arthur D Torgerson
(Print name)

(Print name)

[Signature]
(Signature)

(Signature)

Lot # 115

5/15

The following form can be used if you will not be available to sign the composite of the amendment. Please return it to a Board of Director.

88 204520

Michael F. Santiago
(Print name)

Michael F. Santiago
(Print name)

Barbara K. Santiago
(Signature)

Barbara K. Santiago
(Signature)

Sh 14

Lot # 109

88 204520

III. The following new Section 8 shall be added to Article X of the Declaration:

"Section 8. Not Subject to The Condominium Act. This Declaration is not subject to The Condominium Act of the Arizona Revised Statutes by this Amendment or otherwise."

CONSENT OF LOT OWNERS

The following Lot Owners representing at least seventy-five percent of the total Lot Owners of the 140 Lots within VILLAGE FAIRWAYS; by their signatures below, hereby approve and consent to this Amendment.

The following form can be used if you will not be available to sign the composite of the amendment. Please return it to a Board of Director.



J. M. SHIKANY
4434 E. CORTEZ ST.
PHOENIX, AZ 85028

(Print name)

J. M. Shikany
(Signature)

REBA F. SHIKANY
(Print name)

Reba F. Shikany
(Signature)

Lot # 120

sh 15

The following form can be used if you will not be available to sign the composite of the amendment. Please return it to a Board of Director.

88 204520

Donald P Donelson Loretta J. Donelson
(Print name) (Print name)

Donald P Donelson Loretta J. Donelson
(Signature) (Signature)

Lot # 131

Sh 16

88 204520

III. The following new Section 8 shall be added to Article X
of the Declaration:

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Declaration is not subject to The Condominium Act of the Arizona Revised
Statutes by this Amendment or otherwise."

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signatures below, hereby approve and consent to this Amendment.

The following form can be used if you will not be available to
sign the composite of the amendment. Please return it to a
Board of Director.

ANGELO DESIDERI

Angelo Desideri

Luigi DESIDERI
(Print name)

ADA DESIDERI
(Print name)

Luigi Desideri
(Signature)

Ada Desideri
(Signature)

Lot # 132

gh 16

✓ JOHN O. WESSALE
7843 E. HORSESHOE LANE
SCOTTSDALE, AZ 85250

PROP RSTR (RS)

89 486543

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

OF
VILLAGE FAIRWAYS

514

THIS DECLARATION is made on the date hereinafter set forth by VILLAGE FAIRWAYS HOMEOWNERS ASSOCIATION an Arizona Corporation, as Trustee.

WITNESSETH:

WHEREAS, Trustee is the owner of certain real property (the "Property") located in Maricopa County, Arizona, which is more Particularly described in Exhibit "1" attached hereto and incorporated herein by this reference;

WHEREAS, Trustee has declared that all of the Property be held and conveyed subject to this Declaration of Covenants, Conditions and Restrictions (the "Declaration").

NOW, THEREFORE, Trustee hereby declares that all of the Property described in Exhibit "1" shall from and after the date hereof be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean VILLAGE FAIRWAYS HOMEOWNERS ASSOCIATION, an Arizona non-profit corporation, its successors and assigns.

Section 2 "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Article I, Section 2 of the Declaration ammended 12-31-84 to add Item (a).

a) "In the case of Lots the legal title to which is vested in a trustee pursuant to a subdivision trust agreement or similar agreement, the beneficiary of any such trust who is entitled to possession of the Lots shall be deemed to be the Owner of such Lots"

Recorded in official records of Maricopa County, Arizona
NOV 20 1989 - 3.00 FEE 24.00 PGS 19
HELEN PURCELL, COUNTY RECORDER

89 486543

Section 3: "Property" shall mean the real property described in Exhibit "1", and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4: "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners and designated as Tracts A-T on the Map referred to in Section 7 below. The Common Area to be conveyed to the Association prior to the time of the conveyance of the first Lot is described in Exhibit "2" attached hereto and incorporated herein by reference.

Section 5 "Lot" shall mean any plot of land shown upon the recorded subdivision map of the Property recorded in Book 221 of Maps, page 47 of the records of Maricopa County, Arizona with the exception of the Common Area.

Section 6: "Trustee" shall mean Village Fairways Homeowners Association Inc., an Arizona corporation, its successors and any person or entity to whom it may assign any or all of its rights under this declaration.

Section 7: "Articles of Incorporation" or "Articles" shall mean and refer to the Articles of Incorporation of Village Fairways Homeowners Association Inc., an Arizona non-profit corporation.

Section 8: "Board" or "Board of Directors" shall mean and refer to the Board of the Association.

Section 9: "Bylaws" shall mean and refer to the bylaws of the Association.

Article I, of the Declaration amended 5-23-89, adding Sections 6,7,8 and 9.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area as set forth in Articles VIII and IX which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) The right of the Association to suspend the voting rights and right to use of the recreational facilities situated upon the Common Area by an Owner for any period during which any assessment against his Lot remains unpaid and, for a period not to exceed sixty

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(60) days for any infraction of the Association's published rules and regulations;

(c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3rds) of members (as defined hereafter) agreeing to such dedication or transfer has been recorded.

Article II, Section 2 of the Declaration ammended 5-23-89. adding subparagraphs (d) & (e).

(d) The right of the Association, acting by and through its Board of Directors, to limit the number of guests of Members, in the Common Area.

(e) The right of the Association, acting by and through its Board of Directors, to promulgate and enforce reasonable and uniform rules and regulations governing the use of the Common Areas;

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment of the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Ownership. Every Owner of a Lot which is subject to assessment shall be appurtenant to, and may not be separated from, ownership of any Lot which is subject to assessment.

Section 2. Class A. The Association shall have only one (1) class of voting membership (Class A).

Class A. (a) Class A members shall be all owners with the exception of Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in a Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any one Lot.

Section 3. Class B. Amend Article III, Section 2 Remove all Class B membership (the Declarant) in its entirety and confirm that all memberships are confined to one class, ie. Class A.

Section 4. Investment Company Contractor / Developer. The investment company contractor / developer shall be considered to be the Owner of that number of properties (Lots) transferred by Deed Of Trust from any previous developer that remains as "undeveloped

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land", "spec house" and or "model house" and shall be considered a Class A membership with full privileges and be subject to all "Rules and Regulations" set forth by the Village Fairways Homeowners Association

Section 5. Membership of Investment Company Contractor / Developer The membership of the afore identified Lot Owners remain subject to The Declaration Of Covenants, Conditions and Restrictions of Village Fairways Homeowners Association and any other documentation recognized by said Association.

Article III, Sections 2,3,4 and 5 of the Declaration ammended 5-23-89.

Section 6. Abandonment. In the event the general plan of development is not pursued to completion and an affirmative statement of abandonment of any or all parts of the general plan previously approved by the City of Phoenix is recorded in the Office of the County Recorder of Maricopa County, Arizona, then, in such event, the voting power of the Lots as set forth above shall be reduced by the number Lots so abandoned.

Section 7. Constructive Abandonment. In the event that Developer shall make a "constructive abandonment" of the general plan of development, then, and in such event, the voting power of the Lots as set forth above shall be reduced by the number of Lots so constructively abandoned. For the purposes of this section, a "constructive abandonment" shall be deemed to have occurred when Developer shall not have made any construction starts for a period of eighteen (18) months, or shall have made no substantial progress towards planning or preparation for continuation of the general plan of development. A construction abandonment shall not occur if the lack of construction starts, planning or preparation shall be due to strikes, acts of God, war, riot, insurrection, or other acts which are beyond the control of the Developer.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. Declarant, for each Lot owned within the Property hereby covenants, and each Owner of any Lot 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 Association: (1) annual assessments or charges; (2) individual special assessments levied against individual Lot Owners to reimburse the Association for extra costs maintenance and repairs caused by the willful or negligent acts of the individual Owner not caused by ordinary wear and tear, such assessments to be established and collected as hereinafter provided; (3) special assessments for capital improvements. The annual and special assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the Lot or Lots owned by the Owner and shall be an automatic and continuing lien

upon his or her Lot or Lots against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment or assessment installment fell due. The personal obligation for delinquent assessments shall not pass to the Owners' successors in title unless expressly assumed by them. At the time this Amendment is recorded, each Lot Owner shall be personally obligated to pay assessment installments and each Lot will be subject to a lien for unpaid assessments for which such Lot Owner has received written notice of the assessment from the Association.

Section 2. Purpose of Assessments. The assessments by the Association shall be used exclusively to promote the recreation, health, safety and welfare of all residents of the Lots for the improvement and maintenance of the Common Area. Annual assessments shall include an adequate reserve fund for taxes, insurance, maintenance, repairs and replacement of the Common Area.

Section 3. Maximum Annual Assessment. As of the date this Amendment is recorded in the records of Maricopa County, Arizona, the maximum annual assessment shall be \$450.00 for each Lot. (a) The maximum annual assessment may be increased by a vote of three-fourths (3/4rds) of the members entitled to vote, in person or by proxy, at a meeting duly called for this purpose. (b) The Board of Directors of the Association may fix the annual assessment from time to time at any amount not in excess of the maximum annual assessment. The annual assessment shall correspond to an annual, calendar year budget of the Association whereby the annual budget shall be determined by the Board.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments, the Association may levy, in any assessment year, a special assessment 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 Common Area or of any replacement of damaged or destroyed common elements, provided that any such assessment shall have the assent of three-fourths (3/4rds) of the votes of the members at a meeting duly called for this purpose.

Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice to members of any meeting called for the purpose of taking any action authorized under Sections 3 or 4 of this Article IV shall be sent to all members not 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 at least sixty (60) percent of the members entitled to vote, in person or in proxy, shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same requirements, 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 seventy (70) days following the preceding meeting.

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Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis, or as required by the Board of Directors with two thirds (2/3rds) approval of the membership.

Section 7. Notice and Due Dates of Assessments. The Board of Directors shall give at least thirty (30) days written notice to the members as provided in the Bylaws of the annual assessments, any special assessment or any increase in assessments. The Board shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. The due dates of the assessment installments shall be established by the Board. The Association shall, upon demand, and for a reasonable charge as set by the Board, furnish a certificate signed by an officer of the Association setting forth whether or not the assessments and installments on a specified Lot have been paid. Such a properly executed certificate shall be binding upon the Association as of the date of its issuance.

Section 8. Assessments for Recording Transfers. The Board of Directors of the Association shall, from time to time establish a transfer fee not to exceed \$50.00 to change the books of the Association to reflect a change in ownership of any Lot. The transfer fee shall be an assessment and lien upon the respective Lot and an obligation of the transferee. The transfer fee assessment and obligation shall be treated in the same manner as an annual assessment with the same rights and obligations of the Owners and the Association as an annual assessment.

Section 9. Effect of Nonpayment of Assessments. Remedies of the Association for any part of any assessment not paid within thirty (30) days after the due date shall bear interest from the due date until paid at the rate of sixteen percent (16%) per annum. The assessment lien on each respective Lot shall be prior and superior to all other liens except; (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto, and (2) the lien or charge of any first mortgage of record (which is a recorded mortgage or deed of trust) made in good faith for value. Such lien, when delinquent, may be enforced by sale by the Association, its attorney or other person authorized by this declaration or by law to make the sale, after failure of the Owner to pay such assessment, in accordance with the provisions of Arizona Revised Statutes, Sections 33-721-730, applicable to the exercise of powers of sale in mortgages or deeds of trust, or in any other manner permitted by law; however, the right to foreclose the same shall be in addition to and not in substitution of all of the rights and remedies which the Association and the Board of Directors may have in accordance with the provisions of this Declaration.

The Association, acting on behalf of the members, shall have the power to bid for the Lot at the foreclosure sale or trustee's sale, and to acquire and to hold, lease, mortgage and convey the same.

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In the event the Owner, against whom the original assessment was made, is the purchaser or redemptioner, the lien shall continue in effect and the said lien may be enforced by the Association, or by the Board, for the respective Lot's assessment that was due prior to the conclusion of any such foreclosure or equivalent proceeding. Further, any such unpaid assessment shall continue to exist as a personal obligation of the defaulting Owner of the respective Lot to the Association, and the Board may use reasonable efforts to collect the same from said Owner even after he is no longer a member of the Association. Suit to recover a money judgment for unpaid common expenses, rent and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same. The Board may impose reasonable monetary penalties and may suspend the Association membership rights of an Owner who is in default in payment of any assessment according to the Bylaws.

Section 10. Subordination of the Lien to First Mortgages.
The lien of the assessments provided for herein shall be subordinate to the liens of any first mortgage or first deed of trust. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to a foreclosure of a first mortgage, to a trustee's sale of a first deed of trust shall extinguish the lien of such assessment as to installments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments or installments which become due thereafter or from the lien thereof.

Article IV of the Declaration amended 4-29-88 in its entirety.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure or landscaping shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein or change in the exterior appearance thereof or change in landscaping be made until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors, or by an architectural committee composed of three (3) or more representatives appointed by the Board of Directors. In the event the Board of Directors, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after the plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VI

USE RESTRICTIONS

The Lots and Common Area shall be occupied and used as follows:

Section 1. Use of Property. No building shall be erected, constructed, altered or maintained on any of the Lots other than a residence for a single-family (including guests and household servants) with customary and suitable outbuildings as permitted by law and the Architectural and Planning Board (the "Board").

Section 2. Location of Structures. Construction of any and every nature shall be confined to and take place only within the building limits of each building site. The location and design of swimming pools, covered gazebos, and other out-buildings, as well as the main structures upon each of the building sites, must be approved in writing by the Board prior to any construction or preparation for construction thereon; subject to compliance with City of Phoenix Zoning Ordinance.

Section 3. Re-subdivision of Lots. None of the above-described Lots shall be re-subdivided or split into lots of a lesser size than the size of the original Lot without the written consent of the Board of Directors first, and then obtain a letter of compliance on said subject with the City of Phoenix Zoning Ordinance Department.

Section 4. General Appearance of Structure. Homes new or resale shall not be without proper window coverings for a period not to exceed sixty (60) days after occupancy.

- a) "For Sale" signs must be confined to the subject property. "Sold" signs may not be displayed on subject property more than thirty (30) days after said sale of property.
- b) Front yard landscaping must be completed not more than sixty (60) days after occupancy.

Article VI, Section 4 of the Declaration ammended 5-23-89.

Note: (To maintain subject continuity Article VI, Sections 4, 5 and 8 were added and the subsequent sections were renumbered without change in content or effectivity.)

Section 5. Front Yard Care. The front yard must be kept clean and orderly at all time.

- a) Trash containers should not be visible in the front of the property as viewed from the street other than on the scheduled collection day set by the city of Phoenix for this area.

(b) Outside Lighting. Except as may be initially installed by Declarant, no spotlights, floodlights or similar type high intensity lighting shall be placed or utilized upon any Residence which will direct light to any other Residence or to the Common Areas or any part thereof without the written authorization of the Board. Other types of low intensity lighting which do not disturb the Owners or other occupants of the Property shall be allowed.

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(c) Landscaping. Each Owner shall be responsible for the landscaping and care of his residence, and all portions thereof, subject to the uniform and reasonable rules and regulations of the Board. Any areas of a Residence visible from the streets of the Development must be maintained in good condition.

(d) Garage Doors, if installed, should be kept closed at all times except as may be necessary for reasonable ingress and egress, or when supervised or attended functions are being performed.

Article VI, Section 5 of the Declaration ammended 5-23-89.

Section 6. Clothes Lines and Storage. No clothes lines shall be placed on any Lot in a location visible from adjoining properties and streets. No lumber, metals, machinery, equipment or bulk materials shall be kept, stored, or allowed to accumulate on any Lot or the Common Area except building or other materials to be used in connection with the work of construction, alteration or improvement approved in accordance with the terms hereof.

Section 7. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot or the Common Area, except that dogs, cats or other household pets may be kept on Lots, provided they are not kept, bred or maintained for any commercial purpose, or in unreasonable numbers. Notwithstanding the foregoing, no animal or fowl may be kept on such lands which results in an annoyance or is obnoxious to residents within, or in the vicinity of, the Property, and, in any event, any Lot Owner shall be absolutely liable to each and all remaining Owners, their families, guests and invitees and to the Association, for all damage to persons or property caused by any pets brought upon or kept upon any Lot or the Common Area by an Owner or by members of his family, guests or invitees.

Section 8. Animal Exercising.

Animals must be on leash when outside of the confines of the fenced yard of the Owner.

Article VI of the Declaration ammended 5-23-89, adding Section 8.

Section 9. Mining and Drilling Operations. No drilling, mineral or hydrocarbon development operations, refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot or the Common Area, nor shall wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot or the Common Area. No derrick or other structure designed for use in boring for oil, natural gas, hydrocarbons or minerals shall be erected, maintained or permitted on any Lot or the Common Area. The foregoing are subject to any rights which may appear of record.

Section 10. Commercial Activities Prohibited. The Lots and Common Area shall not be used for or in connection with the conduct

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of any trade, business, professional or commercial activity of any kind or nature whatsoever, except as hereinafter provided. The last sentence of Article VI, Section 10, is amended as of 12-31-84 to read as follows:

No building upon any Lot or upon the Common Area shall be used in the conduct of any real estate business, as an office or otherwise, except that as long as the developer owns any Lot or any other real property contiguous to the property subject hereto, the developer or its designees, may maintain model homes and real estate offices on such Lots for the purpose of selling any Lot or Lots (improved or unimproved) subject hereto or the real property owned by the developer or persons designated by the developer which is contiguous to the property subject hereto.

Section 11. Nuisances. No noxious or offensive activity shall be carried on upon any Lot or the Common Area, nor shall any thing be done or kept thereon which may be or become an annoyance or nuisance to the Owners or occupants of any one or more neighboring Lots or of the Common Area.

Section 12. Signs. No sign or other advertising devise of any nature whatsoever shall be placed or maintained upon any Lot except neatly painted "For Sale", "For Rent" or "Open For Inspection" signs not larger than is reasonable and customary in the area and in compliance with any City of Phoenix Ordinance then in existence regulating signs. No signs shall be placed in the Common Area without written permission from the Board of Directors. Notwithstanding the foregoing, Declarant, or its designees, may erect and maintain upon any Lot or Lots owned by Declarant or upon the Common Area, such signs and other advertising devices as it may deem necessary in connection with the conduct of operations for the development, subdivision and sale of the properties or other real property subject hereto.

Section 13. Temporary Residences. Except in connection with Section 7 above, no temporary residence structure or shelter of any kind shall be maintained on any Lot, nor shall any Lot be used for temporary residence purposes; provided, however, Declarant may erect and maintain temporary buildings used only for construction and administration purposes incidental to the original subdivision of any portion of the Properties and the initial construction of improvements and dwellings thereon, which temporary buildings may be erected and maintained thereon, while such work of improvements and construction is carried on upon any portion of the Properties. All temporary buildings permitted hereunder shall be promptly removed upon the completion of the original sale of Lots or houses upon the whole of the Properties.

Section 14. Automobiles, Boats and Trailers. Except as expressly hereinafter provided, no Lot shall be used as a parking, storing, display or accommodation area for any type of motor vehicle, boat, trailer, camper or motor driven cycle, the purpose of which parking, storage, display or accommodation area is to

perform any activity thereon respecting maintenance, repair, rebuilding, dismantling, repainting, or servicing of any kind. Such activities may be performed within completely enclosed garages or other structures located on the designated Lot which screens the sight and sound of the activity from the street and from adjoining property. The foregoing shall not prohibit the washing and polishing of any private automobile or motor driven cycle, together with those activities normally incident and necessary to such washing and polishing.

Section 15. Poles, Masts and Antennas. No facilities, including poles and wires, for the transmission of electricity, telephone messages, television or radio, except as specifically provided herein, and the like shall be placed or maintained above the surface of the ground of any Lot. If at the time of occupancy of the house constructed on any Lot there is available underground television antenna connection cable, then no outside television or radio pole or antenna shall be constructed, erected or maintained on any building or on any Lot located in such a manner as to be visible from outside of any such building except by and with the prior written consent of the Board. Such prior consent for television antenna shall not be required in the event such television antenna cable is not available for connection at the date of occupancy of the house constructed on the Lot; however, no such antenna for a private dwelling shall be higher than ten feet (10') above the highest point of the house. Upon the written demand of the Board, and after availability of underground television antenna connection cable, any private antenna shall be promptly removed.

a) Terminology Clarification Related to Exterior Reception or Transmission Equipment. No antenna (satellite system, dish or parabolic) or other device for transmission or reception of television or radio signals, or other forms of electromagnetic radiation shall be created, used or maintained outdoors on any portion of the properties, whether attached to a building, structure or mounted on a slab or otherwise mounted on the ground within the confines of the property stated in the legal description of Exhibit 1 attached hereto.

Article VI, Section 15 of the Declaration amended 5-23-89, adding Item (a)

Section 16. Changing Grades, Slopes and Drainage. No change in the established grade or elevation of the Lots, and no change in the established slope or ratio of the cuts and fills, which alters established drainage patterns shall be permitted without the prior written consent of the Board and without the prior written approval of the appropriate governmental agency. For the purposes hereof, established drainage patterns are defined as the drainage patterns existing at the time the grading of the Property was completed in conformity with the grading plan heretofore approved by the County of Maricopa. No drainage shall be allowed to drain over any banks.

Declarant hereby reserves the right to make any and all cuts and fills on the Property and on the building sites included therein, and to do such grading as in its judgment may be necessary to grade streets and lots designated or delineated upon the Map of the Property or any part thereof; except as to any Lot which has been conveyed by Declarant to a bona fide purchaser.

Each of the Owners of the Lots covenants to permit free access by Declarant and Owners of adjacent Lots to slopes or drainageways located on his property which such access is required for the maintenance of the drainage facilities or for the protection and use of property other than the Lot on which the slopes or drainageway is located.

Section 17. Trees, Shrubs, Within Set-Backs and Easements. The Board hereby reserves the right to enter upon any of the Lots at any time to inspect and control the plants, trees and seed thereon and also to inspect for and control insect pests. This right shall be exercised in the following manner: if, after notice to the Owners from the Board of the existence of infected plants, diseased trees, or of insect pests, the Owner fails or neglects to take such measures for the eradication or control of the same as the Board may deem necessary for the protection of the community, the Board may thereupon enter thereon and, at the expense of the Owner thereof, destroy or remove infected or diseased plants and/or trees, and/or spray the same, and/or take such other measures as may be deemed necessary in the opinion of the Board to protect the community from the spread of such infection and/or pests; and the Board or any officer or agent or designee thereof, shall not thereby be deemed guilty of or liable for any manner of trespass.

Section 18. Easements and Rights-of-way. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easement. The easement area of each Lot and all improvements in it shall be maintained continuously by Owner of the Lot, except for those improvements for which public authority or utility company is responsible.

Section 19. Compliance with Laws. Each Owner shall promptly comply with all Laws, statutes, ordinances, rules and regulations of Federal, State or municipal governments or authorities applicable to use and occupancy of, and construction and maintenance of improvements upon, the Lots and any additions thereto.

Section 20. Rules for Use of Common Area. There shall be no violation of the rules for the use of the Common Area adopted by the Association and furnished in writing to the Owner, and the Association is authorized to adopt such rules, subject to the rights of the Owners pursuant to the terms hereof. Upon a violation of any

of such rules by an Owner, the Association shall give the Owner written notice by registered or certified mail to correct such violation and if the Owner fails to correct same within fifteen (15) days after the date the notice is mailed, the Association may apply to any court for performance of this Declaration, or for an injunction or for any other appropriate relief, including damages.

ARTICLE VII

MAINTENANCE OF COMMON AREA

The Common Area owned by the Association shall consist of but not be limited to landscaped lawns, walkways, and all other Common Area and recreation facilities lying within the Common Area designated within Exhibit 2 attached hereto. The Association shall provide maintenance upon the Common Area as required, such maintenance to include, but not be limited to, care of trees, shrubs, grass, walks, and other uses appurtenant to the Common Areas. The Association shall be responsible for including in the monthly assessment an amount sufficient to pay the base assessment for water used on the Common Area, and for making the required periodic payments to any applicable Water Users' Association or district as billed to the Association by the Water Users' Association or district.

Section 1. Common Area. In the event any part of the Common Area is damaged or destroyed by the willful or negligent acts of an Owner or any members of his family, or any other person or persons for whose acts or omissions he would be liable under Arizona law, such Owner does hereby irrevocably authorize the Association to repair the damaged element and the Association shall so repair the damaged element in a good, workmanlike manner in substantial conformity with the original plans and specifications. The Owner shall then repay the Association the amount actually expended for such repairs.

Section 2. Additional Provisions. In the event that the need for any maintenance or repairs to the Common Areas (or otherwise for which the Association is responsible) is caused through the willful or negligent act of the Owner of a Residence, his family, guests, or tenants, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Residence is subject. Further, no Owner or other person shall do or allow any act or work that will impair the structural soundness or integrity of the Development or impair any easement or hereditament, nor do any act nor allow any condition to exist which will adversely affect the other Residences or their Owners and occupants.

Article VII, of the Declaration ammended 5-23-89, adding Section 2.

Section 3. Lien and Collection. Each Owner further agrees that the charges for repairs shall be delinquent if not paid within ten (10) days after completion of the work and, together with interest, cost and reasonable attorneys' fees, shall be secured by a

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lien upon such Owner's Lot until fully paid. Such lien, in the same manner and to the same extent as the assessment lien, shall be subordinate to any first mortgage or deed of trust on the subject Lot. Such charges shall bear interest from the date of expenditure at the rate of sixteen percent (16%) per annum. The amount of principal and interest owed by such Owner to the Association shall be a debt, and together with the Association's costs and reasonable attorneys' fees, shall be collectible by any lawful procedure allowed by the laws of the state of Arizona. Each Owner, by his acceptance of a deed to a Lot, hereby expressly agrees to pay all such charges and vests in the Association or its agents the right and power to bring all actions against such Owner for the collection of such charges and to enforce the aforesaid lien by all methods available for the enforcement of such liens and such Owner hereby expressly grants to the Association a power of sale in connection with such lien.

ARTICLE VIII

USE RESTRICTIONS

Section 1. Common Area. The Common Area shall be used for appropriate recreational uses, including, but not limited to, hiking, bicycles on designated bicycle paths, walking and other appropriate uses on the Common Area. The Common Area shall not be used for equestrian purposes, except as designated in Exhibit "2" attached hereto, nor shall any motor driven vehicle be used upon the Common Area except as may be permitted by the Board of Directors of the Association.

a) No signs shall be posted on the Common Area without written approval from the Board of Directors.

Article VIII, Section 1, of the Declaration amended 5-23-89, Adding Item (a).

ARTICLE IX

EASEMENTS and TRAFFIC

Section 1. Easements. There is hereby created a blanket easement upon, across, over and under the Common Area for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to, water, sewers, gas, telephones, and electricity, a master television antenna system and a cable television system. Notwithstanding anything to the contrary contained in this Article, no sewers, electrical lines, water lines or other utilities may be installed or relocated thereon except as initially programmed and approved by the Developer of Village Fairways. This easement shall in no way effect any other recorded easements thereon. Each portion of the Common Area shall be subject to an easement for encroachments, created by construction, settling and overhangs, as designated or constructed by the Developer. A valid easement for such encroachments and for the maintenance of

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same, so long as it stands, shall and does exist. Notwithstanding any provision herein to the contrary, any encroachment permitted herein shall not exceed one (1) foot.

Section 2. Traffic. Traffic and the control thereof shall be the responsibility of the Board of Directors and the Officers of the Association.

Article IX of the Declaration amended 5-23-89, adding Section 2.

ARTICLE X

GENERAL PROVISIONS

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

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

Section 3. Summary Of Enforcement. The following provisions are in addition to and not in lieu of other terms and conditions in this Declaration relating to remedies for Enforcement:

a) Violation of any of the restrictions or conditions or breach of any covenants or agreement contained herein or breach of any rules or regulations promulgated by the Board shall enable the Association, acting through the Board to fine and/or special assess the individual Lot Owner for infraction thereof. The fine or assessment shall be set and levied by the Board.

Article X, of the Declaration amended 5-23-89, adding Section 3.

Section 4. Amendment.

a) The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date the Declaration was recorded, after which time they shall be automatically extended for successive periods of ten (10) years.

b) This Declaration may be amended by the affirmative vote of not less than two thirds (2/3rds) of the members entitled to vote, in person or in proxy, at a meeting duly called for that purpose. An amendment to this Declaration must be signed by the President or Vice President of the Association and filed for record in the

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records of Maricopa County, Arizona, along with a certification by the Secretary of the Association stating that the amendment was approved by an affirmative vote of not less than seventy-five percent (75%) of the members entitled to vote at a meeting duly called for the purpose of amending the Declaration.

c) For the first meeting of the members called for the purpose of amending this Declaration, the presence of at least sixty percent (60%) of the members entitled to vote, in person or by proxy, shall constitute a quorum. If the required quorum is not present, another meeting may be called with at least thirty (30) days written notice to all members, 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 seventy (70) days following the preceding meeting.

Section 5. Easements. Any and all easements referred to herein shall be deemed reserved or granted, or both reserved and granted, as appropriate, by reference to this Declaration in a conveyance of any Lot.

Section 6. Destruction or Damage to or Condemnation of Common Area. In the event of destruction or damage to the Common Area, or in the event of an exercise of the power of eminent domain or settlement of any threatened properties taken by exercise of the power of eminent domain, any proceeds of insurance payable to the Association shall be utilized by it to contract for the repair and reconstruction of such destroyed or damaged portions of the Common Area substantially as they existed prior to such destruction or damage and any proceeds payable by reason of the exercise or threatened exercise of eminent domain may be used by the Association for any of its authorized purposes.

Section 7. Non-Use of the Common Area or Abandonment of Lot. No Owner may waive or otherwise be relieved of liability for the assessments hereinabove provided by non-use of the Common Area or abandonment of his Lot.

Section 8. Exhibits. All Exhibits referred to herein are attached hereto and shall be deemed incorporated herein by reference.

EXECUTED this 4th day of October 1989.

VILLAGE FAIRWAYS HOMEOWNER'S ASSOCIATION
an Arizona corporation, as Trustee

Vice President and Legal Chairman

"Section 10. Not Subject to The Condominium Act. This Declaration is not subject to The Condominium Act of the Arizona Revised Statutes by this Amendment or otherwise."

In Witness Hereof, the board of directors has executed this declaration of covenants, conditions and restrictions as of the 4th of October, 1989.

President

Vice President

Treasurer

Director

Director

The foregoing instrument was acknowledged before me this 3rd day of October, 1989 by John O. Wessale, Wessale Realty, for Village Fairways Homeowners Association, an Arizona non-profit Corporation, on behalf of the corporation.

My Commission Expires:

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EXHIBIT 1

THAT PORTION of the South half of the North half of Section 19, Township 3 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

BEGINNING at the center of said Section 19, said point being the intersection of the monument lines of 44th Street and Cholla Street, thence South 89 degrees 01 minute 48 seconds West, along the South line of the Northwest quarter of said Section 19, a distance of 650.07 feet; thence North 00 degrees 57 minutes 05 seconds West, a distance of 300.23 feet to a point on a curve having a central angle of 27 degrees 04 minutes 56 seconds, and whose radius point bears North 02 degrees 59 minutes 05 seconds East, a distance of 600.00 feet; thence along the arc of said curve, a distance of 283.60 feet; thence North 25 degrees 32 minutes 56 seconds East, a distance of 248.32 feet to the point of curvature of a curve having a central angle of 75 degrees 28 minutes 32 seconds and whose radius point bears North 64 degrees 27 minutes 04 seconds West, a distance of 237.70 feet; thence along the arc of said curve, a distance of 313.12 feet; thence North 31 degrees 49 minutes 39 seconds East, a distance of 227.43 feet; thence South 53 degrees 10 minutes 21 seconds East, a distance of 312.30 feet; thence South 22 degrees 55 minutes 47 seconds West, a distance of 362.33 feet; thence South 68 degrees 11 minutes 55 seconds East, a distance of 81.56 feet; thence North 21 degrees 48 minutes 05 seconds East, a distance of 80.00 feet; thence South 88 degrees 11 minutes 55 seconds East, a distance of 135.41 feet; thence North 88 degrees 01 minute 30 seconds East, a distance of 290.17 feet; thence North 37 degrees 24 minutes 19 seconds East, a distance of 428.02 feet; thence East a distance of 160.00 feet; thence South 38 degrees 39 minutes 35 seconds East, a distance of 256.13 feet; thence South 74 degrees 21 minutes 28 seconds East, a distance of 519.23 feet; thence South 63 degrees 20 minutes 59 seconds East, a distance of 300.98 feet; thence South 72 degrees 24 minutes 27 seconds East, a distance of 213.05 feet; thence South 65 degrees 13 minutes 29 seconds East, a distance of 87.40 feet; thence South 68 degrees 34 minutes 31 seconds East, a distance of 171.10 feet; thence South 76 degrees 52 minutes 13 seconds East, 277.05 feet thence North 89 degrees 03 minutes 25 seconds East, a distance of 175.47 feet to the point of curvature of a curve having a central angle of 90 degrees 00 minutes 00 seconds, and whose radius point bears South 00 degrees 56 minutes 35 seconds East, a distance of 100.00 feet; thence along the arc of said curve, a distance of 157.08 feet; thence South 00 degrees 56 minutes 35 seconds East, a distance of 157.08 feet; thence South 00 degrees 56 minutes 35 seconds East, a distance of 145 feet; thence South 89 degrees 03 minutes 25 seconds West along the South line of the Northeast quarter of said Section 19, a distance of 226.22 feet; thence North 00 degrees 56 minutes 35

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seconds West, a distance of 212.90 feet, thence South 89 degrees 03 minutes 25 seconds West 150.10 feet, thence North 80 degrees 23 minutes 30 seconds West, a distance of 175.30 feet, thence South 89 degrees 03 minutes 25 seconds West, a distance of 591.10 feet, to a point of curvature of a non-tangent curve concave Southeasterly having a radius of 338.16 feet which bears North 89 degrees 03 minutes 25 seconds East and a central angle of 00 degrees 27 minutes 57 seconds, thence Southerly along said curve, a distance of 2.65 feet, thence South 01 degrees 23 minutes 32 seconds East, a distance of 208.81 feet to a point on a non-tangent curve having a radius of 25.00 feet which bears North 29 degrees 56 minutes 24 seconds East and a central angle of 30 degrees 52 minutes 59 seconds thence Southeasterly along said arc of said curve, a distance of 13.48 feet, thence South 00 degrees 56 minutes 35 seconds East 30.00 feet to a point on the South line of the North half of said Section 19, thence South 89 degrees 03 minutes 25 seconds West, along the South line of the North half of Section 19, a distance of 1,357.45 feet to the center of said Section 19, said point being the POINT OF BEGINNING.

RETURN TO:
JOHN O. WEBB ALE
7818 E. CACTUS WALK
SCOTTSDALE, AZ 85250

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

OF
VILLAGE FAIRWAYS PROP RSTR (RS) 89 491017

THIS DECLARATION is made on the date hereinafter set forth by VILLAGE FAIRWAYS HOMEOWNERS ASSOCIATION an Arizona Corporation, as Trustee.

WITNESSETH:

WHEREAS, Trustee is the owner of certain real property (the "Property") located in Maricopa County, Arizona, which is more particularly described in Exhibit "1" attached hereto and incorporated herein by this reference;

WHEREAS, Trustee has declared that all of the Property be held and conveyed subject to this Declaration of Covenants, Conditions and Restrictions (the "Declaration").

NOW, THEREFORE, Trustee hereby declares that all of the Property described in Exhibit "1" shall from and after the date hereof be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean VILLAGE FAIRWAYS HOMEOWNERS ASSOCIATION, an Arizona non-profit corporation, its successors and assigns.

Section 2 "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Article I, Section 2 of the Declaration amended 12-31-84 to add Item (a).

a) "In the case of Lots the legal title to which is vested in a trustee pursuant to a subdivision trust agreement or similar agreement, the beneficiary of any such trust who is entitled to possession of the Lots shall be deemed to be the Owner of such Lots"

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Section 3: "Property" shall mean the real property described in Exhibit "1", and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4: "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners and designated as Tracts A-T on the Map referred to in Section 7 below. The Common Area to be conveyed to the Association prior to the time of the conveyance of the first Lot is described in Exhibit "2" attached hereto and incorporated herein by reference.

Section 5 "Lot" shall mean any plot of land shown upon the recorded subdivision map of the Property recorded in Book 221 of Maps, page 47 of the records of Maricopa County, Arizona with the exception of the Common Area.

Section 6: "Trustee" shall mean Village Fairways Homeowners Association Inc., an Arizona corporation, its successors and any person or entity to whom it may assign any or all of its rights under this declaration.

Section 7: "Articles of Incorporation" or "Articles" shall mean and refer to the Articles of Incorporation of Village Fairways Homeowners Association Inc., an Arizona non-profit corporation.

Section 8: "Board" or "Board of Directors" shall mean and refer to the Board of the Association.

Section 9: "Bylaws" shall mean and refer to the bylaws of the Association.

Article I, of the Declaration amended 5-23-89, adding Sections 6, 7, 8 and 9.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area as set forth in Articles VIII and IX which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) The right of the Association to suspend the voting rights and right to use of the recreational facilities situated upon the Common Area by an Owner for any period during which any assessment against his Lot remains unpaid and, for a period not to exceed sixty

(60) days for any infraction of the Association's published rules and regulations;

(c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3rds) of members (as defined hereafter) agreeing to such dedication or transfer has been recorded.

Article II, Section 2 of the Declaration amended 5-23-89. adding subparagraphs (d) & (e).

(d) The right of the Association, acting by and through its Board of Directors, to limit the number of guests of Members, in the Common Area.

(e) The right of the Association, acting by and through its Board of Directors, to promulgate and enforce reasonable and uniform rules and regulations governing the use of the Common Areas;

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment of the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Ownership. Every Owner of a Lot which is subject to assessment shall be appurtenant to, and may not be separated from, ownership of any Lot which is subject to assessment.

Section 2. Class A. The Association shall have only one (1) class of voting membership (Class A).

Class A. (a) Class A members shall be all owners with the exception of Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in a Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any one Lot.

Section 3. Class B. Amend Article III, Section 2 Remove all Class B membership (the Declarant) in its entirety and confirm that all memberships are confined to one class, ie. Class A.

Section 4. Investment Company Contractor / Developer. The investment company contractor / developer shall be considered to be the Owner of that number of properties (Lots) transferred by Deed Of Trust from any previous developer that remains as "undeveloped

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land", "spec house" and or "model house" and shall be considered a Class A membership with full privileges and be subject to all "Rules and Regulations" set forth by the Village Fairways Homeowners Association

Section 5. Membership of Investment Company Contractor / Developer The membership of the afore identified Lot Owners remain subject to The Declaration Of Covenants, Conditions and Restrictions of Village Fairways Homeowners Association and any other documentation recognized by said Association.

Article III, Sections 2,3,4 and 5 of the Declaration ammended 5-23-89.

Section 6. Abandonment. In the event the general plan of development is not pursued to completion and an affirmative statement of abandonment of any or all parts of the general plan previously approved by the City of Phoenix is recorded in the Office of the County Recorder of Maricopa County, Arizona, then, in such event, the voting power of the Lots as set forth above shall be reduced by the number Lots so abandoned.

Section 7. Constructive Abandonment. In the event that Developer shall make a "constructive abandonment" of the general plan of development, then, and in such event, the voting power of the Lots as set forth above shall be reduced by the number of Lots so constructively abandoned. For the purposes of this section, a "constructive abandonment" shall be deemed to have occurred when Developer shall not have made any construction starts for a period of eighteen (18) months, or shall have made no substantial progress towards planning or preparation for continuation of the general plan of development. A construction abandonment shall not occur if the lack of construction starts, planning or preparation shall be due to strikes, acts of God, war, riot, insurrection, or other acts which are beyond the control of the Developer.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. Declarant, for each Lot owned within the Property hereby covenants, and each Owner of any Lot 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 Association: (1) annual assessments or charges; (2) individual special assessments levied against individual Lot Owners to reimburse the Association for extra costs maintenance and repairs caused by the willful or negligent acts of the individual Owner not caused by ordinary wear and tear, such assessments to be established and collected as hereinafter provided; (3) special assessments for capital improvements. The annual and special assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the Lot or Lots owned by the Owner and shall be an automatic and continuing lien

upon his or her Lot or Lots against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment or assessment installment fell due. The personal obligation for delinquent assessments shall not pass to the Owners' successors in title unless expressly assumed by them. At the time this Amendment is recorded, each Lot Owner shall be personally obligated to pay assessment installments and each Lot will be subject to a lien for unpaid assessments for which such Lot Owner has received written notice of the assessment from the Association.

Section 2. Purpose of Assessments. The assessments by the Association shall be used exclusively to promote the recreation, health, safety and welfare of all residents of the Lots for the improvement and maintenance of the Common Area. Annual assessments shall include an adequate reserve fund for taxes, insurance, maintenance, repairs and replacement of the Common Area.

Section 3. Maximum Annual Assessment. As of the date this Amendment is recorded in the records of Maricopa County, Arizona, the maximum annual assessment shall be \$450.00 for each Lot. (a) The maximum annual assessment may be increased by a vote of three-fourths (3/4rds) of the members entitled to vote, in person or by proxy, at a meeting duly called for this purpose. (b) The Board of Directors of the Association may fix the annual assessment from time to time at any amount not in excess of the maximum annual assessment. The annual assessment shall correspond to an annual, calendar year budget of the Association whereby the annual budget shall be determined by the Board.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments, the Association may levy, in any assessment year, a special assessment 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 Common Area or of any replacement of damaged or destroyed common elements, provided that any such assessment shall have the assent of three-fourths (3/4rds) of the votes of the members at a meeting duly called for this purpose.

Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice to members of any meeting called for the purpose of taking any action authorized under Sections 3 or 4 of this Article IV shall be sent to all members not 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 at least sixty (60) percent of the members entitled to vote, in person or in proxy, shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same requirements, 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 seventy (70) days following the preceding meeting.

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Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis, or as required by the Board of Directors with three fourths (3/4ths) approval of the membership.

Section 7. Notice and Due Dates of Assessments. The Board of Directors shall give at least thirty (30) days written notice to the members as provided in the Bylaws of the annual assessments, any special assessment or any increase in assessments. The Board shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. The due dates of the assessment installments shall be established by the Board. The Association shall, upon demand, and for a reasonable charge as set by the Board, furnish a certificate signed by an officer of the Association setting forth whether or not the assessments and installments on a specified Lot have been paid. Such a properly executed certificate shall be binding upon the Association as of the date of its issuance.

Section 8. Assessments for Recording Transfers. The Board of Directors of the Association shall, from time to time establish a transfer fee not to exceed \$50.00 to change the books of the Association to reflect a change in ownership of any Lot. The transfer fee shall be an assessment and lien upon the respective Lot and an obligation of the transferee. The transfer fee assessment and obligation shall be treated in the same manner as an annual assessment with the same rights and obligations of the Owners and the Association as an annual assessment.

Section 9. Effect of Nonpayment of Assessments. Remedies of the Association for any part of any assessment not paid within thirty (30) days after the due date shall bear interest from the due date until paid at the rate of sixteen percent (16%) per annum. The assessment lien on each respective Lot shall be prior and superior to all other liens except; (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto, and (2) the lien or charge of any first mortgage of record (which is a recorded mortgage or deed of trust) made in good faith for value. Such lien, when delinquent, may be enforced by sale by the Association, its attorney or other person authorized by this declaration or by law to make the sale, after failure of the Owner to pay such assessment, in accordance with the provisions of Arizona Revised Statutes, Sections 33-721-730, applicable to the exercise of powers of sale in mortgages or deeds of trust, or in any other manner permitted by law; however, the right to foreclose the same shall be in addition to and not in substitution of all of the rights and remedies which the Association and the Board of Directors may have in accordance with the provisions of this Declaration.

The Association, acting on behalf of the members, shall have the power to bid for the Lot at the foreclosure sale or trustee's sale, and to acquire and to hold, lease, mortgage and convey the same.

In the event the Owner, against whom the original assessment was made, is the purchaser or redemptioner, the lien shall continue in effect and the said lien may be enforced by the Association, or by the Board, for the respective Lot's assessment that was due prior to the conclusion of any such foreclosure or equivalent proceeding. Further, any such unpaid assessment shall continue to exist as a personal obligation of the defaulting Owner of the respective Lot to the Association, and the Board may use reasonable efforts to collect the same from said Owner even after he is no longer a member of the Association. Suit to recover a money judgment for unpaid common expenses, rent and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same. The Board may impose reasonable monetary penalties and may suspend the Association membership rights of an Owner who is in default in payment of any assessment according to the Bylaws.

Section 10. Subordination of the Lien to First Mortgages.
The lien of the assessments provided for herein shall be subordinate to the liens of any first mortgage or first deed of trust. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to a foreclosure of a first mortgage, to a trustee's sale of a first deed of trust shall extinguish the lien of such assessment as to installments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments or installments which become due thereafter or from the lien thereof.

Article IV of the Declaration amended 4-29-88 in its entirety.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure or landscaping shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein or change in the exterior appearance thereof or change in landscaping be made until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors, or by an architectural committee composed of three (3) or more representatives appointed by the Board of Directors. In the event the Board of Directors, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after the plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VI

USE RESTRICTIONS

The Lots and Common Area shall be occupied and used as follows:

Section 1. Use of Property. No building shall be erected, constructed, altered or maintained on any of the Lots other than a residence for a single-family (including guests and household servants) with customary and suitable outbuildings as permitted by law and the Architectural and Planning Board (the "Board").

Section 2. Location of Structures. Construction of any and every nature shall be confined to and take place only within the building limits of each building site. The location and design of swimming pools, covered gazebos, and other out-buildings, as well as the main structures upon each of the building sites, must be approved in writing by the Board prior to any construction or preparation for construction thereon; subject to compliance with City of Phoenix Zoning Ordinance.

Section 3. Re-subdivision of Lots. None of the above-described Lots shall be re-subdivided or split into lots of a lesser size than the size of the original Lot without the written consent of the Board of Directors first, and then obtain a letter of compliance on said subject with the City of Phoenix Zoning Ordinance Department.

Section 4. General Appearance of Structure. Homes new or resale shall not be without proper window coverings for a period not to exceed sixty (60) days after occupancy.

- a) "For Sale" signs must be confined to the subject property.
- "Sold" signs may not be displayed on subject property more than thirty (30) days after said sale of property.
- b) Front yard landscaping must be completed not more than sixty (60) days after occupancy.

Article VI, Section 4 of the Declaration amended 5-23-89.

Note: (To maintain subject continuity Article VI, Sections 4, 5 and 8 were added and the subsequent sections were renumbered without change in content or effectivity.)

Section 5. Front Yard Care. The front yard must be kept clean and orderly at all time.

a) Trash containers should not be visible in the front of the property as viewed from the street other than on the scheduled collection day set by the city of Phoenix for this area.

(b) Outside Lighting. Except as may be initially installed by Declarant, no spotlights, floodlights or similar type high intensity lighting shall be placed or utilized upon any Residence which will direct light to any other Residence or to the Common Areas or any part thereof without the written authorization of the Board. Other types of low intensity lighting which do not disturb the Owners or other occupants of the Property shall be allowed.

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(c) Landscaping. Each Owner shall be responsible for the landscaping and care of his residence, and all portions thereof, subject to the uniform and reasonable rules and regulations of the Board. Any areas of a Residence visible from the streets of the Development must be maintained in good condition.

(d) Garage Doors, if installed, should be kept closed at all times except as may be necessary for reasonable ingress and egress, or when supervised or attended functions are being performed.

Article VI, Section 5 of the Declaration ammended 5-23-89.

Section 6. Clothes Lines and Storage. No clothes lines shall be placed on any Lot in a location visible from adjoining properties and streets. No lumber, metals, machinery, equipment or bulk materials shall be kept, stored, or allowed to accumulate on any Lot or the Common Area except building or other materials to be used in connection with the work of construction, alteration or improvement approved in accordance with the terms hereof.

Section 7. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot or the Common Area, except that dogs, cats or other household pets may be kept on Lots, provided they are not kept, bred or maintained for any commercial purpose, or in unreasonable numbers. Notwithstanding the foregoing, no animal or fowl may be kept on such lands which results in an annoyance or is obnoxious to residents within, or in the vicinity of, the Property, and, in any event, any Lot Owner shall be absolutely liable to each and all remaining Owners, their families, guests and invitees and to the Association, for all damage to persons or property caused by any pets brought upon or kept upon any Lot or the Common Area by an Owner or by members of his family, guests or invitees.

Section 8. Animal Exercising.

Animals must be on leash when outside of the confines of the fenced yard of the Owner.

Article VI of the Declaration ammended 5-23-89, adding Section 8.

Section 9. Mining and Drilling Operations. No drilling, mineral or hydrocarbon development operations, refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot or the Common Area, nor shall wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot or the Common Area. No derrick or other structure designed for use in boring for oil, natural gas, hydrocarbons or minerals shall be erected, maintained or permitted on any Lot or the Common Area. The foregoing are subject to any rights which may appear of record.

Section 10. Commercial Activities Prohibited. The Lots and Common Area shall not be used for or in connection with the conduct

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Section 10. Commercial Activities Prohibited. The Lots and Common Area shall not be used for or in connection with the conduct

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of any trade, business, professional or commercial activity of any kind or nature whatsoever, except as hereinafter provided. The last sentence of Article VI, Section 10, is amended as of 12-31-84 to read as follows:

No building upon any Lot or upon the Common Area shall be used in the conduct of any real estate business, as an office or otherwise, except that as long as the developer owns any Lot or any other real property contiguous to the property subject hereto, the developer or its designees, may maintain model homes and real estate offices on such Lots for the purpose of selling any Lot or Lots (improved or unimproved) subject hereto or the real property owned by the developer or persons designated by the developer which is contiguous to the property subject hereto.

Section 11. Nuisances. No noxious or offensive activity shall be carried on upon any Lot or the Common Area, nor shall any thing be done or kept thereon which may be or become an annoyance or nuisance to the Owners or occupants of any one or more neighboring Lots or of the Common Area.

Section 12. Signs. No sign or other advertising devise of any nature whatsoever shall be placed or maintained upon any Lot except neatly painted "For Sale", "For Rent" or "Open For Inspection" signs not larger than is reasonable and customary in the area and in compliance with any City of Phoenix Ordinance then in existence regulating signs. No signs shall be placed in the Common Area without written permission from the Board of Directors. Notwithstanding the foregoing, Declarant, or its designees, may erect and maintain upon any Lot or Lots owned by Declarant or upon the Common Area, such signs and other advertising devices as it may deem necessary in connection with the conduct of operations for the development, subdivision and sale of the properties or other real property subject hereto.

Section 13. Temporary Residences. Except in connection with Section 7 above, no temporary residence structure or shelter of any kind shall be maintained on any Lot, nor shall any Lot be used for temporary residence purposes; provided, however, Declarant may erect and maintain temporary buildings used only for construction and administration purposes incidental to the original subdivision of any portion of the Properties and the initial construction of improvements and dwellings thereon, which temporary buildings may be erected and maintained thereon, while such work of improvements and construction is carried on upon any portion of the Properties. All temporary buildings permitted hereunder shall be promptly removed upon the completion of the original sale of Lots or houses upon the whole of the Properties.

Section 14. Automobiles, Boats and Trailers. Except as expressly hereinafter provided, no Lot shall be used as a parking, storing, display or accommodation area for any type of motor vehicle, boat, trailer, camper or motor driven cycle, the purpose of which parking, storage, display or accommodation area is to

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perform any activity thereon respecting maintenance, repair, rebuilding, dismantling, repainting, or servicing of any kind. Such activities may be performed within completely enclosed garages or other structures located on the designated lot which screens the sight and sound of the activity from the street and from adjoining property. The foregoing shall not prohibit the washing and polishing of any private automobile or motor driven cycle, together with those activities normally incident and necessary to such washing and polishing.

Section 15. Poles, Masts and Antennas. No facilities, including poles and wires, for the transmission of electricity, telephone messages, television or radio, except as specifically provided herein, and the like shall be placed or maintained above the surface of the ground of any lot. If at the time of occupancy of the house constructed on any lot there is available underground television antenna connection cable, then no outside television or radio pole or antenna shall be constructed, erected or maintained on any building or on any lot located in such a manner as to be visible from outside of any such building except by and with the prior written consent of the Board. Such prior consent for television antenna shall not be required in the event such television antenna cable is not available for connection at the date of occupancy of the house constructed on the lot; however, no such antenna for a private dwelling shall be higher than ten feet (10') above the highest point of the house. Upon the written demand of the Board, and after availability of underground television antenna connection cable, any private antenna shall be promptly removed.

a) Terminology Clarification Related to Exterior Reception or Transmission Equipment. No antenna (satellite system; dish or parabolic) or other device for transmission or reception of television or radio signals, or other forms of electromagnetic radiation shall be created, used or maintained outdoors on any portion of the properties, whether attached to a building, structure or mounted on a slab or otherwise mounted on the ground within the confines of the property stated in the legal description of Exhibit 1 attached hereto.

Article VI, Section 15 of the Declaration amended 5-23-89, adding Item (a)

Section 16. Changing Grades, Slopes and Drainage. No change in the established grade or elevation of the lots, and no change in the established slope or ratio of the cuts and fills, which alters established drainage patterns shall be permitted without the prior written consent of the Board and without the prior written approval of the appropriate governmental agency. For the purposes hereof, established drainage patterns are defined as the drainage patterns existing at the time the grading of the property was completed in conformity with the grading plan heretofore approved by the County of Maricopa. No drainage shall be allowed to drain over any banks.

Declarant hereby reserves the right to make any and all cuts and fills on the Property and on the building sites included therein, and to do such grading as in its judgment may be necessary to grade streets and lots designated or delineated upon the Map of the Property or any part thereof, except as to any Lot which has been conveyed by Declarant to a bona fide purchaser.

Each of the Owners of the Lots covenants to permit free access by Declarant and Owners of adjacent Lots to slopes or drainageways located on his property which such access is required for the maintenance of the drainage facilities or for the protection and use of property other than the Lot on which the slopes or drainageway is located.

Section 17. Trees, Shrubs, Within Set-Backs and Easements. The Board hereby reserves the right to enter upon any of the Lots at any time to inspect and control the plants, trees and seed thereon and also to inspect for and control insect pests. This right shall be exercised in the following manner: if, after notice to the Owners from the Board of the existence of infected plants, diseased trees, or of insect pests, the Owner fails or neglects to take such measures for the eradication or control of the same as the Board may deem necessary for the protection of the community, the Board may thereupon enter thereon and, at the expense of the Owner thereof, destroy or remove infected or diseased plants and/or trees, and/or spray the same, and/or take such other measures as may be deemed necessary in the opinion of the Board to protect the community from the spread of such infection and/or pests; and the Board or any officer or agent or designee thereof, shall not thereby be deemed guilty of or liable for any manner of trespass.

Section 18. Easements and Rights-of-way. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easement. The easement area of each Lot and all improvements in it shall be maintained continuously by Owner of the Lot, except for those improvements for which public authority or utility company is responsible.

Section 19. Compliance with Laws. Each Owner shall promptly comply with all Laws, statutes, ordinances, rules and regulations of Federal, State or municipal governments or authorities applicable to use and occupancy of, and construction and maintenance of improvements upon, the Lots and any additions thereto.

Section 20. Rules for Use of Common Area. There shall be no violation of the rules for the use of the Common Area adopted by the Association and furnished in writing to the Owner, and the Association is authorized to adopt such rules, subject to the rights of the Owners pursuant to the terms hereof. Upon a violation of any

of such rules by an Owner, the Association shall give the Owner written notice by registered or certified mail to correct such violation and if the Owner fails to correct same within fifteen (15) days after the date the notice is mailed, the Association may apply to any court for performance of this Declaration, or for an injunction or for any other appropriate relief, including damages.

ARTICLE VII

MAINTENANCE OF COMMON AREA

The Common Area owned by the Association shall consist of but not be limited to landscaped lawns, walkways, and all other Common Area and recreation facilities lying within the Common Area designated within Exhibit 2 attached hereto. The Association shall provide maintenance upon the Common Area as required, such maintenance to include, but not be limited to, care of trees, shrubs, grass, walks, and other uses appurtenant to the Common Areas. The Association shall be responsible for including in the monthly assessment an amount sufficient to pay the base assessment for water used on the Common Area, and for making the required periodic payments to any applicable Water Users' Association or district as billed to the Association by the Water Users' Association or district.

Section 1. Common Area. In the event any part of the Common Area is damaged or destroyed by the willful or negligent acts of an Owner or any members of his family, or any other person or persons for whose acts or omissions he would be liable under Arizona law, such Owner does hereby irrevocably authorize the Association to repair the damaged element and the Association shall so repair the damaged element in a good, workmanlike manner in substantial conformity with the original plans and specifications. The Owner shall then repay the Association the amount actually expended for such repairs.

Section 2. Additional Provisions. In the event that the need for any maintenance or repairs to the Common Areas (or otherwise for which the Association is responsible) is caused through the willful or negligent act of the Owner of a Residence, his family, guests, or tenants, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Residence is subject. Further, no Owner or other person shall do or allow any act or work that will impair the structural soundness or integrity of the Development or impair any easement or hereditament, nor do any act nor allow any condition to exist which will adversely affect the other Residences or their Owners and occupants.

Article VII, of the Declaration amended 5-23-89, adding Section 2.

Section 3. Lien and Collection. Each Owner further agrees that the charges for repairs shall be delinquent if not paid within ten (10) days after completion of the work and, together with interest, cost and reasonable attorneys' fees, shall be secured by a

lien upon such Owner's Lot until fully paid. Such lien, in the same manner and to the same extent as the assessment lien, shall be subordinate to any first mortgage or deed of trust on the subject Lot. Such charges shall bear interest from the date of expenditure at the rate of sixteen percent (16%) per annum. The amount of principal and interest owed by such Owner to the Association shall be a debt, and together with the Association's costs and reasonable attorneys' fees, shall be collectible by any lawful procedure allowed by the laws of the state of Arizona. Each Owner, by his acceptance of a deed to a Lot, hereby expressly agrees to pay all such charges and vests in the Association or its agents the right and power to bring all actions against such Owner for the collection of such charges and to enforce the aforesaid lien by all methods available for the enforcement of such liens and such Owner hereby expressly grants to the Association a power of sale in connection with such lien.

ARTICLE VIII

USE RESTRICTIONS

Section 1. Common Area. The Common Area shall be used for appropriate recreational uses, including, but not limited to, hiking, bicycles on designated bicycle paths, walking and other appropriate uses on the Common Area. The Common Area shall not be used for equestrian purposes, except as designated in Exhibit "2" attached hereto, nor shall any motor driven vehicle be used upon the Common Area except as may be permitted by the Board of Directors of the Association.

a) No signs shall be posted on the Common Area without written approval from the Board of Directors.

Article VIII, Section 1, of the Declaration amended 5-23-89, Adding Item (a).

ARTICLE IX

EASEMENTS and TRAFFIC

Section 1..Easements. There is hereby created a blanket easement upon, across, over and under the Common Area for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to, water, sewers, gas, telephones, and electricity, a master television antenna system and a cable television system. Notwithstanding anything to the contrary contained in this Article, no sewers, electrical lines, water lines or other utilities may be installed or relocated thereon except as initially programmed and approved by the Developer of Village Fairways. This easement shall in no way effect any other recorded easements thereon. Each portion of the Common Area shall be subject to an easement for encroachments, created by construction, settling and overhangs, as designated or constructed by the Developer. A valid easement for such encroachments and for the maintenance of

same, so long as it stands, shall and does exist. Notwithstanding any provision herein to the contrary, any encroachment permitted herein shall not exceed one (1) foot.

Section 2. Traffic. Traffic and the control thereof shall be the responsibility of the Board of Directors and the Officers of the Association.

Article IX of the Declaration amended 5-23-89, adding Section 2.

ARTICLE X

GENERAL PROVISIONS

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

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

Section 3. Summary Of Enforcement. The following provisions are in addition to and not in lieu of other terms and conditions in this Declaration relating to remedies for Enforcement:

a) Violation of any of the restrictions or conditions or breach of any covenants or agreement contained herein or breach of any rules or regulations promulgated by the Board shall enable the Association, acting through the Board to fine and/or special assess the individual Lot Owner for infraction thereof. The fine or assessment shall be set and levied by the Board.

Article X, of the Declaration amended 5-23-89, adding Section 3.

Section 4. Amendment.

a) The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date the Declaration was recorded, after which time they shall be automatically extended for successive periods of ten (10) years.

b) This Declaration may be amended by the affirmative vote of not less than two thirds (2/3rds) of the members entitled to vote, in person or in proxy, at a meeting duly called for that purpose. An amendment to this Declaration must be signed by the President or Vice President of the Association and filed for record in the

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records of Maricopa County, Arizona, along with a certification by the Secretary of the Association stating that the amendment was approved by an affirmative vote of not less than seventy-five percent (75%) of the members entitled to vote at a meeting duly called for the purpose of amending the Declaration.

c) For the first meeting of the members called for the purpose of amending this Declaration, the presence of at least sixty percent (60%) of the members entitled to vote, in person or by proxy, shall constitute a quorum. If the required quorum is not present, another meeting may be called with at least thirty (30) days written notice to all members, 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 seventy (70) days following the preceding meeting.

Section 5. Easements. Any and all easements referred to herein shall be deemed reserved or granted, or both reserved and granted, as appropriate, by reference to this Declaration in a conveyance of any Lot.

Section 6. Destruction or Damage to or Condemnation of Common Area. In the event of destruction or damage to the Common Area, or in the event of an exercise of the power of eminent domain or settlement of any threatened properties taken by exercise of the power of eminent domain, any proceeds of insurance payable to the Association shall be utilized by it to contract for the repair and reconstruction of such destroyed or damaged portions of the Common Area substantially as they existed prior to such destruction or damage and any proceeds payable by reason of the exercise or threatened exercise of eminent domain may be used by the Association for any of its authorized purposes.

Section 7. Non-Use of the Common Area or Abandonment of Lot. No Owner may waive or otherwise be relieved of liability for the assessments hereinabove provided by non-use of the Common Area or abandonment of his Lot.

Section 8. Exhibits. All Exhibits referred to herein are attached hereto and shall be deemed incorporated herein by reference.

EXECUTED this 4th day of October 1989.

VILLAGE FAIRWAYS HOMEOWNER'S ASSOCIATION
an Arizona corporation, as Trustee

Submitted By Harold B. Chamberlain
Vice President and Legal Chairman

Section 9. Controlling Provisions. In the event of any conflict or inconsistency between the provisions of this Declaration and the provisions of the Articles of Incorporation, Bylaws or Rules and Regulations of the Association, the terms and provisions of this Declaration shall control.

"Section 10. Not Subject to The Condominium Act. This Declaration is not subject to The Condominium Act of the Arizona Revised Statutes by this Amendment or otherwise."

Article X, of the Declaration amended 4-29-88, adding Section 10.

In Witness Hereof, the board of directors has executed this declaration of covenants, conditions and restrictions as of the 4th of October, 1989.

The Board of Directors of Village Fairways Homeowners Association

President Kim B. Duder
Vice President Harold B. Chamberlain
Treasurer _____
Director _____
Director _____

STATE OF ARIZONA,)
)SS:.
County of Maricopa)

The foregoing instrument was acknowledged before me this 3rd day of October, 1989 by John O. Wessale, Wessale Realty, for Village Fairways Homeowners Association, an Arizona non-profit Corporation, on behalf of the corporation.

John O. Wessale
John O. Wessale

NOTARY PUBLIC

My Commission Expires:
APRIL 28, 1991

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VF VILLAGE FAIRWAYS
HOMEOWNERS' ASSOCIATION

From: The Secretary
To: The Board of Officers
Re: Amendments to the C.C. and R's

The Amendments were voted by more than the needed
two-thirds vote of homeowners and thus were passed.

Respectfully,

Genny Matteucci 10/22/89
Genny Matteucci
October 22, 1989

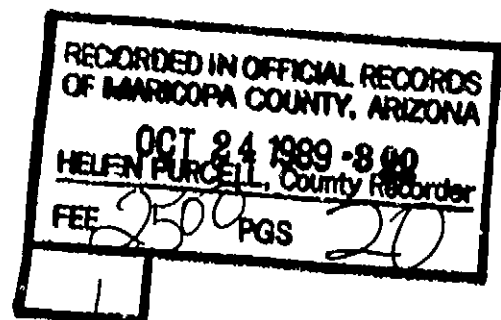
EXHIBIT 1

THAT PORTION of the South half of the North half of Section 19, Township 3 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

BEGINNING at the center of said Section 19, said point being the intersection of the monument lines of 44th Street and Cholla Street, thence South 89 degrees 01 minute 48 seconds West, along the South line of the Northwest quarter of said Section 19, a distance of 650.07 feet; thence North 00 degrees 57 minutes 05 seconds West, a distance of 300.23 feet to a point on a curve having a central angle of 27 degrees 04 minutes 56 seconds, and whose radius point bears North 02 degrees 59 minutes 05 seconds East, a distance of 600.00 feet; thence along the arc of said curve, a distance of 283.60 feet; thence North 25 degrees 32 minutes 56 seconds East, a distance of 248.32 feet to the point of curvature of a curve having a central angle of 75 degrees 28 minutes 32 seconds and whose radius point bears North 64 degrees 27 minutes 04 seconds West, a distance of 237.70 feet; thence along the arc of said curve, a distance of 313.12 feet; thence North 31 degrees 49 minutes 39 seconds East, a distance of 227.43 feet; thence South 53 degrees 10 minutes 21 seconds East, a distance of 312.30 feet; thence South 22 degrees 55 minutes 47 seconds West, a distance of 362.33 feet; thence South 68 degrees 11 minutes 55 seconds East, a distance of 81.56 feet; thence North 21 degrees 48 minutes 05 seconds East, a distance of 80.00 feet; thence South 88 degrees 11 minutes 55 seconds East, distance of 135.41 feet; thence North 88 degrees 01 minute 30 seconds East, a distance of 290.17 feet; thence North 37 degrees 24 minutes 19 seconds East, a distance of 428.02 feet; thence East a distance of 160.00 feet; thence South 38 degrees 39 minutes 35 seconds East, a distance of 256.13 feet; thence South 74 degrees 21 minutes 28 seconds East, a distance of 519.23 feet; thence South 63 degrees 20 minutes 59 seconds East, a distance of 300.98 feet; thence South 72 degrees 24 minutes 27 seconds East, a distance of 213.05 feet; thence South 65 degrees 13 minutes 29 seconds East, a distance of 87.40 feet; thence South 68 degrees 34 minutes 31 seconds East, a distance of 171.10 feet; thence South 76 degrees 52 minutes 13 seconds East, 277.05 feet thence North 89 degrees 03 minutes 25 seconds East, a distance of 175.47 feet to the point of curvature of a curve having a central angle of 90 degrees 00 minutes 00 seconds, and whose radius point bears South 00 degrees 56 minutes 35 seconds East, a distance of 100.00 feet; thence along the arc of said curve, a distance of 157.08 feet; thence South 00 degrees 56 minutes 35 seconds East, a distance of 157.08 feet; thence South 00 degrees 56 minutes 35 seconds East, a distance of 145 feet; thence South 89 degrees 03 minutes 25 seconds West along the South line of the Northeast quarter of said Section 19, a distance of 226.22 feet; thence North 00 degrees 56 minutes 35

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seconds West, a distance of 212.90 feet; thence South 89 degrees 03 minutes 25 seconds West 150.10 feet, thence North 80 degrees 23 minutes 30 seconds West, a distance of 175.30 feet; thence South 89 degrees 03 minutes 25 seconds West, a distance of 591.10 feet; to a point of curvature of a non-tangent curve concave Southeasterly having a radius of 338.16 feet which bears North 89 degrees 03 minutes 25 seconds East and a central angle of 00 degrees 27 minutes 57 seconds; thence Southerly along said curve, a distance of 2.65 feet; thence South 01 degrees 23 minutes 32 seconds East, a distance of 208.81 feet to a point on a non-tangent curve having a radius of 25.00 feet which bears North 29 degrees 56 minutes 24 seconds East and a central angle of 30 degrees 52 minutes 59 seconds thence Southeasterly along said arc of said curve, a distance of 13.48 feet; thence South 00 degrees 56 minutes 35 seconds East 30.00 feet to a point on the South line of the North half of said Section 19, thence South 89 degrees 03 minutes 25 seconds West, along the South line of the North half of Section 19, a distance of 1,357.45 feet to the center of said Section 19, said point being the POINT OF BEGINNING.



RETURN TO -

WESSALE PROPERTIES
8040 E. MORGAN TRAIL, #3
SCOTTSDALE, AZ 85258

340
PROP RSTR (RS)

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

OF

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VILLAGE FAIRWAYS

THIS DECLARATION is made on the date hereinafter set forth by VILLAGE FAIRWAYS HOMEOWNERS ASSOCIATION an Arizona Corporation, as Trustee.

WITNESSETH:

WHEREAS, Trustee is the owner of certain real property (the "Property") located in Maricopa County, Arizona, which is more Particularly described in Exhibit "1" attached hereto and incorporated herein by this reference;

WHEREAS, Trustee has declared that all of the Property be held and conveyed subject to this Declaration of Covenants, Conditions and Restrictions (the "Declaration").

NOW, THEREFORE, Trustee hereby declares that all of the Property described in Exhibit "1" shall from and after the date hereof be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean VILLAGE FAIRWAYS HOMEOWNERS ASSOCIATION, an Arizona non-profit corporation, its successors and assigns.

Section 2 "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Article I, Section 2 of the Declaration amended 12-31-84 to add Item (a).

a) "In the case of Lots the legal title to which is vested in a trustee pursuant to a subdivision trust agreement or similar agreement, the beneficiary of any such trust who is entitled to possession of the Lots shall be deemed to be the Owner of such Lots"

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Section 3: "Property" shall mean the real property described in Exhibit "1", and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4: "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners and designated as Tracts A-T on the Map referred to in Section 7 below. The Common Area to be conveyed to the Association prior to the time of the conveyance of the first Lot is described in Exhibit "2" attached hereto and incorporated herein by reference.

Section 5 "Lot" shall mean any plot of land shown upon the recorded subdivision map of the Property recorded in Book 221 of Maps, page 47 of the records of Maricopa County, Arizona with the exception of the Common Area.

Section 6: "Trustee" shall mean Village Fairways Homeowners Association Inc., an Arizona corporation, its successors and any person or entity to whom it may assign any or all of its rights under this declaration.

Section 7: "Articles of Incorporation" or "Articles" shall mean and refer to the Articles of Incorporation of Village Fairways Homeowners Association Inc., an Arizona non-profit corporation.

Section 8: "Board" or "Board of Directors" shall mean and refer to the Board of the Association.

Section 9: "Bylaws" shall mean and refer to the bylaws of the Association.

Article I, of the Declaration amended 5-23-89, adding Sections 6, 7, 8 and 9.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area as set forth in Articles VIII and IX which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) The right of the Association to suspend the voting rights and right to use of the recreational facilities situated upon the Common Area by an Owner for any period during which any assessment against his Lot remains unpaid and, for a period not to exceed sixty

(60) days for any infraction of the Association's published rules and regulations;

(c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3rds) of members (as defined hereafter) agreeing to such dedication or transfer has been recorded.

Article II, Section 2 of the Declaration ammended 5-23-89. adding subparagraphs (d) & (e).

(d) The right of the Association, acting by and through its Board of Directors, to limit the number of guests of Members, in the Common Area.

(e) The right of the Association, acting by and through its Board of Directors, to promulgate and enforce reasonable and uniform rules and regulations governing the use of the Common Areas;

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment of the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Ownership. Every Owner of a Lot which is subject to assessment shall be appurtenant to, and may not be separated from, ownership of any Lot which is subject to assessment.

Section 2. Class A. The Association shall have only one (1) class of voting membership (Class A).

Class A. (a) Class A members shall be all owners with the exception of Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in a Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any one Lot.

Section 3. Class B. Amend Article III, Section 2 Remove all Class B membership (the Declarant) in its entirety and confirm that all memberships are confined to one class, ie. Class A.

Section 4. Investment Company Contractor / Developer. The investment company contractor / developer shall be considered to be the Owner of that number of properties (Lots) transferred by Deed Of Trust from any previous developer that remains as "undeveloped

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land", "spec house" and or "model house" and shall be considered a Class A membership with full privileges and be subject to all "Rules and Regulations" set forth by the Village Fairways Homeowners Association

Section 5. Membership of Investment Company Contractor / Developer The membership of the afore identified Lot Owners remain subject to The Declaration Of Covenants, Conditions and Restrictions of Village Fairways Homeowners Association and any other documentation recognized by said Association.

Article III, Sections 2,3,4 and 5 of the Declaration ammended 5-23-89.

Section 6. Abandonment. In the event the general plan of development is not pursued to completion and an affirmative statement of abandonment of any or all parts of the general plan previously approved by the City of Phoenix is recorded in the Office of the County Recorder of Maricopa County, Arizona, then, in such event, the voting power of the Lots as set forth above shall be reduced by the number Lots so abandoned.

Section 7. Constructive Abandonment. In the event that Developer shall make a "constructive abandonment" of the general plan of development, then, and in such event, the voting power of the Lots as set forth above shall be reduced by the number of Lots so constructively abandoned. For the purposes of this section, a "constructive abandonment" shall be deemed to have occurred when Developer shall not have made any construction starts for a period of eighteen (18) months, or shall have made no substantial progress towards planning or preparation for continuation of the general plan of development. A construction abandonment shall not occur if the lack of construction starts, planning or preparation shall be due to strikes, acts of God, war, riot, insurrection, or other acts which are beyond the control of the Developer.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. Declarant, for each Lot owned within the Property hereby covenants, and each Owner of any Lot 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 Association: (1) annual assessments or charges; (2) individual special assessments levied against individual Lot Owners to reimburse the Association for extra costs maintenance and repairs caused by the willful or negligent acts of the individual Owner not caused by ordinary wear and tear, such assessments to be established and collected as hereinafter provided; (3) special assessments for capital improvements. The annual and special assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the Lot or Lots owned by the Owner and shall be an automatic and continuing lien

upon his or her Lot or Lots against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment or assessment installment fell due. The personal obligation for delinquent assessments shall not pass to the Owners' successors in title unless expressly assumed by them. At the time this Amendment is recorded, each Lot Owner shall be personally obligated to pay assessment installments and each Lot will be subject to a lien for unpaid assessments for which such Lot Owner has received written notice of the assessment from the Association.

Section 2. Purpose of Assessments. The assessments by the Association shall be used exclusively to promote the recreation, health, safety and welfare of all residents of the Lots for the improvement and maintenance of the Common Area. Annual assessments shall include an adequate reserve fund for taxes, insurance, maintenance, repairs and replacement of the Common Area.

Section 3. Maximum Annual Assessment. As of the date this Amendment is recorded in the records of Maricopa County, Arizona, the maximum annual assessment shall be \$540.00 for each Lot. (a) The maximum annual assessment may be increased by a vote of two-thirds (2/3rds) of the members entitled to vote, in person or by proxy, at a meeting duly called for this purpose. (b) The Board of Directors of the Association may fix the annual assessment from time to time at any amount not in excess of the maximum annual assessment. The annual assessment shall correspond to an annual, calendar year budget of the Association whereby the annual budget shall be determined by the Board.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments, the Association may levy, in any assessment year, a special assessment 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 Common Area or of any replacement of damaged or destroyed common elements, provided that any such assessment shall have the assent of three-fourths (3/4rds) of the votes of the members at a meeting duly called for this purpose.

Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice to members of any meeting called for the purpose of taking any action authorized under Sections 3 or 4 of this Article IV shall be sent to all members not 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 at least sixty (60) percent of the members entitled to vote, in person or in proxy, shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same requirements, 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 seventy (70) days following the preceding meeting.

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Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis, or as required by the Board of Directors with three fourths (3/4ths) approval of the membership.

Section 7. Notice and Due Dates of Assessments. The Board of Directors shall give at least thirty (30) days written notice to the members as provided in the Bylaws of the annual assessments, any special assessment or any increase in assessments. The Board shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. The due dates of the assessment installments shall be established by the Board. The Association shall, upon demand, and for a reasonable charge as set by the Board, furnish a certificate signed by an officer of the Association setting forth whether or not the assessments and installments on a specified Lot have been paid. Such a properly executed certificate shall be binding upon the Association as of the date of its issuance.

Section 8. Assessments for Recording Transfers. The Board of Directors of the Association shall, from time to time establish a transfer fee not to exceed \$50.00 to change the books of the Association to reflect a change in ownership of any Lot. The transfer fee shall be an assessment and lien upon the respective Lot and an obligation of the transferee. The transfer fee assessment and obligation shall be treated in the same manner as an annual assessment with the same rights and obligations of the Owners and the Association as an annual assessment.

Section 9. Effect of Nonpayment of Assessments. Remedies of the Association for any part of any assessment not paid within thirty (30) days after the due date shall bear interest from the due date until paid at the rate of sixteen percent (16%) per annum. The assessment lien on each respective Lot shall be prior and superior to all other liens except; (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto, and (2) the lien or charge of any first mortgage of record (which is a recorded mortgage or deed of trust) made in good faith for value. Such lien, when delinquent, may be enforced by sale by the Association, its attorney or other person authorized by this declaration or by law to make the sale, after failure of the Owner to pay such assessment, in accordance with the provisions of Arizona Revised Statutes, Sections 33-721-730, applicable to the exercise of powers of sale in mortgages or deeds of trust, or in any other manner permitted by law; however, the right to foreclose the same shall be in addition to and not in substitution of all of the rights and remedies which the Association and the Board of Directors may have in accordance with the provisions of this Declaration.

The Association, acting on behalf of the members, shall have the power to bid for the Lot at the foreclosure sale or trustee's sale, and to acquire and to hold, lease, mortgage and convey the same.

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In the event the Owner, against whom the original assessment was made, is the purchaser or redemptioner, the lien shall continue in effect and the said lien may be enforced by the Association, or by the Board, for the respective Lot's assessment that was due prior to the conclusion of any such foreclosure or equivalent proceeding. Further, any such unpaid assessment shall continue to exist as a personal obligation of the defaulting Owner of the respective Lot to the Association, and the Board may use reasonable efforts to collect the same from said Owner even after he is no longer a member of the Association. Suit to recover a money judgment for unpaid common expenses, rent and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same. The Board may impose reasonable monetary penalties and may suspend the Association membership rights of an Owner who is in default in payment of any assessment according to the Bylaws.

Section 10. Subordination of the Lien to First Mortgages.
The lien of the assessments provided for herein shall be subordinate to the liens of any first mortgage or first deed of trust. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to a foreclosure of a first mortgage, to a trustee's sale of a first deed of trust shall extinguish the lien of such assessment as to installments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments or installments which become due thereafter or from the lien thereof.

Article IV of the Declaration amended 4-29-88 in its entirety.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure or landscaping shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein or change in the exterior appearance thereof or change in landscaping be made until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors, or by an architectural committee composed of three (3) or more representatives appointed by the Board of Directors. In the event the Board of Directors, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after the plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VI

USE RESTRICTIONS

The Lots and Common Area shall be occupied and used as follows:

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Section 1. Use of Property. No building shall be erected, constructed, altered or maintained on any of the Lots other than a residence for a single-family (including guests and household servants) with customary and suitable outbuildings as permitted by law and the Architectural and Planning Board (the "Board").

Section 2. Location of Structures. Construction of any and every nature shall be confined to and take place only within the building limits of each building site. The location and design of swimming pools, covered gazebos, and other out-buildings, as well as the main structures upon each of the building sites, must be approved in writing by the Board prior to any construction or preparation for construction thereon; subject to compliance with City of Phoenix Zoning Ordinance.

Section 3. Re-subdivision of Lots. None of the above-described Lots shall be re-subdivided or split into lots of a lesser size than the size of the original Lot without the written consent of the Board of Directors first, and then obtain a letter of compliance on said subject with the City of Phoenix Zoning Ordinance Department.

Section 4. General Appearance of Structure. Homes new or resale shall not be without proper window coverings for a period not to exceed sixty (60) days after occupancy.

a) "For Sale" signs must be confined to the subject property.

"Sold" signs may not be displayed on subject property more than thirty (30) days after said sale of property.

b) Front yard landscaping must be completed not more than sixty (60) days after occupancy.

Article VI, Section 4 of the Declaration ammended 5-23-89.

Note: (To maintain subject continuity Article VI, Sections 4,5 and 8 were added and the subsequent sections were renumbered without change in content or effectivity.)

Section 5. Front Yard Care. The front yard must be kept clean and orderly at all time.

a) Trash containers should not be visible in the front of the property as viewed from the street other than on the scheduled collection day set by the city of Phoenix for this area.

(b) Outside Lighting. Except as may be initially installed by Declarant, no spotlights, floodlights or similar type high intensity lighting shall be placed or utilized upon any Residence which will direct light to any other Residence or to the Common Areas or any part thereof without the written authorization of the Board. Other types of low intensity lighting which do not disturb the Owners or other occupants of the Property shall be allowed.

(c) Landscaping. Each Owner shall be responsible for the landscaping and care of his residence, and all portions thereof, subject to the uniform and reasonable rules and regulations of the Board. Any areas of a Residence visible from the streets of the Development must be maintained in good condition.

(d) Garage Doors, if installed, should be kept closed at all times except as may be necessary for reasonable ingress and egress, or when supervised or attended functions are being performed.

Article VI, Section 5 of the Declaration ammended 5-23-89.

Section 6. Clothes Lines and Storage. No clothes lines shall be placed on any Lot in a location visible from adjoining properties and streets. No lumber, metals, machinery, equipment or bulk materials shall be kept, stored, or allowed to accumulate on any Lot or the Common Area except building or other materials to be used in connection with the work of construction, alteration or improvement approved in accordance with the terms hereof.

Section 7. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot or the Common Area, except that dogs, cats or other household pets may be kept on Lots, provided they are not kept, bred or maintained for any commercial purpose, or in unreasonable numbers. Notwithstanding the foregoing, no animal or fowl may be kept on such lands which results in an annoyance or is obnoxious to residents within, or in the vicinity of, the Property, and, in any event, any Lot Owner shall be absolutely liable to each and all remaining Owners, their families, guests and invitees and to the Association, for all damage to persons or property caused by any pets brought upon or kept upon any Lot or the Common Area by an Owner or by members of his family, guests or invitees.

Section 8. Animal Exercising.

Animals must be on leash when outside of the confines of the fenced yard of the Owner.

Article VI of the Declaration ammended 5-23-89, adding Section 8.

Section 9. Mining and Drilling Operations. No drilling, mineral or hydrocarbon development operations, refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot or the Common Area, nor shall wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot or the Common Area. No derrick or other structure designed for use in boring for oil, natural gas, hydrocarbons or minerals shall be erected, maintained or permitted on any Lot or the Common Area. The foregoing are subject to any rights which may appear of record.

Section 10. Commercial Activities Prohibited. The Lots and Common Area shall not be used for or in connection with the conduct

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of any trade, business, professional or commercial activity of any kind or nature whatsoever, except as hereinafter provided. The last sentence of Article VI, Section 10, is amended as of 12-31-84 to read as follows:

No building upon any Lot or upon the Common Area shall be used in the conduct of any real estate business, as an office or otherwise, except that as long as the developer owns any Lot or any other real property contiguous to the property subject hereto, the developer or its designees, may maintain model homes and real estate offices on such Lots for the purpose of selling any Lot or Lots (improved or unimproved) subject hereto or the real property owned by the developer or persons designated by the developer which is contiguous to the property subject hereto.

Section 11. Nuisances. No noxious or offensive activity shall be carried on upon any Lot or the Common Area, nor shall any thing be done or kept thereon which may be or become an annoyance or nuisance to the Owners or occupants of any one or more neighboring Lots or of the Common Area.

Section 12. Signs. No sign or other advertising devise of any nature whatsoever shall be placed or maintained upon any Lot except neatly painted "For Sale", "For Rent" or "Open For Inspection" signs not larger than is reasonable and customary in the area and in compliance with any City of Phoenix Ordinance then in existence regulating signs. No signs shall be placed in the Common Area without written permission from the Board of Directors. Notwithstanding the foregoing, Declarant, or its designees, may erect and maintain upon any Lot or Lots owned by Declarant or upon the Common Area, such signs and other advertising devices as it may deem necessary in connection with the conduct of operations for the development, subdivision and sale of the properties or other real property subject hereto.

Section 13. Temporary Residences. Except in connection with Section 7 above, no temporary residence structure or shelter of any kind shall be maintained on any Lot, nor shall any Lot be used for temporary residence purposes; provided, however, Declarant may erect and maintain temporary buildings used only for construction and administration purposes incidental to the original subdivision of any portion of the Properties and the initial construction of improvements and dwellings thereon, which temporary buildings may be erected and maintained thereon, while such work of improvements and construction is carried on upon any portion of the Properties. All temporary buildings permitted hereunder shall be promptly removed upon the completion of the original sale of Lots or houses upon the whole of the Properties.

Section 14. Automobiles, Boats and Trailers. Except as expressly hereinafter provided, no Lot shall be used as a parking, storing, display or accommodation area for any type of motor vehicle, boat, trailer, camper or motor driven cycle, the purpose of which parking, storage, display or accommodation area is to

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perform any activity thereon respecting maintenance, repair, rebuilding, dismantling, repainting, or servicing of any kind. Such activities may be performed within completely enclosed garages or other structures located on the designated Lot which screens the sight and sound of the activity from the street and from adjoining property. The foregoing shall not prohibit the washing and polishing of any private automobile or motor driven cycle, together with those activities normally incident and necessary to such washing and polishing.

Section 15. Poles, Masts and Antennas. No facilities, including poles and wires, for the transmission of electricity, telephone messages, television or radio, except as specifically provided herein, and the like shall be placed or maintained above the surface of the ground of any Lot. If at the time of occupancy of the house constructed on any Lot there is available underground television antenna connection cable, then no outside television or radio pole or antenna shall be constructed, erected or maintained on any building or on any Lot located in such a manner as to be visible from outside of any such building except by and with the prior written consent of the Board. Such prior consent for television antenna shall not be required in the event such television antenna cable is not available for connection at the date of occupancy of the house constructed on the Lot; however, no such antenna for a private dwelling shall be higher than ten feet (10') above the highest point of the house. Upon the written demand of the Board, and after availability of underground television antenna connection cable, any private antenna shall be promptly removed.

a) Terminology Clarification Related to Exterior Reception or Transmission Equipment. No antenna (satellite system; dish or parabolic) or other device for transmission or reception of television or radio signals, or other forms of electromagnetic radiation shall be created, used or maintained outdoors on any portion of the properties, whether attached to a building, structure or mounted on a slab or otherwise mounted on the ground within the confines of the property stated in the legal description of Exhibit 1 attached hereto.

Article VI, Section 15 of the Declaration amended 5-23-89, adding Item (a)

Section 16. Changing Grades, Slopes and Drainage. No change in the established grade or elevation of the Lots, and no change in the established slope or ratio of the cuts and fills, which alters established drainage patterns shall be permitted without the prior written consent of the Board and without the prior written approval of the appropriate governmental agency. For the purposes hereof, established drainage patterns are defined as the drainage patterns existing at the time the grading of the Property was completed in conformity with the grading plan heretofore approved by the County of Maricopa. No drainage shall be allowed to drain over any banks.

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Declarant hereby reserves the right to make any and all cuts and fills on the Property and on the building sites included therein, and to do such grading as in its judgment may be necessary to grade streets and lots designated or delineated upon the Map of the Property or any part thereof; except as to any Lot which has been conveyed by Declarant to a bona fide purchaser.

Each of the Owners of the Lots covenants to permit free access by Declarant and Owners of adjacent Lots to slopes or drainageways located on his property which such access is required for the maintenance of the drainage facilities or for the protection and use of property other than the Lot on which the slopes or drainageway is located.

Section 17. Trees, Shrubs, Within Set-Backs and Easements. The Board hereby reserves the right to enter upon any of the Lots at any time to inspect and control the plants, trees and seed thereon and also to inspect for and control insect pests. This right shall be exercised in the following manner: if, after notice to the Owners from the Board of the existence of infected plants, diseased trees, or of insect pests, the Owner fails or neglects to take such measures for the eradication or control of the same as the Board may deem necessary for the protection of the community, the Board may thereupon enter thereon and, at the expense of the Owner thereof, destroy or remove infected or diseased plants and/or trees, and/or spray the same, and/or take such other measures as may be deemed necessary in the opinion of the Board to protect the community from the spread of such infection and/or pests; and the Board or any officer or agent or designee thereof, shall not thereby be deemed guilty of or liable for any manner of trespass.

Section 18. Easements and Rights-of-way. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easement. The easement area of each Lot and all improvements in it shall be maintained continuously by Owner of the Lot, except for those improvements for which public authority or utility company is responsible.

Section 19. Compliance with Laws. Each Owner shall promptly comply with all Laws, statutes, ordinances, rules and regulations of Federal, State or municipal governments or authorities applicable to use and occupancy of, and construction and maintenance of improvements upon, the Lots and any additions thereto.

Section 20. Rules for Use of Common Area. There shall be no violation of the rules for the use of the Common Area adopted by the Association and furnished in writing to the Owner, and the Association is authorized to adopt such rules, subject to the rights of the Owners pursuant to the terms hereof. Upon a violation of any

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of such rules by an Owner, the Association shall give the Owner written notice by registered or certified mail to correct such violation and if the Owner fails to correct same within fifteen (15) days after the date the notice is mailed, the Association may apply to any court for performance of this Declaration, or for an injunction or for any other appropriate relief, including damages.

ARTICLE VII

MAINTENANCE OF COMMON AREA

The Common Area owned by the Association shall consist of but not be limited to landscaped lawns, walkways, and all other Common Area and recreation facilities lying within the Common Area designated within Exhibit 2 attached hereto. The Association shall provide maintenance upon the Common Area as required, such maintenance to include, but not be limited to, care of trees, shrubs, grass, walks, and other uses appurtenant to the Common Areas. The Association shall be responsible for including in the monthly assessment an amount sufficient to pay the base assessment for water used on the Common Area, and for making the required periodic payments to any applicable Water Users' Association or district as billed to the Association by the Water Users' Association or district.

Section 1. Common Area. In the event any part of the Common Area is damaged or destroyed by the willful or negligent acts of an Owner or any members of his family, or any other person or persons for whose acts or omissions he would be liable under Arizona law, such Owner does hereby irrevocably authorize the Association to repair the damaged element and the Association shall so repair the damaged element in a good, workmanlike manner in substantial conformity with the original plans and specifications. The Owner shall then repay the Association the amount actually expended for such repairs.

Section 2. Additional Provisions. In the event that the need for any maintenance or repairs to the Common Areas (or otherwise for which the Association is responsible) is caused through the willful or negligent act of the Owner of a Residence, his family, guests, or tenants, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Residence is subject. Further, no Owner or other person shall do or allow any act or work that will impair the structural soundness or integrity of the Development or impair any easement or hereditament, nor do any act nor allow any condition to exist which will adversely affect the other Residences or their Owners and occupants.

Article VII, of the Declaration ammended 5-23-89, adding Section 2.

Section 3. Lien and Collection. Each Owner further agrees that the charges for repairs shall be delinquent if not paid within ten (10) days after completion of the work and, together with interest, cost and reasonable attorneys' fees, shall be secured by a

lien upon such Owner's Lot until fully paid. Such lien, in the same manner and to the same extent as the assessment lien, shall be subordinate to any first mortgage or deed of trust on the subject Lot. Such charges shall bear interest from the date of expenditure at the rate of sixteen percent (16%) per annum. The amount of principal and interest owed by such Owner to the Association shall be a debt, and together with the Association's costs and reasonable attorneys' fees, shall be collectible by any lawful procedure allowed by the laws of the state of Arizona. Each Owner, by his acceptance of a deed to a Lot, hereby expressly agrees to pay all such charges and vests in the Association or its agents the right and power to bring all actions against such Owner for the collection of such charges and to enforce the aforesaid lien by all methods available for the enforcement of such liens and such Owner hereby expressly grants to the Association a power of sale in connection with such lien.

ARTICLE VIII

USE RESTRICTIONS

Section 1. Common Area. The Common Area shall be used for appropriate recreational uses, including, but not limited to, hiking, bicycles on designated bicycle paths, walking and other appropriate uses on the Common Area. The Common Area shall not be used for equestrian purposes, except as designated in Exhibit "2" attached hereto, nor shall any motor driven vehicle be used upon the Common Area except as may be permitted by the Board of Directors of the Association.

a) No signs shall be posted on the Common Area without written approval from the Board of Directors.

Article VIII, Section 1, of the Declaration amended 5-23-89, Adding Item (a).

ARTICLE IX

EASEMENTS and TRAFFIC

Section 1..Easements. There is hereby created a blanket easement upon, across, over and under the Common Area for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to, water, sewers, gas, telephones, and electricity, a master television antenna system and a cable television system. Notwithstanding anything to the contrary contained in this Article, no sewers, electrical lines, water lines or other utilities may be installed or relocated thereon except as initially programmed and approved by the Developer of Village Fairways. This easement shall in no way effect any other recorded easements thereon. Each portion of the Common Area shall be subject to an easement for encroachments, created by construction, settling and overhangs, as designated or constructed by the Developer. A valid easement for such encroachments and for the maintenance of

same, so long as it stands, shall and does exist. Notwithstanding any provision herein to the contrary, any encroachment permitted herein shall not exceed one (1) foot.

Section 2. Traffic. Traffic and the control thereof shall be the responsibility of the Board of Directors and the Officers of the Association.

Article IX of the Declaration amended 5-23-89, adding Section 2.

ARTICLE X

GENERAL PROVISIONS

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

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

Section 3. Summary Of Enforcement. The following provisions are in addition to and not in lieu of other terms and conditions in this Declaration relating to remedies for Enforcement:

a) Violation of any of the restrictions or conditions or breach of any covenants or agreement contained herein or breach of any rules or regulations promulgated by the Board shall enable the Association, acting through the Board to fine and/or special assess the individual Lot Owner for infraction thereof. The fine or assessment shall be set and levied by the Board.

Article X, of the Declaration amended 5-23-89, adding Section 3.

Section 4. Amendment.

a) The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date the Declaration was recorded, after which time they shall be automatically extended for successive periods of ten (10) years.

b) This Declaration may be amended by the affirmative vote of not less than three fourths (3/4ths) of the members entitled to vote, in person or in proxy, at a meeting duly called for that purpose. An amendment to this Declaration must be signed by the President or Vice President of the Association and filed for record in the

records of Maricopa County, Arizona, along with a certification by the Secretary of the Association stating that the amendment was approved by the affirmative vote of not less than two thirds (2/3rds) of the members entitled to vote at a meeting duly called for the purpose of amending the Declaration.

c) For the first meeting of the members called for the purpose of amending this Declaration, the presence of at least sixty percent (60%) of the members entitled to vote, in person or by proxy, shall constitute a quorum. If the required quorum is not present, another meeting may be called with at least thirty (30) days written notice to all members, 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 seventy (70) days following the preceding meeting.

Section 5. Easements. Any and all easements referred to herein shall be deemed reserved or granted, or both reserved and granted, as appropriate, by reference to this Declaration in a conveyance of any Lot.

Section 6. Destruction or Damage to or Condemnation of Common Area. In the event of destruction or damage to the Common Area, or in the event of an exercise of the power of eminent domain or settlement of any threatened properties taken by exercise of the power of eminent domain, any proceeds of insurance payable to the Association shall be utilized by it to contract for the repair and reconstruction of such destroyed or damaged portions of the Common Area substantially as they existed prior to such destruction or damage and any proceeds payable by reason of the exercise or threatened exercise of eminent domain may be used by the Association for any of its authorized purposes.

Section 7. None-Use of the Common Area or Abandonment of Lot. No Owner may waive or otherwise be relieved of liability for the assessments hereinabove provided by non-use of the Common Area or abandonment of his Lot.

Section 8. Exhibits. All Exhibits referred to herein are attached hereto and shall be deemed incorporated herein by reference.

Section 9. Controlling Provisions. In the event of any conflict or inconsistency between the provisions of this Declaration and the provisions of the Articles of Incorporation, Bylaws or Rules and Regulations of the Association, the terms and provisions of this Declaration shall control.

"Section 10. Not Subject to The Condominium Act. This Declaration is not subject to The Condominium Act of the Arizona Revised Statutes by this Amendment or otherwise."

Article X, of the Declaration amended 4-29-88, adding Section 10.

90 223082

VILLAGE FAIRWAYS HOMEOWNER'S ASSOCIATION
an Arizona corporation, as Trustee

Submitted By Harold B. Chamberlain

Vice President and Legal Chairman

In Witness Hereof, the board of directors has executed this
declaration of covenants, conditions and restrictions as of the
4th of October, 1989.

The Board of Directors of Village Fairways Homeowners Association

President John O. Wessale

Vice President Harold B. Chamberlain

Treasurer Garrett Luan

Director _____

Director John O. Wessale

STATE OF ARIZONA,)
) SS:.
County of Maricopa)

The foregoing instrument was acknowledged before me this 4th
day of October, 1989 by John O. Wessale, Wessale Realty, for
Village Fairways Homeowners Association, an Arizona non-profit
Corporation, on behalf of the corporation.

John O. Wessale
John O. Wessale

NOTARY PUBLIC

My Commission Expires:

Sept. 18, 1990

This document supersedes Document Number 89 491017 recorded in
the Official Records of Maricopa County, Arizona on October 24,
1989 for the purpose of correcting typographical errors.

VF VILLAGE FAIRWAYS
HOMEOWNERS' ASSOCIATION

90 223082

From: The Secretary
To: The Board of Officers
Re: Amendments to the C.C. and R's

The Amendments were voted by more than the needed
two-thirds vote of homeowners and thus were passed.

Respectfully,

Genny Matteucci 10/22/89
Genny Matteucci
October 22, 1989

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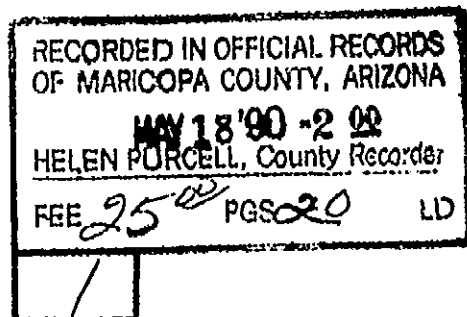
EXHIBIT 1

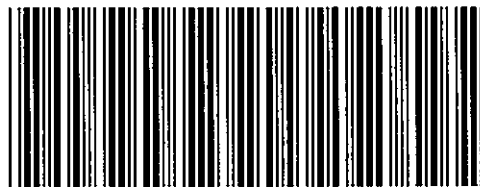
THAT PORTION of the South half of the North half of Section 19, Township 3 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

BEGINNING at the center of said Section 19, said point being the intersection of the monument lines of 44th Street and Cholla Street; thence South 89 degrees 01 minute 48 seconds West, along the South line of the Northwest quarter of said Section 19, a distance of 650.07 feet; thence North 00 degrees 57 minutes 05 seconds West, a distance of 300.23 feet to a point on a curve having a central angle of 27 degrees 04 minutes 56 seconds, and whose radius point bears North 02 degrees 59 minutes 05 seconds East, a distance of 600.00 feet; thence along the arc of said curve, a distance of 283.60 feet; thence North 25 degrees 32 minutes 56 seconds East, a distance of 248.32 feet to the point of curvature of a curve having a central angle of 75 degrees 28 minutes 32 seconds and whose radius point bears North 64 degrees 27 minutes 04 seconds West, a distance of 237.70 feet; thence along the arc of said curve, a distance of 313.12 feet; thence North 31 degrees 49 minutes 39 seconds East, a distance of 227.43 feet; thence South 53 degrees 10 minutes 21 seconds East, a distance of 312.30 feet; thence South 22 degrees 55 minutes 47 seconds West, a distance of 362.33 feet; thence South 68 degrees 11 minutes 55 seconds East, a distance of 81.56 feet; thence North 21 degrees 48 minutes 05 seconds East, a distance of 80.00 feet; thence South 88 degrees 11 minutes 55 seconds East, a distance of 135.41 feet; thence North 88 degrees 01 minute 30 seconds East, a distance of 290.17 feet; thence North 37 degrees 24 minutes 19 seconds East, a distance of 428.02 feet; thence East a distance of 160.00 feet; thence South 38 degrees 39 minutes 35 seconds East, a distance of 256.13 feet; thence South 74 degrees 21 minutes 28 seconds East, a distance of 519.23 feet; thence South 63 degrees 20 minutes 59 seconds East, a distance of 300.98 feet; thence South 72 degrees 24 minutes 27 seconds East, a distance of 213.05 feet; thence South 65 degrees 13 minutes 29 seconds East, a distance of 87.40 feet; thence South 68 degrees 34 minutes 31 seconds East, a distance of 171.10 feet; thence South 76 degrees 52 minutes 13 seconds East, 277.05 feet thence North 89 degrees 03 minutes 25 seconds East, a distance of 175.47 feet to the point of curvature of a curve having a central angle of 90 degrees 00 minutes 00 seconds, and whose radius point bears South 00 degrees 56 minutes 35 seconds East, a distance of 100.00 feet; thence along the arc of said curve, a distance of 157.08 feet; thence South 00 degrees 56 minutes 35 seconds East, a distance of 157.08 feet; thence South 00 degrees 56 minutes 35 seconds East, a distance of 145 feet; thence South 89 degrees 03 minutes 25 seconds West along the South line of the Northeast quarter of said Section 19, a distance of 226.22 feet; thence North 00 degrees 56 minutes 35

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seconds West, a distance of 212.90 feet; thence South 89 degrees 03 minutes 25 seconds West 150.10 feet, thence North 80 degrees 23 minutes 30 seconds West, a distance of 175.30 feet; thence South 89 degrees 03 minutes 25 seconds West, a distance of 591.10 feet; to a point of curvature of a non-tangent curve concave Southeasterly having a radius of 338.16 feet which bears North 89 degrees 03 minutes 25 seconds East and a central angle of 00 degrees 27 minutes 57 seconds; thence Southerly along said curve, a distance of 2.65 feet; thence South 01 degrees 23 minutes 32 seconds East, a distance of 208.81 feet to a point on a non-tangent curve having a radius of 25.00 feet which bears North 29 degrees 56 minutes 24 seconds East and a central angle of 30 degrees 52 minutes 59 seconds thence Southeasterly along said arc of said curve, a distance of 13.48 feet; thence South 00 degrees 56 minutes 35 seconds East 30.00 feet to a point on the South line of the North half of said Section 19, thence South 89 degrees 03 minutes 25 seconds West, along the South line of the North half of Section 19, a distance of 1,357.45 feet to the center of said Section 19, said point being the POINT OF BEGINNING.





When recorded return to:

Rod Jarvis, Esq.
Gallagher & Kennedy
2600 N. Central Ave.
Phoenix, AZ 85004

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL

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LILIAN 1 OF 1

FOURTH AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS OF
VILLAGE FAIRWAYS

This Fourth Amendment to the Declaration of Covenants, Conditions and Restrictions of Village Fairways, dated March 30, 1980 and recorded at Docket 14338, Pages 454-477, records of Maricopa County, Arizona, as amended by the Amendment to Declaration of Covenants, Conditions and Restrictions of Village Fairways dated June 15, 1981 and recorded at Docket No. 15317, pages 625-632, records of Maricopa County, Arizona, the Second Amendment to Declaration of Covenants, Conditions, and Restrictions of Village Fairways dated December 12, 1984 and recorded at Docket No. 84-558289, records of Maricopa County, and Amendment to Declaration of Covenants, Conditions and Restrictions, undated and recorded at Docket No. 88-204520, records of Maricopa County (collectively, the "Declaration"), is made by the owners of lots within Village Fairways Subdivision in the City of Phoenix, Arizona.

Recitals

A. Lots owned by individuals and entities within the subdivision subject to the Declaration are: Lots 1-140, inclusive, in Village Fairways, a subdivision in the City of Phoenix as shown in Book 167, Map 45 of the records of Maricopa County, Arizona.

B. Pursuant to Article X, Section 3, the Declaration may be amended by the affirmative vote of seventy-five percent (75%) of a quorum of the members entitled to vote at a meeting called for such a purpose.

C. The lot owners desire to amend the Declaration in the manner set forth below.

Now, therefore, the Declaration is hereby amended as follows:

Amendment

1. Article I, Section 4.

Article I, Section 4 is hereby amended and restated to read in its entirety as follows:

"Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners and designated as Tract A, Tracts C-W on the Map referred to in Section 5 below. The Common Area to be conveyed to the association prior to the time of the conveyance of the first Lot is described in Exhibit "2" attached hereto and incorporated herein by reference.

2. Article II, Section 1(c).

Article II, Section 1(c) is hereby amended and restated to read in its entirety as follows:

The right of the Association to dedicate or transfer all or any part of the Common Area to any private individual or entity or any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3rds) of members (as defined hereafter) agreeing to such dedication or transfer has been recorded.

THIS AMENDMENT is executed this 26TH day of FEBRUARY, 1997.

VILLAGE FAIRWAYS HOMEOWNERS'
ASSOCIATION

By *Arthur M. Yung*

President

STATE OF ARIZONA)
) ss.
County of Maricopa)

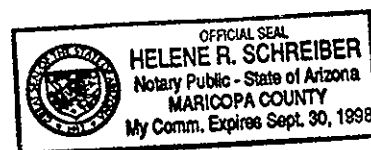
The foregoing instrument was acknowledged before me this 26th day of February, 1997, by *Robert Jernigan* the President of VILLAGE FAIRWAYS HOMEOWNERS' ASSOCIATION, an Arizona association, on behalf of the association.

Helene R. Schreiber

Notary Public

My Commission Expires:

Sept 30, 1998



CERTIFICATION

I certify that this Amendment was approved by 92 members of the Village Fairways Homeowners' Association, which is at least seventy-five percent (75%) of the 140 members entitled to vote in person or by proxy, at a meeting of the Village Fairways Homeowners' Association, which meeting was properly noticed and duly called for the purpose of amending the Declaration, and held on February 26, 1997.

Jean M. Munzinger
Secretary
Dated: 2/26/97

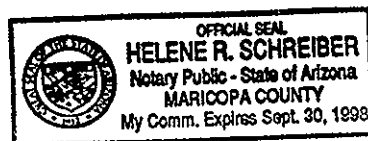
STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 26th day of February, 1997, by Jean M. Munzinger, the Secretary of VILLAGE FAIRWAYS HOMEOWNERS' ASSOCIATION, an Arizona association, on behalf of the association.

Helene R. Schreiber
Notary Public

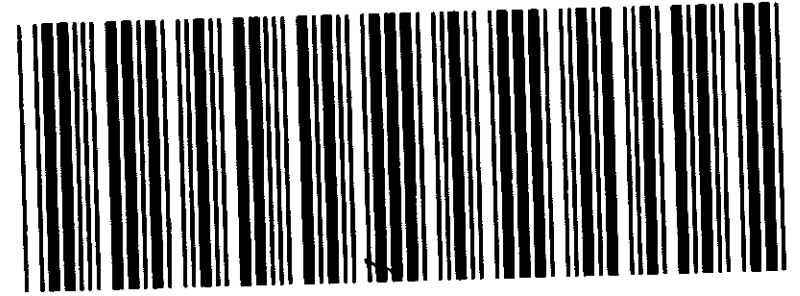
My Commission Expires:

Sept 30, 1998



WHEN RECORDED RETURN TO:

**Joan Munzinger, President
Village Fairways Homeowners' Association
4337 E. Cortez Street
Phoenix, AZ 85028**



**OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL**

2001-0471712 06/01/2001 11:02

ESPERANZA 1 OF 1

**AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS**

of

VILLAGE FAIRWAYS HOMEOWNERS' ASSOCIATION

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Exhibit 2 Property Subdivision, PLAT OF DEDICATION & MAP

**AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

of

VILLAGE FAIRWAYS HOMEOWNERS' ASSOCIATION

THIS AMENDED AND RESTATED DECLARATION is made on the date hereinafter set forth by VILLAGE FAIRWAYS HOMEOWNERS ASSOCIATION an Arizona Corporation ("Association").

WITNESSETH:

WHEREAS, the Association consists of certain real property (the "Property") located in Maricopa County, Arizona, which is more particularly described in Exhibit "1" attached hereto and incorporated herein by this reference.

NOW THEREFORE, the Board of Directors and the Members of the Association hereby amend all previously-recorded Declarations of the Association, and replace them to the extent they are inconsistent with this Declaration, and hereby declare, covenant and agree that this document shall be the effective and relevant document for the Association and the Property from the date of recording, and that all of the Property described in Exhibit "1" shall from and after the date hereof be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

**ARTICLE I
DEFINITIONS**

Section 1: **"Articles of Incorporation"** or "Articles" shall mean and refer to the Articles of Incorporation of Village Fairways Homeowners Association Inc., an Arizona non-profit corporation.

Section 2: **"Architectural Change Committee "** shall mean the committee provided for in Article V.

Section 3: **"Assessments"** shall mean all charges the Association is empowered to charge the Members including, but not limited to, Annual Assessments, Fines, Penalties, Special Assessments for Capital Improvements, Remedial Assessments and Transfer and Disclosure Fees.

Section 4: **"Association"** shall mean Village Fairways Homeowners Association, an Arizona non-profit corporation, its successors and assigns.

Section 5: **"Board" or "Board of Directors"** shall mean and refer to the Board of Directors of the Association.

Section 6: **"Bylaws"** shall mean and refer to the bylaws of the Association.

Section 7: **"Common Area"** shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners and designated as Tracts A, C-T, and, subject to certain existing easements, U, V and W and as depicted on the Map referred to in Section 12 below.

Section 8: **"Improvement(s)"** shall mean buildings, private streets, garages, carports, driveways, walkways, parking areas, docks, fences, walls, porches, patios, hedges, plantings, planters, planted trees and shrubs, swimming pools, spas, and all other structures or landscaping improvements of every kind, nature or description.

Section 9: **"Lien"** shall mean both voluntary and involuntary liens.

Section 10: **"Lot"** shall mean any plot of land shown upon the recorded subdivision map of the Property recorded in Book 221 of Maps, page 47 of the records of Maricopa County Arizona with the exception of the Common Area included herein as Exhibit "2."

Section 11: **"Manager"** shall mean that person or entity employed from time to time by the Board to manage the affairs of the Association.

Section 12: **"Map"** shall mean that recorded subdivision map of the Property recorded in Book 221 of Maps, page 47 of the records of Maricopa County Arizona.

Section 13: **"Member"** shall mean every person or entity that holds membership in the Association.

Section 14: **"Membership"** shall mean that every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot, which is subject to assessment.

Section 15: **"Mortgage"** shall mean and refer to all instruments establishing a security interest, including deeds of trust.

Section 16: **"Mortgagee"** shall mean the beneficiary of a recorded deed of trust or the holder of a recorded mortgage.

Section 17: **"Owner"** shall mean the record owner as reflected on the records of the Maricopa County Recorder, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. In the case of Lots the legal title to which is vested in a trustee pursuant to a trust agreement or similar agreement, the beneficiary or beneficiaries of any such trust shall be deemed to be the Owner of such Lots.

Section 18: **"Property"** shall mean the real property described in Exhibit "1," and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 19: **"Rules and Regulations"** shall mean such rules and regulations as may be adopted by the Board from time to time.

Section 20: **"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 any part of any neighboring property, the street or common area, at an elevation no greater than the elevation of the base of the object being viewed.

ARTICLE II PROPERTY RIGHTS

Section 1. **Owners Easements of Enjoyment.** Every Owner shall have a right and easement of enjoyment in and to the Common Area as set forth in this Amended and Restated Declaration which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area.

(b) The right of the Association after providing notice and an opportunity to be heard to suspend the voting rights and right to use of the recreational facilities situated upon the Common Area by an Owner for any period during which any Assessment and fines against his Lot remains unpaid and, for a period not to exceed sixty (60) days for any infraction of this Declaration and/or any Rules and Regulations, and for sixty (60) days after each infraction is cured.

(c) The right of the Association to dedicate or transfer all or any part of the Common Area to any private individual or entity or any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. Any such dedication or transfer shall require an approval by an affirmative vote by written ballot of two-thirds (2/3rds) of Members entitled to vote (and not 2/3 of a quorum) either in person or by proxy, or by mail-in written mail-in ballot at a meeting duly called pursuant to Art. III, §5 for this purpose.

Any such transfer requires an instrument to be recorded in the records of the Maricopa County Recorder's office along with certification by the Secretary of the Association stating that such transfer has been approved by an affirmative vote of not less than 2/3 of the Members of the Association entitled to vote at a meeting duly called pursuant to Art. III, §5 for this purpose.

(d) The right of the Association, acting by and through its Board of Directors, to limit the number of guests of Members, in the Common Area.

(e) The right of the Association, acting by and through its Board of Directors, to promulgate and enforce reasonable and uniform Rules and Regulations governing the use of the Common Areas.

Section 2. **Delegation of Use.** Any Owner may delegate, consistent with any applicable Rules and Regulations or By-Laws, his right of enjoyment of the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the Property.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS

Section 1: Ownership. The Association Membership of each Owner of a Lot shall be appurtenant to, and may not be separated from, ownership of any Lot. The Association Membership may only be transferred to a purchaser of a Lot.

Section 2: Voting Rights. The Association shall have only one (1) class of voting membership. All Owners shall be Members and shall be entitled to one (1) vote for each Lot owned. An Owner who is not in good standing shall automatically lose the right to vote until the Owner brings the account current. When more than one (1) person holds an interest in a Lot, the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any one Lot. Fractional votes are not allowed. In the event that joint Owners are not able to agree among themselves as to how their one vote should be cast, they shall lose their right to vote on the matter in question. If any Owner or Owners cast a vote representing a Lot, it will be conclusively presumed for all purposes that he or they were acting with the authority and consent of all other Owners of the same Lot. In the event more than one vote is cast for a particular Lot, none of the votes shall be counted.

Section 3: Board of Directors. The affairs of the Association shall be conducted by the Board of Directors as herein provided and in accordance with the Articles and Bylaws. Each Director must be a Member of the Association. The Members of the Association shall have the absolute right and power to elect and remove the Members of the Board as provided in the Articles and the Bylaws. If a Director ceases to be a Member during his term, he will cease to be a Director and his place on the Board shall be deemed vacant.

Section 4: Powers and Duties of Board. Subject to any restrictions set forth in this Declaration, the Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association, and may do all such acts and things as are not by law or otherwise directed to be exercised and done by the Members or the President. The powers of the Board of Directors shall include, but not be limited to, the power to promulgate such Rules and Regulations pertaining to the rights and duties of Members of the Association, and all other matters, as may be deemed proper and which are consistent with the foregoing. The Board of Directors may delegate to one or more committees thereof, and to other Persons, such duties and powers, all as appear to the Board of Directors to be in the best interests of the Association and to the extent permitted by law.

Section 5: Notice and Quorum. Written notice to all Members of any meeting called for the purpose of taking action for which Membership approval is required shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. A complete agenda must accompany the notification and no other business shall be conducted pertaining to a vote of the Members. At the first such meeting called, the presence of at least twenty-five (25%) percent of the Members entitled to vote, in person or in proxy, shall constitute a quorum. If the required quorum is not present, the legally called meeting shall be adjourned and a second meeting may be called subject to the same notification requirements. 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 seventy (70) days following the preceding meeting.

ARTICLE IV COVENANT FOR ASSESSMENTS

Section 1: Creation of Lien and Personal Obligation for Assessments. Each Owner, for each Lot owned within the Property hereby covenants, and each Owner of any Lot 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 Association: (1) Annual Assessments or charges; (2) Special Assessments for Capital Improvements; (3) Remedial Assessment(s) and (4) Transfer and Disclosure Fee Assessments.

The Assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the Lot or Lots owned by the Owner and shall be an automatic and continuing Lien upon the Lot or Lots against which each such Assessment is made. Each such Assessment, together with Interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the Assessment or installment thereon fell due. The personal obligation for delinquent Assessments shall not pass to the Owners' successors in title unless expressly assumed by them. At the time this Amended and Restated Declaration is recorded, each Lot Owner shall be personally obligated to pay Assessments and each Lot will be subject to a Lien for unpaid Assessments for which such Lot Owner has received written notice from the Association.

Section 2: Purpose of Assessments. The Assessments by the Association shall be used exclusively to promote the recreation, health, safety and welfare of all tenants of the Lots and for the improvement and maintenance of the Common Area. Annual assessments shall include an adequate reserve fund for taxes, insurance, maintenance, repairs and replacement of the Common Area and any Improvements thereon.

Section 3: Maximum Annual Assessment. As of the date this Amended Declaration is recorded in the records of Maricopa County, Arizona, the maximum Annual Assessment shall be \$732.00 (seven hundred thirty-two dollars) for each lot.

(a) The maximum Annual Assessment may be increased annually by approval of the Board by a percentage equal to the percentage change of the Consumer Price Index (the CPI) as measured by the U. S. Department of Labor Statistics in San Francisco, CA for the Phoenix metropolitan area for the most recent past twelve (12) month period.

(b) The maximum Annual Assessment may be increased above the amounts included in Section 3(a) by an affirmative vote by written ballot of two-thirds (2/3rds) of the Members present, in person or by proxy or by mail-in written ballot, at a meeting duly called pursuant to Art. III, §5 for this purpose.

(c) The Board shall establish an annual budget that corresponds to the calendar year. The Annual Assessment shall be used to fund the annual budget as the Board deems appropriate.

Section 4: Special Assessments for Capital Improvements. In addition to the Annual Assessments, the Association may levy, in any assessment year, a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any Improvements upon the Common Area or of any replacement of damaged or destroyed common elements. Such Special Assessment shall require the approval by an affirmative vote by written ballot of two thirds (2/3rds) of the Members entitled to vote (and not two-thirds (2/3rds) of a quorum) either in person or by proxy or by mail-in written ballot, at a meeting duly called pursuant to Art. III, §5 for this purpose.

Section 5: Remedial Assessments. Pursuant to this Declaration, the Board may levy an Assessment against any Lot and any owner for fines and penalties and to reimburse the Association for costs incurred in bringing such Lot and its Owner into compliance with provisions of this Declaration, any architectural standards, any landscaping standards or the Association Rules and Regulations. Remedial Assessments include any and all fines and penalties assessed against an Owner for violations of the Declaration, bylaws and rules. Remedial Assessments shall be due fifteen (15) days after the Board gives written notice thereof to the Owner subject thereto. The Board may also levy a Remedial Assessment against any Lot to reimburse the Association for extra costs, maintenance and repairs to Common Areas caused by the acts of the individual Owner not caused by ordinary use. The Assessments shall be due fifteen (15) days after the Board gives written notice and an opportunity for a hearing to the Owner subject thereto. The amount of any unpaid Remedial Assessment shall bear interest at the rate of 16 percent (16%) per annum.

Section 6: Uniform Rate of Assessment. Both Annual and Special Assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 7: Notice and Due Dates of Assessments. The Board of Directors shall give at least thirty (30) days written notice to the Members as provided in the Bylaws of the Annual Assessments, any Special Assessment or any increase in Assessments. The Board shall establish the due dates of the Assessment installments. The Association shall, upon demand, and for a reasonable charge as set by the Board, furnish a certificate signed by an officer of the Association setting forth whether or not the Assessments and installments on a specified Lot have been paid. Such a properly executed certificate shall be binding upon the Association as of the date of its issuance.

Section 8: Transfer and Disclosure Fee Assessment. The Board of Directors of the Association shall from time to time establish a transfer and/or disclosure fee to change the books of the Association to reflect a change in ownership of any Lot, and to comply with the disclosure and inspection requirements of Arizona law. The transfer and disclosure fee shall be an Assessment and Lien upon the respective Lot and an obligation of the transferee. The Transfer and Disclosure Fee Assessment and obligation shall be treated in the same manner as an Annual Assessment with the same rights and obligations of the owners and the Association as an Annual Assessment.

Section 9: Effect of Nonpayment of Assessments. With the exception of remedial assessments, there shall be a late fee of fifteen dollars (\$15.00) or 10% of any Assessment (whichever is greater) not paid by the thirtieth day of each month. Late fees shall be assessed monthly. Late fees for Remedial Assessments are subject to Art. IV, §5 above. Any part of any Assessment not paid within thirty (30) days after the due date shall bear interest from the thirtieth day of the month until paid at the rate of sixteen percent (16%) per annum. The Assessment Lien

on each respective Lot shall be prior and superior to all other liens except; (1) all taxes, bonds, Assessments and other levies which, by law, would be superior thereto, and (2) the lien or charge of any first mortgage of record (which is a recorded mortgage or deed of trust) made in good faith for value. Such Lien, when delinquent, may be enforced by sale by the Association, its attorney or other person authorized by this declaration or by law to make the sale after failure of the Owner to pay such Assessment, in accordance with the provisions of Arizona law, applicable to the exercise of powers of sale in mortgages or deeds of trust, or in any other manner permitted by law; however, the right to foreclose the same shall be in addition to and not in substitution of all of the rights and remedies which the Association and the Board of Directors may have in accordance with the provisions of this Declaration.

(a) Notice of delinquency in payment of Assessments shall be delivered by hand delivery or by certified or registered mail to the Lot Owner's last known address at least 30 days prior to the commencement of foreclosure proceedings under this Section.

(b) The Association, acting on behalf of the Members, shall have the power to bid for the Lot at the foreclosure sale or trustee's sale, and to acquire and to hold, lease, mortgage and convey the same.

(c) In the event the Owner against whom an Assessment was made is the purchaser or redemptioner, the Lien shall continue in effect and may be enforced by the Association, or by the Board, for the respective Lot's Assessment that was due prior to the conclusion of any such foreclosure or equivalent proceeding. Further, any such unpaid Assessment shall continue to exist as a personal obligation of the defaulting Owner of the respective Lot to the Association, and the Board may use reasonable efforts to collect the same from said Owner even after he is no longer a Member of the Association. Suit to recover a money judgment for unpaid common expenses, rent and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same. The Board may impose reasonable monetary penalties and may suspend the Association Membership rights of an Owner who is in default in payment of any Assessment. The voting rights of a delinquent Member are automatically suspended without any Board action.

Section 10: Subordination of Lien to First Mortgages. The Lien of the Assessments provided for herein shall be subordinate to the liens of any first mortgage or first deed of trust. Sale or transfer of any Lot shall not affect the Assessment Lien. However, the sale or transfer of any Lot pursuant to a foreclosure of a first mortgage, or to a trustee's sale of a first deed of trust shall extinguish the Lien as to installments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from Assessments or liability for any Assessments or installments, which become due thereafter or from the lien thereof.

Section 11: Costs and Fees. In the event an attorney is employed for collection of any Assessment, fine, interest or late fee, or to obtain an injunction, whether by suit or otherwise, each Owner agrees to pay reasonable attorneys' fees and costs incurred in addition to any other amounts due or any other relief or remedy obtained against the Owner. In addition to any other remedy provided in this Declaration or by law, the Association may enforce the terms of the Declaration and obligations of the Owners in any manner in law or in equity and without any limitation of the foregoing or by injunction.

ARTICLE V ARCHITECTURAL CHANGE

Section 1: **Approval of Improvements.** No Improvement including but not limited to, buildings, fences, walls or other structures or landscaping shall be commenced, erected or maintained upon the Property or any Lot, nor shall any exterior addition to or change or alteration therein or change in the exterior appearance thereof or change in landscaping be made until the plans and specifications showing the nature, kind, time tables, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors, or by an Architectural Change Committee composed of three (3) or more representatives appointed by the Board of Directors. If there is no functioning Architectural Change Committee, the Board of Directors shall perform its duties. In the event the Board of Directors, or its designated Architectural Change Committee fails to inform the Member of its decision within forty (40) days after the plans and specifications have been submitted, approval will not be required and this Article will be deemed to have been fully complied with. If necessary, the Board of Directors or its Architectural Change Committee may request and automatically obtain an additional forty (40) days, provided such request is made within the initial forty (40) day period.

Section 2: **Committee Discretion.** The Architectural Change Committee, hereafter known as the AC Committee, before giving such approval to any plans and specifications, may recommend to the Board that changes be made to comply with the requirements of this Declaration, the Association Rules and Regulations and such additional requirements as the AC Committee may deem necessary to impose structural features of any proposed Improvement, the type of material used or other features or characteristics thereof not expressly covered by any provisions of this instrument, including the location of any proposed Improvement with respect to the topography and finished ground elevation. The AC Committee may also recommend that the exterior finish and color, the architectural style or character of any proposed improvement which constitutes a building or structure, and the landscaping plan shall be such as in the discretion of the Board of Directors shall be deemed suitable in view of the general architectural style and character of existing Improvements within the Property. In the event, the AC Committee and/or the Board of Directors requires any change to the application, the forty (40) day period for automatic approval will be suspended and will not begin again until there is a submission of revised plans. In no event shall approval of any plans and specifications for a particular Lot or Member amount to waiver of the AC Committee's or the Board's right to disapprove similar plans and specifications in the future.

Section 3: **General Provisions.** All alterations and improvements are subject to timetables (for commencement/completion) as established by the AC Committee or the Board. All improvements and any alterations, additions or modifications shall be subject to the ordinances of the City of Phoenix and shall comply with all pertinent building codes, including permitting requirements. No plantings, planter beds, pools, sprinklers or structures that are Visible From Neighboring Property shall be added or modified without approval of the AC Committee or the Board. Care must be taken by each Owner not to impede the established drainage.

Section 4: Conditional Approval. The AC Committee, before giving its approval, may impose conditions or require changes to be made which in its discretion are required to ensure that the proposed Improvement will not detract from the appearance of the Property, or otherwise create any condition unreasonably disadvantageous to other Owners or detrimental to the Property as a whole. All contractors are expected to maintain a clean and safe area at all times including providing safety barricades or other types of equipment to insure Member safety.

Section 5: Evidence of Approval. One of the sets of submissions to the AC Committee shall be retained by it. In the event the AC Committee approves or is deemed to approve the activity for which consent is required, the AC Committee shall endorse its consent on all copies, one of which will be retained in the property lot file and all but one set shall be mailed by the AC Committee chairperson or it's deemed representative, postage prepaid, to the address specified by the submitting party unless such party shall elect to accept delivery thereon in person or by agent so authorized in writing.

Section 6: Discretion of Committee. All action by the AC Committee is authorized in this Declaration and approval or rejection of an application made by its Members shall be within its discretion. Members will have the availability to petition the Board of Directors for a change of approval or to review the Committee's decision on any AC request.

Section 7: Liability. Neither the Association, the Board of Directors, the AC Committee nor any of its Members shall be responsible for any defects in any Improvements erected, constructed, installed, placed, planned, altered or maintained in accordance with or pursuant to any plans and specifications, color scheme, timetable or other material approved by them or any conditions or requirements that they may have imposed with respect thereto, nor shall the Association, the Board, the AC Committee or any of its Members have any liability for the inability of anyone to obtain a building permit for the construction or alteration of any building, structure, or other Improvement pursuant to plans and specifications approved by the AC Committee.

Section 8: Security Deposit. The AC Committee may condition its approval of any Improvements on the posting of a security deposit in an amount specified by the Board to be held in the Reserve Account of the Association, or other security satisfactory to the Board, to be used to ensure that any damage or destruction of the Common Area resulting from the construction or installation of the Improvements shall be repaired. Upon completion of such Improvements and/or any repair necessary by the Owner or the Association, the AC Committee, the Board or it Managing Agent shall return any or all of the security deposit depending on the condition of the property. All work shall be inspected prior to the return of any security deposit. The posting of security shall not relieve any Owner from liability for damage or destruction of said areas caused by him or his agents or contractors, and such liability shall not be limited to the amount of such security.

ARTICLE VI USE RESTRICTIONS

The Lots and Common Area shall be occupied and used as follows:

Section 1: Use of Property. No building shall be erected, constructed, altered or maintained on any of the Lots other than a residence for a single-family (including guests and household servants) with customary and suitable outbuildings as permitted by law and the AC Committee.

Section 2: Location of Structures. Construction of any and every nature shall be confined to and take place only within the building limits of each building site. The location and design of swimming pools, covered gazebos, and other out-buildings, as well as the main structures upon each of the building sites, must be approved in accordance with the terms hereof in writing by the Board or AC Committee prior to any construction or preparation for construction thereon; subject to compliance with all City of Phoenix Ordinances.

Section 3: Re-subdivision of Lots. None of the above described Lots shall be re-subdivided -or split into lots of a lesser size than the size of the original Lot without the written consent of the Board of Directors and a letter of compliance on said subject from the City of Phoenix Zoning Ordinance Department.

Section 4: General Appearance of Structure. The exterior appearance of each Lot and the Improvements thereon shall be maintained to assure an orderly and neat appearance. Homes new or resale shall not be without proper window coverings for a period not to exceed sixty (60) days after occupancy.

Section 5: Signage. "For Sale" signs must be confined to the subject Lot. "Sold" signs may not be displayed on any Lot more than thirty (30) days after said sale of property. No sign or other advertising devise of any nature whatsoever shall be placed or maintained upon any Lot except neatly painted "For Sale", "For Rent" or "Open For Inspection" signs not larger than is reasonable and customary in the area and in compliance with any City of Phoenix Ordinance then in existence regulating signs. No signs shall be placed in the Common Area without written permission from the Board of Directors.

Section 6: Front Yard Care. The front yard of each Lot must be kept clean and orderly at all times.

Section 7: Trash Containers. Trash containers should not be visible in the front of the Lot as viewed from the street or as visible from neighboring property other than on the scheduled collection day set by the City of Phoenix for this area.

Section 8: Outside Lighting. No spotlights, floodlights or similar type high intensity lighting shall be placed or utilized upon any Lot which will direct light to any other Lot or to the Common Areas or any part thereof without the written authorization of the Board. Other types of low intensity lighting which do not disturb the Owners or other occupants of the Property may be allowed, however, additional exterior lighting must have the approval of the AC committee prior to installation.

Section 9: Landscaping. Each Owner shall be responsible for the landscaping and care of his Lot, and all portions thereof, subject to the uniform and reasonable Rules and Regulations of the Board. Any areas of a Lot visible from the streets of the Development must be maintained in good condition to promote curb appeal for the community.

Section 10: Garage Doors. Garage Doors should be kept closed at all times except as may be necessary for reasonable ingress and egress, or when supervised or attended functions are being performed.

Section 11: Clothes Lines and Storage. No clothes lines shall be placed on any Lot in a location that is Visible From Neighboring Property, streets, or common areas. No lumber, metals, machinery, equipment or bulk materials shall be kept, stored, or allowed to accumulate on any Lot or the Common Area except building or other materials to be used in connection with the work of construction, alteration or Improvement approved in accordance with the terms hereof. No storage of personal property is permitted where it would be Visible From Neighboring Property, streets, or Common Areas. This prohibition includes, but is not limited to pet facilities, lawn and gardening equipment, tanks, bins, sheds, vehicles, playground equipment and sports equipment.

Section 12: Animals. No animals, livestock, swine or poultry of any kind shall be raised, bred or kept on any Lot or the Common Area, except that dogs, cats or other household pets may be kept on Lots, provided they are not kept, bred or maintained for any commercial purpose, or in unreasonable numbers. Notwithstanding the foregoing, no animal or fowl may be kept which results in an annoyance or is obnoxious to tenants within, or in the vicinity of, the Property, and, in any event, any Lot Owner shall be absolutely liable to each and all remaining Owners, their families, guests and invitees and to the Association, for all damage to persons or property caused by any pets brought upon or kept upon any Lot or the Common Area by an Owner or by Members of his family, guests or invitees.

Section 13: Pets. Dogs, cats, and other generally recognized domestic pets may be kept as provided herein. No pets may be kept upon any Lot which are a nuisance or are obnoxious to other tenants. Dogs must be leashed at all times when outside of any fenced yard. Residents must clean up after their pets to comply with health and safety regulations and so as not to detract from the Lot. Noise from any pet that results in persistent complaints from other tenants will be sufficient to establish that the animal is a nuisance.

Section 14: Mining and Drilling Operations. No drilling, mineral or hydrocarbon development operations, refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot or the Common Area, nor shall wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot or the Common Area. No derrick or other structure designed for use in boring for oil, natural gas, hydrocarbons or minerals shall be erected, maintained or permitted on any Lot or the Common Area. The foregoing are subject to any rights which may appear of record.

Section 15: Commercial Activities Prohibited. The Lots and Common Area shall not be used for, or in connection with, the conduct of any trade, business, professional or commercial activity of any kind or nature whatsoever, except as hereinafter provided. The only exception shall be for home-offices used solely by the tenant. This home-office use in connection with any

commercial, trade, business or professional activity shall not interfere with or disturb any other Members or tenants. The use of a home-office exception shall be permitted only if there is no additional vehicular, pedestrian, or commercial truck traffic generated by the home-office such as UPS or other delivery type vehicles.

Section 16: Nuisances. No noxious or offensive activity shall be carried on upon any Lot or the Common Area, nor shall any thing be done or kept thereon which may be or become an annoyance or nuisance to the Owners or occupants of any one or more neighboring Lots or of the Common Area.

Section 17: Automobiles, Boats and Trailers. Except as expressly hereinafter provided no Lot or Common Area shall be used as a parking, storing, display or accommodation area for any type of motor vehicle, boat, trailer, camper or motor driven cycle, the purpose of which parking, storage, display or accommodation area is to perform any activity thereon respecting maintenance, repair, rebuilding, dismantling, repainting, or servicing of any kind. Such activities may be performed within completely enclosed garages or other structures located on the designated Lot which screens the sight and sound of the activity from the street and from adjoining property. The foregoing shall not prohibit the washing and polishing of any private automobile or motor driven cycle, together with those activities normally incident and necessary to such washing and polishing.

Section 18: Parking Guidelines. The Board shall have the authority to define and enact parking guidelines and restrictions in the Rules and Regulations of the Association. These guidelines shall be applicable to all Lots, Common Areas and streets and to all private, commercial or antique vehicles, boats, trailers, motorcycles, scooters, campers, ATVs, and other recreational vehicles. It shall be the duty and obligation of the Board to observe and determine that parking guidelines are followed and enforced.

(a) No inoperative motor vehicle of any kind shall be stored or parked on any Lot or on any Common Area. The term "inoperative vehicle" shall be defined as any motor vehicle, which does not have current registration and/or license plates and/or is not operational or legal to operate within the State. The Board may adopt reasonable rules that limit parking in places other than in a garage.

(b) No motor homes, trailers of any kind, boats, all-terrain vehicles or other recreational means of transportation, commercial vehicles, except those during loading or unloading of food or equipment or used during construction of Improvements, truck campers, whether attached or detached, shall be kept, placed, maintained, constructed, reconstructed or repaired on any Lot or Common Area.

(c) No owner, tenant or visitor shall do anything that prevents the streets, driveways and Common Areas from at all times being free and clear of obstructions and in a safe condition for vehicular use.

(d) In addition to the other enforcement provisions contained within this Declaration, the Board may have any offending vehicle removed from the Property at the Owner's expense. Before removing a vehicle, the Board must post a notice on the vehicle for twenty-four (24) hours, or send the Owner a certified letter regarding the illegal parking of a vehicle. The recording and receipt of this Declaration shall be deemed to put every Owner, tenant and visitor on notice of this provision. Any vehicle parked within a posted fire lane may be removed at the Owner's expense without notice.

Section 19: Antennas and Satellite Dishes. Satellite Dishes may be installed after submission and approval of an AC Request Form as outlined in the Rules and Regulations as adopted by the Board based on the Federal Communication Commission ruling. Television antennas are prohibited on the exterior of any home, but may be placed in an attic of so as not to detract from the curb appeal of the community.

Section 20: Changing Grades, Slopes and Drainage. No change in the established grade or elevation of the Lots, and no change in the established slope or ratio of the cuts and fills, which alters established drainage patterns shall be permitted without the prior written consent of the Board and without the prior written approval of the appropriate governmental agency. For the purposes hereof, established drainage patterns are defined as the drainage patterns existing at the time the grading of the Property was completed in conformity with the grading plan heretofore approved by the County of Maricopa. No drainage shall be allowed to drain over any banks. Each of the Owners of the Lots covenants to permit free access by the Association and Owners of adjacent Lots to slopes or drainageways located on a Lot when such access is required for the maintenance of the drainage facilities or for the protection and use of property other than the Lot on which the slopes or drainageway is located or for the maintenance and repair of the Common Area or any Improvement on any Lot.

Section 21: Trees, Shrubs, Within Set-Backs and Easements. The Board hereby reserves the right to enter upon any of the Lots at any time to inspect and control the plants, trees and seed thereon and also to inspect for and control insect pests. This right shall be exercised in the following manner: the Board shall verify the existence of pests with a reputable nursery and then if, after notice to the Owners from the Board of the existence of infected plants, diseased trees, or of insect pests, the Owner fails or neglects to take such measures for the eradication or control of the same as the Board may deem necessary for the protection of the community, the Board may thereupon enter thereon and, at the expense of the owner thereof, destroy or remove infected or diseased plants and/or trees, and/or spray the same, and/or take such other measures as may be deemed necessary in the opinion of the Board to protect the community from the spread of such infection and/or pests; and the Board or any officer or agent or designee thereof, shall not thereby be deemed guilty of or liable for any manner of trespass.

Section 22: Easements and Rights-of-Way. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easement. The easement area of each Lot and all Improvements in it shall be maintained continuously by the Owner of the Lot, except for those Improvements for which a public authority or utility company is responsible.

Section 23: Compliance with Laws. Each Owner shall promptly comply with all laws, statutes, ordinances, rules and regulations of Federal, State or municipal governments or authorities applicable to use and occupancy of, and construction and maintenance of Improvements upon the Lots and any additions thereto.

Section 24: Rules and Regulations. There shall be no violation of the Rules and Regulations adopted by the Board and furnished in writing to the Owner, and the Board is authorized to adopt such Rules and Regulations, subject to the rights of the Owners pursuant to the terms hereof. Upon a violation of any of such Rules and Regulations by an Owner, the Association shall give the Owner written notice by mail to correct such violation and if the Owner fails to correct same within ten (10) days after the date the notice is mailed, the Association may take any measures provided by this Declaration, including application to any court for performance of this Declaration, or for an injunction without bond or for any other appropriate relief, including damages.

Section 25: Use of Common Areas. The Common Area shall be used for appropriate recreational uses, including, but not limited to, hiking, bicycling on designated bicycle paths, walking and other appropriate uses. The Common Area shall not be used for equestrian purposes, except as designated in Exhibit "2" attached hereto, nor shall any motor driven vehicle be used upon the Common Area except as may be permitted by the Board of Directors of the Association.

Section 26: Rental and Lease Requirements. No dwelling units on the Property shall be leased or rented for a period of less than one-hundred twenty (120) days. Owners who rent Lots shall:

- a) Provide the renter/tenant a copy of the Declaration and the Rules and Regulations and have the tenant agree to abide by them.
- b) Provide the Association or its agents with notice of any lease renewals or changes.
- c) Provide the Association with a Tenancy Agreement Form and a signed Crime Free Lease Addendum for the property lot file. The Board may amend these forms without amending this Declaration.

It is the Owner's responsibility, and not the tenant's responsibility, to pay the Assessments and fines levied on a Lot. The Board has the right, power and duty to enact Rules and Regulations to implement the principles of the Rental and Lease Requirements. The Board may require all Owners to execute agreements with tenants regarding the use of drugs and other appropriate agreements and disclosures to implement this section.

Section 27: Owners' Noncompliance. The Association or its authorized agents shall have the right to enter upon such Owner's Lot for the purpose of remedying the matters set forth in any notice given pursuant to the terms of this Declaration, and shall not be liable for trespass in connection with such entry. The cost to the Association of remedying such Owner's failure to comply with the provisions of this Article VI shall be Assessed to the Owner as a Remedial Assessment, enforceable in the manner provided in the Article of this Declaration titled "Covenant for Assessments." The authority of the Board to require painting or maintenance shall be limited to those portions of the Lots and Improvements Visible from Neighboring property.

ARTICLE VII MAINTENANCE OF COMMON AREA

Section 1: Common Area. The Common Area owned by the Association shall consist of but not be limited to landscaped lawns, walkways, and all other Common Area and recreation facilities and Improvements thereon lying within the Common Area designated within Exhibit 2 attached hereto. The Association shall provide maintenance upon the Common Area as required, such maintenance to include, but not be limited to, care and replacement of trees, shrubs, grass, walks, and other uses appurtenant to the Common Areas. The Association shall be responsible for including in the Assessments an amount sufficient to pay the base Assessment for water used on the Common Area, and for making the required periodic payments to any applicable Water Users' Association or district as billed to the Association by the Water Users' Association or district.

Section 2: Repairs to Common Area. In the event any part of the Common Area is damaged or destroyed by the willful, or negligent acts of an Owner; or any Members of his family or any other person or persons for whose acts or omissions the Owner would be liable under Arizona law, such Owner does hereby irrevocably authorize the Association to repair the damaged element and the Association shall so repair the damaged element in a good, workmanlike manner in substantial conformity with the original plans and specifications.

Section 3: Additional Provisions. In the event that the need for any maintenance or repairs to the Common Areas (or otherwise for which the Association is responsible) is caused through the willful or negligent act of the Owner of a Lot, his family, guests, or tenants, the actual cost of such maintenance or repairs shall be an Individual Remedial Assessment, in accordance with Article IV of this Declaration. Further, no Owner or other person shall do or allow any act or work that will impair the structural soundness or integrity of the Common Area or impair any easement or hereditament, nor do any act nor allow any condition to exist which will adversely affect the other Lots or their Owners and occupants.

ARTICLE VIII EASEMENTS and TRAFFIC

Section 1: Easements. There is hereby created a blanket easement upon, across, over and under the Common Area for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to, water, sewers, gas, telephones, and electricity, a master television antenna system and a cable television system. Notwithstanding anything to the contrary contained in this Article, no sewers, electrical lines, water lines or other utilities may be installed or relocated thereon except as initially provided and approved by the Developer of Village Fairways. This easement shall in no way effect any other recorded easements thereon. Each portion of the Common Area shall be subject to an easement for encroachments, created by construction, settling and overhangs, as designated or constructed by the Developer. A valid easement for such encroachments and for the maintenance of same, so long as it stands, shall and does exist. Notwithstanding any provision herein to the contrary, any encroachment permitted herein shall not exceed one (1) foot. Easements granted to the public and to owners of the Association are given by authority of the Plat of Dedication shown as Exhibit 2 of this Declaration.

Section 2: **Traffic.** Traffic and the control thereof shall be the responsibility of the Association and its Board of Directors and officers.

ARTICLE IX ENFORCEMENT

Section 1: **Right of Entry and Enforcement.** The Association shall have the power to enter upon any Lot (excluding the interior of any dwelling thereon) or any Common Area for the purpose of ascertaining whether the provisions of this Declaration and Association Rules and Regulations have been or are being complied with, for the purpose of enforcing by peaceful means any of the provisions of this Declaration or the Association Rules and Regulations, or for the purpose of maintaining or repairing any such area as required to be maintained or repaired by this Declaration or the Association Rules and Regulations. Except for routine landscaping, such entrance shall be after twenty-four (24) hours' prior written notice to the Owner, or such greater notice as may be required by any provision hereof provided, however, that such entrance shall be permitted without any prior notice whatsoever in the event of an emergency.

Section 2: **Right to Bring Suit and Fine.** The Association shall also have the power and authority from time to time in its own name, on its own behalf or on behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Declaration and the Association Rules and Regulations, and to enforce, by mandatory injunction or otherwise, all of the provisions hereof. In addition, or as an alternative method of enforcing this Declaration and the Association Rules and Regulations, the Board may impose monetary penalties, temporary suspensions of an Owner's rights as a Member or other appropriate discipline for failure to comply with the provisions of this Declaration or the Association Rules and Regulations, provided that the procedures for notice and hearing are given to the accused Member before a decision to impose discipline is reached.

Section 3: **All Remedies are Available.** The Association, or any Owner, shall have the right to enforce, by any proceeding law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration.

Section 4: **Expense of Enforcement is Lien on Lot.** All expenses of the Association in connection with such actions or proceedings, including court costs and attorneys' fees, and all damages, together with interest thereon at the maximum rate charged for VA or FHA mortgages during the period in question, until paid, shall be charged to such defaulting or non-complying Owner, and shall be a Lien on such Owner's Lot, his interest in the Association and upon all of such Owner's Improvements to his Lot, which Lien shall be enforceable as a Remedial Assessment in the manner set forth in the Article hereof, entitled "Assessments."

Section 5: **Summary of Enforcement.** The following provisions are in addition to and not in lieu of other terms and conditions in this Declaration relating to remedies for Enforcement: Violation of any of the restrictions or conditions or breach of any covenants or agreement contained herein or of any Rules and Regulations promulgated by the Board shall enable the Association, acting through the Board to fine and/or special assess the individual Lot Owner for infraction thereof. The fine or Assessment shall be set and levied by the Board.

ARTICLE X GENERAL PROVISIONS

Section 1: Notices. Notices to the Association provided for in the Declaration, the Bylaws, or the Rules and Regulations shall be in writing and shall be addressed to the Association at the address specified by the Board, the Managing Agent or the Management Company. The Association may designate a different address or addresses for notice by giving written notice to all Owners. All notices to Owners shall be to their respective Lots or to the last address shown on the records of the Association. Any Owner may designate a different address or addresses for notices to him by giving written notice of his change of address to the Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail, or when delivered in person. Any notice to an Owner also shall constitute notice to the Member entitled to exercise the Association membership rights for that Owner's Lot.

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

Section 3: Term. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date the Declaration was recorded, after which time they shall be automatically extended for successive periods of ten (10) years.

Section 4: Amendment. The covenants and restrictions of this Declaration shall run with and bind the land for a period of thirty (30) years from the date this Declaration is recorded, after which time they shall be extended for successive periods of ten (10) years. This Declaration may be amended by the affirmative vote by written ballot of not less than two-thirds (2/3rds) of the Members entitled to vote (and not 2/3rds (two-thirds) of a quorum), in person or by proxy or by mail-in written ballot, at a meeting duly called pursuant to Art. III, §5 for that purpose. An amendment to this Declaration must be signed by the President or Vice President of the Association and filed for recording in the records of the Maricopa County Recorder's office, along with a certification by the Secretary of the Association stating that the amendment was approved by the affirmative vote of not less than (2/3rds) of the Members entitled to vote at a meeting duly called pursuant to Art. III, §5 for the purpose of amending the Declaration.

Section 5: Waiver. Failure by the Association or by any Owner to enforce any covenants or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 6: Easements. Any and all easements referred to herein shall be deemed reserved or granted, or both reserved and granted, as appropriate, by reference to this Declaration in a conveyance of any Lot.

Section 7: Destruction or Damage to or Condemnation of Common Area. In the event of destruction or damage to the Common Area, or in the event of an exercise of the power of eminent domain or settlement of any threatened properties taken by exercise of the power of eminent domain, any proceeds of insurance payable to the Association shall be utilized by it to contract for the repair and reconstruction of such destroyed or damaged portions of the Common Area substantially as they existed prior to such destruction or damage and any proceeds payable by reason of the exercise or threatened exercise of eminent domain may be used by the Association for any of its authorized purposes.

Section 8: Non-use of the Common Area or Abandonment of Lot. No Owner may waive or otherwise be relieved of liability for the Assessments hereinabove provided by non-use of the Common Area or abandonment of his Lot.

Section 9: Exhibits. All Exhibits referred to herein are attached hereto and shall be deemed incorporated herein by reference.

Section 10: Controlling Provisions. In the event of any conflict or inconsistency between the provisions of this Declaration and the provisions of the Articles of Incorporation, Bylaws or Rules and Regulations of the Association, the terms and provisions of this Declaration shall control.

Section 11: Not Subject to The Condominium Act. This Declaration is not subject to The Condominium Act of the Arizona Revised Statutes by this Amendment or otherwise.

Section 12: Compliance with Law. No provision in this Declaration may be amended, changed, modified or rescinded so as to conflict with the provisions of any state, local, municipal or Federal law.

Section 13: Violation and Nuisance. Every act or omission whereby any provision of this Declaration is violated in whole or in part is hereby declared to be a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action, by the Association or any Owner or Owners.

Section 14: Violation of Law. All activities shall be in conformance with the laws and ordinances of the City of Phoenix. Any violation of any federal, state, municipal or local law, ordinance or regulations, pertaining to the ownership, occupancy or use of any of the Property is hereby declared to be a violation of this Declaration and subject to any or all of the enforcement procedures set forth herein.

Section 15: Breach. No breach of the covenants, conditions or restrictions herein contained, nor the enforcement of any lien provisions herein, shall defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, but all of said covenants, conditions and restrictions shall be binding upon and effective against any owner whose title is derived through foreclosure or trustee's sale, or otherwise.

Section 16: Construction of Document. This Declaration shall be construed in accordance with the laws of the State of Arizona.

Section 17: Mortgagee Requirements.

(a) **Notice of Delinquency.** A first Mortgagee at its request is entitled to written notification from the Association of any default by the Owner of the Lot which is subject to a Mortgage in favor of said Mortgagee, of such owner's obligations under the constituent documents which is not cured within sixty (60) days.

(b) **Reserve Fund:** An adequate reserve fund for replacement of the Common Area, Improvements may be established and may be funded by regular monthly payments rather than by Special Assessments.

(c) **Payment of Delinquent Taxes.** First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a lien or charge against all or any portion of the Common Area and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for such Common Area and first Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

(d) **Right to Encumber.** Any Owner may encumber his Lot by Mortgage, as defined herein. A mortgagee who acquires title by foreclosure or deed in lieu of foreclosure shall not be obligated to cure any breach of this Declaration which is noncurable or of a type which is not feasible to cure or which is not practical to cure and does not materially affect the Association or any other Owners.

(e) **Rights and Resale After Foreclosure.** It is intended that any loan to facilitate the resale of any Lot after foreclosure or deed in lieu of foreclosure is a loan made in good faith and for value and entitled to all of the rights and protections afforded to Mortgagees hereunder.

(f) **Limit on Amendments Not Signed by Mortgagee.** No amendment to this section titled "Special Mortgagee Requirements" shall affect the rights of the Mortgagee under any Mortgage, recorded prior to recordation of such amendment who does not join in the execution thereof.

(g) **Right to Attend Meetings.** Because of its financial interest in a Lot, a Mortgagee may appear (but may not vote) at meetings of the Owners and the Board to draw attention to violations of this Declaration which have not been corrected or made the subject of remedial proceedings or Assessments.

(h) **Information Given to Board.** A Mortgagee is authorized to furnish information to the Board, or its Managing Agent concerning the existence of any loan encumbering a Lot.

Section 18: **Plurals; Gender.** Whenever the context so requires the use of the singular shall include and be construed as including the plural, and the masculine shall include the feminine and neuter.

Section 19: **Headings.** Section headings and table of contents are inserted for convenience only and are not intended to be a part of this document or, in any way, to define, limit, or describe the scope or intent of the particular section to which they refer.

Section 20 **Capitalization.** Capitalization of a common noun or predicate adjective indicates the term is used as defined in the Article titled "Definitions," unless the context requires otherwise.

Section 21: Documents to Prevail. In the event there is a conflict between or among this Declaration, the Articles or Bylaws, the most restrictive provision shall apply unless such interpretation is clearly contrary to the meaning and intent of the Documents. In the event of a conflict, the provisions of the various documents shall prevail in the following order:

- i) This Declaration;
- ii) The Articles of Incorporation of the Village Fairways Homeowners Association;
- iii) The Bylaws of the Village Fairways Homeowners Association;
- iv) The Association Rules and Regulations.

In Witness Hereof, the Board of Directors has executed this Amended and Restated Declaration of Covenants, Conditions and Restrictions as of the 1st day of June 2001, on behalf of the 107 affirmative votes of the members of the Village Fairways Homeowners Association which represent at least 75% of the 140 members entitle to vote.

The Board of Directors of Village Fairways Homeowners Association

President

Vice President

Secretary

Treasurer

Director

Joan Munzinger
[Signature]
[Signature]
Robert F. Miller
[Signature]

STATE OF ARIZONA)
) ss.
 County of Maricopa)

The foregoing instrument was acknowledged before me on the 1st day of June, 2001 by Joan Munzinger, President of Village Fairways Homeowners Association, an Arizona non-profit corporation, as the act of and on behalf of said corporation.

Notary Seal and Expiration

8/29/02

Denise H. Kolnik
 NOTARY PUBLIC

8/29/02

Notary Seal and Expiration

Denise H. Kolnek
NOTARY PUBLIC

The foregoing instrument was acknowledged before me on the 1st day of June, 2001 by Linda Mittelman, Secretary of Village Fairways Homeowners Association, an Arizona non-profit corporation, as the act of and on behalf of said corporation.

8/29/02

Notary Seal and Expiration

Denise H. Kolnik
NOTARY PUBLIC

The foregoing instrument was acknowledged before me on the 1st day of June, 2001 by Robert Miller, Treasurer of Village Fairways Homeowners Association, an Arizona non-profit corporation, as the act of and on behalf of said corporation.

8/29/02
Notary Seal and Expiration

The foregoing instrument was acknowledged before me on the 1st day of June, 2001 by David Sebastian, Director of Village Fairways Homeowners Association, an Arizona non-profit corporation, as the act of and on behalf of said corporation.

8/29/02

Notary Seal and Expiration

Danise H. Kolnik
NOTARY PUBLIC

CRIME FREE LEASE ADDENDUM

All tenants are required to sign the Crime Free Lease Addendum. Please take time to read and adhere to these requirements.

In consideration of the execution or renewal of a lease of the dwelling unit classified in the lease, Owner and Tenant agree as follows:

1. Tenant, any Member of the tenant's household or a guest or other person under the tenant's control shall not engage in criminal activity, including drug-related criminal activity, on or near the said premises. "Drug-related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use of a controlled substance (as defined in Section 102 of the Controlled Substance Act [21 U.S.C. 809]).
2. Tenant, any Member of the tenant's household, or a guest or other person under the tenant's control shall not engage in any act intended to facilitate criminal activity, including drug-related criminal activity, on or near said premises.
3. Tenant or Members of the tenant's household will not permit dwelling to be used for, or to facilitate, criminal activity, including drug-related criminal activity, regardless of whether the individual engaging in such activity is a Member of the household or a guest.
4. Tenant or Members of the tenant's household or guest, or another person under the tenant's control shall not engage in the manufacture, sale, or distribution of illegal drugs at any location, whether on or near the dwelling unit, premises, or otherwise.
5. Tenant, any Member of the tenant's household, or a guest or another person under the tenant's control shall not engage in any illegal activity, including prostitution as defined in A.R.S. § 13-3211, criminal street gang activity, as defined in A.R.S. §13-105 and 13-3208, threatening or intimidating as prohibited in A.R.S. §13-1202, assault as prohibited in A.R.S. §13-1203, including but not limited to the unlawful discharge of firearms on or near the dwelling unit premise, or any breach of the lease agreement that otherwise jeopardizes the health, safety, and welfare of the landlord, his agent or other tenant or involving imminent serious property damage, as defined in A.R.S. §33-1368.
6. VIOLATION OF THE ABOVE PROVISIONS SHALL BE A MATERIAL AND IRREPARABLE VIOLATION OF THE LEASE AND GOOD CAUSE FOR IMMEDIATE TERMINATION OF TENANCY. The Owner and the tenant agree that the Village Fairways Homeowner's Association is a third-party beneficiary of the lease and this Addendum and may enforce all the terms of these contracts and may avail itself of all the remedies afforded a landlord under Arizona Law including the forcible detainer laws. A single violation of any provisions of this addendum shall be deemed a serious violation, and a material and irreparable non-compliance. It is understood that a single violation shall be good cause for immediate termination of the lease under A.R.S. §33-1377, as provided in A.R.S. §33,1368. Unless otherwise prohibited by law, proof of violation shall not require criminal conviction, but shall be by a preponderance of the evidence.
7. In case of conflict between the provisions of this addendum and any other provisions of the lease, the provisions of the addendum shall govern.
8. This LEASE ADDENDUM is incorporated into the lease executed or renewed this day between Owner and Tenant.

 Tenant Signature

 Date

 Property Manager/Owner's Signature

 Date

 Property Address

**TENANCY AGREEMENT FORM
VILLAGE FAIRWAYS HOMEOWNERS ASSOCIATION**

Property Owner Name: _____ Lot #: _____

Property Owner Mailing Address: _____

Property Owner Telephone Number: _____

Name of Owner's Management Company (if applicable): _____

Address of Owner's Management Co.: _____

Telephone Number of Management Co.: _____ Representative: _____

Tenant Name: _____ Length of Lease: _____

Tenant's Telephone Number: _____ Number of Children: _____

Age of Children: _____ Pets: _____

Number of Vehicles on Property: _____

Vehicle No. 1: License #: _____ Make: _____ Color: _____

Vehicle No. 2: License #: _____ Make: _____ Color: _____

Signed Crime Free Form attached: Yes _____ No _____

I, _____, at Lot No. _____ have received, read and agree to abide by the CC&Rs, and Rules and Regulations of Village Fairways Homeowners Association knowing that if they are not adhered to, I will ultimately be fined for violations. All the parties acknowledge and agree that the Village Fairways Homeowners Association is a third-party beneficiary of the rental agreement and can enforce all its terms against the tenant and can enforce all remedies under the Arizona Tenant and Landlord laws against the tenant for violations of the Association's Operative Documents and the rental agreements.

Signature of Tenant

Date

Signature of Tenant

Date

Signature of Tenant

Date

Signature of Landlord

Date

Please return this completed, signed and dated form to the Association's Property Manager using the enclosed self-addressed, stamped envelope.

THAT PORTION of the South half of the North half of Section 19, Township 3 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

BEGINNING at the center of said Section 19, said point being the intersection of the monument lines of 44th Street and Cholla Street; thence South 89 degrees 01 minute 48 seconds West, along the South line of the Northwest quarter of said Section 19, a distance of 650.07 feet; thence North 00 degrees 57 minutes 05 seconds West, a distance of 300.23 feet to a point on a curve having a central angle of 27 degrees 04 minutes 56 seconds, and whose radius point bears North 02 degrees 59 minutes 05 seconds East, a distance of 600.00 feet; thence along the arc of said curve, a distance of 283.60 feet; thence North 25 degrees 32 minutes 56 seconds East, a distance of 248.32 feet to the point of curvature of a curve having a central angle of 75 degrees 28 minutes 32 seconds and whose radius point bears North 64 degrees 27 minutes 04 seconds West, a distance of 237.70 feet; thence along the arc of said curve, a distance of 313.12 feet; thence North 31 degrees 49 minutes 39 seconds East, a distance of 227.43 feet; thence South 53 degrees 10 minutes 21 seconds East, a distance of 312.30 feet; thence South 22 degrees 55 minutes 47 seconds West, a distance of 362.33 feet; thence South 68 degrees 11 minutes 55 seconds East, a distance of 81.56 feet; thence North 21 degrees 48 minutes 05 seconds East, a distance of 80.00 feet; thence South 88 degrees 11 minutes 55 seconds East, distance of 135.41 feet; thence North 88 degrees 01 minute 30 seconds East, a distance of 290.17 feet; thence North 37 degrees 24 minutes 19 seconds East, a distance of 428.02 feet; thence East a distance of 160.00 feet; thence South 38 degrees 39 minutes 35 seconds East, a distance of 256.13 feet; thence South 74 degrees 21 minutes 28 seconds East, a distance of 519.23 feet; thence South 63 degrees 20 minutes 59 seconds East, a distance of 300.98 feet; thence South 72 degrees 24 minutes 27 seconds East, a distance of 213.05 feet; thence South 65 degrees 13 minutes 29 seconds East, a distance of 87.40 feet; thence South 68 degrees 34 minutes 31 seconds East, a distance of 171.10 feet; thence South 76 degrees 52 minutes 13 seconds East, 277.05 feet thence North 89 degrees 03 minutes 25 seconds East, a distance of 175.47 feet to the point of curvature of a curve having a central angle of 90 degrees 00 minutes 00 seconds, and whose radius point bears South 00 degrees 56 minutes 35 seconds East, a distance of 100.00 feet; thence along the arc of said curve, a distance of 157.08 feet; thence South 00 degrees 56 minutes 35 seconds East, a distance of 157.08 feet; thence South 00 degrees 56 minutes 35 seconds East, a distance of 145 feet; thence South 89 degrees 03 minutes 25 seconds West along the South line of the Northeast quarter of said Section 19, a distance of 226.22 feet; thence North 00 degrees 56 minutes 35

seconds West, a distance of 212.90 feet; thence South 89 degrees 03 minutes 25 seconds West 150.10 feet, thence North 80 degrees 23 minutes 30 seconds West, a distance of 175.30 feet; thence South 89 degrees 03 minutes 25 seconds West, a distance of 591.10 feet; to a point of curvature of a non-tangent curve concave Southeasterly having a radius of 338.16 feet which bears North 89 degrees 03 minutes 25 seconds East and a central angle of 00 degrees 27 minutes 57 seconds; thence Southerly along said curve, a distance of 2.65 feet; thence South 01 degrees 23 minutes 32 seconds East, a distance of 208.81 feet to a point on a non-tangent curve having a radius of 25.00 feet which bears North 29 degrees 56 minutes 24 seconds East and a central angle of 30 degrees 52 minutes 59 seconds thence Southeasterly along said arc of said curve, a distance of 13.48 feet; thence South 00 degrees 56 minutes 35 seconds East 30.00 feet to a point on the South line of the North half of said Section 19, thence South 89 degrees 03 minutes 25 seconds West, along the South line of the North half of Section 19, a distance of 1,357.45 feet to the center of said Section 19, said point being the POINT OF BEGINNING.

A PLANNED AREA DEVELOPMENT

A PORTION OF THE SW/2 N1/2 OF SECTION 19, OF
TOWNSHIP 3 NORTH, RANGE 4 EAST OF THE
GILA AND SALT RIVER BASE AND MERIDIAN.

APPROVALS

APPROVED BY THE COUNCIL OF THE CITY OF PHOENIX, ARIZONA, THIS 30th DAY OF MARCH

24. Margaret T. House
Denver
American Legion Building
Crest

1. CARL E. SWINER, hereby certifies that I am a registered civil engineer of the State of Arizona. That this map, consisting of 1 sheet, correctly depicts a survey made under my supervision during the month of JULY, 1976. That the survey is true and complete as shown. That all the monuments shown actually exist as shown; that their positions are correctly shown; and that said monuments are sufficient to enable the survey to be retraced.

Paul E. Lyndon
CARE, 2, SECTION
BOSTON CITY, MASSACHUSETTS

ALL UTILITIES LOCATED ON OR NEAR THE PROPERTY SHALL BE IN ACCORDANCE WITH CITY OF MISSOURI STANDARDS AND PERMIT REQUIREMENTS. (2) SANITATION COLLECTION STANDARDS: (3) STANDARDS TO MAINTAIN STREET PAVING, CURBS AND GUTTERS: (4) PRIVATE ACCESSWAYS SHALL BE INSTALLED AND MAINTAINED IN ACCORDANCE WITH CITY OF MISSOURI STANDARDS AND PERMIT REQUIREMENTS.

A HOMEOWNERS ASSOCIATION, INCLUDING ALL PROPERTY OWNERS IN THE DEVELOPMENT, SHALL BE FORMED TO MAINTAIN AND ENFORCE THE STANDARDS AND PERMIT REQUIREMENTS SET FORTH IN THE CDD. THE ASSOCIATION SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF THE COMMON AREAS AND FOR THE MAINTENANCE OF THE STANDARDS AND PERMIT REQUIREMENTS SET FORTH IN THE CDD. THE ASSOCIATION SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF THE COMMON AREAS AND FOR THE MAINTENANCE OF THE STANDARDS AND PERMIT REQUIREMENTS SET FORTH IN THE CDD.

ALL UTILITY AND SINGLE PHASE ELECTRIC LINES ARE TO BE INSTALLED UNDERGROUND. THE STRUCTURE OF ANY LINE BE CONSTRUCTED WITHIN OR OVER THE PUBLIC UTILITY EASEMENTS SHALL BE IN ACCORDANCE WITH CITY OF MISSOURI STANDARDS AND PERMIT REQUIREMENTS. IT SHALL BE FURTHER RECOGNIZED THAT THE CITY OF MISSOURI SHALL NOT BE REQUIRED TO MAINTAIN OR REPLACE ANY UTILITIES OR PLANTING THAT WERE BE DEVELOPED OUTSIDE THE COURSE OF THE DEVELOPMENT.

STATE OF ARIZONA }
COUNTY OF MARICOPA } ss
ON THIS 9 DAY OF December 1960 BEFORE ME, THE UNDERSIGNED OFFICER, PERSONALLY
APPEARED Charles A. Senger WHO ACKNOWLEDGES himself TO BE THE TRUST
OFFICER OF PIONEER TRUST COMPANY OF ARIZONA, AN ARIZONA CORPORATION, AND AS SUCH
OFFICER, BEING AUTHORIZED SO TO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES THEREOF
CONTAINED BY SIGNING THE NAME OF THE CORPORATION, AS TRUSTEE, BY himself AS SUCH OFFICER.

MY COMMISSION EXPIRES, Sept 16, 1980

VILLAGE FAIRWAYS • PLAT OF DEDICATION • 03-01-02 Sheet 1 of 2

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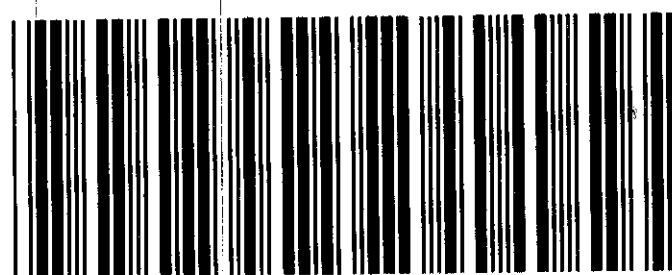
OFF. - ADDRESS - NUMBER

When recorded mail to:

Name:

Address: **Amtcor Property Professionals, Inc.**
16441 N. 91st Street, Suite 104
Scottsdale, AZ 85260

City/State/Zip:



OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL

2004-1013560 08/31/04 09:04
17 OF 59

PALUMBOA

this area reserved for county recorder

CAPTION HEADING:

DO NOT REMOVE

This is part of the official document.

210

When recorded, return to:

NOTICE OF COMMUNITY ASSOCIATION

Pursuant to A.R.S. §33-1256(J) or 33-1807(J), notice is hereby given of the following information:

1. Legal/Corporate Name of Association:
Village Fairways Homeowners Association, Inc.
2. Trade or aka Name of Association: _____
3. Managing Agent: Amcor Property Professionals, Inc.
4. Association address: 16441 N. 91st Street, Suite 104, Scottsdale, AZ 85260
5. Association telephone number: (480) 948-5860
6. Name of Community/Subdivision/Condominium: _____
Village Fairways Homeowners Association
7. Declaration Recording Information:

Date

Recording Number

06/01/2001

2001-0471712

VILLAGE FAIRWAYS

By: _____

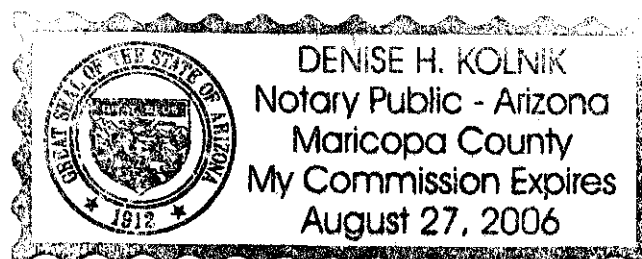
STATE OF ARIZONA)

County of Maricopa)

ACKNOWLEDGED before me this 21st day of July, 2004 by

Dennis C. May, Manager of the Association.

Denise H. Kolnik Day
Notary Public



When recorded, mail to:

0867337-3-1-1
floresc

Village Fairways Homeowners Association
c/o AMCOR Property Professionals, Inc.
16441 N. 91st Street, Suite 104
Scottsdale, AZ 85260

**FIRST AMENDMENT TO
AMENDED AND RESTATED DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
of
VILLAGE FAIRWAYS HOMEOWNERS' ASSOCIATION**

This First Amendment to the Amended and Restated Declaration of Covenants, Conditions and Restrictions of Village Fairways Homeowners' Association (this "**First Amendment**") is made as of this 20th day of July, 2013, by Village Fairways Homeowners' Association, an Arizona nonprofit corporation (the "**Association**").

RECITALS

A. An Amended and Restated Declaration of Covenants, Conditions and Restrictions of Village Fairways Homeowners' Association (the "**Declaration**") was recorded on June 1, 2001, at Recording No. 2001-0471712, in the records of the County Recorder of Maricopa County, Arizona creating certain covenants, conditions, restrictions, easements and other servitudes for the planned community known as Village Fairways Homeowners' Association.

B. Unless otherwise defined in this First Amendment, each capitalized term used in this First Amendment shall have the meaning given to such term in the Declaration.

C. Section 10.4 of the Declaration provides that the Declaration may be amended at any time by the affirmative vote or written consent of Owners of not less than two-thirds (2/3) of the Lots. Section 10.4 further provides that any amendment approved by the Owners shall be signed by the President or Vice President of the Association.

D. The amendments to the Declaration set forth in this First Amendment have been adopted by the affirmative vote or written consent of Owners of not less than two-thirds (2/3) of the Lots.

AMENDMENT

NOW, THEREFORE, the Declaration is amended as follows:

1. The following Section 12 is added at the end of Article IV of the Declaration:

Section 12. Reserve Contribution.

(a) Except as otherwise provided in this Section 12, each person who purchases a Lot or otherwise becomes the Owner of a Lot shall pay to the Association, through closing or otherwise, immediately upon becoming the Owner of the Lot, a contribution to the reserves (referred to herein as the “**Reserve Contribution**”) of the Association for the periodic maintenance, repair and replacement of the Common Area. The amount of the Reserve Contribution shall be \$500.00 per Lot; provided, however, that the Board of Directors may from time to time increase or decrease the amount of the Reserve Contribution.

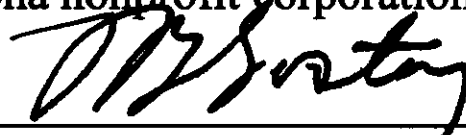
(b) No Reserve Contributions shall be payable with respect to: (1) the transfer or conveyance of a Lot by devise or intestate succession; (2) a transfer or conveyance of a Lot to a family trust, family limited partnership or other person for bona fide estate planning purposes; (3) a transfer or conveyance of Lot to a corporation, partnership or other entity in which the grantor owns a majority interest unless the Board determines, in its sole discretion, that a material purpose of the transfer or conveyance was to avoid payment of the Reserve Contribution in which event a Reserve Contribution shall be payable with respect to such transfer or conveyance; (4) the conveyance of a Lot by a trustee's deed following a trustee's sale under a deed of trust provided the grantee was the beneficiary under the deed of trust; (5) a conveyance of a Lot as a result of the foreclosure of a realty mortgage provided the purchaser was the mortgagee under the realty mortgage that was foreclosed; or (6) the forfeiture or foreclosure of an Owner's interest under a recorded contract for the conveyance of real property subject to A.R.S. §33-741, *et. seq.*, provided the person acquiring the Lot was the Trustee or lender under the contract.

(c) All Reserve Contributions shall be deposited in a reserve account established by the Association and shall only be used for the maintenance, repair and replacement of the Areas of Association Responsibility. Reserve Contributions shall be non-refundable and shall not be considered as an advance payment of Assessments.

(d) The provisions of this Section touch and concern the land subject to this Declaration.

2. Except as expressly amended by this First Amendment, the Declaration shall remain unchanged and in full force and effect. In the event of any conflict or inconsistency between the provisions of this First Amendment and the Declaration, this First Amendment shall control.

**VILLAGE FAIRWAYS
HOMEOWNERS' ASSOCIATION**, an
Arizona nonprofit corporation

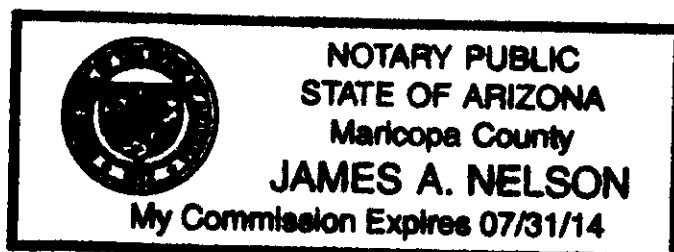
By: 

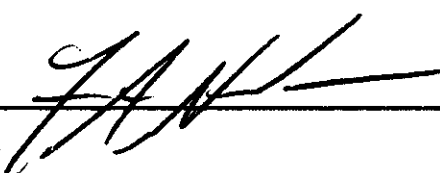
Name: Henry Gostony

Title: Vice President

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 24th day of September, 2013, by Henry Gostony, the Vice President of Village Fairways Homeowners' Association, an Arizona corporation, on behalf of the corporation.



Notary Public 

CERTIFICATION OF SECRETARY OF ASSOCIATION

The undersigned secretary of the Association hereby certifies that the foregoing amendment was approved by the affirmative vote of not less than 2/3^{rds} of the Members entitled to vote at a meeting duly called pursuant to Art. III, § 5 for the purpose of amending the Declaration.

**VILLAGE FAIRWAYS
HOMEOWNERS' ASSOCIATION**, an
Arizona nonprofit corporation

By: 

Name: Linda Mittelman

Title: Secretary