

**AMENDED AND RESTATED
DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
EAGLECREST HOMEOWNERS ASSOCIATION
(AKA WHITE MOUNTAIN LAKES UNIT NUMBER 18)**

This AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (the "Declaration"), is made on the 13 day of September, 2007 by EAGLECREST HOMEOWNERS ASSOCIATION, an Arizona corporation, hereinafter referred to as the "Association".

WHEREAS, THE UNDERSIGNED HEREBY CERTIFY THAT THEY ARE THE PRESIDENT AND VICE-PRESIDENT, RESPECTIVELY OF THE ASSOCIATION, EAGLECREST HOMEOWNER ASSOCIATION, AND ARE AUTHORIZED BY THE BOARD OF DIRECTORS TO EXECUTE THIS AMENDED AND RESTATED DECLARATION.

WHEREAS, THE REAL PROPERTY DESCRIBED ON EXHIBIT A ATTACHED HERETO AND IMPROVEMENTS, AND THE APPURTENANCES, EASEMENTS AND RIGHTS APPURTENANT THERETO (COLLECTIVELY REFERRED TO HEREIN AS THE "PROPERTY") HAS PREVIOUSLY BEEN SUBMITTED AND SUBJECT TO A DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS; WHICH INSTRUMENT WAS RECORDED ON AUGUST 29, 1984, IN DOCKET 749 PAGES 761 THROUGH 777 INCLUSIVE, RECORDS OF NAVAJO COUNTY, ARIZONA, IMPOSING CERTAIN COVENANTS, CONDITIONS AND RESTRICTIONS UPON THE REAL PROPERTY LOCATED IN NAVAJO COUNTY, ARIZONA, DESCRIBED IN THE DECLARATION.

WHEREAS, THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR EAGLECREST, AS AMENDED, SHALL BE REFERRED TO HEREIN AS THE "RESTATED DECLARATION."

WHEREAS, THE INITIAL DECLARATION PROVIDES THAT THIS RESTATED DECLARATION MAY NOT BE AMENDED THE FIRST TWENTY YEARS, EXCEPT WHERE AMENDMENTS ARE NECESSARY TO MEET FEDERAL LENDING REQUIREMENTS. THEREAFTER, THIS RESTATED DECLARATION MAY BE AMENDED BY A WRITTEN INSTRUMENT SIGNED BY OWNERS NOT LESS THAN SIXTY-SIX AND TWO THIRDS PERCENT (66 2/3%) OF VOTES ENTITLED TO BE CAST.

WHEREAS, THE INITIAL DECLARATION PROVIDES THAT ANY AMENDMENT APPROVED BY THE OWNERS REPRESENTING NOT LESS THAN SIXTY SIX AND TWO THIRDS PERCENT (66 2/3%) OF THE VOTES SHALL BE RECORDED.

WHEREAS, THE REQUISITE PERCENTAGE OF LOT OWNERS HAVE APPROVED THIS RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS; AND,

WHEREAS, THE ASSOCIATION NOW DESIRES TO AMEND AND RESTATE THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS IN ITS ENTIRETY.

NOW, THEREFORE, the **ASSOCIATION** hereby declares that all of the properties described in **Exhibit A** attached hereto 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 insure to the benefit of each owner thereof.

INDEX

ARTICLE I.....	5
DEFINITIONS	5
Section 1. "Annual Assessment".....	5
Section 2. "Architectural Committee".....	5
Section 3. "Architectural Committee Rules".....	5
Section 4. "Articles".....	5
Section 5. "Assessment".....	5
Section 6. "Assessment Lien".....	5
Section 7. "Association".....	5
Section 8. "Association Rules".....	5
Section 9. "Board".....	5
Section 10. "Bylaws".....	5
Section 11. "Common Area".....	5
Section 12. "Common Expenses".....	5
Section 13. "Declaration".....	5
Section 14. "Eaglecrest (AKA White Mountain Lakes Unit Number 18)".....	5
Section 15. "Extraordinary Assessment".....	5
Section 16. "Governing Documents".....	6
Section 17. "Improvement".....	6
Section 18. "Land Use Classification".....	6
Section 19. "Lessee".....	6
Section 20. "Lot".....	6
Section 21. "Member".....	6
Section 22. "Owner(s)".....	6
Section 23. "Parcel".....	6
Section 24. "Person".....	7
Section 25. "Project".....	7
Section 26. "Project Plat".....	7
Section 27. "Property" or "Properties".....	7
Section 28. "Resident".....	7
Section 29. "Rules".....	7
Section 30. "Single Family".....	7
Section 31. "Special Assessment".....	7
Section 32. "Visible From Neighboring Property".....	7
ARTICLE II.....	7
PROPERTY RIGHTS	7
Section 1. Owner's Easements of Enjoyment.....	7
Section 2. Owner's Easement of Enjoyment Limitations.....	8
ARTICLE III.....	8
PROPERTY SUBJECT TO THIS DECLARATION	8
Section 1. General Declaration.....	8
ARTICLE IV.....	8
LAND USE CLASSIFICATIONS, PERMITTED USES AND RESTRICTIONS.....	8

Section 1.	Permitted Uses and Restrictions - Residential	8
Section 2.	Permitted Uses and Restrictions - Common Area	13
ARTICLE V		16
THE ASSOCIATION		16
Section 1.	Organization	16
Section 2.	Powers and Duties of the Association	16
Section 3.	Rules	16
Section 4.	Personal Liability	16
MEMBERSHIP AND VOTING RIGHTS		17
Section 1.	Membership	17
Section 2.	Voting Class	17
Section 3.	Voting Qualifications	17
Section 4.	Voting rights	17
Section 5.	Member Rights	17
Section 6.	Transfer of Membership	17
ARTICLE VII		18
COVENANT FOR ASSESSMENTS		18
Section 1.	Creation of the Lien and Personal Obligation of Assessments	18
Section 2.	Purpose of Assessments	18
Section 3.	Maximum Annual Assessments	18
Section 4.	Special Assessments for Capital Improvements	18
Section 5.	Notice and Quorum for Any Authorized under Section 3 and 4.	18
Section 6.	Uniform Rate of Assessment	19
Section 7.	Date of Commencement of Annual Assessments	19
Section 8.	Effect of Nonpayment of Assessments; Remedies of the Association	19
Section 9.	Subordination of the Lien to Mortgages	20
ARTICLE VIII		21
ARCHITECTURAL CONTROL		21
Section 1.	Organization, Power of Appointment and Removal of Members	21
Section 2.	Duties	21
Section 3.	Meetings and Compensation	22
Section 4.	Architectural Committee Rules	22
Section 5.	Waiver	22
Section 6.	Liability	22
Section 7.	Time for Approval	22
ARTICLE IX		23
GENERAL PROVISIONS		23
Section 1.	Enforcement	23
Section 2.	Severability	23
Section 3.	Amendment	23
Section 4.	Violations and Nuisance	23
Section 5.	Violation of Law	23
Section 6.	Remedies Cumulative	23
Section 7.	Delivery of Notices and Documents	23
Section 8.	The Declaration	23

ARTICLE I

DEFINITIONS

- Section 1.** "Annual Assessment" means the assessments levied against each Lot and Parcel, and the Owner thereof, pursuant to Article VII of this Declaration.
- Section 2.** "Architectural Committee" shall mean the committee created pursuant to Article VIII hereof.
- Section 3.** "Architectural Committee Rules" shall mean the rules and the guidelines adopted by the Architectural Committee pursuant to Article VIII, as they may be from time to time amended or supplemented.
- Section 4.** "Articles" shall mean the Articles of Incorporation of the Association which are, or shall be, filed in the Office of the Corporation Commission of the State of Arizona, as said Articles may be amended from time to time.
- Section 5.** "Assessment" means an annual assessment, special assessment or extraordinary assessment.
- Section 6.** "Assessment Lien" means the lien created and imposed by Article VII of this Declaration.
- Section 7.** "Association" means and refers to "Eaglecrest Homeowners Association, an Arizona non-profit corporation, its successors and assigns".
- Section 8.** "Association Rules" means the rules adopted by the Board pursuant to Article V, as they may from time to time be amended.
- Section 9.** "Board" shall mean the Board of Directors of the Association.
- Section 10.** "Bylaws" shall mean the Bylaws of the Association; as such Bylaws may be amended from time to time.
- Section 11.** "Common Area" shall mean all real property owned by the Association for the benefit, common use and enjoyment of the Owners. The Common Area to be owned by the Association is described as follows: Roadways and easements as recorded on the project plat for Eaglecrest.
- Section 12.** "Common Expenses" means expenditures made by, or financial liabilities of, the Association, together with any allocation to reserves.
- Section 13.** "Declaration" means this AMENDED AND RESTATED DECLARATIONS of Covenants, Conditions and Restrictions herein set forth in this entire document, as it may from time to time be amended.
- Section 14.** "Eaglecrest (AKA White Mountain Lakes Unit Number 18)" shall mean Property located in the County of Navajo, State of Arizona as shown in Exhibit A, which becomes subject to this Declaration, together with such other property as may from time to time be annexed thereto.
- Section 15.** "Extraordinary Assessment" means any assessment levied pursuant to Article VII of this Declaration.

- Section 16.** "Governing Documents" means this Declaration, the Articles, the Bylaws, the Architectural Rules or other documents which govern the operation of the Association.
- Section 17.** "Improvement" shall mean the buildings, roads, roadways, parking areas, lighting fixtures, fences, walls, hedges, plantings, planted trees and shrubs, and all other structures or landscaping improvements of every type and kind.
- Section 18.** "Land Use Classification" means the classification established by this Declaration which designates the type of improvements which may be constructed on a Lot or Parcel and the purposes for which such Lot or Parcel, and the improvements situated thereon, may be utilized.
- Section 19.** "Lessee" means the lessee or tenant under a lease, or written, or any Lot of Parcel including an assignee of a lessee.
- Section 20.** "Lot" shall mean any one of the Lots or parcels of property designated in Exhibit "A". A Lot means a portion of the Project intended for independent ownership and use and designated as a Lot on the Project Plat and, where the context indicates or requires, shall include any Residential Dwelling, building, structure or other improvements situated on the Lot.
- Section 21.** "Member" shall mean any person, corporation, partnership, joint venture or other legal entity who is a member of the Association.
- Section 22.** "Owner(s)" shall mean and refer to the record owner, whether one or more persons or entities, of equitable or beneficial title (or legal title if same has merged) of the fee simple interest of any Lot or Parcel. "Owner" shall include the purchaser of an executory contract for the sale of property. The foregoing does not include persons or entities that hold an interest in any Lot merely as security for the performance of an obligation. Except as stated otherwise herein, "Owner" shall not include a lessee or tenant, or a residence; persons having an interest in a Lot or Parcel merely as security for the performances of an obligation; or a lessee or tenant of a Lot or Parcel. Owner shall include a purchaser under a contract for the conveyance of real property, a contract for deed, a contract to convey, an agreement for sale or any similar contract through which a seller has conveyed to a purchaser equitable title in a Lot or Parcel under which the seller is obligated to convey to the purchaser the remainder of seller's title in the Lot or Parcel, whether legal or equitable, on payment in full of all monies due under contract. Owner shall not include a purchaser under a purchase contract and receipt, escrow instructions or similar executory contracts which are intended to control the rights and obligations of the parties to the executory contracts pending the closing of a sale or purchase transaction. In the case of Lots of Parcels the fee simple title to which is vested in a trustee pursuant to Arizona Revised Statutes, Section 33-801, et seq., the Trustor shall be deemed to be the Owner. In the case of the Lots or Parcels the fee simple title to which is vested in a trustee pursuant to a subdivision trust agreement or similar agreement the beneficiary of any such trust who is entitled to Possession of the trust property shall be deemed to be the Owner. For the purposes of ARTICLE IV only, unless the context otherwise requires, "Owner" shall also include the customers, invitees, licensees, and lessees of any Owner, together with any other person or parties holding any possessory interest granted by such Owner in any Lot.
- Section 23.** "Parcel" means any real property, and all buildings, structures and improvements situated thereon, restricted by this Declaration.

Section 24. "Person" means a natural person, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency or other legal or commercial entity.

Section 25. "Project" means the real property described in Exhibit "A" attached to this Declaration, together with all improvements situated thereon.

Section 26. "Project Plat" means the plat for Eaglecrest Homeowners Association (AKA White Mountain Lakes Unit 18) recorded in Book 304, records of Navajo County, Arizona, and all amendments, supplements and corrections thereto.

Section 27. "Property" or "Properties" shall mean and refer to that certain real, personal, or mixed property hereinbefore described which is subject to this Declaration and such additions hereto as may hereafter be brought within the jurisdiction of the Association.

Section 28. "Resident" means each Owner or Lessee residing in any Single Family Dwelling, the members of the immediate family of such Owner or Lessee residing with such Owner or Lessee, and any other person residing with such Owner or Lessee.

Section 29. "Rules" shall mean the rules adopted by the Board, as they may be amended from time to time.

Section 30. "Single Family" means a group of one or more persons each related to the other by blood, marriage or legal adoption, or a group of persons not all so related, who maintain a common household in a dwelling.

Section 31. "Special Assessment" means any assessment levied and assessed pursuant to Article VII, Section 4, of this Declaration.

Section 32. "Visible From Neighboring Property" shall mean, with respect to any given object, that such object is or would be visible to a person six feet tall, standing on any part of such neighboring property at an elevation no greater than the elevation of the base of the object being viewed.

ARTICLE II

PROPERTY RIGHTS

Section 1. **Owner's Easements of Enjoyment.** Every Owner shall have a right and easement of enjoyment in and to the Common Area, for the purposes for which the Common Area is intended, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) the right of the Association to charge reasonable fees for the use of any facility situated upon the Common Area;
- (b) the right of the Association to suspend the voting rights and right to use of the facilities by an Owner for any period during which any assessment against his Lot remains unpaid or for any infraction of this Declaration;
- (c) the right of the Association to dedicate, transfer or convey, all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members as hereinafter provided. No such dedication, transfer, or conveyance shall be effective unless an instrument, signed by Members representing two-thirds (2/3) of the votes entitled to

be cast by Members and agreeing to such dedication, transfer, or conveyance, has been recorded.

Section 2. Owner's Easement of Enjoyment Limitations.

- (a) An Owners right and easement of enjoyment in and to the Common Area shall not be conveyed, transferred, alienated or encumbered separate and apart from an Owner's Lot and such right and easement of enjoyment in and to the Common Area shall be deemed to be conveyed, transferred, alienated or encumbered upon the sale of any Owner's Lot, notwithstanding the description in the instrument of conveyance, transfer, alienation or encumbrance may not refer to the Common Area.
- (b) The Common Area shall remain undivided and no action for partition or division of any part thereof shall be permitted.
- (c) Each Owner, tenant and occupant of a Lot may use the Common Area in common with the Owners, tenants, and occupants of the other Lots in accordance with the purposes for which it is intended without hindering or encroaching upon the lawful right of such others.
- (d) No Owner will be exempted from liability for assessments with respect to the Common Area by waiver of the enjoyment of the right to use the Common Area or by abandonment of his Lot or otherwise.

ARTICLE III

PROPERTY SUBJECT TO THIS DECLARATION

Section 1. General Declaration. This Amended and Restated Declaration is declared and agreed to be in furtherance of a general plan for the subdivision, improvement and sale of said Property and every part thereof. All of this Declaration shall run with all of said Property for all purposes and shall be binding upon and inure to the benefit of the Association, all Owners and their successors in Interest.

ARTICLE IV

LAND USE CLASSIFICATIONS, PERMITTED USES AND RESTRICTIONS

Section 1. Permitted Uses and Restrictions - Residential.

The permitted uses, easements, and restrictions for all Property covered by this Declaration, shall be as follows:

- A. **Residential Use.** All property shall be used, improved, and devoted exclusively to Single Family Residential Use. No mobile homes or recreational vehicles shall be permitted for storage or occupancy on any Lot. No gainful occupation, profession, trade or other non-residential use shall be conducted on any such Property. Nothing herein shall be deemed to prevent the leasing of any Lot to a single family, from time to time, by the Owner thereof, subject to all of the provisions of this Declaration. No structure whatever, other than one private Single Family Residence, not less than 1800 square foot liveable area, together with a private garage for not more than four (4) automobiles and one (1) Recreational Vehicle, shall be erected, placed, or permitted to remain on any Lot. No building or structure shall be erected on any Lot, the front walls of which are closer than **forty (40)** feet from the front property line; the rear walls thereof shall not be closer than **twenty (20)** feet from the rear property line; the side walls thereof shall not be

closer than **ten (10) feet** to the side Lot line or **ten percent (10%) of the width of the Lot**, whichever is greater.

B. Antennas, Air Conditioning Units, Water Softening Units. No antenna, air conditioning unit, evaporative cooler, water softener, or other similar object which is not part of the basic structure of a dwelling or other building shall be placed upon or above the roof of any dwelling or other building. Any of said objects shall be architecturally concealed from view according to plans approved by the **ARCHITECTURAL COMMITTEE**.

C. Utility Service. No lines, wires, or other devices for the communication or transmission of electric current or power, including telephone, television, and radio signals, shall be erected, placed or maintained anywhere in or upon any property unless the same shall be contained in conduits or under or on buildings or other structures approved by the **ARCHITECTURAL COMMITTEE**.

D. Improvements and Alterations.

- (1) No improvements, alterations, repairs, excavation or other work which in any way alters the exterior appearance of any Property or the improvements located thereon from its natural or improved state existing on the date when the declaration of covenants, conditions and restrictions for Eaglecrest were originally adopted shall be made or done without the prior approval of the **ARCHITECTURAL COMMITTEE**, except as otherwise expressly provided in this **DECLARATION**.
- (2) No building, fence wall, or other structure shall be commenced, erected, maintained, improved, altered, made or done without the prior written approval of the **ARCHITECTURAL COMMITTEE** or any committee established by the **ARCHITECTURAL COMMITTEE** for the purpose.
- (3) Pursuant to its rulemaking power, the **ARCHITECTURAL COMMITTEE** shall establish a procedure for the preparation, submission and determination of applications for any such alteration or improvement.
- (4) The **ARCHITECTURAL COMMITTEE** shall have the right to refuse to approve any plans or specifications or grading plan, which are not suitable or desirable, in its opinion, for aesthetic or other reasons, and in so passing upon such plans, specifications, and grading plans, and without any limitation of the foregoing, it shall have the right to take into consideration the suitability of the proposed building or other structure, and of the materials of which it is to be built, the site upon which it is proposed to erect the same, the harmony thereof with the surroundings and the effect of the building or other structure as planned, on the outlook from the adjacent or neighboring Property.
- (5) All subsequent additions to or changes or alterations in any building, fence, wall or other structure, including exterior color scheme and building materials, shall be subject to the prior approval of the **ARCHITECTURAL COMMITTEE**.
- (6) No substantial landscaping of any area of a Lot shall be commenced until such landscaping plan showing the proposed planting has been approved in writing by the **ARCHITECTURAL COMMITTEE**. The **ARCHITECTURAL COMMITTEE**, before giving such approval, may require that changes be made to comply with such requirements as the **ARCHITECTURAL COMMITTEE**, in its absolute discretion and consistent with the purposes of this Declaration, may impose to assure that such plan shall be suitable.
- (7) No changes or deviations in or from such plans and specifications once approved shall be made without the prior written approval of the **ARCHITECTURAL COMMITTEE**.

- (8) All decisions of the **ARCHITECTURAL COMMITTEE** shall be final and no Lot Owner or other parties shall have recourse against the **ARCHITECTURAL COMMITTEE** or any of its members, for or with respect to any decision made in good faith.
- (9) Neither the **ARCHITECTURAL COMMITTEE** nor any member thereof shall be responsible for structural or other defects of any kind or nature whatsoever in plans or specifications submitted to the **ARCHITECTURAL COMMITTEE** and/or in structures or improvements erected in accordance therewith.
- (10) All structures to conform to Navajo County building requirements.

E. **Maintenance of Lawns and Plantings.** The **ASSOCIATION** shall maintain the lawns and plantings on all Common Areas, and for this purpose, the **ASSOCIATION** shall have the right, at any time, to plant, replace, maintain and cultivate landscaping, shrubs, trees, grass and plantings on any Common Area, and on such easements over an **OWNER'S** Lot as may have been granted to the **ASSOCIATION**, regardless of whether any **OWNER** or the **ASSOCIATION** is responsible hereunder for maintenance of such areas. No **OWNER** shall remove, alter, injure or interfere in any way with any landscaping, shrubs, trees, grass or plantings placed upon any Common Area by the **ASSOCIATION** without the written consent of the **ASSOCIATION** having first been obtained. The **ASSOCIATION** or its authorized agents shall have the right to enter upon any Lot, at any reasonable time, for the purpose of planting, replacing, maintaining, or cultivating such landscaping, shrubs, trees, grass or plantings in the Common Area, and shall not be liable for trespass for so doing.

F. **Nuisances.** No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot, and no odors shall be permitted to arise therefrom, so as to render any such Property or any portion thereof unsanitary, unsightly, offensive or detrimental to any other Property in the vicinity thereof or to its occupants. No nuisance shall be permitted to exist or operate upon any such Property in the vicinity thereof or to its occupants. Without limiting the generality of any 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 such Property. The **BOARD** in its sole discretion shall have the right to determine the existence of any such nuisance.

G. **Repair of Buildings.** No building or structure upon any Property shall be permitted to fall into disrepair, and each such building and structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished. The **ASSOCIATION** shall have the right, **after thirty (30) days notice to Owner**, to repair, paint, or otherwise maintain the exterior any building or other structure (and without notice in the event of an emergency) which the Association, acting through its Board determines in its discretion is in violation of this provision. All costs and expenses, including reasonable attorney's fees, incurred by the **ASSOCIATION** shall be borne by the Owner, and shall be paid to the **ASSOCIATION** on demand plus interest at the maximum lawful rate for contracting parties from ten (10) days after said demand until paid in full. Any sum not paid by an Owner may be treated as an assessment and collected in a like manner as assessments levied pursuant to **ARTICLE VII**.

H. **Trash Containers and Collection.** No garbage or trash shall be placed or kept on any Property except in covered containers of a type, size and style which are approved by the **ARCHITECTURAL COMMITTEE**. In no event shall such containers be maintained so as to be Visible from Neighboring Property except to make the same available for collection and, then, only the shortest time reasonably necessary to effect such collection. The **BOARD** shall have the right, in its sole discretion, to require all **OWNERS** to subscribe to a trash service. All rubbish, trash, or garbage shall be

removed from the Lots and shall not be allowed to accumulate thereon. No incinerators shall be kept or maintained on any Lot.

I. **Overhangs.** No tree, shrub, or planting of any kind of any Property shall be allowed to overhang or otherwise to encroach upon any Common Area from ground level to a height of twelve (12) feet, without the prior approval of the **ARCHITECTURAL COMMITTEE**.

J. **Right of Way.** During reasonable hours, any member of the **ARCHITECTURAL COMMITTEE**, any member of the **BOARD**, or any authorized representative of any of them shall have the right to enter upon and inspect any Property and the Improvements thereon, except for the interior portions of any building, for the purpose of ascertaining whether or not the provisions of this **DECLARATION** have been or are being complied with, and such persons shall not be deemed guilty of trespass by reason of such entry.

K. **Machinery and Equipment.** No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Property except such machinery or equipment as is usual and customary in connection with the use, maintenance or construction of buildings, improvements or structures which are within the permitted uses of such property, and except that which the **ASSOCIATION** may require for the operation of and maintenance of the Common Area.

L. **Restriction of Further Subdivision.** No Lot within the Property covered by this Declaration shall be further subdivided or separated into smaller Lots or parcels by any **OWNER**, and no portion less than all of any such Lot, nor any easement or other interest therein, be conveyed or transferred by any **OWNER**, without the prior written approval of the **BOARD**.

M. **Signs & Flags.** Pursuant to A.R.S. 33-1808, the **ASSOCIATION** will not prohibit any of the following: The indoor or outdoor display of a political sign by an association member on that member's property, except that an association may prohibit the display of political signs earlier than forty-five days before the day of an election and later than seven days after an election day. An association may regulate the size and number of political signs that may be placed on a member's property if the association's regulation is not more restrictive than any applicable city, town or county ordinance that regulates the size and number of political signs on residential property. If the city, town or country in which the property is located does not regulate the size and number of political signs on residential property, the association shall permit at least one political sign with the maximum dimensions of twenty-four inches by twenty-four inches on a member's property. For the purposes of this paragraph, "political sign" means a sign that attempts to influence the outcome of an election, including supporting or opposing the recall of a public officer or supporting or opposing the circulation of a petition for a ballot measure, question or proposition or the recall of a public officer.

The American Flag or an official or replica of a flag of the United States Army, Navy, Air Force, Marine Corps or Coast Guard by an owner on that owner's property can be displayed but in a manner consistent with the federal flag code (P.L. 94-344; 90 Stat. 810; 4 United States Code sections 4 through 10).

N. **Utility Easements.** There is hereby created a blanket easement upon, across, over and under the above described Property for ingress, egress, installation, replacing, repairing and maintaining all utility and service lines and systems, including, but not limited to, water, sewers, gas, telephones, electricity, television cable or communication lines and systems, etc. By virtue of this easement, it shall be expressly permissible for the providing utility or Service Company to install and maintain wires, circuits and conduits on, in and under the roofs and exterior walls of said Property. Notwithstanding

anything to the contrary contained in this paragraph, no sewers, electrical lines, water lines, or other utilities or service lines may be installed or relocated on said Property unless approved by the **BOARD**. This easement shall in no way effect any other recorded easements on said Property. This easement shall be limited to improvements as originally constructed.

O. **Animals.** No animals or fowl, poultry, or livestock, other than a reasonable number of recognized domestic household pets, shall be maintained or permitted on any Lot, and then only if they are kept thereon solely as household pets and not for commercial purposes. No household pet shall be allowed to make an unreasonable amount of noise or otherwise to become a nuisance. No structure for the care, housing, or confinement of household pets shall be maintained so as to be visible from neighboring property. Upon the request of any **LOT OWNER**, the **BOARD** shall determine, in its sole discretion and consistent with the purposes of this Declaration, whether for the purposes of this paragraph a particular animal shall be considered to be a domestic household pet, or a nuisance, or whether the number of animals on any Lot is reasonable. Any decision rendered by the Board shall be enforceable as other restrictions contained herein. All household pet animals shall be kept on a leash or otherwise confined to the Owner's property.

P. **Clothes Lines.** No exterior clothes lines shall be installed on any Lot, any number of Lots, or any portion of a Lot.

Q. **Building Exterior and Fences.** All building exteriors must be of a unique design. The exterior portions of all buildings and fences, except if constructed of adobe or brick, shall be painted, stained, or otherwise finished immediately upon completion. Colors will conform to natural setting color schemes. Since portions of the subdivision or adjacent to the White Mountain Lake and also the golf course, any fences (which must be approved by the **ARCHITECTURAL COMMITTEE**) must be of a nature and located so as to enhance the subdivision.

R. **Dust and Environmental Control.** Under no circumstances shall the Owner of any Lot or parcel of land disturb the natural soil, grass or growth; unless the Owner immediately thereafter constructs on, paves, gravels, or re-plants such disturbed areas with ground cover approved by the **ARCHITECTURAL COMMITTEE**. It being the intention of this provision that the natural terrain of any Lot or parcel be left undisturbed until such time as construction of the residence is commenced and thereafter disturbed only to the minimum extent possible.

S. **Improvements.** Construction, alteration, or erection of any dwelling on any Lot, any combination of Lots, or any part of a Lot shall be completed within three hundred sixty five (365) days from the issuance of an **Association Residential Construction Permit** from the **ARCHITECTURAL COMMITTEE**. However, in extraordinary instances, the **ARCHITECTURAL COMMITTEE** has the right to lengthen this time period.

T. **Occupancy of Structures.** No structure shall be occupied or used for the purpose for which it is designed or built until the same shall have been substantially completed and all utilities connected and operating.

U. **Parking and Vehicles.** All vehicles, except one normal passenger automobile, shall, when not being used, be kept within an enclosure, hidden from view, with the enclosure approved by the **ARCHITECTURAL COMMITTEE**. Notwithstanding the foregoing, no boats, snowmobiles, recreational vehicles, trailers, camping vehicles, buses, mobile homes, tractor/trailers, commercial trucks, motorcycles, mini bikes, mopeds, unlicensed or inoperable vehicles, or any other vehicles of any description other than normal passenger automobiles shall at any time be stored or parked on any Lot

outside of a garage or on any part of the Common Area, either permanently or temporarily. There shall be no outside storage nor shall any vehicle other than ground or water vehicles be allowed on any Lot or parcel.

V. **Roofs.** All roofs are to be of a material and of a color to blend with the natural landscape; in no event shall any roof be reflective or have solar collectors which are visible to any property, including but not limited to property outside the immediate area affected by these reservations. All roofs and roof structures and appurtenances are to be approved by the **ARCHITECTURAL COMMITTEE**.

W. **Unnatural Drainage.** Under no circumstances shall any owner of any Lot or parcel of land be permitted to deliberately alter the topographic conditions of his Lot or parcel in any way that would permit additional quantities of water from any source, other than what nature originally intended, to flow from his property onto any adjoining property or public right of way.

X. **Storage of Material.** No material shall be stored on any Lot except under a cover approved by the **ARCHITECTURAL COMMITTEE** or during the period of actual construction.

Y. **Accessory Buildings.** Accessory buildings shall not be constructed upon a Lot until the construction of the principal building has been actually commenced and accessory buildings shall not be used for dwelling purposes. Any such accessory building is subject to **ARCHITECTURAL COMMITTEE** approval.

Section 2. Permitted Uses and Restrictions - Common Area.

A. Permitted Uses.

- (1) Access for vehicles and pedestrians between public streets and any parking areas situated on the Property and any Owner's Lot; limited, however, for purposes connected with or incidental to any use being made of any portion of any Owner's Lot.
- (2) Access for persons engaged in maintaining any portion of the Common Area of any Owner's Lot.
- (3) Such other uses as may be adopted from time to time by the **BOARD** and set forth in the Association's Rules and Regulations.
- (4) In general, the Common Area shall be used for the benefit of the Owners, for the furnishing of services and facilities for which the same are reasonably intended and for the enjoyment to be derived from such reasonable and proper use, without hindering the exercise of or encroaching upon the right of any other Owner to utilize the Common Area, provided that no unlawful use shall be permitted.

B. Restricted Uses.

- 1) The Common Area shall not be used by Owners for storage of supplies, materials or personal property of any kind.
- 2) Such other restrictions as may be adopted by the **BOARD** and set forth in the Association's Rules and Regulations.

- (11) The **BOARD** shall be the sole judge as to the appropriate maintenance of all grounds within the Common Area; and
- (12) Nothing herein shall be construed so as to preclude the Association from delegating its powers set forth above to a manager or agent or to other persons, firms or corporation.

D. Damage or Destruction of Common Area by Owners. In the event any Common Area is damaged or destroyed by an Owner or any of his guests, tenants, licensees, or agents, such Owner does hereby authorize the Association to repair said damaged area, and the Association shall so repair said damaged area in a good workmanlike manner in conformance with the original plans and specifications of the area involved, or as the area may have been modified or altered subsequently by the Association, in the discretion of the Association. The amount necessary for such repairs shall be paid by said Owner, upon demand, to the Association and the Association may enforce collection of same in the same manner as provided elsewhere in this Declaration for collection and enforcement of assessments.

ARTICLE V
THE ASSOCIATION

Section 1. Organization.

A. **The Association.** The Association is an Arizona corporation charged with the duties and invested with the powers prescribed by law and set forth in the **ARTICLES, BYLAWS**, and this **DECLARATION**. Neither the **ARTICLES** nor **BYLAWS** shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this **DECLARATION**.

B. **Board of Directors and Officers.** The affairs of the **ASSOCIATION** shall be conducted by a Board of Directors and such Officers as the Directors may elect or appoint, in accordance with the **ARTICLES** and the **BYLAWS**, as same may be amended from time to time.

Section 2. Powers and Duties of the Association. The **ASSOCIATION** shall have shall have such rights, duties and powers as set forth in the **ARTICLES** and **BYLAWS**, as same may be amended from time to time.

Section 3. Rules. By a majority vote of the **BOARD**, the **ASSOCIATION** may, from time to time and subject to the provisions of this **DECLARATION**, adopt, amend, and repeal rules and regulations to be known as the "**RULES**". The **RULES** may restrict and govern the use of any area by an Owner, or by any invitee, licensee or lessee of such Owner; provided, however, that the **RULES** may not discriminate among **OWNERS** and shall not be inconsistent with the **DECLARATION**, the **ARTICLES** or **BYLAWS**. A copy of the **RULES** as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner and may be recorded. Said **RULES** shall have the same force and effect as if they were set forth in and were a part of the **DECLARATION**.

Section 4. Personal Liability. No member of the Board of any Committee of the Association, or any officer of the Association, or any Manager, shall be personally liable to any Owner, or to any other party, including the Association, for any damage loss or prejudice suffered or claimed on account of any act, omission, error, or negligence of the Association, or the Architectural Committee, or any other Committee, or any officer of the Association, provided that such person has, upon the basis of such information as may be possessed by him, act in good faith, without willful or intentional misconduct.

ARTICLE VI

MEMBERSHIP AND VOTING RIGHTS

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

Section 2. Voting Class. The Association has only one class of voting membership:

Each Owner shall be entitled to one (1) vote for each Lot owned.

Section 3. Voting Qualifications. When more than one person holds an interest in any Lot, only one (1) person shall be the Member. Such persons holding an interest shall designate the person to be the Member and give written notice thereof to the Association. The vote for such Lot may be exercised as the Owners among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. The votes for each such Lot must be cast as a unit, and fractional votes shall not be allowed. In the event that Joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Owner or Owners cast a vote representing a certain Lot, it will thereafter be conclusively presumed for all purposes that he or they were acting with the authority and consent of all other Owners of the same Lot. In the event more than one vote is cast for a particular Lot, none of said votes shall be counted as said votes shall be deemed void.

Section 4. Voting Rights. In any election of the members of the **BOARD**, every **OWNER** entitled to vote at such an election shall have the right to cumulate his votes and give one candidate, or divide among any number of the candidates, a number of votes equal to the number of Lots owned by the Owner multiplied by the number of directors to be elected. The candidates receiving the highest number of votes, up to the number of the **BOARD** members to be elected, shall be deemed elected.

Section 5. Member Rights. Each member shall have such other rights, duties, and obligations as set forth in the **ARTICLES** and **BYLAWS**, as same may be amended from time to time.

Section 6. Transfer of Membership. The Association membership of each Owner of a Lot shall be appurtenant to said Lot. The rights and obligations of an Owner and membership in the Association shall not be assigned, transferred, pledged, conveyed, or alienated in any way except upon transfer of ownership to the Owner's Lot and then only to the transferee of ownership to such Lot, or by intestate succession, testamentary disposition, foreclosure of a mortgage of record, exercise of a power of sale under the provisions of a deed of trust or such other legal process as now in effect or as may hereafter be established under or pursuant to the laws of the State of Arizona. Any attempt to make a prohibited transfer shall be void. Any transfer of ownership of said Lot shall operate to transfer said membership to the new Owner thereof.

Section 7. Suspension of Voting Rights. In the event any Owner is in arrears in the payment of any Assessments or penalties, or is in violation of this **DECLARATION** for a period of fifteen (15) days, said Owner's right to vote as a Member of the Association shall be suspended and shall remain suspended until all payments, including accrued interest and attorneys' fees, are brought current, and for a period not to exceed 60 days for any infractions of the Governing Documents.

ARTICLE VII

COVENANT FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

- (1) Annual Assessments or Charges,
- (2) Special Assessments for capital improvements, such assessments to be established and collected as hereinafter provided.

The Annual and Special Assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the Property and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successor in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the Owners of the Property and for the improvement and maintenance of the Common Area, and, without limiting the generality of the foregoing, to maintain private roadways; to maintain and operate such lighting as may be desired, and to provide for and maintain such landscaping as may be reasonably required in connection with the foregoing items.

Section 3. Maximum Annual Assessments. As of January 1, 2007 the maximum annual assessment for each improved Lot shall be **One Hundred & Fifty Dollars (\$150.00)** and **fifty (50%)** percent thereof for each Unimproved Lot. A Lot shall be deemed "Improved" when a Single Family Residence has been completely constructed thereon, but in no event later than **three hundred and sixty five (365)** days after the start of construction thereon. All other Lots shall be deemed "Unimproved" Lots.

- a) From and after January 1, 2007 the maximum annual assessment may be increased by the **BOARD** each year not more than **Twenty-Five (25%)** percent above the maximum assessment for the previous year without a vote of the membership
- b) From and after January 1, 2007 the maximum annual assessment may be increased above **Twenty-Five (25%)** percent by a vote of the Members representing two-thirds (2/3) of the votes entitled to be cast by members, at a meeting duly called for this purpose.
- c) The **BOARD** may increase or decrease the annual assessment, and shall fix the assessment annually, but not in an amount in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the **ASSOCIATION** may levy in any assessment year for a period not extending beyond twenty (20) years, a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of Members representing two-third (2/3) of the votes entitled to be cast by **MEMBERS**, at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Authorized Action under Section 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section

3 or 4 shall be sent to all Members not less than **10 days** nor more than **60 days** in advance of the meeting. At the first such meeting called, the presence of Members entitled to cast sixty-six and two-thirds (66 2/3%) percent of all the votes of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

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

Section 7. Date of Commencement of Annual Assessments: Due Dates. The Annual Assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the first Lot to an Owner. The first Annual Assessment shall be adjusted according to the number of months remaining in the calendar year. The **BOARD** shall fix the amount of the Annual Assessment against each Lot at least 30 days in advance of each annual assessment period. Written notice of the Annual Assessment shall be sent to every **OWNER** subject thereto. The due dates shall be established by the **BOARD OF DIRECTORS**. The **ASSOCIATION** shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Each **OWNER** of any Lot shall be deemed to covenant and agree to pay to the **ASSOCIATION** the assessments provided for herein, and agrees to the enforcement of the assessments in the manner herein specified. In the event the **ASSOCIATION** employs an attorney or attorneys for collection of any assessment, whether by suit or otherwise, or to enforce compliance with or specific performance of the terms and conditions of this **DECLARATION**, or for any other purpose in connection with the breach of this **DECLARATION**, each **OWNER** agrees to pay reasonable attorney's fees and costs thereby incurred in addition to any other amounts due or any other relief or remedy obtained against said **OWNER**. In the event of a default in payment of any such assessment when due, in which case the assessment shall be deemed delinquent, and in addition to any other remedies here in or by law provided, the **ASSOCIATION** may enforce each such obligation in any manner provided by law or in equity, or without any limitation of the foregoing, by either or both of the following procedures:

A. Enforcement by Suit. The **BOARD** may cause a suit at law to be commenced and maintained in the name of the **ASSOCIATION** against an **OWNER** to enforce each such assessment obligation. Any judgment rendered in any such action shall include the amount of the delinquency, together with interest thereon at the rate of **Ten (10%) percent per annum** from the date of delinquency, **court cost**, and **reasonable attorney's fees** in such amount as the Court may adjudge against the delinquent Owner or Member.

B. Enforcement by Lien. There is hereby created a claim of lien, with power of sale, on each and every Lot within the Property to secure payment to the **ASSOCIATION** of any and all assessments levied against any and all Owners of such Lots covered by the Declaration, together with interest thereon at the rate of **Ten (10%) percent per annum**, from the date of delinquency, and all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorney's fees. At any time after the occurrence of any default in the payment of any such assessment, the **ASSOCIATION**, or any authorized representative may, but shall not be required to, make a written demand for payment to the defaulting Owner, on behalf of the Association. Said demand shall state the date and amount of the delinquency. Each default shall constitute a separate basis for a demand or claim of lien or a lien, but any number of defaults may be included within a single demand or claim of lien, if such delinquency is not paid within **(10) days** after delivery of such demand, or even

without such a written demand being made, the Association may elect to file such a claim of lien on behalf of the **ASSOCIATION against the LOT of the defaulting OWNER**. Such a claim of lien shall be executed and acknowledged by any officer of the **ASSOCIATION**, and shall contain substantially the following information:

1. The name of the delinquent Owner;
2. The legal description and street address of the Lot against which claim of Lien is made;
3. The total amount claimed to be due and owing for the amount of the delinquency, interest thereon, collection costs, and reasonable attorneys' fees (with any proper offset allowed);
4. That the claim of lien is made by the Association pursuant to the Declaration; and
5. That a lien is claimed against said Lot in an amount equal to the amount stated.

Upon recordation of a duly executed original or copy of such a claim of lien, and mailing a copy thereof to said Owner. Such a lien shall have priority over all liens or claims created subsequent to the recordation of the claim of lien thereof, except only tax liens for real property taxes on any Lot, assessments on any Lot in favor of any municipal or other governmental assessing unit, and the liens which are specifically described in Section 9 hereinafter. **Any such lien may be foreclosed by appropriate action in court in the manner provided by law for the foreclosure of a realty mortgage or by the exercise of a power of sale in the manner provided by law under the trust deed, as set forth by the laws of the State of Arizona, as the same may be changed or amended.** The lien provided for herein shall be in favor of the Association and shall be for the benefit of all other Lot Owners. The Association shall have the power to bid in at any foreclosure sale and to purchase, acquire, hold, lease, mortgage, and convey any Lot. In the event of such foreclosure, reasonable attorneys' fees, court costs, title search fees, interest and all other costs and expenses shall be allowed to the extent permitted by law. Each Owner, by becoming an Owner of a Lot hereby expressly waives any objection to the enforcement and foreclosure of this lien in this manner.

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

ARTICLE VIII

ARCHITECTURAL CONTROL

Section 1. Organization, Power of Appointment and Removal of Members. There shall be an **ARCHITECTURAL COMMITTEE**, organized as follows:

A. **Committee Composition.** The **ARCHITECTURAL COMMITTEE** shall consist of 3 regular members and 2 alternate members. None of such members shall be required to be an architect or to meet any other particular qualifications for membership. A member need not be, but may be, a member of the **BOARD** or an officer of the **ASSOCIATION**.

B. **Alternate Members.** In the event of the absence or disability of one or two regular members of said Committee, the remaining regular member or members, even though less than a quorum, may designate either or both of the alternate members to act as substitutes for the absent or disabled regular member or members for the duration of such absence or disability.

The Board may act as the **ARCHITECTURAL COMMITTEE** if so determined by the majority vote of the members of the Association at a duly called meeting for this purpose.

C. **Terms of Office.** Unless the initial members of the **ARCHITECTURAL COMMITTEE** have resigned or been removed, their terms of office shall be for a period of one year, or until the appointment of their respective successors. Thereafter, the term of each **ARCHITECTURAL COMMITTEE** member appointed shall be for a period of one year and until the appointment of his successor. Any new member appointed to replace a member who has resigned or been removed shall serve such member's unexpired term. Members who have resigned, been removed or whose terms have expired may be reappointed.

D. **Appointment and Removal.** The right to appoint and remove all regular and alternate members of the **ARCHITECTURAL COMMITTEE** at any time, shall be and is hereby vested solely in the **BOARD**, provided, however, that no regular or alternate member may be removed from the **ARCHITECTURAL COMMITTEE** by the **BOARD** except by the vote or written consent of two-thirds (2/3) of all of the members of the **BOARD**. Exercise of the right of appointment and removal, as set forth herein, shall be evidenced by the recordation of a declaration identifying each new regular or alternate member appointed to the Committee and each regular or alternate member replaced or removed there from.

E. **Resignations.** Any regular or alternate member of the **ARCHITECTURAL COMMITTEE** may at any time resign from the Committee by giving written notice thereof to the **BOARD**.

F. **Vacancies.** Vacancies on the **ARCHITECTURAL COMMITTEE** however caused, shall be filled by the **BOARD**. A vacancy or vacancies on the **ARCHITECTURAL COMMITTEE** shall be deemed to exist in case of the death, resignation or removal of any regular or alternate member.

Section 2. Duties. It shall be the duty of the **ARCHITECTURAL COMMITTEE** to consider and act upon any and all proposals or plans submitted to it pursuant to the terms hereof, to adopt

ARCHITECTURAL COMMITTEE RULES, to perform other duties delegated to it by the **BOARD**, and to carry out all other duties imposed upon it by this **DECLARATION**.

Section 3. Meetings and Compensation. The **ARCHITECTURAL COMMITTEE** shall meet from time to time as necessary to perform its duties hereunder. Subject to the provisions of Paragraph B of Section 1 above, the vote or written consent of any two regular members, at a meeting or otherwise, shall constitute the act of the **ARCHITECTURAL COMMITTEE** unless the unanimous decision of the **ARCHITECTURAL COMMITTEE** is required by any other provision of this **DECLARATION**. The **ARCHITECTURAL COMMITTEE** shall keep and maintain a written record of all actions taken by it at such meetings or otherwise. Members of the **ARCHITECTURAL COMMITTEE** shall **NOT** be entitled to compensation for their services.

Section 4. Architectural Committee Rules. The **ARCHITECTURAL COMMITTEE** may, from time to time and in its sole and absolute discretion, adopt, amend and repeal, by unanimous vote or written consent, rules and regulations, to be known as "**Architectural Committee Rules**". Said **RULES** shall interpret and implement this **ARCHITECTURAL COMMITTEE** by setting forth the standards and procedures for **ARCHITECTURAL COMMITTEE** review and the guidelines for architectural design, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features which are recommended for use within the Property.

Section 5. Waiver. The approval by the **ARCHITECTURAL COMMITTEE** of any plans, drawings or specifications for any work done or proposed, or for any other matter requiring the approval of the **ARCHITECTURAL COMMITTEE** under this **DECLARATION**, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing specification or matter subsequently submitted for approval.

Section 6. Liability. Neither the **Architectural Committee** nor any member thereof shall be liable to the **ASSOCIATION**, any **OWNER**, or to **ANY OTHER PARTY**, for any damage, loss or prejudice suffered or claimed on account of

- a) the approval or disapproval of any plans, drawings, or specifications, whether or not defective,
- b) the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications,
- c) the development of any Property, or
- d) the execution and filing of any estoppel certificate, whether or not the facts therein are correct; provided, however, that with respect to the liability of a member, such member has acted in good faith on the basis of such information as may be possessed by him.

Without in any way limiting the generality of any of the foregoing provisions of this Section, the **ARCHITECTURAL COMMITTEE**, or any **MEMBER** thereof, may, but is not required to, consult with or hear the views of the **ASSOCIATION** or any **OWNER** with respect to any plans, drawings, specifications, or any other proposal submitted to the **ARCHITECTURAL COMMITTEE**.

Section 7. Time for Approval. In the event said **BOARD**, or its designated **COMMITTEE**, fails to approve or disapprove such design and location **within 30 days** after said plans and specifications have been submitted to it, **approval will not be required** and this **ARTICLE** will be deemed to have been complied with.

ARTICLE IX

GENERAL PROVISIONS

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

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

Section 3. Amendment. This DECLARATION may be amended by an instrument signed by Owners representing not less than sixty-six and two-thirds (66 2/3%) percent of the votes entitled to be cast by members. Any amendment must be certified by the President of the ASSOCIATION and recorded at the Navajo County Recorders Office.

Section 4. Violations and Nuisance. Every act or omission whereby any provision of this DECLARATION is violated in whole or in part is hereby declared to be a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action, the ASSOCIATION or any OWNER or OWNERS of Lots within the Property. However, any other provision to the contrary notwithstanding, the ASSOCIATION, the BOARD, or the duly authorized agents of any of them, may enforce by self-help any of the provisions of this DECLARATION.

Section 5. Violation of Law. Any violation of any State, municipal or local law, ordinance or regulation, pertaining to the ownership, occupation or use of any property within the Property is hereby declared to be a violation of this DECLARATION and subject to any and all of the enforcement procedures set forth in said DECLARATION.

Section 6. Remedies Cumulative. Each remedy provided by this DECLARATION is cumulative and not exclusive.

Section 7. Delivery of Notices and Documents. Any written notice or other documents relating to or required by this DECLARATION may be delivered either personally or by mail. If by mail, it shall be deemed to have been delivered twenty-four hours after a copy of same has been deposited in the United States mail, postage prepaid, addressed as follows: if to the ASSOCIATION, at Eaglecrest HOA, P.O. Box 90983, White Mountain Lake, Arizona, 85912; if to an OWNER, to the address of any Lot within the Property owned, in whole or in part, by him or to any other address last furnished by an Owner to the Association; provided, however, that any such written notice of change of address and delivering a copy thereof to the ASSOCIATION. Each OWNER of a Lot shall file the correct mailing address of such OWNER with the ASSOCIATION, and shall promptly notify the ASSOCIATION in writing of any subsequent change of address.

Section 8. The Declaration. By acceptance of a deed or by acquiring any ownership interest in any of the real property included within this DECLARATION, each person or entity, for himself or itself, his heirs, personal representatives, successors, transferees and assigns, binds himself, his heirs, personal representatives, successors, transferees and assigns, to all of the provisions, restrictions, covenants, conditions, rules, and regulations now or hereafter imposed by this DECLARATION and any amendments thereof. In addition, each such person by so doing thereby acknowledges that this DECLARATION sets forth a general scheme for the improvement

EXHIBIT "A"
1 of 6

Lots 1 through 132 inclusive, White Mountain Lakes Estates, Unit 18, a subdivision being a portion of Sections 10, 14 & 15, Township 11 North, Range 22 East, of the Gila and Salt River Base and Meridian, Navajo County, Arizona.

ALSO:

All of that part of Sections 10, 11, 14, and 15, Township 11 North, Range 22 East of the Gila and Salt River Base and Meridian, Navajo County, Arizona.
Described as follows:

Beginning at the Southwest corner of Said Section 11; thence South 89°40'00" East along the South line of said Section 11, a distance of 980.87 feet to the True Point of Beginning;
thence South 89°40'00" East a distance of 672.74 feet;
thence North 1128.35 feet; thence along the arc of a curve 326.03 feet, said curve being concave to the Southeast, having a radius of 330.00 feet and a central angle of 27°41'35";
thence South 56°36'24" West a distance of 303.88 feet;
thence South 76°50'03" West a distance of 162.54 feet;
thence South 48°41'21" West a distance of 617.15 feet;
thence South 72°32'12" West a distance of 56.33 feet;
thence South 65°07'14" West a distance of 871.59 feet;
thence South 32°25'09" West a distance of 675.24 feet;
thence South 63°54'11" East a distance of 656.98 feet;
thence North 68°23'00" East a distance of 570.09 feet;
thence North 15°09'52" West a distance of 52.67 feet;
thence North 75°11'12" East a distance of 159.23 feet;
thence along the arc of a curve 157.08 feet, said curve being concave to the Southeast, having a radius of 325.00 feet, a central angle of 27°41'35" and a chord bearing of North 03°07'15" East to the True Point of Beginning.

EXHIBIT "A"

2 of 6

ALSO:

All of that part of Section 11, Township 11 North, Range 22 East, of the Gila and Salt River Base and Meridian, Navajo County, Arizona.

Described as follows:

Beginning at the Southwest corner of said Section 11; thence South 89°40'00" East, along the South line of said Section 11 a distance of 1897.27 feet; thence North 00°20'00" East a distance of 3306.84 feet to the True Point of Beginning;

thence North 42°50'32" East a distance of 170.14 feet;

thence North 07°08'55" West a distance of 209.87 feet;

thence South 78°00'00" West a distance of 334.04 feet;

thence North 68°00'00" West a distance of 730.00 feet;

thence South 84°30'00" West a distance of 175.00 feet;

thence North 60°00'00" West a distance of 200.00 feet;

thence South 64°00'00" West a distance of 60.00 feet;

thence South 12°42'50" West a distance of 78.70 feet;

thence South 69°00'00" East a distance 494.07 feet;

thence South 40°00'00" East a distance of 500.00 feet;

thence South 03°00'00" East a distance of 300.00 feet;

thence South 38°30'00" East a distance of 150.00 feet;

thence North 79°00'00" East a distance of 190.00 feet;

thence North 42°30'00" East a distance of 165.00 feet;

thence North 65°00'00" East a distance of 77.06 feet;

thence North 16°43'41" West a distance of 771.76 feet;

thence North 37°52'30" East a distance of 173.38 feet;

thence along the arc of a curve 98.17 feet, said curve being concave to the Northwest, having a radius of 468.35, a central angle of 12°00'36" and a chord bearing of North 75°53'24" East, the True Point of Beginning.

EXHIBIT "A"
3 of 6

ALSO:

All of that part of Section 11, Township 11 North, Range 22 East, of the Gila and Salt River Base and Meridian, Navajo County, Arizona.

Described as follows:

Beginning at the South west corner of said Section 11, thence South 89°40'00" East, along the South line of said Section 11, 1897.27 feet; then North 00°20'00" East 3306.84 feet to the True Point of Beginning; thence North 42°30'32" East, a distance of 170.14 feet; thence along the arc of a curve 19.65 feet, said curve being concave to the Northwest, having a radius of 418.35 feet, a central angle of 02°41'30" and a chord bearing of North 47°22'48" East; thence North 46°01'23" East, a distance of 60.71 feet; thence North 06°52'12" East a distance of 254.20 feet; thence North 54°02'28" East a distance of 49.41 feet; thence South 45°00'00" East a distance of 170.82 feet; thence along the arc of a curve 50.27 feet, said curve being concave to the Southeast, having a radius of 274.26 feet, a central angle of 10°30'05" and a chord bearing of North 7140'34" East; thence North 12°31'44" East a distance of 334.62 feet; thence North 17°54'39" West a distance of 839.02 feet; thence South 43°33'46" West a distance of 197.34 feet; thence North 50°42'38" West a distance of 241.62 feet; thence South 47°33'50" West a distance of 124.66 feet; thence North 25°00'00" East a distance of 370.04 feet; thence North 43°15'00" West a distance of 410.00 feet; thence North 89°13'54" East a distance of 256.86 feet; thence South 44°53'54" East a distance of 52.57 feet; thence along the arc of a curve 370.74 feet, said curve being concave to the Southwest, having a radius of 2213.77 feet, and a central angle of 09°35'43"; thence South 3518'11" East a distance of 798.68 feet; thence along the arc of a curve 405.27 feet, said curve being concave to the Northeast, having a radius of 3552.61 feet and a central angle of 06°32'10"; thence South 41°50'21" East a distance of 885.02 feet; thence South 48°09'39" West a distance of 25.00 feet; thence along the arc of a curve 79.15 feet, said curve being concave to the Southeast, having a radius of 308.33 feet and a central angle of 14°42'27"; thence South 33°27'12" West a distance of 105.66 feet; thence along the arc of a curve 186.99 feet, said curve being concave to the Northwest, having a radius of 517.91 feet and a central angle of 20°41'12"; thence South 54°08'24" West a distance of 144.98 feet; thence along the arc of a curve 447.15 feet, said curve being concave to the Southeast, having a radius of 600.00 feet and a central angle of 42°42'00"; thence South 11°26'24" West a distance of 310.00 feet; thence North 82°54'20" West a distance of 128.52 feet;

EXHIBIT "A"
4 of 6

thence North 13°30'31" West a distance of 684.95 feet;
 thence North 06°23'40" West a distance of 592.55 feet;
 thence along the arc of a curve 99.40 feet, said curve being concave to the Southeast, having a radius of 224.26 feet, a central angle of 25°23'40" and a chord bearing of South 83°19'39" West;
 thence South 12°31'44" West a distance of 673.44 feet;
 thence North 35°28'31" West a distance of 436.84 feet to the True Point of Beginning.

ALSO:

All of that part of Sections 11 and 12, T11N-R22E of the Gila and Salt River Base and Meridian, Navajo County, Arizona, described as follows:

Beginning at the Northwest corner of said Section 11:
 thence North 89°13'54" East, along the North boundary line of said Section 11, for a distance of 2004.97 feet to a point of intersection with the east right of way line of Bourden Ranch Road and the True Point of Beginning;
 thence North 89°13'54" East for a distance of 649.40 feet to the North Quarter corner of said Section 11;
 thence South 89°53'10" East for a distance of 2634.77 feet to the Northwest corner of said Section 12;
 thence North 89°52'41" East along the North boundary line of said Section 12 for a distance of 1254.13 feet;
 thence South 52°18'26" East for a distance of 442.31 feet;
 thence along the arc of a curve for a distance of 162.94 feet, said curve being concave to the Northeast, having a radius of 100.00 feet, a central angle of 93°21'22", and a chord bearing of South 46°40'41" East;
 thence along the arc of a curve for a distance of 89.57 feet, said curve being concave to the Southwest, having a radius of 100.00 feet, a central angle of 51°19'04" and a chord bearing of South 67°41'50" East;
 thence South 42°02'18" East for a distance of 146.94 feet;
 thence South 47°57'42" West, a distance of 257.21 feet;
 thence South 42°02'18" East for a distance of 205.00 feet;
 thence South 00°49'51" West a distance of 81.86 feet;
 thence South 19°03'50" East for a distance of 377.98 feet;
 thence South 00°02'18" East for a distance of 1024.91 feet;
 thence South 12°48'55" West for a distance of 318.92 feet;
 thence South 23°30'00" West for a distance of 1248.80 feet;
 thence South 21°39'51" West for a distance of 452.68 feet;

EXHIBIT "A"
5 of 6

thence along the arc of a curve for a distance of 47.98 feet; said curve being concave to the Southwest, having a radius of 2433.73 feet and a central angle of $01^{\circ}07'46''$ and a chord bearing of South $67^{\circ}46'15''$ East;
thence South $23^{\circ}30'00''$ West for a distance of 239.95 feet;
thence along the arc of a curve for a distance of 254.29 feet, said curve being concave to the Northwest, having a radius of 470.00 feet and a central angle of $31^{\circ}00'00''$;
thence South $54^{\circ}30'00''$ West for a distance of 783.16 feet;
thence North $11^{\circ}54'11''$ West for a distance of 726.20 feet;
thence along the arc of a curve for a distance of 624.86 feet, said curve being concave to the Southwest, having a radius of 1195.94 feet and a central angle of $29^{\circ}56'10''$;
thence North $41^{\circ}50'21''$ West for a distance of 3454.85 feet;
thence along the arc of a curve for a distance of 393.86 feet, said curve being concave to the Northeast, having a radius of 3452.61 feet and a central angle of $06^{\circ}32'10''$;
thence North $35^{\circ}18'11''$ West for a distance of 798.68 feet;
thence along the arc of a curve for a distance of 343.46 feet, said curve being concave to the Southwest, having a radius of 2313.77 feet and central angle of $08^{\circ}30'18''$ and a chord bearing of North $39^{\circ}33'20''$ West to the True Point of Beginning.

Subject to all easements and right of ways of record.

EXHIBIT "A"
6 of 6

ALSO:

All of that part of Section 12, T11N-R22E of the Gila and Salt River Base and Meridian, Navajo County, Arizona, described as follows:

Beginning at the South Quarter Corner of said Section 12;
thence North 00°02'18" East along the east boundary line of the Southwest Quarter of said Section 12, for a distance of 60.00 feet to the True Point of Beginning;
thence North 00°02'18" West for a distance of 746.96 feet;
thence West for a distance of 235.02 feet;
thence along the arc of a curve for a distance of 998.25 feet, said curve being concave to the Northeast, having a radius of 2433.84 feet and a central angle of 23°30'00";
thence North 66°30'00" East for a distance of 132.53 feet;
thence along the arc of a curve for a distance of 39.27 feet, said curve being concave to the Southeast, having a radius of 25.00 feet and a central angle of 90°00'00";
thence South 23°30'00" West for a distance of 155.00 feet;
thence along the arc of a curve for a distance of 286.76 feet, said curve being concave to the Northwest, having a radius of 530.00 feet and a central angle of 31°00'00";
thence South 54°30'00" West for a distance of 809.37 feet;
thence South 11°54'11" East for a distance of 12.84 feet;
thence along the arc of a curve for a distance of 185.45 feet, said curve being concave to the Northeast, having a radius of 564.67 feet and a central angle of 18°49'02";
thence North 89°15'50" East, along the North right of way line of Richard Road for a distance of 2189.87 feet to the True Point of Beginning.

Subject to all easements and right of ways of record.