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DECLARATION OF HOMEOWNER BENEFITS AND
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
AVIARA II
(A Single Family Subdivision)

**DECLARATION OF HOMEOWNER BENEFITS AND
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
AVIARA II
(A Single Family Subdivision)**

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**DECLARATION OF HOMEOWNER BENEFITS AND
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
AVIARA II
(A Single Family Subdivision)**

This Declaration of Homeowner Benefits and Covenants, Conditions, and Restrictions for Aviara II (A Single Family Subdivision) is made as of the date set forth at the end of this Declaration by Beazer Homes Arizona Inc., a Delaware corporation, doing business in Arizona as Hancock Homes.

BACKGROUND

A. Declarant is the owner of certain real property located in the City of Scottsdale, County of Maricopa, State of Arizona, (hereinafter called "Property" or "Project") which is described on the Plat and which is additionally described as follows:

Unofficial Document
See Exhibit "A" attached to and incorporated in this Declaration by this reference.

B. Declarant desires to provide for the phased construction of a planned subdivision consisting of detached single family residences, common areas, and other facilities.

C. Declarant includes in this Declaration and imposes these benefits, covenants, conditions, and restrictions upon only the lots and those common area tracts described on Exhibit "A", but Declarant may, subsequent to the date of this Declaration, include in this Declaration additional phases of Aviara II (i.e., to incorporate additional lots and common area tracts in this subdivision) as provided below.

D. Declarant intends that this Declaration and the other Project Documents will facilitate a general plan for development for the Property.

NOW, THEREFORE, Declarant declares that the lots and tracts described on the Plat, together with any other lots and tracts which, in the future, may be included in this Declaration as provided below, shall be held, sold, mortgaged, encumbered, leased, rented, used, occupied, improved, and conveyed subject to the following reservations, easements, limitations, restrictions,

servitudes, covenants, conditions, charges, and liens (collectively termed "covenants and restrictions"). The covenants and restrictions are for the purpose of protecting the value, attractiveness, and desirability of the Property, and the covenants and restrictions shall benefit, burden, and run with the title to the Property and shall be binding upon all parties having any right, title, or interest in or to any part of the Property, or any part of the Property, and their heirs, successors, and assigns. The covenants and restrictions shall inure to the benefit of each Owner. The Declarant further declares as follows:

ARTICLE 1

DEFINITIONS

1.1 "Architectural Committee" shall mean the committee established pursuant to Article 11 of this Declaration and the provisions of any other Project Documents.

1.2 "Architectural Committee Rules" shall mean any rules and regulations adopted by the Architectural Committee, as may be amended from time to time.

1.3 "Articles" shall mean the Articles of Incorporation of the Association that have been or will be filed in the office of the Corporation Commission of the State of Arizona, as may be amended from time to time in the manner set forth in the Articles.

1.4 "Assessment," "assessment," "annual assessment," and "special assessment" (and the plural of each) shall mean the assessments authorized in this Declaration including those authorized in Article 4.

1.5 "Association" shall mean North Scottsdale Villas II Community Association, Inc., that has been or will be incorporated by Declarant and/or others as a non-profit Arizona corporation, and shall mean additionally the Association's successors and assigns.

1.6 "Association Rules" shall mean any rules and regulations adopted by the Association, as may be amended from time to time.

1.7 "Board" and "Board of Directors" shall mean the Board of Directors of the Association.

1.8 "Bylaws" shall mean the bylaws of the Association, as may be amended from time to time in the manner set forth in the Bylaws.

1.9 "Common Area" shall mean all that real property described on the Plat as a common area tract for the common use and enjoyment of the Owners and shall not include the real property identified on the Plat as individual Lots or public streets. The "Common Area" shall include all other real property which in the future may be owned by the Association for the common use and enjoyment of the Owners. The "Common Area" shall include all structures, facilities, furniture, fixtures, improvements, and landscaping, if any and if permitted, located on the real property owned by the Association, and all rights, easements, and appurtenances relating to the real property owned by the Association. Tracts "A", "B", and "C", as depicted on the Plat and all of which are part of the Common Area, shall be referred to as the "Landscape/Drainage Tracts".

1.10 "Declarant" shall mean Beazer Homes Arizona Inc., a Delaware corporation, doing business in Arizona as Hancock Homes, and its successors and assigns, if the successors or assigns acquire more than one undeveloped Lot from the Declarant for the purpose of resale and execute and record a supplemental declaration declaring itself as a succeeding Declarant under this Declaration. "Declarant" does not include any Mortgagee.

1.11 "Declaration" shall mean this Declaration of Homeowner Benefits and Covenants, Conditions, and Restrictions and the covenants and restrictions ^{set forth} in this entire document (in entirety or by reference), as may be amended from time to time. Unofficial Document

1.12 "Detached Dwelling Unit" shall mean all buildings that are located on a Lot and that are used or are intended to be used for Single Family Residential Use, including the garage, carport, and open or closed patios.

1.13 "Institutional Guarantor" shall mean, if applicable to the Project, a governmental insurer, guarantor, or secondary market mortgage purchaser such as the Federal Housing Administration (FHA), the Veterans Administration (VA), the Federal Home Loan Mortgage Corporation (FHLMC), or the Federal National Mortgage Association (FNMA) that insures, guarantees, or purchases any note or similar debt instrument secured by a First Mortgage. An Institutional Guarantor will be entitled to vote on those matters that require the approval or consent of the Institutional Guarantors if the Institutional Guarantor notifies the Association in writing of its desire to vote and its address for delivery of all Association notices.

1.14 "Lot" shall mean any one of the lots that is described and depicted on the Plat and that is initially subjected to this Declaration and shall include any other lot which in the future may be included in this Declaration as

provided in this Declaration. "Inventory Lot" shall mean any Lot owned by the Declarant upon which a Detached Dwelling Unit has not been constructed completely. Completed construction shall be evidenced by the issuance of a final Certificate of Occupancy by the City of Scottsdale. "Completed Inventory Lot" shall mean a Lot owned by Declarant upon which a Detached Dwelling Unit has been completed, as evidenced by the issuance of a final Certificate of Occupancy by the City of Scottsdale.

1.15 "Member" shall mean an Owner of a Lot which is or has become subject to this Declaration by an Annexation Amendment or Supplemental Declaration as described under Article 15 below.

1.16 "Mortgage" (whether capitalized or not) shall mean the conveyance or assignment of any Lot, or the creation of a lien on any Lot, to secure the performance of an obligation, and shall include the instrument evidencing the obligation, and may include a deed of trust, mortgage, assignment, or any other agreement for the purpose of creating a lien to secure an obligation or duty. "First Mortgage" shall mean a Mortgage held by an institutional lender which is the first and most senior of all Mortgages on the applicable Lot.

1.17 "Mortgagee" (whether capitalized or not) shall mean a person or entity to whom a Mortgage is made and shall include a holder of a promissory note, a beneficiary under a deed of trust, or a seller under an agreement for sale. "First Mortgagee" shall mean a Mortgagee which is the first and most senior of all Mortgagees upon the applicable Lot.

1.18 "Mortgagor" shall mean a person or entity who is a maker under a promissory note, mortgagor under a mortgage, a trustor under a deed of trust, or buyer under an agreement for sale, as applicable.

1.19 "Nonrecurring And Temporary Basis" shall mean that the event or act referred to does not last more than twenty-four (24) total hours and does not occur more than twice in any six (6) month period.

1.20 "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple legal title to any Lot. An "Owner" shall not include those persons having an interest in a Lot merely as security for the performance of an obligation or duty (i.e., a mortgagee). In the case of Lots in which the fee simple title is vested of record in a trustee pursuant to Arizona Revised Statutes, §§ 33-801, et seq., the "Owner" of the Lot shall be deemed to be the trustor. In the case of a Lot covered by an Agreement for Sale of Real Property as described in A.R.S., §§ 33-741, et seq., the buyer of the Lot shall be deemed to be the "Owner." An "Owner's Permittees" shall mean all family members, guests, tenants, licensees, invitees,

and agents that use portions of the Project with the implied or express consent of an Owner.

1.21 "Person" and "person" shall mean a natural person, a corporation, a partnership, a trust, or other legal entity.

1.22 "Plat" will refer to the subdivision plat for Aviara II recorded in Book 366 of Maps, Page 19, Official Records of Maricopa County, Arizona, as it may be amended from time to time pursuant to this Declaration.

1.23 "Project Documents" refers to this Declaration, the Articles, the Bylaws, the Association Rules, the Architectural Committee Rules, and the Plat, collectively, as any or all of the foregoing may be amended from time to time.

1.24 "Screened From View" shall mean that the object in question is appropriately screened from view from abutting Lots, Common Area, and public and private streets by a gate, wall, shrubs, or other approved landscaping or screening devices. The Architectural Committee will be the sole judge as to what constitutes an object being Screened From View.

1.25 "Single Family" shall mean a group of one or more persons each related to the other by blood, marriage, or legal adoption, or a group of not more than three (3) adult persons not all so related who maintain a common household in a Detached Dwelling Unit located on a Lot.

1.26 "Single Family Residential Use" shall mean the occupation or use of a Detached Dwelling Unit and Lot by a Single Family in conformity with the Project Documents and the requirements imposed by applicable zoning laws or other state, county, or municipal rules, ordinances, codes, and regulations.

1.27 "Visible From Neighboring Property" shall mean, with respect to any given object, that such object is or would be clearly visible without artificial sight aids to a person six (6) feet tall, standing on any part of the Property (including a Lot, Common Area, or public or private street) abutting the Lot or other portion of the Property in question.

1.28 "Yard" or "yard" shall mean all portions of the Lot other than the portions of the Lot upon which the Detached Dwelling Unit or an ancillary structure of the type described in Section 8.5 below is constructed. "Private Yard" means the portion of the Yard that is not Visible From Neighboring Property, and "Public Yard" means that portion of the Yard that is Visible From Neighboring Property, whether located in front of, beside, or behind a Detached Dwelling Unit. "Side Yard" means the portion of a Yard that is located behind (when viewed from the street) any side boundary wall located on a Lot and that

is no deeper than the deepest wall of any Detached Dwelling Unit located on a Lot. The Architectural Committee will be the sole judge as to what constitutes a Side Yard.

ARTICLE 2

PROPERTY RIGHTS IN COMMON AREAS

2.1 Owners' Easements of Enjoyment. Every Owner shall have a non-exclusive right and easement of use and enjoyment in and to the Common Areas, in common with all other persons entitled to use the Common Area. An Owner's right and easement to use and enjoy the Common Area shall be appurtenant to and pass with the title to every Lot and shall be subject to the following:

(a) Charges and Regulations. The right of the Association to charge reasonable admission and other fees for the use of the Common Areas and to regulate the use of the Common Area; the right of the Association to limit the number of the Owner's Permittees who use the Common Area; the right of the Association to limit the number and type of pets that use the Common Area; the right of the Association to hold the Owners accountable for the conduct of the Owner's Permittees and pets.

(b) Suspension of Voting and Usage Rights. The right of the Association to suspend the voting rights of any Owner and to suspend the right to the use of the Common Areas by an Owner or the Owner's Permittees for any period during which any assessment (together with accrued interest, late charges, and all attorney fees incurred) against that Owner or Owner's Lot remains unpaid, and, in the case of any non-monetary infraction of the Project Documents, for any period during which the infraction remains uncured;

(c) Dedication/Grant. The right of the Association to dedicate or grant an easement covering all or any part of the Common Area to any public agency, municipality, governmental authority, public or private utility, or private person for the purposes, and subject to the conditions, which may be established by the Declarant during the period of Declarant Control (as defined in Section 3.2) and, after the period of Declarant Control, by the Board. Except for those easements reserved or created by Declarant under Article 12 of this Declaration, no dedications or grants of easements over all or any part of the Common Area to any public agency, municipality, governmental authority, public or private utility, or private person shall be effective unless the dedication or grant is approved by two-thirds (2/3) of each class of Members and unless the instrument evidencing the dedication or grant is executed by an authorized officer of the Association and recorded in the proper records in Maricopa County; and

(d) Declarant Use. The right of the Declarant and its agents and representatives, in addition to their rights set forth elsewhere in this Declaration and the other Project Documents, to the nonexclusive use, without extra charge, of the Common Area for sales, display, and exhibition purposes both during and after the period of Declarant Control.

2.2 Delegation of Use. Subject to and in accordance with the Project Documents, any Owner may delegate its right of enjoyment to the Common Areas to the Owner's Permittees.

2.3 Conveyance of Common Area. Immediately prior to the time as the first Lot is conveyed to a Class A Member, the Common Area shall be conveyed by Declarant to the Association by the delivery of a special warranty deed, free and clear of all monetary liens.

ARTICLE 3

MEMBERSHIP AND VOTING RIGHTS

3.1 Membership. Every Owner of a Lot, by accepting a deed for that Lot (whether or not it is expressed in the deed or conveying instrument) or otherwise becoming an "Owner", shall be a Member of the Association and shall be bound by the provisions of the Project Documents, shall be deemed to have personally covenanted and agreed to be bound by all covenants and restrictions contained in the Project Documents, and shall be deemed to have entered into a contract with the Association for the performance of the respective covenants and restrictions. The personal covenant of each Owner described in the preceding sentence shall be deemed to be in addition to the real covenants and equitable servitudes created by the Declaration, and this personal covenant of each Owner shall not limit or restrict the intent that this Declaration benefit and burden, as the case may be, and run with title to all Lots and Common Area covered by this Declaration. Membership in the Association shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. Upon the permitted transfer of an ownership interest in a Lot, the new Owner shall automatically become a Member of the Association. With the exception of Declarant, membership in the Association shall be restricted solely to Owners of Lots.

3.2 Class. The Association shall have two (2) classes of voting membership:

(a) Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one

person holds an interest in any Lot, all such persons shall be Members; however, for all voting purposes and quorum purposes, they shall together be considered to be one (1) Member. The vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot. Any attempt to cast multiple votes for a given Lot shall result in the invalidity of all votes cast for that Lot.

(b) Class B. The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership upon the happening of any of the following events, whichever occurs earlier:

(1) Four (4) months after the date when the total votes outstanding in the Class A membership first equals or exceeds the total votes outstanding in the Class B membership;

(2) The date which is six (6) years after the date of the close of escrow on the first Lot sold by Declarant; or

(3) When the Declarant notifies the Association in writing that it relinquishes its Class B membership.

Unofficial Document

Upon the conversion of Declarant's Class B membership to Class A membership, the Declarant will be entitled to only one (1) vote for each Lot owned by the Declarant. The period of time during which Class B membership is in existence shall be referred to in this Declaration as the period of "Declarant Control." For the purposes of Section 3.2(b)(1) above, the number of votes shall be based upon the Lots initially covered by this Declaration, plus all Lots which in the future may be included in or covered by this Declaration as provided in this Declaration, minus all Lots withdrawn from this Declaration, if any.

3.3 Transfer of Control. When control of the Association is transferred from the Declarant to the Owners pursuant to Section 3.2, the Class A Members shall accept control of the Association from the Declarant and full responsibility for the operation of the Association and administration of the Property as provided in the Project Documents, and Declarant shall have no further responsibility for past, present, or future acts or omissions with respect to the operation of the Association and administration of the Property.

ARTICLE 4

COVENANT FOR MAINTENANCE ASSESSMENTS

4.1 Creation of the Lien and Personal Obligation for Assessments. Each Owner of any Lot, by accepting a deed for that Lot (whether or not it is expressed in the deed or conveying instrument) or otherwise becoming an "Owner", is deemed personally to covenant and agree to be bound by all duties, obligations, and provisions of the Project Documents and to pay to the Association:

(a) Annual assessments or charges;

(b) Special assessments for capital improvements under Section 4.4, unexpected or extraordinary expenses for repairs of Common Area, or other matters;

(c) An amount sufficient to, on demand, indemnify and hold the Association harmless for, from, and against all obligations undertaken or incurred by the Association at or on account of that individual Owner's special request and to repay the Association for all expenditures on account of the special request;

(d) An amount sufficient to reimburse the Association for the cost of performing any obligation of an Owner under the Project Documents which the Owner has failed to timely pay or perform; and

(e) All other assessments as may be fixed, established, and collected from time to time as provided in this Declaration or the other Project Documents, including, without limitation, any accrued interest, taxable court costs, late fees, attorney fees, fines, penalties, or other charges.

The assessments and amounts described above, together with all accrued interest, court costs, attorney fees, late fees, and all other expenses incurred in connection with the assessments and amounts described above, whether or not a lawsuit or other legal action is initiated, shall be referred to as an "assessment" or the "assessments". The assessments shall be a charge and a continuing lien upon the Lot against which the assessment is made or with reference to which each assessment is incurred. Each assessment also shall be the personal obligation of the person who was the Owner of the Lot at the time when the assessment became due or charge was incurred, or, in the case of more than one Owner, the personal obligation of each person, jointly and severally. The personal obligation for delinquent assessments shall not pass to the particular Owner's successors in title unless expressly assumed by them; however, the prior Owner's personal obligation for the delinquent assessments or charges

shall not be deemed released or discharged by reason of any assignment, conveyance, or transfer of title of a Lot. Notwithstanding the previous sentence, in the event of an assignment, conveyance, or transfer of title to any Lot, the assessment additionally shall continue as a charge against the Lot in the hands of the subsequent Owner, except in those circumstances described in Section 4.9 below. The recordation of this Declaration shall constitute record notice and perfection of any assessment or assessment lien, and, notwithstanding Section 4.10 below, further recordation of any claim of lien (or Notice and Claim of Lien) for assessment shall not be required for perfection, priority, or enforcement.

4.2 Purpose of Assessments. The assessments levied by the Association shall be used for the purpose of:

(a) promoting the recreation, health, safety, welfare, and desirability of the Owners, Common Areas, and Lots;

(b) operating of the Common Areas (including payment of all taxes, utilities, maintenance, and rubbish collection fees, if any, and if not individually billed to the Owners);

(c) insuring (including a reserve fund for insurance deductibles), maintaining, repairing, painting, and replacing improvements in the Common Areas (including any reserve fund for the foregoing); and

(d) enhancing and protecting the value, desirability, and attractiveness of the Lots and Common Areas generally.

The annual assessment may include a reserve fund for taxes, insurance, maintenance, repairs, and replacements of the Common Area and other improvements which the Association is responsible for maintaining.

4.3 Initial and Annual Assessments. Until December 31, 1994, the maximum annual assessments shall be ~~Three Hundred~~ ^{Eighty-Four} and No/100 Dollars (\$384.00) per Lot. From and after the "base year" ending December 31, 1994, the maximum annual assessment shall be as determined by the Board of Directors. The percentage increase in the regular annual assessment in any given year over the assessment in the previous year may not be increased by more than the Permitted Percentage Increase (as defined below), unless any further additional increase is approved by an affirmative vote of two-thirds (2/3) of the votes cast in person or by proxy of each class of Members at a regular or special meeting duly called for that purpose. From and after December 31, 1994, the Board, without a vote of the Members, may increase the maximum annual assessments during

each fiscal year of the Association by an amount ("Permitted Percentage Increase") equal to the greater of: (i) ten percent (10%); or (ii) a percentage calculated by dividing the Consumer Price Index in the most recent October (identified by an "A" in the formula) by the Consumer Price Index for the October one (1) year prior (identified by a "B" in the formula), minus one (1) (i.e., $CPI \text{ percentage} = A/B - 1$). By way of example only, the percentage increase in the assessment for 1995 cannot be increased by more than the greater of: (I) ten percent (10%); or (II) the increase in the Consumer Price Index for October, 1994, divided by the Consumer Price Index in October, 1993), minus one (1). The term "Consumer Price Index" shall refer to the "United States Bureau of Labor Statistics, Consumer Price Index, United States and selected areas, all items" issued by the U.S. Bureau of Labor Statistics, or its equivalent or revised or successor index.

4.4 Special Assessments for Capital Improvements. The Association may, at any time and from time to time in any assessment year, in addition to the annual assessments authorized above or any other assessments authorized elsewhere in this Declaration, levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement (whether or not due to destruction, governmental taking, or otherwise) of a capital improvement upon the Common Areas (including fixtures and personal property related to the Common Area) or the cost of any other unexpected or extraordinary expenses for repairs of Common Area or other matters; however, any special assessment shall have the assent of two thirds (2/3) of the votes cast in person or by proxy of the Members at a regular or special meeting duly called for that purpose. Notwithstanding the foregoing, no approval of the Members shall be needed to levy assessments on an Owner which arise out of the Owner's failure to comply with the Project Documents including, without limitation, any assessment levied pursuant to Sections 4.1(c), 4.1(d), 4.6, 5.2, or 5.3 of the Declaration.

4.5 Notice and Quorum. Written notice of any meeting called for the purpose of taking any action authorized under Section 4.3 or 4.4 shall be sent to all Members not less than ten (10) days nor more than fifty (50) days in advance of the meeting. At the first meeting called regarding any given proposal, the presence (at the beginning of the meeting) of Members or proxies entitled to cast fifty percent (50%) of all the votes of the Association, regardless of class of membership, shall constitute a quorum. If the required quorum is not present, one other meeting for the same purpose may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-third (1/3) of all the votes of the Association, regardless of class of membership. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

4.6 Uniform Rate of Assessment. Both the annual assessments outlined in Section 4.3 and the special assessments outlined in Section 4.4 must be fixed at a uniform rate for all assessable Lots; however, the rate of assessment for Inventory Lots and Completed Inventory Lots owned by Declarant shall be twenty-five percent (25%) of the rate for completed and occupied Lots owned by an Owner other than the Declarant. Notwithstanding the reduced assessment on Inventory Lots and Completed Inventory Lots, Declarant shall be obligated to pay to the Association for any shortages or deficiencies caused by reason of Declarant's reduced assessments; however, Declarant's maximum obligation for these shortages or deficiencies shall be equal to the uniform rate of assessment on all Lots multiplied by the number of Lots upon which Declarant paid a reduced assessment, less all amounts previously paid by Declarant as reduced assessments on such Lots. Assessments may be collected on an annual basis or on such more frequent basis as the Board of Directors from time to time shall determine. The provisions of this Section 4.6 shall not preclude the Association from making a separate or additional charge to, or special assessment on, an Owner for or on account of special services or benefits rendered to, conferred upon, or obtained by or for that Owner or the Owner's Lot. If any expense incurred by the Association is caused by the misconduct of any Lot Owner or the Owner's Permittees, the Association may specially assess the expense exclusively against such Owner and/or Lot.

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4.7 Date of Commencement of Assessments. The annual assessments established in this Declaration regarding any given Lot subject to this Declaration shall commence on the first day of the month following the conveyance of the Common Areas to the Association. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall endeavor to fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period; however, the annual assessment shall be binding notwithstanding any delay. Written notice of the annual assessment and of any special assessments shall be sent to every Owner subject to the assessment. The due dates shall be established by the Board of Directors. The Association acting through the Board of Directors, upon written demand and for a reasonable charge, shall furnish a certificate signed by an officer of the Association setting forth whether the assessments and charges on a specified Lot have been paid and setting forth any other matters as may be required from time to time by Arizona law. A properly executed certificate of the Association as to the status of assessments on a Lot and any other required matters shall be binding on the Association as of the date of issuance of the certificate and for the time period specified in the certificate. Assessments shall be payable in the full amount specified by the assessment notice, and no

offsets against such amount shall be permitted for any reason whatsoever including, without limitation, abandonment of the Owner's Lot, a claim that the Association is not properly exercising its duties in maintenance or enforcement, a claim against the Declarant or its affiliates, or the non-use or claim of non-use by Owner of all or any portion of the Common Area. Assessments may be collected in advance or in arrears as the Board of Directors shall determine in their sole discretion.

4.8 Effect of Nonpayment of Assessments - Remedies of the Association. Any assessment not paid within fifteen (15) days after the due date shall be subject to a one-time late charge of Fifty and No/100 Dollars (\$50.00) and additionally shall bear interest from the due date at the minimum rate of eighteen percent (18%) per annum, or at any higher legal interest rate as may be determined from time to time by the Board of Directors. Each Owner of a Lot, by accepting a deed for that Lot (whether or not it is expressed in the deed or conveying instrument), or otherwise becoming an "Owner", vests in the Association and its agents the right and power to bring all actions against the Owner personally for the collection of all assessments due under the Project Documents as a debt and to enforce the lien securing the assessment by all methods available for the enforcement of liens, including foreclosure by an action brought in the name of the Association in the same manner as a mortgage of real property, a deed of trust, and/or a mechanic's lien. The Association may ^{Unofficial Document} make payments on any prior liens including any Mortgage or taxes on the Lot, and all payments shall be added to the lien in favor of the Association. The lien shall be in favor of the Association and shall be for the benefit of all other Owners. The Association shall have the power to bid in any foreclosure, sheriff's sale or similar sale and to acquire, hold, lease, mortgage, and convey the Lot purchased. The Association may institute suit to recover a money judgment for unpaid assessments of the Owner without being required to foreclose its lien on the Lot involved and without waiving the lien which secures the unpaid assessments. Any foreclosure may be taken without regard to the value of the Lot, the solvency of the Owner, or the relative size of the Owner's default. The assessment lien and the rights of enforcement under this Declaration shall be in addition to and not in substitution of all other rights and remedies which the Association may have under the Project Documents or under Arizona law.

4.9 Subordination of the Lien to Mortgages. Regardless of whether or not a Notice and Claim of Lien has been recorded, the lien for the assessments established in this Declaration shall be superior to all liens, charges, and encumbrances which, after the date of recordation of this Declaration, are or may be imposed on any Lot or Parcel. The lien for the assessments established in this Declaration, however, shall be automatically subordinate to: (i) the lien of