

Cochise Vista Del Oro Homeowner's Association

P.O. Box 1535 Hereford, AZ 85615

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Note: VDO Board member terms are 3-years; new board members are voted on by the membership in the Annual (April) Meeting.
Board Officers are voted in at the Annual Meeting by the board.
Board meetings are scheduled for mid-April & October. All Members are welcome to attend.

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SEP 02 1999



FEE # 990927121
OFFICIAL RECORDS
COCHISE COUNTY
DATE 99/09/02 HOUR 11

REQUEST OF
PIONEER TITLE AGENCY
CHRISTINE RHODES-RECORDER
FEE : 36.00 PAGES : 32

Please Record and Return to:

Michael D. Botwin, Esq.
3507 N. Campbell Avenue, Suite 111
Tucson, Arizona 85719
311161NN

**AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS, ASSESSMENTS, CHARGES,
SERVITUDES, LIENS, RESERVATIONS AND EASEMENTS FOR
VISTA DEL ORO, LOTS 1-44 AND COMMON AREAS "A", "B" AND "C"**

This Amended and Restated Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements for Vista Del Oro, Lots 1-44 and Common Areas "A", "B" and "C" is made this 31st day of AUGUST, 1999 by Pioneer Title Agency, Inc., an Arizona corporation, as Trustee under Trust No. 310840 (hereinafter referred to as Declarant).

BACKGROUND

A. Declarant's predecessor in interest caused a Declaration of Covenants, Conditions & Restrictions covering Vista Del Oro, Lots 1-44 and Common Areas "A", "B" and "C" as shown on the plat recorded in the office of the Cochise County Recorder in Book 14 of Maps and Plats at page 28 (the Property) to be recorded in the office of the Cochise County Recorder on March 12, 1999 as Fee No. 990307806 (the Original Declaration).

B. Declarant, as the owner of all of the Property desires to amend and restate the Original Declaration on the terms and conditions set forth herein.

C. Declarant declares that all of the Lots within the Project shall be held, sold and conveyed subject to the terms of this Declaration.

ARTICLE 1

DEFINITIONS

Certain capitalized words contained in this Declaration shall have the meanings set forth on Exhibit A.

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ARTICLE 2

PLAN OF DEVELOPMENT

2.1 Property Subject to the Declaration. This Declaration is being recorded to establish a general plan for the development and use of the Project in order to protect and enhance the value and desirability of the Project. Declarant declares that all of the Lots within the Project shall be held, sold and conveyed subject to this Declaration. By acceptance of a deed or by acquiring any interest in any of the property subject to this Declaration, each person or entity, for himself or itself, his heirs, personal representatives, successors, transferees and assigns, binds himself, his heirs, personal representatives, successors, transferees and assigns, to all of the provisions, restrictions, covenants, conditions, rules, and regulations now or hereafter imposed by this Declaration and any amendments thereof. In addition, each such person by so doing thereby acknowledges that this Declaration sets forth a general scheme for the development and use of Lots within the Property and hereby evidences such person's intent that all the restrictions, conditions, covenants, rules and regulations contained in this Declaration shall run with the land and be binding on all subsequent and future Owners, grantees, purchasers, assignees, lessees and transferees thereof. Furthermore, each such person fully understands and acknowledges that this Declaration shall be mutually beneficial, prohibitive and enforceable by the Association and all Owners. Declarant covenants and agrees that the Lots and the membership in the Association and the other rights created by this Declaration shall not be separated or separately conveyed, and each shall be deemed to be conveyed or encumbered with its respective Lot even though the description in the instrument of conveyance or encumbrance may refer only to the Lot.

2.2 Disclaimer of Representatives. Declarant makes no representations or warranties whatsoever that (i) the Project will be completed in accordance with the plans for the Project as they exist on the date this Declaration is recorded; (ii) any Property subject to this Declaration will be committed to or developed for a particular use or for any use; or (iii) the use of any Property subject to this Declaration will not be changed in the future.

ARTICLE 3

LAND USE CLASSIFICATIONS, PERMITTED USES AND RESTRICTIONS

3.1 Architectural Control.

3.1.1 All improvements constructed on Lots shall be of new construction, and no building or other structures shall be removed from other locations on to any Lot.

3.1.2 No excavation or grading work shall be performed on any Lot without the prior written approval of the Architectural Committee.

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3.1.3 No improvement shall be constructed or installed on any Lot without the prior written approval of the Architectural Committee.

3.1.4 No addition, alteration, repair, change or other work which in any way alters the exterior appearance, including but without limitation, the exterior color scheme, of any Lot, or the Improvements located thereon, from their appearance on the date this Declaration is Recorded shall be made or done without the prior written approval of the Architectural Committee.

3.1.5 Any Owner desiring approval of the Architectural Committee for the construction, installation addition, alteration, repair, change or replacement of any Improvement which would alter the exterior appearance of his, her or its Lot, or the Improvements located thereon, shall submit to the Architectural Committee a written request for approval specifying in detail the nature and extent of the addition, alteration, repair, change or other work which the Owner desires to perform. Any Owner requesting the approval of the Architectural Committee shall also submit to the Architectural Committee any additional information, plans and specifications which the Architectural Committee may request. In the event that the Architectural Committee fails to approve or disapprove an application for approval within thirty (30) days after the application, together with all supporting information, plans and specifications requested by the Architectural Committee have been submitted to it, approval will not be required and this Section will be deemed to have been complied with by the Owner who had requested approval of such plans.

3.1.6 The approval by the Architectural Committee of any construction, installation, addition, alteration, repair, change or other work pursuant to this Section shall not be deemed a waiver of the Architectural Committee's right to withhold approval of any similar construction, installation, addition, alteration, repair, change or other work subsequently submitted for approval.

3.1.7 Upon receipt of approval from the Architectural Committee for any construction, installation, addition, alteration, repair, change or other work, the Owner who had requested such approval shall proceed to perform, construct or make the addition, alteration, repair, change or other work approved by the Architectural Committee as soon as practicable and shall diligently pursue such work so that it is completed as soon as reasonably practicable and within such time as may be prescribed by the Architectural Committee.

3.1.8 Any change, deletion or addition to the plans and specifications approved by the Architectural Committee must be approved in writing by the Architectural Committee.

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

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3.1.10 The provisions of this Section do not apply to the construction, erection, installation, addition, alteration, repair, change or replacement of any improvements made by, or on behalf of, the Declarant.

3.1.11 The approval required of the Architectural Committee pursuant to this Section shall be in addition to, and not in lieu of, any approvals or permits which may be required under any federal, state or local law, statute, ordinance, rule or regulation and such approval shall not constitute a warranty or a representation that any or all governmental approvals have been satisfied. The approval required of the Architectural Committee shall relate only to the conformity of submitted plans and specifications to the provisions of the Architectural Committee Rules and general architectural and landscaping plans for the Property, and such plans, drawings, and specifications will not be approved for engineering design or architectural competence. By approving such plans, drawings, and specifications, the Architectural Committee shall not assume liability or responsibility therefore, or for any defect in any Lot or structure constructed from such plans, drawings and specifications.

3.1.12 The Architectural Committee may appoint agents and/or committees consisting of its members, employees, agents, subcontractors, third parties, and/or Owners to exercise its rights under this Article. The Architectural Committee may also appoint the Declarant as its temporary agent to exercise its rights under the terms of this Section.

3.2 3 Canyon CC&Rs Restrictions. The 3 Canyons CC&Rs, to which the Property is subject, contain (without limitation) the following restrictions which are to be enforced by the Architectural Committee:

3.2.1 Maximum Building Height (from grade using Cochise County definition of building height): 21 Feet.

3.2.2 Maximum Number of Stories: 1 (provided that two stories may be allowed by the Architectural Committee subject to review of grade, elevation and impact on other Lots).

3.2.3 Minimum Building Setback, including fencing and walls (Front, Side or Rear): 35 feet. The minimum setback requirements may be modified by the Architectural Committee in order to allow development on certain Lots.

3.2.4 Maximum Fencing Height: 6 feet.

3.3 Temporary Occupancy and Temporary Buildings. No trailer, basement of any incomplete building, tent, shack, garage or barn, and no temporary building or structures of any kind, shall be used at any time for a residence, either temporary or permanent. Temporary building, trailers or other structures used during the construction of improvements approved by the Association shall be removed immediately after the completion of construction, and in no event shall any such

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building, trailer or other structures be maintained or kept on any property for a period in excess of twelve months without the prior written approval of the Architectural Committee.

3.4 Nuisances: Construction Activities. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot; and no odors or loud noises shall be permitted to arise or emit therefrom, so as to render any such property or any portion thereof, or activity thereon, unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to the occupants of such other property. No other nuisance shall be permitted to exist or operate upon any Lot so as to be offensive or detrimental to any other property in the vicinity thereof or to its occupants. Normal construction activities and parking in connection with the building of Improvements on a Lot shall not be considered a nuisance or otherwise prohibited by this Declaration, but Lots shall be kept in a neat and tidy condition during construction periods, trash and debris shall not be permitted to accumulate, and supplies of brick, block, lumber and other building material will be piled only in such areas as maybe approved in writing by the Architectural Committee. In addition, any construction equipment and building material stored or kept on any Lot during the construction of Improvement may be kept only in areas approved in writing by the Architectural Committee, which may also require screening of the storage areas. The Architectural Committee in its sole discretion shall have the right to determine the existence of any such nuisance. The provisions of this Section shall not apply to construction activities of the Declarant.

3.5 Diseases and Insects. No Person shall permit any thing or condition to exist upon any Lot which shall induce, bred or harbor infectious plant diseases or noxious insects.

3.6 Restrictions on Open Fires. No open fires shall be permitted on any Lot except within barbecue or grill or fire pits constructed with the approval of the Architectural Committee.

3.7 Repair of Building. No Residential Unit, building or structure on any Lot shall be permitted to fall into disrepair and each such Residential Unit, building and structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished. In the event any Residential Unit, building or structure is damaged or destroyed, then, subject to the approvals required by Section 3.1 of this Declaration, such Residential Unit, building or structure shall be immediately repaired or rebuilt or shall be demolished.

3.8 Antennas. No antenna or other device for the transmission or reception of television or radio signals or any other form of electromagnetic radiation including, without limitation, satellite or microwave dishes, shall be erected, used, or maintained on any Lot without the prior written approval of the Architectural Committee.

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3.9 **Mineral Exploration.** No Lot shall be used in any manner to explore for or to remove any water, oil or other hydrocarbons, minerals of any kind, gravel, earth or any earth substance of any kind.

3.10 **Trash Containers and Collection.** No garbage or trash shall be placed or kept on any Lot, except in covered containers of a type, size and style which are approved by the Architectural Committee. In no event shall such containers be maintained so as to be Visible From Neighboring Property except to make the same available for collection and then only for the shortest time reasonably necessary to effect such collection. All rubbish, trash, or garbage shall be removed from Lots and shall not be allowed to accumulate thereon. No outdoor incinerators shall be kept or maintained on any Lot.

3.11 **Clothes Drying Facilities.** No outside clotheslines or other outside facilities for drying or airing clothes shall be erected, placed or maintained on any Lot so as to be Visible From Neighboring Property.

3.12 **Utility Service.** No lines, wires, or other devices for the communication or transmission of electric current or power, including telephone, television, and radio signal, shall be erected, placed or maintained anywhere in or upon any Lot unless the same shall be contained in conduits or cables installed and maintained underground or concealed in under or on building or other structures approved by the Declarant. No provision of this Declaration shall be deemed to forbid the erection of temporary power or telephone structures incident to the construction of building or structures approved by the Architectural Committee.

3.13 **Overhead Encroachments.** No tree, shrub, or planting of any kind on any Lot shall be allowed to overhang or other wise to encroach upon any sidewalk, street, or pedestrian way from ground level to a height of eight (8) feet without the prior approval of the Architectural Committee. No tree, shrub, or planting of any kind on any Lot shall be allowed to overhang or otherwise to encroach upon any other Lot without the prior approval of the Architectural Committee.

3.14 **Health, Safety, and Welfare.** In the event additional uses, activities, and facilities are deemed by the Architectural Committee to be a nuisance or to adversely affect the health, safety or welfare of Owners, Lessees and Residents, the Association may make rules restricting or regulating their presence in the Project as part of the Architectural Committee Rules.

3.15 **Residential Use.** All Residential Units shall be used, improved and devoted exclusively to residential use by a Single Family. No trade or business may be conducted on any Lot or in or from any Residential Unit, except that an Owner or other Resident of a Residential Unit may conduct a business activity within a Residential Unit so long as (i) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Residential Unit, (ii) the business activity conforms to all applicable zoning ordinances or requirements for the Project, (iii) the business activity does not involve persons coming on to the Lot

or the door-to-door solicitation of Owners or other Resident in the Project, and (iv) the business activity is consistent with the residential character of the Project and does not constitute a nuisance or a hazardous or offensive use or threaten security or safety of other residents in the Project, as may be determined from time to time in sole discretion of the Board. The terms "business" and "trade" as used in this Section shall be construed to have ordinary, generally accepted meanings, and shall include without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation or other form of consideration, regardless of whether (i) such activity is engaged in full or part time, (ii) such activity is intended or does generate a profit, or (iii) a license is required for such activity. The leasing of a Residential Unit by the Owner thereof shall not be considered a trade or business within the meaning of this Section.

3.16 Animals. No animal, bird, fowl, poultry, reptile or livestock may be kept on any Lot, except for no more than two dogs or cats, parakeets or similar household birds may be kept on a Lot if they are kept, bred or raised thereon solely as domestic pets and not for commercial purposes; provided, however, such restrictions shall not apply to any assistive animal as defined under the Americans with Disabilities Act or any similar state or local law, ordinance, and/or regulation. All dogs, cats or other pets permitted under this Section shall be confined to an Owner's Lot except that a dog or cat may be permitted to leave an Owner's Lot if such dog or cat is at all times kept on a leash and is not permitted to enter upon any other Lot. No animal, bird, fowl, poultry, or livestock shall be maintained so as to be Visible From Neighboring Property. Upon the written request of any Owner, Lessee or Resident, the Board shall conclusively determine, in its sole and absolute discretion, whether, for the purposes of this Section, a particular animal, bird, fowl, poultry, or livestock is a nuisance or making an unreasonable amount of noise. Any decision rendered by the Association shall be enforceable in the same manner as other restrictions set forth in this Declaration.

3.17 Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Lot, except (i) such machinery or equipment as is usual and customary in connection with the use, maintenance or construction (during the period of construction) of a building, appurtenant structures, or other improvements; (ii) that which Declarant or the Association may require for the operation and maintenance of the Project.

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

3.18.1 Signs required by legal proceedings.

3.18.2 Residence Identification signs provided the size, color, content and location of such signs have been approved in writing by the Architectural Committee.

3.16.3 One (1) "For Sale" sign provided the size, color, design, message content, location and form has been approved in writing by the Architectural Committee.

3.16.4 Such other signage specifically approved by the Board.

3.19 Restriction on Further Subdivision, Property Restrictions and Rezoning. No Lot shall be further subdivided or separated into smaller lots or parcels by any Owner other than the Declarant, and no portion less than all of any such Lot shall be conveyed or transferred by any Owner other than the Declarant, without the prior written approval of the Architectural Committee. No further covenants, conditions, restrictions or easements shall be recorded by any Owner, Lessee, or other Person other than the Declarant against any Lot without the provisions thereof having been first approved in writing by the Architectural Committee. No application for rezoning, variances or use other than the Declarant unless the application has been approved by the Architectural Committee and the proposed use otherwise complies with this Declaration.

3.20 Motor Vehicles.

3.20.1 Except for emergency vehicle repairs, no automobile or other motor vehicle shall be constructed, reconstructed or repaired upon a Lot or other property in the Project, and no inoperable vehicle may be stored or parked on any such Lot so as to be Visible From Neighboring Property or to be visible from any Common Area or any street.

3.20.2 No motor vehicle of any kind shall be parked on any private road or street in the Project, except for motor vehicles of guests of Owners which may be parked on a private road or street in the Project for a period of not more than forty-eight (48) hours within any seven day period in accordance with rules for such temporary parking adopted by the Board.

3.20.3 Residents' permitted motor vehicles must be parked in the garage of the Residential Unit until such time as the number of automobiles or other motor vehicles parked in the garage exceeds the number for which the garage was designed at which time such permitted motor vehicles may be parked in the driveway situated on the Lot. No automobile or other vehicle may be parked in such a manner as to block any sidewalk.

3.20.4 No truck, bus, mobile home, travel trailer, tent trailer, trailer, camper shell, detached camper, recreational vehicle, boat, boat trailer, or other similar equipment or vehicle may be parked on any Lot or Common Area or on any street so as to be Visible From Neighboring Property or Common Area without approval of the Architectural Committee, except for (1) the temporary parking of any such vehicle or equipment on a Lot or on a street for a period of not more than forty-eight hours (48) hours within any seven (7) day period, in accordance with rules for

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such temporary parking adopted by the Board (ii) temporary construction trailers or facilities maintained during, and used exclusively in connection with, the construction of any improvement approved by the Architectural Committee; (iii) boats and vehicles parked in garages on Lots so long as such vehicles are in good operating condition and appearance and are not under repair; or (iv) motor vehicles not exceeding seven (7) feet in height and eighteen (18) feet in length which are not used for commercial purposes and which do not display any commercial name, phone number or message of any kind.

3.21 Towing of Vehicles. The Association shall have the right to have any vehicle, boat or similar equipment which is parked, kept, maintained, constructed, reconstructed or repaired in violation of the Project Documents towed away at the sole cost and expense of the owner of the vehicle or equipment. Any expense incurred by the Association in connection with the towing of any vehicle or equipment shall be paid to the Association upon demand by the owner of the vehicle or equipment. If the vehicle or equipment is owned by an Owner, any amounts payable to the Association shall be secured by the Assessment Lien, and the Association may enforce collection of suit amounts in the same manner provided for in their Declaration for the collection of Assessment.

3.22 Variances. The Architectural Committee may, at its option and in extenuating circumstances, grant variances from the restrictions set forth in this Article 3 if the Architectural Committee determines in its discretion that (i) a restriction would create an unreasonable hardship or burden on an Owner, Lessee or Resident or a change of circumstances since the recordation of this Declaration has rendered such restriction obsolete and (ii) that the activity permitted under the variance will not have any substantial adverse effect on the Owners, Lessees and Residents of the Project and is consistent with the high quality of life intended for residents of the Project. The Declarant is exempt from all of the use restrictions set forth in this Article.

3.23 Change of Use. Upon (i) adoption of a resolution by the Board stating that in the Board's opinion the then present use of a designated part of the Area of Association Responsibility is no longer in the best interests of the Owners and (ii) the approval of such resolution by Members casting more than fifty percent (50%) of the votes entitled to be cast by Member who are present in person or by proxy at a meeting duly called for such purpose and who are entitled to use such Area of Association Responsibility under the terms of this Declaration, the Board shall have the power and right to change the use thereof (and in connection therewith, construct, reconstruct, alter or change the building, structure and improvements thereon in any manner deemed necessary by the Board to accommodate the new use), provided such new use shall be for the benefit of the Owners and shall be consistent with any zoning regulation restricting or limiting the use of the Area of Association Responsibility.

3.24 Drainage. No Residential Unit, structure, building, landscaping, fence, wall or other improvement shall be constructed, installed, placed or maintained

in any manner that would obstruct, interfere with or change the direction or flow of water in accordance with the drainage plans for the Project, or any part thereof, or for any Lot as shown on the drainage plans on file with the county or municipality in which the Project is located.

3.25 Garages and Driveways. Garages shall be used only for the parking of vehicles and shall not be used or converted for living or recreational activities without the prior written approval of the Architectural Committee. No Person shall store or keep materials in a garage or otherwise use a garage in any manner which would prevent the use of the garage for the parking of the number of vehicles for which the garage was designed.

3.26 Rooftop Air Conditioners Prohibited. No air conditioning units or appurtenant equipment may be mounted, installed or maintained on the roof of any Residential Unit or other building so as to be Visible From Neighboring Property.

3.27 No Modification by Private Agreement No private agreement of any Owners shall modify or abrogate any of these restrictive covenants nor the obligations, rights, duties and limitations set forth upon individual Owners.

ARTICLE 4

EASEMENTS

4.1 Owners' Easements of Enjoyment.

4.1.1 Subject to the rights and easements granted to the Declarant or the Association in Section 4.4 and 4.5 of this Declaration, every Member, and any person residing with such Member, shall have a right and easement of enjoyment in and to the Common Area which right shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(i) The right of the Association to dedicate, convey, transfer or encumber the Common Areas as provided in Section 5.11 of this Declaration.

(ii) The right of the Association to regulate the use of the Common Areas through the Association Rules and to prohibit access to such portions of the Common Areas, such as landscaped areas, not intended for use by the Owner, Lessees or Residents.

(iii) The right of the Association to suspend the right of an Owner and such Owner's family, tenants and guests to use all or portions of the Common Areas if such Owner is more than fifteen (15) days delinquent in the payment of Assessments or other amounts due to the Association or if the Owner has violated any other provisions of the Project Documents and has failed to cure such violation within fifteen (15) day after the Association notifies the Owner of the violation.

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4.1.2 If a Lot is leased or rented by the Owner thereof, the Lessee and the members of his family residing with such Lessee shall have the right to use the Common Areas during the term of the lease, and the Owner of such Lot shall have no right to use the Common Areas until the termination or expiration of such lease.

4.2 **Utility Easement.** There is hereby created an easement upon, across, over and under the Common Areas and utility easements over and under the Lots as shown on the Plat for reasonable ingress, egress, installation, replacing, repairing or maintaining of all utilities, including, but not limited to, gas, water, sewer, telephone, cable television and electricity. By virtue of this easement, it shall be expressly permissible for the providing utility company to erect and maintain the necessary equipment on the Common Areas or utility easements over and under the Lots as shown on the Plat but no sewers, electrical lines, water lines, or other utility or service lines may be installed or located on the Common Areas or Lots except as initially designed, approved and constructed by the Declarant or as approved by the Board.

4.3 **Declarant's Use for Sales and Leasing Purposes.** Declarant shall have the right and an easement to maintain sales or leasing offices, management offices and models throughout the Project and to maintain one or more advertising signs on the within the Project. Declarant reserves the right to place models, management offices and sales and leasing offices on any Lots owned by Declarant and on any portion of the Common Areas in such number, of such size and in such locations as Declarant deems appropriate. The rights granted to Declarant under this paragraph may be assigned to one or more builders within the Project without the necessity of the Declarant assigning its entire interest in the Project to such builder(s). In the event of any conflict or inconsistency between the provisions of this Section and any other provision of the Declaration, this Section shall control.

4.4 **Declarant's Easements.**

4.4.1 Declarant shall have the right and an easement on and over the Areas of Association Responsibility to construct all improvements the Declarant may deem necessary and to use the Areas of Association Responsibility and any Lots and other property owned by Declarant for construction or renovation related purposes including the storage of tools, machinery, equipment, building materials, appliances, supplies and fixtures, and the performance of work respecting the Project.

4.4.2 The Declarant shall have the right and an easement upon, over, and through the Areas of Association Responsibility as may be reasonably necessary for the purpose of discharging its obligations and exercising the rights granted to or reserved by the Declarant by this Declaration.

4.5 Easement in Favor of Association. The Lots are hereby made subject to the following easements in favor of the Association and its directors, officers, agents, employees and independent contractors:

4.5.1 For inspection of the Lots in order to verify the performance by Owners of all items of maintenance and repair for which they are responsible;

4.5.2 For inspection, maintenance, repair and replacement of the Areas of Association Responsibility accessible only from such Lots;

4.5.3 For correction of emergency conditions in one or more Lots;

4.5.4 For the purpose of enabling the Association, the Board, the Architectural Committee or any other committees appointed by the Board to exercise and discharge their respective rights, powers and duties under the Project Documents, including, but not limited to the repair and maintenance of all Areas of Association Responsibility;

4.5.5 For inspection of the Lots in order to verify that the provisions of the Project Documents are being complied with by the Owners, their guests, tenants, invitees and the other occupants of the Lot.

4.6 Open Space. The Open Space shown on the Plat shall be preserved in its natural undisturbed condition. The Open Space provided for on the Plat was required by Cochise County in connection with its approval of the Plat. Cochise County and its citizens will benefit equitably from the maintenance and protection of the Open Space. That portion of this Declaration which apply to the maintenance of the Open Space shall inure to the benefit of Cochise County and may, at the direction and sole discretion of the Cochise County Board of Supervisors, be enforced directly by the Board of Supervisors through appropriate action in Cochise County Superior Court. The enforcement rights of Cochise County are in addition to and not in limitation of the enforcement rights of the Association and any Owner.

ARTICLE 5

THE ASSOCIATION: ORGANIZATION: MEMBERSHIP AND VOTING RIGHTS

5.1 Formation of Association. The Association shall be an Arizona nonprofit corporation charged with the duties and invested with the powers prescribed by law and set forth in the Articles, Bylaws, and this Declaration. In the event of any conflict or inconsistency between this Declaration and the Articles, Bylaws, Association Rules or Architectural Rules, this Declaration shall control.

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5.2 Board of Directors and Officers. The affairs of the Association shall be conducted by the Board and such officers as the Board may elect or appoint in accordance with the Articles and the Bylaws. Unless the Project Documents specifically require the vote or written consent of the Members, approvals or actions to be given or taken by the Association shall be valid if given or taken by the Board. In accordance with such procedures as may be set forth in the Bylaws, the Board shall have the right to impose reasonable fines against an Owner for a violation of any provision of the Project Documents by the Owner, his family, tenants or guests.

5.3 The Association Rules. The Board may, from time to time, and subject to the provisions of this Declaration, adopt, amend and repeal rules and regulations pertaining to (i) the management, operation and use of the Areas of Association Responsibility including, but not limited to, any recreational facilities situated upon the Areas of Association Responsibility, (ii) minimum standards for any maintenance of Lots, or (iii) any other subject within the jurisdiction of the Association. In the event of any conflict or inconsistency between the provisions of this Declaration and the Association Rules, the provisions of this Declaration shall prevail.

5.4 Personal Liability. No member of the Board or of any committee of the Association, no officer of the Association, and no manager or other employee of the Association shall be personally liable to any other person or entity, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error, or negligence of the Association, Board, the manager, any representative or employee of the Association, or any committee, committee member or officer of the Association; provided, however, the limitation set forth in this Section shall not apply to any person who has failed to act in good faith or has engaged in willful or intentional misconduct.

5.5 Implied Rights. The Association may exercise any right or privilege given to the Association expressly by the Project Documents and every other right or privilege reasonably to be implied from the existence of any right or privilege given to the Association by the Project Documents or reasonably necessary to effectuate any such right or privilege.

5.6 Identity of Members. Membership in the Association shall be limited to Owners of Lots. Every owner of a Lot shown on the Plat shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of a Lot. Any sale or transfer of a lot shall also be deemed to be a sale or transfer of such Owner's membership in the Association. An Owner of a Lot shall automatically, upon becoming the Owner thereof, be a member of the Association and shall remain a member of the Association until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically cease.

5.7 Classes of Members. The Association shall have two classes of voting membership:

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5.7.1 Class A. Class A members shall be all Owners of Lots with the exception of the Declarant until the termination of the Class B membership. Each Class A member shall be entitled to one (1) vote for each Lot owned.

5.7.2 Class B. The Class B member shall be the Declarant. The Class B member shall be entitled to three (3) votes for each Lot owned by the Declarant. The Class B membership shall cease and be converted to Class A membership with respect to any Lots then owned by the Declarant on the earlier of (i) the date on which the number of Class A votes exceeds the number of Class B votes; (ii) September 1, 2009; or (iii) when the Declarant notifies the Association in writing that it relinquishes its Class B membership.

5.8 Voting Procedures. Matters upon which members of the Association shall be entitled to vote shall be decided by a majority of votes present at a meeting. There shall be one vote per Lot. No change in the ownership of a Lot shall be effective for voting purposes unless and until the Board is given actual written notice of such change and is provided satisfactory proof thereof. The vote for each such Lot must be cast as a unit, and fractional votes shall not be allowed. In the event that a Lot is owned by more than one person or entity and such Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Member casts a vote representing a certain Lot, it will thereafter be conclusively presumed for all purposes that he was acting with the authority and consent of all other Owners of the same Lot unless objection thereto is made at the time the vote is cast. In the event more than one vote is cast by a Class A Member for a particular Lot, none of the votes shall be counted and all of the votes shall be deemed void.

5.9 Transfer of Membership. The rights and obligations of any Member other than the Declarant shall not be assigned, transferred, pledged, conveyed or alienated in any way except upon transfer of ownership of an Owner's Lot, and then only to the transferee of ownership to the Lot. A transfer of ownership to a Lot may be effected by deed, intestate succession, testamentary disposition, foreclosure of a mortgage of record, or such other legal process as now in effect or as may hereafter be established under or pursuant to the laws of the State of Arizona. Any attempt to make a prohibited transfer shall be void. Any transfer of ownership to a Lot shall operate to transfer the Membership appurtenant to said Lot to the new Owner thereof. Each Purchaser of a Lot shall notify the Association of his purchase within ten (10) days after he becomes the Owner of a Lot.

5.10 Architectural Committee. The Association shall have an Architectural Committee to perform the functions of the Architectural Committee set forth in this Declaration. The Architectural Committee shall be composed of not less than two (2) people who need not be Members or Owners within the Property. So long as the Declarant owns any Lot, the Declarant shall have the sole right to appoint and remove the members of the Architectural Committee. At such time as the Declarant no longer owns any Lot, the members of the Architectural Committee shall be appointed by the Board. The Declarant may at any time voluntarily surrender its

right to appoint and remove the members of the Architectural Committee, and in that event the Declarant may require, for so long as the Declarant owns any Lot, that specified actions of the Architectural Committee, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective. The Architectural Committee shall promulgate architectural guidelines and standards to be used in rendering its decisions. The decision of the Architectural Committee shall be final on all matters submitted to it pursuant to this Declaration, provided that, at such time as the Declarant no longer owns any Lot (or has voluntarily surrendered its right to appoint and remove members of the Architectural Committee), the Board may require that some or all decisions of the Architectural Committee shall require Board approval. The Architectural Committee may establish a reasonable processing fee to defer the costs of the Association in considering any requests for approvals submitted to the Architectural Committee, which fee shall be paid at the time the request for approval is submitted.

5.11 Conveyance or Encumbrance of Common Areas. The Common Areas may be mortgaged, transferred, dedicated or encumbered only with the prior written consent or affirmative vote of the Owners representing at least two-thirds (2/3) of the votes entitled to be cast by Class A members of the Association.

5.12 Suspension of Voting Rights. If any Owner fails to pay any Assessments or other amounts due to the Association under the Project Documents within fifteen (15) days after such payment is due or if any Owner violates any other provision of the Project Documents and such violation is not cured within fifteen (15) days after the Association notifies the Owner of the violation, the Board of Directors shall have the right to suspend such Owner's right to vote until such time as all payments, including interest and attorneys' fees, are brought current, and until any other infractions or violations of the Project Documents are corrected.

ARTICLE 6

COVENANT FOR ASSESSMENTS AND CREATION OF LIEN

6.1 Creation of Lien and Personal Obligation of Assessments. Each Owner, other than the Declarant, by becoming the Owner of a Lot, is deemed to agree to pay Assessments to the Association in accordance with this Declaration. All Assessments shall be established and collected as provided in this Declaration. The Assessments, together with interest, late charges and all costs, including but not limited to reasonable attorneys' fees, incurred by the Association in collecting or attempting to collect delinquent Assessments, whether or not suit is filed, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each such Assessment is made. Each Assessment, together with interest and all cost, including but not limited to reasonable attorneys' fees, incurred by the Association in collecting or attempting to collect delinquent Assessments, whether or not suit is filed, shall also be the personal obligation of the person who was the Owner of the Lot at

the time when the Assessment became due. The personal obligation for delinquent Assessments shall not pass to the successors in title of the Owner unless expressly assumed by them.

6.2 Annual Assessments.

6.2.1 In order to provide for the operation and management of the Association and to provide funds for the Association to pay all Common Expenses and to perform its duties and obligations under the Project Documents, including the establishment of replacement and maintenance reserves, the Board, for each Assessment Period shall assess against each Lot an Annual Assessment.

6.2.2 The Board shall give notice of the Annual Assessment to each Owner at least thirty (30) days prior to the beginning of each Assessment Period, but the failure to give such notice shall not affect the validity of the Annual Assessment established by the Board nor relieve any Owner from its obligation to pay the Annual Assessment. If the Board determines during any Assessment Period that the funds budgeted for that Assessment Period are, or will, become inadequate to meet all Common Expenses for any reason, including, without limitation, nonpayment of Assessment by Members, it may increase the Annual Assessment for that Assessment Period and the revised Annual Assessment shall commence on the date designated by the Board.

6.3 **Rate of Assessment.** The amount of the Annual Assessment for each Lot, other than Lots owned by the Declarant, shall be the amount obtained by dividing the total budget of the Association for the Assessment Period for which the Annual Assessment is being levied by the total number of Lots subject to the Assessment at the time the Annual Assessment is levied by the Board. The Annual Assessment for Lots owned by the Declarant shall be an amount equal to twenty five percent (25%) of the Annual Assessment levied against Lots owned by Persons other than the Declarant until such time as a Residential Unit has been constructed on the Lot and the Residential Unit has been occupied for Single Family Residential Use. After a Residential Unit has been constructed on a Lot owned by the Declarant and the Residential Unit has been occupied for Single Family Residential Use, the amount of the Annual Assessment for such Lot shall be the same as the Annual Assessment levied against Lots owned by Persons other than the Declarant. If a Lot ceases to qualify for the reduced twenty five percent (25%) rate of assessment during the period to which an Annual Assessment is attributable, the Annual Assessment shall be prorated between the applicable rates on the basis of the number of days in the Assessment Period that the Lot qualified for each rate. So long as there is a Class B membership in the Association, the Declarant shall pay to the Association any amounts which, in addition to the Annual Assessments levied by the Association, may be required by the Association in order for the Association to fully perform its duties and obligations under the Project Documents, including the obligation to maintain adequate reserve accounts.

6.4 Special Assessments. The Association may levy against each Lot which is then subject to assessment, in any Assessment Period, a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of an improvement upon the Common Areas, including fixtures and personal property related thereto, provided that any Special Assessment shall have the assent of two-thirds (2/3) of the combined votes entitled to be cast by Members who are voting in person or by proxy at a meeting duly called for such purpose.

6.5 Assessment Period. The period for which the Annual Assessment is to be levied (the "Assessment Period") shall be the calendar year, except that the first Assessment Period, and the obligation of the Owners to pay Annual Assessments shall commence upon the conveyance of the first Lot to a Purchaser and terminate on December 31 of such year. The Board in its sole discretion from time to time may change the Assessment Period.

6.6 Commencement of Annual Assessment. The Annual Assessment shall commence as to all Lots upon the conveyance of the first Lot to a Purchaser.

6.7 Rules Regarding Billing and Collection Procedures. Annual Assessments shall be collected on a monthly basis or such other basis as may be selected by the Board. Special Assessments may be collected as specified by the Board. The Board shall have the right to adopt rules and regulations setting forth procedures for the purpose of making Assessments and for the billing and collection of the Assessments provided that the procedures are not inconsistent with the provisions of this Declaration. The failure of the Association to send a bill to a Member shall not relieve any Member of his liability for any Assessment or charge under this Declaration, but the Assessment Lien therefor shall not be foreclosed or otherwise enforced until the Member has been given not less than thirty (30) day written notice prior to such foreclosure or enforcement that the Assessment or any installment thereof is or will be due and of the amount owing. Such notice may be given at any time prior to or after delinquency of such payment. The Association shall be under no duty to refund any payments received by it even though the ownership of a Lot changes during an Assessment Period; successor Owners of Lots shall be given credit for prepayments, on a prorated basis, made by prior Owners.

6.8 Effect of Nonpayment of Assessments; Remedies of the Association.

6.8.1 Any Assessment, or any installment of an Assessment, not paid within five (5) days after the Assessment, or the installment of the Assessment, first became due shall bear interest from the due date at the rate of twelve percent (12%) per annum. In addition, the Board of Directors may establish a late fee to be charged to any Owner who has not paid any Assessment, or any installment of an Assessment, within five days after such payment was due.

6.8.2 The Association shall have a lien on each Lot for (i) all Assessments levied against the Lot, (ii) all interest, lien fees, late charges and other fees and charges assessed against the Lot or payable by the Owner of the Lot, (iii) all fines levied against the Owner of the Lot, and (iv) all attorney fees, court costs, title report fees, costs and fees charged by any collection agency either to the Association or to an Owner and any other fees or costs incurred by the Association in attempting to collect Assessments or other amounts due to the Association by the Owner of a Lot. Recording of this Declaration constitutes record notice and perfection of the Assessment Lien. The Association may, at its option record a Notice of Lien setting forth the name of the delinquent owner as shown in the records of the Association, the legal description or street address of the Lot against which the Notice of Lien is recorded and the amount claimed to be past due as of the date of the recording of the Notice, including interest, lien recording fees and reasonable attorneys' fees. Before recording any Notice of Lien against a Lot, the Association shall make a written demand to the defaulting Owner for payment of the delinquent Assessments, together with interest, late charges and reasonable attorneys' fees, if any. The demand shall state the date and amount of the delinquency. Each default shall constitute a separate basis for a demand, but any number of defaults may be included within the single demand. If the delinquency is not paid within ten (10) days after delivery of the demand, the Association may proceed with recording a Notice of Lien against the Lot.

6.8.3 The Assessment Lien shall have priority over all liens or claims except for (i) tax liens for real property taxes, (ii) assessments in favor of any municipal or other governmental body and (iii) the lien of any first mortgage or first deed of trust. Any First Mortgagee or any other Person acquiring title or coming into possession of a Lot through foreclosure of the First Mortgage, purchase at a foreclosure sale or trustee sale, or through any equivalent proceedings, such as, but not limited to, the taking of a deed in lieu of foreclosure shall acquire title free and clear of any claims for unpaid assessments and charges against the Lot which became payable prior to the acquisition of such Lot by the First Mortgagee or other Person. Any Assessments and charges against the Lot which accrue prior to such sale or transfer shall remain the obligation of the defaulting Owner of the Lot.

6.8.4 The Association shall not be obligated to release the Assessment Lien until all delinquent Assessments, interest, lien fees, fines, reasonable attorneys' fees, court costs, collection costs and all other sums payable to the Association by the Owner of the Lot have been paid in full.

6.8.5 The Association shall have the right, at its option, to enforce collection of any delinquent Assessments together with interest, lien fees, reasonable attorneys' fees and any other sums due to the Association in any manner allowed by law including, but not limited to, (i) bringing an action at law against the Owner personally obligated to pay the delinquent Assessments and such action may be brought without waiving the Assessment Lien securing the delinquent Assessments or (ii) bringing an action to foreclose the Assessment Lien against the Lot in the manner provided by law for the foreclosure of a realty mortgage. The

Association shall have the power to bid in at any foreclosure sale and to purchase, acquire, hold, lease, mortgage and convey any and all Lots purchased at such sale.

6.9 Evidence of Payment of Assessments. Upon receipt of a written request by a Member or any other Person, the Association, within a reasonable period of time thereafter, shall issue to such Member or other Person a written certificate stating (i) that all Assessments, interest, and other fees and charges have been paid with respect to any specified Lot as of the date of such certificate, or (ii) if all Assessments have not been paid, the amount of such Assessments, interest, fees and charges due and payable as of such date. The Association may make a reasonable charge for the issuance of such certificates, which charges must be paid at the time the request for any such certificate is made. Any such certificate, when duly issued as herein provided, shall be conclusive and binding with respect to any matters therein stated as against any bona fide Purchaser of, or lender on, the Lot in question.

6.10 Purposes for which Association's Funds may be Used. The Association shall apply all funds and property collected and received by it (including the Assessments, fees, loan proceeds, surplus funds and all funds and property received by it from any other source) for the common good and benefit of the Project and the Owners and Residents by devoting said funds and property, among other things, to the acquisition, construction, alteration, maintenance, provision and operation, by any manner or method whatsoever, of any and all land, properties, improvements, facilities, services, projects, programs, studies and systems, within or without the Project, which maybe necessary, desirable or beneficial to the general common interests of the Project, the Owners and the Residents. The following are some, but not all, of the areas in which the Association may seek to aid, promote and provide for such common benefit: social interaction among Members and Residents, maintenance of landscaping on Common Areas and public right-of-way and drainage areas within the Project, recreation, liability insurance, communications, ownership and operation of vehicle storage areas, education, transportation, health, utilities, public services, safety and indemnification of officers and directors of the Association. The Association may also expend its funds under the laws of the State of Arizona or such municipality's charter.

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

6.12 Transfer Fee. Each Purchaser of a Lot shall pay to the Association immediately upon becoming the Owner of the Lot a transfer fee in such amount as is established from time to time by the Board, except that no transfer fee

shall be payable with respect to the purchase of a Lot with respect to the initial sale by the Declarant to the first owner of a lot.

ARTICLE 7

MAINTENANCE

7.1 Areas of Association Responsibility and Public Right of Way.

7.1.1 The Association, or its duly delegated representative, shall manage, maintain, repair and replace the Areas of Association Responsibility and all Improvements located thereon.

7.1.2 The Board shall be the sole judge as to the appropriate maintenance of all Areas of Association Responsibility and other properties maintained by the Association. The Association shall be responsible for control, maintenance and payment of ad valorem taxes and liability of the Common Areas.

7.2 Lots. Each Owner of a Lot shall be responsible for maintaining, repairing or replacing his Lot, and all buildings, Residential Units, landscaping or other Improvements situated thereon, except for any portion of the Lot which may hereafter be declared to be an Area of Association Responsibility. All buildings, Residential Units, landscaping and other Improvements shall at all times be kept in good condition and repair. All grass, hedges, shrubs, vines and plants of any type on a Lot shall be irrigated, mowed, trimmed and cut at regular intervals so as to be maintained in a neat and attractive manner. Trees, shrubs, vines, plants and grass which die shall be promptly removed and replaced with living foliage of like kind, unless different foliage is approved in writing by the Architectural Committee. No yard equipment, wood piles or storage areas may be maintained so as to be Visible From Neighboring Property or streets. All Lots upon which no Residential Units, buildings or other structures, landscaping or Improvements have been constructed shall be maintained in a weed free and attractive manner.

7.3 Assessment of Certain Costs of Maintenance and Repair. In the event that the need for maintenance or repair of an Area of Association Responsibility is caused through the willful or negligent act of any Member, his family, tenants, guests or invitees, the cost of such maintenance or repairs shall be added to and become a part of the Assessment to which such Member and the Member's Lot is subject and shall be secured by the Assessment Lien. Any charges or fees to be paid by the Owner of a Lot pursuant to this Section in connection with a contract entered into by the Association with an Owner for the performance of an Owner's maintenance responsibilities shall also become a part of such Assessment and shall be secured by the Assessment Lien.

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7.4 **Improper Maintenance and Use of Lots.** In the event any portion of any Lot is so maintained as to present a public or private nuisance, or as to substantially detract from the appearance or quality of the surrounding Lots or other areas of the Project which are substantially affected thereby or related thereto, or in the event any portion of a Lot is being used in a manner which violates this Declaration; the Board may make a finding to such effect, specifying the particular condition or conditions which exist, and pursuant thereto give notice thereof to the offending Owner that unless corrective action is taken within fourteen (14) days, the Board may cause such action to be taken at said Owner's cost. If at the expiration of said fourteen day period of time the requisite corrective action has not been taken, the Board shall be authorized and empowered to cause such action to be taken and the cost thereof shall be added to and become a part of the Assessment to which the offending Owner and the Owner's Lot is subject and shall be secured by the Assessment Lien.

ARTICLE 8

INSURANCE

8.1 **Scope of Coverage.** Commencing not later than the date of the first conveyance of a Lot to a Purchaser, the Association shall maintain to the extent reasonably available, the following insurance coverage:

8.1.1 Comprehensive general liability insurance, including medical payments insurance in an amount determined by the Board, but not less than \$1,000,000. Such insurance shall cover all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Areas of Association Responsibility and all other portions of the Project which the Association is obligated to maintain under this Declaration.

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

8.1.3 Workmen's compensation insurance to the extent necessary to meet the requirements of the laws of Arizona;

8.1.4 Such other insurance as the Association shall determine from time to time to be appropriate to protect the Association or the Owners;

8.1.5 The insurance policies purchased by the Association shall, to the extent reasonably available, contain the following provisions:

(i) That there shall be no subrogation with respect to the Association, its agents servants, and employees, with respect to Owners and members of their household;

(ii) No act or omission by an Owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or be a condition to recovery on the policy;

(iii) That the coverage afforded by such policy shall not be brought into contribution or proration with any insurance which may be purchased by Owners or their mortgagees or beneficiaries under deeds of trust;

(iv) A "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or other Owners;

(v) Statement of the name of the insured as the Association;

(vi) For policies of hazard insurance, a standard mortgagee clause providing that the insurance carrier shall notify the first mortgagee named in the policy at least ten (10) days in advance of the effective date of any substantial modification, reduction or cancellation of the policy.

8.2 Certificates of Insurance. An insurer that has issued an insurance policy under this Article shall issue a certificate or a memorandum of insurance to the Association and, upon request, to any Owner, mortgagee or beneficiary under a deed of trust. Any insurance obtained pursuant to this Article may not be canceled until thirty (30) days after notice of the proposed cancellation has been mailed to the Association, each Owner and each mortgagee or beneficiary under a deed of trust to whom certificates of Insurance have been issued.

8.3 Payment of Premiums. The premiums for any insurance obtained by the Association pursuant of Section 8.1 of this Declaration shall be included in the budget of the Association and shall be paid by the Association.

8.4 Payment of Insurance Proceeds. With respect to any loss to any Area of Common Responsibility covered by property insurance obtained by the Association in accordance with this Article, the loss shall be adjusted with the Association, and the insurance proceeds shall be payable to the Association and not to any mortgagee or beneficiary under a deed of trust. Subject to the provisions of

Section 8.5 of this Declaration, the proceeds shall be disbursed for the repair or restoration of the damage to the Area of Association Responsibility.

8.6 Repair and Replacement of Damaged or Destroyed Property. Any portion of the Areas of Association Responsibility which is damaged or destroyed shall be repaired or replaced promptly by the Association unless (i) repair or replacement would be illegal under any state or local health or safety statute or ordinance, or (ii) Owners representing at least eighty percent (80%) of the total authorized votes in the Association vote not to rebuild. The cost of repair or replacement in excess of insurance proceeds and reserves shall be paid by the Association. If all of the Areas of Association Responsibility are not repaired or replaced, insurance proceeds attributable to the damaged area to a condition which is not in violation of any state or local health or safety statute or ordinance and the remainder of the proceeds shall either (i) be retained by the Association as an additional capital reserve, or (ii) be used for payment of operating expenses of the Association if such action is approved by the affirmative vote or written consent, or any combination thereof, of Members representing more than fifty (50%) of the votes in the Association.

ARTICLE 9

RIGHTS OF MORTGAGEES

The lien for assessments as set forth in Article 6 shall be subordinate to the lien of any first mortgage or deed of trust made in good faith for value covering a Lot; provided, however, the lien for assessment will be binding and effective against the party who owns any such property during such period for which the assessment is made even though the title to such property is acquired through foreclosure, forfeiture, trustee's sale or otherwise. After foreclosure, forfeiture, trustee's sale or other proceeding, the party acquiring such lot shall be considered an Owner and Member for purposes of these Declarations.

ARTICLE 10

GENERAL PROVISIONS

10.1 Enforcement. The Association or any Owner shall have the right to enforce the Project Documents and/or any and all covenants, restrictions, reservations, charges, servitudes, assessments, conditions, liens or easements provided for in any contract, deed, declaration or other instrument which (i) shall have been executed pursuant to, or subject to, the provisions of this Declaration, or (ii) otherwise shall indicate that the provisions of such instrument were intended to be enforced by the Association or by Declarant. Each Owner shall have a right to a hearing as required by Arizona statutes prior to enforcement of any late charges or penalties.

10.2 Term: Method of Termination. This Declaration shall continue in full force and effect for a term of twenty (20) years from the date this Declaration is recorded. After that time, this Declaration shall be automatically extended for successive periods of ten (10) years each. This Declaration may be terminated at any time if such termination is approved by the affirmative vote or written consent, or any combination thereof, of the Owners representing ninety percent (90%) or more of the votes in each class of membership and by the holders of First Mortgages on Lots, the Owners of which have seventy-five percent (75%) or more of the votes in the Association. If the necessary votes and consents are obtained, the Board shall cause to be recorded with the County Recorder of Cochise County, Arizona, a Certificate of Termination, duly signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Association, with their signatures acknowledged. Thereupon this Declaration shall have no further force and effect, and the Association shall be dissolved pursuant to the terms set forth in its Articles.

10.3 Amendments.

10.3.1 This Declaration may be amended by the the written approval or affirmative vote, or any combination thereof, of two-thirds (2/3) of each Class of Membership.

10.3.2 The Board may amend this Declaration or the Plat, without obtaining the approval or consent of any Owner or First Mortgagee, in order to conform this Declaration or the Plat to the requirements or guidelines of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration (FHA), the Veterans Administration (VA) or any federal, state or local governmental agency whose approval of the Project, the Plat or the Project Documents is required by law or requested by the Declarant or the Board.

10.3.3 So long as the Declarant owns any Lot, any amendment to this Declaration must be approved in writing by the Declarant.

10.3.4 Any amendment approved pursuant to this Declaration or by the Board pursuant to Subsection 10.3.2 of this Declaration shall be signed by the President or Vice President of the Association and shall be recorded with the County recorder of Cochise County, Arizona. Any such amendment shall certify that the amendment has been approved as required by this Section.

10.3.5 Anything contained herein to the contrary notwithstanding, the provisions of sections 3.2 and 4.6 shall not be amended without the written approval of the Cochise County Board of Supervisors.

10.4 Interpretation. Except for judicial construction, the Association shall have the exclusive right to construe and interpret the provisions of this Declaration. In absence of any adjudication to the contrary by a court of competent

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jurisdiction, the Association's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all persons and property benefitted or bound by this Declaration. In the event of any conflict between this Declaration and the Articles, Bylaws, Association Rules or Architectural Committee Rules, this Declaration shall control.

10.6 Severability. Any determination by any court of competent jurisdiction that any provision of this Declaration is invalid or unenforceable shall not affect the validity or enforceability of any of the other provisions hereof.

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

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

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

10.9 Laws, Ordinances and Regulations.

10.9.1 The covenants, conditions and restrictions set forth in this Declaration and the provisions requiring Owners and other persons to obtain the approval of the Board or the Architectural Committee with respect to certain actions are independent of the obligation of the Owners and other persons to comply with all applicable laws, ordinances and regulations, and compliance with this Declaration shall not relieve an Owner or any other person from the obligation to also comply with all applicable laws, ordinances and regulations.

10.9.2 Any violation of any state, municipal, or local law, ordinance or regulation pertaining to the ownership, occupation or use of any property within 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.

10.10 References to this Declaration in Deeds. Deeds to and instruments affecting any Lot or any part of the Project may contain the covenants,

conditions and restrictions herein set forth by reference to this Declaration; but regardless of whether any such reference is made in any Deed or Instrument, each and all of the provisions of this Declaration shall be binding upon the grantee-Owner or other person claiming through any instrument and his heirs, executors, administrators, successors and assignees.

10.11 3 Canyons CC&Rs. This Declaration, the Association and the rights of the Members are subject and subordinate to the terms and conditions of the 3 Canyons CC&Rs. Notwithstanding the foregoing, the Master Association (as defined in the 3 Canyons CC&Rs) shall not require the Association to use the administrative services of the Master Association nor shall the Master Association be responsible for maintaining any Common Area within the Project.

10.12 Cochise County. The Declarant acknowledges that Cochise County is not responsible for the maintenance of or any liability arising out of the private or common open space and common areas including Common Areas A, B and C of the Plat. Declarant hereby agrees to indemnify and hold Cochise County harmless from any such liability. This obligation of indemnification shall be assumed by the Declarant.

10.13 VA and FHA. If this Declaration has been initially approved by the FHA or the VA in connection with any loan programs made available by FHA or VA and any loans have been made which are insured or guaranteed by FHA or VA, then as long as there is a Class B Membership, the following actions will require the prior approval of the FHA or the VA, as applicable, unless the need for such approval has been waived by FHA or VA: Annexation of additional properties, dedications of Common Areas (except where such dedication is required as of the date hereof to the City of Tucson); and amendment of this Declaration.

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

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

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

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visit del ore village declaration/August 23, 1999

10.17 No Absolute Liability. No provision of the Project Documents shall be interpreted or construed as imposing on Owners absolute liability for damage to the Common Areas or the Lots. Owners shall only be responsible for damage to the Common Areas or Lots caused by the Owners' negligence or intentional acts.

10.18 Effect on Original Declaration. This Declaration amends, restates and supercedes the Original Declaration in its entirety.

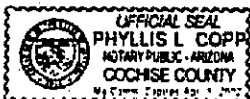
DECLARANT:

Pioneer Title Agency, Inc., an
Arizona corporation, as
Trustee under Trust No.
310840, as Trustee only and
not in its corporate capacity
and not personally

By *R. Keith Newlon*
Trust Officer
R. KEITH NEWLON

STATE OF ARIZONA)
COUNTY OF Rima) ss.
COCHISE

Acknowledged before me this 22nd day of August, 1999, by
R. KEITH NEWLON, the TRUST OFFICER of Pioneer Title
Agency, Inc., an Arizona corporation, as Trustee under Trust No. 310840 as Trustee
only and not in its corporate capacity and not personally.



Phyllis L. Copp
Notary Public

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void del ore village declaration/August 23, 1999

EXHIBIT A

"Annual Assessments" means the assessments levied against each Lot, and the Owner thereof, pursuant to Section 6.2 of this Declaration.

"Architectural Committee" means the committee of the Association to be created pursuant to Section 5.10 of this Declaration.

"Architectural Committee Rules" means the rules and guidelines adopted by the Association pursuant to Section 5.10 of this Declaration, as they may from time to time be amended or supplemented.

"Areas of Association Responsibility" means (i) all Common Areas; and (ii) any land, and the improvement situated thereon, situated within the boundaries of a Lot which the Association acknowledges in a recorded document (including this Declaration) is to be improved, maintained, repaired and replaced by the Association.

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

"Assessment" means an Annual Assessment or Special Assessment.

"Assessment Lien" means the lien created and imposed by Article 6 of this Declaration.

"Assessment Period" means the period set forth in Section 6.5 of this Declaration.

"Association" means Cochise Vista Del Oro Homeowners Association, an Arizona nonprofit corporation, and its successors and assigns.

"Association Rules" means the rules adopted by the Board pursuant to Section 5.3 of this Declaration, as they may from time to time be amended.

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

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

"Common Area" means the real property designated as Common Areas A, B and C on the Plat and all improvements situated thereon.

"Common Expenses" means expenditures made by or financial liabilities of the Association together with any allocations to reserves.

"Declarant" means Pioneer Title Agency, Inc., an Arizona corporation, as Trustee under Trust No. 310840 and its successors and any persons or entities to

whom it may have expressly in writing assigned all or any parts of its rights and duties under this Declaration.

"Declaration" means this Amended and Restated Declaration of Covenants, Conditions, and Restrictions, as it may be amended from time to time as provided herein.

"Improvement" means any building, fence, wall or other structure or any swimming pool, road, driveway, parking area or any trees, plants, shrubs, grass or other landscaping improvements of every type and kind.

"Lessee" means the lessee or tenant under a lease, oral or written, of any Lot including an assignee of a lease.

"Lot" means those portions of the Property intended for independent ownership and use and designated as Lots 1-44 on the Plat and, where the context indicates or requires, shall include any Residential Unit, Building, structure or other improvements situated on the Lot.

"Maintenance Standard" means the standard of maintenance of improvements established from time to time by the Board or, in the absence of any standard established by the Board, the standard of maintenance of improvements generally prevailing throughout the Project.

"Member" means any Person who is a Member of the Association.

"Open Space" means the natural open space which is designated Common Area B on the Plat.

"Owner" means the record owner, whether one or more Person, of beneficial or equitable title (and legal title if the same has merged with the beneficial or equitable title) to the fee simple interest of a Lot. Owner shall not include (i) Persons having an interest in a Lot merely as security for the performance of an obligation, or (ii) a Lessee. Owner shall include a purchaser under a contract for the conveyance of real property subject to the provisions of A.R.S. § 33-741 *et seq.* Owner shall not include a purchaser under a purchase contract and receipt, escrow instructions or similar executory contracts which are intended to control the rights and obligations of the parties to the executory contracts pending the closing of a sale or purchase transaction. In the case of Lots the fee simple title to which is vested in a trustee pursuant to Arizona Revised Statutes, § 33-801 *et seq.*, the Trustor shall be deemed to be the Owner. In the case of the Lots the fee simple 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 trust property shall be deemed to be the Owner.

"Person" means a natural person, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or other legal or commercial entity.

"Plat" means the plat of Vista Del Oro, Lots 1-44, Common Areas "A", "B" and "C" recorded in Book 14 of Maps and Plats at page 28 in the Office of the Cochise County Arizona Recorder, and all amendments, supplements and corrections thereto.

"Property" or "Project" means Lots 1 through 44 and Common Area "A", "B" and "C" as shown on the Plat together with all improvements located thereon.

"Project Documents" means this Declaration, the Articles, the Bylaws, and the Association Rules.

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

"Recording" means placing an instrument of public record in the office of the County Recorder of Cochise County, Arizona, and **"Recorded"** means having been so placed of public record.

"Resident" means each individual occupying or residing in any Residential Unit.

"Residential Unit" means any building, or portion of a building, situated upon a Lot and designed and intended for independent ownership and for use and occupancy as a residence.

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

"Special Assessment" means any assessment levied and assessed pursuant to Section 6.4 of this Declaration.

"Visible From Neighboring Property" means, with respect to any given object, that such object is or would be visible to a person six feet tall, standing at main grade level on any other Lot or Common Area at least six feet from a property line on such Lot.

"3 Canyons CC&Rs" means the Master Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements recorded in the Office of the Cochise County Recorder at Fee #951024838.

PTA No. 311161

PARCEL I:

Lots 1 thru 44, inclusive and Common Areas A, B and C, VISTA DEL ORO
SUBDIVISION, according to Book 14 of Maps, page 28, records of Cochise County,
Arizona;

EXCEPT all oil, gas and/or mineral interest in each case insofar, and only insofar, as the same cover and include oil, gas and other liquid and gaseous hydrocarbons and any minerals or other substances produced in association therewith ("hydrocarbons") in, on or under the properties as granted in Deed recorded in Document No. 8902-02244 and corrected by Document No. 9004-07528, records of Cochise County, Arizona; and

EXCEPT all remaining oil, gas and other hydrocarbon substances, and all other minerals of whatever kind or character, all herein collectively called "minerals", whatever now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word) all salt water, fresh water, brines and geothermal resources which are in, under or may be produced from real property as reserved in Deed recorded in Document No. 9001-00683, records of Cochise County, Arizona.

PARCEL II:

Easement 100.00 feet wide for ingress, egress and utility purposes as created in Document No. 9510-24835, described as follows:

That portion of the West one-half of Section 29, Township 23 South, Range 21 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, described as follows:

COMMENCING at the North quarter corner of said Section 29:

thence South 00° 10' 31" West along the North-South center section line of said Section 29, 50.00 feet to the POINT OF BEGINNING of said 100.00 foot easement for ingress, egress and utilities, the sidelines lying 50.00 feet on both sides of the following described centerline of easement;

thence South 89° 51' 43" West along said centerline of easement, 491.91 feet to a point of tangent curvature to the left having a radius of 730.00 feet;

thence Southwesterly along the arc of said centerline of easement, through a central angle of 21° 53' 21", 278.89 feet to a point of tangency;

thence South 67° 58' 22" West along said centerline of easement, 591.17 feet to a point of tangent curvature to the right having a radius of 730.00 feet;

thence Southwesterly and Northwesterly along said centerline of easement, through a central angle of 58° 54' 02", 724.96 feet to a point of tangency;

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thence North 55° 07' 37" West, along said centerline of easement, 107.10 feet to a point of tangent curvature to the left having a radius of 730.00 feet;
thence Northwesterly along said centerline of easement, through a central angle of 35° 00' 41", 446.08 feet to a point of tangency;
thence South 89° 51' 43" West, along said centerline of easement, 32.80 feet to the point of terminus on the Easterly right-of-way of State Highway 92.

PARCEL III:

Easement for ingress, egress and utility purposes as created in Document No. 9510-24838 over the following described parcel:

The Southerly 70.00 feet of East half of Section 20;
The Southerly 70.00 feet of Section 21;
The Northerly 50.00 feet of the East half of Section 29 and
The Northerly 50.00 feet of Section 28;
All in Township 23 South, Range 21 East of the Gila and Salt River Base and Meridian,
Cochise County, Arizona;

EXCEPT any portion lying within Parcel I above.

936027121

EXPEDITED

FILED

4:47 p.m.
SEP 17 1999

ARTICLES OF INCORPORATION OF
COCHISE VISTA DEL ORO HOMEOWNERS ASSOCIATION

APPROVED
TERM
DATE

Darla L. Lunn
9-17-99

1. The name of the non profit corporation is Cochise Vista Del Oro Homeowners Association.
2. The non profit corporation intends to act as a property owners association and will be the "Association" specified in the Amended and Restated Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements for Vista Del Oro, Lots 1-44 and Common Areas "A", "B" and "C" recorded in the office of the Cochise County Recorder on September 9, 1999 as Fee Number 990927121 (the Declaration).
3. The name and address of each person who is to serve as a director until a successor is elected and qualifies is Martin M. McGarry, 6220 N. Camino Escalante, Tucson, Arizona 85718.
4. The name and street address of the corporation's statutory agent is Martin M. McGarry, 6220 N. Camino Escalante, Tucson, Arizona 85718.
5. The name and address of the sole incorporator is Martin M. McGarry, 6220 N. Camino Escalante, Tucson, Arizona 85718.
6. The non profit corporation will have members as specified in the Declaration. The non profit corporation will have two classes of Members. The rights of each class of Members are specified in the Declaration. No ~~Class A~~ Member of the non profit corporation shall have the right to resign from ~~Class A~~ membership.
7. Amendment of these Articles shall require the affirmative vote of two thirds (2/3) of each class of members entitled to vote. **29 PROPERTY OWNERS**
8. If these Articles have been initially approved by the FHA or VA in connection with any loan programs made available by FHA or VA and any loans have been made which are insured or guaranteed by FHA or VA, then as long as there is a Class B Membership, the following actions will require the prior approval of the FHA or VA, as applicable, unless the need for such approval has been waived by FHA/VA: Annexation of additional properties, mergers and consolidations, mortgaging of Common Areas, and dissolution and amendment of these Articles of Incorporation.

Dated: September 16, 1999

Martin M. McGarry
MARTIN M. MCGARRY
Incorporator

0888356-2

BYLAWS
OF
COCHISE VISTA DEL ORO HOMEOWNERS ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the corporation is Cochise Vista Del Oro Homeowners Association, hereinafter referred to as the "Association." The principal office of the corporation shall be located at 6220 N. Camino Escalante, Tucson, Arizona 85718, but meetings of Members and directors may be held at such places within the State of Arizona as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Certain capitalized words, (including but not limited to the words "Association", "Common Area", "~~Declarant~~", "Declaration", "Lot", "Member", "Owner", "Plat", and "Properties") shall have the meanings set forth in the Amended and Restated Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements for Vista Del Oro, Lots 1-44 and Common Areas "A", "B" and "C" recorded in the office of the Cochise County Recorder on September 9, 1999 as Fee Number 990927121.

ARTICLE III

MEETING OF MEMBERS

A. **Annual Meetings.** The first annual meeting of the Members shall be held within one (1) year from the date that the Association first has a Class A Member and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at the hour of 9:00 o'clock, a.m. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

B. **Special Meetings.** Special meetings of the Members may be called at any time by the president or by the board of directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

C. **Notice of Meetings.** Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days

before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

D. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

E. Proxies. At all meetings of Members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot. No proxy shall be effective beyond one year from the date of its execution.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

A. Number. Until the first annual meeting of the Members the affairs of the Association shall be managed by a Board of Directors consisting of one (1) director who is named in the Articles of Incorporation. Thereafter, the affairs of this Association shall be managed by a board of three (3) directors who need not be Members of the Association.

B. Term of Office. At the first annual meeting the Members shall elect one (1) director for a term of one (1) year, one (1) director for a term of two (2) years, and one (1) director for a term of three (3) years; and at each annual meeting thereafter the Members shall elect one (1) director for a term of three (3) years.

C. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

D. Compensation. No officer or director shall receive compensation for any service he may render to the Association. However, any officer or director may be reimbursed for his actual expenses incurred in the performance of his duties.

E. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by

obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

A. Nomination. Nomination for election to the Board of Directors shall be made by a nominating committee (the "Nominating Committee"). Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or nonmembers.

B. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

A. Regular Meetings. Regular meetings of the Board of Directors shall be held semi annually without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

B. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two (2) directors, after not less than three (3) days notice to each director.

C. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

D. Open Meeting Provisions. The meeting of the Board of Directors will be open to the membership pursuant to provisions of A.R.S. § 33-1904, as amended from time to time. In particular, members shall have a right to be present at regular

and special meetings, but shall not have the right to participate in any deliberations or discussions unless expressly authorized by a vote of the majority of the quorum of the Board present, and in addition, an executive session of the Board can be held and closed to all members other than Board members for the following matters:

1. Employment or personnel matters for employees of the Board or the Association;
2. Legal advice from an attorney for the Board or the Association;
3. Pending or contemplated litigation; and
4. Pending or contemplated matters relating to enforcement of any provisions under the Declarations, the Articles, these Bylaws, or any Rules or Regulations of the Association.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

A. Powers. The Board of Directors shall have power to:

1. Adopt and public rules and regulations governing the use of Common Area and facilities, and the personal conduct of Members and their guests thereon, and to establish penalties for the infraction thereof;
2. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
3. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
4. Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

B. Duties. It shall be the duty of the Board of Directors to:

1. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by three of the Class A Members who are entitled to vote;
2. Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

3. As more fully provided in the Declaration, to:
 - a. Fix the amount of the annual assessment against each Lot at least ten (10) days in advance of each annual assessment period;
 - b. Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 - c. Foreclose the lien against any property for which assessments are not paid after due date or to bring an action at law against the Owner personally obligated to pay the same.
4. Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
5. Procure and maintain adequate liability and hazard insurance on property owned by the Association;
6. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
7. Cause the Common Area to be maintained;
8. Enforce any of the use restrictions set forth in the Declarations; and,
9. Review and approve any architectural plan for the building of any improvements on any Lots within the Properties as set forth in the Declaration.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

A. Enumeration of Offices. The officers of this Association shall be a president and vice president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

B. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

C. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

D. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

E. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time upon giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

F. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

G. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to paragraph VIII(D) above.

H. Duties. The duties of the officers are as follows:

1. President. The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments.

2. Vice President. The vice president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

3. Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

4. Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; and shall prepare an annual

budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting.

ARTICLE IX

COMMITTEES

The Board shall appoint an Architectural Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, each Member except the Declarant is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. 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.

ARTICLE XII

AMENDMENTS

A. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of the votes of a quorum of Members present in person or by proxy.

B. If these Bylaws have been initially approved by the FHA or the VA in connection with any loan program made available by the FHA or VA and any loans have been made which are insured or guaranteed by FHA or VA, then as long as there is a Class B Membership, the FHA or the VA, as applicable, shall have the right to veto amendments to these Bylaws.

C. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIII

MISCELLANEOUS

The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of Cochise Vista Del Oro Homeowners Association have hereunto set our hands this 17th day of September, 1999.


MARTIN M. MCGARRY

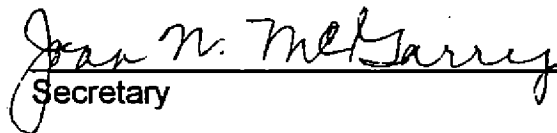
CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of Cochise Vista Del Oro Homeowners Association, an Arizona nonprofit corporation; and

THAT the foregoing Bylaws constitute the original bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 17th day of September, 1999.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 17th day of September, 1999.


Secretary

2021-13594

Page 1 of 1

Requested By: COCHISE VISTA DEL ORO HOA

David W. Stevens - Recorder

Cochise County, AZ

05-20-2021 02:31 PM Recording Fee \$30.00

Cochise Vista Del Oro Homeowner's Association
8794 S. Palisades Dr, P.O. Box 1535, Hereford, AZ 85615

AMENDMENT TO THE RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, CHARGES, SERVITUDES, LIENS, RESERVATIONS AND EASEMENT FOR VISTA DEL ORO, LOTS 1-44 AND COMMON AREA "A", "B" AND "C", RECORDED SEPTEMBER 02, 1999, FEE # 990927121

Member Approval to deed a 1.32 acre portion of Common Area "B", the existing 40.0' x 1,441.31' Ingress / Egress and Utility Easement Fee # 960925281, to the Fairfield Estates Road Maintenance & Improvement District:

With the prior approval of two-thirds (2/3rds) of the Association Members eligible to vote via the September 25, 2010 ballot initiative, the Board, acting on behalf of the Association deeded the above mentioned parcel to allow the Fairfield Estates Road Maintenance & Improvement District to construct improvements to Fairfield Road.

Please Record and Return to:

Lynn Mattingly, May 18, 2021

Lynn Mattingly, President

(Cochise) Vista Del Oro HOA

8794 S. Palisades Dr.

POB 1535 Hereford, Az. 85615

vdohopresident@vistadeloro.org

www.vistadeloro.org

State of Arizona

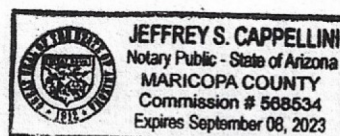
County of Cochise

On MAY 18 2021 (Date)

LYNN MATTINGLY (Name of signer, personally appeared before me, whom I know to be the person who signed the above and proved he signed it.)

Jeffrey S. Cappellini
Notary Public

Seal:



Cochise Vista Del Oro Homeowner's Association
8794 S. Palisades Dr, P.O. Box 1535, Hereford, AZ 85615

March 29, 2014

Association Rule: **(CCR 5.3 & 10.8) CCR Violation Procedure**

CCR violation(s) will be reported in writing to the VDO Board who will investigate and issue a Compliance Request for violations specific to VDO when applicable, allowing a reasonable amount of time for compliance, as determined solely by the Board. If compliance is not achieved, the Board will issue a Notice of Violation consistent with the Arizona Revised Statutes. 3 Canyons CCR violations will be forwarded to the 3 Canyons Ranch Master Design Committee for enforcement.

March 28, 2015

Association Rule: **Design Guidelines Compliance**

Structures constructed by approvals prior to March of 2015 and out of compliance with the Design Guidelines, approved 3-28-15, are grandfathered. For other non-permanent items such as lighting* and landscaping which are not in compliance with the Design Guidelines, the owner will be asked to provide a mitigation plan through the approval process described in the Design Guidelines, to bring these items into compliance.

* Current Cochise County Light Pollution Code

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AMENDMENT TO THE RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, ASSESSMENTS, CHARGES, SERVITUDES, LIENS, RESERVATIONS AND EASEMENTS FOR VISTA DEL ORO, LOTS 1-44 AND COMMON AREAS "A", "B" AND "C", RECORDED SEPTEMBER 02, 1999, FEE # 990927121

Member Approval to add Section 6.13 to the Amended and Restated Declaration of Covenants, Conditions, Restrictions ADD: With the prior approval of two-thirds (2/3rds) of the Association Members eligible to vote, the Board, acting on behalf of the Association, has the right, power, and authority to enter into a multi-year contract to provide services to benefit the residents per Section 6.10 of this Declaration, the cost for which shall be a Common Expense. Notwithstanding any other provision of this Declaration, if such services would not be used by vacant Lots (i.e., Lots on which a Residential Unit has not been built), the Board may exempt the Owners of vacant Lots from the cost for such services.

(As approved per Ballot Initiative, May 18, 2019, in accordance with CCR 10.3 'Amendments'.)

Please Record and Return to:

Lynn Mattingly, May 23 2019

Lynn Mattingly, President

Cochise Vista Del Oro HOA

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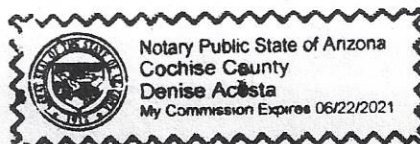
County of Cochise

On 05/23/19 (date) _____.

Lynn Mattingly (name of signer, personally appeared before me, whom I know personally to be the person who signed the above and he proved he signed it.

(seal)

[Signature]
 Notary Public



2020-24555

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Requested By: COCHISE VISTA DEL ORO HOA

David W. Stevens - Recorder

Cochise County, AZ

11-04-2020 04:36 PM Recording Fee \$30.00

Assessments Policy – Updated 10/17/2020

- Assessments are due 28-February yearly, and considered late if unpaid 15 or more days after its due date. (ARS 33-1803 A)
- Assessment Late Fee: 10% of Current Assessment (ARS 33-1803 A)
- Interest on Unpaid Assessments: 12% per Annum, per CCR 6.8.1.
- Transfer Fee: \$200.00 per CCR 6.12.
- Members who are 15 days or more in arrears or who have a Notice of Violation in effect are not eligible to vote. (CCR 5.12)
- A \$300 refundable Internet equipment deposit to be collected from seller by the title company upon the sale of a home, fully refundable if the CenturyLink modem, box, cables, and a valid unaltered connection and password are in place. This amount is based on \$150 equipment replacement cost and \$150 service call.

The statute provides that the Association's lien for unpaid assessments and related charges is automatic and arises immediately once any charges goes unpaid. A Notice of Lien is not required to establish the lien. The recording of the Declaration is notice of the lien. What a Notice of lien accomplishes is a snapshot of the amount of the lien at any given time. The recording of a Notice of Lien is most effective when done in accordance with a standard procedure adopted by the Board providing for a series of escalating communications and actions geared to create the necessary incentive for an owner to pay a delinquent account.

Policy for Non-Payment of Assessments:

- 1) A friendly reminder after the assessment becomes due but before a late fee is charged
- 2) A second reminder after the late fee is charged.
- 3) A pre-lien demand letter, giving the owner until a particular date to make arrangements to pay before a Notice of Lien is recorded.
- 4) Recording a Notice of Lien (VDO Counsel can provide for a flat fee). The Association would send a copy of the Notice of Lien to the Owner.
- 5) A pre-collections letter – sent as a final opportunity for the owner to pay before the account is referred to the attorney for collection action after the annual assessment is at least 6 months delinquent.
- 6) Referral to attorney for demand letter (once the matter has gone this far, the Board can have a dialogue with the attorney to determine whether seeking a money judgment or pursuing lien foreclosure is the most effective remedy under the specific circumstances.) Foreclosure proceedings can only be pursued when late by 1-year or for an amount greater than \$1,200.00. Past due assessments are generally not collectable from the first mortgage holder when the property is foreclosed upon by the first mortgage holder, but instead owed by the member.

I, Lynn Mattingly, serving as President of the Cochise Vista Del Oro Homeowners Association, certify that at a meeting open to the members on October 17, 2020, the Board of Directors voted and approved the Assessments Policy which shall be effective as of that date and recorded in the Office of the Cochise County Arizona Recorder.

Please Record and Return to:

Lynn Mattingly

, November 2, 2020

Lynn Mattingly, President

Cochise Vista Del Oro Homeowners Association

8794 S. Palisades Dr; POB 1535

Hereford, Az 85615

Cochise County Arizona

On 11-2-20 (Date)

Lynn Mattingly (Signer who personally appeared before me,
whom I know to be the person who signed the above and proved evidence he signed it.)

(Seal)

Wafaa Issa Smith

Notary Public

