



Tucson Country Crossing Homeowners Association, Inc.

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CC&Rs Table of Contents

These are the Restated CC&Rs. The original CC&Rs were recorded in 1986. The current CC&Rs were restated and recorded on 1/11/1994.

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 Defines various words and terms used within the CC&Rs
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RESTATED AND AMENDED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF COUNTRY CROSSING

WHEREAS, a Declaration of Covenants, Conditions and Restrictions of Country Crossing was recorded in Docket 7703 at pages 503 through 569 on January 15, 1986; and

WHEREAS, the Owners of Lots in Country Crossing desire to amend and restate the Declaration of Covenants, Conditions and Restrictions; and

WHEREAS, there are no Eligible First Mortgagees;

NOW, THEREFORE, upon the vote of not less than seventy-five (75%) percent of the Lot Owners, the Declaration of Covenants, Conditions and Restrictions recorded in Docket 7703 at pages 503 through 569 and any subsequent amendments thereto, shall be null and void and this Restated Declaration shall amend and supersede such previously recorded Declaration. The real property as described herein shall be held, sold and conveyed subject to the following assessments, restrictions, covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the property. These easements, covenants, restrictions and conditions shall run with the property and shall be binding upon all parties having or acquiring any right, title or interest in the described properties or any part thereof and shall inure to the benefit of each such party.

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ARTICLE I

DEFINITIONS

Section 1.1. "Architectural Review Committee" refers to the Committee established by the Board of Directors pursuant to Article VI of this Declaration.

Section 1.2. "Architectural Review Committee Rules" refers to those guidelines, standards, rules and regulations as promulgated and amended by the Architectural Review Committee from time to time.

Section 1.3. "Articles" refer to the Articles of Incorporation of Tucson Country Crossing Homeowners Association, Inc. which were filed in the Office of the Arizona Corporation Commission on January 23, 1986 and which may be amended from time to time.

Section 1.4. "Association" refers to the Tucson Country Crossing Homeowners Association, Inc., an Arizona non-profit corporation, its successors and assigns.

Section 1.5. "Board" means the Board of Directors of Tucson Country Crossing Homeowners Association.

Section 1.6. "Bylaws" refer to the Bylaws of the Association, as may be amended from time to time by a vote of the Members of the Association.

Section 1.7. "Common Areas" are defined as all of the real property owned by the Association for the common use and enjoyment of the Members of the Association, including, but not limited to, all recreational facilities, swimming pools, and any real or personal property which is owned or leased by the Association. The common areas are specifically referenced as Lots 438, 439, 558 and 559 on the Plat recorded in Book 38 of Maps at page 26.

Section 1.8. "Declaration" refers to this Declaration as may be amended from time to time.

1 Section 1.9. "Dwelling Unit" is defined as the real property and
2 improvements placed within the boundary of any Lot, including garages.

3 Section 1.10. "Lot" refers to any numbered plot of land shown upon
4 the recorded subdivision Plat of the Properties, as amended from time to time,
5 with the exception of the Common Areas.

6 Section 1.11. "Member" refers to a person entitled to membership as
7 provided in the Declaration.

8 Section 1.12. "Mortgage" includes not only mortgages, but also deeds
9 of trust and any other security instrument by which a Dwelling Unit is
10 encumbered. The term "First Mortgagee" means the holder of any mortgage
11 under which the interest of any Owner of a Dwelling Unit is encumbered and
12 which mortgage has first and paramount priority, subject only to the lien of
13 general or ad valorem taxes and assessments. An "Eligible Mortgage Holder" is
14 the holder of a first mortgage on a Lot which has requested, in writing, notice
15 of various actions undertaken by the Association.

16 Section 1.13. "Owner" refers to the record owner, whether one or
17 more persons or entities, of the fee simple title to any Lot which is part of the
18 Properties, including a buyer under a contract for the sale of real estate, but
19 excluding persons holding an interest merely as security for the performance of
20 an obligation.

21 Section 1.14. "Person" shall include a corporation, company,
22 partnership, firm, association or society, as well as a natural person.

23 Section 1.15. "Plat" shall mean the plat recorded in the Office of the
24 Pima County, Arizona, Recorder in Book 38 of Maps and Plats at Page 26.

25 Section 1.16. "Properties" shall mean and refer to that certain real

Lots 387 through 602 of Countryside Vista as set forth in Book 38 of Maps and Plats at Page 26, in the Office of the Pima County Recorder, Pima County, Arizona.

1 property described in the Plat, more specifically described as:

2 Lots 387 through 393, 407 through 526, 560 through 602,
3 together with the Common Areas described as Lots 438,
4 439, 558 and 559, of Countryside Vistas, as set forth in
5 Book 38 of Maps and Plats at Page 26, in the Office of
6 the Pima County Recorder, Pima County, Arizona.

7
8 Section 1.17. "Rules" shall mean any rules or regulations adopted
9 by the
10 Board which govern the conduct of the owners, their families, tenants and lessees
11 in the common recreational areas and the conduct of such persons when such
12 conduct affects the other owners or the value, desirability and aesthetics of the
13 Properties.

14 ARTICLE II

15 SCOPE OF DECLARATION

16 The Declaration is intended to regulate and control the use of the
17 Common Areas for all Owners, their guests, invitees, lessees and tenants. In
18 addition, the Declaration is intended to control the general use of the Properties
19 as applicable to the Owners, their guests, invitees, lessees and tenants.

20 ARTICLE III

21 USE RESTRICTIONS

22 Section 3.1. Residential Use. All Lots shall be used for single-family
23 residential purposes only, and no other structures except single-family residences
24 shall be placed or maintained on the Lots.

25 Section 3.2. Business Activities.

26 3.2.1. No trade or business may be conducted in or from any
27 Dwelling Unit, except that an Owner or occupant residing in any Dwelling Unit
28 may conduct business activities within the Dwelling Unit so long as (a) the

1 existence or operation of the business activity is not apparent or detectable by
2 sight, sound or smell from outside the Dwelling Unit; (b) the business activity
3 conforms to all zoning requirements for the Properties; (c) the business activity
4 does not involve any person conducting such business who does not reside on
5 the Properties or door-to-door solicitation of residents of the Properties; and (d)
6 the business activity does not constitute a nuisance, or a hazardous or offensive
7 use, or threaten the security or safety of other residents of the Properties, as
8 may be determined in the sole discretion of the Board.

9 3.2.2. The terms "business" and "trade," as used in this provision,
10 shall be construed to have their ordinary, generally accepted meanings, and shall
11 include, without limitation, any occupation, work or activity undertaken on an
12 ongoing basis which involves the provision of goods or services to persons other
13 than the provider's family and for which the provider receives a fee,
14 compensation or other form of consideration, regardless of whether: (a) such
15 activity is engaged in full or part-time; (b) such activity is intended to or does
16 generate a profit; or (c) a license is required therefor. Notwithstanding the
17 above, the leasing of a Dwelling Unit shall not be considered a trade or business
18 within the meaning of this Section.

19 Section 3.3. Leases.

20 3.3.1. An Owner is entitled to lease his Dwelling Unit for single-
21 family residential purposes only.

22 3.3.2. All provisions of the Declaration and of any Rules and
23 Regulations promulgated by the Association which govern the conduct of Owners
24 and which provide for sanctions against Owners shall also apply to all occupants
25 of any Dwelling Unit.

1 3.3.3. All leases and subleases shall be in writing and shall
2 specifically provide:

3 a. Such lease is subject in all respects to the provisions of
4 this Declaration, the Articles of Incorporation, the Bylaws and the Rules and
5 Regulations of the Association.

6 b. The failure of the lessee to comply with the terms and
7 conditions of this Declaration, the Articles of Incorporation, the Bylaws and the
8 Rules and Regulations of the Association shall constitute a material default of the
9 lease.

10 c. The term of the leases shall be for a minimum of thirty
11 days.

12 3.3.4. In the event an Owner leases his Dwelling Unit, the Owner
13 shall give the Association, in writing, the name of the lessee of the Dwelling Unit
14 and such other information as the Board may reasonably require.

15 3.3.5. All leases which do not contain these provisions shall be
16 deemed null and void at the option of the Association and the Association may
17 require the Owner to immediately evict the lessee, or submit a lease which
18 contains the required provisions.

19 Section 3.4. Sales of Lots.

20 Each Owner shall promptly notify the Board of Directors of any sale
21 or transfer of his/her Lot and shall provide the Board with the name and
22 address of the grantee or transferee and any other information as may be
23 reasonably required by the Association. The Board may charge a reasonable
24 transfer fee, not to exceed One Hundred and No/100 Dollars (\$100.00), to
25 compensate the Association for changing its records and to provide the new

1 Owner with copies of all Association documents.

2 Section 3.5. Antennas and Exterior Additions. No exterior antennas
3 or other devices for the transmission or reception of television or radio signals,
4 including satellite dishes, shall be erected or maintained without prior written
5 authorization of the Architectural Review Committee. Further, no other exterior
6 devices or additions, including solar units, heating and cooling units and
7 evaporative coolers, other than initially installed, shall be constructed on the
8 exterior of a Dwelling Unit (including the roof) without the written authorization
9 of the Architectural Review Committee. If approved, all such apparatuses shall
10 be screened from view of neighboring Properties and from the streets in the
11 Properties. All screening material and design shall be approved by the
12 Architectural Review Committee.

13 Section 3.6. Insurance Rates. Nothing shall be done or kept on any
14 Lot or on the Common Areas which will increase the rate of insurance on such
15 property. In addition, nothing shall be done or kept in any Dwelling Unit or on
16 the Common Areas which will result in the cancellation of insurance on any
17 property or which would violate any law.

18 Section 3.7. Signs.

19 a. No sign of any kind shall be displayed on any Lot, unless
20 such sign has been approved by the Board, except:

21 (1) Signs which may be required by legal proceedings;

22 (2) One (1) sign advertising the Owner's Lot for sale
23 or lease, provided such sign does not exceed two (2) square feet in size, which
24 is placed in the area approved by the Board. Such sign must be removed within
25 two (2) weeks after the offer of sale or lease of the Dwelling Unit has been

1 accepted and all contingencies have been removed;

2 (3) Temporary signs indicating an "Open House" for
3 Properties offered for sale may be placed at appropriate locations in the area to
4 properly direct interested parties to the subject property, but only during those
5 hours in which the property is open for inspection.

6 b. In instances where the Board must approve the use of a
7 particular sign, the Board shall approve the nature, composition, number, size
8 and location of such signs.

9 Section 3.08. Animals. No animals of any kind shall be raised, bred
10 or kept on any Lot, except that a reasonable number of generally recognized
11 house pets may be kept, provided that they are not kept, bred or maintained for
12 any commercial purpose. All animals must be kept under leash or controlled at
13 all times so that they will not interfere with any Owner's use and enjoyment of
14 the Common Areas, and it shall be the responsibility of all pet Owners to clean
15 up after their pets. No pets are allowed in the pool and recreation areas. No
16 animal shall be allowed to become a nuisance, nor shall any animal cause any
17 detrimental health condition to exist. A "reasonable number" as used in this
18 Section shall ordinarily mean no more than two (2) pets per household; provided,
19 however, the Board may determine that a reasonable number in any instance may
20 be more or less. Upon the written request of any Owner, the Board shall
21 conclusively determine, in its sole and absolute discretion, whether, for the
22 purposes of this Section, a particular animal is a generally recognized house or
23 yard pet or a nuisance, or whether the number of animals is reasonable. The
24 Board may adopt Rules limiting the size, number and kinds of pets which may be
25 kept by the Owners.

1 Section 3.09. Nuisance. No obnoxious or offensive activity shall be
2 carried on upon any Lot, nor shall anything be done, placed or stored thereon
3 which may become an annoyance or nuisance to the neighborhood or occasion any
4 noise, or odor which will or might disturb the peace, quiet, comfort or serenity
5 of the occupants of surrounding properties. No exterior speakers, horns,
6 whistles, bells or other sound devices, except security devices used exclusively
7 for security purposes, shall be located, used or place on any Lot without the
8 prior written consent of the Board. The Board, in its sole discretion, has the
9 right to determine if a particular condition constitutes a nuisance.

10 Section 3.10. Removal of Natural Growth in the Common Areas and
11 Plantings within the Lots.

12 3.10.1. The natural growth in the Common Areas shall not be
13 destroyed or removed without the consent of the Architectural Review Committee.
14 If natural growth is removed without such consent, the Board may require the
15 replanting or replacement of same, with the cost of replanting or replacing such
16 Natural Growth to be borne by the Owner responsible for such removal, such cost
17 to become a lien against such Owner's property and collected in the same manner
18 as assessments.

19 3.10.2. Shrubs, Trees and Grasses.

20 a. Except in the individual backyards, no planting or
21 gardening shall be done, and no fences, hedges or walls shall be erected or
22 maintained upon the Lot except those approved by the Association or the
23 appropriate committee of the Association.

24 b. All trees and other vegetation planted on any Lot shall be
25 kept trimmed to a height which will not materially interfere with views from

1 neighboring Lots.

2 c. No white, glaring or near white ground cover shall be
3 placed on any Lot without the permission of the Architectural Review Committee.

4 d. No planting of any type (including grass) which will
5 require irrigation, shall be placed within five feet of any portion of any building
6 or wall, which comprises all, or any portion of, a common wall.

7 Section 3.11. Violation of Rules; Fines and Penalties.

8 Section 3.11.1. Imposition of Fines.

9 If appropriate after notice and hearing, the Board may impose fines
10 against an Owner for violations of the provisions of the Declaration, By-Laws,
11 Rules and Regulations and Articles of Incorporation of the Association.

12 Section 3.11.2. Enforcement Procedures.

13 a. Demand. Written demand to cease and desist from an
14 alleged violation shall be served upon the alleged violator specifying: (1) the
15 alleged violation; (2) the action required to abate the violation and either a time
16 period, of not less than ten (10) days, during which the violation is a continuing
17 one, or a statement that any further violation of the same rule may result in the
18 imposition of sanctions after notice and hearing if the violation is not continuing.

19 b. Continuing Violations. For purposes of this Section, each
20 day a violation continues after notice to cease has been given by the Board to
21 the Owner shall constitute a separate violation.

22 c. Notice. If a violation continues past the period allowed in
23 the notice for abatement without penalty, or if the same Rule or Restriction is
24 subsequently violated, the Board shall serve the violator with written notice of
25 a hearing to be held by the Board in executive session. The notice shall contain:

1 (1) the nature of the alleged violation; (2) the time and place of the hearing,
2 which time shall be not less than ten (10) days from the giving of the notice; (3)
3 an invitation to attend the hearing and produce any statement, evidence, and
4 witnesses on his or her behalf; and (4) the proposed sanction to be imposed,
5 which may included the imposition of a fine of not more that \$100 for any one
6 violation.

7 d. Hearing. The hearing shall be held in executive session
8 pursuant to this notice thereby affording the Member a reasonable opportunity
9 to be heard. Prior to the effectiveness of any sanction, proof of notice and the
10 invitation to be heard shall be placed in the minutes of the meeting. Such proof
11 shall be deemed adequate if a copy of the notice together with a statement of the
12 date and manner of delivery is entered into the minutes by the officer or
13 director who delivered such notice. The notice requirement shall be deemed
14 satisfied if a violator appears at the meeting. The minutes of the meeting shall
15 contain a written statement of the results of the hearing and the sanctions if
16 any, imposed.

17 e. Collection. Collection of any fines may be enforced against
18 any Owner in the same manner as the collection of delinquent assessments.

19 Section 3.12. Drainage.

20 3.12.1. No person shall cause any interference with the established
21 drainage pattern over any Property, including any private drainageways or
22 easements, within the subdivision, unless adequate provision is made for proper
23 drainage conforming to Pima County rules, regulations, ordinances and drainage
24 criteria and is approved by the applicable governing body or its duly appointed
25 representative.

1 3.12.2. In addition, any construction, landscaping, or modification of
2 any Lot which will affect the drainage from such Lot shall first be approved by
3 the Architectural Review Committee.

4 3.12.3. For purposes of this Section, "established drainage" is
5 defined as the drainage which exists at the time the overall grading of the
6 Property is completed, or which is shown on the Plat or on any plans conforming
7 to applicable rules, regulations, ordinances and drainage criteria approved by the
8 applicable governing body or its duly appointed representative.

9 Section 3.13. Unsightly Articles. No unsightly articles shall be
10 permitted which are visible from adjoining Dwelling Units or from the street or
11 public way. The Board shall have the sole discretion in determining if any
12 activity by an Owner, his/her family, invitees or lessees is in violation of this
13 Section.

14 Section 3.14. Rubbish, Garbage and Wood Storage.

15 3.14.1. No Lot shall be used for the storage of rubbish, garbage or
16 wood of any character, nor for the storage of anything which will cause such Lot
17 to appear in any unclean or untidy condition or will otherwise be obnoxious. The
18 storage of fire wood is permissible so long as it is kept in an orderly condition.

19 3.14.2. All equipment for the storage or disposal of garbage or other
20 waste shall be kept in a clean and sanitary condition and shall be screened from
21 the view of adjoining Lots or from the streets, except when necessary to effect
22 collection of such waste.

23 3.14.3. All structures or screening shall be approved by the
24 Architectural Review Committee.

25 3.14.4. Trash and garbage containers shall be placed at the curb

1 side only on the scheduled days for trash collection and shall be removed from
2 the curb on the same day.

3 3.14.5. The Board has the sole discretion to determine if any activity
4 by an owner is in violation of this Section.

5 Section 3.15. Right of Inspection. During reasonable hours, and
6 upon reasonable notice to the Owner, any member of the Board, or any authorized
7 representative of the Board has the right to enter upon and inspect any Lot
8 (except the interior of Dwelling Units) for the purpose of ascertaining whether
9 or not the provisions of this Declaration have been or are being complied with,
10 and such persons shall not be deemed guilty of trespass by reason of such
11 entry.

12 Section 3.16. Mailboxes. To maintain the uniform appearance of all
13 mailboxes and paper delivery boxes, the Board shall determine the location, color,
14 size, design, lettering, and all other particulars of all such boxes, including the
15 standards and brackets and name signs for such boxes.

16 Section 3.17. Vehicle Parking and/or Storage.

17 3.17.1. All Owners, their guests, tenants and other invitees
18 shall only park motorized or non-motorized vehicles in their garages or on their
19 driveways. Notwithstanding the above provisions, Owners, their guests, tenants
20 and invitees may park their vehicles on the street in front of residences for
21 social events and gatherings.

22 3.17.2. No vehicles shall block any
Dwelling Unit's driveway or inhibit access to or from any Dwelling Unit.

23 3.17.3. Parking or storage of recreational vehicles (including,
24 but not limited to, trailers, campers, motorhomes, mobile homes, van conversions
25 and boats) is prohibited on all portions of the Properties, except within the

1 confines of a garage, or with the permission of the Association.

2 a. Notwithstanding the foregoing provision, a recreational
3 vehicle may be parked on the paved parking area of an Owner's Lot or in any
4 Common Area parking spot designated by the Board, for a period not to exceed
5 twenty-four (24) hours in any seven (7) day period, for the purpose of loading
6 or unloading the vehicle, or for the purpose of providing temporary parking for
7 a transient guest of an Owner who may be travelling in or towing the
8 recreational vehicle.

9 b. The use of and/or occupancy anywhere on the Properties
10 of a trailer, mobile home, motorhome, camper or recreational vehicle as living
11 quarters (on either a temporary or permanent basis) is expressly prohibited,
12 although an Owner's guest may use the motorhome or recreational vehicle as
13 sleeping quarters only on a temporary basis while visiting the Owner.

14 3.17.4. No inoperable, junked or wrecked vehicles shall be
15 parked on any portion of the Properties other than inside a fully enclosed
16 garage. No vehicles shall be located on the Properties in any state of repair or
17 disassembly.

18 3.17.5. No commercial, construction or like vehicles (including,
19 but not limited to, pickup-type vehicles in excess of three-quarters (3/4) ton
20 capacity, and vehicles bearing commercial signs, advertising or other business
21 insignia, and any commercially licensed vehicle) shall be parked or stored in the
22 Properties other than inside a fully enclosed garage or carport.

23 3.17.6. The Board of Directors may establish parking regulations
24 if it deems such regulations necessary.

25 3.17.7. In the event any Owner, guest or lessee violates this

1 Section regarding vehicle parking and storage, the Association may take such
2 action as is reasonably necessary to obtain compliance of this Section, including
3 the removal of vehicles in violation hereof, the cost of which shall become the
4 responsibility of the owner of the vehicle.

5 3.17.8. After notice and hearing, the Association may impose a
6 fine not to exceed Twenty-Five and No/100 Dollars (\$25.00) for each violation of
7 those covenants regarding vehicle parking and storage.

8 Section 3.18. Clotheslines. No clotheslines shall be erected or
9 maintained upon the Property which are visible by any other Owner, nor shall
10 any portion of the Common Areas be used for drying personal articles belonging
11 to the Owners, guests, tenants or invitees.

12 Section 3.19. Diseases and Insects. No Owner shall permit anything
13 or any condition to exist on any Lot which shall induce, breed or harbor
14 infectious plant diseases or noxious insects.

15 Section 3.20. Subdividing. No Lots or any portion of the Common
16 Areas shall be re-subdivided into smaller Lots or conveyed or encumbered in less
17 than the full dimensions shown on the Plat. Nothing contained in this Section
18 shall prevent the dedication, conveyance or granting of the use of any of the
19 easements set forth in this Declaration, or of any easements over, across and
20 under portions of Lots for public or quasi-public use for purposes which benefit
21 any Owners.

22 Section 3.21. Sight Triangle at Intersections. No fence, wall, hedge
23 or shrub planting which obstructs sight lines at elevations between three (3) and
24 eight (8) feet above the roadway shall be placed or permitted to remain on any
25 corner Lot within the triangular area formed by the street property lines and

1 a line connecting them at a point thirty (30) feet from the intersection of the
2 street property lines, or if the property corners are rounded, from the
3 intersection of the street property within such distances of such intersections
4 unless the foliage line is maintained at sufficient height to prevent obstruction
5 of lines of visibility.

6 Section 3.22. Fences and Walls. Any walls constructed on the Lot
7 line shall be a minimum of five (5) feet in height and shall be constructed of
8 block masonry.

9 Section 3.23. Driveway Surfaces. All driveways on the Lots shall be
10 constructed of concrete.

11 Section 3.24. No Temporary Building or Trailers.

12 3.5.1. No temporary house, house trailer, motorhome, recreational
13 vehicle, tent, garage, camper or truck with camper shell, boat or out-building of
14 any kind shall be placed or erected upon any part of the Properties.

15 3.5.2. No Owner may move any building of any nature onto any Lot
16 within the Properties without the written consent of the Board. If such approval
17 is given, such building shall comply in all respects with each and every
18 provision of this covenant.

19 ARTICLE IV

20 EASEMENTS

21 Section 4.1. Easement Encroachments. Each Lot and the property
22 included in the Common Areas shall be subject to an easement for encroachments
23 created by construction, settling and overhangs, and for common walls. A valid
24 easement for those encroachments and for the maintenance of such shall
25 continue for so long as these encroachments exist.

1 Section 4.2. Blanket Easements in the Common Areas. A blanket
2 easement is created upon, across, over and under all of the Common Areas for
3 the use and enjoyment of all Members, their guests, invitees, licensees and
4 tenants, subject to reasonable regulations of the Association.

5 Section 4.3. Private Drainage Easements. Each Owner of a Lot on
6 which a private drainage easement has been established on the Plat or by a
7 separate recorded instrument, shall be responsible for maintaining that easement
8 and keeping it free and clear from all debris, refuse and any other foreign
9 matter which may interfere with or hinder the free flow of water in the easement,
10 as originally constructed. In the event an Owner fails to maintain the private
11 drainage easement, any other Lot Owner benefitted by such easements shall
12 proceed solely against the Lot Owner, and may not bring any action against the
13 Association.

14 Section 4.4. Utility Easements.

15 a. In addition to the easements shown on the Plat, a blanket
16 easement is created upon, across, over and under all of the Common Areas for
17 ingress, egress, installation, replacing, repairing and maintaining all utilities,
18 including, but not limited to, water, sewer, gas, telephones, television cables, and
19 electricity. It is expressly permissible for the utility companies to install and
20 maintain facilities and circuits and conduits, on, in and under the roofs and walls
21 of the Common Areas.

22 b. Notwithstanding anything to the contrary contained in this
23 Section, no sewers, electrical lines, water lines, or other Property may be
24 installed or relocated on the Property, except that Property initially designed and
25 installed by the Developer, or that which is approved by the Board.

1 c. This easement shall not affect any other recorded easements
2 on the Property.

3 d. This easement is limited to improvements as originally
4 constructed.

5 Section 4.5. Pedestrian, Utility and Maintenance Easements.

6 4.5.1. The six foot wide Pedestrian, Utility, Maintenance and Right-
7 of-Way Easement shown on the Plat encumbers portions of each Lot. This
8 Easement shall be used for the installation and maintenance of utilities and for
9 the collection of the U.S. Mail.

10 4.5.2. The Owners acknowledge and agree that the Dwelling Units
11 and privately-owned improvements or fixtures which are constructed upon the
12 Properties, may from time to time encroach upon the Common Areas or other Lots
13 in the Properties. Such encroachments are permissible and the title to the land
14 lying within such encroachments and the lot line in question will be considered
15 to be in the Owner of the encroaching Lot.

16 Section 4.6 Easement for Perimeter Walls and Other Improvements.

17 Developer has constructed perimeter walls and other improvements, including but
18 not limited to, driveways, walkways, exterior lighting (metered to a particular
19 Dwelling Unit), drainage structures, etc., as a part of, or for the use of, a
20 particular Dwelling Unit which may encroach upon or encompass portions of the
21 Common Area or adjacent lots. Wherever such encroachments on the Common Area
22 or adjacent lots should occur, the Owner of the Dwelling Unit involved shall
23 have, subject to the conditions hereinafter set forth, a perpetual permanent right
24 for such perimeter walls to encompass portions of the Common Area or adjacent
25 lots and for such other improvements to encroach upon portions of the Common

1 Area or adjacent lots. In consideration thereof, such Owners agree to maintain
2 and keep in repair any improvements encroaching upon the Common Area or
3 adjacent lots which were constructed for the use of their Lot. In the event any
4 such Owners should make demand upon the Association to maintain any Common
5 Area within the confines of such perimeter wall, or to maintain and keep in
6 repair any improvements encroaching upon the Common Area or adjacent lots
7 which is the responsibility of the Owner to repair, then the Association or
8 adjacent lot Owner, as the case may be, shall have the absolute right, and may
9 cause the Owner making such demand to remove at his/her expense, any
10 improvement, including the perimeter wall, encroaching upon the Common Area or
11 adjacent lot, and to replace and rebuild such improvement or perimeter wall as
12 to be within such Owner's Lot. Declarant hereby acknowledges that the right
13 granted Owners under this Section is a property right of the Owner, and such
14 property right may not be revoked or rescinded by Declarant, its successors or
15 assigns, or by the Association, once such right has vested in an Owner, except
16 upon an Owner's breach of the conditions set forth in the preceding sentence.

17 Section 4.7. Electrical Service and Telephone Lines. All electrical
18 service and telephone lines shall be placed underground and no outside electrical
19 lines shall be placed overhead, except existing overhead lines; provided that no
20 provisions hereof shall
21 prohibit the erection of temporary power or telephone structures incident to
22 construction.

23 ARTICLE V

24 COMMON WALLS

25 Section 5.1. General Rules. Each wall, including the backyard walls,

1 which is constructed as a part of the original construction of the Dwelling Unit,
2 any part of which is placed on or over the dividing line between separate
3 Dwelling Units, shall constitute a common wall. With respect to any such wall,
4 each of the adjoining Unit Owners shall assume the burden and be entitled to the
5 benefits recited in this Section and to the extent not inconsistent herewith, the
6 general rules of law regarding common walls shall be applied thereto.

7 Section 5.2. Repair and Maintenance. Unless other provisions of this
8 Section are applicable, the cost of reasonable repair and maintenance of a common
9 wall shall be shared equally by the adjoining Owners.

10 Section 5.3. Damage to Common Wall Caused by One of the Owners.
11 In the event any common wall is damaged or destroyed through the act of one
12 adjoining Owner, or any of his/her guests or agents or members of his/her
13 family so as to deprive the other Owner of the full use and enjoyment of the
14 wall, then the first Owner, shall rebuild and repair the wall in as good a
15 condition as formerly without any contribution from the other Owner.

16 Section 5.4. Damage to Common Wall Caused by Others. In the event
17 any common wall is damaged or destroyed by some cause other than the act of
18 one of the adjoining Owners, his/her agents, guests or family (including ordinary
19 wear and tear and deterioration from lapse of time) then in such event, both
20 adjoining Owners shall rebuild or repair the wall in as good condition as formerly
21 at their joint and equal expense.

22 Section 5.5. Impairment of Structural Integrity. Notwithstanding
23 anything to the contrary, there shall be no impairment of the structural integrity
24 of any common wall without prior consent of the Board. In addition to meeting
25 the other requirements of these Restrictions and of any building code or similar

1 regulations or ordinances, any Owner proposing to modify, make additions to or
2 rebuild his/her Dwelling Unit in any manner which requires the extension or
3 other alteration of any common wall shall first obtain the written consent of the
4 Board which shall determine the adjoining Owner's preference concerning the
5 proposed modification, extension or alteration of the common wall prior to giving
6 any written consent.

7 Section 5.6. Resolution of Disputes Between Adjoining Owners. In
8 the event of a dispute between Owners regarding the repairing or rebuilding of
9 a common wall or regarding the sharing of the cost of such repairing or
10 rebuilding, then upon the written request to the Association by one of the
11 Owners, the matter shall be heard and determined by the Board, whose decision
12 shall be final and binding.

13 ARTICLE VI

14 ARCHITECTURAL CONTROL

15 Section 6.1. Architectural Review Committee. The Board may
16 establish an Architectural Review Committee (hereinafter the "Committee") to be
17 comprised of a minimum of three (3) or more members appointed by the Board of
18 Directors. One member shall be a member of the Board of Directors. Members
19 of the Committee shall not be entitled to any compensation for services performed
20 pursuant to this Declaration, although professional consultants hired by the
21 Committee and approved by the Board of Directors shall be paid for by the
22 Association.

23 Section 6.2. Matters within the Jurisdiction of the Architectural
24 Review Committee. All architectural matters affecting the Common Areas and the
25 individual Lots shall be governed by the Committee. Subject to the approval of

1 the Board of Directors, the Committee may promulgate written rules and
2 regulations governing the approval of plans and specification for the alteration
3 or construction on the exterior of the Dwelling Units or any Common Areas. The
4 Committee shall also establish written architectural standards and procedures to
5 be followed by the Owners in obtaining the written approval of the Committee.
6 Such rules and regulations shall not conflict with any provisions in the
7 Declaration.

8 Section 6.3. Submission of Plans to Architectural Review Committee.
9 No Owner shall make any improvement, alteration, modification or change to any
10 structure, including, but not limited to, walls, fences, coping, awnings, sunshades
11 or flagpoles until detailed plans and specifications showing the nature, kind,
12 shape, height, color, materials and location of such are submitted in writing and
13 approved by the Committee. The Architectural Review Committee shall consider
14 the harmony of external design and location in relation to the surrounding
15 structures and topography in determining whether to approve such structures
16 or modifications. This shall specifically include any change in color of the
17 exterior portions of any Dwelling Unit. Approval of the plans and specifications
18 shall be evidenced by the written endorsement of the Committee on the plans.

19 Section 6.4. Procedure for Approval.

20 6.4.1. Owners shall submit two (2) complete sets of plans for the
21 proposed improvement, including the specifications, color scheme and the plot
22 plan indicating the location of the Dwelling Unit and improvement on the Lot and
23 may include a non-refundable review fee not to exceed One Hundred and No/100
24 Dollars (\$100.00), payable to the Association.

25 6.4.2. One set of endorsed plans shall be provided to the Owner

1 prior to the date on which construction is to commence. The other set of plans
2 shall be retained by the Association.

3 6.4.3. No changes or deviations in or from the plans and
4 specifications shall be made without the written approval of the Committee.

5 6.4.4. An Owner may appeal any decision of the Committee to the
6 Board, whose decision shall be final and binding.

7 Section 6.5. Criteria for Approval of Plans. All plans must meet the
8 following minimum criteria and such other additional criteria promulgated by the
9 Architectural Review Committee from time to time:

10 a. Be in accordance with the provisions of the Declaration and
11 written rules and regulations of the Architectural Review Committee.

12 b. The location, style or architecture, exterior color schemes
13 and height of the improvement, as well as the location of exterior lighting, shall
14 be in harmony with the general surroundings of the structures on any Lot
15 subject to these Covenants.

16 c. Be in sufficient detail to permit the Architectural Review
17 Committee to make its determination.

18 d. Be complete and ready for submittal to obtain a building
19 permit from Pima County.

20 Section 6.6. Completion of Improvements. All modifications,
21 alterations and/or improvements must be substantially completed within ninety
22 (90) days from the date the plans and specifications are approved by the
23 Committee, unless the Committee approves an extension of time in writing.

24 Section 6.7. Failure to Approve Plans. If the Committee fails to
25 approve the plans and specifications within thirty (30) days after being

1 submitted by the Owner, the plans shall be deemed as disapproved by the
2 Committee and no structures or modifications shall be permitted.

3 Section 6.8. Liability of Board and Architectural Review Committee.
4 Neither the Association nor the Committee shall be responsible in any way for any
5 defects in any plans or specifications which were submitted in accordance with
6 this Article, nor for any structural defects in any structures erected according
7 to such plans or specifications.

8 Section 6.9. Conflict of Interest. In the event a member of the
9 Board or Architectural Review Committee desires to alter, remodel and/or make
10 any additions to his Dwelling Unit, he shall be disqualified from voting on such
11 matter.

12 ARTICLE VII

13 THE ASSOCIATION AND MEMBERSHIP

14 Section 7.1. Organization. Organization.

15 7.1.1. Association. The Association is an Arizona non-profit
16 corporation charged with the duties and vested with the powers prescribed by
17 law and set forth in the Articles, ByLaws, and this Declaration.

18 7.1.2. Board of Directors and Officers. The affairs of the Association
19 shall be conducted by a Board of Directors and such officers as the Board may
20 elect or appoint, in accordance with the Articles and By-Laws, as may be
21 amended from time to time. The composition of the Board shall be defined in the
22 By-Laws.

23 7.1.3. Personal Liability. No member of the Board or any Committee
24 of the Association or any officer or employee of the Association shall be
25 personally liable to any Owner, or to any other party, including the Association,

1 for any damage, loss or prejudice suffered or claimed on account of any act,
2 omission, error or negligence of the Association, the Board, or any representative
3 or employee of the Association or any Committee, or any officer of the
4 Association, provided that such person has, upon the basis of such information
5 possessed by him/her, acted in good faith, and without willful or intentional
6 misconduct.

7 7.1.4. Indemnification. The Association shall indemnify every officer
8 and director against any and all expenses, including attorneys' fees, reasonably
9 incurred by or imposed upon, any officer or director in connection with any
10 action, suit or other proceeding (including settlement of any suit or proceeding
11 if approved by the then Board of Directors) to which he or she may be a party
12 by reason of being or having been an officer or director. The officers and
13 directors shall not be liable for any mistake of judgment, negligent or otherwise,
14 except for their own individual willful misfeasance, malfeasance, misconduct or
15 bad faith. The officers and directors shall have no personal liability with
16 respect to any contract or other commitment made by them, in good faith, on
17 behalf of the Association (except to the extent that such officers or directors may
18 also be members of the Association), and the Association shall indemnify and
19 forever hold each such officer and director free and harmless against any and
20 all liability to others on account of any such contract or commitment. Any right
21 to indemnification provided for herein shall not be the exclusive of any other
22 rights to which any officer or director, or former officer or director, may be
23 entitled. The Association shall, as a common expense, maintain adequate general
24 liability and officers' and directors' liability insurance to fund this obligation.

25 Section 7.2. Membership.

1 7.2.1. Qualifications. Every person who is an Owner of a Lot shall
2 be a Member of the Association.

3 7.2.2. Transfer of Membership. Membership in the Association shall
4 be appurtenant to and may not be separated from ownership of a Lot. Only
5 persons who own Lots shall be Members of the Association.

6 ARTICLE VIII

7 VOTING RIGHTS

8 Section 8.1. Each Owner shall be entitled to one (1) vote for each
9 Dwelling Unit owned. The vote for each Lot shall be exercised as the Owners
10 agree, but in no event may there be more than one (1) vote cast for any one (1)
11 Lot.

12 Section 8.2. The Association may suspend the voting rights of any
13 Member for any period during which any assessment against a Lot remains
14 unpaid and delinquent. The Association may also suspend the voting rights of
15 any Member for a period specified by the Board when, in the Board's discretion,
16 such Member is in violation of these Covenants, the Bylaws and/or the Rules and
17 Regulations of the Association.

18 ARTICLE IX

19 OWNER'S RESPONSIBILITIES

20 Section 9.1. Owner's Liability.

21 9.1.1. Each Owner shall be responsible for his Lot's utility costs, ad
22 valorem taxes and repairs of the Dwelling Units, including all of the improvements
23 on the Lot, and including all appliances and equipment located within the
24 Dwelling Unit

25 9.1.2. Except to the extent provided by the Association, each Owner

1 shall maintain and repair the sides of the walls along the perimeter of that
2 Owner's Lot. This includes repainting of the exterior of such wall.

3 9.1.3. Each Owner is responsible for sewer blockage and repair of
4 the plumbing in the Dwelling Unit, including the house connection line from the
5 Dwelling Unit to its connection point in the main sewer line located in the street.

6 9.1.4. The maintenance, repair and repainting of the Dwelling Unit
7 and any other improvements on the Lot shall be undertaken in a manner and
8 with such frequency so as to keep each Lot in an attractive, well-kept and
9 maintained condition and in conformity with all other Lots within the subdivision.

10 9.1.5. Each Owner is responsible for assuring that all construction,
11 alteration, modification or addition to buildings, walls, fences, coping, roads,
12 driveways or other structures on his Lot conform to the use restrictions of
13 Article II. If any Owner fails or refuses to remove or upgrade such item(s), the
14 Association may, in its sole discretion, remove the nonconforming item and the
15 cost of removal shall be added to and become part of the assessment to which
16 the Owner's Lot is subject, and collected in the same manner as assessments.

17 Section 9.2. Dereliction of Maintenance by Owners.

18 Each Owner shall be responsible for and pay for all damage caused
19 by the Owner, his guests, family, lessees, pets or employees to his or any other
20 Owner's property. Upon the failure of any Owner to maintain the Lot and any
21 improvements on the Lot, in a manner satisfactory to the Association, the
22 Association, through its agents and employees, after giving notice to the Owner,
23 is granted the right to enter upon such Lot and to make necessary repairs,
24 maintenance, rehabilitation or restoration of the premises and the exterior of any
25 Dwelling Unit as may be necessary. The cost of such repairs or maintenance

1 shall be payable by the Owner and may be collected in the same manner as
2 assessments, including placing a lien on the Lot. Nothing contained herein shall
3 require the Association to charge for, or to collect, assessments for damage
4 caused by an Owner, his guests, family, lessees, pets or employees to any other
5 Owner's property or to the Common Areas. The Association shall not be compelled
6 by the damaged party to make such repairs or to charge the offending party or
7 collect such necessary amounts from the Lot Owner.

8 ARTICLE X

9 THE ASSOCIATION

10 Section 10.1. The Association shall be responsible for the proper and
11 efficient management of the Common Areas. The Association shall be responsible
12 for:

- 13 a. landscaping and landscaping maintenance of the Common Areas.
- 14 b. maintaining and repairing the Common Area Improvements
15 including, but not limited to the pool, common trash/garbage collection areas, and
16 parking areas constructed on the Common Areas.
- 17 c. maintaining, painting and rebuilding, if necessary, the perimeter
18 walls constructed along the boundaries of the Common Area.
- 19 d. paying real estate taxes, assessments and other charges on those
20 portions of the Areas owned by the Association.
- 21 e. insuring all improvements which the Association is obligated to
22 maintain against damage by casualty with such companies and with such limits
23 as the Association deems appropriate.
- 24 f. hiring, firing, supervising and paying employees and
25 independent contractors, including, but not limited to, workers, landscapers,

1 attorneys, accountants, architects and contractors to carry out the obligations
2 set forth herein.

3 g. maintaining liability insurance to protect the Members and the
4 Board of Directors of the Association from any liability from occurrences or
5 happenings on or about those portions of the Areas maintained by the
6 Association, including, but not limited to, obtaining an errors and omissions
7 insurance policy for the members of the Board of Directors of the Association.

8 h. maintaining worker's compensation insurance for the employees
9 of the Association.

10 i. purchasing all goods, supplies, labor and services reasonably
11 necessary for the performance of the obligations set forth herein.

12 j. enforcing the provisions of this Declaration, including, but not
13 limited to, the Use Restrictions provided for in Article III.

14 k. establishing and maintaining such cash reserves as the
15 Association deems reasonably necessary for the maintenance, repair and
16 replacement of the improvements which it is responsible to maintain and for
17 unforeseen contingencies.

18 l. providing for the payment of all utility services for common
19 facilities.

20 m. entering into such agreements and taking such actions which are
21 reasonably necessary and convenient for the accomplishment of the obligations
22 set forth above and the operation and maintenance of the Areas.

23 Section 10.2. The manner in which the Association carries out its
24 responsibilities shall be controlled by the provisions of its Bylaws, its Rules and
25 Regulations, its Articles of Incorporation and provisions of this Declaration.

1 Payment of Association dues shall not be contingent on the performance by the
2 Association of any of its obligations under this Declaration.

3 Section 10.3. By-laws. The By-laws shall establish the procedure
4 for the election of Directors and Officers of the Association; the duties of the
5 Association, the procedure for regular and special meetings of the Association;
6 the disposition of hazard insurance proceeds and amendments to the By-laws.

7 Section 10.4. Adoption of Rules and Regulations. The Board may
8 adopt Rules governing the conduct of Owners, their family, guests and lessees
9 when such conduct affects the other residents of the Properties, or affects the
10 harmony, integrity or aesthetic value of the Properties.

11 ARTICLE XI

12 INSURANCE

13 Section 11.1. Insurance Obtained by Association. Except as
14 otherwise provided in this Article, the Association is responsible and obligated
15 to purchase and maintain at all times the following types of insurance:

16 a. Comprehensive general liability and property damage insurance
17 covering all Common Areas and all other areas under the jurisdiction or control
18 of the Association. Such insurance policy or policies shall contain, if available,
19 a "severability of interest" clause or endorsement which shall preclude the
20 insurer from denying the claim of a Dwelling Unit Owner because of negligent
21 acts of the Association or of any other Dwelling Unit Owners. The scope of
22 coverage of such policy or policies must include all other coverage in the kinds
23 and amounts commonly required by private institutional mortgage investors for
24 projects similar in construction, location and use as Country Crossing. Coverage
25 shall be for at least One Million and No/100 Dollars (\$1,000,000.00) per occurrence

1 for personal injury and/or property damage.

2 b. Blanket all-risk casualty insurance, if reasonably available, for
3 all insurable improvements on the Common Areas, including ramada and
4 recreational areas. If blanket all-risk coverage is not reasonably available, then,
5 at a minimum, an insurance policy providing fire and extended coverage shall be
6 obtained. Such policy or policies shall consist, at a minimum, of a multi-peril
7 type policy covering the subject improvements, providing, as a minimum, fire and
8 extended coverage and all other coverage in the kinds and amounts commonly
9 required by private institutional mortgage lenders in Tucson, Arizona, on a
10 replacement cost basis, in an amount of not less than one hundred percent (100%)
11 of the insurable value (based upon the replacement cost).

12 c. Premiums for all insurance on the Common Areas shall be common
13 expenses of the Association. The policy may contain a reasonable deductible, and,
14 in the case of casualty insurance, the amount thereof shall be added to the face
15 amount of the policy in determining whether the insurance at least equals the
16 full replacement costs. The deductible shall be paid by the party who would be
17 liable for the loss or repair in the absence of insurance and in the event of
18 multiple parties shall be allocated in relation to the amount each party's loss
19 bears to the total.

20 d. In the event any improvement constructed on the Common Area
21 is subject to a mortgage or deed of trust, then each policy of insurance must
22 contain or have attached to it a standard mortgagee clause which provides that
23 all proceeds paid under such policies shall be paid to the Association for the use
24 and benefit of all mortgagees under mortgages encumbering any such
25 improvements, and such policy or policies must further provide that the

1 insurance carrier shall notify each First Mortgagee named, at least ten (10) days
2 in advance of the effective date of any reduction in or cancellation of the policy.
3 Such policy or policies shall further provide that the interest of each Mortgagee
4 holding a mortgage on any Dwelling Unit in insurance proceeds shall not be
5 invalidated by any action, neglect or inaction of the Board of Directors of the
6 Association, owners of Lots or their tenants or agents. Such policy or policies
7 shall further provide for waiver by the insurer of any policy provisions which
8 would render the Mortgagee clause invalid by reason of the failure of such
9 Mortgagee to notify the insurer of any hazardous use of such improvements and
10 any policy requirement that the Mortgagee pay the premium thereon.

11 e. All insurance coverage obtained by the Board shall be written in
12 the name of the Association. Such insurance shall be governed by the following
13 provisions:

14 (1) All policies shall be written with a company licensed
15 to do business in Arizona which holds a Best's rating of A or better and is
16 assigned a financial size category of V or larger as established by A. M. Best
17 Company, Inc., if reasonably available, or, if not available, the most nearly
18 equivalent rating.

19 (2) All policies on the Common Areas shall be for the benefit
20 of the Association, its Members and Mortgagees.

21 (3) Exclusive authority to adjust losses under policies
22 obtained by the Association on the Properties shall be vested in the Association's
23 Board of Directors; provided, however, no Mortgagee having an interest in such
24 losses may be prohibited from participating in the settlement negotiations, if any,
25 related thereto.

(4) In no event shall the insurance coverage obtained and

1 maintained by the Association's Board of Directors hereunder be brought into
2 contribution with insurance purchased by individual Owners, occupants or their
3 Mortgagees.

4 (5) All casualty insurance policies shall have an inflation
5 guard endorsement, if reasonably available, and an agreed amount endorsement
6 with an annual review by one (1) or more qualified persons, at least one of whom
7 must be in the real estate industry and familiar with construction in the Tucson,
8 Arizona area.

9 (6) The Association's Board of Directors shall be required to
10 make every reasonable effort to secure insurance policies that will provide for
11 the following:

12 (a) a waiver of subrogation by the insurer as to any
13 claims against the Association's Board of Directors, its manager, the Owners, and
14 their respective tenants, servants, agents and guests;

15 (b) a waiver by the insurer of its rights to repair and
16 reconstruct, instead of paying cash;

17 (c) a statement that no policy may be canceled,
18 invalidated, suspended or subject to non-renewal on account of any one or more
19 individual Owners;

20 (d) a statement that no policy may be
21 canceled, invalidated, suspended or subject to non-renewal on account of the
22 conduct of any director, officer or employee of the Association, or its duly
23 authorized manager, without prior demand in writing delivered to the Association
24 to cure the defect and the allowance of a reasonable time thereafter within which
25 the defect may be cured by the Association, its manager, any Owner or
Mortgagee;

1 (e) that any "other insurance" clause in any policy
2 exclude individual Owners' policies from consideration; and

3 (f) that the Association will be given at least thirty (30)
4 days' prior written notice of any cancellation, substantial modification or non-
5 renewal.

6 f. In addition to the other insurance required by this Section,
7 the Board shall obtain, as a common expense, worker's compensation insurance,
8 if and to the extent required by law; directors' and officers' liability coverage,
9 if reasonably available; a fidelity bond or bonds on directors, officers, employees
10 and other persons handling or responsible for the Association's funds, if
11 reasonably available; and flood insurance, if required. The amount of fidelity
12 coverage shall be determined in the Board of Director's best business judgment
13 but, if reasonably available, may not be less than one and one-one times the
14 annual operating expenses and reserves. Bonds shall contain a waiver of all
15 defenses based upon the exclusion of persons serving without compensation and
16 shall require at least thirty (30) days' prior written notice to the Association of
17 any cancellation, substantial modification or non-renewal.

18 g. In the event of substantial damage to or destruction of any
19 Dwelling Unit or any part of the Common Areas, any first mortgagee on a
20 Dwelling Unit will be entitled to timely written notice of any such damage or
21 destruction and no Owner of a Dwelling Unit or other party shall have priority
22 over such first mortgagee with respect to the distribution to such Dwelling Unit
23 Owner of any insurance proceeds.

24 Section 11.2. Individual Insurance. By virtue of taking title to a
25 Dwelling Unit which is subject to the terms of this Declaration, each Owner

1 covenants and agrees with all other Owners and with the Association that each
2 Owner shall carry blanket all-risk casualty insurance on the Dwelling Unit(s), fire
3 and extended liability insurance in an amount sufficient to cover the full
4 replacement cost of the Dwelling Unit and such other insurance the Owner deems
5 advisable to cover theft and damage and loss to personal property. Such policy
6 shall provide that there is no contribution or offset between policies of the
7 Association and policies an individual Owner may have in effect.

8 Section 11.3. Unacceptable Policies of Insurance. Policies shall be
9 unacceptable where:

10 a. under the terms of the carrier's charter, bylaws or policy,
11 contributions or assessments may be made against a Dwelling Unit owner or the
12 Federal Home Loan Mortgage Corporation, or the Federal Home Loan Mortgage
13 Corporation's designee; or b. by the terms of the carrier's charter, bylaws
14 or policy, loss payments are contingent upon action by the carrier's board of
15 directors, policyholders or members; or c. the policy includes any limiting
16 clauses (other than insurance conditions) which could prevent the Federal Home
17 Loan Mortgage Corporation or any Dwelling Unit owner from collecting insurance
18 proceeds.

19 Section 11.4. Condemnation. The term "taking" as used in this
20 Section shall mean either: (a) condemnation by eminent domain, or (b) sale under
21 threat of condemnation. In the event of a threatened taking of all or any
22 portion of the Common Areas, the Members appoint the Board and such other
23 persons as the Board may delegate to represent all of the Members in connection
24 with the taking. The Board shall act in its sole discretion with respect to any
25 awards being made in connection with the taking and shall be entitled to make

1 a voluntary sale to the condemnor in lieu of engaging in a condemnation action.
2 Any awards received on account of the taking shall be paid to the Association.
3 In the event of a taking of less than all of the Common Areas, the rules as to
4 restoration and replacement of the Common Areas and the improvements thereon
5 shall apply as in the case of destruction or improvements upon the Common
6 Areas. In the event of a total taking, the Board shall retain any award in the
7 general funds of the Association to be distributed to the Members pursuant to
8 a plan developed by the Board and approved by the majority of the Owners
9 entitled to vote.

10 Section 11.5. Destruction of Improvements. In the event of a partial
11 or total destruction of the improvements upon the Common Areas, the Association
12 shall restore and repair the same to their former condition as promptly as is
13 practicable and in a lawful and workmanlike manner. The proceeds of insurance
14 maintained for such purpose shall be used for this purpose, subject to the prior
15 rights of mortgagees whose interests may be protected by said policies. In the
16 event any excess insurance proceeds remain after repair and replacement thereof,
17 the Board shall retain such sums in the general funds of the Association. If
18 there are not sufficient insurance proceeds to restore and replace the
19 improvements, then, upon a majority vote of the Owners entitled to vote, the
20 Association may impose a special assessment equally against the Owners of each
21 Lot to provide the necessary funds for restoration and replacement. In the
22 alternative, such Owners may vote not to replace or restore the improvements but
23 to retain such proceeds in the Association's general fund. Notwithstanding
24 anything to the contrary, the distribution of any insurance proceeds for any
25 damage or destruction to the Common Area shall be subject to the prior rights

1 of any Mortgagees.

2 ARTICLE XII

3 OWNERSHIP, USE AND MANAGEMENT

4 OF THE COMMON AREAS

5 Section 12.1. Common Areas.

6 12.1.1. Ownership of the Common Areas is vested in the Association,
7 subject to the easements created in Article IV. Common Areas are intended for
8 use as public utility easements, drainageways and open areas and are for the
9 common use and enjoyment of the Members of the Association.

10 12.1.2. This Declaration reserves and grants to each Owner, and
11 resident, a right and easement of use in and to the Property. This easement may
12 be used only in a reasonable manner and at reasonable times for the purposes
13 stated. Under no circumstances is the easement to be construed to permit any
14 interference with or restriction on, the use and enjoyment of any area, by the
15 Owners other than for the purpose stated herein.

16 12.1.3. It is expressly acknowledged that this Article is for the
17 mutual benefit of all Owners and it is necessary for their protection. Such right
18 and easement of use and enjoyment of the Common Areas shall be subject to the
19 following provisions:

20 a. The right of the Association to limit the number of guests
21 of Owners and residents.

22 b. The right of the Association to dedicate or transfer all or
23 any part of the Common Areas to any public agency, authority or utility for such
24 purposes and subject to such conditions as may be agreed to by the Members.
25 No such dedication or transfer shall be effective unless an instrument signed by

1 Owners entitled to cast two-thirds (2/3) of the votes of the membership has been
2 recorded, agreeing to such dedication or transfer, and unless written notice of
3 the proposed action is sent to every Member not less than ten (10) nor more
4 than fifty (50) days in advance.

5 c. The right of the Association to establish reasonable rules
6 and regulations governing the use of the Lots and the Common Areas.

7 d. The right of the Association, in accordance with its Articles
8 and Bylaws, to borrow money for the purpose of improving and maintaining the
9 Common Areas and facilities and, if necessary, to mortgage the Property, but the
10 rights of such mortgagee in the properties shall be subordinate to the rights of
11 the Owners.

12 e. The right of the Association to enter into such agreements
13 and take such actions as are reasonably necessary and convenient for the
14 accomplishment of the obligations set forth above and the operation and
15 maintenance of the Common Areas.

16 f. The right of the Association to charge reasonable admission
17 and other fees for the use of any recreational facility situated on the Common
18 Areas.

19 g. The right of the Association to suspend the right of an
20 Owner, his family, or his lessees or tenants, to use the recreational facilities for
21 any period during which any assessment against his Lot remains unpaid or for
22 any violation of this Declaration or the Rules and Regulations of the Association.

23

24 h. The right of the Association to suspend the voting rights
25 of any Owner for any period in which the assessment against his Lot remains

1 unpaid or for any violation of this Declaration or the Rules and Regulations of
2 the Association.

3 i. The exclusive right of the Association to control and manage
4 the Common Areas.

5 Section 12.2. Delegation of Use. Any Owner may delegate his right
6 of enjoyment to the Common Areas and recreational facilities to the members of
7 his family, his tenants or contract purchasers who reside on the Property,
8 provided such delegation is in accordance with this Declaration, the Bylaws and
9 the Rules and Regulations of the Association. In the event an Owner delegates
10 his right to enjoy the Common Areas to any lessee or tenant, that Owner shall
11 no longer be entitled to use such Common Areas and recreational facilities.

12 Section 12.3. Damage or Destruction of Common Areas.

13 12.3.1. In the event any portion of the Common Areas, or the
14 Common Property of the Association is damaged or destroyed by any Owner,
15 his/her guests, tenants, licensees, agents, or members of his/her family, such
16 Owner shall be liable to the Association for the cost of remedying such damage,
17 including the replacement costs of any common property which is damaged.

18 12.3.2. The Owner irrevocably authorizes the Association to repair
19 or replace the damaged property. All work performed by the Association shall
20 be done in a workmanlike manner in substantial conformance with the original
21 plans and specifications. The Owner agrees to reimburse the Association for all
22 amounts expended for the repair and replacement of the Common Property within
23 ten (10) days from receipt of an invoice for such work from the Association. Any
24 sums not paid within that time period shall be deemed delinquent and shall
25 become a lien against the Owner's Lot and shall be collected in the same manner

1 as assessments. Delinquent sums shall accrue interest in an amount established
2 by the Board.

3 ARTICLE XIII

4 ASSESSMENTS

5 Section 13.1. Assessments for Common Expenses.

6 13.1.1. Assessments to pay a judgment against the Association shall
7 be assessed equally against all Lots in the Association.

8 13.1.2. If any common expense is caused by the misconduct of any
9 Owner, the Association may assess that expense exclusively against such Owner
10 and his/her Lot and may collect such common expense in the same manner as
11 assessments.

12 Section 13.2. Covenants to Pay. Each Owner, by the acceptance of
13 a deed to a Unit, whether or not it is expressly stated in the deed, covenants
14 and agrees to pay to the Association all assessments and any additional charges
15 levied pursuant to this Article VIII.

16 13.2.1. Liability for Payment. The obligation to pay assessments
17 shall run with the land so that each successive record Owner of a Dwelling Unit
18 shall become liable to pay all such assessments. No Owner may waive or
19 otherwise escape personal liability for assessments or release the Unit owned by
20 him/her from any lien and charges hereof by non-use of the Common Areas,
21 abandonment of the Dwelling Unit, by attempting to renounce rights in the
22 Common Areas or the facilities or services, or for any other reason. Each
23 assessment shall constitute a separate assessment and shall also be a separate,
24 distinct and personal obligation of the Owner of the Dwelling Unit at the time
25 when the assessment was levied and shall bind his/her heirs, devisee, personal

1 representatives and assigns. Any assessment not paid within fifteen (15) days
2 after it becomes due is delinquent. The personal obligation of an Owner for
3 delinquent assessments shall not pass to a successive Owner unless the personal
4 obligation is expressly assumed by the successive Owner. Any assumption of
5 personal liability by a successor Owner (including a contract purchaser under
6 an installment land contract) does not relieve the Owner from personal liability
7 for delinquent assessments. After an Owner transfers his/her interest in a
8 Dwelling Unit, as evidenced by the recordation of a deed in the office of the
9 Pima County Recorder, he/she shall not be liable for any charges levied against
10 the Owner of the Dwelling Unit.

11 13.2.2. Funds Held in Trust. The assessments collected by the
12 Association shall be held by the Association for and on behalf of each Owner and
13 shall be used solely for the operation, care and maintenance of the Common Areas
14 as provided in this Declaration. Upon the sale or transfer of any Dwelling Unit,
15 the Owner's interest in the funds shall be deemed automatically transferred to
16 the successor Owner.

17 13.2.3. Offsets. No offsets against any assessment shall be permitted
18 for any reason, including, without limitation, non-use of the common recreational
19 facilities, abandonment of the Dwelling Unit, or any claim that the Association is
20 not properly discharging its duties.

21 Section 13.3. Regular Assessments.

22 13.3.1. Payment of Regular Assessments. Regular Assessments for
23 each fiscal year shall be established when the Board approves the budget for
24 that fiscal year. Regular Assessments shall be levied on a fiscal year basis,
25 although the Board may provide that such annual assessment is payable in equal

1 monthly installments. Unless otherwise specified by the Board, Regular
2 Assessments shall be due and payable in monthly installments on the first day
3 of each month during the term of this Declaration. Regular Assessments shall
4 commence for all Dwelling Units on the first day of the month following the
5 conveyance of the Dwelling Unit to the Owner, and may commence prior to that
6 date at the option of the Association.

7

1 13.3.2. Budgeting.

2 a. Regardless of the number of Members or the amount of assets of
3 the Association, each year the Board shall prepare, approve and make available
4 to each Member a budget containing: (1) estimated revenue and expenses on an
5 accrual basis; (2) the amount of the total cash reserves of the Association
6 currently available for replacement or major repair of Common Areas and for
7 contingencies; (3) an itemized estimate of the remaining life of, and the methods
8 of funding to defray repair, replacement or additions to, major components of the
9 Common Areas; and (4) a general statement setting forth the procedures used by
10 the Board in the calculation and establishment of reserves to defray the costs
11 of repair, replacement or additions to major components of the Common Areas.

12 b. The total amount needed to fund the annual budget shall be
13 charged equally against all Dwelling Units as Regular Assessments, subject to any
14 limitations set forth in the Bylaws.

15 c. Maximum Annual Assessment. The maximum annual assessment
16 shall be \$360.00 per Lot.

17 1. The maximum annual assessment may be increased up to 20%
18 of the previous year's assessment without a vote of the membership.

19 2. Two-thirds (2/3rds) of the Members present at any annual
20 or special meeting, provided a quorum is present, or a majority of the Owners,
21 if a vote is taken by a written mailed ballot, must approve any increase of the
22 assessment above 20% of the previous year's assessment.

23 c. The Board shall prepare and approve the annual budget and
24 distribute a copy thereof to each Member, together with written notice of the
25 amount of the Regular Assessments to be levied against the Owner's Dwelling

1 Unit, not less than forty-five (45) days nor more than sixty (60) days prior to
2 the beginning of the fiscal year.

3 13.3.3. Non-Waiver of Assessments. If before the expiration of any
4 fiscal year the Association fails to fix Regular Assessments for the next fiscal
5 year, the Regular Assessment established for the preceding year shall continue
6 until a new Regular Assessment is fixed.

7 Section 13.4. Special Assessments. Subject to the limitations in the
8 Bylaws, Special Assessments may be levied in addition to Regular Assessments for
9 (1) constructing capital improvements; (2) correcting an inadequacy in the
10 current operating account; (3) defraying, in whole or in part, the cost of any
11 construction, reconstruction, unexpected repair or replacement of improvements
12 in the Dwelling Unit(s) or Common Areas, ~~provided, however, that any expenditure~~
13 ~~which exceeds \$5,000.00 is approved by a majority of the owners;~~ or (4) paying
14 for such other matters as the Board may deem appropriate for the Project.
15 Special Assessments shall be levied in the same manner as Regular Assessments.

16 Section 13.5. Reimbursement Assessments. The Association shall levy
17 a Reimbursement Assessment against any Owner and his/her Dwelling Unit if a
18 failure to comply with the Association's Documents has (1) necessitated an
19 expenditure of monies by the Association to bring the Owner or his/her Dwelling
20 Unit into compliance or (2) resulted in the imposition of a fine or penalty. A
21 Reimbursement Assessment shall not be levied by the Association until Notice and
22 an opportunity for a Hearing has been given to the Owner. Reimbursement
23 Assessments may be enforced in the same manner as Regular and Special
24 Assessments, by the filing of a Notice of Lien as provided in this Declaration.

25 Section 13.6 Accounts.

1 13.6.1. Types of Accounts. Assessments collected by the Association
2 shall be deposited into at least two (2) separate accounts with a federally insured
3 bank and/or savings and loan association. The accounts shall be clearly
4 designated as (1) the current operating account and (2) the reserve account.
5 The Board shall deposit those portions of the assessments collected for current
6 maintenance and operation into the current operating account and shall deposit
7 those portions of the assessments collected as reserves for contingencies and for
8 replacement and deferred maintenance of capital improvements into the reserve
9 account.

10 13.6.2. Current Operating Account. All of the following may be paid
11 from the Current Operating Account:

- 12 a. All costs of enforcing the provisions of the Declaration
13 and Rules and Regulations of the Association;
- 14 b. Taxes and assessments, if any, levied or assessed
15 separately against the Common Areas;
- 16 c. Sums necessary to discharge any lien or encumbrance,
17 including taxes, levied against any Dwelling Unit which
18 constitutes a lien against any portion of the Common
19 Areas;
- 20 d. Insurance premiums and costs for policies purchased for
21 the benefit of the Association;
- 22 e. Water, sewer, electrical, gas, and other necessary utility
23 services for the Common Areas;
- 24 f. Costs of routine maintenance, repair and upkeep of
25 improvements in the Common Areas; and
- 26 g. All other goods, materials, supplies, furniture, labor,
27 services, maintenance, repairs or alterations which the
28 Association is authorized to secure and pay for
29 pursuant to the terms of this Declaration or by law,
30 other than those to be expended from the Reserve
31 Account.

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1 13.6.3. Reserve Account.

2 Out of the Reserve Account, the Association shall pay those costs
3 attributable to the maintenance, repair or replacement of capital improvements for
4 which reserves have been collected and held. Except for funds collected for
5 contingencies, no funds collected for the Reserve Account may be used for
6 ordinary current maintenance and operation purposes.

7 Section 13.7. Enforcement of Assessments.

8 13.7.1. Establishment of Lien. The Association has a lien against
9 each Dwelling Unit to secure payment of all assessments levied against the
10 Dwelling Unit pursuant to this Declaration, all additional charges and all sums
11 which become due and payable in accordance with this Declaration. Except for
12 the transfer of a Dwelling Unit pursuant to a foreclosure proceeding, the sale or
13 transfer of a Dwelling Unit shall not affect such lien. Any such lien shall be in
14 favor of the Association. Each Owner empowers the Association to enforce its lien
15 by foreclosure or any other proceeding at law and to collect the amount due from
16 each Owner by selling the Dwelling Unit of any defaulting Owner to the highest
17 bidder to satisfy such lien. Each Owner waives the benefit of any homestead or
18 exemption laws of this State now or then in effect regarding any lien created
19 pursuant to this Declaration.

20 13.7.2. Enforcement. In addition to all other remedies provided by
21 law, the Association, or its authorized representative, may enforce the obligations
22 of any Owner to pay each assessment provided for in this Declaration in any
23 manner provided by law or by either or both of the following procedures:

24 a. By Suit. The Association may commence and maintain a suit at
25 law against any Owner personally obligated to pay a delinquent assessment. The

1 suit shall be maintained in the name of the Association. Any judgment rendered
2 in any action shall include the amount of the delinquency, additional charges and
3 any other amounts as the court may award, including reasonable attorneys' fees.
4 A proceeding to recover a judgment for unpaid assessments may be maintained
5 without the necessity of foreclosing or waiving the lien established herein.

6 b. By Lien. To perfect its lien, the Association shall record a Notice
7 of Lien in the Office of the Pima County Recorder. The lien provided for in this
8 Section shall be in favor of the Association and shall be for the benefit of all the
9 Owners. The Association may commence and maintain proceedings to foreclose its
10 lien in the same manner as the foreclosure of mortgages. The lien for
11 assessments shall constitute a lien on each respective Dwelling Unit prior and
12 superior to all other liens, except (1) all taxes, bonds, assessments and other
13 levies which, by law, would be superior thereto, and (2) the lien or charge of
14 any first mortgage or deed of trust.

15 13.7.3. Additional Charges. In addition to any other amounts due
16 or any other relief or remedy obtained against an Owner who is delinquent in the
17 payment of any assessments, each Owner agrees to pay such additional costs,
18 fees, charges and expenditures ("Additional Charges") as the Association may
19 incur or levy in the process of collecting monies due and delinquent from the
20 Owner. All additional charges shall be included in any judgment in any suit or
21 action brought to enforce collection of delinquent assessments or may be levied
22 against a Dwelling Unit as a reimbursement assessment. Additional charges
23 include, but are not limited to, the following:

24 a. Attorneys' Fees. Reasonable attorneys' fees and costs incurred
25 in the event an attorney is employed to collect any assessment or sum due,

1 including the placement of the lien, or the filing of a suit or otherwise;

2 b. Late Charges. A late charge in an amount to be determined by
3 the Board, to compensate the Association for additional collection costs incurred
4 in the event any assessment or other sum is not paid when due; provided,
5 however, that such late charge shall not exceed ten percent (10%) of the
6 delinquent assessment or Twenty and No/100 Dollars (\$20.00) per month,
7 whichever is greater;

8 c. Cost of Suit. Costs of suit and court costs incurred as are
9 allowed by the Court;

10 d. Interest. Interest on all sums imposed in accordance with this
11 Article XIII including the delinquent assessment, reasonable costs of collection,
12 reasonable attorneys' fees and late charges, at an annual percentage rate to be
13 established by the Board, commencing thirty (30) days after the assessment
14 becomes due; and

15 e. Other. Any such other additional costs that the Association may
16 incur in the process of collecting delinquent assessments or sums.

17 13.7.4. Application of Payments. All payments received by the
18 Association shall first be applied to collection costs and attorney's fees, then to
19 late charges, then to interest and then to delinquent assessments.

20 13.7.5. Release of Lien. Upon payment of delinquent assessments or
21 other satisfaction thereof, the Association shall record a release of any recorded
22 lien.

23 Section 13.8. Statement of Assessment Lien. Within ten (10) days of
24 a request from an Owner liable for assessments, the Association shall furnish to
25 that Owner a written certificate signed by an officer or authorized agent of the

1 Association stating the amount of any assessment and any additional charges
2 secured by the lien upon his/her Dwelling Unit. A charge, not to exceed the
3 reasonable cost of preparation and reproduction of the certificate, may be levied
4 by the Board for the issuance of such certificate.

5 Section 13.9 Subordination of Lien. Notwithstanding any provision
6 to the contrary, the lien for assessments created by this Declaration shall be
7 subject and subordinate to and shall not affect the holder of a first mortgage
8 or deed of trust made in good faith and for value. Upon the foreclosure of any
9 first mortgage on a Dwelling Unit, any lien for assessments which became due
10 prior to such foreclosure shall be extinguished; provided, however, that after
11 such foreclosure there shall be a lien on the interest of the purchaser at the
12 foreclosure sale to secure all assessments, whether regular or special, charged
13 to such Dwelling Unit after the date of such foreclosure sale, which lien shall
14 have the same effect and shall be enforced in the same manner as provided
15 herein. For purposes of this Section, a mortgage may be given in good faith or
16 for value even though the mortgagee has constructive or actual knowledge of the
17 assessment lien provisions of this Declaration.

18 Section 13.10. Fines and Penalties. If any Owner, his/her family, or
19 any licensee, invitee, tenant or lessee violates the Declaration or any Rules
20 adopted by the Board, the Board may levy a fine upon the Owner of the Dwelling
21 Unit of not more than One Hundred and No/100 Dollars (\$100.00) for each violation
22 and/or may suspend the right of such person to use the Common Areas, under
23 such conditions as the Board may specify, for a period not to exceed thirty (30)
24 days for each violation. However, for each day a violation continues after
25 written notice to cease has been mailed, it shall be considered a separate

1 violation and subject to the imposition of the fine for each day the violation
2 continues thereafter. The Board shall establish a schedule of fines and a
3 procedure by which it imposes such fines, including the right to a hearing if
4 requested by the Owner. Any fines imposed hereunder which remain unpaid for
5 a period of ten (10) days or more after being assessed against the Owner shall
6 become a lien upon the Owner's Lot upon the recording of a Claim of Lien
7 prepared pursuant to this Declaration and collected in the same manner as
8 assessments.

9 Section 13.11. Date of Commencement of Monthly Assessments: Due
10 Dates. Monthly assessments shall commence as to each Lot on the first day of
11 the month following the conveyance of the Lot to an Owner.

12 Section 13.12. Uniform Rate of Assessment. Assessments shall be
13 assessed at a uniform rate for all Lots.

14 Section 13.13. Mortgage Protection and Additional Assessment as
15 Common Expense. Notwithstanding any other provision of this Declaration, the
16 By-laws, or Rules of the Association, the following provisions apply to each
17 holder of a first mortgage on a Lot ("First Mortgagee").

18 13.13.1. The First Mortgagee is not personally liable for the payment
19 of any assessment or charge, nor for the observance or performance of any
20 restriction or rule of the Association, except those matters which are enforceable
21 by injunctive or other equitable actions, not those requiring the payment of
22 money, except as set forth in Paragraph (c) below.

23 13.13.2. During the pendency of any proceeding to foreclose the
24 first mortgage, including any period of redemption, the first mortgagee may, but
25 is not required to, exercise any or all of the rights and privileges of the Owner

1 of the mortgaged Lot, including, but not limited to, the right to vote as a member
2 of the Association to the exclusion of the Owner's exercise of such rights and
3 privileges.

4 13.13.3. At the time the First Mortgagee becomes the record Owner
5 of a Lot, such First Mortgagee become subject to all of the terms and conditions
6 of these Restrictions, including, but not limited to, the obligation to pay all
7 assessments and charges accruing after recordation of such deed to the Lot, in
8 the same manner as any Owner, including the right of the Association to place
9 a lien on the Lot if the assessment becomes delinquent.

10 13.13.4. Any party acquiring title to a mortgaged Lot through
11 foreclosure, whether judicial or otherwise, including acceptance of a deed in lieu
12 of foreclosure, acquires title to the Lot free and clear of any lien of the
13 Association for accrued assessments, including those accruing through the
14 expiration of any period of redemption.

15 Any unpaid assessment will continue to be the personal obligation of
16 the person who was the record title owner of the property during the time the
17 assessment became due. The Board shall use all reasonable efforts to collect
18 such delinquent assessments, even though such Person is no longer a member of
19 the Association.

20 13.13.5. The Association may not take the following action unless at
21 least 2/3rds of the Lot Owners and 2/3rds of the Eligible First Mortgagees
22 approve such action:

- 23 a. change the method of determining the obligations,
24 assessments, dues or other charges which may be levied
25 against a Lot Owner;
- 26 b. by act or omission change, waive or abandon any
27

1 scheme of regulations, or enforcement thereof,
2 pertaining to the architectural design or exterior
3 appearance of the Dwelling Units, the exterior
4 maintenance of Dwelling Units, the maintenance of
5 common property, party walls or common fences and
6 driveways or the upkeep of lawns and planting areas of
7 the subdivision;
8

9 c. fail to maintain fire and extended coverage insurance on
10 the Common Areas and common property on a current
11 replacement cost basis in an amount of not less than
12 one hundred percent (100%) of the insurable value
13 (based on current replacement costs);
14

15 d. use hazard insurance proceeds for losses to any Common
16 Areas or common property for other than the repair,
17 replacement or reconstruction of such common property.
18

19 13.13.5. First Mortgagees are granted the right to jointly or singly
20 pay taxes or other charges which are in default and which may or have become
21 a charge against any Common Areas or other common property owned by the
22 Association, and such First Mortgagees may, jointly or singly, pay overdue
23 premiums on hazard insurance policies, or secure new hazard insurance coverage
24 on the lapse of a policy, for such Common Areas or common property and any
25 First Mortgagees making such payments shall be owed immediate reimbursement
26 from the Association.

27 13.13.6. Nothing in this Declaration shall in any manner be deemed
28 to give a Dwelling Unit Owner, or any other party, priority over any rights of
29 a First Mortgagee of a Dwelling Unit pursuant to the terms of such First
30 Mortgagee's mortgage in the case of a distribution to a Dwelling Unit Owner of
31 insurance proceeds or condemnation awards for losses to or a taking of Common
32 Areas or other common property owned by the Association.

33 13.13.7. Each First Mortgagee shall, upon notice to the Association,
34 be entitled to a written notification from the Association of any default in the

1 performance by the Owner of a Dwelling Unit encumbered by the mortgage in
2 favor of such Mortgagee of any obligation under this Declaration or under the
3 Articles of Incorporation, Bylaws, Rules and Regulations of the Association which
4 is not cured within sixty (60) days.

5 13.13.8. Eligible First Mortgagees shall, upon written notice to the
6 Association, have the right, during regular business hours, to: (1) inspect the
7 books and records of the Association; (2) receive an annual financial statement
8 of the Association within ninety (90) days following the end of any fiscal year
9 of the Association; and (3) receive written notice of all meetings of the
10 Association, and designate a representative to attend such meetings.

11 13.13.9. Eligible First Mortgagees shall be entitled to written notice
12 from the Association at least thirty (30) days prior to: (1) abandonment or
13 termination of the Association; (2) any material amendment to the Declaration,
14 Articles or By-laws; and (3) the effectuation of any decision by the Association
15 to terminate professional management and assume self-management of the
16 Association.

17 ARTICLE XIV

18 GENERAL PROVISIONS

19 Section 14.1. Enforcement. The Association or any Member, shall
20 have the right to enforce, by any proceeding at law or in equity, all restrictions,
21 conditions, covenants, reservations, liens or charges now or hereafter imposed
22 by the provisions of this Declaration. This shall include enforcement of Rules
23 and Regulations promulgated to the Association to carry out its purposes and this
24 Declaration. The Association shall be reimbursed for all attorney's fees and costs
25 incurred in enforcing this Declaration, whether suit is filed, or not.

1 14.1.1. No delay or omission on the part of the Association or any
2 Member in exercising its right to enforcement hereunder shall be construed as
3 a waiver of any breach of any of the restrictions and covenants contained herein
4 or acquiescence in any breach hereof and no right of action shall accrue against
5 the Declarant, the Board of Directors, the Association or any member for their
6 neglect or refusal to exercise such right of enforcement.

7 14.1.2. No breach of the foregoing provisions, conditions, restrictions
8 or covenants shall defeat or render invalid the lien of any mortgage or deed of
9 trust made in good faith for value as to any portion of the Properties. Such
10 provisions, conditions, restrictions and covenants shall be enforceable against any
11 portion of the Properties acquired by any person through foreclosure for any
12 breach occurring after such acquisition.

13 Section 14.2. Severability. Invalidation of any one of these
14 covenants or restrictions by judgment or court order shall not affect any others
15 which shall remain in full force and effect.

16 14.3.1. Amendment. This Declaration may be amended by a vote of
17 2/3rds of all Owners who are entitled to vote, whether voting in person or by
18 proxy, at any regular or special meeting called for that purpose. Any amendment
19 to this Declaration shall be evidenced by a written document signed by the
20 President and Secretary of the Association, attesting that the Owners consented
21 to such amendment and filed with the Pima County Recorder's Office.

22 14.3.2. Mortgagees' Consent to Amendment.

23 a. In addition to the requisite number of votes of the owners
24 to amend this Declaration, the approval of at least fifty-one (51%) percent of the
25 Eligible Mortgage Holders, shall be required to materially amend any provisions

1 of the Declaration and By-laws of the Association, and to add any material
2 provisions which establish, provide for, govern or regulate any of the following:

- 3 1. Voting;
- 4
- 5 2. Assessments, assessment liens or subordination of
- 6 such liens;
- 7
- 8 3. Reserves for maintenance, repair and replacement
- 9 of the common areas;
- 10
- 11 4. Insurance, including fidelity
- 12 bonds;
- 13
- 14 5. Rights to use the Common Areas within Country
- 15 Crossing;
- 16
- 17 6. Responsibility for maintenance and repair of any
- 18 portion of the Property;
- 19
- 20 7. Expansion or contraction of the Properties or the
- 21 addition, annexation or withdrawal of property to
- 22 or from the Properties;
- 23
- 24 8. Boundaries of any Lot;
- 25
- 26 9. The interests in the Common
- 27 Areas;
- 28
- 29 10. Convertibility of Lots into Common Areas or of
- 30 Common Areas into Lots;
- 31
- 32 11. Leasing of Lots, with or
- 33 without Dwelling Units;
- 34
- 35 12. Imposition of any right of first refusal or
- 36 similar restriction on the right of any
- 37 owner to sell, transfer, or otherwise convey
- 38 his or her Lot.
- 39
- 40 13. Any provisions of the Declaration and By-laws of
- 41 the Association, which are for the express benefit
- 42 of Holders or insurers of first mortgages on Lots.
- 43
- 44 14. Any decision to terminate professional management
- 45 and assume self-management when profession
- 46 management has been required by any First
- 47 Mortgagee of a Lot or insurer of the First

Mortgagee;

15. Restoration or repair of the Properties, or any portion of the Properties, including, but not limited to the improvements upon the Properties, after a partial condemnation or damage due to an insurable hazard, other than substantially in accordance with this Declaration and the most recent plans and specifications for the Properties and the construction of improvements on the Properties; or

16. Termination of the legal status of the Properties after substantial destruction or a substantial taking in condemnation of the Properties.

b. An amendment shall not be considered to be material if it is made for the purpose of correcting technical errors or for clarification of this Declaration. An amendment shall not be considered material if it is necessitated or made pursuant to any plan of expansion, annexation, merger or phased development of the Properties.

c. The Association shall not terminate the legal status of any portion of the Properties as a planned unit development, without the approval of at least sixty-seven (67%) percent of the Lot Owners and fifty-one (51%) percent of the Eligible Mortgage Holders, except when the termination results from the substantial destruction, damage or condemnation of the Properties or the improvements located on the Properties.

d. The term "Eligible Mortgage Holders", as used in this Declaration, means those Holders of First Mortgages, or Deeds of Trust, who have requested, in writing, that the Association notify them of any proposed action which requires the consent of the Eligible Mortgage Holders.

Section 14.4. Term. These provisions, conditions, restrictions and covenants, shall run with the land and continue and remain in full force and

1 effect at all times and against all persons until January 1, 2003, at which time
2 they shall be automatically extended for successive periods of ten (10) years.

3 Section 14.5. Compliance. All covenants, conditions, provisions and
4 restrictions contained herein or any amendments thereto are subject to any and
5 all applicable federal, state and local governmental rules and regulations.

6 Section 14.6. Rule Against Perpetuities. In the event the provisions
7 hereunder are declared void by a court of competent jurisdiction by reason of
8 the period of time during which this Declaration is effective, then in that event,
9 the periods of time shall be reduced to a period of time which do not violate the
10 rule against perpetuities as set forth in the laws of the State of Arizona.

11 Section 14.7. Singular Includes Plural. Unless the context requires
12 a contrary construction, the singular shall include the plural and the plural the
13 singular; and the masculine, feminine or neuter shall each include the masculine,
14 feminine and neuter.

15 Section 14.8. Captions. All captions and titles used in this
16 Declaration are intended solely for convenience or reference purposes only and
17 in no way define, limit or describe the true intent and meaning of the provisions
18 hereof.

19 Section 14.9. Binding Effect. By acceptance of a deed or acquiring
20 any ownership interest in any of the Properties included within this Declaration,
21 each person or entity, for himself, or itself, his heirs, personal representatives,
22 successors, transferees and assigns, bind himself and his heirs, personal
23 representatives, successors, transferees and assigns to all of the provisions,
24 restrictions, covenants, conditions, rules and regulations now or hereafter
25 imposed by this Declaration and any amendments thereto. In addition, each such

1 person doing so acknowledges that this Declaration sets forth a general scheme
2 of the Properties and evidences his intent that all restrictions, conditions,
3 covenants, and rules and regulations contained herein or promulgated hereafter
4 by the Association shall run with the land and be binding upon all subsequent
5 and future Owners, grantees, purchasers, assignees and transferees thereof.
6 Furthermore, each such person fully understands and acknowledges that this
7 Declaration shall be mutually beneficial, prohibitive and enforceable by the
8 various subsequent and future Owners.

9 IN WITNESS WHEREOF, the undersigned have set their hands and
10 seals this 10TH day of JANUARY, 1994.

11 TUCSON COUNTRY CROSSING
12 HOMEOWNERS ASSOCIATION

13 By Fred C. Radley
14 President

15 ATTEST:

16 By Will G. Clayfole
17 Secretary

18 STATE OF ARIZONA)
19) SS:
20 County of Pima)

21 The foregoing instrument was acknowledged before me this 10TH day
22 of JANUARY, 1994, by Fred C. Radley, President, and
23 Will G. Clayfole, Secretary, of Tucson Country Crossing Homeowners
24 Association, an Arizona corporation, on behalf of the corporation.

25 Martha Anne Moore
26 Notary Public

27 My Commission Expires:

28 5-7-95

