

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,