AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF SAN IGNACIO VILLAS

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF SAN IGNACIO VILLAS (this "Declaration"), is made this fourth day of March 2025 by the Owners of the real property described as:

Lots 1 through 44 and Common Areas A and B of San Ignacio Villas, a subdivision of Pima County, Arizona, as shown on the plat recorded at Book 49 of Maps and Plats, at Page 12, a resubdivision of Lots 93 through 116 of San Ignacio Vistas II, a subdivision of Pima County, Arizona, as shown on the plat recorded in Book 47 of Maps and Plats at Page 91 (hereinafter referred to as the "Properties").

RECITALS

WHEREAS, the *Declaration of Covenants, Conditions, Restrictions and Easements for San Ignacio Villas* was initially recorded December 23, 1996 in Docket 10447 at Page 1311 et seq., in the office of the Pima County Recorder ("Original Declaration"), and was subsequently re-recorded January 17, 1997 in Docket 10464 at Page 1629 et seq., in the office of the Pima County Recorder to include recording information; and

WHEREAS, the First Amendment to Declaration of Covenants, Conditions, Restrictions and Easements for San Ignacio Villas was recorded on December 17, 2003, in Docket 12199 at Page 4355, et seq. (Seq. No. 20032421318), in the office of the Pima County Recorder, (the "First Amendment") modifying several provisions in order to permit hotel or motel use of the Properties and the individual Lots; and

WHEREAS, Section 16.5 of the Original Declaration provides that the Declaration may be amended with approval by at least fifty-one percent (51%) of the total votes held by Owners, and shall be made only by an instrument in writing signed by the President and Secretary of the Association and recorded with the County Recorder of Pima County, Arizona; and

WHEREAS, in accordance with Section 5.5 of the Original Declaration, the Declarant has relinquished control of the operations of the Association and such control has transitioned to the Members; and

WHEREAS, the Owners/Members desire to amend and restate the Declaration in accordance with their authority under Arizona Law and Section 16.5 of the Declaration;

NOW, THEREFORE, this Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements for San Ignacio Villas is intended to and does hereby restate, amend, supersede and completely replace the Original Declaration and the First Amendment thereto, effective as to the Properties as of the date recorded, unless otherwise specified in the Declaration.

This Declaration constitutes a continuation of the general plan for the development and sale of all of the Lots shown on the Plat, as may be amended. The real property as described herein shall be held, sold and conveyed subject to the following covenants, conditions, and restrictions all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Properties. Each and every one of said covenants, conditions, and restrictions, and restrictions shall run with the land and shall be binding upon all parties having acquired any right, title or interest in the real property as described herein or any part thereof and shall inure to the benefit of each such party.

ARTICLE I. DEFINITIONS

SECTION 1.1. "<u>Association</u>" shall mean and refer to San Ignacio Villas Homeowners Association, Inc., its successors and assigns.

SECTION 1.2. "<u>Common Area</u>" or "<u>Common Areas</u>" shall mean the real property designated as Common Areas on the Plat, and all other property held by the Association for the common benefit of the Owners.

SECTION 1.3. "<u>Declarant</u>" shall mean and refer to Lawyers Title of Arizona, an Arizona corporation, as Trustee under Trust 6486-T, and its successors or assigns. In accordance with Section 5.5 of the Original Declaration, Declarant has relinquished all rights, duties, responsibilities, and obligations related in any way to the operation of the Association. Operation of the Association has been transferred to the Members of the Association, and since such transition, the Association's Board of Directors has exercised all appropriate rights on behalf of the Association in accordance with the Declaration.

SECTION 1.4. "<u>Declaration</u>" shall mean and refer to this Declaration as may be amended from time to time.

SECTION 1.5. "<u>Developer</u>" shall mean Fairfield Green Valley, Inc., or its successors or assigns. Developer was the Declarant's sole beneficiary, authorized to exercise and enjoy all rights and exemptions of the Declarant; however, such authority was extinguished at the time of Declarant's relinquishment of operation and transition of control to the Members and the Board of Directors pursuant to Section 5.5 of the Original Declaration.

SECTION 1.6. "<u>Dwelling Unit</u>" shall mean the improvements placed upon or within the boundary of any Lot.

SECTION 1.7. "<u>Lot</u>" shall mean the numbered plots of land shown on the Plat including the Dwelling Unit thereon.

SECTION 1.8. "<u>Member</u>" shall mean and refer to every person who holds membership in the Association.

SECTION 1.9. "<u>Mortgage</u>" shall include any consensual monetary encumbrance on a Lot, evidenced by an instrument in recordable form and shall specifically include both mortgages and deeds of trust. The term "Mortgagee" shall include a beneficiary under a Deed of Trust, and the term "First Mortgagee" shall mean the holder of any Mortgage or the beneficiary of any deed of trust under which the interest of any Owner of a Lot is encumbered and which Mortgage or deed of trust has first and paramount priority, subject only to the lien of general or ad valorem taxes and assessments (which shall be referred to herein as a "First Mortgage").

SECTION 1.10. "<u>Owner</u>" shall mean and refer to the record holder, whether one (1) or more persons, of the fee simple title to any Lot which is part of the Properties, including a buyer under a contract for the conveyance of real estate pursuant to Title 33, Arizona Revised Statutes, but excluding persons holding an interest merely as security for the performance of an obligation, and excluding buyers under sales agreements or deposit receipt and agreements.

SECTION 1.11. "<u>Person</u>" shall include a corporation, company, partnership, firm, association or society, as well as a natural person.

SECTION 1.12. "<u>Plat</u>" shall mean the plat of record in the office of the County Recorder of Pima County, Arizona, in Book 49 of Maps and Plats at Page 12 thereof.

SECTION 1.13. "<u>Properties</u>" shall mean and refer to that certain real property described in the Plat.

ARTICLE II. SCOPE OF DECLARATION

This Declaration is intended to regulate and control the use of the Properties for the benefit of all Owners thereof, pursuant to the general plan of development set forth herein.

ARTICLE III. COMMON AREAS

SECTION 3.1. <u>Ownership.</u> Common Areas shall be owned and controlled by the Association, subject to the provisions hereof and to all matters of record, including the easements created by Declarant for purposes deemed necessary for the full use and enjoyment of the Properties. Common Areas are intended for use as public utility easements, drainage-ways, streets, parking areas, driveways, open areas, and recreational facilities, and are for the common use and enjoyment of the Members of the Association and their invitees. Notwithstanding the foregoing, the Association may dedicate, transfer and convey Common Area A (private drive/parking areas) to Pima County, upon obtaining the prior written consent of the owners of two-thirds (2/3) of the Lots and upon obtaining acceptance thereof by Pima County.

SECTION 3.2. <u>Conveyance of Owner's Rights.</u> Any sale, lease or sublease of a Lot by its Owner, or any Lessor of its Owner, or transfer of the same by operation of law, shall serve to

transfer, convey, lease or sublease to the same extent all of said Owner's right to use the Common Areas.

SECTION 3.3. <u>Conveyance of Easements and Rights-of-Way.</u> Notwithstanding any other provision in this Declaration, the Association shall at all times have the right to grant and convey to any person or entity easements or rights-of-way, in, on, over, or under any Common Areas for the purpose of constructing, erecting, operating, maintaining and using thereon, therein and thereunder: roads, streets, walks, pathways, driveways, parking areas, temporary overhead or permanent underground lines, cables, wires, conduits, or other devices for the transmission of electricity for lighting, heating, power, telephone, cable T.V., security and other purposes, sewers, storm drains, and pipes, drainage easements, water systems, water, heating and gas lines or pipes, and any similar public or quasi-public improvements or facilities, and for such other purposes as may be deemed proper by the Association.

SECTION 3.4. <u>Entrance Features.</u> Only the Association shall make or cause to be made any alteration or modification to improvements, trees, plantings, lawns or other landscaping features located at the entrance to the Properties on Camino del Sol.

ARTICLE IV. EASEMENTS, LICENSES AND ENCROACHMENTS

SECTION 4.1. <DELETED>

SECTION 4.2. <u>Easement for Enjoyment.</u> There is hereby created a blanket, nonexclusive easement upon, across, over and under all of the Common Areas for the use and enjoyment of all Members, their guests, invitees and licensees, subject to reasonable regulations of the Association, and for ingress, egress, installation, replacement, operation, repair and maintenance of all utilities, including but not limited to, water, sewer, gas, telephone, electricity, television antennae system, and any equipment or facilities for the installation of a cable communications system.

SECTION 4.3. <u>Drainage Easement.</u> A drainage easement is hereby created upon, across, over and under each Lot for the benefit of all other Lots.

SECTION 4.4. <DELETED>

SECTION 4.5. <u>Permissible Encroachments.</u> Each Owner hereby acknowledges and agrees that Dwelling Units, or privately-owned patio walls, improvements and fixtures which have been initially constructed on the Properties by Declarant or Developer in the course of original construction may from time to time encroach upon the Common Areas or other Lots in the Properties. Accordingly, the Common Area and each Lot shall be subject to a valid easement for said encroachments and for the maintenance of same, so long as they stand. Such encroachments caused incidentally by Declarant or Developer, or as the result of settling are permissible and each Owner, by acceptance of the Deed to his Lot, consents thereto and agrees that title to the land lying within such incidental encroachments, regardless of the platted lot

line of the Lot upon which such structure or other work of construction has been constructed, is conveyed to the Owner of the Lot upon which the majority of the encroaching structure is built.

SECTION 4.6. <u>Easement for Maintenance of Walls.</u> The Owner of each Lot is granted an easement across adjacent Lots for purposes of accomplishing regular maintenance and repair of structures and improvements, including party walls.

SECTION 4.7. <u>Easement for Maintenance of Common Landscaping.</u> The Association is hereby granted an easement over and across all Common Areas and all private Lots for the purpose of accomplishing the installation, replacement and maintenance of Common Landscaping, as described in Section 5.2, below.

SECTION 4.8. Sewers. There is a perpetual public sewer easement over, under, and across the Properties dedicated to Pima County for the installation, placement, maintenance, and repair of the sewer lines and facilities benefiting all of the Properties. In accordance with applicable Pima County Code, the County's responsibility for public sewer lines and facilities excludes any lateral sewer line (typically a 4-inch line), inclusive of the fitting connecting the lateral sewer line to the main sewer line, which serves only the Lot (hereinafter the "House Connection Sewer" or "HCS"), regardless of whether the HCS lies under the Lot or any portion of the Common Area. All maintenance, repair, and replacement of the HCS shall be solely the Lot Owner's responsibility under Article XI, Section 11.1 of this Declaration. The Lot Owner shall have an easement over, under, and across the Common Area for the purpose of performing such maintenance and repairs to the HCS.

SECTION 4.9. <u>Access Easement.</u> Access to the Properties from Camino del Sol is over a portion of the roadway shown on the Plat as Vista Ridge Drive that is part of the common area of a neighboring subdivision known as San Ignacio Vistas II, as shown on the plat thereof recorded in Book 47 of Maps and Plats at Page 91, as amended by the Plat of the Properties. Said portion of the roadway providing such access is described in Exhibit A attached hereto (the "Easement Property"). The Declarant, as then owner of the Easement Property, granted an easement for ingress, egress, and the installation, maintenance, repair and replacement of utilities over the Easement Property for the benefit of the Properties to the Association, and the Owners of any Lots within the Properties, as well as the families, guests, invitees, agents, employees and tenants of any of them.

If San Ignacio Vistas, Inc., the homeowners association for San Ignacio Vistas II and current owner of the Easement Property seeks contribution from the Association based on use of the Easement Area by the Association and the Owners of Lots within the Properties, as well as their families, guests, tenants, invitees, agents, and employees, the Association's duty of contribution shall be limited to a pro rata share of the costs of maintaining, repairing, and replacing the improvements installed in or associated with the Easement Property, as set forth in Section 5.1.N below. Said pro rata share shall be calculated by dividing the number of Lots within the Properties by the total number of lots (including the Lots within the Properties) shown on any recorded plat that are, at that time, accessed over Vista Ridge Drive west of Camino del Sol.

ARTICLE V. THE ASSOCIATION

SECTION 5.1. <u>Responsibilities of the Association</u>. The Association shall be responsible for the protection, improvement, alteration, maintenance, repair, replacement, administration, management and operation of the Common Areas and all landscaped areas established for the common benefit of the Owners, including sidewalks located on individual Lots. The Association shall, to the extent applicable, be responsible for:

A. the maintenance of the common streets and common parking areas, drainage easements, pedestrian easements, roads, slope easements, sidewalks and recreational facilities (including any pool, spa or ramada constructed within Common Area B), if any, located within the Common Areas and Properties, and entry way features and landscaping leading into the Properties, including decorative structures, walls, etc.;

B. the maintenance of the landscaped portions of the Common Areas and other areas accepted by or to be maintained by the Association, including all Common Landscaping (as described more fully in Section 5.2 below), and all areas between Common Areas and the patio walls of each dwelling, if any;

C. the operation, maintenance (including insurance) and, if necessary, the replacement, restoration or reconstruction of street signs, walls, fences, and other improvements constructed on the Common Areas;

D. the payment of ad valorem real estate taxes, assessments and other charges on those portions of the Common Areas owned by the Association;

E. the insurance of all improvements which the Association is obligated to maintain against damage by casualty with such companies and with such limits as the Association deems appropriate;

F. the provision and payment of trash collection and trash removal services for the Properties;

G. the hiring, firing, supervision and paying of employees and independent contractors, including, but not limited to, watchmen, security personnel to operate the restricted entry system (if any), workers, landscapers, attorneys, accountants, architects and contractors to carry out the obligations set forth herein;

H. the maintenance of such liability insurance as the Association deems necessary to protect the Members and the Board of Directors of the Association from liability for conditions existing and events occurring on or about the Common Areas, including, but not limited to, errors and omissions insurance for the Board of Directors and appointed officers of the Association;

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I. the maintenance of worker's compensation insurance for the employees, if any, of the Association;

J. the purchase of all goods, supplies, labor and services reasonably necessary for the performance of the obligations set forth herein;

K. the enforcement, in its sole discretion, of the provisions of this Declaration, including, but not limited to, the Use Restrictions provided for herein;

L. the establishment and maintenance of such cash reserves as the Association in its sole discretion deems reasonably necessary for the maintenance and repair of the improvements for which it is responsible and for unforeseen contingencies;

M. the provision of payment for all utility services for Common Area facilities;

N. the payment of assessments to the owner of the Easement Area described in Section 4.9 above, representing a pro rata share of the costs of maintaining, repairing and, if necessary, replacing, the improvements installed in or associated with such Easement Area (see Section 4.9 above); and

O. the entering into of such agreements and the taking of such actions as are reasonably necessary and convenient for the accomplishment of the obligations set forth above and the operation and maintenance of the Common Areas and facilities located thereon; and

P. <DELETED>

SECTION 5.2. <u>Common Landscaping</u>. The Association shall have the sole responsibility of installing (if necessary), replacing, and maintaining all Common Landscaping on the Properties. As used in this Declaration, Common Landscaping shall mean all landscaping, shrubs, trees, vegetation, and grasses on all Common Areas, the portion of the rear yard of each private Lot that is not enclosed by a patio wall, and the portion of the front yard of each private Lot that is not covered by a covered entryway. Each Owner shall remain solely responsible for maintaining all landscaping that is located within the Owner's enclosed rear yard, and under the Owner's covered front-yard entryway, unless the Association shall have elected to treat such areas as Common Landscaping, and shall keep all landscaping within such yard areas in a neat, clean and well-maintained condition.

SECTION 5.3. <DELETED>

SECTION 5.4. <u>Bylaws and Articles of Incorporation</u>. The manner in which the Association carries out its responsibilities shall be controlled by the provisions of its Bylaws, its Articles of Incorporation and the provisions hereof. The provisions of this Declaration shall control in the event of a conflict.

SECTION 5.5. <DELETED>

SECTION 5.6. <u>Continuous Access.</u> At no time shall the Association block, or close, or cause or allow to be blocked or closed, for an extended period of time or for any reason other than the making of repairs or improvements thereto or lying beneath the same, any private street, road, driveway, or parking area within the Properties.

ARTICLE VI. MEMBERSHIP

Every person who is an Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of a Lot. Only persons who own Lots under recorded instruments, including deeds and contracts for sale, shall be members of the Association.

ARTICLE VII. VOTING RIGHTS

SECTION 7.1. <u>Allocation of Votes.</u> Except as provided in Section 7.2 below, there shall be one (1) vote for each Lot, which vote may be exercised by the Owner or Owners of the Lot. In the event that a Lot is owned by more than one (1) person, whether by husband and wife, by joint tenants, or by any other type of co-owner, the co-Owners shall agree among themselves upon the disposition of the vote allocated to that Lot, and if they cannot agree, the vote shall be prorated among them.

SECTION 7.2. <DELETED>

ARTICLE VIII. ASSESSMENTS

SECTION 8.1. <u>Power to Levy Assessments.</u> The Association, through its Board of Directors, shall have the power to levy regular annual assessments and special assessments, determine the amount thereof and the dates upon which payment thereof shall be made, and collect delinquent assessments by action of law, or otherwise, from the Owners.

Each Owner, by acceptance of a deed to any Lot, whether or not it shall be so expressed in such deed, agrees and is deemed to covenant and agree to pay to the Association: (1) regular annual assessments or charges, and (2) special assessments for capital improvements, at the dates and times determined by the Association.

The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Members and their guests, for the improvement and maintenance of the Common Area and for all purposes set forth in the Declaration, and for all purposes incidental thereto. Assessments may also include amounts necessary to pay

assessments to the owner of the Easement Property described in Section 4.9 above. The Board of the Association may provide that assessments include a reserve fund for maintenance, repairs and replacement of those elements of the Common Area owned by the Association.

Any and all assessments levied against a Lot, together with interest thereon from the date of delinquency until paid, and all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorneys' fees, shall be a continuing lien upon the Lot. Such lien shall be deemed to have attached as of the date of recordation hereof and shall be senior to all matters other than tax liens for real property taxes on the Lot, assessments on the Lot in favor of any municipal or other governmental assessing unit, reservations in patents, and the lien of any First Mortgage.

SECTION 8.2. Effect of Nonpayment of Assessments; Remedies of Association. Payment of said regular and special assessments shall become delinquent thirty (30) days after the due date, subject to a late fee equal to ten percent (10%) of the unpaid regular or special assessment, which when added shall become part of the assessment. All delinquent assessments shall be a lien on the Lot of the Owner who fails to pay them and shall bear interest from the date of default until paid at the rate of twelve percent (12%) per annum or two percent (2%) per annum above the prime rate, whichever interest rate is higher, payable from the date of default, until such delinquent assessment is paid.

The obligation of every Owner to pay assessments levied by the Association is absolute and shall not be affected by any claim the Owner may have, or believes he has, against any other person, including the Association, nor shall such obligation be affected by any irregularity in the manner or timing in which notice of assessment is given. Moreover, the sale of a Lot encumbered by the lien of a delinquent assessment shall not relieve the Owner thereof from the obligation to pay the pro rata share of annual dues and assessments for any portion of a year during which he owned said Lot and such Owner personally shall remain jointly and severally liable for such delinquent assessments as with any subsequent Owner.

The lien against any Lot may be foreclosed in the same manner as a Mortgage, and each Owner consents to the recording by the Association of a Notice and Claim of Lien in the event of any assessment remaining delinquent thirty (30) days after the due date. Said Notice and Claim of Lien may be described by a different title, may be recorded in the office of the Pima County Recorder, and may set forth the amount of the delinquent assessment and any other matter deemed appropriate by the Association.

SECTION 8.3. <u>Subordination of Lien to Mortgages.</u> Any lien upon a Lot for delinquent assessments shall be subject and subordinate to a recorded first realty Mortgage upon any of said Lots made in good faith and for value, whether now existing or made and recorded at any time hereafter. Should a Mortgagee of a prior Mortgage of record, or any assignee of a Mortgagee, obtain title to any Lot as a result of a foreclosure of a Mortgage encumbering title thereto, such acquirer of title, his successors or assigns, including any purchaser at a sheriff's sale commenced pursuant to said foreclosure, shall not be liable for assessments by the Association chargeable to such Lot which assessment became due prior to

acquisition of title to such Lot by such acquirer; rather, the Owner in default shall remain so liable. After acquisition of title, such acquirer shall pay the share of assessments chargeable to the Lot.

SECTION 8.4. <u>Attorneys' Fees.</u> In the event it shall become necessary for the Association to employ attorneys to collect a delinquent assessment, whether by foreclosure of the lien created herein or otherwise, the delinquent Owner shall pay, in addition to the assessment and interest accrued thereon, such reasonable attorneys' fees and all other costs and expenses incurred by the Association as a result of such delinquency.

SECTION 8.5. <u>Annual Assessment.</u> The rate for annual assessments shall be set by the Board of Directors in its sole and absolute discretion. The rate set for any particular year may be revised periodically based on actual operating costs of the Association. Assessments may be collected on a monthly basis or as otherwise determined by the Board of Directors.

SECTION 8.6. Special Assessment for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement of the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of the holders of two-thirds (2/3) of the votes that are cast in person or by absentee ballot at a meeting called for this purpose, or by written ballot or consent without a meeting in accordance with Arizona law. Written notice of any meeting called for the purpose of levying special assessments shall be sent to all Members not less than thirty (30) days nor more than fifty (50) days in advance of the meeting. At the first such meeting called, the presence of Members entitled to cast sixty percent (60%) of the votes 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.

SECTION 8.7. <u>Uniform Rate of Assessment.</u> Both annual and special assessments shall be fixed at a uniform rate for all Lots.

SECTION 8.8. <u>Owners Not Exempt.</u> The nonuse of or failure to occupy a Lot shall not exempt the Owner thereof from payment of all assessments properly levied against that Lot, and the Owner thereof shall be liable for the same as long as said Owner shall own a Lot.

SECTION 8.9. Joint and Several Liability. Upon the voluntary conveyance of a Lot, the selling Owner and the buyer shall be and remain jointly and severally liable for the payment of all assessments levied against the Lot prior to the closing of said sale and unpaid at the time of the conveyance, subject to the provisions of this Article.

SECTION 8.10. <u>Membership in Green Valley Recreation, Inc.; Payment of Separate</u> <u>Additional Assessments.</u> Green Valley Recreation, Inc. is a non-profit corporation organized under the laws of the State of Arizona and has been formed for the purpose of maintaining facilities and services for social and recreational facilities in Green Valley. On November 8, 1978, Green Valley Recreation, Inc. recorded that certain Master Deed Restriction in Docket 5900 at page 894, Pima County records, establishing a method to incorporate land within its jurisdictional area.

The Properties are a part of that area, and each purchaser of a Lot within the Properties, by the payment of the purchase price and acceptance of a deed, agrees for himself, his heirs, successors and assigns, to be bound by the rules and regulations thereof, to pay all membership dues assessed by Green Valley Recreation, Inc., and to comply with all provisions of the Articles of Incorporation and Bylaws of Green Valley Recreation, Inc. The properties and each Lot subsequently purchased are made subject to said Master Deed Restriction. There is hereby created a lien with power of sale, encumbering each Lot subsequently purchased to secure payment of the aforesaid membership dues and assessments, provided that no action shall be brought to foreclose such lien or proceed under the power of sale prior to the expiration of thirty (30) days after a notice and claim of lien is mailed to the Owner of such Lot and a copy of the lien is recorded in the office of the Recorder of Pima County, Arizona.

Each Owner acknowledges the benefit to the Properties afforded by the existence of Green Valley Recreation, Inc., and the facilities it offers for the enhancement of the general plan of development.

Any lien claimed or recorded in favor of Green Valley Recreation, Inc. or its successors and assigns shall at all times be subordinate to the lien for unpaid assessments created by these covenants and shall also, to the same extent as set forth herein with regard to the lien for unpaid assessments, be subordinate to the lien of any First Mortgage. The provisions hereof dealing with Green Valley Recreation, Inc., and its assessments shall constitute covenants running with the land in the same fashion as all other covenants, conditions and restrictions of this Declaration. This Section may not be amended without the consent of Green Valley Recreation, Inc.

SECTION 8.11. <DELETED>

ARTICLE IX. MORTGAGEE'S PROTECTION PROVISIONS

SECTION 9.1. <u>Definition</u>. Notwithstanding, and prevailing over, any other provision of this Declaration or the Articles or the Bylaws of the Association, the following terms and provisions shall apply to and shall be for the exclusive benefit of each First Mortgagee.

SECTION 9.2. <u>No Personal Liability.</u> No First Mortgagee shall in any instance or manner be personally liable for the payment of any assessment or charge, nor for the observance or performance of any covenant, restriction, regulation, rule, Article, or Bylaw, except for those matters which are enforceable by injunctive or other equitable actions not requiring the payment of money and except as hereinafter provided. SECTION 9.3. <u>Trustee's Sale and Foreclosure</u>. During the pendency of any trustee's sale or with respect to any proceeding to foreclose a First Mortgage, including any period of redemption, the First Mortgagee (or receiver appointed in such action) may, but need not, exercise any or all of the rights and privileges of the Owner of the mortgaged Lot including, but not limited to, the right, if any, to vote as a Member of the Association to the exclusion of the Owner's exercise of such rights and privileges.

SECTION 9.4. <u>Obligation to Pay Assessments.</u> At such time as a First Mortgagee shall become record Owner of a Lot, said First Mortgagee shall be subject to all of the terms and conditions of this Declaration, including, but not limited to, the obligation to pay as and when due any and all assessments and charges accruing thereafter and assessable against the Lot acquired, in the same manner as any Owner.

SECTION 9.5. <u>Title Acquired Through Foreclosure or Default.</u> The First Mortgagee, or any other party acquiring title to a Lot through foreclosure, trustee's sale, or any equivalent proceeding arising from a default under a First Mortgage (including the taking of a deed in lieu of foreclosure) shall acquire title to the Lot free and clear of any lien authorized by or arising out of any of the provisions of this Declaration or the Articles or Bylaws of the Association which secured the payment of any assessment accrued prior to the final conclusion of the proceeding (including the expiration date of any period of redemption). Any such unpaid assessment shall nevertheless continue to exist as the personal obligation of the defaulting Owner of the Lot to the Association, and the Board of Directors of the Association may use reasonable efforts to collect the same from the Owner regardless of whether said Owner is or is not a Member of the Association. There shall be a lien upon the interest of the First Mortgagee or other party acquiring title to a Lot by foreclosure or by equivalent procedure for all assessments authorized by this Declaration or by the Bylaws of the Association which accrue and are assessed after the date the First Mortgagee or other acquirer has acquired title to the Lot free and clear of any right of redemption.

SECTION 9.6. <u>Right to Pay Charges in Default</u>. First Mortgagees are hereby granted the right but shall not be obligated to jointly or severally pay such taxes or other charges as are in default and which may or have become a charge against any Common Areas owned by the Association, and such First Mortgagees may, jointly or severally, pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for such Common Areas, and any First Mortgagees making such payment shall be owed immediate reimbursement therefor from the Association.

SECTION 9.7. <u>Precedence of First Mortgage</u>. Nothing in this Declaration shall in any manner be deemed to give an Owner, or any other party, priority over any rights of a First Mortgagee under the terms of such First Mortgagee's Mortgage in the case of a distribution to an Owner of insurance proceeds or condemnation awards for losses or to a taking of any Dwelling Unit or any part of the Common Areas owned by the Association.

SECTION 9.8: <u>Notice</u>. Each First Mortgagee shall, upon written request to the Association, be entitled to:

A. Receive written notice from the Association of:

1. a distribution by the Association to an Owner of insurance proceeds or the proceeds of a condemnation award resulting from the damage or taking of a portion of the Common Area;

2. any default in the performance by the Owner of a Lot encumbered by the Mortgage in favor of such First Mortgagee of any obligation created hereunder or under the Articles of Incorporation, Bylaws, or Rules of the Association that is not cured within sixty (60) days;

an abandonment or termination of the Association, at least thirty
(30) days prior thereto;

4. any material amendment to the Declaration, Articles or Bylaws at least thirty (30) days prior to the effective date thereof;

5. a decision by the Association to terminate professional management and assume self-management of the Association, at least thirty (30) days prior to the effective date thereof;

6. all meetings of the Association, and designate a representative to attend such meetings.

B. Inspect the books and records of the Association during normal business hours in accordance with Arizona law.

C. Receive an annual financial statement of the Association within ninety (90) days following the end of any fiscal year of the Association.

ARTICLE X. INSURANCE OF COMMON AREAS

SECTION 10.1. <u>Scope of Coverage</u>. The Association shall secure policies of insurance and shall maintain the same so that a policy is in force at all times providing, to the extent that the same is available at reasonable cost, liability insurance coverage for the Common Areas and all insurable facilities and improvements thereon in an amount of a minimum of One Million Dollars (\$1,000,000.00) coverage insuring against liability for bodily injury and property damage resulting from the use of the Common Areas or the maintenance or operation thereof and any liability arising from a contract of employment between the Association and another person or entity. The Association shall also secure fire and extended coverage, together with a standard "all risk" endorsement and, to the extent the same can be obtained, "agreed amount" and "inflation guard" endorsements, and any construction code endorsements required under law, which coverage shall be in an amount to be determined by the Board of Directors of the Association, but in no event less than 100% of the current replacement value of Common Areas and facilities so that same will adequately and properly insure all structures, equipment and improvements on the Common Areas. The cost of such insurance shall be paid by the

Association. The Association shall have authority to negotiate with the insurance carrier and to adjust losses, make settlements and give releases to the insurance carrier. Each policy of insurance provided for under this Section shall recite that the same may not be cancelled or benefits hereunder be alterable without ten (10) days notice in writing to the Association.

SECTION 10.2. <u>Repair and Replacement of Damaged and Destroyed Property.</u> In the event of damage to or the destruction by fire or other casualty of Common Area facilities or improvements covered by the described insurance policies, the Board of Directors of the Association shall, upon receipt of the insurance proceeds, contract to rebuild or repair such damaged or destroyed property to as good a condition as formerly existed; provided, however, that in the event that the proceeds of such insurance shall be insufficient to substantially restore or repair the damaged or destroyed facilities, the Board of Directors of the Association shall call a meeting for the purpose of levying a special assessment as provided in Section 8.6 for the difference between the sum received as insurance proceeds and the reasonable cost of repair or replacement of the damaged or destroyed Common Area facilities. In the event that the Members do not consent to the assessment, no such assessment shall be made and the Board of Directors of the Association may determine to only partially restore or replace the damaged or destroyed facilities or to make some other use of the affected Common Area(s).

SECTION 10.3. <u>Owner's Responsibilities.</u> The Association shall in no event be required to replace or restore real or personal property located upon any Lot, and the insurance of Lots and improvements thereon against any and all hazards shall be the sole responsibility of the Owners thereof. In the event of damage to an improvement on a Lot, the Owner thereof shall repair or rebuild the improvement to the same standards and specifications of the original improvement, unless otherwise permitted by the Architectural Committee.

SECTION 10.4. Mortgagee's Insurance. Notwithstanding any provision of this Declaration to the contrary, in the event any improvement constructed on the Common Areas is the subject of a Mortgage, then each policy of insurance procured pursuant to Section 10.1 shall contain or have attached thereto a standard mortgagee or beneficiary co-insurance and loss payable clause which provides that all proceeds paid thereunder shall be paid to the Association for the use and benefit of all Mortgagees under Mortgages encumbering any such improvements, as their interest may appear, and such policy or policies shall further provide that the insurance carrier issuing the same shall notify each First Mortgagee identified as such to such carrier at least ten (10) days in advance of the effective date of any reduction in or cancellation of the policy. Such policy or policies shall further provide that the interest of each Mortgagee holding a Mortgage encumbering any such improvements in insurance proceeds shall not be invalidated by any action, neglect or inaction of the Board of Directors of the Association, Owners or their tenants or agents. Such policy or policies shall further provide for waiver by the insurer of any policy provisions which would render the mortgagee or beneficiary clause invalid by reason of the failure of such mortgagee or beneficiary to notify the insurer of any hazardous use of such improvements and any policy requirement that the mortgagee or beneficiary pay the premium thereof.

ARTICLE XI. OWNER'S RESPONSIBILITIES

SECTION 11.1. <u>Scope of Responsibilities.</u> Each Owner shall be responsible for all costs and expenses relating to the maintenance, repair, upkeep, taxation and assessment of his Lot(s) and any improvements thereon, including but not limited to, the payment of utility costs, ad valorem taxes, roof maintenance and repair, maintenance and repair of building exteriors, fences and walls, upkeep of trees, shrubs, grass, walks and other exterior portions of and structures on his Lot, unless otherwise provided herein. All exterior repairs shall be made in conformance with the original architectural design and style of the structure being repaired.

SECTION 11.2. <u>Conformity to Use Restrictions.</u> Each Owner shall be responsible for assuring that all construction, alteration, modification or addition to the Lot itself, or to buildings, walls, fences, copings, roads, driveways, or other structures on the Lot, including but not limited to the addition of improvements such as antennas, satellite dishes and landscaping, conform to the Use Restrictions of Article XIII herein. If an Owner fails or refuses to remove or repair any nonconforming structure, the Association may, in its sole discretion, remove or repair the nonconforming structure, and the cost of removal or repair shall be added to and become part of the assessment to which the Owner of the nonconforming Lot is subject, and shall be collected in like manner as delinquent assessments.

ARTICLE XII. ARCHITECTURAL COMMITTEE

SECTION 12.1. <u>Composition of Committee.</u> There is hereby established an Architectural Committee which Architectural Committee shall act in accordance with this Article XII. The Architectural Committee shall be composed of a minimum of three (3) members appointed by the Board of Directors of the Association. Members of the Architectural Committee shall not be entitled to any compensation for services performed pursuant to this Article XII; however Committee members may receive reimbursement for actual expenses incurred in the course of their duties as members of the Committee. Designated representatives of the Architectural Committee shall be entitled to such compensation as may be determined by the Board of Directors, payable as an expense of the Association.

SECTION 12.2. <u>Review by Committee.</u> All architectural matters within the Properties shall be subject to the discretionary review of the Architectural Committee, except as otherwise provided herein. The Architectural Committee shall have the exclusive right, exercisable in its sole discretion, to promulgate and amend written rules and regulations concerning the construction, alteration, repair, modification or addition of any exterior building, wall, fence, coping, drive, or similar structure, and all plans, specifications and plot plans related thereto shall be subject to the approval of the Architectural Committee provided that the same shall not be in conflict with any provisions in this Declaration. All decisions of such Architectural Committee are final.

SECTION 12.3. Procedures. Prior to the construction or installation of any improvement upon a Lot, whether such improvement be initial improvements or later alterations, modifications or other changes, all Owners shall be required to obtain the written approval of the Architectural Committee which approval may be given in the sole discretion of the Architectural Committee. The Owner shall submit to the Architectural Committee two (2) complete sets of plans for the proposed improvements, specifications (including exterior color schemes) and plot plans which shall include the location of all major structures. Approval of the plans and specifications shall be evidenced, if at all, by the written endorsement of the Architectural Committee made on the plans and specifications. One (1) set of the endorsed plans shall be returned to the Owner of the Lot proposed to be improved prior to the beginning of any construction. One (1) set of plans and specifications shall be retained by the Architectural Committee. No changes or deviations in or from the plans and specifications, insofar as the exterior of the proposed improvements are concerned, shall be made without the written approval of the Architectural Committee. After construction is completed, no further change, including any change of exterior color, shall be made without the written permission of the Architectural Committee.

For purposes of this Article, architecture and improvements shall be deemed to include, but not limited to, buildings, fixtures, radio antennae, television antennae, satellite stations or dishes (except that television antennae, satellite dishes and the like are subject to the provisions hereof relating to Federal law), walls, fences, copings, awnings, sunshades, flagpoles, or any similar structures and any landscaping and any and all other related matters.

SECTION 12.4. Alterations and Modifications-Discretion of Architectural Committee. In reviewing plans for alterations, modifications, additions or other changes to a structure upon a Lot, the Architectural Committee shall exercise its discretion in deciding whether or not an alteration or modification is in harmony with the overall scheme of subdivision development. The Architectural Committee shall have the right to deny alterations or modifications for purely aesthetic reasons if the Architectural Committee considers the alteration or modification to be unattractive in relation to the overall scheme of development, or if the Committee considers the alteration or modification to be a nuisance or upset of design, or if the Architectural Committee considers the alteration or modification to be in contrast to or out of harmony with the style of existing structures, or if the physical views of the Properties will be disrupted by the alteration or modification. The Architectural Committee may elicit the opinion of other Owners, including the neighbors of the Owner submitting the plan for alteration or modification, as to the conformity and harmony of the proposed plan with the overall scheme of development, and the effect that the proposed plan might have on the physical views of other Owners. After eliciting these opinions, the Architectural Committee may, but need not, take them into account in making its final decision of approval or disapproval of an alteration or modification to an existing structure. While the opinion of no single Lot Owner will control a decision of the Architectural Committee, within its own discretion, the Architectural Committee may, but need not, attach whatever significance it deems sufficient to the statements of residents and/or neighbors of the resident submitting the proposed alteration or modifications to an existing structure.

SECTION 12.5. <u>Minimum Criteria for Plans.</u> All plans must meet the following minimum criteria and such further criteria as the Architectural Committee promulgates:

A. The plans shall be in accordance with the provisions of this Declaration and written rules and regulations of the Architectural Committee, and shall not involve material changes to the character or design of the Dwelling Units as built by Declarant or Developer without specific waiver of this subsection by the Architectural Committee, such waiver being at the absolute discretion of the Architectural Committee;

B. The plans shall be in sufficient detail to permit the Architectural Committee to make their determination; and

C. The plans shall be complete and ready for submittal to obtain a building permit from Pima County or other competent jurisdiction.

The Architectural Committee shall review and shall either approve or disapprove said plans and specifications within thirty (30) days from receipt thereof. Any plans not so approved or disapproved shall be deemed approved, and the provisions of this section shall be deemed waived.

SECTION 12.6. <u>Fees.</u> The Association may charge each applicant for architectural approval a fee which shall be paid to the Architectural Committee or its designated representative. The fee shall not exceed two percent (2%) of the estimated cost of the improvements for which approval is sought.

SECTION 12.7. <u>No Responsibility for Defects.</u> Neither the Association nor the Architectural Committee shall be responsible in any way for any defects in any plans or specifications submitted in accordance with the foregoing, nor for any structural defects in any buildings or structures erected according to such plans or specifications.

SECTION 12.8. <DELETED>

SECTION 12.9. <u>Conflict of Interest.</u> In the event a conflict of interest arises wherein a member of the Architectural Committee wishes to alter, remodel, and/or add to his existing structure, a substitute member shall be appointed by the Board of Directors to the Architectural Committee to, in conjunction with the remaining two (2) members of the Committee, approve or disapprove said plans and specifications.

ARTICLE XIII. USE RESTRICTIONS

SECTION 13.1. <u>Land Use and Building Type.</u> No improvement or structure whatever, other than a first-class private dwelling house, patio walls, swimming pool and customary outbuildings, garage or carport, may be erected, placed or maintained on any Lot. First-class materials and workmanship are required.

SECTION 13.2. <u>Conformity to Building Codes.</u> All structural and design work shall be accomplished in accordance with the Uniform Building Code as adopted by the County of Pima or other competent jurisdiction. Electrical and mechanical work shall conform to all applicable local and national codes. All buildings, fences, ledges, improvements or appurtenances or other structures of any nature shall be in compliance with the setback requirements of the County of Pima or other competent jurisdiction, including but not limited to, the front, side and rear setbacks; the same must be approved by the Architectural Committee before the commencement of any construction.

SECTION 13.3. <u>No Interval Ownership/Time-Share Arrangements.</u> It is acknowledged that no Lot may be sold or occupied as a time-share or under an interval ownership arrangement.

SECTION 13.4. <u>Fences, Walls and Hedges.</u> No fence or wall may exceed six (6) feet in height, without approval of the Architectural Committee. Any planting used to form a hedge will be subject to the same setback and height requirements as applied to a fence or wall. In determining the height of a wall or other such item, the natural ground level shall be used. Bare concrete walls and chain link fences are prohibited.

SECTION 13.5. <u>Screening</u>. Mechanical and electrical equipment to be installed by an Owner, other than Declarant in the original construction, shall, within reason, be concealed from the view of any adjoining street front or Lot. Included within this restriction are air conditioning, evaporative coolers and pool pump or heating equipment. No such equipment shall be permitted to remain exposed at the side or rear of any Lot unless reasonably concealed by planting or fence.

Notwithstanding the above, equipment or other improvements originally installed by Declarant, or later replaced or repaired, shall be acceptable without the necessity of screening.

SECTION 13.6. <u>Materials.</u> Patio walls and other additions and modifications shall be constructed of the same materials as used in the construction of the principal residence and original improvements placed on the Lot, unless waived in writing by the Architectural Committee.

SECTION 13.7. <u>Lights.</u> All exterior lights must be located and maintained so as not to be directed toward or interfere with surrounding Properties or the Common Areas, including streets.

SECTION 13.8. <u>No Business Use.</u> Subject to the terms of Section 13.9 hereof, no business use shall be made of any Lot, and no building or structure intended for or adapted to a business purpose shall be erected, placed, permitted or maintained on the Properties or any part thereof.

SECTION 13.9. <u>Renting or Leasing of Individual Lots.</u> To the extent permitted by law, Lot Owners may lease their Lots to the members of the public on a long-term basis, such as monthly

or yearly rentals, or on short term basis, such as daily or weekly rentals. All tenants shall be required to comply with the provisions of this Declaration. Nothing contained herein shall be deemed to permit a time-share or interval ownership arrangement on the Properties.

SECTION 13.10. <u>Temporary Structures.</u> No temporary house, house trailer, motorhome, tent, camper, boat or outbuilding of any kind shall be placed or erected upon any part of the Properties for use as living quarters.

SECTION 13.11. <DELETED>

SECTION 13.12. <u>Construction, Alterations.</u> Only site-built residences and other structures shall be constructed within the Properties, and the construction or alteration of all such residences and other structures shall comply in all respects with each and every provision of this Declaration relating thereto. No residence placed or erected on any Lot shall be occupied in any manner at anytime prior to its being completed in accordance with approved plans, as hereinafter provided, nor shall any residence, when completed, be in any manner occupied until made to comply with all requirements, conditions and restrictions set forth herein; provided that, during the actual construction or alteration of a building or buildings on any Lot, necessary temporary buildings for storage of materials and equipment may be erected and maintained by the person doing such work. The work of constructing, altering or remodeling any building on any part of the Properties shall be prosecuted diligently from the commencement until the completion thereof.

SECTION 13.13. <u>Rubbish.</u> No Lot shall be used in whole or part for the storage of rubbish of any character whatsoever nor for the storage of any property or thing that will cause such Lot to appear in an unclean or untidy condition or that will be obnoxious otherwise. No obnoxious or offensive activity shall be carried on upon any Lot, nor shall anything be done, placed or stored thereon which may become an annoyance or nuisance to the neighborhood or occasion any noise or odor which will or might disturb the peace, quiet, comfort or serenity of the occupants of surrounding properties. All equipment for the storage or disposal of garbage or other waste shall be kept in a clean and sanitary condition. No container shall be kept at anytime in view of an adjacent street.

SECTION 13.14. <u>Resubdivisions.</u> No Lot or Lots, or any portion of the same, shall be resubdivided, divided, or combined.

SECTION 13.15. <u>Noise</u>. No Owner shall engage in any activity or permit any activity to occur on the Properties which shall result in unusual, loud or obtrusive noise or sounds.

SECTION 13.16. <u>Shrubs, Trees and Grasses.</u> Owners may plant shrubs, trees, and vegetation on their Lot, provided however, that Bermuda grass shall not be grown on any Lot, unless it is of a variety recognized to be pollen free and approved in writing by the Architectural Committee. All trees and other vegetation planted in the Lot shall be kept trimmed to a height which will not materially interfere with views from neighboring building sites. The Architectural

Committee may forbid the planting or maintenance of certain plants, trees and shrubs or restrict the propagation of such plants, trees and shrubs to native or indigenous species.

SECTION 13.17. <u>Vehicle Parking and Storage.</u> The Owners of each Lot shall have one (1) designated parking space on the Properties, which space shall be designated by the Board of Directors of the Association. The Association shall mark or identify the parking space designated for use by each Lot Owner, in order to prevent other Owners, their guests and invitees, from using the designated spaces. The remaining parking spaces may be freely used by all Members, their guests and invitees. Parking spaces shall not include other portions of the Common Areas not so designated. Additional parking spots, if any, may be designated from time to time by the Board of Directors of the Association. Notwithstanding the above provision, Owners and their guests and invitees may park in front of a Lot for purposes of loading and/or unloading personal belongings from a motorized or nonmotorized vehicle if the time in which the vehicle is parked in any non-designated space is less than twenty-four (24) hours in any seventy-two (72) hour period.

Parking and/or storing of recreational vehicles (including, but not limited to, motorhomes, vans, campers, trailers and boats) is prohibited on all portions of the Properties. Notwithstanding the above, such recreational vehicles may be parked in any designated common parking areas within the subdivision for a period of not more than seventy-two (72) hours in any seven-day period and not more than one hundred forty-four (144) hours in any thirty-day period, for the purposes of loading, unloading, or for providing parking for guests of the Owner who may be driving or pulling one of these recreational vehicles.

The use and/or occupancy of a vehicle or recreational vehicle (including, but not limited to, a motorhome, van, camper, trailer, or boat) as living quarters on either a temporary or permanent basis is strictly prohibited on any portion of the Properties.

For purposes of this Section, the term "recreational vehicle" shall not include (1) pick-up trucks with no more than a three-quarter (3/4) ton capacity with camper shells attached that are no more than seven (7) feet in height as measured from ground level, or (2) mini-motorhomes that are no more than seven (7) feet in height and no more than eighteen (18) feet in length, so long as said pick-up or mini-motorhome is used on a regular and recurring basis for regular transportation and is parked in accordance with the provisions of this Section applicable to vehicles in general.

SECTION 13.18. <u>Inoperable Vehicles and Commercial Vehicles</u>. No inoperable, junk, or wrecked vehicles shall be placed on or stored on any Lot or Common Areas, nor shall any commercial, construction, or like vehicles be placed on or stored on any Lot or Common Areas, except as may be permitted by the Association, in writing, for limited periods of time.

SECTION 13.19. <u>Drainageways.</u> No structure, planting or other material, except as installed by Declarant, shall be placed or permitted to remain within any drainageway which may change the direction of flow or which may obstruct or retard the flow of water.

SECTION 13.20. <u>Native Growth.</u> The natural growth on the Properties shall not be destroyed or removed except by the Association, or by Owners who have received approval in writing from the Architectural Committee. In the event natural growth is removed, except as stated above, the Architectural Committee may require the replanting or replacement of same; the cost thereof to be borne by the Owner responsible for such removal.

SECTION 13.21. <u>Aerials, Antennae, Etc.</u> No television, radio, or other electronic towers, aerials, antennae, satellite dishes or device of any type for the reception or transmission of radio or television broadcasts or other means of communication shall hereafter be erected, constructed, placed or permitted to remain on any Lot or upon any improvements thereon, except that this prohibition shall not apply to those antennae specifically covered by 47 CFR Part 1, Subpart S, Section 1.4000 (or any successor provision) promulgated under the Telecommunications Act of 1996, as amended from time to time.

The Association shall be empowered to adopt rules governing the types of antennae that are permissible hereunder, and to establish reasonable, non-discriminatory restrictions relating to safety, location and maintenance of antennae.

To the extent that reception of an acceptable signal would not be impaired, an antenna permissible pursuant to rules of the Association may only be installed in a side or rear yard location, not visible from the street or neighboring property, or integrated with the Dwelling Unit and surrounding landscaping to prevent such visibility. Antennae shall be installed in compliance with all state and local laws and regulations, including zoning, land use, and building regulations.

SECTION 13.22. <u>Signs.</u> No billboards or advertising signs of any character shall be erected or permitted on any Lot or Dwelling Unit. An Owner may erect one (1) portable "open house" sign, which shall be no greater in size than four (4) square feet, on his Lot during the hours there is a realty representative attending the open house at the Dwelling Unit on the Lot, or while open by the Owners. All such signs must be removed when the Dwelling Unit is not open for public inspection.

SECTION 13.23. <u>Trash Removal.</u> The Association shall be responsible for contracting for the removal of trash from the Properties, specifically all private Lots on the Properties. The costs of such trash removal services shall be prorated among all Lot Owners, and paid as part of each Owner's annual assessment, as described in Article VIII herein.

SECTION 13.24. <u>Derricks, Tanks, Heating and Cooling.</u> No structure designed for use in boring for water, oil or natural gas shall be erected, placed or permitted upon any part of the Properties, nor shall any water, oil, natural gas, petroleum, asphaltum or hydrocarbon products or substances be produced or extracted therefrom. No elevated tanks of any kind shall be erected, placed or permitted upon any part of the Properties, and any tanks for use in connection with any Dwelling Unit on the Properties, including tanks for the storage of gas and fuel oil, gasoline or oil, must be buried or walled-in to conceal them from the neighborhood Lots, roads or streets.

SECTION 13.25. <u>Clotheslines.</u> Clotheslines shall be of a retractable type concealed from view of neighboring Lots and streets.

SECTION 13.26. <u>Animals.</u> No cattle, sheep, goats, pigs, rabbits, poultry or other livestock shall be bred, raised or kept on the Properties, nor shall dogs, cats or other animals be kept in kennels or similar enclosures on the Properties. This restriction shall not be construed, however, as prohibiting the keeping of ordinary domestic pets as long as such pets are kept confined in the single-family residence and fenced yard. When domestic pets, which are allowed to be kept on the Properties, are taken out of an Owner's Lot, the domestic pet(s) shall be on a leash and the Owner shall be required to pick up immediately any animal feces left on any other Owner's Lot or on the Common Areas.

SECTION 13.27. <u>Waivers.</u> Any or all of the restrictions of this section are subject to waiver by the Architectural Committee, and any such waiver may apply at the option of the Architectural Committee to fewer than all of the Lots without waiver of such restriction as to any other Lot or Lots.

SECTION 13.28. <u>Inspection.</u> During reasonable hours, any member of the Board of Directors of the Association, or any authorized representative of any of them, shall have the right to enter upon and inspect any Lot within the subdivision (not including the interior of any Dwelling Units erected thereon) 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.

SECTION 13.29. <u>Membership in Groundwater Replenishment District.</u> Every portion of the Properties shall, in addition to all other provisions hereof, be subject to all terms and provisions of any declaration of covenants, conditions, and restrictions for the Properties regarding membership in the Central Arizona Groundwater Replenishment District (the "GRD Covenants") which shall be recorded in the office of the Pima County Recorder, Pima County, Arizona. Each Owner of a Lot shall be irrevocably bound by the terms and provisions of the GRD Covenants, including, without limitation, all provisions thereof pertaining to the payment of Replenishment Assessments. Each Owner, in addition, acknowledges the existence and effect of that certain Agreement and Notice of Municipal Provider Reporting Requirements for San Ignacio Villas Regarding Membership in the Central Arizona Groundwater Replenishment District (the "GRD Agreement") recorded in the office of the Pima County Recorder, Pima County, Arizona. Each Owner agrees to cooperate fully with respect to any reporting, inspection or other rights of the parties to said GRD Agreement.

SECTION 13.30. <DELETED>

ARTICLE XIV. <DELETED>

ARTICLE XV. PARTY WALLS

SECTION 15.1. <u>General Rules of Law to Apply.</u> Each wall, whether a patio yard wall or bearing wall of a Dwelling Unit, which is built as a part of the original construction of a building upon the Properties and placed on or immediately adjacent to the dividing line between Lots (including rear patio walls) shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply. Each Owner is deemed to acknowledge that some portions or all of the Properties may be developed with structures having common lot lines and common party walls. In many instances, this will be the case for both rear yards and common Dwelling Unit walls. Each Owner, therefore, in the case of such a structure, consents to the placement of the walls of the Dwelling Unit on or immediately adjacent to the dividing lines between Lots.

SECTION 15.2. <u>Alterations to Party Walls.</u> No Owner may alter the appearance or structure of a party wall (except that landscaping shall not be precluded) without the consent of the Architectural Committee and such Committee may, but need not, deny approval if all Owners having an interest in the party wall have not consented to the alteration. No Owner shall take any action which may destroy the integrity of a party wall or pose an unsightly appearance or threaten its strength, durability or lasting life. Without limitation, no Owner shall place any plants or shrubs close to a party wall in a fashion that watering of said plants will threaten the foundation of the party wall or cause the foundation to be undermined.

SECTION 15.3. <u>Sharing of Repair and Maintenance</u>. The cost of ordinary repair and maintenance of a party wall shall be shared equally by the Owners of the Lots which are divided by the wall.

SECTION 15.4. <u>Destruction by Fire or Other Casualty.</u> If a party wall is destroyed or damaged by fire or other casualty, an Owner who has used the wall may restore it and is hereby granted a permanent access easement across adjoining Lot(s) for such restoration. The Owners of the Lots which are divided by the wall shall share equally in the cost of such restoration.

SECTION 15.5. <u>Weatherproofing.</u> Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes a party wall to be exposed to the elements shall bear the whole cost of repairing all damage resulting from such exposure.

SECTION 15.6. <u>Right to Contribution Runs With Land.</u> The right of any Owner to contribution from any other Owner sharing a party wall under this Article shall be appurtenant to and shall run with the land.

SECTION 15.7. <u>Arbitration.</u> In the event any dispute arises concerning a party wall, or the provisions of this Article, each party shall choose one (1) arbitrator and the two (2) arbitrators shall choose a third arbitrator, and the dispute shall be decided by a majority of all the arbitrators.

SECTION 15.8. <u>Private Agreements</u>. Private agreements between Owners may not modify the provisions of this Article.

SECTION 15.9. <u>Eaves, Steps and Open Porches.</u> For purposes of this Article, eaves, steps and open porches shall not be considered to be part of a Dwelling Unit.

ARTICLE XVI. GENERAL PROVISIONS

SECTION 16.1. <u>Enforcement.</u> The Association or any Member shall have the right, but not the duty, to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens or charges now or hereafter imposed by the provisions of this Declaration. The prevailing party in any Court action shall be awarded reasonable attorney's fees and costs.

SECTION 16.2. <u>No Waiver</u>. No delay or omission on the part of the Association or any Member in exercising their right of enforcement hereunder shall be construed as a waiver of any breach of any of the restrictions and covenants herein contained or acquiescence in any breach hereof and no right of action shall accrue against the Association or any Member for their neglect or refusal to exercise such right of enforcement, nor shall any right of action accrue against the Association for including herein provisions, conditions, restrictions or covenants which may be unenforceable.

SECTION 16.3. Lien of Mortgages. No breach of the provisions, conditions, restrictions or covenants contained within this Declaration shall defeat or render invalid the lien of any Mortgage made in good faith for value as to any portion of the Properties. Such provisions, conditions, restrictions and covenants shall be enforceable against any portion of the Properties acquired by any person through foreclosure or by deed in lieu of foreclosure or any breach occurring after such acquisition.

SECTION 16.4. <u>Severability</u>. Invalidation of any covenant, restriction, provision or term of this Declaration by judgment or court order shall not affect any other covenant, restriction, provision or term hereof which shall remain in full force and effect.

SECTION 16.5. <u>Amendment.</u> Except as provided elsewhere in this Declaration, the terms hereof may be amended by the Association; provided, however, that any amendments made by the Association shall be approved by at least fifty-one percent (51%) of the total votes held by Owners, and shall be made only by an instrument in writing signed by the President and Secretary of the Association and recorded with the County Recorder of Pima County, Arizona.

SECTION 16.6. <u>Age Restrictions.</u> It is intended that the Lots described in this Declaration shall have an opportunity to comply with the exemption provisions of the Fair Housing Act Amendments of 1988, Public Law 100-430, 42 U.S.C. § 3601, <u>et. seq.</u>, as further interpreted by Rules and Regulations of the Department of Housing and Urban Development promulgated January 23, 1989 at page 3290, which rules and regulations are incorporated herein by

reference, and which laws and regulations have been adopted in substantial conformity by Arizona Revised Statutes § 41-1491.04 (the "Exemption"). The Exemption is based, generally, upon a standard that at least one occupant per household be 55 years of age or older. Certain exceptions are made in cases wherein at least eighty percent (80%) of the dwellings are so occupied. Accordingly, except as provided below, all Lots within the property shall be intended for occupancy by at least one person per household 55 years of age or older.

Subsequent to initial sales of Lots by Declarant, all resales of such Lots shall be subject to the 55 years of age requirement, and it shall be a violation of the terms and provisions of this Declaration should any Lot subsequently be sold or resold not then be occupied by at least one person 55 years of age or older per household, except that should an occupant 55 years of age or older die and leave the Dwelling Unit to a surviving spouse or other companion previously residing with the decedent, then provided such surviving spouse or other co-habitant is at least 45 years of age, and provided at least eighty percent (80%) of the Dwelling Units shall continue to be occupied by at least one person 55 years of age or older, the Association may elect to allow the surviving spouse or co-habitant to remain the occupant of the Dwelling Unit without violation of this Declaration.

It shall henceforth be the duty and obligation of each record Owner of a Lot, prior to reselling and reconveying the Lot, to ascertain that, after purchase, at least one occupant will be 55 years of age or older, and shall further confirm this fact to the Association. No minor (any person less than 18 years of age) shall reside on any Lot for more than three months during any 12-month period. Nothing in this Declaration shall be construed to permit occupancy by minors. The occupancy regulations of this section dealing with both minimum age restrictions and the prohibition of minors apply to all occupants, whether Owners or tenants, and to all leases as well as sales.

It is understood that ultimate responsibility for compliance with the provisions hereof rests with the Owners, and not the Association. The Association and its officers, directors, agents and employees shall have no liability whatsoever for compliance with the foregoing provisions, it being the duty of each Owner to comply therewith and make appropriate notification to the Association; each Owner acknowledges that the pattern of resales of lots can be difficult to control or predict, and that compliance with the aforementioned laws and with the Exemption depends upon the cooperation of the Owners as a whole. The Association shall assist in the monitoring of compliance with the terms hereof by maintaining records of the age of occupants of each Lot and periodically updating those records.

The provisions of this Declaration pertaining to age restrictions shall not limit the rights of members of the Association to amend the Declaration as it pertains to those provisions after Declarant has sold all Lots.

SECTION 16.7. <u>Resale of Lot by Owner.</u> Upon notice to the Association about any sale of a Lot, the Association shall provide such information as is required by the Bylaws or by applicable law.

SECTION 16.8. <u>Binding Effect.</u> By acceptance of a deed or acquiring any ownership interest in any Lot, each person or entity, for himself or itself, his or its 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 amendments thereof. In addition, each such person by so doing thereby acknowledges that this Declaration sets forth a general scheme to the development of the Properties and hereby evidences his intent that all restrictions, covenants, rules and regulations contained herein shall run with the land and be binding on all subsequent and future owners, grantees, purchasers, assignees and transferees thereof.

SECTION 16.9. <u>Captions.</u> All captions and titles used in this Declaration are intended solely for convenience or reference purposes only and in no way define, limit or describe the true intent and meaning of the provisions hereof.

SECTION 16.10. <DELETED>

SECTION 16.11. <u>Term; Termination.</u> The aforesaid provisions, conditions, restrictions and covenants, and each and all thereof, as from time to time amended, shall run with the land and continue and remain in full force and effect at all times and against all persons subject to this Declaration unless repealed by the Owners of at least seventy-five percent (75%) of the Lots. The obligation to pay assessments to Green Valley Recreation, Inc. (see Section 8.10), shall, however, endure perpetually unless released, terminated, or amended with the written consent of Green Valley Recreation, Inc., or its successors or assigns.

{SIGNATURES ONLY NEXT PAGE}

IN WITNESS WHEREOF, in accordance with Article XVI, Section 16.5 of the Original Declaration, the undersigned certify that the Owners of Lots holding at least 51% of the total votes have approved this AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF SAN IGNACIO VILLAS. The additional written consents of any additional parties required for the approval of this Declaration are being recorded currently herewith.

SAN IGNACIO VILLAS, INC., an Arizona non-profit corporation

Ву: _____

Its: President

ATTEST:

By: _____

Its: Secretary

STATE OF ARIZONA) : ss: County of Pima)

The foregoing instrument was sworn to and acknowledged before me this _____ day of _____, 2025, by _____, President of SAN IGNACIO VILLAS, INC., an Arizona non-profit corporation, on behalf of the corporation.

Notary Public

The foregoing instrument was sworn to and acknowledged before me this _____ day of _____, 2025, by _____, Secretary of SAN IGNACIO VILLAS, INC., an Arizona non-profit corporation, on behalf of the corporation.

Notary Public

EXHIBIT A

(Legal Description of Vista Ridge Drive Easement)

That portion of Common Area 'A' of San Ignacio Vistas II, Lots 1-118 & Common Areas 'A' & 'B', according to the plat recorded in Book 47 of Maps and Plats at Page 91, Records of Pima County, Arizona, described as follows:

COMMENCING at the southeast corner of Lot 1 of said San Ignacio Vistas II;

- THENCE N 07°30′00″ E along the easterly line of said Lot 1 a distance of 67.00 feet, to the POINT OF BEGINNING, said point being the point of curvature of a curve, concave southwesterly, having a radius of 25.00 feet and a central angle of 90°00′00″;
- THENCE northwesterly, along the arc of said curve to the left, 39.27 feet, to a point of tangency, to the northerly line of said Lot 1;

THENCE N 82°30'00" W along said northerly line a distance of 105.75 feet;

THENCE N 78°05'37" W 79.30 feet;

THENCE N 01°29'46" E 30.33 feet;

- THENCE S 85°08'44" E 81.15 feet to the northerly right-of-way line of Vista Ridge Drive of said San Ignacio Vistas II;
- THENCE S 82°30′00″ E along said northerly right-of-way line a distance of 106.93 feet, to the point of curvature of a curve, concave northwesterly, having a radius of 25.00 feet and a central angle of 90°00′00″;
- THENCE northeasterly, along the arc of said curve to the left, 39.27 feet, to a point of cusp, to easterly boundary line of said San Ignacio Vistas II;
- THENCE S 07°30'00" W along said easterly boundary tine a distance of 90.00 feet, to the POINT OF BEGINNING;

Containing 0.191 acres, more or less.