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AMENDED AND RESTATED
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
POWER RANCH NEIGHBORHOOD 9

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FOR
POWER RANCH NEIGHBORHOOD 9**

THIS DECLARATION is made on the date hereinafter set forth by the Declarant and the Owners of Lots and Units within the Property.

WITNESSETH:

WHEREAS, a Declaration of Covenants, Conditions and Restrictions for Power Ranch Neighborhood 9 Community Association was recorded on June 16, 2006 at Recording Number 2006-0822349, Records of Maricopa County, Arizona Recorder (“Declaration”), which governs the Property defined herein;

WHEREAS, Declarant and the Owners of Lots and Units within the Property wish to amend and restate the Declaration in its entirety and amend the Plats as set forth herein;

NOW, THEREFORE, the Declarant and Owners of Lots and Units within the Property hereby declare that all of the Property described herein shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I

DEFINITIONS

Capitalized terms not defined in this Declaration shall have the meaning and definition set forth in the Master Declaration.

Section 1.1 “Areas of Master Association Responsibility” shall mean (i) all Common Areas within the Project and Improvements situated thereon; (ii) all real property and the Improvements situated thereon, if any, within the Project located within and improved as dedicated public rights-of-way with respect to which the State of Arizona or any county or municipality has not accepted responsibility for the maintenance thereof, but only until such time as the State of Arizona or a county, city or town has accepted the responsibility for the maintenance, repair and replacement of such areas; (iii) any Project entry features constructed within the Project; (iv) all perimeter fences or walls for the Project and all perimeter fences or walls located adjacent to any Common Area tract; (v) any property adjacent to or near the Project which the Town may require the Master Association to maintain; (vi) any Common Areas and Improvements within any Condominium Development which are specifically designated on any

plat or site plan or other document for a Condominium Development or in any other separate instrument executed by Declarant to be maintained by the Master Association or the now dissolved "Power Ranch Neighborhood 9 Community Association" for the benefit of all Owners within the Project (including, without limitation, any improvements and Landscaping from time to time situated therein).

Section 1.2 "Builder" shall mean a person or entity in the business of, or a person or entity which has an affiliate in the business of, constructing and selling Lots and/or Units or in the business of acting as a land banker that sells vacant lots or blocks to persons or entities who construct and sell Lots and/or Units, which purchases a lot or block(s) without Lots and/or Units constructed thereon for the purpose of constructing Lots and/or Units thereon and selling such Lots and/or Units.

Section 1.3 "Commercial Vehicle" shall mean any vehicle (1) one ton or greater in overall weight; (2) commercially licensed in the State of Arizona; (3) in excess of seven (7) feet in height from ground level; and (4) having a sign or other commercial logo or designation indicating that the vehicle is of a commercial nature. Commercial Vehicles are subject to the limitations contained in Article III of this Declaration.

Section 1.4 "Common Area(s)" shall mean all areas on the Parcels that are not Lots, Common Elements, Limited Common Elements or Units, including but not limited to: (i) those portions of the Project, together with the Improvements thereon, which the Master Association may, from time to time, own in fee or in which it may have an easement interest, for as long as the Master Association holds fee title or an easement interest, including, but not limited to (a) each of the Tracts shown on the Plats but excluding Common Elements and Limited Common Elements, as defined herein or as defined in the Condominium Declarations for Parcel 1; (b) all pool, recreational areas and facilities and retention tracts; and (c) the private streets and parking areas within Parcels 1, and 2; (ii) all land within the Project which Declarant, by this Declaration or in any other recorded instrument, makes available for use by all Members of the Master Association or otherwise designates as Common Areas for purposes of this Declaration; (iii) all Mailbox Clusters; (iv) any Project entry features constructed within the Project, including access gates for pedestrians and vehicles and (v) any land within, adjacent to or near the Project which the Town may at any time require be owned by the Master Association.

Section 1.5 "Common Elements" shall mean all portions of the Condominium Developments other than the Units, Limited Common Elements and Common Areas. An undivided ownership interest in the Common Elements shall be vested in the Unit Owners.

Section 1.6 "Condominium Developments" shall mean the residential condominiums intended to be established and developed on Parcel 1, which shall, if and when constructed, be referred to herein as the "Condominium Development".

Section 1.7 "Condominium Plat" shall refer to the Final Condominium Plat for Power Ranch Neighborhood 9, as may be recorded in the records of Maricopa County, Arizona and any replats, amendments, supplements and corrections thereto.

Section 1.8 "Common Open Space Easements" shall mean the pedestrian ingress and egress easements of varying widths for the Lots as shown on the Plats of Parcels 1, and 2.

Section 1.9 "Declarant" shall mean, as the context requires, the original Declarant, Trend Homes, Inc. an Arizona Corporation, and the successor Declarant Pinnacle Ridge Holdings, LLC, an Arizona Limited Liability Company.

Section 1.10 "Declaration" shall mean the provisions of this document and any amendments hereto.

Section 1.11 "Dwelling" shall mean any building, or portion of a building, situated upon a Lot or contained within a Condominium Development, designed and intended for use and occupancy as a residence. All references to a Dwelling shall be deemed to refer also to the underlying Lot, if any and all permanent Improvements thereon.

Section 1.12 "Exempt Areas" shall mean the following parts of the Project:

Section 1.12.1 Any Common Areas within the Project and any Common Elements and Limited Common Elements within any Condominium Development.

Section 1.12.2 All land and improvements owned by or dedicated to and accepted by the United States of America, the State of Arizona, Maricopa County, Town of Gilbert or any other political subdivision for as long as any such entity or political subdivision is the owner thereof or for so long as said dedication remains effective.

Section 1.13 "Improvement" shall be inclusive of all physical improvements upon the Parcels including, but not limited to buildings, roads, driveways, parking areas, fences, walls, rocks, hedges, plantings, planted trees and shrubs, lakes, amenities, access gates and associated structures, and all other structures or landscaping improvements of every type and kind.

Section 1.14 "Landscaping" shall mean any tree, plant, shrub, hedge, cacti, grass and other vegetation of any kind, any inert material used as ground cover and any rocks or similar materials used in connection with landscaping within the Project.

Section 1.15 "Limited Common Elements" shall mean a portion of the Common Elements specifically designated in this Declaration or any of the Condominium Declarations as a Limited Common Element and allocated by this Declaration or by operation of the Condominium Act for the exclusive use of one or more but fewer than all of the Units. Each Limited Common Element shall be limited to a maximum vertical height of eight (8) feet.

Section 1.16 "Lot" shall mean (a) any area of real property within Parcels 1 and 2 of the Project designated as a lot on any of the Plats for such Parcels intended for independent ownership and the construction of a single family residence. Where the context indicates or requires, the term "Lot" shall include any dwelling and other Improvements situated thereon.

Section 1.17 “Master Association” shall mean the Power Ranch Community Master Association, an Arizona nonprofit corporation.

Section 1.18 “Mailbox Clusters” shall mean common mailbox structures for the Lots or Units within the Parcels, which are constructed by the Declarant in clusters and are located on Common Areas intended to serve as a common mailbox structure serving more than one Lot or Unit.

Section 1.19 “Parcels” shall mean each of the three (3) parcels of real property covered by the Plats and any "Supplement to Plat" applicable to any of the Parcels. Each of the Parcels shall be referred to individually as a "Parcel".

Section 1.20 “Person” shall mean a natural person, corporation, business trust, estate, trust, limited liability company, partnership, association, joint venture, municipality, governmental subdivision or agency or other legal or commercial entity.

Section 1.21 “Permittee” shall mean an Owner’s family members, agents, and guests, and the Tenants, Lessees, and Residents of such Owner’s Lot or Unit and their respective family members, agents, and guests, individually or collectively as the context may require.

Section 1.22 “Plans” shall mean and refer to Power Ranch Neighborhood 9 Master Plans prepared by M2 Group and approved by the Town, as such may hereafter be modified from time to time by a Declarant.

Section 1.23 “Plat” or “Plats” shall mean the FINAL PLAT FOR “POWER RANCH NEIGHBORHOOD 9, PARCEL 1” “AMENDED”, in Book 887, Page 19 of Maps, Maricopa County, Arizona Recorder, REPLAT FOR POWER RANCH NEIGHBORHOOD 9, PARCEL1, in Book 1078, Page 34 of Maps, Maricopa County, Arizona Recorder; REPLAT FOR POWER RANCH NEIGHBORHOOD 9, PARCEL 2, in Book 976, Page 33 of Maps, Maricopa County, Arizona Recorder; REPLAT FOR POWER RANCH NEIGHBORHOOD 9, PARCEL 2, in Book 1079, Page 24 of Maps, Maricopa County, Arizona Recorder; the POWER RANCH NEIGHBORHOOD 9, PARCEL 2, in Book 795, Page 50 of Maps, Maricopa County, Arizona Recorder; the CONDOMINIUM AMENDED PLAT FOR “POWER RANCH NEIGHBORHOOD 9, PARCEL 1, CONDOMINIUM, LOTS 281-292 OF POWER RANCH NEIGHBORHOOD 9, PARCEL 1”, in Book 989, Page 08 of Maps, Maricopa County, Arizona Recorder, any other recorded subdivision plat of any portion of the Property, and all amendments thereto.

Section 1.245 “Private Shared Driveway Easement” shall mean the approximately twenty five (25) foot wide vehicular and pedestrian access ingress and egress easement throughout portions of the Project as depicted as Tracts S1 through S8 on the Plat for Parcels 1, and depicted as Tracts S1 through S7, S22 and S23 on the Plats for Parcel 2.

Section 1.25 “Project” shall mean the Property together with all buildings and other Improvements located thereon and all easements, rights and privileges appurtenant thereto.

Section 1.26 "Project Documents" shall mean this Declaration, the Master Declaration, the Articles, Bylaws, and Rules of the Master Association, any Design Review Guidelines, and all other documents or instruments pertaining to and affecting the entire Project, as the same may be amended from time to time.

Section 1.27 "Property" shall mean the Parcels, which are situated in the Town of Gilbert, State of Arizona, and such Additional Property, if any, as may hereafter become subject to this Declaration and be brought within the jurisdiction of the Master Association pursuant to the provisions of this Declaration.

Section 1.28 "Purchaser" shall mean any person other than a Declarant or a Builder who, by means of a voluntary transfer becomes the Owner of a Lot or Unit, except for an Owner who purchases a Lot or Unit and then leases it to a Declarant for use as a model in connection with the sale of other Lots or Units.

Section 1.290 "Recording", "Recordation" and "Recorded" shall mean placing an instrument of public record in the office of the County Recorder of Maricopa County, Arizona, and "Recorded" shall mean having been so placed of public record.

Section 1.30 "Resident" shall mean any person, other than an Owner, who occupies or is in possession of a Lot or Unit for a period of forty five (45) days or more in a calendar year, whether as a lessee under a lease, or otherwise.

Section 1.31 "Single Family Residential Use" shall mean the occupation or use of a Lot by a Single Family in conformity with this Declaration and the requirements imposed by applicable zoning and other applicable laws.

Section 1.32 "Town" shall mean the Town of Gilbert, Arizona.

Section 1.33 "Tract Declaration" shall mean any declaration Recorded pursuant to this Declaration.

Section 1.34 "Unit" shall mean a condominium unit within the Condominium Development, together with any appurtenant interest in Common Elements and Limited Common Elements within the Condominium Development.

Section 1.35 "Use and Benefit Easements" shall mean and refer to all areas within the Lots within Parcels 1 and 2 as shown on the Plats thereof except (a) that part of a Lot on which the foundation (which shall be construed to mean the slab, driveway and front porch of a home) of a Dwelling is situated and (b) any Private Use and Benefit Easement Areas as shown and/or described on the Plat for Parcel and as further described in Section 7.5 of this Declaration.

ARTICLE II

PLAN OF DEVELOPMENT

Section 2.1 General Declaration Creating Power Ranch Neighborhood 9. The Project will be developed by subdividing the Property into various Master Common Areas, Single Family Lots, and a Condominium Development as follows:

Section 2.1.1 Single Family Lots. There shall be two types of Single Family Lots within the Project:

Section 2.1.1.1 Type A Lots. Lots 67 through 114 as shown on the Plat for Parcel 1 and Lots 615 through 642 as shown on the Plat for Parcel 2 shall be an average of 8,220 square feet and shall contain Single Family detached houses ("Type A Lots").

Section 2.1.1.2 Type B Lots. Lots 1 through 66, and 115 through 280 as shown on the Plat for Parcel 1 and Lots 293 through 614 as shown on the Plats for Parcel 2 shall be an average of 2,496 square feet and shall contain Single Family detached houses ("Type B Lots").

Section 2.1.2 Condominium Development. Declarant has Recorded a Condominium Plat over parcels 281 through 292 as shown on the Plat for Parcel 1, which Condominium Plat shall incorporate this Declaration by reference. The Condominium Development shall be comprised of Units, Common Elements and Common Areas and shall be governed by a Condominium Declaration, which shall be subordinate to this Declaration. An easement is hereby created over the Condominium Common Elements in favor of the Master Association and its agents, employees and contractors as may be necessary or appropriate for the Master Association to maintain the Common Elements and any street lights on the Common Elements and for the purpose of exercising all rights of the Master Association and discharging its obligations under this Declaration.

Section 2.2 Declaration. Declarant and Owners hereby declare that all of the real property within the Project is, and shall be, held, conveyed, hypothecated, encumbered, leased, occupied, built upon or otherwise used, improved or transferred, in whole or in part, subject to this Declaration and any Recorded Plat applicable thereto, as amended or modified from time to time; provided, however, that such portions of the Property as are dedicated to the public or a governmental entity for public purposes shall not be subject to this Declaration while owned by the public or the governmental entity, although any restrictions imposed in this Declaration upon the Owners or the Residents concerning the use and maintenance of such portion or portions of the Property shall at all times apply to the Owners and Residents. This Declaration is declared and agreed to be in furtherance of a general plan for the subdivision, improvement and sale of the Project and is established for the purpose of enhancing and protecting the value, desirability and attractiveness of the Project and every part thereof. All of this Declaration shall run with the ownership of all Parcels, Lots and Units for all purposes and shall be binding upon and inure to

the benefit of the Declarant, the Master Association, the Condominium Master Association, all Owners, Residents and their successors in interest and Permittees.

Section 2.3 Power Ranch Master Declaration. On or about October 1, 1999 the Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements for Power Ranch were recorded ("Master Declaration") (Recording #99-0916566), which Master Declaration created the Master Association and governs the entire Power Ranch development, including the Property. Pursuant to Section 5.5 of the Master Declaration, this Declaration, the Condominium Master Association, the Condominium Declaration and all of the respective Members and Owners shall be subordinate to the Master Association, the Articles and Bylaws of the Master Association, the tract declaration applicable to Power Ranch Neighborhood 9 and the Power Ranch Rules as defined in Section 1.41 of the Master Declaration.

Section 2.4 Master Associations Bound. This Declaration shall be binding upon and shall benefit the Master Association. In addition, the Condominium Master Association within the Project shall be bound by this Declaration.

Section 2.5 Right to Resubdivide and Replat. Subject to the approval of the Master Association and any and all appropriate governmental agencies having jurisdiction, Declarant hereby reserves the right at any time Declarant still owns a Lot or Unit, without the consent of other Owners, to modify any plans and Plats for the Project or any part thereof and to resubdivide and replat any part of the Project which such Declarant then owns and has not sold.

Section 2.6 Amendments to Plats. The Plats are hereby amended so that any reference to ownership and maintenance of tracts, parcels, and areas by "Power Ranch Neighborhood 9 Community Association" or the "Sub-Association" is replaced with a reference to "Power Ranch Community Association" or the "Master Association".

ARTICLE III

COVENANTS AND RESTRICTIONS

Section 3.1 Residential Use. Each Lot and Unit in the Project shall be improved and used exclusively for Single Family Residential Use. No trade or business may be conducted in or from any Lot or Unit, except that an Owner or other Resident of a Lot or Unit may conduct a business activity within a Lot or Unit so long as (i) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from the outside of the Lot or 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 into the Lot or Unit (other than for incidental and minimal pick-ups, deliveries and visits) or the door-to-door solicitation of Owners or Residents, (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 the security or safety of other residents within the Project, and (v) the business actually conducted in or from a Lot or Unit does not involve any employees routinely coming into the Lot or Unit, other than

family members residing in the Lot or Unit, all as may be determined from time to time in the sole discretion of the Board. The terms "business" and "trade", as used in this Section 3.1, 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 sale or lease of a Lot or Unit by the Owner thereof shall not be considered a "trade" or "business" within the meaning of this Section 3.1.

Notwithstanding the foregoing provisions, Declarant, and their duly authorized agents and employees, may use any part of the Project owned by such Declarant and not owned by a Purchaser for a model site or sites, display and sales offices, business offices and construction offices during the construction and sales periods.

Section 3.2 Temporary Occupancy and Buildings. No trailer, bus, mobile home, tent, shack, garage, barn or other building of a temporary nature shall be installed, located or used on any Lot or Common Area at any time as a residence, either temporarily or permanently. Notwithstanding the foregoing, Declarant shall have the right, until the Project is fully developed and improved, to maintain construction facilities and storage areas incident to the development and improvement of the Project.

Section 3.3 Nuisances. No rubbish or debris of any kind shall be placed or permitted to accumulate within or adjacent to any Lot or Unit, Common Element, or Limited Common Element or any other portion of the Project. In addition, a Lot, Unit or any other portion of the Project shall not be used in whole or in part for the storage of any property or thing that will cause the Lot or Unit or the Project or any part thereof to appear in an unclean or untidy condition or that will be unsightly, offensive, obnoxious or detrimental to any other Owner or Resident. No substance, thing or material shall be kept or used within any Lot, Unit, Common Element, or Limited Common Element that will emit a foul, offensive or obnoxious odor or that will cause any noise that will or might disturb the peace, quiet, comfort, serenity or tranquility of the Owners and/or Residents of adjacent portions of the Project. Without limiting the generality of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices, except security devices used exclusively for security purposes, shall be located, used or placed on any portion of any Lot, Unit, Common Element, or Limited Common Element. Noise caused by improperly muffled motor vehicles shall not be permitted and construction machinery and equipment must be operated within the manufacturers' recommendations and specifications and only during reasonable working hours. No nuisance of any kind or description shall be permitted to exist or operate within any Lot or Unit so as to be offensive, unsanitary, unsightly or detrimental to the Owners or Residents of adjacent portions of the Project. The Board, in its sole and absolute discretion, shall have the right to determine the existence of any nuisance whether described herein or not.

Section 3.4 Trash and Recycling Containers and Collection.

Section 3.4.1 The requirements of this Section 3.4 shall be in addition to the requirements contained in Section 4.3.10 of the Master Declaration.

Section 3.4.2 Except as provided in this Section 3.4, all trash containers must be stored in a manner that such containers are not Visible from Neighboring Properties except to make such containers available for collection and then only for the shortest period of time (not to exceed twenty-four (24) consecutive hours) reasonably necessary to effect such collection. During collection periods trash and recycling containers may only be placed in the areas designated in this Section 3.4 or as authorized by the Board. The Board shall have the right to subscribe to a trash service for the use and benefit of the Master Association and all Owners, and to adopt and promulgate rules and regulations regarding garbage, trash, trash containers and collection; provided, however, that any such rules must be consistent with this Declaration. No incinerators shall be kept or maintained on any Lot or in any Unit.

Section 3.4.3 Storage of Trash and Recycling Containers:

Section 3.4.3.1 Type A Lots: Except as necessary for collection, Owners or Residents of Type A Lots shall store trash containers within backyard areas or the garage serving the Lot; provided, however, that such containers shall not be Visible from Neighboring Properties when stored.

Section 3.4.3.2 Type B Lots: Except as necessary for collection, Owners or Residents of Type B Lots shall store trash containers within the Use and Benefit Easement area or the garage serving the Lot; provided, however, that such containers shall not be Visible from Neighboring Properties when stored.

Section 3.4.3.3 Condominium Units: Except as necessary for collection, Owners or Residents of Units shall store trash containers within the garage serving the Unit in such a manner to ensure that such containers are not Visible from Neighboring Properties when stored.

Section 3.5 Animals. No animals, fish, fowl, poultry, swine, horses, reptiles or livestock shall be raised, bred or kept on or within any Lot or Unit, except that a reasonable number of dogs, cats or other generally recognized and commonly accepted household pets may be kept within a Lot or Unit; provided, however, such household pets may not be kept, bred or maintained thereon for any commercial purposes, or in unreasonable numbers. Except where specifically approved by the Board to the contrary, and except as may be further limited in any Condominium Declaration for any Condominium Development, "reasonable number" shall mean no more than two (2) of any single specie of household pet (e.g., two (2) dogs, two (2) cats, etc.) and no more than six (6) total household pets; provided, however, offspring of such household pets will be permitted for a period not to exceed sixteen (16) weeks following the birth of such offspring. No household pets may be kept within a Lot or Unit which result in an annoyance to or which are obnoxious to other Owners or Residents. All household pets must be kept indoors or within fenced yards and may not be permitted to run loose. No structure for the care, housing or confinement of any animal, bird, fowl, poultry or livestock shall be maintained on any Lot, Unit, Common Area, Common Element or Limited Common Element. The owner of each pet is responsible for cleaning any waste, dirt and soilage and repairing any damage caused by the pet. Upon the written request of any Owner, the Board shall conclusively determine, in its sole and

absolute discretion, for the purposes of this Section 3.5, whether a particular animal, bird, fowl, poultry or livestock is a generally recognized and commonly accepted household pet or a nuisance or whether the number of animals, birds, fowl, poultry or livestock upon any Lot or Unit is reasonable. Any decision rendered by the Board shall be enforceable as other restrictions contained herein.

Section 3.6 Motor Vehicle Parking. Subject to the restrictions of ARS § 33-1809, the parking of motor vehicles within the Project shall be in accordance with the following:

Section 3.6.1 General Provisions. No mobile or motor home, boat, jet ski or wave runner, boat, recreational vehicle, all-terrain vehicle, off-road vehicle, trailer, horse trailer, camper, camper shell, snowmobile, bus or any commercial vehicle (other than a "Family Vehicle" as defined below) or any vehicles designed for commercial purposes shall be parked, kept, placed, maintained, constructed, reconstructed or repaired on any Lot or within the Project so as to be Visible From Neighboring Property; provided, however, that the provisions of this Section 3.6 shall not apply to emergency vehicle repairs and provided, further, that such items may, for a period not to exceed twenty-four (24) consecutive hours and not to exceed forty-eight hours in any seven (7) day period, be parked on paved driveways on Lots for the purpose of loading, unloading and preparing such items for offsite usage. All other motor vehicles shall be permitted to park only in garages on Lots and may not park so as to obstruct any sidewalks, and no motor vehicle may park on the private streets within the Project except as specifically permitted by signage.

Section 3.6.2 Guest Parking. Vehicles of guests and invitees of an Owner may only park in designated parking spaces within the Project or in the garage of the Dwelling they are visiting. Guests may park in the designated visitor parking spaces for a maximum of five (5) days in any thirty (30) day period, after which time Guests may contact the either the Board or the parking service, if one is retained by the Board, to determine whether any extended Guest parking is available.

Section 3.6.3 Enforcement. Any persons who violate any parking restrictions set forth herein will be subject to having their vehicle immobilized or towed at their expense.

Section 3.6.4 Commercial Vehicles. Notwithstanding the forgoing, Commercial Vehicles, as defined in Article I may park on the public or private streets in the Project when such parking is: (i) for the temporary parking for loading and unloading for a period of not more than two (2) hours in any twenty-four (24) hour period; (ii) for temporary construction trailers or facilities maintained during, and used exclusively in connection with, the construction of any Improvement by Declarant or the Board. In no case shall any Commercial Vehicle park in alleyways or driveways within the Project.

Section 3.6.5 Family Vehicles. A "Family Vehicle" means any domestic or foreign car, station wagon, sport wagon, pickup truck with factory settings of less than one (1) ton capacity with camper shells not exceeding seven (7) feet in height measured from ground level, mini-van, jeep, sport utility vehicle, motorcycle and similar non-commercial and non-recreational vehicles that are used by a Resident for family and domestic purposes and which are

used on a regular and recurring basis for basic transportation. The Board of Directors may, acting in good faith, designate a commercial vehicle as a Family Vehicle if, prior to use, the Resident petitions the Board to classify the same as a Family Vehicle and the parking of such Vehicle will not adversely affect the Project or the Owners or Residents.

Section 3.7 Garages. Any part of a Lot or Unit constructed as a garage shall only be used for parking vehicles and other garage purposes only and shall not be converted for living or recreational purposes. All garages must be kept in a neat and tidy manner at all times. Garage doors must be kept completely closed at all times except to permit vehicle ingress and egress or when the garage is being used for access to and from the Lot or Unit. Owners must maintain garage doors in good condition at all times and must promptly repair all noticeable damage or deterioration to the exterior of garage doors including dents, scratches, chipped or peeling paint; and any damage that prevents the garage doors from properly operating within thirty (30) days of damage. If painting is required, Owners shall use the original paint color or obtain Design Review Committee approval if another color is to be used.

Section 3.8 Signs. No signs or billboards of any kind shall be displayed to the public view on any Lot or Unit except for: (i) signs permitted by the Master Declaration, (ii) signs as may be required by legal proceedings; (iii) such signs as may be erected by a Declarant in connection with the development of any Parcel or the Project or the sale by Declarant of any Lots or Units; (iv) up to forty-five (45) days before an election and up to seven (7) days after an election, political signs as permitted by the Town of Gilbert and Maricopa County may be placed on the Lot or Unit (or, if no such laws exist, one political sign not exceeding twenty-four inches by twenty-four inches (24" x 24")); (v) a "For Sale" sign and a temporary "Open House" sign, each no larger than eighteen by twenty-four inches (18" x 24") and a "For Sale" sign rider no larger than six by twenty-four inches (6" x 24"), while the Lot or Unit is for sale; and (vi) a "For Lease" or "For Rent" sign and a temporary "Open House" sign, each no larger than eighteen by twenty-four inches (18" x 24"), while the Lot or Unit is for lease or rent.

Section 3.9 Flags. Except as otherwise expressly provided in the immediately following sentence, no flag shall be displayed within the Project except in accordance with any flag policy set forth in the Master Association Rules, which may regulate the location, mounting, pole height, lighting, maintenance and other responsibilities of displaying a flag. The following flags may be flown in accordance with the federal flag code: the American, U.S. Army, U.S. Navy, U.S. Air Force, U.S. Marine Corps, U.S. Coast Guard, POW/MIA, Arizona, and Arizona Indian Nations. The Master Association Rules may regulate the placement and manner of display of flags, including the location and size of flagpoles (but shall not prohibit the installation of a conforming flagpole).

Section 3.10 Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Lot or Unit except such machinery or equipment as is usual and customary in connection with the use, maintenance or construction of a residence, appurtenant structures or other Improvements, which machinery and equipment shall not be Visible From Neighboring Property, except when it is being operated or used in connection with the construction of Improvements or the maintenance of Improvements.

Section 3.11 Clotheslines. No clotheslines of any sort or other device for drying or airing of clothes shall be erected, placed or maintained in any Lot, Common Area, Common Element, or Limited Common Element.

Section 3.12 Sidewalk and Roadway Encroachments. No Improvement of any kind shall be permitted to overhang or otherwise encroach upon any Common Area, Roadway or sidewalk within the Project; provided, however, Landscaping approved by the Design Review Committee and properly cultivated and maintained may overhang Common Areas provided such Landscaping does not create a nuisance to Owners or Residents within the Project.

Section 3.13 HVAC and Solar Panels. Except as may be installed by a Declarant during the original construction of any Lot or Unit, no heating, air conditioning, evaporative cooling facilities or solar collector panels may be installed, constructed or maintained upon any Lot or Unit unless the Design Review Committee has approved such facilities or panels.

Section 3.14 Fencing. All fencing constructed by a Declarant may only be replaced with fencing of the same type, style and construction unless otherwise approved by the Design Review Committee.

Section 3.15 Storage and Tool Sheds and Structures. Except as constructed by the Declarant, or allowable as stated herein, no storage or tool sheds or similar structures shall be placed, erected or maintained upon any part of the Project. Type A Lots shall be permitted to have storage or tool sheds on their property with the written approval of the Design Review Committee. Such approval can be withheld in the Design Review Committee's sole discretion.

Section 3.16 Window Materials. Within sixty (60) days of closing of escrow on a Lot or Unit, the Owner shall install draperies or suitable window treatments on all windows facing the private or public streets and Common Areas adjacent to its Lot or Unit. However, no external window covering may be placed, or permitted to remain, on any window of any Lot or Unit or other Improvement without the prior written approval by the Design Review Committee in accordance with Article IV. No reflective coating, materials or covering may be placed on any window of any Lot or Unit or other Improvement. Further, the portions of all curtains, blinds, interior shutters, screens and window coverings or window treatments which are visible from outside the Lot or Unit must be neutral in color. No bedsheets, blankets, bedspreads or other items not designed for use as curtains or other window coverings may be used for such purposes except during a period not to exceed thirty (30) days following the conveyance of a Lot or Unit from a Declarant or a Builder to a Purchaser.

Section 3.17 Mineral Exploration. No portion of the Project shall be used in any manner to explore for or to remove any water, oil or other hydrocarbons, minerals, gravel or other natural resources of any kind.

Section 3.18 Conveyance. No portion less than all of a Lot or Unit shall be conveyed, transferred or encumbered. Nothing herein shall prevent the dedication or conveyance of or granting of easements over portions of the Project for public utilities or any other public

purposes, in which event the remaining portion of any Lot or Unit affected shall, for the purpose of this Declaration, be considered a whole Lot or Unit.

Section 3.19 Violation of Statutes, Ordinances and Regulations. No Lot or Unit shall be maintained or utilized in such a manner as to violate any applicable statute, ordinance or regulation of the United States of America, the State of Arizona, Maricopa County, the Town of Gilbert or any other governmental agency or subdivision authority having jurisdiction over the Lot or Units or the use or occupation thereof.

Section 3.20 Rental. Only entire Lots or Units may be rented, and if so rented, the occupancy thereof shall be limited to the lessee or tenant under the lease and his family and guests. No Owner shall be permitted to lease a Lot or Unit for transient or hotel purposes. No Owner may lease less than his entire Lot or Unit. All lease agreements shall be in writing and shall provide that the terms of the Lease shall be subject in all respects to the provisions of this Declaration and Master Association Project Documents, and any failure by Lessee to comply with the terms of such documents shall be a default under the lease. For purposes of this Declaration, "lease" means any agreement, written or oral, for the leasing, rental or occupancy of the Lot or Unit (whether or not money is exchanged) for more than thirty (30) days in any calendar year by anyone other than: (i) the Owner, (ii) the Owner's spouse, (iii) the Owner's or the Owner's spouse's children or parents, or (iv) any individuals living with the Owner who are maintaining a common household with the Owner. Upon leasing his Lot or Unit, an Owner shall promptly notify the Master Association in writing of the commencement date and termination date of the lease, together with the names of each Lessee or other person who will be occupying the Lot or Unit during the term of the lease. No lease shall be for a term of less than one year.

Section 3.21 Drainage. No Lot or Unit or 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 as shown on the drainage plan on file with the Town of Gilbert.

Section 3.22 Antennas and Satellite Dishes.

Section 3.22.1 No antenna, satellite dish or other device for the transmission or reception of television or radio (including amateur or ham radio) signals or any other form of electromagnetic radiation, including satellite television or radio discs, antennas or equipment, and including the mast or other structure used or required for the installation, erection, use or maintenance of such device, shall be installed, erected, used or maintained within Common Areas, Common Elements, whether attached to a building or structure or otherwise. Provided; however, that any device covered by 47 C.F.R. § 1.400 (Over-the-Air Reception Devices Rule), as amended, repealed, or recodified ("Permitted Devices") may be installed within Lots or upon the Limited Common Elements of Units in full compliance with this Section 3.23. The devices governed by 47 C.F.R. § 1.400 (Over-the-Air Reception Devices Rule) as of the date of the recording of this Declaration are as follows: (i) Direct Broadcast Satellite ("DBS") antennas one meter in diameter or less, and designed to receive direct broadcast satellite service, including direct-to-home satellite service, or receive or transmit fixed wireless signals via satellite; (ii) Multi-point Distribution Service ("MDS") antennas one meter or less in diameter or diagonal

measurement, designed to receive video programming services (wireless cable) or to receive or transmit fixed wireless signals other than via satellite; (iii) antennas designed to receive local television broadcast signals ("TVBS"); and (iv) Antennas designed to receive and/or transmit data services, including Internet access. If the FCC expands the types of antennas that fall under the FCC Rule, this Section 3.22 shall encompass those antennas as well.

The purpose of these regulations is to protect the integrity of the design of the Power Ranch Neighborhood 9 community and to ensure that such installation and operation do not endanger the safety of persons or property. Permitted Devices must be installed in a manner that ensures the safe operation of the device and the protection of Owners, Residents their Permittees and all other Persons and all property from the risk of exposure to radiofrequency radiation, lightning strikes and other safety related concerns. Permitted Devices shall not be installed, attached or otherwise affixed to any Common Area or Common Element. A Permitted Device can only be installed if:

Section 3.22.1.1 placement of the Permitted Device is in a location on the Lot or Limited Common Area that minimizes to the greatest extent feasible its visibility from neighboring property while still providing an acceptable quality signal, without imposing unreasonable costs;

Section 3.22.1.2 with respect to any Permitted Device that, after application of the first criterion specified in Section 3.23.1.1, above, is to any extent Visible from Neighboring Property, the Permitted Device shall be screened from view in a manner that is architecturally integrated into the Lot or Limited Common Element in terms of design, size, materials, location, means of attachment, color and other aesthetic considerations;

Section 3.22.1.3 the Owner complies in all respects with any applicable rules or guidelines of the Design Review Committee or other such rules established in the applicable Condominium Declaration;

Section 3.22.1.4 with respect to antennas used to transmit fixed wireless signals, such antenna is labeled in a clearly visible manner regarding potential radiofrequency safety and exposure hazards, for example, warning of the minimum separation distance required between persons and transceiver antennas, with such labeling being contained on both the antenna and outside the range of any possible safety exposure zone, and specifically referencing the applicable exposure limits adopted by the Federal Communications Commission ("FCC") in 47 C.F.R. § 1.1310 or any applicable subsequent regulation;

Section 3.22.1.5 the installation of the Permitted Device is performed in a manner to provide for the adequate and safe arresting of lightning strikes, placement a safe distance from any electrical wiring according to the National Electric Safety Code ("NESC"), placement and lighting sufficient to prevent accidental contact with airborne objects such as kites and toys, and with consideration of any other safety requirements appropriate for the installation;

Section 3.22.1.6 the installation complies with any applicable FCC and FAA location, lighting and marking regulations;

Section 3.22.1.7 the installation is performed and operation is conducted in a manner that minimizes interference with other pre-existing signal reception and transmission devices and with any operations licensed by the FCC; and

Section 3.22.1.8 the Owner is responsible for any and all damage caused by such installation, including but not limited to, the costs of restoration of Limited Common Elements or other such areas if any such damage is caused by the installation.

Section 3.22.2 Enforcement. The Master Association shall have the primary authority to enforce the regulations regarding antennas in all areas of the Project, including the Condominium Development.

Section 3.23 Basketball Goals and Play Structures. No basketball goal, backboard or similar structure or device and no swing set, trampoline, batting cage or other play structure shall be placed or constructed on any Lot or Limited Common Element without the prior approval of the Design Review Committee. In no event shall basketball goals be permitted to be attached to any Common Element or Limited Common Element.

Section 3.24 Miscellaneous Outdoor Items. Unless such items can be erected, used, maintained or kept in such a manner that they are not Visible from a Neighboring Property, the following shall not be erected, used, maintained or kept on a Lot or Limited Common Element except as permitted herein: air conditioners, barbeques (except during use), coolers, pool filters, pool heaters, lawn and yard tools, storage tanks for water, gas, gasoline, oil or other fuel. Type A Lots shall be permitted to erect outdoor items with the written approval of the Design Review Committee. Such approval may be withheld in the Design Review Committee's sole discretion.

Section 3.25 Drywells. All drywells shown on the Plats shall be maintained by the Master Association and are to be repaired or replaced by the Master Association when they cease to drain the surface water in a 36-hour period.

Section 3.26 Reflective Materials. Reflective materials or articles, including reflective house sidings and roofing material, shall not be maintained on any Lot or Unit. No glass used in the construction of any exterior Improvement on any Lot or Unit shall have a light reflective value in excess of twenty five percent (25%).

Section 3.27 Roofs and Flashings. Except as installed by a Declarant, no asbestos shingle roofs, light-reflective roofs or flat roofs (unless fully concealed by a parapet wall so as not to be visible from neighboring property) shall be constructed or maintained on any Lot or Unit. No standing water shall be permitted to exist on any flat roof. Only roofs composed of concrete or clay tile or another material approved by the Design Review Committee shall be constructed on any Lot or Unit.

ARTICLE IV

MASTER DESIGN REVIEW COMMITTEE

Section 4.1 Purpose and Intent. Pursuant to Section 11.2 of the Master Declaration the purpose of the Design Review Committee is to maintain uniformity of architectural and landscaping standards throughout Power Ranch and thereby enhance the aesthetic and economic value of Power Ranch. This purpose extends to Power Ranch Neighborhood 9.

Section 4.2 Design Review Committee. Article 11 of the Master Declaration establishing the Design Review Committee and setting forth its authority and review procedures shall govern the Project. The Design Review Committee shall have the authority to oversee any proposed changes to Lots, Improvements, Common Areas, Common Elements or Limited Common Elements. Generally, there should be no physical changes to Common Areas, Common Elements or Limited Common Elements as constructed or installed by the Declarant. Any proposed changes to Common Areas, Common Elements or Limited Common Elements should be of a comprehensive nature and shall be proposed only by the Board of the Condominium Master Association.

Section 4.3 Governmental Approvals. The approval of the Design Review Committee required by this Article IV or Article 11 of the Master Declaration shall be in addition to, and not in lieu of, any approvals, consents or permits required under the ordinances or rules and regulations of any county or municipality having jurisdiction over the Project.

ARTICLE V

EASEMENTS

Section 5.1 Blanket Utility Easement. There is hereby created in the Master Association and all providers to the Project of public utilities a blanket easement upon, across, over and under the Property for ingress and egress for the installation, replacing, repairing and maintaining of all utility and service lines and systems, including but not limited to water, sewer, gas, telephone, electrical, air conditioning, heating, television cable or communication lines and systems. By virtue of this easement, it shall be expressly permissible for the providing utility or service company or the Master Association or their agents to install and maintain facilities and equipment on the Property and to affix and maintain wires, pipes, lines, conduits, ducts, vents, cables, circuits and other appurtenant items on the Property and to trim any tree, shrubbery and other Landscaping which interfere with any such utility facilities. Notwithstanding anything to the contrary contained in this Article, no sewer facilities, electrical lines, water lines or other utility or service lines may be installed or relocated on the Property, except as approved by the Board.

Section 5.2 Easement for Encroachments. In the event a wall, Landscaping, or other Improvement on a Lot or the Common Area encroaches upon another Lot or the Common Area,

and such encroachment is inadvertent and has no significant adverse impact on the adjacent property, an easement for such encroachment is hereby given and, upon request by either of the parties, the Design Review Committee shall have the right, but not the obligation, to determine whether such encroachment causes a significant adverse impact. When such determination is made by the Design Review Committee, that determination shall be binding on all parties.

Section 5.3 Drainage Easements Among Owners. The Lots are subject to all drainage easements shown on the Plat, if any, and all drainage easements as the Town may hereafter require. In addition, to the extent that storm runoff flows from any Lot(s) or Common Areas under or through one or more other Lots, drainage easements shall exist over such Lot(s) and any such drainage flow shall not be impeded, diverted, or otherwise changed. Such drainage easements shall include, but are not limited to, receiving the runoff from roofs and drainage under and through walls.

Section 5.4 Master Association's Easement for Performing Maintenance and Inspections. The Master Association shall have an easement upon, across, over and under the Common Areas and Limited Common Elements within the Project for the purpose of repairing, maintaining and replacing Areas of Master Association Responsibility and for performing all of the Master Association's other rights, duties and obligations hereunder. In addition, during reasonable hours, the Master Association or any authorized representative of the Master Association shall have the right to enter upon and inspect any Lot or Unit, excluding the interior of any Improvement located thereon, for the purpose of making inspections to determine whether the provisions of the Project Documents are being complied with by the Owner or Residents of said Lot or Unit.

Section 5.5 Temporary Easements. Declarant, their agents, employees and contractors shall have a temporary easement upon the Common Areas as is necessary for development of adjacent Lots, Units and Common Areas and completion of improvements in public rights-of-way, public utility easements, drainage easements and Common Areas. In addition, Declarant, their agents, employees and contractors shall have a temporary easement upon the Common Areas as is necessary to carry out any work required by, convenient to or incidental to carrying out the terms of any warranty.

Section 5.6 Public Easements. Each Owner who accepts a deed to or any interest in a Lot or Unit agrees to recognize and be bound by any open space easements, drainage easements and other easements shown in the Plat or which otherwise exist with respect to the Lot or Unit purchased by such Owner or the Common Areas, all in accordance with applicable ordinances and regulations.

Section 5.7 Perimeter Wall Easements and Maintenance. Each Owner who accepts a deed to a Lot which borders or is adjacent to South Fenceline Parkway and South Power Road, or any other major arterial street which borders the Project and/or which borders or is adjacent to any Common Area tract within the Project shall be deemed to grant to the Master Association a non-exclusive easement for access to, and maintenance and repair of, the perimeter walls for the Project along such roadways and/or any other major arterial street and any Common Area tract, and each Owner of such a Lot shall be responsible for maintaining the interior of any such

perimeter wall and shall also be responsible for repairing any damage to such perimeter wall caused by such Owner or its family Members, guests, lessees or agents. To the extent any perimeter wall for the Project encroaches upon any Lot, an easement for such encroachment is hereby established over the encroached upon portion of any such Lot for the benefit of the Master Association.

Section 5.8 Avigation Easement. The Property is within two (2) miles of Williams Gateway Airport and is subject to a recorded Avigation Easement and Release for Williams Gateway Airport. Additional information pertaining to aircraft operation and airport development may be obtained by contacting the Williams Gateway Administration Office.

Section 5.9 Parcel Specific Easements. The Tract Declarations and any other supplemental declarations which may hereafter be recorded with respect to any of the Parcels may also create additional easements and restrictions relative to any Parcel(s) which may become subject to such Tract Declarations or other supplemental declarations.

ARTICLE VI

MAINTENANCE

Section 6.1 Maintenance of Areas of Master Association Responsibility. The Master Association, or its duly delegated representative, shall be responsible for the maintenance and repair of (i) the Common Areas and (ii) all other Areas of Master Association Responsibility. The Master Association shall also have the right, but not the obligation to undertake any maintenance within the Project as the Board may from time to time determine to be in the best interest of the Project and the Owners. The Board shall endeavor to use a high standard of care in providing any maintenance, management and repair, so that the Project will reflect a high pride of ownership. Any material alteration of the Common Areas shall be in accordance with the Master Declaration.

Section 6.2 Maintenance of Lots. No Improvement upon any Lot shall be permitted to fall into disrepair, and all Improvements shall at all times be kept in good condition and repair, adequately painted and otherwise finished. Each Owner shall maintain in good repair the exterior surfaces of each Improvement on said Owner's Lot, including but not limited to walls, roofs, porches, patios and appurtenances. Nothing shall be done in or to any Improvement which will impair the structural integrity of any Improvement except in connection with any alterations and repairs permitted or required by the Design Review Committee. In the event of damage or destruction from any cause whatsoever to all or any portion of an Improvement, the Owner of the Lot shall promptly repair, reconstruct or restore the same, or cause the same to be repaired, reconstructed or restored, to the condition existing prior to such damage or destruction. Each Owner shall also maintain in good condition and repair all paved, concrete and other artificially surfaced areas, including driveways and walkways located on the Owner's Lot. Notwithstanding the foregoing or any other provision contained in this Declaration, an Owner shall not be responsible for maintenance of any Areas of Master Association Responsibility.

Section 6.3 Maintenance of Porches, Patios and Balconies. All porches, patios, balconies and other exterior areas, whether classified as Limited Common Areas or not, shall be kept clean, neat and free of debris. These areas shall be further regulated by the rules of the Master Association.

Section 6.4 Maintenance of Landscaping. All lawn areas shall be kept mowed as needed to keep an even, well groomed appearance and shall be watered and fertilized at such times and in such quantities as required to keep the grass alive and attractive and free of weeds. In addition, each Owner of a Lot or Unit shall keep all other Landscaping of every kind located on his or its Lot or on the Limited Common Area attributable to a Unit neatly groomed and trimmed (including the pruning of dead wood) according to their plant culture and landscape design, and each Owner shall keep all such Landscaping watered and fertilized at such times and in such quantities as required to keep them alive and attractive and each Owner shall keep all such areas properly cultivated and free of trash, weeds and other unsightly materials. Each Owner shall immediately remove and replace any dead tree, shrub, plant, ground cover or other dead Landscaping on its Lot or Limited Common Area. All lawn areas on Lots which are visible from adjacent Lots, Private Shared Driveway Easement or Common Areas must be watered, seeded, and fertilized by the Owner of the Lot as and when necessary in order to maintain a green lawn at all times. If an Owner or Resident of a Lot or Unit fails to comply with this provision, the Master Association may levy a fine against the violating Lot or Unit and its Owner in an amount to be established by the Board. To the extent the Master Association does not otherwise accept maintenance responsibility, the Landscaping obligations and requirements of each Owner of a Lot shall include all Landscaping within areas between the sidewalks and curbs within the right-of-way on or adjacent to such Owner's Lot (a "Park Strip"). Each Owner shall be required to replace any Landscaping including, without limitation, trees within the Park Strip on its Lot or Landscaping with trees of the same species, and the minimum permissible size of any such replacement trees shall be fifteen (15) gallons. No grass may be planted within any of the Park Strips, and all such Park Strips shall be maintained by the Owner of the Lot on which it is located in a grass and weed-free manner. Notwithstanding the foregoing, Owners shall not be responsible for maintenance of any Area of Master Association Responsibility.

Section 6.5 Assessment for Nonperformance of Maintenance. In the event any Owner fails to maintain any portion of its Lot and the Improvements located thereon, the Master Association, in addition to any other rights available under this Declaration or at law or in equity, shall have the right, but not the obligation, to enter upon such Owner's Lot to perform the maintenance and repairs not performed by the Owner, and the cost of such maintenance and repairs shall be added to and become a part of the Assessment to which such Lot is subject.

Section 6.6 Assessment for Damage or Destruction. In the event that any Lot, Common Areas, Common Elements or Limited Common Elements are damaged or destroyed through the willful or negligent act or omission of any Owner, Resident or their pets, guests, licensees or agents and the Master Association performs the appropriate repairs or replacements as required or permitted herein, the cost to repair such damage or destruction shall be added to and become a part of the Assessment to which such Lot is subject.

Section 6.7 Maintenance of Fences and Walls other than Common Fences and Walls.

Fences and Walls (other than common fences and walls and any perimeter fences included as Areas of Master Association Responsibility) located on a Lot shall be maintained, repaired and replaced by the Owner of the Lot. Any wall which is placed on the boundary line between a Lot and the Common Area (other than perimeter fences included as Areas of Master Association Responsibility) shall be maintained, repaired and replaced by the Owner of the Lot, except that the Master Association shall be responsible for the repair and maintenance of the surface of the fence or wall which faces the Common Area. Any perimeter walls and fences that are included as Areas of Master Association Responsibility shall be maintained, repaired and replaced by the Master Association except that the Owner of the Lot shall be responsible for the repair and maintenance of the surface of the fence or wall which faces the Lot. Notwithstanding the foregoing, the maintenance, repair and replacement of fences and walls within any Condominium Development shall be governed by the Condominium Declaration or similar instrument Recorded by Declarants for any such Condominium Development.

Section 6.8 Maintenance of Common Fences and Walls. Any wall or fence placed on the dividing line between Lots or immediately adjacent to the dividing line between Lots and benefitting the Owners of the adjacent Lots shall constitute a Common Wall or Common Fence. The rights and duties of Owners with respect to Common Walls or Common Fences shall be as follows:

Section 6.8.1 The Owners of contiguous Lots who have a Common Wall or Common Fence shall both equally have the right to use such wall or fence, provided that such use by one Owner does not interfere with the use and enjoyment of same by the other Owner.

Section 6.8.2 In the event that any Common Wall or Common Fence is damaged or destroyed through the act of an Owner or any of his agents or guests or members of his family (whether or not such act is negligent or otherwise culpable), it shall be the obligation of such Owner to rebuild and repair the Common Wall or Common Fence without cost to the other adjoining Lot Owner or Owners.

Section 6.8.3 In the event any such Common Wall or Common Fence is destroyed or damaged (including deterioration from ordinary wear and tear and lapse of time), other than by the act of an adjoining Owner, his agents, guests or family, it shall be the obligation of all Owners whose Lots adjoin such wall or fence to repair such wall or fence at their joint and equitable expense.

Section 6.8.4 Notwithstanding anything to the contrary herein contained, there shall be no impairment of the structural integrity of any Common Wall or Common Fence without the prior consent of all Owners of Lots benefitted by the Common Wall or Common Fence.

Section 6.8.5 Each Owner shall permit the Owners of adjoining Lots, or their representative, when reasonably required, to enter his Lot for the purpose of repairing or maintaining a Common Wall or Common Fence or for the purpose of performing installations, alterations or repairs to the property of such adjoining Owners, providing that request for entry

are made in advance and that such entry is at a time reasonably convenient to the Owner. In case of an emergency, such right of entry shall be immediate. An adjoining Owner making entry pursuant to the terms of this paragraph shall not be deemed guilty of trespass by reason of such entry.

ARTICLE VII

PARCEL SPECIFIC COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS

Section 7.1 Access Easement. The Lots and Units within the Parcels are hereby made subject to and there is hereby created, granted and conveyed to the Owners, their heirs and assigns a series of perpetual, appurtenant Access Easements over portions of the Parcels for the benefit of the Owners. The locations of the Access Easements are shown on each of the Plats. The purpose of the Access Easements is to provide vehicular and pedestrian ingress and egress, utility services, drainage conveyance and maintenance access for all Lots or Units within the Plats.

Section 7.2 Grant of Utility Easement for Town. An easement is hereby created, granted and conveyed to the Town and all applicable utility providers and their respective contractors, agents and employees upon, over, across and through those areas designated on the Plats for utility easements.

Section 7.3 Private Shared Driveway Easements. The Lots and Units within the Project are hereby made subject to and there is hereby created, granted and conveyed to the Owners of the Lots, their heirs and assigns a series of perpetual, appurtenant Private Shared Driveway Easements over portions of the Parcels for the benefit of the Lot(s) and Lot Owners. The locations of the Private Shared Driveway Easements are shown on each of the Plats. The purpose of the Private Shared Driveway Easements is to provide vehicular and pedestrian ingress and egress, utility services, drainage conveyance and maintenance access for all Lots and Units within the Project.

Section 7.4 Common Open Space Easement.

Section 7.4.1 Creation of Open Space Easements. The Lots and Units within the Project are hereby made subject to and there is hereby created, granted and conveyed to the Owners of the Lots, Units, their heirs and assigns a series of perpetual Common Open Space Easements over portions of the Project for the benefit of the Lot(s), and Units and their respective Owners. The location of the Common Open Space Easements shall be as shown on the Plats.

Section 7.4.2 Purpose of Open Space Easements. The purpose of the Common Open Space Easements is to provide pedestrian ingress and egress to and from all Lots and Units within the Project, drainage conveyance, and landscape and maintenance access.

Section 7.5 Private Use and Benefit Easements.

Section 7.5.1 Creation of Private Use and Benefit Easements. The Lots, but not the Units, within the Project are hereby made subject to and there is hereby created, granted and conveyed to the Owners of the Lots, their heirs and assigns a series of perpetual Private Use and Benefit Easements over portions of the Lots for the benefit of the adjacent Lot(s) and Lot Owners. ("Use and Benefit Easements") The Plats for the Parcels shows the general and approximate location of the Use and Benefit Easements and, therefore, are shown on the Plats for illustrative purposes only.

Section 7.5.2 Purpose and Scope of Use and Benefit Easements. The length and width of each Use and Benefit Easement Area will be determined by the type and the location of the Dwelling constructed or to be constructed on the adjoining Lot(s), their setbacks and the placement of the respective Dwellings and side yard and return fence walls. The initial location and dimensions of each Use and Benefit Easement Area will be as shown on the building permit plans submitted to the Town for the construction of a Dwelling on the Lot; provided, however, the final location and dimensions of each Use and Benefit Easement Area will be determined by the as-built location of (a) the walls of the Dwellings on adjoining Lots and (b) the side yard and return fence walls, although Declarants shall have no obligation to prepare, obtain or record any as-built surveys of the Parcel Lots. The effect of the Use and Benefit Easements is to subject a portion of each Lot to easement(s) in favor of the adjacent Lot(s), but most Lots also benefit from similar easement(s) over portions of the adjacent Lot(s).

Section 7.5.3 Definitions Relevant to Use and Benefit Easements. Lots benefited by a particular Use and Benefit Easement are referred to herein as a "Benefited Lot" with respect to such Use and Benefit Easement only. Lots subject to a particular Use and Benefit Easement in favor of another Lot, are referred to herein as a "Burdened Lot" with respect to such Use and Benefit Easement.

Section 7.5.4 Rights and Obligations of Benefited Lot Owner with Respect to Use and Benefit Easement Areas.

Section 7.5.4.1 The Owner of a Benefited Lot shall have the right, subject to Design Review Committee approval where required, to enter onto the Use and Benefit Easement Area of a Burdened Lot and use the Use and Benefit Easement Area for garden, back yard and drainage purposes. Landscaping (including flowers, plants, lawn and sprinklers) may be installed, kept and maintained in the Use and Benefit Easement Area; provided, however, no Landscaping shall be planted within three feet (3') of the foundation of the Dwelling on the Burdened Lot. The Use and Benefit Easement Area may also be used by the Owner of the Benefited Lot to locate readily movable outdoor furniture, portable barbecue equipment and other portable items. Except as provided in Subsections 7.5.4.2 and 7.5.5 below, the Owner of a Benefited Lot shall have the exclusive right to use the Use and Benefit Easement Area on the adjacent Burdened Lot and the Owner of a Burdened Lot shall not use such area or interfere with the use of the Use and Benefit Easement Area by the Owner of the adjacent Benefited Lot. The Owner of a Benefited Lot shall be responsible for the upkeep and repair of the Use and Benefit Easement Area created for its benefit on the adjoining Burdened Lot.

Section 7.5.4.2 Except as provided in Subsection 7.5.4.1 above, without the prior consent of the Design Review Committee, a Use and Benefit Easement Area shall not be used for (a) any permanent installation of any kind, including, but not limited to a patio, barbecue structure, swimming pool, swimming pool heating or filtering equipment, spa or plumbing fixtures or equipment other than sprinklers or other permanent improvements constructed by the Declarant or a Builder with the permission of the Declarant; or (b) erection or maintenance of any structure or landscaping which may impede or interfere with any necessary maintenance, repair or restoration of any common or party wall. No use shall be made of a Use and Benefit Easement Area which will become an annoyance or nuisance to the Owner of the adjacent Burdened Lot. The Owner of a Benefited Lot shall not construct a fireplace, planter box, barbecue, wall, fence, fountain or other structure which is to attach or connect to the wall of the Dwelling on a Burdened Lot. Without the prior written approval of the Design Review Committee, no Landscaping, walls or other Improvements shall be constructed within any Use and Benefit Easement Area before the Dwelling on the adjoining Burdened Lot has been constructed. Any improvements which are permitted to be constructed, installed or located on or in a Use and Benefit Easement Area must be constructed or installed in a manner that will not impede drainage from the Burdened Lot. Each Benefited Lot Owner, as part of its obligation to maintain, repair and paint its Dwelling, shall be responsible for the maintenance, repair and painting of the house wall and other components of the Benefited Lot Owner's Dwelling which adjoins the Use and Benefit Easement Area. However, in no event shall the Owner of the Benefited Lot perform any repair, maintenance or painting of the house wall or other components of the Dwelling on the Burdened Lot which adjoins the Use and Benefit Easement Area. Without the consent of the Design Review Committee, no doors, windows or openings of any kind shall be constructed, kept or maintained in any Dwelling wall which adjoins a Use and Benefit Easement Area.

Section 7.5.4.3 Each Benefited Lot Owner shall indemnify, protect, defend and hold harmless the Owner of the adjoining Burdened Lot for, from and against any and all claims, demands, obligations, losses, damages, costs and liabilities (including, but not limited to, court costs and reasonable attorneys' fees) which may at any time arise or be imposed upon or incurred by such Owner of the adjoining Burdened Lot as a result of the entry by the Owner of the Benefited Lot or by an entry made for the benefit of or on behalf of the Benefited Lot Owner onto the adjacent Burdened Lot or the Use and Benefit Easement Area on its Lot pursuant to this Section 7.5.4.3.

Section 7.5.5 Rights and Obligations of Burdened Lot Owner with Respect to Use and Benefit Easement Areas.

Section 7.5.5.1 The grant of each Use and Benefit Easement is subject to the right of the Burdened Lot Owner to utilize the Use and Benefit Easement Area for (a) locating any fireplace chimney which is attached to the Dwelling located on the Burdened Lot, (b) drainage from the roof of the Dwelling constructed on the Burdened Lot onto the Use and Benefit Easement Area; (c) maintenance, repair and replacement of the wall, roof eaves and any fireplace chimneys of the Dwelling constructed on the Burdened Lot and any authorized common or party wall constructed along or within the Use and Benefit Easement Area; and (d)

drainage over, across and upon the Use and Benefit Easement Area for water resulting from the normal use of the Burdened Lot.

Section 7.5.5.2 Except in the event of an emergency, prior to entering a Use and Benefit Easement Area for permitted maintenance purposes, the Owner of the Burdened Lot shall notify the Owner of the Benefited Lot and shall schedule a mutually convenient time to perform said maintenance. The Owner of the Burdened Lot shall have no liability for damage to or removal of any decoration or Landscaping within the Use and Benefit Easement Area which is necessarily occasioned by such repair, maintenance or restoration, but the Owner of the Burdened Lot shall use reasonable care to avoid damage to any furniture, fixtures or equipment and Landscaping within the Use and Benefit Easement Area.

Section 7.5.5.3 Each Burdened Lot Owner shall also have the rights and privileges with respect to the installation and maintenance of utility lines and facilities within the Use and Benefit Easement Area on its Lot. Subject to the provisions of this Declaration and any other interest affecting title to any Lot, the Burdened Lot Owner, the Town and applicable utility providers and their respective contractors, agents and employees shall have the right to install and maintain utility lines and facilities for the benefit of a Burdened Lot within that part of the Use and Benefit Easement Area on the adjoining Benefited Lot which is situated within approximately five feet (5') of the Dwelling on the Burdened Lot and within approximately five feet (5') of the common wall which separates the side and rear yards of the Benefited Lot and the Burdened Lot (the "Easement Construction Area").

Section 7.5.5.4 Each Owner of a Burdened Lot shall have the right to enter onto the Use and Benefit Easement Area on its Lot and onto the immediately adjacent five (5) foot area on the adjacent Benefited Lot for the purpose of facilitating the installation, maintenance and repair of utility lines and facilities which serve its Lot and which are or will be situated within the Easement Construction Area granted to the Town (as defined below) on its Lot. Each Burdened Lot Owner shall immediately restore to its previous condition the Use and Benefit Easement Area on its Lot and any part of the adjoining Benefited Lot which may be disturbed or damaged in connection with any access made pursuant to this Subsection 7.5.5.4 or in connection with the installation, maintenance and repair of utility lines and facilities within the Easement Construction Area by or for the benefit of such Burdened Lot Owner.

Section 7.5.5.5 Each Burdened Lot Owner shall indemnify, protect, defend and hold harmless the Owner of the adjoining Benefited Lot for, from and against any and all claims, demands, obligations, losses, damages, costs and liabilities (including, but not limited to, court costs and reasonable attorneys' fees) which may at any time arise or be imposed upon or incurred by such Owner of the adjoining Benefited Lot as a result of the entry by the Owner of the Burdened Lot or by an entry made for the benefit of or on behalf of the Owner of the Burdened Lot onto the adjacent Benefited Lot or the Use and Benefit Easement Area on its Lot pursuant to this Section 7.5.5.5.

Section 7.5.6 No Third Party Rights in Use and Benefit Easements. Except as provided herein, this grant of easement shall only bind, benefit and inure adjoining Benefited Lots and Burdened Lots to each Use and Benefit Easement. No third party rights for entry or use

for non-adjoining Lot Owners are created, either expressly or impliedly, by this grant of easement to adjoining Lot Owners affected by the Use and Benefit Easement.

Section 7.6 Grant of Utility Easement to Town. An easement is hereby created, granted and conveyed to the Town and all applicable utility providers and their respective contractors, agents and employees upon, over, across and through all of the Use and Benefit Easement Areas on all Burdened Lots and upon, over, across and through the immediately adjacent five (5) foot area of all adjoining Benefited Lots ("Easement Construction Area") for the sole purposes of permitting access by such parties to the Easement Construction Area to facilitate the installation, maintenance and repair of utility lines and facilities within the Easement Construction Area.

Section 7.7 Approvals and Consents. Notwithstanding anything contained herein to the contrary, the Owner of a Benefited Lot shall not construct any Improvements on, in or about the Use and Benefit Easement Area without the approval of the Design Review Committee. The Benefited Lot Owner shall also obtain whatever permits or other consents may be required by law to construct such Improvements. Without limiting the foregoing, Owners will need to obtain building permits from the Town in constructing various Improvements which are permitted in the Use and Benefit Easement Areas.

Section 7.8 Insurance for Use and Benefit Easement Areas. Each Owner of a Benefited Lot shall obtain and maintain in force at all times a comprehensive general liability insurance policy insuring against liability incident to the use and occupancy of the Use and Benefit Easement Area appurtenant to that Benefited Lot by that Owner and that Owner's Residents, family members, invitees, agents and contractors. Said policy shall designate as additional named insured(s) the Owner of the adjoining Burdened Lot. The limits of such insurance shall be not less than three hundred thousand dollars (\$300,000) covering all claims for death of or injury to any person and/or property damage in any single occurrence, but the Board may from time to time, in its discretion, by written notice to all Owners of Lots, require that the amount of such insurance be increased.

Section 7.9 Appurtenant Easements. Each Use and Benefit Easement shall be appurtenant to the applicable Benefited Lot, shall run with the ownership of the applicable Benefited Lot and shall inure to the benefit of the Owner of the applicable Benefited Lot, its heirs, successors and assigns. The rights and obligations of the Owner of the applicable Burdened Lot shall run with the ownership of the applicable Burdened Lot.

Section 7.10 Enforcement. Notwithstanding any provisions of this Declaration to the contrary, and notwithstanding any provision of applicable law regarding the enforcement of this Declaration by the Master Association, the terms and provisions of this Section 7.10 shall not create, impose or imply any duty or obligation of the Master Association to enforce or compel compliance with the provisions of this Article VII by any Owner or group of Owners. Any Owner may seek to enforce or compel compliance with the provisions of this Article VII as its individual power or right. The Master Association, as applicable, may enforce or compel compliance with the terms and provisions of this Article VII without any obligation to do so.

ARTICLE VIII

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 8.1 Creation of Lien and Personal Obligation of Assessment. Declarant, for each Lot and Unit now or hereafter established within the Property, hereby covenant and agrees, and each Owner by acceptance of a Deed therefor (whether or not it shall be so expressed in such Deed) is deemed to covenant and agree, to pay to the Master Association the following assessments, fees and charges in addition to and not in lieu of the assessments levied pursuant to Master Declaration:

Section 8.1.1 Special Service Area Assessments for expenses incurred in providing improvements or services that benefit Lots or Units in a Special Service Area (as described in Section 7.6 of the Master Declaration);

Section 8.1.2 Special Assessments established by this Article VIII;

Section 8.1.3 Enforcement Assessments established by this Article VIII;

The Special Service Area Assessments and Special Assessments, together with interest, late charges, incidental and taxable costs, and reasonable attorneys' fees, and all other sums which may become due and payable to the Master Association by an Owner ("Assessments") shall be a charge on the Lot or Unit and shall be a continuing servitude and lien upon the Lot or Unit against which each such Assessments are made. Each such Assessment shall also be the personal obligation of the person who was the Owner of the Lot or Unit at the time when the Assessment fell due. The personal obligation for delinquent Assessments shall not pass to the successors in title of the Owner unless expressly assumed by them. However, such exemption does not apply to the obligation of the successor in title of the Owner to correct any violation of the Declaration Project Documents; however, the transfer of title shall not extinguish any Assessment Lien except a transfer pursuant to foreclosure of a superior lien in which the Assessment Lien has been extinguished by such foreclosure proceeding. No Assessment shall be levied against any portion of the Property until a Tract Declaration establishing a Land Use Classification has been Recorded with respect to that portion of the Property.

Section 8.2 Special Assessments. In addition to the Special Service Area Assessments authorized above, the Master Association may levy a Special Assessment for the purpose of defraying, in whole or in part, any costs related to the Project; provided that any such Assessment shall have the assent of a majority of the Owners of Lots and Units in the Project. The amount of any Special Assessment to be levied pursuant to this Declaration shall be a uniform rate against each Lot and Unit in the Project.

Section 8.3 Purpose of Special Service Area Assessments. The Special Service Area Assessments by the Master Association shall be used for the improvement and maintenance of the Areas of Master Association Responsibility within the Project, the promotion of the recreation, health, safety and welfare of all the residents in the Project, the operation and administration of the Project and for the common good of the Project. The amount of the Special

Service Area Assessments, subject to the provisions of Section 8.4 hereof, shall be in the sole discretion of the Board but shall be determined with the objective of fulfilling the Master Association's obligations under this Declaration and providing for the uses and purposes specified in this Section.

Section 8.4 Special Service Area Assessments. The Owners within the Project acknowledge that portions of the Project and portions of the Areas of Master Association Responsibility benefit the Lots and Units in the Project in a disproportionate manner. The Owners within the Project also acknowledge that there are three distinct types of housing within the Project. The Owners further acknowledge that this diversity of housing types creates different maintenance and, therefore, Assessment obligations. Accordingly, the Board shall be entitled to assess special service area Assessments against the Memberships appurtenant to the Lots or Units benefited by such services as determined by this Board ("Special Service Area Assessments"). Notwithstanding anything herein to the contrary, Owners receiving benefits in a disproportionate manner may be located in more than one Special Service Area and, thus, subject to more than one Special Service Area Assessment. The expenses incurred by the Master Association to deliver the special services to a Special Service Area, together with any allocations to reserves (the "Special Service Area Expenses") shall be assessed solely against the Lots and Units which are benefited by the special services provided to the Lots and Units located in that Special Service Area.

Section 8.4.1 Special Service Areas. There shall be established the following areas wherein the Board shall have the express authority to impose Special Service Area Assessments ("Special Service Areas"):

Section 8.4.1.1 Neighborhood 9 Special Service Area: The Neighborhood 9 Special Service Area shall include all portions of the Property, the operation and maintenance of which benefits the Project in a disproportionate manner in relation to other parcels within the Master Association, but equally benefits all Lots and Units within the Project including, but not limited to, the pools located within the Project and landscaping within the local collector and arterial street rights-of-way in or immediately adjacent to the Project.

Section 8.4.1.2 Type A Lot Special Service Area: The Type A Lot Special Service Area shall be comprised of the physical areas adjacent to the Type A Lots and shall include any areas specifically for the benefit of the Type A Lots.

Section 8.4.1.3 Type B Lot Special Service Area: The Type B Lot Special Service Area shall be comprised of the physical areas adjacent to the Type B Lots and shall include any areas specifically for the benefit of the Type B Lots, including but not limited to, private streets, and parking areas.

Section 8.4.1.4 Special Service Area for the Units: The Special Service Area for the Units shall be comprised of the physical areas adjacent to the Units and shall include any areas specifically for the benefit of the Units, including but not limited to mailbox clusters, private streets and parking areas. The authority of the Board to impose Special Service Area Assessments upon the Unit Owners shall not include the authority to impose such

Assessments upon the Unit Owners for the maintenance of areas required to be maintained by the Condominium Master Association pursuant to the Condominium Declaration.

Section 8.4.2 Determination and Allocation of Special Service Area

Assessments. Special Service Area Assessments shall be levied against the Lots and Units located in the particular Special Service Area at a uniform amount determined in the sole discretion of the Board, with the objective of providing to the Master Association all funds required to pay all Special Service Area Expenses incurred by the Master Association in providing the operational, maintenance and other services to the particular Special Service Area. Special Service Area Assessments shall commence upon the date established by the Board. If the Board determines during any assessment period that Special Service Area Assessments with respect to any Special Service Area are, or will become, inadequate to pay for all Special Service Area Expenses pertaining to that Special Service Area for any reason, including, without limitation, nonpayment of Special Service Area Assessments by Owners, the Board may increase that Special Service Area Assessment for the assessment period and the revised Special Service Area Assessment shall commence on the date designated by the Board. The amount of any Special Service Area Assessments shall be determined in a manner consistent with the Board's determination of the respective benefits each Special Service Area receives from such special services. Notwithstanding anything herein to the contrary the Board shall not increase the Special Service Area Assessment in any fiscal year by more than twenty percent (20%) over the immediately preceding fiscal year's Special Service Area Assessment.

Section 8.5 Working Capital Fund. To ensure that the Master Association shall have adequate funds to meet its expenses or to purchase necessary equipment services, each person or entity who purchases a Lot or Unit shall pay to the Master Association immediately upon becoming the Owner of the Lot or Unit an amount established from time to time by the Board. Funds paid to the Master Association pursuant to this Section may be used by the Master Association for payment of operating expenses for the Project or any other purpose permitted under this Declaration. Payments made pursuant to this Section shall be nonrefundable and shall not be offset or credit against or considered as an advance payment of any Assessments levied by the Master Association pursuant to this Declaration.

Section 8.6 Enforcement Assessments. The Board shall also have the right to levy Assessments against an individual Lot or Unit and its Owner to reimburse the Master Association for costs incurred by the Master Association in connection with its efforts to require that Owner and his or her Lot or Unit to comply with the provisions of this Declaration and other Project Documents or costs incurred by the Master Association in connection with causing to be done such work as is necessary to bring a Lot or Unit into such compliance (an "Enforcement Assessment"), and such Enforcement Assessments shall not be subject to the limitations set forth above as to the amount of Special Service Area Assessments.

Section 8.7 Reserves.

Section 8.7.1 Reserve Account. The Special Service Area Assessments shall include reasonable amounts as determined by the Board of Directors to be collected as reserves for the future periodic maintenance, repair or replacement of all or a portion of the Project, or

any other purpose as determined by the Board of Directors ("Reserve Account Assessments"). The Declarant has established the amount of the initial Reserve Account Assessment ("Initial Reserve Account Assessment"). Thereafter, the Board shall annually determine and fix the amount of the Reserve Account Assessment that will be included within the Special Service Area Assessment; provided, however, that the Reserve Account Assessment fixed by the Board shall in no event be an amount less than the Initial Reserve Account Assessment initially established by the Declarant. All amounts collected as reserves, whether as Reserve Account Assessments or otherwise, shall be deposited by the Board of Directors in a separate bank account to be held in trust for the purposes for which they are collected and which are to be segregated from and not commingled with any other funds of the Master Association or Project ("Reserve Account"). Such reserves shall be deemed a contribution to the capital account of the Master Association by the Owners. The Board of Directors shall not expend funds designated as reserve funds for any purpose other than those purposes for which they were collected and except as authorized in a Resolution of the Board of Directors.

Section 8.7.2 Reserve Study. Prior to the recording of this Declaration, a reserve study was prepared by an independent company experienced and qualified to prepare such studies and such reserve study includes (a) reserves of the major components of the Areas of Master Association Responsibility identified on the Plats which the Master Association is obligated to repair, replace, restore or maintain; (b) identification of the probable remaining useful life of the identified major components as of the date of the study; (c) an estimate of the cost of repair, replacement, restoration or maintenance of the identified major components during and at the end of their useful life; (d) an estimate of the total annual contribution necessary to defray the cost to repair, replace, restore, or maintain the identified major components during and at the end of their useful life, after subtracting total reserve funds as of the date of the study ("Reserve Study"). The Reserve Study shall govern the funding of the Reserve Account and the Reserve Account Assessments. The Board shall retain a professional consultant to examine the Reserve Study no less than every three (3) years. If the professional consultant determines that the Reserve Study needs to be amended, then the Board shall amend the Reserve Study and the amount of the Reserve Account Assessments accordingly; provided, however, that the Board may not reduce the amounts to be held within the Reserve Account beyond the initial amount established by the Declarant.

ARTICLE IX

ENFORCEMENT

The Master Association shall have the right, but not the obligation, to enforce the restrictions, conditions and covenants set forth herein, and the Master Association shall be the proper party plaintiff in any legal action initiated to enforce any provision of this Declaration. In the event the Board determines that an Owner is in breach of the Owner's obligations under this Declaration, the Board may give the Owner written notice of its determination, including a reasonably detailed list or description of the repairs, maintenance, work or corrective measure required to cure the Owner's breach, as well as a reasonable time frame for the Owner to cure the breach. If the Owner does not cure the breach within the time frame established by the Board

after the written notice is sent, the Board, on behalf of the Master Association, may cause the repairs, maintenance, work or corrective measures to be performed so as to cure the Owner's breach. The Master Association's costs incurred in performing such work, together with a fee in an amount equal to ten percent (10%) of such amount and any collection costs, attorneys' fees, court costs and other litigation related expenses which may be incurred by the Master Association in collecting such amounts and enforcing the Master Association's rights and remedies hereunder, shall constitute a lien on the Owner's Lot or Unit, which lien amount shall thereafter bear interest at the rate of ten percent (10%) per annum until paid. The Master Association shall also have standing and authority to request that a court of competent jurisdiction compel the Owner to cure the breach and to the extent not inconsistent with an order of such a court, the Master Association may pursue either or both of the courses of action described in this Article IX. Without limiting the generality of the foregoing, the Master Association shall have the right to record a notice of non-compliance by any Owner, resident, or lessee of any provision of this Declaration, against the Lot or Unit of the Owner ("Notice of Non-Compliance"), which the Master Association shall not be obligated to release until the violation has been corrected. If such Notice of Non-Compliance is recorded, the Master Association may charge the Owner for the cost of recording the Notice of Non-Compliance and for recording the release of the Notice of Non-Compliance, as an Enforcement Assessment. Additionally, the Master Association may require that the costs incurred be paid by the Owner before the release of the Notice of Non-Compliance is recorded.

ARTICLE X

TERM AND TERMINATION

This Declaration shall remain in full force and effect and shall run with and bind the Property unless revoked by an amendment in writing, executed and acknowledged by the Owners representing not less than eighty percent (80%) of the Lots and the Units, or such higher percentage as required by applicable law, which amendment, once executed, must be recorded in the Official Records of the county in which the Property is located. Disposition of the Common Areas upon the expiration, revocation, termination or cancellation of this Declaration shall be determined by Owners representing not less than eighty percent (80%) of the Lots and the Units.

ARTICLE XI

GENERAL PROVISIONS

Section 11.1 Amendments.

Section 11.1.1 Except for otherwise specifically provided in this Declaration, the Declaration may only be amended by the written approval or the affirmative vote, or any combination thereof, of Owners of not less than sixty-seven percent (67%) of the Lots and Units in the Property.

Section 11.1.2 Any amendment shall certify that the amendment has been approved as required by this Declaration and shall be recorded in the Official Records of the county in which the Property is located.

Section 11.1.3 Notwithstanding anything in this Declaration to the contrary, this Declaration shall not be amended without the express written consent of the Master Association.

Section 11.2 Interpretation of Covenants. Except for judicial construction, the Board shall have the exclusive right to construe and interpret the terms of this Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Board's construction or interpretation of the terms of this Declaration, and the Project Documents shall be final, conclusive and binding upon all Owners, Residents and their Permittees.

Section 11.3 Severability. Any determination by any court of competent jurisdiction that any provision of this Declaration is invalid, illegal or unenforceable shall not affect the validity, legality or enforceability of the remaining provisions of this Declaration and the same shall remain in full force and effect.

Section 11.4 References to This Declaration. Any and all instruments of conveyance or lease of any interest in any Lot or Unit must contain reference to this instrument and shall be subject to the terms of this Declaration the same as if they were therein set forth in full. Notwithstanding the foregoing, the terms of this Declaration shall be binding upon all Owners and all other persons and entities affected by the same, whether such express reference is made to this Declaration or not.

Section 11.5 Waiver or Abandonment. The failure to enforce any breach or violation of any of the provisions of this Declaration shall not constitute an abandonment or a waiver of any right to enforce such provision or of any of the other terms hereof.

Section 11.6 Violation of Law. Any violation of any federal, state, municipal or local law, ordinance or regulation, including zoning laws or ordinances pertaining to the ownership, occupation or use of any Lot or Unit is hereby declared to be a violation of this Declaration and subject to any or all of the enforcement procedures set forth in this Declaration.

Section 11.7 Agents and Committees. The Board shall have the right to appoint agents or committees or both to act on behalf of the Master Association for the purpose of exercising any right, power or duty given to or imposed upon it by this Declaration.

Section 11.8 Remedies Cumulative. Each remedy provided by this Declaration is cumulative and non-exclusive.

Section 11.9 Gender and Number. Whenever 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 used in the singular shall include the plural and words used in the plural shall include the singular.

Section 11.10 Captions, Tables and Headings. All captions, titles and headings in this Declaration are for the purpose of reference and convenience only and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof, or to be used in determining the intent or context of the terms of this Declaration.

Section 11.11 Declarant's Exemption. Nothing contained in this Declaration shall be construed to prevent or materially impair the erection, operation, maintenance, replacement and repair by a Declarant, or its duly authorized agents, of structures, improvements or signs necessary or convenient to the development, sale, operation, maintenance and repair of property within the Project. Any provisions of this Declaration which prohibit non-residential use of Lots or Units and regulate parking and vehicles shall not apply to Persons engaged in the construction of homes in the Project or the operation by a Declarant of model homes and a sales office within the Project.

Section 11.12 Joint and Several Liability. In the case of joint ownership of a Lot or Unit, the liabilities and obligations of each of the joint Owners set forth in, or imposed by, this Declaration, shall be joint and several.

Section 11.13 Attorneys' Fees. In the event the Master Association employs an attorney to enforce any lien granted to it under the terms of this Declaration, or to collect any Assessments or other amounts due from an Owner, or to enforce compliance with or recover damages for any violation or noncompliance with the Project Documents, the offending Owner or other person or entity shall pay to the Master Association, upon demand, all attorneys' fees and court costs incurred by the Master Association, whether or not suit is filed, which fees and costs shall be secured by the Assessment lien. If, however, a lawsuit is filed, and the Owner is the prevailing party in such lawsuit, the Owner shall not be required to pay the Master Association's attorneys' fees, court costs, and other related expenses. If any lawsuit is filed by any Owner to enforce the provisions of this Declaration, the prevailing party in such action shall be entitled to recover from the other party all attorneys' fees incurred by the prevailing party in the action.

Section 11.14 Notices. Any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail, postage prepaid; if to an Owner, addressed to that Owner at the address of the Owner's Lot or Unit or if to the Master Design Review Committee, addressed to that Design Review Committee at the normal business address. If notice is sent by mail, it shall be deemed to have been delivered twenty-four (24) hours after a copy of the same has been deposited in the United States mail, postage pre-paid. If personally delivered, notice shall be effective on receipt. Notwithstanding the foregoing, if application for approval, plans, specifications and any other communication or documents shall not be deemed to have been submitted to the Master Design Review Committee, unless actually received by said Design Review Committee or the managing agent.

Section 11.15 Prices. Declarant shall have the right, from time to time, in its sole discretion, to establish and/or adjust sales prices or price levels for new Lots or Units.

Section 11.16 Restriction of Traffic. With the approval of the Master Association, Declarant may, until the close of escrow of the last Lot or Unit in the Property, restrict and/or re-route all pedestrian and vehicular traffic within the Property to accommodate Declarant's construction activities, and sales and marketing activities; provided that no Owner or Resident shall be deprived of access to a Lot or Unit.

N:\HOA\Power Ranch Neighborhood 9 - 4068\General Counsel\Dissolving Sub-Association\Documents\CC&Rs, mod AS 12-21-10.doc

EXECUTION AND ACKNOWLEDGEMENT

IN WITNESS WHEREOF, the undersigned has executed this Amended and Restated Declaration as of the date below and hereby certifies that the provisions contained with this Amended and Restated Declaration have been approved by the required percentage of the Owners.

DATED this 16 day of August, 2011.

POWER RANCH NEIGHBORHOOD 9

Signature Eric Andersen

Printed Name LORI ANDERSON

Title Secretary

STATE OF ARIZONA)
) ss.
County of Maricopa)

On this 16 day of August, 2011, before me personally appeared
Lori Anderson, whose identity was proved to me on the basis of satisfactory evidence
to be the person whose name is subscribed to this document, and who acknowledged that he/she
signed this document.

Notary Seal:



Notary Public

APPROVAL BY MASTER ASSOCIATION

IN WITNESS WHEREOF, the Board of Directors of the Master Association approved this Amended and Restated Declaration on the this 9 day of July, 2011.

POWER RANCH COMMUNITY ASSOCIATION

Signature: Joseph Hornstrom
Printed Name: Joseph N Hornstrom
Title: President PRO

STATE OF ARIZONA)
) ss.
County of Maricopa)

On this 9 day of August, 2011, before me personally appeared Joseph Hornstrom, whose identity was proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this document, and who acknowledged that he/she signed this document.

Karen Partridge
Notary Public

Notary Seal:

