Phen recorded mail to: Commonwealth Title of Arizona 4800 N. Central Avenue P. O. Box 16020 Phoenix, Arizona 85011 Atten: K. D. Mattison Re: Trust 257

DECLARATION OF COVENANTS,

PROP RSIR (PR)

CONDITIONS AND RESTRICTIONS

CIRCLE G RANCHES 4, UNIT 1

THIS DECLARATION of Covenants, Conditions and Restrictions is made this //th day of <u>Faveness</u>, 1978 by Commonwealth Title of Arizona, an Arizona corporation, as Trustee, herein referred to as *Declarant*.

WITNESSETH:

WHEREAS Declarant is the owner of both legal and equitable title of the following described real property, situated within the County of Maricopa, State of Arizona, to wit:

Lots 1 through 35, inclusive, CIRCLE G RANCHES 4, UNIT 1, according to the plat of record in the office of the County Recorder of Maricopa County, Arizona, in Book 205 of Maps, Page 19 thereof;

and,

WHEREAS, Declarant desires to develop the above described real property and additional properties to be acquired or annexed hereafter by it into a uniquely planned residential subdivision; and,

WHEREAS, at full development it is intended, without obligation, that such subdivision shall have recreational areas, equestrian areas and riding paths; and

WHEREAS, for the first stage of development of the lands now owned or hereafter acquired, Declarant intends, without

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obligation, to develop a subdivision upon the above described real property which, as of the date of recordation of this Declaration, is owned by Declarant and shall comprise the "Property"; and it is intended, without obligation, that other lands gradually will be added to the Property to expand and more fully develop the subdivision; and

WHEREAS, Declarant desires to form a non-profit corporation for the purpose of benefiting the Property and the Owners thereof, which non-profit corporation (herein referred to as the "Association") shall be intended, without obligation, to (1) acquire, construct, operate, manage and maintain the common area and facilities; (2) establish, levy, collect and disburse the assessments and other changes as may be imposed hereunder, and (3) as the agent and representative of the Owners of the Property, administer and enforce all provisions hereof and enforce use and other restrictions imposed on various parts of the Property; and

WHEREAS, until such time as the Association is incorporated, Declarant desires to and hereby does reserve to itself, its successors and assigns the right to exercise the powers and duties granted in this Declaration to the Association; and

WHEREAS, in order to enable Declarant and the Association to accomplish the purposes outlined above, all of the Property is hereby subjected to and shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with the real property and

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be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall enure to the benefit of each owner thereof.

NOW THEREFORE, Commonwealth Title of Arizona, as Trustee, hereby declares, covenants and agrees as follows:

ARTICLE I

Definitions

The following words, phrase or terms used in this Declaration shall have the familianting meanings:

- 1.1 "Additional Properties" shall mean properties added in accordance with Article IX hereof.
- 1.2 "Association" shall mean and refer to the CIRCLE G RANCHES 4 HOMEOWNERS ASSOCIATION, an Arizona non-profit corporation to be organized by Declarant to administer and enforce the Covenants and to exercise the rights, powers and duties set forth in this Declaration.
- 1.3 "Common Area" shall mean all real property owned or acquired by the Association for the common use and enjoyment of all or a part of the owners.
- 1.4 "Declarant" shall mean Commonwealth Title of Arizona, an Arizona corporation, as Trustee, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.
 - 1.5 "Declaration" shall mean the covenants, conditions and

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restrictions herein set forth in this entire document, as it may from time to time be amended or supplemented.

- 1.6 "Developer" shall mean and refer to CIRCLE G RANCHES,
 an Arizona partnership.
- 1.7 "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the properties with the exception of the Common Area.
- 1.8 "Owner(s)" shall mean and refer to the record owner, whether one or more persons or entities, of equitable or beneficial title (or legal distillation for same has merged) of any Lot. Owner shall include the purchaser of a Lot under an executory contract for the sale of real property. The foregoing does not include persons or entities who hold an interest in any Lot merely as a security for the performance of an obligation nor shall the term "Owner" include a Developer, or Contractor other than Declarant.
- 1.9 "Property" shall mean and refer to that certain real property hereinbefore described.

ARTICLE II

Property Rights

2.1 Owner Easements of Enjoyment: Every owner of a lot within CIRCLE G RANCHES 4, UNIT 1, and within Additional Properties as may be annexed from time to time shall have a right and easement of enjoyment in and to the common areas which shall be appurtenant to and shall pass with the title of said lot, subject to the following provisions:

- (a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (b) the right of the Association to suspend the voting rights and right to use the recreational facilities by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;
- (c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by 2/3rds of each class of members has been recorded.
- 2.2 <u>Delegation of Use:</u> Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

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ARTICLE III

Permitted Uses and Restrictions

- 3.1 Residential Use: Lots 1 through 35, inclusive, of CIRCLE G RANCHES 4, UNIT 1, shall be single-family residential lots, and there may be erected on any one lot not more than one single-family residence plus such accessory and auxiliary garages, barns and tack-rooms as are incidental to single-family residential use. No other buildings shall be erected on any of said lots, nor shall any of said lots or any part thereof be used for any business purposes whatsoever.
- 3.2 <u>Subdividing:</u> No lot snall be re-subdivided into smaller lots nor conveyed or encumbered in less than the full original dimensions of such lot as shown by the recorded plat. Nothing herein contained shall prevent the dedication or conveyance of portions of lots for public utilities purposes in which event the remaining portion of such lots shall, for the purpose of this provision, be treated as a whole lot.
- 3.3 Parking: Automobiles of the private passenger class and pickup trucks not exceeding three-quarter ton may be parked on the side of any lot; provided that any such parking area shall comply with the same set back requirements as the residential dwellings and be subject to required approval by the Architectural Control Committee. Campers, horse trailers, motorhomes and boats may be parked on the back of any lot; provided that any such parking area shall be attractively screened or concealed from neighboring lots, roads or streets, and then only with the prior approval of the Architectural

Control Committee. All other trucks, vehicles and equipment shall not be kept on any lot or street except in a private garage or barn. No motor vehicle which is under repair or not in operating condition shall be placed or permitted to remain on any street or streets, or any portion of any lot, or lots, in CIRCLE G RANCHES 4, UNIT 1, unless it is within an enclosed garage or structure.

- 3.4 <u>General Upkeep:</u> All clothes lines, yard or tack equipment, garbage cans, and service yards shall be kept screened by adequate planting or fencing so as to conceal them from view of neighboring parcels and streets. All rubbish, trash or garbage shall be removed from premises of all lots and shall not be allowed to accumulate thereon. No antenna or broadcasting tower shall be erected on any of the said lots in CIRCLE G RANCHES 4, UNIT 1, except that a television antenna may be maintained so long as said antenna is attached to the roof of a residential dwelling and does not rise more than ten (10) feet above the high point of the roof of said dwelling and then only with the prior approval of the Architectural Control Committee.
- 3.5 Sewage: Until such time as sewers may be available, all bathrooms, toilets or sanitary conveniences shall be connected to septic tanks and cesspools or leach fields constructed in accordance with the requirements and standards of County and State laws, rules and regulations in accordance with sound engineering, safety and health practices. There shall not be allowed any outside portable lavatories, outside toilets or open plumbing.
 - 3.6 Tanks: No elevated tanks of any kind shall be erected,

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placed or permitted on any lots. Any tanks, including tanks for the storage of fuel, must be buried or attractively screened to conceal it from neighboring lots, roads or streets, and then only with the prior approval of the Architectural Control Committee.

3.7 Horse Privileges: Subject to the laws, ordinances, health codes and rules and regulations of the State of Arizona, Maricopa County and municipalities thereof, CIRCLE G RANCHES 4, UNIT 1, is and shall remain a multi-purpose subdivision intended for the use and enjoyment of horsemen including the non-commercial raising of horses.

All animals, including with nust be kept within a fenced area, encaged or otherwise controlled and not allowed to wander off or fly about. There shall be no commercial breeding, raising and/or boarding of any animals.

The care of horses shall be performed by the lot owner in a clean, neat, orderly fashion in accordance with the prevailing customs and methods; the physical facilities for the same shall also be maintained by the lot owner in a clean, neat orderly fashion in accordance with the prevailing custom and usage so that such facilities shall not become a nuisance to the remaining lot owners and shall comply with all requirements of the Maricopa County Health Department and the Architectural Control Committee.

At no time will swine, peacocks or geese be allowed.

3.8 Construction Permitted: All structures erected in CIRCLE G RANCHES 4, UNIT 1, must be of new construction, and no buildings or structures may be moved from any other location, other than the point of distribution or manufacture, onto any of

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said lots or tracts. All roofs must be of either tile or wood shake construction.

- 3.9 Minimum Livable Area: All single-family residences constructed within CIRCLE G RANCHES 4, UNIT 1, shall contain a minimum livable area of 2,200 square feet on grade level if one story, with or without basement, and 2,000 square feet on the grade level if two story. A split level home containing a grade level, sub-grade level and above grade level shall contain a minimum livable area of 2,200 square feet on the grade level and sub-grade level combined. All square footage requirements shall be exclusive of open porches, pergolas or attached garages. Additional Properties may be developed with smaller square footage requirements, provided, however, that such Additional Properties must be in harmony with the aesthetic and architectural design of CIRCLE G RANCHES 4, UNIT 1.
- 3.10 Plan Approval: Except as provided herein, no single-family residence, garage, barn, stable or shed, fence or other structure shall be constructed within CIRCLE G RANCHES 4, UNIT 1, without having first obtained the prior approval of design, location and materials by the CIRCLE G RANCHES 4 ARCHITECTURAL CONTROL COMMITTEE as described herein. All such approvals shall be obtained pursuant to the provisions and requirements of Article IV herein.
- 3.11 Commencement of Construction: No garage, barn, stable or similar structure shall be erected on any lot until construction of the primary single-family residence (complying with these restrictions) shall have been commenced on said lot,

and no garage or barn shall be maintained or occupied until construction on said single-family residence is finished and ready for occupancy. Any garage, barn, stable or similar structure erected on any lot shall be of the same design and constructed of the same materials as the permanent residence on said lot.

3.12 Permanent Structure: No garage, barn, stable, tack room, trailer, mobile home, motor home, motor vehicle, or any temporary structure of any nature may be used temporarily or permanently as a residence on any lot or tract. All permanent structures on all lots shall comply with all minimum yard set back requirements established by the zoning ordinance of the City of Tempe, as it may be amended from time to time. (Said set-back requirements are presently as follows:

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FRONT	40	35
SIDE	20	15
REAR	35	30
STREET SIDE*	25	20

*The street side of yard of corner lots adjacent to key lots shall be increased by 10 additional feet.)

3.13 <u>Fenced Areas:</u> A fence designed or used for the containment of horses may be built and maintained up to and conterminous and even with the front line of a residential dwelling, providing that the location, design and type of

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materials for such fence have been approved by the Architectural Control Committee as provided herein. When an owner has one or more lots to be used for grazing, then said fence shall be extended to the front lot line of said grazing lot(s) and shall enclose the entire grazing lot(s).

- 3.14 <u>Fence Materials</u>: All fences and corrals used for the shelter or containment of animals shall be of galvanized steel material with posts placed in concrete; minimum size of posts and rails 2° 0.D. with a minimum of three (3) rails. Chain link fences may be used to contain small animals if used in conjunction with interior fencing of the above described construction. No chain link fence shall be used, as or in conjunction with, any perimeter fence. No wooden posts or fencing of any kind, nor barbed or strand wire may be used. Block walls are permissible subject to approval of the Architectural Control Committee.
- 3.15 <u>Light Post</u>: Each and every home owner must have at least one light post located within the front yard of his lot and shall obtain the approval of the Architectural Control Committee of the location, design and construction of the light post.
- 3.16 Commercial Activities: No hotel, store, multi-family dwelling, boarding house, guest ranch, or any other place of business of any kind, and no hospital, sanitarium or other place for the care or treatment of the physically or mentally sick or for the treatment of disabled animals shall be erected or permitted upon the premises of any lot, or any part thereof, and no business of any kind or character whatsoever shall be

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conducted in or from any residence or building on any said lots.

- 3.17 Signs: No advertising signs, billboards or unsightly objects shall be erected, placed or permitted to remain on any of said lots or tracts, provided, however, that a sign or signs as may be required by legal proceedings and a single "For Sale" or "For Rent" sign, not containing more than four square feet of surface area may be placed on any lot, and such sign or signs shall not be deemed in violation of these Restrictions.
- 3.18 Upkeep Assessment: The owners of all lots shall keep the same reasonably clean and clear of weeds and trash, so as not to cause an unsightly or dangers condition, and if such owner should fail after ten (10) days written notice from the Architectural Control Committee to do so, the committee shall have the right to enter upon such lot and may cause the same to be cleaned four times yearly, if necessary, and charge the actual cost thereof to the owner of such lot and said charges shall be a lien against the property.
- 3.19 <u>Brainage</u>: The developer has established appropriate grades as required by the proper governmental authorities within CIRCLE G RANCHES 4, UNIT 1, and said final grades shall not be disturbed in any manner which may adversely affect any other residential unit or property whether within the subdivision or elsewhere; nor shall any owner divert or cause diversion of the surface water from the street adjacent to his property onto any other property. All surface water shall be left free to their natural flow unless lawfully diverted to a drainage ditch. The provisions of this paragraph shall be subordinate to the Maricopa

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County subdivision regulations governing such drainage.

- 3.20 Equestrain and Utility Easements: All lots and tracts in the subdivision are subject to a public utilities easement for the purpose of permitting installation and maintenance of lighting facilities for the equestrain easement and bridle path and no excavation, planting, fence, building, structure or other barrier or impediment may be placed or permitted to remain at any point on the equestrain easement and bridle path or public utility easement within CIRCLE G RANCHES 4, UNIT 1, which would restrict the free use and enjoyment of said easements by the owners of any lot or lots in the subdivision.
- 3.21 Use of Trail Bikes: No trail bikes, motorcycle or motor driven vehicles of any kind shall make use of the equestrain easements and bridle paths or horse arena areas except for the limited necessary use of horse trailers and vehicles for supply, material delivery, or maintenance.
- 3.22 <u>Trash Containers and Collection</u>: No garbage or trash shall be placed or kept on any property within CIRCLE G RANCHES

 4, UNIT 1, except in covered containers. In no event shall such containers be maintained so as to be visible from neighboring property except to make the same available for collection and, then, only for the shortest time reasonably necessary to effect such collection.
- 3.23 <u>Diseases and Insects:</u> No owner shall permit any thing or condition to exist upon any property within CIRCLE G RANCHES
 4, UNIT 1, which shall induce, breed or harbor infectious plant diseases or noxious insects; provided, however, this provision

shall not restrict the horse and animal privileges contained herein.

- 3.24 Air-Conditioning Equipment: No heating, air conditioning or refrigeration equipment shall be placed, allowed or maintained anywhere other than on the ground unless screened or concealed (subject to required approvals by the Architectural Control Committee) in such manner that the screening or concealment thereof appears to be part of the integrated architectural design of the building and does not have the appearance of a separate piece or pieces of machinery fixtures or equipment.
- 3.25 Utility and Service Lines: No gas, electric, power, telephone, water, sewer, cable television or other utility or service lines of any nature combined shall be placed, allowed or maintained upon or above the ground on any Lot, except to the extent, if any, underground placement thereof may be prohibited by law or would prevent the subject line from being functional. The foregoing shall not prohibit service pedestals and above ground switch cabinets and transformers where required.
- 3.26 <u>Burning and Incinerators:</u> No open fires or burning shall be permitted on any Lot at any time and no incinerators or like equipment shall be placed, allowed or maintained upon any Lot. The foregoing shall not be deemed to preclude the use, in customary fashion, of outdoor residential barbecues or grills.

ARITCLE IV

Architectural Control Committee

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- 4.1 Organization: There shall be an Architectural Control Committee organized, which shall consist of three regular members and two alternate members. None of such members shall be required to be an architect or to meet any other particular qualifications for membership. A member need not be, but may be, a member of the Board or an officer of the Association.
- 4.2 Alternate Members: In the event of the absence or disability of one or two regular members of said Committee, the remaining regular member or members, even though less than a quorum, may designate either or both or the alternate members to act as substitutes for the absent or disabled regular member or members for the duration of such absence or disability.
- 4.3 <u>Initial Members:</u> The following persons are hereby designated as the initial members of the Architectural Control Committee:

T. Dennis Barney regular member
William R. Olsen regular member
Gerald J. Ricke regular member
alternate member

4.4 Terms of Office: Unless the initial members of the Architectural Control Committee have resigned or been removed, their terms of office shall expire at the time all lots are developed, sold and recorded, but shall continue thereafter until the appointment of their respective successors. Thereafter the term of each member of the Committee shall be for a period of

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three years and until the appointment of his successor.

- 4.5 Appointment and Removal: The right to appoint and remove all regular and alternate members of the Architectural Control Committee at any time, shall be and is hereby vested fully in the Board of the Association, provided, however, that no regular or alternate member may be removed from the Architectural Control Committee by the Board except by the vote or written consent of four-fifths (4/5) of all the members of the Board. Any regular or alternate member of the Architectural Control Committee may resign at any time by giving written notice thereof to the Board.
- 4.6 <u>Duties:</u> The Architectural Control Committee shall have the authority and responsibility to review the Plans and Specifications of all single-family residences, garages, barns, stables, sheds, fences and other structures to be constructed in the subdivision pursuant to the terms hereof, and perform such other duties as may be delegated to it by the Board.

The Architectural Control Committee shall have the right to refuse to approve any plans or specifications or grading plans, which are not suitable or desirable, in its opinion, for aesthetic or other reasons, and in so passing upon such plans, specifications and grading plans, and without any limitations of the foregoing, it shall have the right to take into consideration the suitability of the proposed building or other structure, and of the materials of which it is to be built, the site upon which it is proposed to erect the same, the harmony thereof with the surroundings and the effect of the building or other structure as

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planned, on the outlook from the adjacent or neighboring property. All subsequent additions to or changes or alterations in any building, fence, wall or other structure including exterior color scheme, shall be subject to the prior approval of the Architectural Control Committee. No changes or deviations in or from such plans and specifications once approved shall be made without the prior written approval of the Architectural Control Committee. All decisions of the Architectural Control Committee shall be final and no lot owner or other party shall have recourse against the Architectural Control Committee for its refusal to approve any such prans and specifications or plot plans, including lawn area and landscaping.

4.7 <u>Time For Approval:</u> Two copies of the complete plans and specifications of any proposed structure must be submitted to the Architectural Control Committee. At least one copy of said plans and specifications shall be retained by the Architectural Control Committee.

In the event that a written request for such approval is not acted upon within thirty (30) days of the receipt by the Committee of said request, then such approval will not be required; provided, however, that no structure may be constructed pursuant to this paragraph which conflicts with any specifically delineated restriction contained herein.

4.8 <u>Waiver:</u> The approval by the Architectural Control Committee of any plans, drawings, or specifications for any work done or proposed, or for any other matter requiring the approval of the Architectural Control Committee, shall not be deemed to

constitute a waiver of any right to withhold approval of any similar plan, drawing, specification, or matter subsequently submitted for approval.

- 4.9 Meetings and Compensations: The Architectural Control Committee shall meet from time to time as necessary to perform its duties hereunder. The vote or written consent of any two regular members at a meeting, or otherwise, shall constitute the act of the Committee. Members of the Architectural Control Committee shall not be entitled to compensation for their services.
- 4.10 <u>Committee Rules</u>: The Architectural Control Committee may, from time to time, and in its sole and absolute discretion, adopt, amend and repeal, by unanimous vote or written consent, rules and regulations, to be known as the Architectural Control Committee Rules. The Rules may set forth the standards and procedures for Committee review and guidelines for architectural design, placement of buildings, landscaping, color scheme, exterior finishes and materials and similar features which are recommended for use within CIRCLE G RANCHES 4, UNIT 1.
- 4.11 <u>Liability:</u> Neither the Architectural Control
 Committee nor any member thereof, shall be liable to the
 Association, any owner, or to any other party for any damage,
 loss or prejudice suffered or claimed on account of:
 - (a) Approval or disapproval of any plans, drawings, or specifications, whether or not defective,
 - (b) The construction or performance of any

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work, whether or not pursuant to approved plans, drawings and specifications,

- (c) The development of any property within CIRCLE G RANCHES 4, UNIT 1, or
- (d) The execution and filing of any estoppel certificate, whether or not the facts therein are correct; provided, however, that with respect to the liability of a member, such member has acted in good faith on the basis of such information as may be possessed by him.

Without any way limiting the generality of any of the foregoing provisions of this section, the Architectural Control Committee, or any member thereof, may, but is not required to, consult with, or hear the views of the Association or any owner with respect to any plans, drawings, specifications, or any other proposal submitted to the Committee for review.

ARTICLE V

CIRCLE G RANCHES 4 HOMEOWNERS ASSOCIATION

5.1 The Association: The CIRCLE G RANCHES 4 HOMEOWNERS
ASSOCIATION shall be a non-profit Arizona Corporation charged
with the duties and invested with the powers prescribed by law
and set forth in its Articles, Bylaws and this Declaration.
Neither the Articles nor Bylaws shall, for any reason, be amended
or otherwise changed or interpreted so as to be inconsistent with
this Declaration.

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- Association shall be conducted by the board of nine (9) directors who need not be members of the corporation. The initial board of directors shall consist of nine directors, three of which shall serve until the election of their successors at the first annual meeting, three of which shall serve until the election of their successors at the second annual meeting, and three of which shall serve until the election of their successors at the third annual meeting. Beginning with the first annual meeting the members, at each annual meeting, shall elect three (3) directors, each for a term of three (3) years.
- 5.3 <u>Powers and Duties:</u> The Association shall have such rights, duties and powers as set forth in the Articles and Bylaws, as they may be amended from time to time. Such rights duties and powers shall include, but not be limited to, the following:
 - (a) Appoint and remove regular and alternate members of the Architectural ControlCommittee as permitted herein;
 - (b) Hold title to the Common Areas and such other areas as may be acquired by it and set aside and maintained for the use, enjoyment or convenience of the owners of lots within CIRCLE G RANCHES 4, UNIT 1; and
 - (c) Maintain and manage all Common Areas and the equestrain and irrigation easements.
- 5.4 Rules: By a majority vote of the Board, the Association

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may, from time to time and subject to the provisions of this

Declaration, adopt, amend, and repeal rules and regulations to be
known as the CIRCLE G RANCHES 4 Rules (Rules). The Rules may
restrict and govern the use of any area by any owner, or by any
invitee, licensee or lessee of such owner; provided, that the
Rules may not discriminate among owners and shall not be
inconsistent with this Declaration, the Bylaws or Articles. A
copy of the Rules as they may from time to time be adopted,
amended or repealed, shall be mailed or otherwise delivered to
each owner and may be recorded. Upon such recordation, said
rules shall have the same force and effect as if they were set

Committee of the Association, or any officer of the Association, or the manager, shall be personally liable to any owner, or to any other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any acts, omissions, error or negligence of the Association, the Board, the Manager, or any other representative or employee of the Association, or the Architectural Control Committee, or any other committee, or any officer of the Association, provided that such person has, upon the basis of such information as may be possessed by him, acted in good faith, without willful or intentional misconduct.

ARTICLE VI

Membership and Voting Rights

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- 6.1 Every owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment.
- 6.2 The Association shall have three classes of voting membership:

Class A: Class A members shall be all owners of lots within CIRCLE G RANCHES 4, UNIT 1 and such owners of lots within Additional Properties as may be so designated in the Supplemental Declaration annexing such Additional Properties with the exception of the Declarant. Class A members shall be entitled to one vote for each lot owned. When more than one person holds an interest in any such lot, all such persons shall be members. The vote for such lot shall be exercised as they, among themselves determine, but in no event shall more than one vote be cast with respect to any lot. Class B: The Class B members shall be such owners of lots within Additional Properties as may be so designated in the Supplemental Declaration annexing such Additional Properties with the exception of the Declarant. The Class B members shall be entitled to one vote for each lot owned.

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When more than one person holds an interest in any such lot, all such persons shall be members. The vote for such lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any lot. The Class B members shall, in addition, be entitled to such other rights and obligated by such other restrictions as may be specifically set out in the Supplemental Declaration annexing their properties and designating them as Class B members. Class C: The Class C member shall be the Declarant and shall be entitled to three votes for each lot owned, whether voting on a matter presented to the Class A members, Class B members, or both. The Class C membership shall cease and be converted into Class A and Class B memberships, as appropriate, on the happening of either of the following events, whichever first occurs; When the total combined votes outstanding of the Class A and Class B members equal the total votes outstanding in the Class C membership, or

- (b) on January 1, 1984.
- 6.3 The vote for each lot must be cast as a unit, and

fractional votes shall not be allowed. In the event that joint owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any owner, or owners, cast a vote representing a certain lot it will thereafter be conclusively presumed for all purposes that he or they, are acting with the authority and consent of all other owners of the same lot. In the event more than one vote is cast for a particular lot, none of said votes shall be counted, and said votes shall be deemed void.

- 6.4 In any election of the members of the Board, cumulative voting shall be permitted.
- 6.5 Each member shall have such other rights, duties and obligations as set forth in the Articles and Bylaws, as they may be amended from time to time.
- within CIRCLE G RANCHES 4, UNIT 1 or within any Additional Properties shall be appurtenant to said lot and shall run with the title to said lot. The rights and obligations of an owner and membership in the Association shall not be assigned, transferred, pledged, conveyed, or alienated in any way except upon transfer of ownership to the owner's lot, and then only to the transferee of ownership to such lot, or by intestate succession, testamentary disposition, or foreclosure of a mortgage or record, or such other legal process as now in effect or as may hereafter be established under or pursuant to the laws in the State of Arizona. Any attempt to make a prohibited

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transfer shall be void. Any transfer of ownership of said lot shall operate to transfer said membership to the new owner thereof.

ARTICLE VII

Permitted Uses and Restrictions

Common Area

- 7.1 Maintenance by Association: The Association may, at any time, as to any common area, conveyed, leased or transferred to it, or otherwise placed under it's jurisdiction, in the discretion of the Board of Directors of the Association, (The Board) without any prior approval of the Owners being required:
 - (a) Reconstruct, repair, replace or refinish any improvement or portion thereof upon any such area in accordance with original design, finish or standard of construction of such improvement or in accordance with the last plans thereof approved by the Architectural Control Committee; and
 - (b) Replace injured and diseased trees or other vegetation in any such area, and plant trees, shrubs, and ground cover to the extent deemed necessary by the Board for the conservation of water and soil and for aesthetic purposes; and
 - (c) Place and maintain upon any such area such signs as the Board may deem appropriate

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for the proper identification, use and regulation thereof.

- (d) Do all such other and further acts which the Board deems necessary to preserve and protect the property and the beauty thereof, in accordance with the general purposes specified herein.
- (e) The Board shall be the sole judge as to the appropriate maintenance of all grounds and improvements within the common areas.
- 7.2 Damage or Destruction of Common Area By Owners: In the event any Common Area is damaged or destroyed by an Owner or any member of his family, such Owner does hereby authorize the Association to repair said damaged area, and the Association shall so repair said damaged area in a good workmanlike manner in conformance with the original plans and specifications of the area involved, or as the area may have been modified or altered subsequently by the Association, in the discretion of the Association. The amount necessary for such repairs shall be paid by said Owner, upon demand, to the Association and the Association may enforce collection of same in the same manner as provided elsewhere in this Declaration for collection and enforcement of assessments.
- 7.3 Use of Common Area: The common area shall be operated for the use and enjoyment of the Owners and the Association shall have the right to make, promulgate, supplement, amend, change or revoke rules pertaining to the use and operation of the common

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areas as deemed necessary by the Board.

ARTICLE VIII

Covenant for Maintenance Assessments

- 8.1 Creation of Lien and Personal Obligation

 of Assessments: The Declarant for each lot owned within CIRCLE G

 RANCHES 4, UNIT 1 and Additional Properties hereby covenants, and
 each owner of any lot by acceptance of a Deed therefore, whether
 or not it shall be so expressed in such Deed, is deemed to
 covenant and agree to pay the Association:
 - 1. Annual assessmenter or charges consisting of a pro rata share of the actual cost to CIRCLE G RANCHES 4 HOMEOWNERS ASSOCIATION relating to or incurred as a result of the upkeep, repair, maintenance or improvement of the common areas, and a pro rata share of any and all taxes paid by the Association relating to or incurred as a result of the common areas.
 - 2. A pro rata share of such sums as the Board of Directors of the Association shall determine to be fair and prudent for the establishment of necessary reserves for expenses, maintenance and the payment of taxes, all as herein required.
 - A pro rata share of any special assessment for capital improvements, such

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assessments to be established and collected as herein provided.

The annual and special assessments, together with interest, costs and reasonable attorneys fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each assessment, together with interest, costs and reasonable attorneys fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for deliquent assessment shall not pass to his successor in title unless company assumed by said successor in title.

- 8.2 Purpose of Assessment: Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents within CIRCLE G RANCHES 4, UNIT 1 and annexed Additional Properties, and for the improvement and maintenance of the common areas.
- 8.3 Maximum Annual Assessment: Until January 1, 1980, the maximum annual assessment for all lots within CIRCLE G RANCHES 4, UNIT 1, shall be the sum of Four Hundred Dollars (\$400.00). From and after January 1, 1980, the maximum annual assessment may be increased each year not more than 5% above the maximum assessment for the previous year, without a vote of the membership. From and after January 1, 1980, the maximum annual assessment may be increased more than 5% above the maximum assessment for the previous year by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly

called for this purpose. The Board may fix the annual assessment at an amount not in excess of the maximum.

- 8.4 Special Assessments for Capital Improvements: In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the common area, including fixtures, and personal property relating thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.
- Paragraph 8.3 and 8.4: Written notice for any meeting called for the purpose of taking any action authorized under paragraph 8.3 or paragraph 8.4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first meeting called, the presence of members or of proxy's entitled to cast sixty (60%) percent of all the votes of each class membership constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceeding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceeding meeting.
 - 8.6 Uniform Rate of Assessment: Both annual and special

assessments must be fixed at a uniform rate for all lots and may be collected on a monthly, quarterly, or annual basis. However, the amount of the assessment of any one year and from year to year may vary between undeveloped, developed and improved lots.

- 8.7 Commencement of Assessments: The annual assessments provided for herein shall commence as to all lots on the first day of the month following the conveyance of the common area to the Association. The first annual assessment shall be adjusted according to the number of months remaining in that calendar year. The Board shall fix the amount of annual assessment against each lot at least thirty (30) days in advance of each annual assessment. Written notice of the annual assessment shall be sent to every owner subject thereto. The due date shall be established by the Board of Directors.
- 8.8 Effective Non-payment of Asssement; Remedies

 of the Association: Each owner of any lot shall be deemed to
 covenant and agree to pay to the Association the assessment
 provided for herein, and agree to the enforcement of the
 assessments in the manner herein specified. In the event the
 Association employs an attorney or attorneys for the collection
 of any assessment, whether by suit or otherwise, or to enforce
 compliance with or specific performance of the terms and
 conditions of this Declaration, or for any other purpose in
 connection with the breech of this Declaration, each owner and
 member agrees to pay reasonable attorneys fees and costs thereby
 incurred in addition to any other amounts due or any other relief
 or remedy obtained against said owner or member. In the event of

a default in payment of any such assessment when due, in which case the assessment shall be deemed delinquent, and in addition to any other remedies herein or by law provided, the Association may enforce each such obligation in any manner provided by law or in equity or without any limitation of the foregoing, by either or both of the following procedures:

- (a) Enforcement by Suit: The Board may cause a suit at law to be commenced and maintained in the name of the Association against an Owner to enforce each such assessment obligation. Any judgment rendered in any such action shall include the amount of the delinquency, together with interest thereon at the rate of six percent (6%) per annum from the date of delinquency, court costs, and reasonable attorneys' fees in such amount as the Court may adjudge against the delinquent Owner.
- (b) Enforcement by Lien: There is hereby created a claim of lien, with power of sale, on each and every Lot within CIRCLE C RANCHES 4, UNIT 1, to secure payment to the Association of any and all assessments levied against any and all Owners of such Lots under these restrictions, together with interest thereon at the rate of six percent (6%) per annum from the date of delinquency, and all

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costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorney's At any time within ninety days after fees. the occurrence of any default in the payment of any such assessment, the Association, or any authorized representative may, but shall not be required to, make a written demand for payment to the defaulting Owner, on behalf of the Association. Said demand shall state the date and amount of the delinguency. default shall constitute a separate basis for a demand or claim of lien or a lien, but any number of defaults may be included within a single demand or claim of lien. If such delinquency is not paid within ten days after delivery of such demand, or, even without such a written demand being made, the Association may elect to file such a claim of lien on behalf of the Association against the Lot of the defaulting Owner. Such a claim of liem shall be executed and acknowledged by any officer of the Association, and shall contain substantially the following information:

- The name of the delinquent Owner;
- The legal description and street address

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of the Lot against which claim of lien is made;

- 3. The total amount claimed to be due and owing for the amount of the delinquency, interest thereon, collection costs, and reasonable attorneys' fees (with any proper offset allowed);
- 4. That the claim of lien is made by the Association pursuant to these restrictions; and
- That a lien is claimed against said Lot in an amount equal to the amount stated.

Upon Recordation of a duly executed original or copy of such a claim of lien, and mailing a copy thereof to said Owner, the lien claimed therein shall immediately attach and become effective in favor of the Association as a lien upon the Lot against which such Assessment was levied. Such a lien shall have priority over all liens or claims created subsequent to the Recordation of the claim of lien thereof, except only tax liens for real property taxes on any Lot, assessments on any Lot in favor of any municipal or other governmental assessing unit, and the liens which are specifically described in Paragraph 8.9 hereinafter. Any such lien may be foreclosed by appropriate action in court or in the manner provided by law for the foreclosure of a realty mortgage or trust deed as set forth by the laws of the State of Arizona, as the same may be changed or The lien provided for herein shall be in favor of the amended.

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Association and shall be for the benefit of all other Lot Owners. The Association shall have the power to bid in at any foreclosure sale and to purchase, acquire, hold, lease, mortgage, and convey any Lot. In the event such foreclosure is by action in court, reasonable attorney's fees, court costs, title search fees, interest and all other costs and expenses shall be allowed to the extent permitted by law. Each Owner, by becoming an Owner of a Lot in CIRCLE G RANCHES 4, UNIT 1, hereby expressly waives any objection to the enforcement and foreclosure of this lien in this manner.

8.9 <u>Subordination of the Lien to Mortgages</u>: The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE IX

Subjecting Additional Lands to the Declaration

of Development: The Declarant or the Developer, their heirs and assigns, shall have the right to bring within the scheme of this Declaration additional properties in future stages of the development without the consent of the members within five years

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of the date of this Declaration, provided that such additions are in accord with that certain Planned Area Development (P.A.D.) for Circle G Ranches approved and accepted by the City of Tempe, Arizona, on April 20, 1978 pursuant to application numbered S 78.2. Said P.A.D. shall not bind the Declarant or Developer, their heirs and assigns, to make the proposed additions or to adhere to the P.A.D. in any subsequent development of the land shown thereon.

The additions authorized under this and the succeeding subparagraph, shall be made by recording a Supplementary Declaration of Covenants, Conditions and Restrictions with respect to the additional property which shall extend the scheme of covenants and restrictions of this Declaration to such property.

Such Supplementary Declaration may contain such complimentary additions and modifications to the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with scheme of the P.A.D. In no event, however, shall such Supplementary Declaration revoke, modify or add to the covenants established by this Declaration within the existing Property.

9.2 Other Additions: If the owner of lands other than those contained in the P.A.D., or lands not in accord with the P.A.D., desires such land to be added to the scheme of this Declaration and subjected to the jurisdiction of the association, he shall present a petition to the Board of the Association

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describing his land and requesting that his land be so annexed.

Upon approval in writing of the Association pursuant to a vote of its members, the owner may record a Supplementary Declaration of Covenants, Conditions and Restrictions as described in paragraph 9.1. Any such Supplementary Declaration shall be approved as to form and signed by or on behalf of the Board of the Association.

ARTICLE X

General Provisions

- 10.1 Enforcement: The Association, or any owner, shall have the right to enforce, by any proceeding at law or in equity all restrictions, conditions, covenants, reservations, liens and charges now or hereinafter imposed by the provisions of this Declaration. Failure by the Association or by any owner to enforce any covenant or restriction herein contained shall in no way be deemed a waiver of the right to do so thereafter.
- 10.2 Interpretation of the Covenants: Except for judicial construction, the Association, by its Board, shall have the exclusive right to construe and interpret the provisions of this Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Association's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all persons and property benefited or bound by the Covenants and provisions hereof.
- 10.3 Severability: Invalidation of any of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall be in full force and

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effect.

- to be created by this Declaration is challenged under the Rule against Perpetuities or any related rule, the interest shall be construed as becoming void and of no effect as of the end of the applicable period of perpetuities computed from the date when the period of perpetuities starts to run on the challenged interest; the "lives in being" for computing the period of perpetuities shall be (a) those which would be used in determining the validity of the challenged interest, plus (b) those of the issue of the Board who are living at the time the period of perpetuities starts to run on the challenged interest.
- 10.5 Amendment: The covenants and restrictions of this Declaration shall run with and bind the land until December 31, 2008, after which they shall be automatically extended for successive periods of ten years. This Declaration may be amended at any time prior to December 31, 2008 by an instrument signed by not less than eighty percent (80%) of the lot owners, and thereafter by an instrument signed by not less than seventy percent (70%) of the lot owners. Any amendment must be recorded.
- 10.6 <u>Violations and Nuisances</u>: Every act or omission whereby any provision in this Declaration is violated in whole or in part is hereby declared to be a nuisance and may be enjoined or abated, whether or not the release sought is for negative or affirmative action, by declarant, the Association, or any owner or owners of a lot within CIRCLE G RANCHES 4, UNIT 1. However, any other provision to the contrary notwithstanding, only

declarant, the Association, the Board, or the duly authorized agent of any of them, may enforce by self help any of the provisions of this Declaration.

- 10.7 <u>Violation of Law:</u> Any violation of any state, municipal, or local law, ordinance or regulation, pertaining to the ownership, occupation, or use of any property within CIRCLE G RANCHES 4, UNIT 1, is hereby declared to be a violation of this Declaration and subject to any and all of the enforcement procedures set forth herein unformed Document
- 10.8 <u>Remedies Cumulative:</u> Each remedy provided by this Declaration is cumulative and not exclusive.
- 10.9 Delivery of Notices and Documents: Any written notice or other documents relating to or required by this Declaration may be delivered either personally or by mail. If by mail, it shall be deemed to have been delivered twenty-four (24) hours after copy of same has been deposited in the United States mail, postage pre-paid, addressed to the last known address of addressee.
- 10.10 References to the Covenants in Deeds: Deeds to and instruments affecting any Lot or any part of the Property may contain the Covenants herein set forth by reference to this Declaration; but regardless of whether any such reference is made in any Deed or instrument, each and all of the Covenants shall be binding upon the grantee-Owner or other person claiming through any instrument and his heirs, executors, administrators, successors and assigns.
 - 10.11 Declaration: By acceptance of a Deed, or by

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acquiring any ownership interest in any of the real property within this Declaration, each person or entity, for himself or itself, his heirs, personal representative, successors, transferees and assigns, binds himself, his heirs, personal representatives, successors, transferees and assigns, to all of the provisions, restrictions, covenants, conditions, rules, and regulations now or hereinafter imposed by this Declaration and any amendments thereof. In addition, each person by so doing thereby acknowledges that this Declaration sets forth a general scheme for the improvement and care of the real property covered thereby and hereby evidences his interest in all of the restrictions, conditions, covenants, rules and regulations contained herein shall run with the land and be binding on all subsequent and future owners, grantees, purchasers, assignees, and transferees thereof. Furthermore, each such person fully understands and acknowledges that this Declaration shall be mutually beneficial, prohibitive and enforceable by the various subsequent and future owners.

- 10.12 Gender and Number: Wherever the context of this Delcaration so requires, words used in the masculine gender shall include the feminine and newter genders; words used in the newter gender shall include the masculine and feminine genders; words in the singular shall include the plural; and words in the plural shall include the singular.
- 10.13 <u>Captions and Titles:</u> All captions, titles or headings of the Articles and Sections in this Declaration are for the purpose of reference and convenience only, and are not to be

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deemed to limit, modify or otherwise affect any of the provisions hereof, or to be used in determining the intent or context thereof.

IN WITNESS WHEREOF the undersigned Commonwealth Title of Arizona, an Arizona corporation, as Trustee, has caused its corporate name to be signed by the signature of a duly authorized officer, on this <u>Aoth</u> day of <u>Thousales</u>, 1978.

Commonwealth Title of Arizona, Unofficial Document Trustee By Approved and Accepted: WESTERN SAVINGS AND LOAN ASSOCIATION State of Arizona)ss County of Maricopa) The foregoing instrument was acknowledged before me this 20th day of forember, 1978 by K. Mattian , Trust Officer of Commonwealth Title of Arizona, Trustee, on behalf of the Trust. My Commission Expires: L/W 22, 1978 State of Arizona)ss County of Maricopa The foregoing instrument was acknowledged before me this 17 day of November, 1978 by TAY T. ELLINGSEN OF WESTERN SAVINGS AND LOAN ASSOCIATION, an Arizona Corporation, on behalf of the corporation.

Notary Public

My Commission Expires:
My Commission Expires June 11, 1981

STATE OF ARIZONA } ss

I hereby certify that the within instrument was filed and recorded at request of COMMONWEALTH LAND THE CO.

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in Docket 13290 on page 688-728 Witness my hand and official

seal the day and year aloresaid.

Bill Heavy

County Recorder