

As Amended by (O)89-23 - October 12, 1989

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Rancho Vistoso

Planned Area Development
Oro Valley, Arizona

Appendix

RANCHO VISTOSO

PLANNED AREA DEVELOPMENT DISTRICT
FOR

THE TOWN OF ORO VALLEY, ARIZONA

APPENDIX

Developed by

The Wolfswinkel Group

Del E. Webb Communities, Inc.

Prepared by

American Continental Corporation

Gage Davis Associates

The WLB Group

Robert Stubbs & Associates

June 22, 1987

TO ALL HOLDERS OF THE ORO VALLEY ZONING CODE REVISED

Thank you for your interest in the Town of Oro Valley. As you know, from time to time, the Code is amended and, to keep informed of these changes, you may wish to become a subscriber to our update service. The charge for this service is \$25.00 per year. As codes are amended, or new ordinances passed, the changes will be forwarded to you in order to update your entire code. If you would prefer a complete revision of the Zoning Code Revised sooner, you may call Reproductions (on Prince Road) or Alphagraphics (on Oracle and Ina) and order a new copy at your own expense.

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The Town of Oro Valley
Planning and Zoning Division
Attn: Shannon Ritchie, Administrative Secretary
11,000 N. La Cañada Drive, Oro Valley, AZ 85737

(You will be billed for this continuing service in January of each year. For a smooth transition into 2001, please send your \$25.00 remittance prior to December 29, 2000 otherwise your name will be removed from our list of subscribers.)

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CITY/STATE/ZIP: _____

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THANK YOU!

APPENDIX

- A. Environmental Analysis
- B. Rancho Vistoso Covenants, Conditions & Restrictions
- C. Sun City Covenants, Conditions & Restrictions

ACKNOWLEDGEMENTS

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Professional Archaeological Services and Technologies,
Archaeology

Wildlife, Fisheries and Recreation Resources

Del E. Webb Communities Inc.

Lewis and Roca

APPENDIX

I. Environmental Analysis

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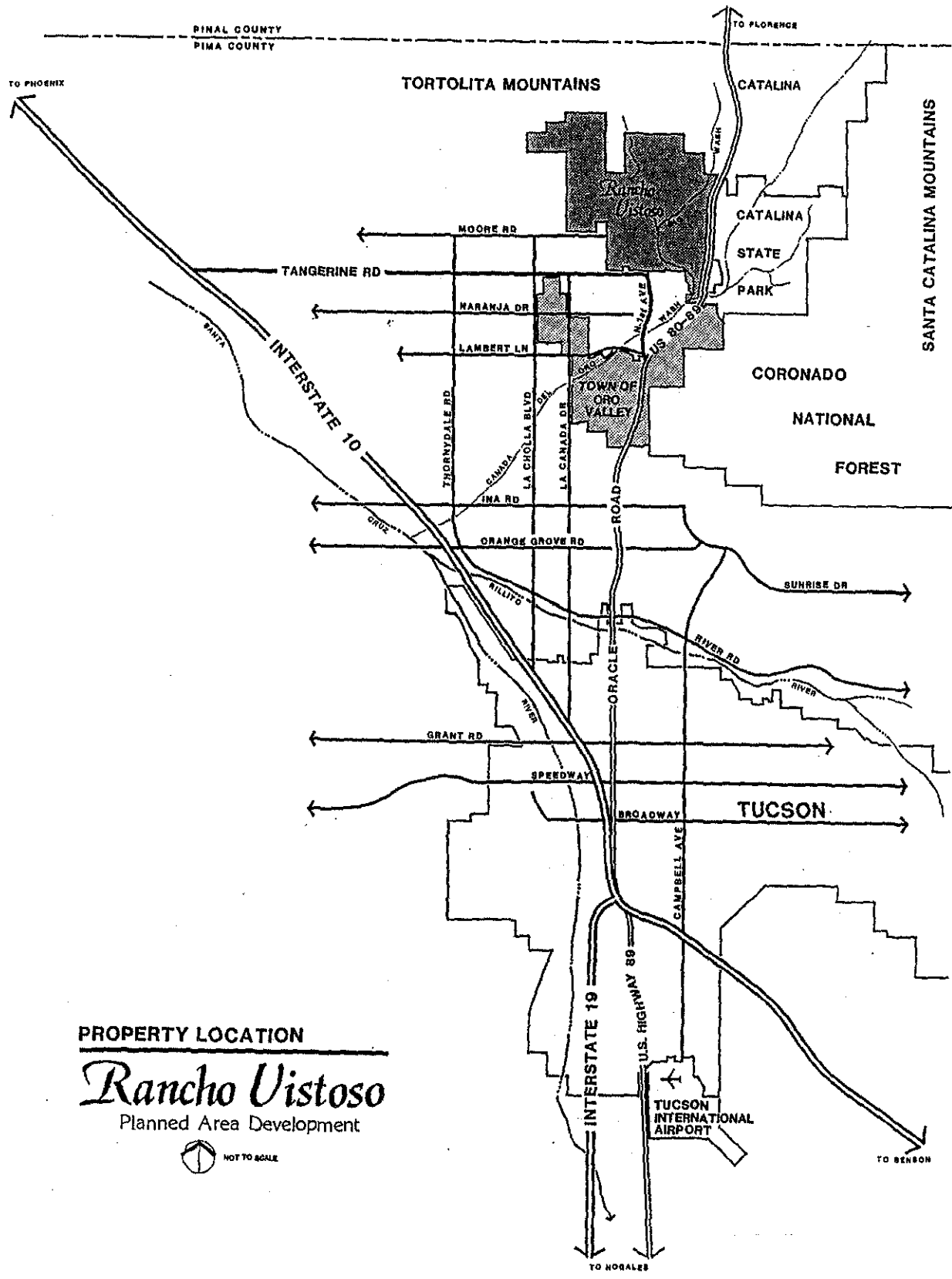
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INTRODUCTION

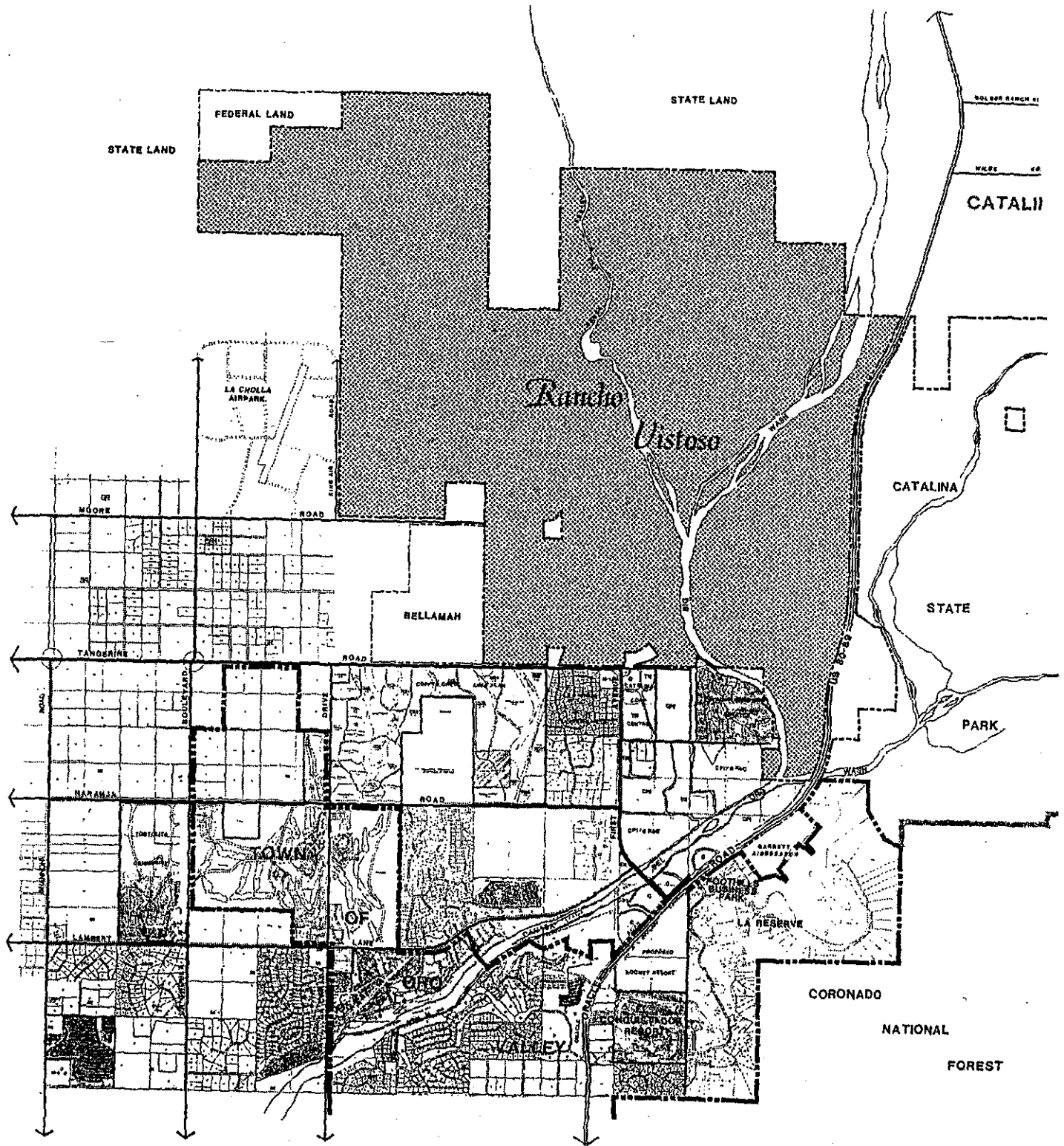
This Section I of the Appendix, the Environmental Analysis, describes the conclusions of the many environmental studies which were originally undertaken as background for the development of the Rancho Vistoso plan. It concludes with the section on Development Suitability, which combines and summarizes the overlaying of all of the environmental mapping. It also includes a summary of the transportation analysis.





PROPERTY LOCATION

Rancho Vistoso
Planned Area Development






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 ARCHITECTURE AND URBAN DESIGN
 1007 PEAK AVENUE
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 SCALE: 1" = 1 MILE

VICINITY PLAN

Rancho Vistoso
 Planned Area Development

Oro Valley, Arizona

SITE ANALYSIS

The Site Analysis Map illustrates the prominent physical features and characteristics of Rancho Vistoso. The most conspicuous feature of the site is Big Wash, the regional drainageway which bisects the property as it flows south into the Cañada Del Oro Wash. Big Wash is characterized by a broad floodplain containing a network of braided stream channels which carry low flow volumes of water during seasonal rains. The visual limits of Big Wash are defined by steep escarpments averaging eighty feet in height.

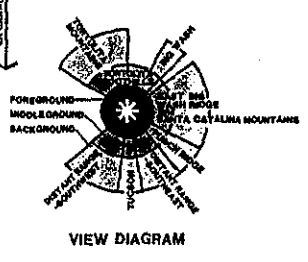
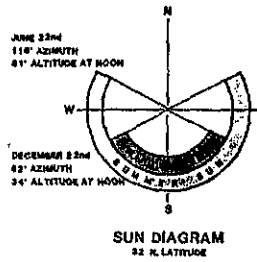
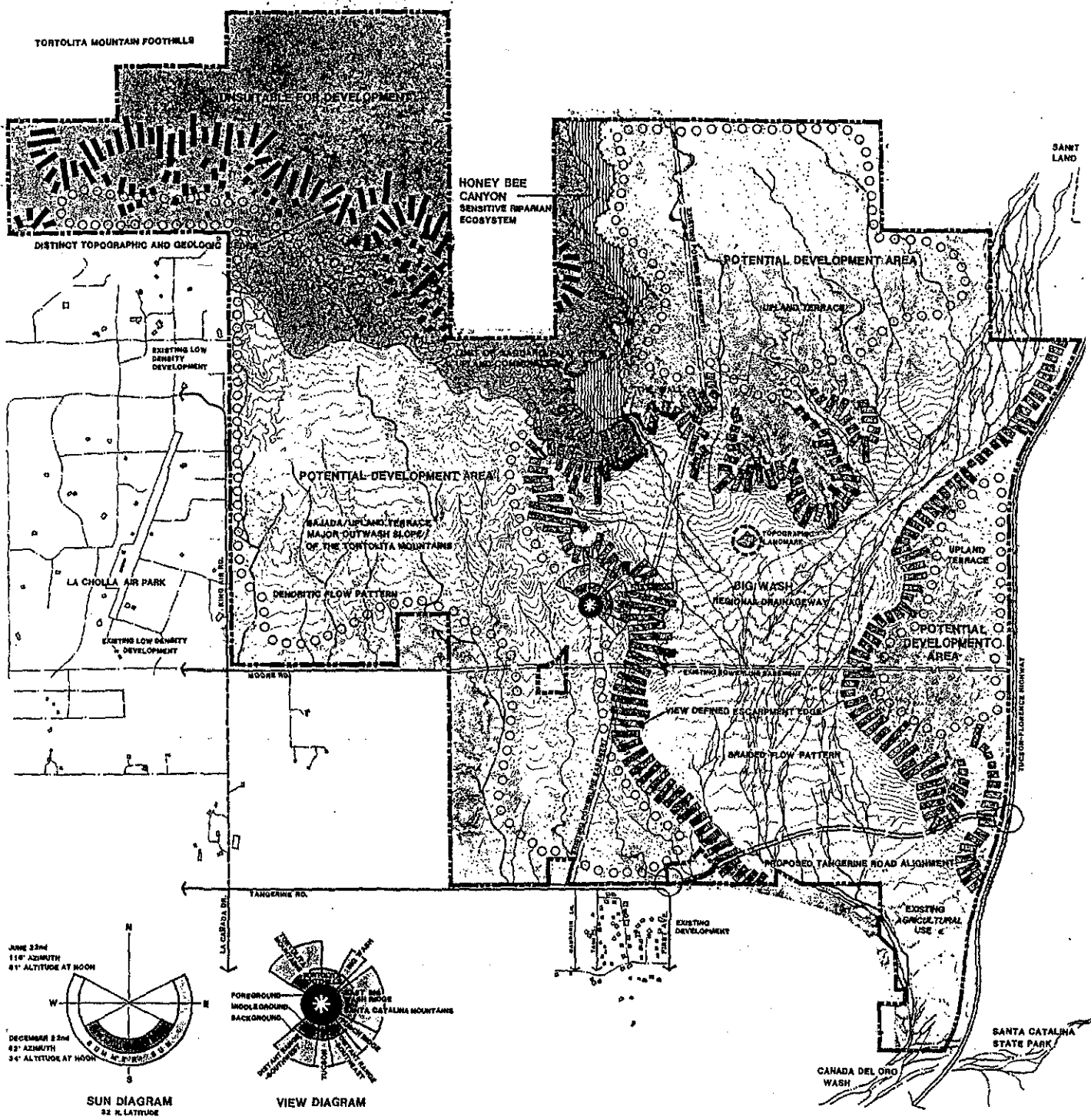
From these escarpments there are panoramic views to the southeast of the Santa Catalina Mountains and Pusch Ridge. In the distance to the south, the city of Tucson and several mountain ranges are visible.

Surrounding Big Wash are three major upland terraces or bajadas characterized by gently rolling terrain and a branching drainage network. This dendritic flow pattern drains the upland terraces and eventually flows into Big Wash and the Cañada Del Oro. These bajadas provide the major development areas for Rancho Vistoso because of their gentle slopes and lack of major flood hazards.

The Tortolita Mountain Foothills, in the northwest corner of the property, add another feature to Rancho Vistoso. The foothills are characterized by rugged, mountainous terrain with steep slopes and numerous boulder outcroppings. A distinct topographic and geologic edge is formed by these foothills as they meet the more level terrain of the bajadas. It is in this portion of Rancho Vistoso that the Saguaro cactus grows. These giant cacti impart a unique character to the area and will be protected in accordance with Arizona's Native Plant Law.

The last major feature of the property is the Honey Bee Canyon area. Located in the north of the site, the canyon is fed by a perennial stream which flows nearly year-round in years when rainfall is above

average. This water flow supports a sensitive and unique riparian ecosystem which should be protected from development impacts.



SITE ANALYSIS

Rancho Vistoso
Planned Area Development

Oro Valley, Arizona

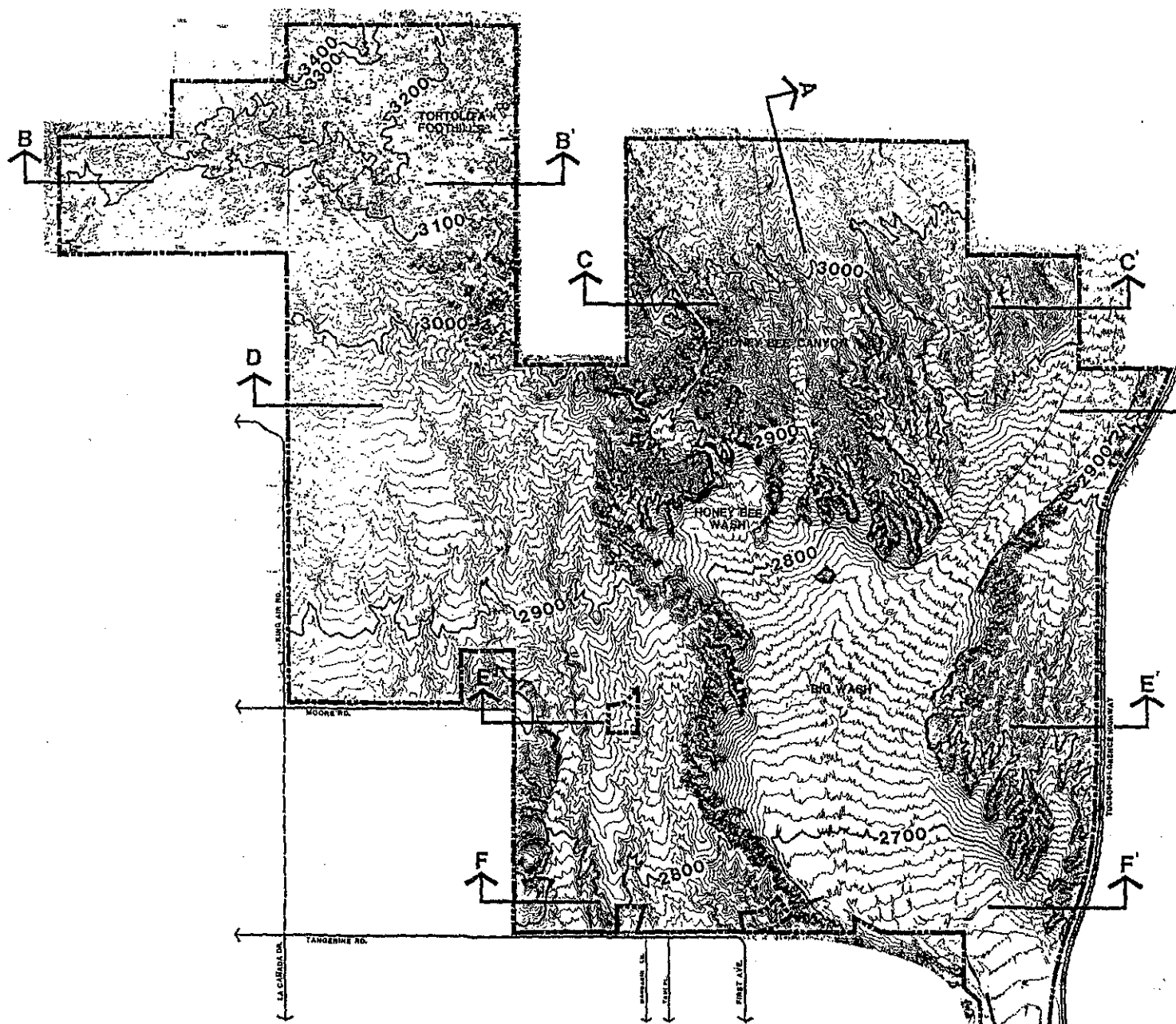
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<p>DATE: 11/11/80 SCALE: 1" = 500'</p>		

TOPOGRAPHY AND SITE SECTIONS

Rancho Vistoso encompasses three distinct topographic terrains which are the Tortolita Mountain Foothills Terrain, the Alluvial Fan or Bajada Terrain, and the Flood Plain Terrain. To study the terrain, a series of sections were drawn through the site and a topography map prepared to delineate the elevation changes of the property. Elevations range from a high of 3553 feet in the Tortolita Mountains in the extreme northwest to a low of 2625 feet at the confluence of Big Wash and Cañada del Oro in the southeast. Drainage is to the south along the major drainageways of Big Wash and Honey Bee Canyon.

The Tortolita Mountain Terrain encompasses the northwest portion of the area and it consists of the lower elevations of the Tortolita Mountains and the dissected rock pediment on its southeast flank. This terrain is characterized by steep and rugged topography and peaks and ridges which are visible from much of the rest of the property. Peaks range from 3200 to 3550 feet in elevation and relief is 200 to 500 feet. This terrain is characterized by bedrock slopes of greater than 25 percent slope and boulder-covered intervening valleys.

To the south, east and southeast, the bedrock of the Tortolita Mountains becomes covered with alluvial fan deposits creating the Bajada Terrain. This terrain is characterized by flat to gently south- or southeast-sloping alluvial fan terraces or bajadas which are eroded by water flows. Where cut by the two largest stream channels, Big Wash and Honey Bee Canyon, the Alluvial Fan Terrain is being eroded back along slopes of greater than 15 percent slope. These slopes are either gravel-covered and moderately steep, or are nearly vertical cliffs cut in clay-rich soils. Relief in the Alluvial Fan Terrain averages 50 to 100 feet. The most prominent feature of this terrain is its gently rolling topography.



LEGEND: ELEVATIONS

[Shaded Box]	2800-2700
[Shaded Box]	2700-2800
[Shaded Box]	2800-2900
[Shaded Box]	2900-3000
[Shaded Box]	3000-3100
[Shaded Box]	3100-3200
[Shaded Box]	3200-3300
[Shaded Box]	3300-3400
[Shaded Box]	3400 PLUS

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 85711
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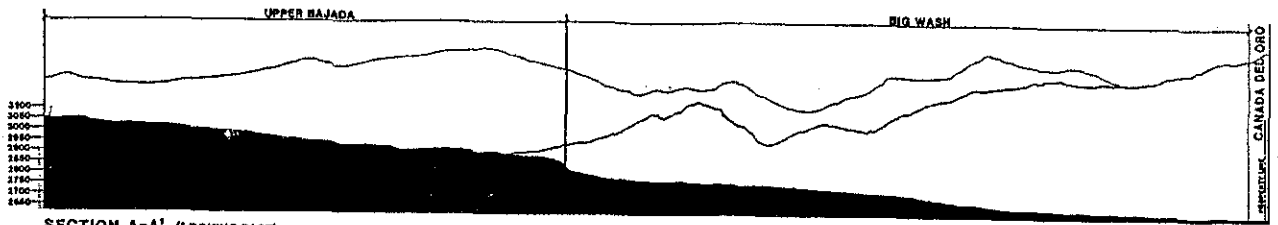
PLANNING:
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 ARCHITECTURE AND URBAN DESIGN
 1007 PEAK CENTER
 HOUSTON, TEXAS 77060 90306
 (713) 444-1164

DATE: _____
 SCALE: 1" = 200'
 0 400 800 1600

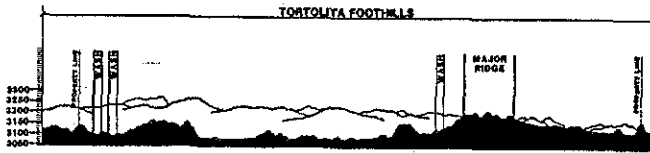
TOPOGRAPHY

Rancho Vistoso
 Planned Area Development

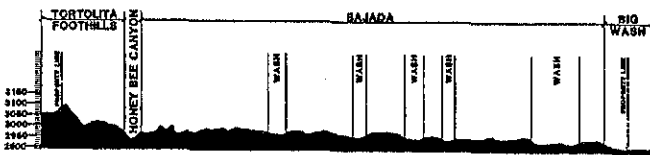
Oro Valley, Arizona



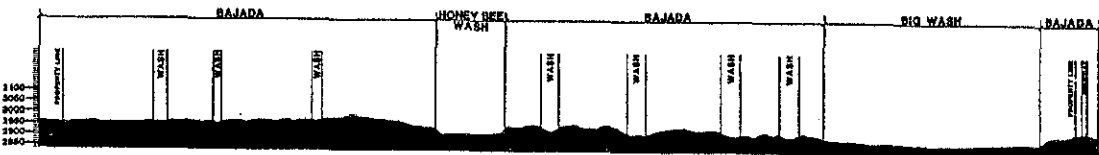
SECTION A-A' (LOOKING EAST)



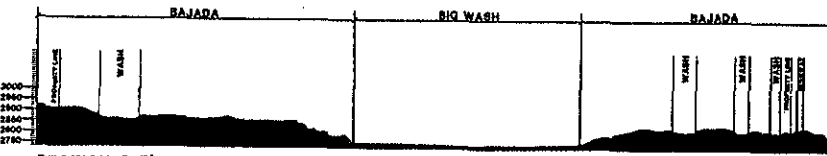
SECTION B-B' (LOOKING NORTH)



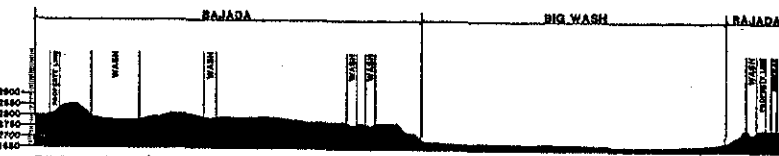
SECTION C-C' (LOOKING NORTH)



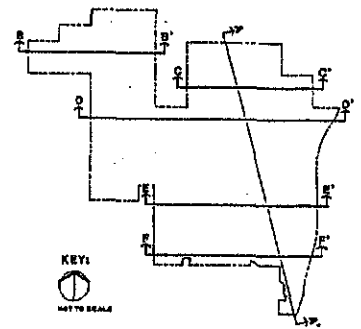
SECTION D-D' (LOOKING NORTH)



SECTION E-E' (LOOKING NORTH)



SECTION F-F' (LOOKING NORTH)



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 (303) 440-3300

DATE: _____
 SCALE: _____

HORIZONTAL: 1" = 340'
 VERTICAL: 1" = 90'

SITE SECTIONS

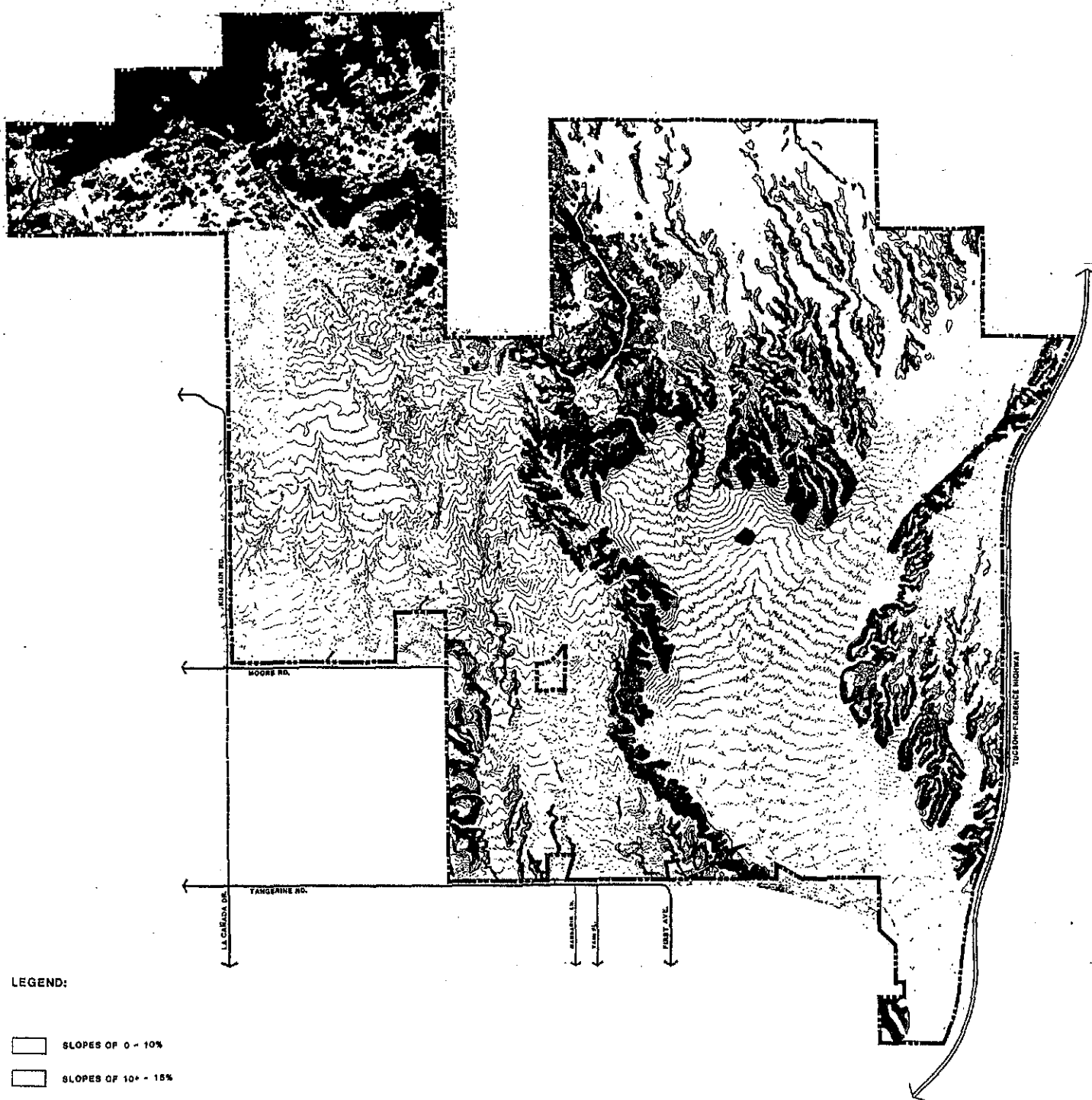
Rancho Vistoso
 Planned Area Development

Oro Valley, Arizona





SLOPE ANALYSIS

The Rancho Vistoso site is characterized by a variety of slopes. Slopes range from gentle (less than 2%) in Big Wash to extremely steep (30% or greater) in the foothills of the Tortolita Mountains.

A slope analysis of the site was prepared showing slope units of 10, 15, and 25 percent. This map was then used as one of the factors in preparing the development suitability map. Slopes of greater than 25 percent are considered unsuitable for development and are to be preserved as open space. Areas with slopes of 15 to 25 percent are identified as being potentially developable. Development shall be governed by the Rancho Vistoso grading Design Standards, which are a part of the PAD, Volume B.




LEGEND:

-  SLOPES OF 0 - 10%
-  SLOPES OF 10+ - 15%
-  SLOPES OF 15+ - 25%
-  SLOPES ABOVE 25%

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DATE: 
 SCALE: 1" = 2000'
 0 400 800 1600

SLOPE ANALYSIS

Rancho Vistoso
 Planned Area Development

Oro Valley, Arizona

SOILS

There are fourteen soil types that have been identified within Rancho Vistoso. Twelve of these are derived from alluvial detritus while two are derived from underlying granodiorite bedrock. The soil types are shown on the Soils Map and as listed below correspond to the reconnaissance survey as prepared by the U. S. Soil Conservation Service, Soil Survey Area 669.

Arizo and Riverwash Association. These soils form on nearly level flood plains and channel bottoms, primarily in the area of Big Wash. They are formed in sandy and gravelly alluvium and consist of unstable and stratified layers of sand, silt and gravel. These soils support very little vegetation and are subject to frequent but brief periods of flooding in both summer and winter rainy seasons. This unit is moderately suited to recreational use such as horseback riding or off-road vehicles. Because of the hazard of flooding, however, it is poorly suited for homesites or urban development.

Tanque Sandy Loam. This soil is formed from sandy alluvium on fan terraces and low stream terraces where slopes range from 0-2 percent. The unit occurs in low-lying areas along the Big Wash drainageway and is subject to brief seasonal periods of flooding. The hazard of erosion is generally slight. This soil is best suited for rangeland, but recreational use such as golf fairways is easily maintained. Homesites and urban development can take place, but protection from flooding is needed.

Pinaleno Soil. This is a very cobbly sandy loam which occurs in one location on a gentle slope of a fan terrace west of Big Wash. In this general vicinity this unit is used for rangeland, but it is well-suited for homesites or urban development. There are few limitations to use of this soil.

Pinaleno-Nickel Palos Verde Association. This association is found primarily on steep slopes of erosional fan terraces, especially east of Big Wash. The soils are very cobbly sandy loam, very gravelly sandy loam, and gravelly loam. Caliche may exist in these soils. For homesites and urban use, the main limitations are steep slopes, some of which range up to 35 percent slope. Erosion is a hazard on the steeper slopes and only that part of the site needed for construction should be disturbed.

Chimenea Soil. This is a very gravelly fine sandy loam of 5-15 percent slope. In the area it is used mostly for rangeland, but it is suited for homesites or urban development. Its only limitation is its steeper slopes where erosion may be a hazard.

Continental Soil. This is a gravelly loam found on broad, gently sloping fan terraces which are shallowly dissected by ephemeral drainageways. Although most areas of Continental soils are used for rangeland, its use for homesites or urban development is limited only by its clay content which gives it a shrink-swell potential. The effects of shrinking and swelling can be minimized by proper engineering design and by backfilling with material of low shrink-swell potential. Runoff water should also be diverted.

Palos Verdes-Jaynes Complex. This complex occurs on gently sloping terrace remnants of 2-8 percent slope, primarily on the southwest portion of the property. It consists of gravelly sandy loam which may contain caliche to 60 inches deep. In the area the unit is mainly used for homesites, and it is also well-suited for recreation. Its main limitation is the depth to any caliche which may exist. The caliche is rippable and thus is not a severe limitation for most engineering uses.

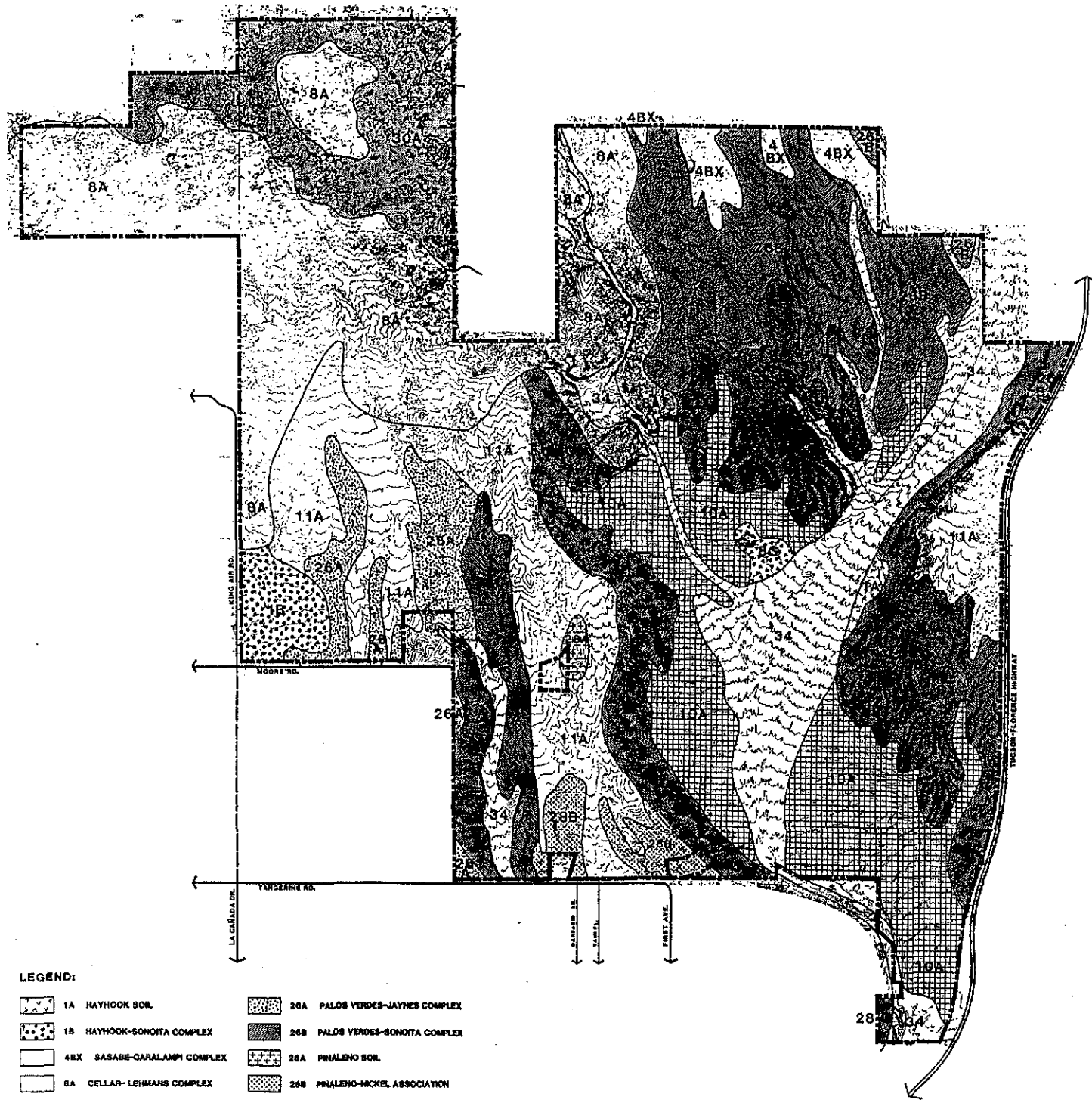
Hayhook-Sonoita Complex. This complex is on fan terraces incised by narrow drainageways. The soils are sandy loam and are used mostly for rangeland. The complex is well-suited to homesites and urban use.

Sasabe-Caralampi Complex. This unit occurs on gently sloping to rolling hillslopes and fan terraces at the northern margin of Rancho Vistoso. The unit contains sandy loam and very gravelly sandy loam. The complex is used extensively for rangeland but is suitable for homesites with no serious limitations.

Cellar-Lehmans Complex. On the low granodiorite hills and pediments of 5-25 percent slope at the northwest corner of the property exist the soils of this complex. They are very gravelly sandy loam and gravelly sandy loam derived from the Tortolita granodiorite bedrock. Depth to the bedrock is 4-20 inches. The complex is mostly used for rangeland, but steepness of slopes, rocky surfaces, and areas of rock outcrop limit access in the area. For homesites or urban use the main limitations are shallow depth to bedrock and steep slopes. Excavation for buildings or roads will be limited by bedrock, and removal of it will be costly. Construction methods will be considered that do not involve excavation of the bedrock.

Rock Outcrop-Coyanosa-Lampshire Association. This association exists on the steep granodiorite hills of 20-65 percent slopes at the extreme northwest margin of the area in the Tortolita Mountains. The unit consists of rock outcrop and gravelly sandy loam. The area is mostly used for rangeland and is poorly suited to recreational uses. It is also poorly suited for homesites because of the steepness of the slopes and shallow depth to bedrock.

This preliminary soils study indicates there are no soil problems in areas of proposed development which cannot be overcome by normal engineering practices. A more detailed soil sampling and testing effort to determine the soil characteristics and engineering parameters of individual tracts of land will occur at the time of Site Analysis.



LEGEND:

- | | | | |
|--|------------------------------|--|---|
| | 1A HAYHOOK SOIL | | 26A PALOS VERDES-JAYNES COMPLEX |
| | 1B HAYHOOK-SONOTA COMPLEX | | 26B PALOS VERDES-SONOTA COMPLEX |
| | 4BX SASABE-CARALAMPI COMPLEX | | 28A PINALENO SOIL |
| | 8A CELLAR-LEHMANNS COMPLEX | | 28B PINALENO-MCKEL ASSOCIATION |
| | 8C CHIMENEA SOIL | | 28C PINALENO-MCKEL-PALOS VERDES ASSOCIATION |
| | 10A TANQUE SANDY LOAM | | 30A ROCK OUTCROP-CDYANOSA-LAMPSHIRE ASSOCIATION |
| | 11A CONTINENTAL SOIL | | 34 ARIZO AND RIVERWASH ASSOCIATION |

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 SUITE 200 TUCSON, ARIZONA 85702
 (520) 748-1184

SOILS:
M. K. LEE NTSS/
 TUCSON, AZ

DATE: 11/13/60
 SCALE: 1" = 3600'
 0 400 800 1600

SOILS

Rancho Vistoso
 Planned Area Development

Oro Valley, Arizona

GEOLOGY

The Rancho Vistoso Community is located on the northern fringe of the Tucson Basin. The Tucson Basin is part of the larger Basin and Range Province of the Western United States. The Basin and Range Province is characterized by mountain ranges formed by horst blocks and graben, or half-graben valleys. The prevailing structural grain trends north to northwest and is dominated by mountain ranges and intermontane valleys characteristic of the Basin and Range physiographic province.

Geologic Setting

The site straddles the Cañada del Oro Valley, and the Tortolita Mountains, both of which are typical intermontane valley and mountain ranges of this province. The Cañada del Oro drains southwesterly between the Tortolita Mountains on the west and the Santa Catalina Mountains on the east, and is one of the major drainages of the Tucson Basin. The topographic valley in which most of the project lies is structurally controlled and is inherited from late Cenozoic crustal extension. The valleys have been filled by thousands of feet of Cenozoic deposits which are usually locally derived clastics, deposited in subaerial conditions with infrequent interbedded volcanic rock and, in some places, thick bodies of evaporites.

In Arizona the grabens which form the basins are irregular in shape, but tend to be rectangular having lengths of about three to six times their widths. The Tortolita and Santa Catalina Mountains and the intervening Cañada del Oro Valley were formed during the Basin and Range Orogeny, which commenced in Southern Arizona at the end of the late-Miocene or beginning of the Pliocene time, approximately six million years ago with fluvial deposition filling the valley, resulting in a pediment or terrace as indicated by the upper elevations of the Big Wash area. The Tortolita and Cañada del Oro block then subsided during the late Pliocene period resulting in a steeper

drainage gradient, and eroding the previously formed pediment with erosion continuing to the present.

Surface Stratigraphy and Structural Geology

Surficial deposits of Quaternary alluvium (stream, floodplain and undifferentiated deposits) cover the Big Wash area with rock outcrops of Cretaceous and/or Tertiary granodiorite occurring in the extreme northwest foothills. The south end of Honey Bee Canyon has outcrops of Cretaceous quartz monzonite (granite) and undifferentiated Paleozoic rocks. The Tortolita area is dominated by exposure of the Cretaceous and/or Tertiary granodiorite with some Quaternary stream and floodplain alluvial deposits occurring in the bottoms of major washes such as Honey Bee Canyon. The Quaternary alluvial deposits generally range in thickness from a few inches where rock occurs at the surface, to an estimated 3,500 to 5,000 feet in the Big Wash drainageway and are primarily fluvial gravels, sands, silts and clays deposited by stream channel and sheet flow. The materials were derived from the Tortolita Mountains to the west and the Santa Catalina Mountains to the east.

The Tortolita and Big Wash areas are an example of a horst and graben structural system with the Big Wash area defining the graben.

Faulting

The area contains two valley-margin faults. The presence of these are inferred from a gravimetric survey and are the result of the horst and graben structure. The faults north and northwest of the Tortolita area were formed prior to or during the Basin and Range Orogeny. As a result, Upper-Pleistocene or Holocene fault movement has not been recognized on any of the faults in the Tucson Basin. Therefore, none of the recognized or inferred faults are considered active or potentially active.

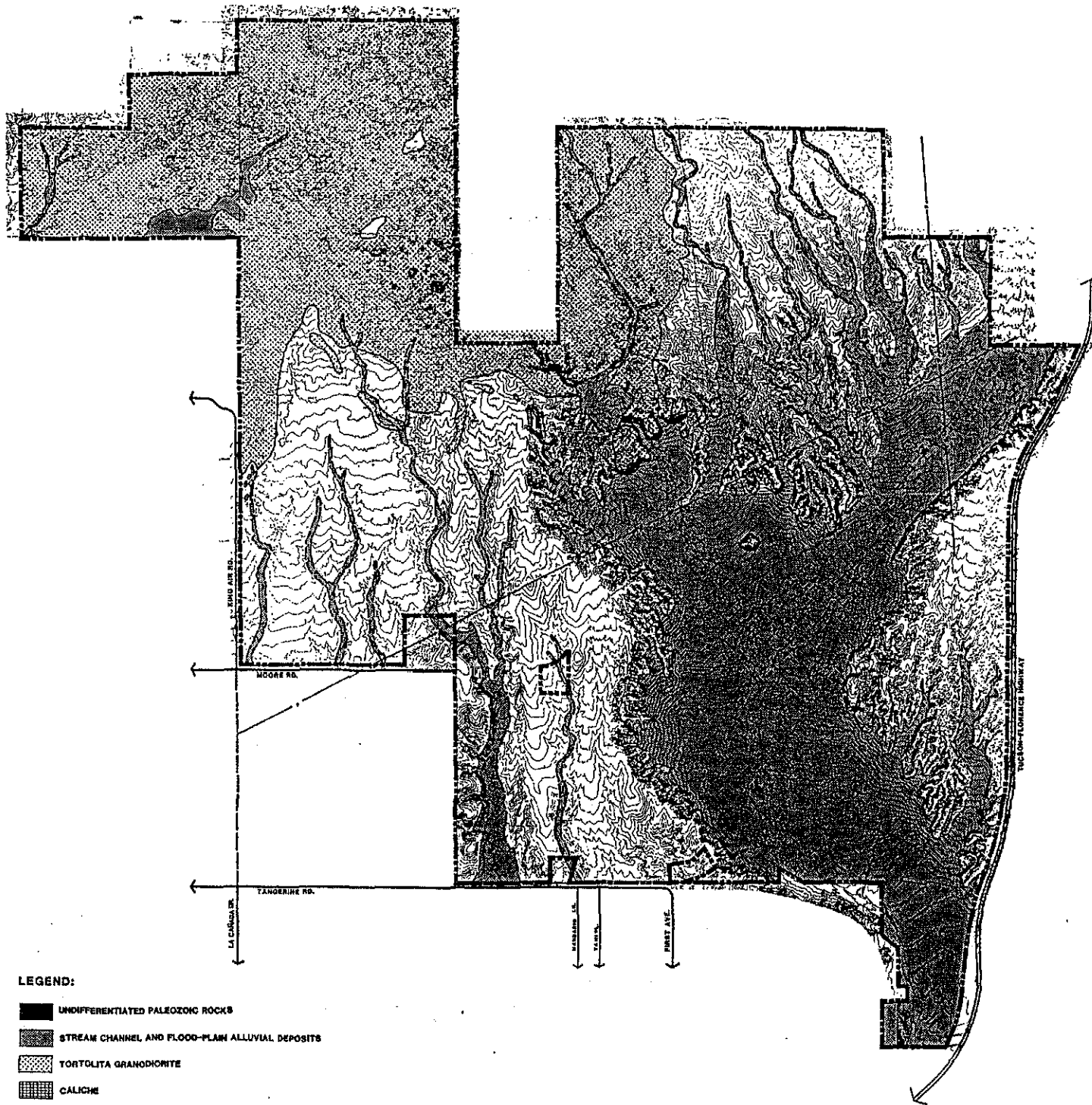
Seismicity

This portion of the Basin and Range Province has been seismically inactive for many years. The presence in the Rancho Vistoso area of pediments and the lack of recent alluvial fans along the Tortolita Mountain front, attest to the fact that this area has been tectonically quiet for millions of years. Even though basin margin faults lie beneath the area, they are covered by several thousands of feet of alluvium, and are not presently active.

The U.S. Coast and Geodetic Survey classifies the Tucson Basin as being in Zone II of seismic intensity, which means that the maximum intensity of earthquakes in this area would produce only moderate damage. The Arizona Bureau of Mines has divided Arizona into four seismic zones, with the Tucson Basin being characterized as relatively quiet. Historically, only seven earthquakes have occurred within 100 miles of the plan area, and none of these had Richter Scale magnitudes of greater than 4.9. Present-day earthquake activity exists to the east in New Mexico's Rio Grande Valley and to the west along California's San Andreas fault system. The closest earthquake activity related to the San Andreas fault has been reported about 150 miles west of Tucson.

Slope Stability

Slope stability refers to the tendency for earth materials to move downhill under the influence of gravity. The stability of a slope is in a continual state of change due to the geologic processes which act upon them, and as a result, only areas of potential slope failure can be identified, rather than specific rates or times of failure. The areas subject to slope instability will be identified and mitigated in future site analysis.



LEGEND:

- UNDIFFERENTIATED PALEOZOIC ROCKS
- STREAM CHANNEL AND FLOOD-PLAIN ALLUVIAL DEPOSITS
- TORTOLITA GRANODIORITE
- CALICHE
- UNDIFFERENTIATED ALLUVIAL DEPOSITS
- FAULT-GEOPHYSICALLY INFERRED

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 0 400 800 1600

GEOLOGY

Rancho Vistoso
 Planned Area Development

Oro Valley, Arizona

HYDROLOGY

The surface water hydrology has been determined for the site using aerial photos, historical information, field investigation, and current criteria for drainage design within Pima County. Peak discharge rates were determined using the methods contained within the Pima County Hydrology Manual for Engineering Design and Floodplain Management. Water surface profiles and floodplain delineation were made using the Army Corps of Engineers HEC-II Computer Model.

Several major stream channels are contained within Rancho Vistoso. These channels include Big Wash, Honey Bee Canyon, Cañada del Oro Wash and several large unnamed drainage channels on the western and southwestern portion of the area. Of these washes, Big Wash is the largest and it occupies a significant portion of the eastern third of the area. Big Wash drains the eastern slopes of the Tortolita Mountains as well as those slopes of the Santa Catalina Mountains lying west of the Cañada del Oro and lands as far north as the Falcon Valley Divide.

The Big Wash watershed begins approximately one mile west of the town of Oracle, drains Falcon Valley, and flows southwesterly beneath the Tucson-Florence Highway near Oracle Junction. From this point, Big Wash flows south roughly paralleling the Tucson-Florence Highway to its confluence with Honey Bee Canyon, and then approximately three miles further downstream to its confluence with the Cañada del Oro Wash.

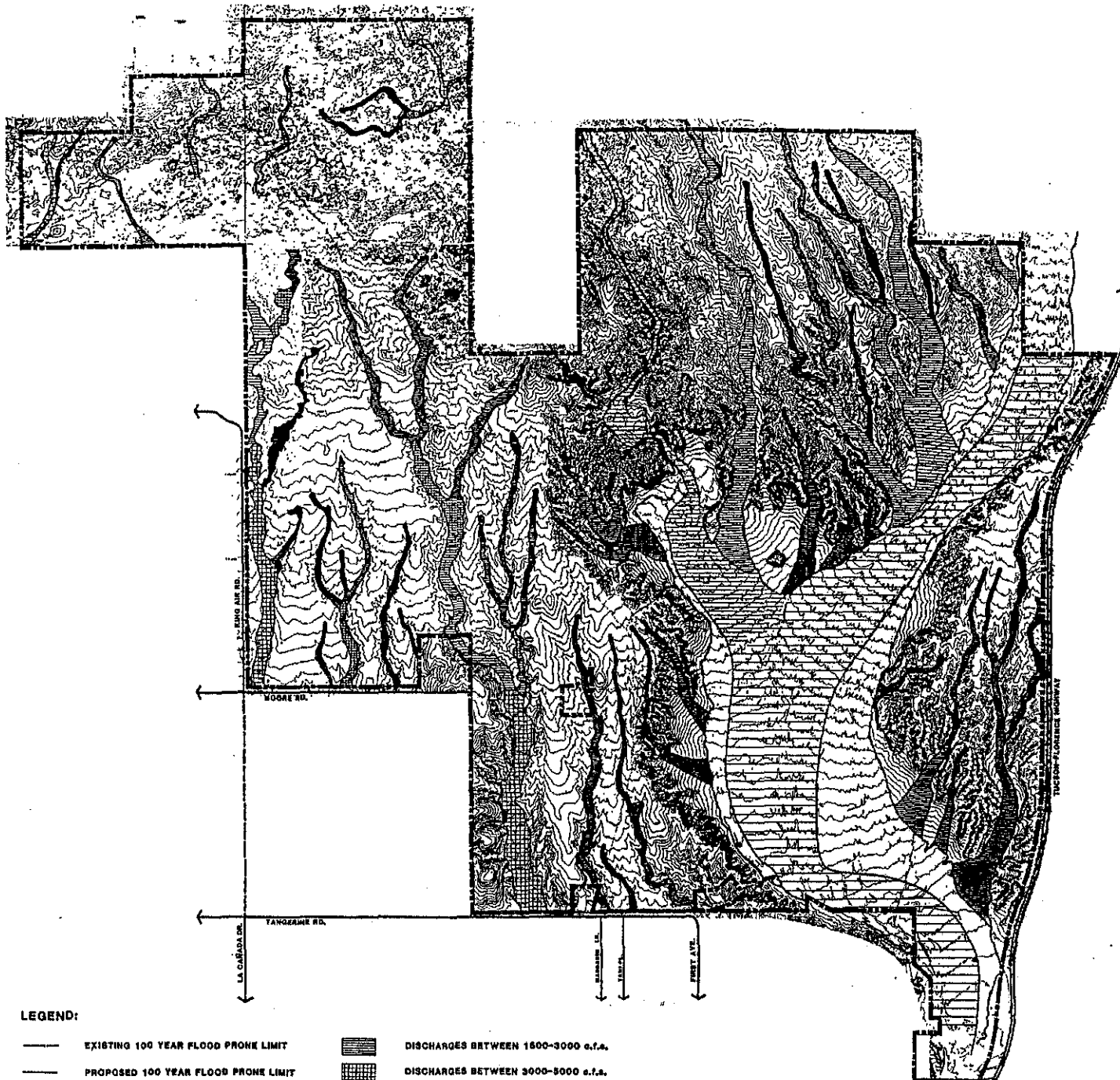
Upstream of the confluence with Honey Bee Canyon, Big Wash has a drainage area of approximately ninety square miles, and a hundred year peak discharge of 16,900 cubic feet per second (CFS). After its confluence with Honey Bee, the flow on Big Wash increases to 18,300 cubic feet per second. Honey Bee Canyon has a drainage area of approximately 12.5 square miles, and a hundred year discharge of 6,000 cubic feet per second. The Hydrology Map depicts the existing

and proposed hydrology and delineates washes with ranges in discharges from 100 CFS to greater than 10,000 CFS.

Approximately the eastern half of the site is drained by Big Wash and the remainder of the area drains southerly to washes which exit approximately at the Tangerine Road Alignment. These washes flow in a general southerly direction to the point of their confluence with the Cañada del Oro. Currently there are no basin management plans in effect within the Rancho Vistoso Community Plan area. The area does not lie within a designated balanced or critical basin and drainage is provided through either unimproved or sufficiently improved lands with no adverse downstream impacts.

With the exception of the roadway crossings, all washes with flow rates greater than 1,000 cubic feet per second will be left natural or used for golf or open space. Washes with lesser flows will be modified if necessary in development areas. Encroachment into a portion of the Big Wash floodplain is proposed. The current Big Wash floodplain limits exceed three quarters of a mile in width. The reclamation of a portion of the floodplain is necessary to permit proper utilization of the area and to provide for economical bridge lengths as required for Tangerine Road and the Rancho Vistoso Parkway bridge crossings. The resulting increase in water surface elevation and velocity will conform to the guidelines of the Federal Emergency Agency and Pima County Flood Control District. Development is proposed to occur in alluvial fan sheet flow areas with flows being contained in a channel width similar to that exhibited in the natural channel upstream in the alluvial fan.

Big Wash plays a major role in the overall Cañada del Oro stream system. Big Wash is a major sediment contributor to the system as required for the sediment balance, and the limits of Big Wash floodplain provide a substantial area for overbank storage. Proposed encroachment of Big Wash will recognize these factors.



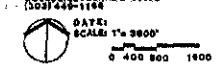
LEGEND:

- | | | | |
|-------------------------|-------------------------------------|--------------------|---------------------------------------|
| — | EXISTING 100 YEAR FLOOD PRONE LIMIT | [Diagonal lines /] | DISCHARGES BETWEEN 1500-3000 c.f.s. |
| — | PROPOSED 100 YEAR FLOOD PRONE LIMIT | [Diagonal lines \] | DISCHARGES BETWEEN 3000-5000 c.f.s. |
| [Stippled pattern] | DISCHARGES BETWEEN 100-500 c.f.s. | [Horizontal lines] | DISCHARGES BETWEEN 5000-10,000 c.f.s. |
| [Cross-hatched pattern] | DISCHARGES BETWEEN 500-1000 c.f.s. | [Vertical lines] | DISCHARGES GREATER THAN 10,000 c.f.s. |
| [Grid pattern] | DISCHARGES BETWEEN 1000-1500 c.f.s. | | |
- DISCHARGES SHOWN ARE IN CUBIC FEET PER SECOND (c.f.s.) FOR THE 100 YEAR RETURN INTERVAL STORM EVENT

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HYDROLOGY

Rancho Vistoso
 Planned Area Development

Oro Valley, Arizona

VEGETATION

Rancho Vistoso is located in the upland section of the Sonoran Desert (Brown, Desert Plants, V. 4, 1982) and is most widely characterized by the palo verde-saguaro biotic associations. Through site visits and analysis of aerial photographs, four major vegetative communities have been identified and are described below. In addition, a small portion of the site is currently in irrigated agricultural use.

The Saguaro/Palo Verde Community is an upland community composed of small-leaved desert trees, shrubs and numerous cacti. This mature plant community is found in close proximity to the Tortolita Mountain foothills. As distance from the foothills increases, saguaro and ocotillo become less frequent until they drop out entirely. The community attains its best development on rocky hills, bajadas and other coarse-soiled slopes.

The dominant species include foothills palo verde and saguaro. Other components are: ocotillo, ironwood, mesquite, cholla cactus, white-thorn acacia, catclaw acacia, barrel cactus, perennial grasses and flowers, bursage, brittlebush, pincushion cactus and prickly pear.

The Foothills Palo Verde/Cholla Cactus Community is an upland community located on the terrain above Big Wash. It is similar to the Saguaro/Palo Verde Community but with less diversity and density.

The dominant species are foothills palo verde and cholla cactus. Other components include mesquite, bursage, creosote bush, barrel cactus, catclaw acacia, whitethorn acacia, brittle bush, prickly pear, desert hackberry, pincushion cactus, crucifixion thorn and perennial grasses.

The Whitethorn/Catclaw Acacia Community is a desert riparian community associated with the washes and arroyos which interrupt the Upland Community. This community is also found in Big Wash, where the vegetation is concentrated along the low flow channels.

The dominant species are whitethorn acacia, catclaw acacia, and desert hackberry. Other components include mesquite, blue palo verde, desert willow, burro bush, creosote bush, desert broom, turpentine bush, sap willow and perennial grasses.

The Cottonwood/Willow Community (Deciduous Riparian) is a deciduous woodland occurring in a narrow band along Honey Bee Canyon and dependent upon a perennial spring which feeds the canyon.

The dominant species include cottonwood, gooding willow, and desert hackberry. Other components are mesquite, desert willow, catclaw acacia, whitethorn acacia, sycamore and perennial grasses.

WILDLIFE

Biologically, the Sonoran Desert is notable among desert environments for its diversity. Rancho Vistoso includes a wide range of habitats and consequently supports a diverse fauna. Although it was not practical to conduct a comprehensive survey of wildlife which utilized each specific site, it is possible to predict which species are likely to be found in the area based on other studies in comparable habitats and upon general sources of information about the Sonoran ecosystem. Thus, although this is not a comprehensive inventory these lists itemize those vertebrate species that are most likely to breed on the site. In addition, the area provides habitat for many birds that either migrate through the area or nest nearby and utilize the site for hunting or foraging. Also, it should be noted that the area supports a diverse range of invertebrates.

Throughout Rancho Vistoso, a network of washes provide small but rich corridors of desert riparian habitat (Whitethorn Catclaw Acacia Community). This riparian habitat acts as a wildlife corridor connecting the Tortolita Mountains with Catalina State Park and adjacent Coronado National Forest.

Honey Bee Canyon is without question the richest and most sensitive biological area of Rancho Vistoso. It contains one of the few perennial streams in the upland desert. This stream supports a deciduous woodland vegetative community (Cottonwood/Willow Community) which in turn supports a variety of animal life. Because of its unique environment, Honey Bee Canyon has major regional significance in terms of plant and wildlife habitat.

Birds

The Sonoran Desert supports a tremendous diversity of bird life, especially in an area such as Rancho Vistoso which includes a variety of habitat types including a perennial

stream and associated riparian vegetation. The entire region surrounding the Tortolita Mountains is well known for its large population of gambel's quail (*Lophortyx gambelii*). Other characteristic species include the Cactus Wren (*Campylorhynchus brunneicapillus*), Gila Woodpecker (*Centurus uropygialis*), Road Runner (*Geococcyx californianus*), Elf Owl (*Micathene whitneyi*) and Harris' Hawk (*Parabuteo unicinctus*).

Reptiles & Amphibians

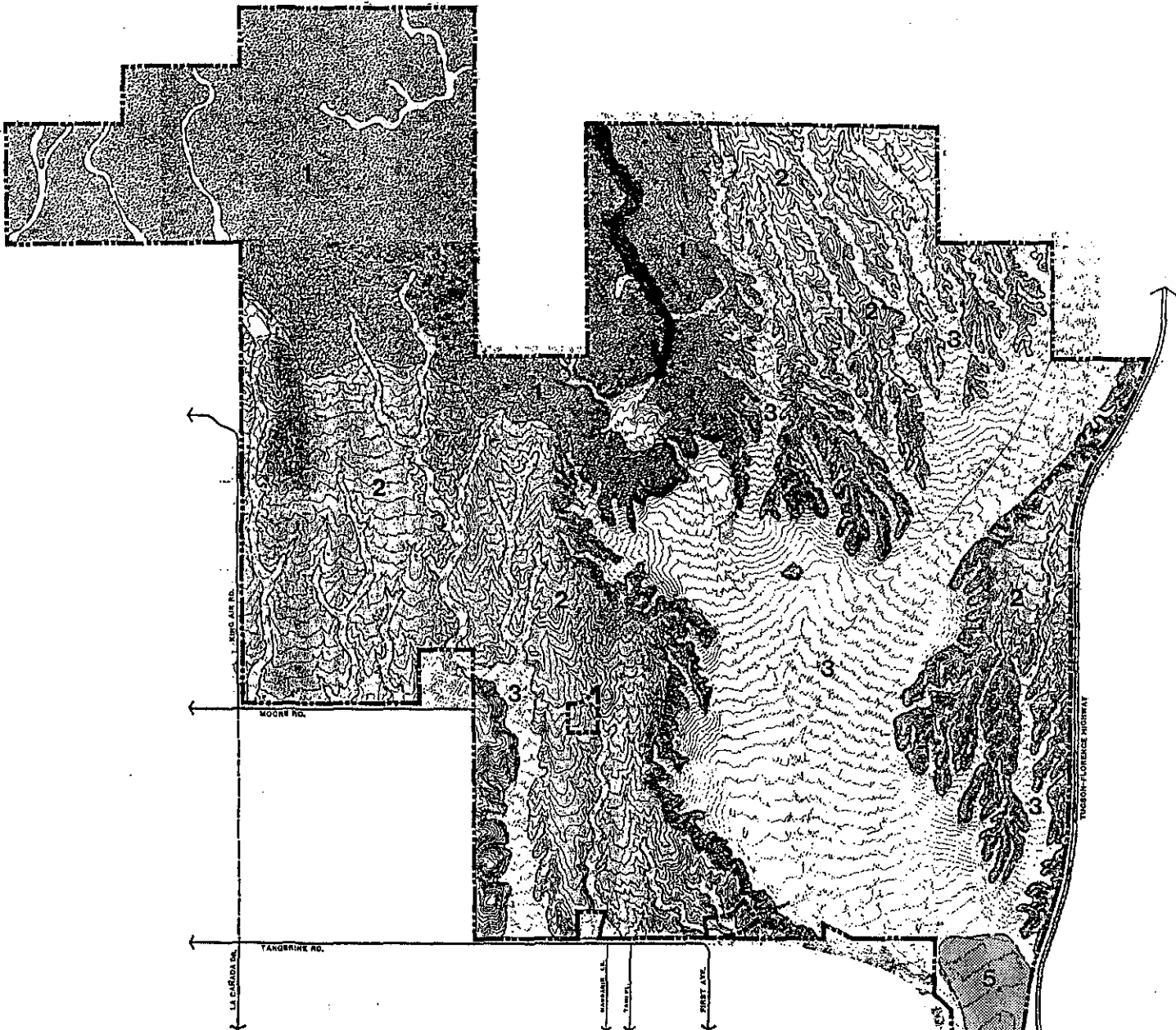
Over 20 species of reptiles and amphibians are likely to exist at the Rancho Vistoso site. Common snakes include the Long-nosed Snake (*Rhinocheilus lecontei*), Western Diamondback Rattlesnake (*Crotalus atrox*), and Gopher Snake (*Pituophis melanoleucus*). Among the various lizards the Gila Monster (*Heloderna suspectum*) is the most notable specie because of its protected status under Arizona law. Several amphibians also occur in this region including Couch's Spadefoot (*scaphiopus couchi*) and the Colorado River Toad (*Bufo alvarius*).






Mammals

Numerous mammals also exist in this region. Among the more visible ones on the site are Desert Mule Deer (*Odocoileus hemionus*), Javelina (*Dicotyles tajacu*), Coyotes (*Canus latrans*) and the Desert Cottontail Rabbit (*Sylvilagus auduboni*).



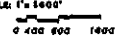
Mitigation of Impacts

Migration corridors should be preserved, particularly to ensure an uninterrupted corridor from the Tortolita Mountains through Honey Bee and Big Washes to Catalina State Park and the adjacent Coronado National Forest. Where roads cross washes, dip crossings and/or span construction will be used as permitted by the County and as economically feasible to ensure wildlife passages.



- LEGEND:**
-  1 SAGUARO/PALO VERDE (UPLAND COMMUNITY)
 -  2 FOOTHILLS PALO VERDE/CHOLLA CACTUS (UPLAND COMMUNITY)
 -  3 WHITE THORN/GATCLAW ACACIA (DESERT RIPARIAN/MAJOR WILDLIFE HABITAT)
 -  4 COTTONWOOD/WILLOW COMMUNITY (DECIDUOUS RIPARIAN/ REGIONALLY SIGNIFICANT WILDLIFE HABITAT)
 -  5 AGRICULTURAL

NOTE: RIPARIAN WILDLIFE HABITATS ARE ASSOCIATED WITH ALL MAJOR AND MINOR WASHES.

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<p>BIOLOGIST: WILLIAM W. SHAW, Ph.D. UNIV. OF ARIZONA</p>	<p>DATE: 1/15/00 SCALE: 1" = 5000' </p>	

VEGETATION/WILDLIFE ANALYSIS

Rancho Vistoso
 Planned Area Development

Oro Valley, Arizona

VISUAL ANALYSIS

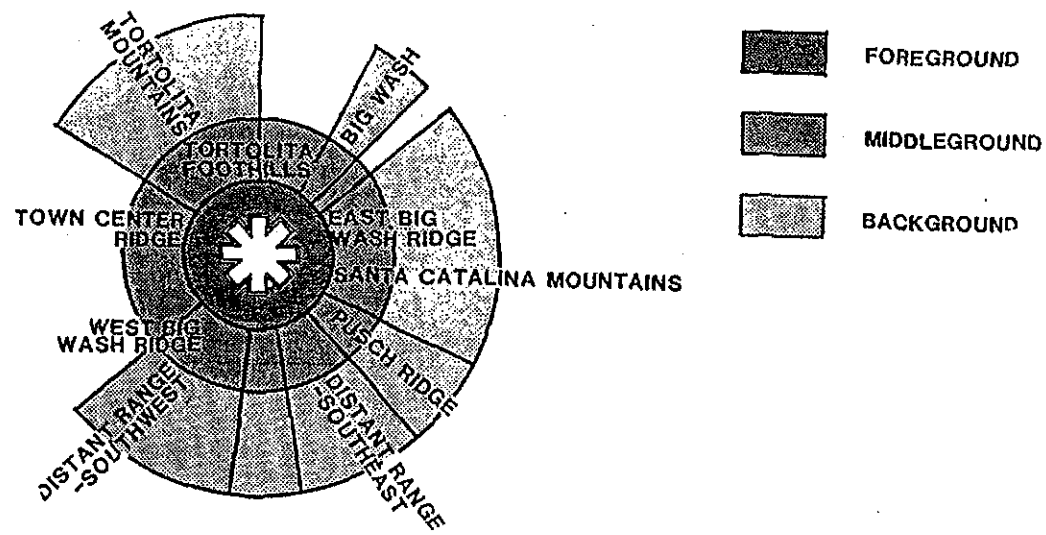
One very important and often overlooked component of an environmental analysis is a visual analysis. The National Forest Service refers to "'visual landscape' as a basic resource to be treated as an essential part of and receive equal consideration with the other basic resources of the land." To this end, a visual analysis was undertaken at Rancho Vistoso.

Visual sensitivity is especially important on a parcel so rich in diverse landscape and topography as Rancho Vistoso. The Sonoran Desert in this area has four character landscapes which weave in and out of each other following natural drainage patterns. These landscapes vary from the less dense palo verde and cholla cactus zones to the very lush desert and deciduous riparian zones. The saguaro plant community is the most dramatic because of its dominant size and shape. Occurring mostly in the rocky uplands, the saguaros are silhouetted against the mountains.

Two close mountain ranges trade off dominating different vistas throughout the site from east to west. The Santa Catalinas are east-southeast and the Tortolitas run north-northwest from Rancho Vistoso. Both ranges create off-site panoramas from almost any point on the site.

Most of the interesting landforms are alluvial. Big Wash is a massive flood plain and the ledges and cliffs surrounding have been carved by centuries of water erosion. The presence of running water and even ground water is noticeable from the existing dense and lush plant materials.

These very general components of the visual landscape are graphically portrayed below:



The visual study of on-site and off-site views was conducted in the field. On-site views are those from the travel corridors, Oracle and Tangerine Roads onto the Rancho Vistoso property. Off-site views are those from key viewing areas on the property to areas off the property.

With the exception of views into Big Wash from the Tangerine crossing, on-site views into Rancho Vistoso from either travel corridor are negligible. Existing topography and lush desert vegetation severely limit views. Further reducing on-site views is the 60 degree cone of vision perceivable at 50 miles per hour. This cone of vision corridor is plotted on the Visual Analysis Map. Mitigation measures will be proposed for those areas which can be clearly seen from the travel corridors. These measures, which will be contained in the design guidelines, will pertain to building massing, heights, color and landscape character.

Off-site views from key viewing areas are noted on the Visual Analysis Map by an asterisk. Foreground, middle ground and background views from each key area are listed below:

A. Oracle Road Main Entrance View

Foreground -	View to west of rolling hills with lush palo verde vegetation. Topography and vegetation help as a natural buffer of Oracle Road.
Middle Ground -	Catalina Mountains.
Background -	Very limited view of Tortolitas.

B. Big Wash Bridge View

Foreground -	Limited by height of bluff near bridge.
Middle Ground -	Ridges across Big Wash to the northwest and Catalinas.
Background -	Large expanse of Big Wash to the northeast. Two southern mountain ranges and Tucson.

C. Office Park View

Foreground -	Lush palo verde (foothills) vegetation. Washes and "fingers" of land between them.
Middle Ground -	Ridge west of Big Wash. Existing powerline on ridge top is visible, but wash distance helps lessen impact. Town Center site is identifiable.

Background Tortolitas and two southern mountain ranges - one southwest; one south-southeast.

D. Tangerine Bridge View

Foreground - Limited by actual cut into hill.
Middle Ground - Reciprocal views of the Office park area and respective ridges.
Background - Long, narrow view up Big Wash, Tortolita Mountains, Santa Catalina Mountains.

E. High School/Community Center View

Foreground - Framed by desert riparian vegetation and Big Wash sand channels.
Middle Ground - Ridge west of Big Wash town center site is very recognizable. Powerline is silhouetted on ridge.
Background - No significant views.

F. Town Center View

Foreground - Framed by vegetation to land below. Powerline is an adverse view.
Middle Ground Big Wash channels and ridges and "fingers" beyond. School site creates view corridor across west end of Big Wash.
Background - Tortolitas and Catalinas.

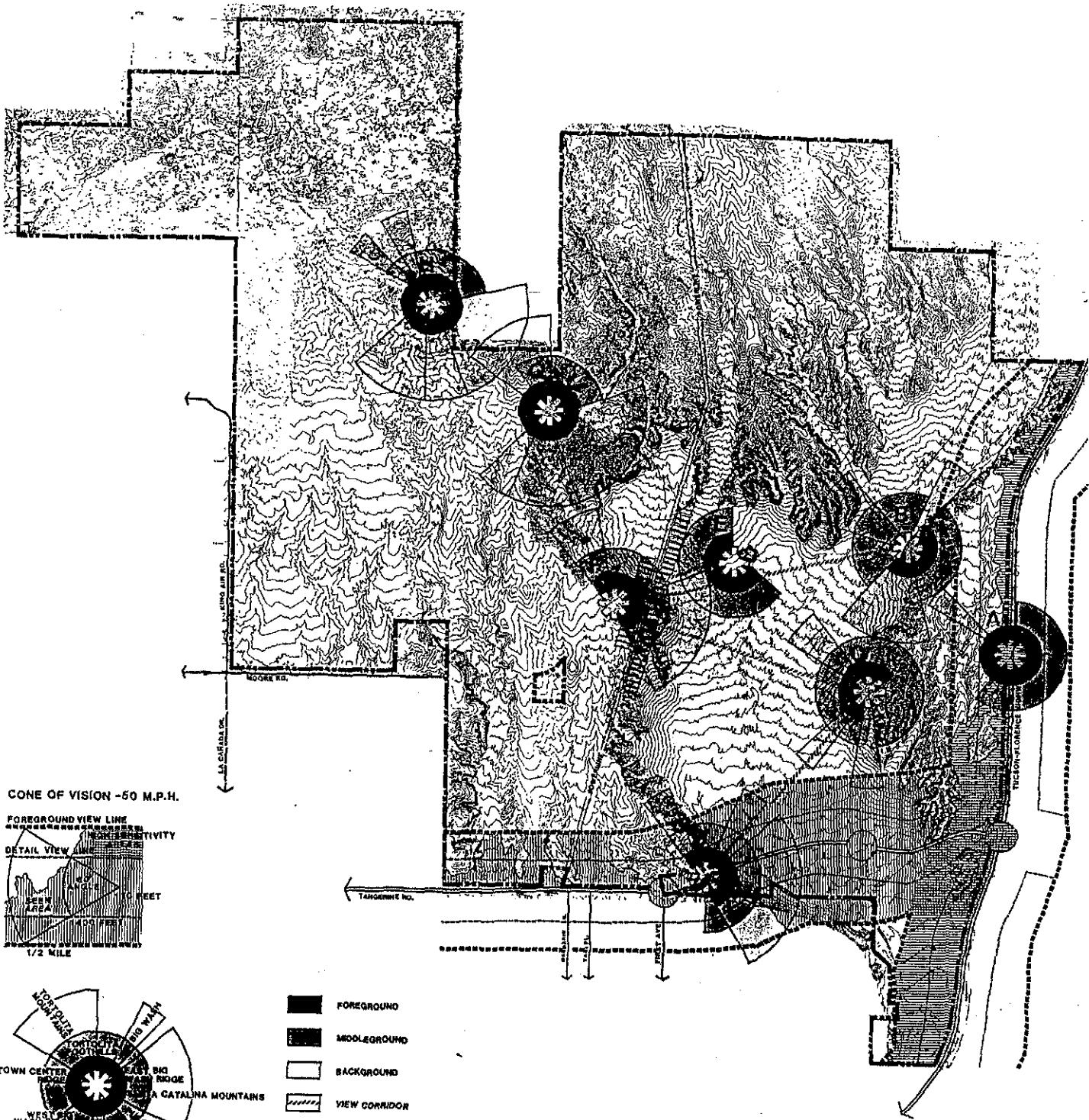
G. Parkway View

Foreground -	Very open because of low density of Palo Verde/Cholla vegetation
Middle Ground	Parts of Tortolita Foothills to the north; rest of view is flat.
Background -	More interesting as tops of ridges and saguaro emerge. View of distant mountain ranges to the south are good.

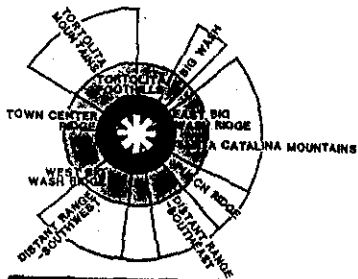
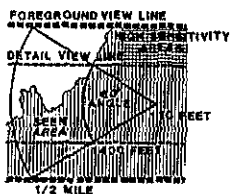
H. Resort Hotel View

Foreground -	Spectacular large rock formations and saguaro vegetation.
Middle Ground -	Tortolitas front ridges farther north.
Background -	Back peaks of Tortolitas emerge, adding real interest of shape and depth to mountains. Very picturesque panorama of all ranges because of elevation rise.

Both on-site and off-site views have been incorporated into the land planning process. Siting of streets, the town center, recreational and resort facilities and landscape buffers was directly related to protecting and enhancing existing views.



CONE OF VISION -50 M.P.H.



- FOREGROUND
- MIDDLEGROUND
- BACKGROUND
- ▨ VIEW CORRIDOR
- ▧ ADVERSE POWERLINE VIEWS

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DATE: 11/28/00
 SCALE: 1"=200'
 0 400 800 1600

VISUAL ANALYSIS

Rancho Vistoso
 Planned Area Development

Oro Valley, Arizona

CULTURAL AND ARCHAEOLOGICAL

Previous Archaeological Work in the Study Area

Prior to 1975 no systematic archaeological fieldwork or research had focused on the eastern Tortolita Mountains region. In 1976 Pima Community College Centre for Archaeological Field Training began systematic fieldwork from the Pinal/Pima County line southward to Tangerine Road and west of Big Wash into the eastern pediment of the Tortolita Mountains emphasizing the then newly proposed Rancho Vistoso development area. Major village sites and a variety of smaller sites were recorded. Other archaeological resources recorded for the area include those found as part of the north Tucson Basin archaeological survey conducted under the auspices of the Arizona State Museum in 1982. In 1984 the Bureau of Land Management conducted an archaeological survey of a 480 acre holding adjacent to the study area. Several small scale archaeological surveys are documented for the area and additional sites in the study area have been informally reported. Research strategies for the region have been multifaceted. Goals have included developing a cultural resources inventory, elaborating the culture history of the region, providing information on site function, and preparing a cartographic base map for the area.

Natural Environment of the Tortolita Mountains

The broad range of environments and diversity of plant and animal species available in the study area provided a rich natural resource base for the prehistoric inhabitants of the area. A critical factor in determining the location of village sites appears to be proximity to soils suitable for agriculture. For the eastern Tortolitas good agricultural soils are apparently associated with Holocene inset terraces. These terraces represent the only areas where active deposition and erosion have occurred in recent times.

Culture History of the Study Area

Evidence for human occupation of the Tortolita Mountains extends from the historic period back to the Middle Archaic Period (c.a. 6000-1500 B. C.). The majority of the prehistoric sites located in the Tortolita Mountains are associated with the Hohokam populations that inhabited southern and central Arizona from 300 B. C. to A. D. 1450. The major Hohokam occupation spans the Sedentary period through the Classic period. Nearly all of the large village sites north of Honey Bee Village were initially occupied during this time period. Following A. D. 1450 traces of prehistoric occupation are scarce. Other than the Steam Pump Ranch and other local ranches, no historic sites are documented for the study area.

Cultural Resources

Rancho Vistoso embraces a diversity of natural habitats some of which encouraged the utilization of parts of the region by prehistoric and historic inhabitants. In the last decade several systematic archaeological investigations were conducted in the study area, and cultural resources were recorded on the Rancho Vistoso property during these projects. Three major village sites were located in or immediately adjacent to the present Rancho Vistoso study area. In addition, a variety of smaller sites were also recorded. The cultural resources located and recorded are summarized in Table 1 and shown on the Cultural/Archaeological Map. Although these projects documented a diversity of sites, they covered only a portion (less than 25%) of the current study area. The available information suggests that there is a high probability of sites occurring in the unsurveyed portions of the study area. The nature and distribution of these sites will be documented in the course of field surveys planned for the spring of 1986. Although cultural resources are documented within the project area, the nature of the proposed development, its extended time frame and the flexible planning strategies embraced by

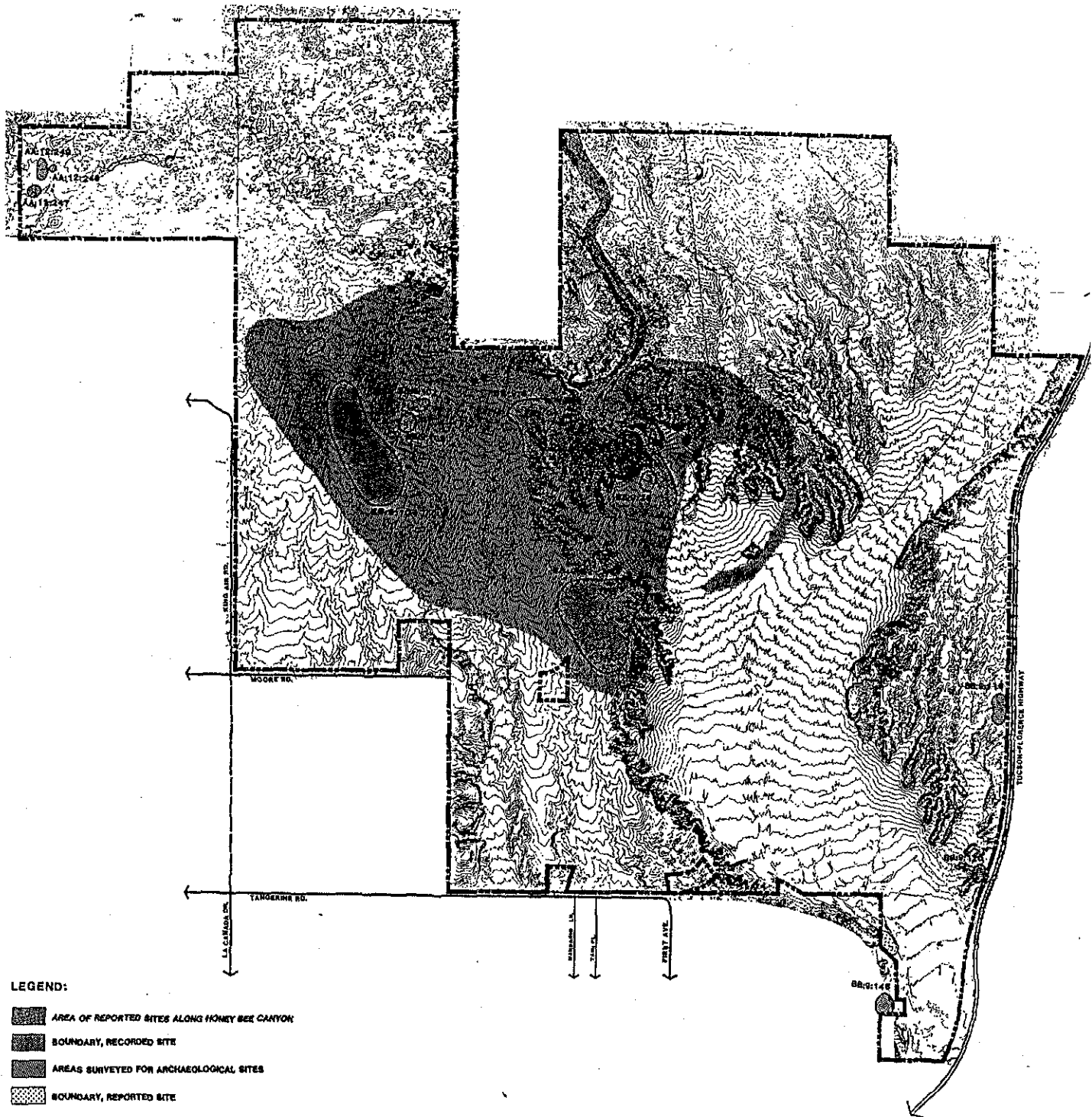
the project should provide opportunities for the preservation and recovery of the archaeological resources in the area.





Planning Considerations

The implementation of specific actions will be integrated with the planning and development phases which are scheduled to occur over the 20 year life of the project. All archaeological activities will be undertaken through consultation with the State Historic Preservation Officer and other professional archaeologists as appropriate. Not all of the phases will be followed for each development area as the archaeological requirements will vary from area to area depending on the cultural resources present and the nature of the particular development.

Conclusions and Recommendations

Based on the information gathered during development of the Archaeological Overview several steps will be followed to initiate a process that will promote the effective management of the archaeological resources located on the Rancho Vistoso property. First, the areas in which archaeological surveys have not been conducted need to be undertaken. Although the area east of the powerline road appears not to have the density of sites found nearer the pediment, this needs to be documented through systematic fieldwork. Second, given the extensive size of the large village sites (Honey Bee and Sleeping Snake) these sites will require detailed maps to record the variety of surface features present. Third, the archaeological planning phases outlined in the full report will be implemented and coordinated with the general planning process for the development of Rancho Vistoso.




- LEGEND:**
-  AREA OF REPORTED SITES ALONG HONEY BEE CANYON
 -  BOUNDARY, RECORDED SITE
 -  AREAS SURVEYED FOR ARCHAEOLOGICAL SITES
 -  BOUNDARY, REPORTED SITE

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DATE: 11/88
SCALE: 1" = 2000'


CULTURAL, ARCHAEOLOGIC & HISTORIC RESOURCES

Rancho Vistoso
 Planned Area Development

Oro Valley, Arizona

DEVELOPMENT SUITABILITY

A Development suitability map was derived by overlaying and analyzing the major environmental factors including topography, slope, soils, geology, hydrology, vegetation, wildlife, archaeology and visual analysis. The most significant environmental factors that present the major constraints to development have been determined to be slope, hydrology, geology and vegetative/wildlife habitat.

Most Suitable for Development

Areas identified as being most suitable for development have gentle slopes (0-10 percent), are not subject to flood hazards and contain no significant vegetation or wildlife habitat. These areas occur on the upland terrain, or bajadas, adjacent to Big Wash. All types of development could occur on these areas with minimal environmental impact.

Suitable with Minor Modifications

Areas identified as being suitable with minor modifications or restrictions are characterized by slopes of 10 to 15 percent and are not subject to major flood hazards. In addition, the areas do not contain significant vegetation or wildlife habitat.

Also within this category there are constraints regarding recorded archaeological sites. These sites will be more specifically mapped, surveyed, recorded and excavated, if appropriate. Following excavation, if necessary, significant remaining sites can be retained and preserved. Generally, however, it is believed that this will not be necessary.

The final element of this category is based upon the visual analysis. An area of visual sensitivity is shown in the southeast corner of Rancho Vistoso. Restrictions regarding building heights, design, landscaping and buffers should apply.

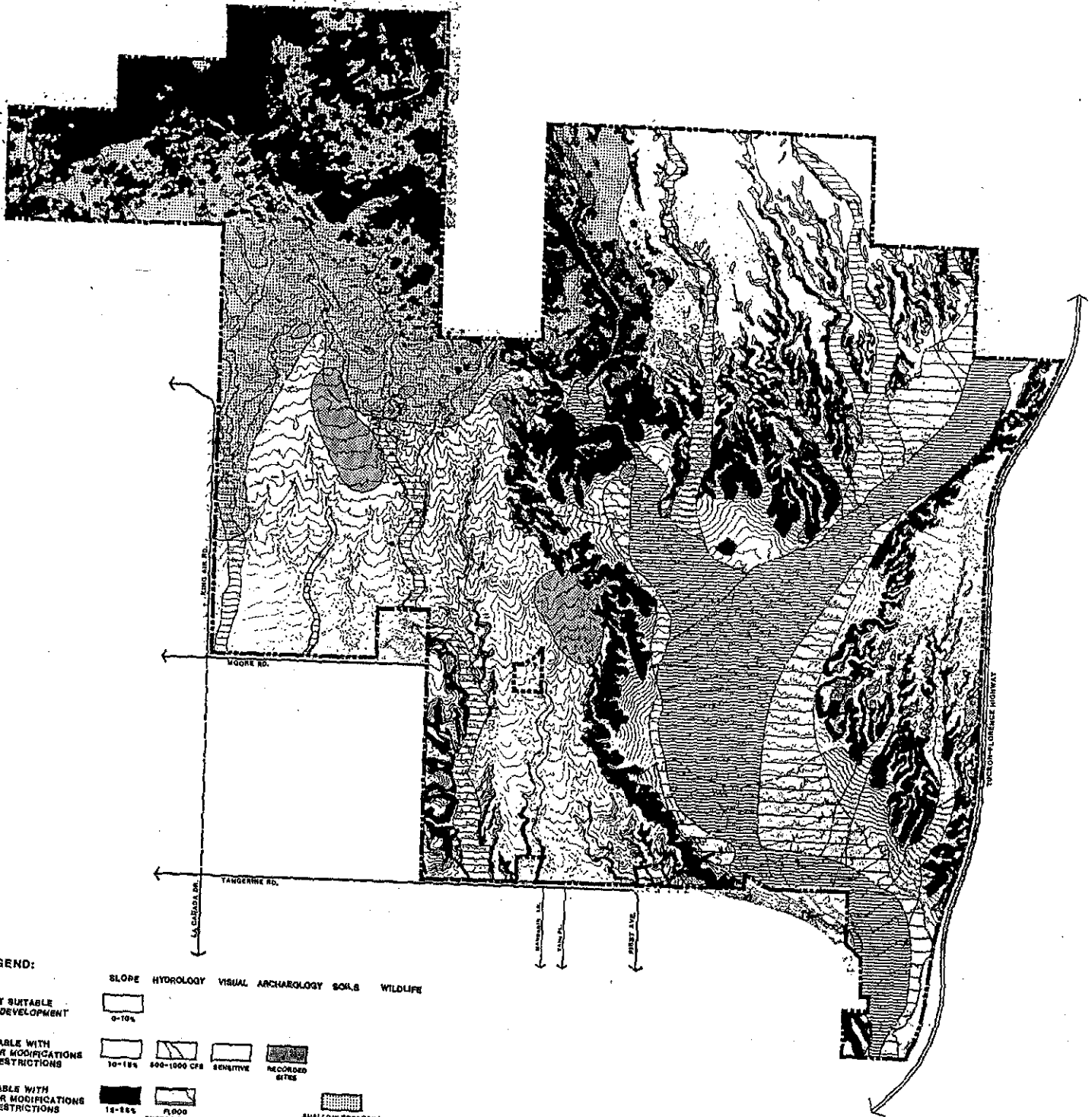
Suitable with Major Modifications or Restrictions

The category of suitable with major modifications or restrictions applies to several situations. Areas with slopes of 15 to 25 percent will be developed under the Rancho Vistoso Grading Design Standards. Areas of encroachment in Big Wash will become eligible for development after the area is reclaimed from potential flood hazards. To minimize impact on sensitive environmental areas, restrictions on development will apply adjacent to Honey Bee Canyon and the Tortolita Foothills. Very low or low density housing is proposed for areas in proximity to sensitive environmental zones.

Geologic and soil constraints in this category include the boulder outcroppings in the Tortolita Foothills and along Honey Bee Canyon. Shallow depth to bedrock near the Tortolita Foothills will restrict utility access and affect building design, construction, and will increase development cost. The characteristics of a few of the soils on the property may necessitate additional development requirements. The extent of the requirements will need to be determined by further site-specific soils testing as parcels are developed. A preliminary soils investigation indicated that any potential problems could be mitigated by appropriate engineering and construction practices.

Unsuitable for Development

The unsuitable for development category is characterized by slopes in excess of 25 percent, washes with flows exceeding 1000 cubic feet per second (c.f.s.), the 100-year floodplains of Big Wash and Honey Bee Wash (outside proposed encroachment), major rock outcroppings, and the most significant vegetative/wildlife habitat. Only recreational uses will be permitted in this category.




LEGEND:

	SLOPE	HYDROLOGY	VISUAL	ARCHAEOLOGY	SOILS	WILDLIFE
MOST SUITABLE FOR DEVELOPMENT	0-10%					
SUITABLE WITH MINOR MODIFICATIONS OR RESTRICTIONS	10-15%	500-1000 CFS	SENSITIVE	RECORDED SITES		
SUITABLE WITH MAJOR MODIFICATIONS OR RESTRICTIONS	15-25%	FLOOD ENCROACHMENT		SHALLOW BEDROCK/ROCK OUTCROPPINGS		
UNSUITABLE FOR DEVELOPMENT	25% PLUS	> 1000 CFS OR FLOODWAY				REGIONAL HABITAT

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DATE: JAN 22, 1987
 SCALE: 1" = 200'
 0' 200' 400' 600' 800'

DEVELOPMENT SUITABILITY

Rancho Vistoso
 Planned Area Development

Oro Valley, Arizona

TRANSPORTATION

1. REGIONAL ACCESS

The proposed Rancho Vistoso community has primary regional transportation access via Tucson-Florence Highway (Oracle Road) and Tangerine Road. Other regional access is provided via La Cholla Boulevard and La Canada Drive in a north-south direction and via Moore Road and Naranja Road in an east-west direction. First Avenue also constitutes a major access point, since it connects Oracle Road and Tangerine Road and leads directly into the proposed development.

2. INTERNAL CIRCULATION

A. Internal Circulation

Internal circulation within Rancho Vistoso is provided via a system of arterial and collector streets. A functional roadway classification for internal circulation has been formulated.

The primary road system within Rancho Vistoso is Rancho Vistoso Boulevard. Designated as a minor arterial, it will enter the property on the south at Tangerine Road in the vicinity of First Avenue and will traverse the site, exiting to the east at Oracle Road.

Linked to the Rancho Vistoso Boulevard are a number of urban collector "loops" which serve each of the neighborhoods and provide the major east-west links within the community and to the west of the property.

Within each of the neighborhoods, there is a hierarchy of roads ranging from urban collectors to residential cul-de-sacs providing access, safety and identity for each of the residential development areas.

B. Functional Classification

The proposed functional classification of the internal street system is illustrated in the PAD. The PAD illustrates the location of Principal Arterials, Minor Arterials, Urban Collectors and Local Streets.

The backbone of the internal circulation system would be Rancho Vistoso Boulevard, which is a minor arterial. Tangerine Road and Oracle Road are principal arterials.

3. TRAFFIC ESTIMATE AND REGIONAL TRAFFIC IMPACT

The proposed development at Rancho Vistoso consists of dwelling units, commercial sites, a resort hotel complex, office park, hospital, research park and other uses. Because of the diversity of uses, the proposed development is expected to be self-contained to a large extent. Nevertheless, residents of Rancho Vistoso will travel to and from a multitude of origins and destinations outside of the development boundary for purposes of work, shopping, medical, recreational, educational, cultural and other purposes. This may be especially true in the early phases of development of Rancho Vistoso if residential development were to out-pace the development of other types of land uses. Similarly, residents in other parts of the Tucson metropolitan

area would be expected to travel to Rancho Vistoso for employment, recreational and other trip purposes.

A detailed traffic study has been prepared to analyze traffic and circulation requirements. It should be noted that all data in the traffic study has been based upon a population projection for Rancho Vistoso at projected buildout which was estimated at approximately 90% of full development. The experience to date, however, has been that parcels will likely be developed out at approximately 80% of the projected full development figures. Accordingly, the circulation system and roadway configuration presented in the PAD would be more than adequate to serve the ultimate demand.

A. Land Use and Trip Generation

Table A shows the proposed land uses for Rancho Vistoso at projected buildout and the trip generation associated with each land use.

Trip generation rates are generally consistent with those in the publication entitled Trip Generation Intensity Factors (TGIF), modified to reflect unique conditions at Rancho Vistoso and the consultant's experience with similar developments elsewhere. The trip generation rates for a few of the land use categories, however, represent unique situations.

TABLE A
LAND USE AND TRIP GENERATION
FOR RANCHO VISTOSO AT PROJECTED BUILDOUT

<u>LAND USE DESCRIPTION</u>	<u>QUANTITY</u>	<u>TRIP GENERATION RATE</u>	<u>TOTAL DAILY TRIPS</u>
<u>Residential</u>			
Very Low Density	195 D.U.'s	13.0/D.U.	2,525
Low Density	256 D.U.'s	13.0/D.U.	3,328
Medium Density	3,012 D.U.'s	11.0/D.U.	33,132
Medium High Density	3,320 D.U.'s	11.0/D.U.	36,520
High Density	2,643 D.U.'s	8.5/D.U.	22,468
Adult Housing in Sun City Vistoso	2,924 D.U.'s	7.7/D.U.	22,514
Sub Total	12,350 D.U.'s		120,497
<u>Other Uses</u>			
Resort	33 Acres	150/Acre	4,950
Commercial	137	400	54,800
Office/Office Park	332	200	66,400
Medical Office	121	400	48,400
Hospital	45	100	4,500
Hotel	16	150	2,400
Elementary School	11	75	825
Junior/Senior High	76	150	11,400
Parks	61	10	610
Substation/WWTF	26	2	52
Tennis Club	7	30	210
Church	12	10	120
Recreational	25	20	500
Town Center	61	430	26,230
Club House	20	30	600
Sub Total	983 Acres		221,997
TOTAL			342,494

- (a) Excludes 300 D.U.'s at Town Center. Those units included in Town Center Development.
- (b) Daily trip generation for a weekday.
- (c) Projected buildout is estimated at approximately 90% of full development.

The trip generation rate for adult housing in Neighborhood #1, Sun City Vistoso, is based on the experience at Sun City in Maricopa County and the Green Valley Travel Survey. Consistent with this data, a rate of 7.7 vehicular trips per dwelling unit is used for planning purposes. For the hospital, the rate of 100 trips per acre is based on the premise of a 300-bed hospital on the 45-acre site. Trip generation rates for hospitals are available on a per-bed basis, and the rate used is 15 trips per bed.

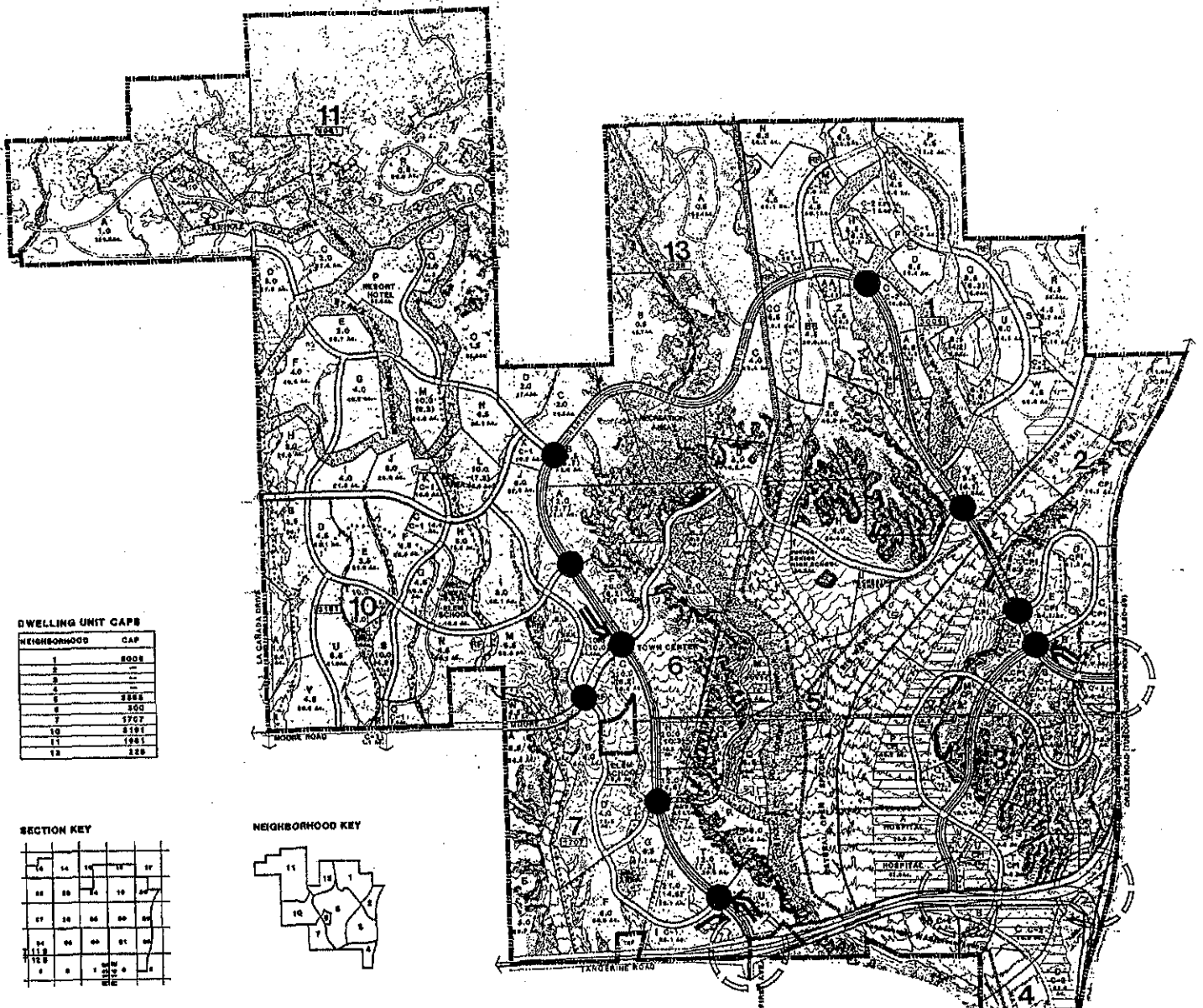
B. Traffic Loads

The estimated daily travel loads for Rancho Vistoso and the surrounding area at projected buildout are presented in Figure 1. Within the development area, the highest traffic volumes are observed on Tangerine Road and on Rancho Vistoso Boulevard. Also, heavy traffic volumes would be superimposed on First Avenue and on Oracle Road.

C. Trip Distribution

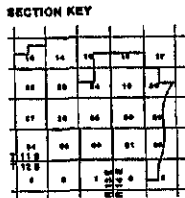
At projected buildout, it is expected that a total of approximately 340,000 vehicular trip ends per day would be generated at Rancho Vistoso. About 120,000 of this total would be associated with residential uses and about 220,000 with other-than-residential land uses.

Additionally, it is expected that approximately two-thirds of the trips at Rancho Vistoso would be internal trips. This percentage was estimated on the basis of the trip productions and trip attractions at Rancho Vistoso and estimates of likely percentages



DWELLING UNIT CAPS

NEIGHBORHOOD	CAP
1	8008
2	1000
3	1000
4	1000
5	2255
6	300
7	5707
10	2181
11	1981
13	228



LEGEND

- LAND USE**
- SITE PAD BOUNDARY
 - NEIGHBORHOOD BOUNDARY
 - PLANNING UNIT BOUNDARY
 - 100' NATURAL AREA SETBACK
 - VERY LOW DENSITY RESIDENTIAL 0 - 1 R.A.C.
 - LOW DENSITY RESIDENTIAL 1 - 5 R.A.C.
 - MEDIUM DENSITY RESIDENTIAL 5 - 8 R.A.C.
 - MEDIUM HIGH DENSITY RESIDENTIAL 8 - 8 R.A.C.
 - HIGH DENSITY RESIDENTIAL 8 - 21 R.A.C.
 - NEIGHBORHOOD DWELLING UNIT CAP
 - NET RESIDENCES PER ACRE (RAC)
 - GROSS RESIDENCES PER ACRE (RAC)
 - DEVELOPABLE ACRES
 - COMMUNITY COMMERCIAL
 - REGIONAL COMMERCIAL
 - CAMPUS PARK INDUSTRIAL
 - CULTURAL/ INSTITUTIONAL
 - RELIGIOUS FACILITY
 - RESORT
 - RECREATION AREA/ GOLF COURSE
 - OPEN SPACE

- CIRCULATION**
- HIGHWAY ARTERIAL 150' ROW
 - URBAN COLLECTOR 80' ROW
 - LOCAL STREETS 50' ROW
 - PROPOSED ACCESS
 - PROPOSED UNDERPASS
 - PROPOSED BRIDGE
 - PEDESTRIAN TRAILS
 - BICYCLEWAY/ BIKEWAY TRAILS

- GRADE SEPARATION
- TRAFFIC SIGNAL
- ↑ FREE-FLOWING RIGHT
- ↑ DOUBLE-LEFT

OTHER TRAFFIC CONTROLS MAY BE NEEDED FOR SITE ACCESS & OPERATIONAL SAFETY. CONSIDERATIONS COORDINATE WITH SITE SPECIFIC DESIGN.

- HYDROLOGY**
- 100 YEAR FLOOD FROM LIMIT FOR WASHES OVER 500 CFS
 - PROPOSED MAXIMUM FLOODPLAIN ENCROACHMENT

FIGURE 4 TRAFFIC CONTROL NEEDS AT FULL DEVELOPMENT

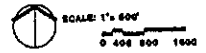
Rancho Vistoso
Planned Area Development

Oro Valley, Arizona

DEVELOPED BY:
WOLFSBERG GROUP
INCORPORATED
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MESA, ARIZONA 84802
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ENGINEERING:
WLB
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GAGE DAVIS ASSOCIATES
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ARCHITECTURE AND URBAN DESIGN
1007 PEARL STREET
SUNBELT BUILDING 60808
(602) 446-1188



of trip-making, internally. The two-thirds internal trip-making at ultimate development is considered appropriate in comparison to other self-contained communities.

TRIP DISTRIBUTION SUMMARY

Internal Trips	226,667
External Trips	<u>113,333</u>
TOTAL TRIPS	340,000

4. ROADWAY IMPROVEMENTS

All streets within Rancho Vistoso Development will be built by developers. The minor arterial and urban collector streets will be dedicated to the Town of Oro Valley. Most local streets will be dedicated and others will remain the responsibility of various homeowners associations.

These roadways will be developed in accordance with the proposed typical cross-sections and the Town of Oro Valley standards. In addition to pavement width, the typical cross sections also specify placement of the various utilities and design criteria for the different roadways. (Exhibits B-2, B-3 and B-4)

The PAD shows the location of the various roadways within the Rancho Vistoso project. The following is a table of the estimated total miles of street by type and a tentative construction schedule.

Estimated Mileage Completed

<u>Type of Street</u>	0 - 5	5 - 10	10 - 15	Total
	<u>Years</u>	<u>Years</u>	<u>Years</u>	<u>Miles</u>
Minor Arterial - 150' R/W	6 Miles	1 Mile	0 Miles	7
Urban Collector - 80' R/W	5 Miles	9 Miles	8 Miles	22
Local Street - 50' R/W	16 Miles	33 Miles	28 Miles	77

A. Lane Requirements

The number of lanes required on each segment of the internal circulation system has been determined. Traffic volumes on Oracle Road are expected to reach levels in excess of 60,000 vehicles per day (vpd) at full development of Rancho Vistoso in conjunction with regional traffic growth in general. Considering that access along Oracle Road is confined to a few major intersections, with no driveway access, a six-lane fully improved divided roadway might be sufficient to handle the expected traffic levels. To further enhance the capacity of Oracle Road in the immediate area of Rancho Vistoso, grade separations will be provided at selected key intersections, thus transforming Oracle Road to an expressway.

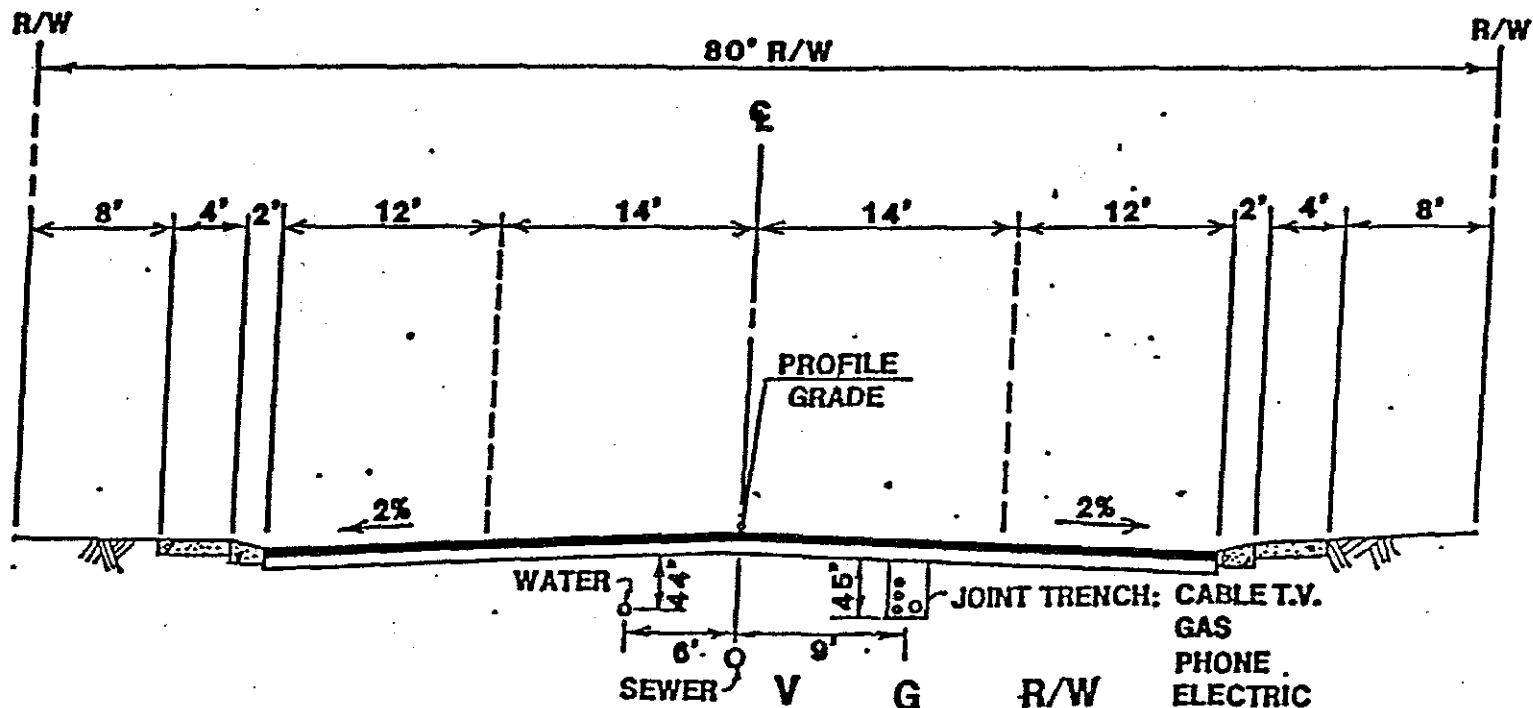
Traffic volumes on Tangerine Road are expected to reach a level in the order of 50,000 vpd in the area through the development and about 20,000 vpd in the area west of La Canada Road. When Tangerine Road is developed as a State Route connecting Oracle

Road and Interstate 10, through traffic is expected to increase these traffic volumes to even higher levels. The proposed cross-section and right-of-way for Tangerine Road (six lanes divided with landscaping buffer) will enable Tangerine Road to carry the levels of traffic volume projected, given the provision of grade separations at selected key intersections.

On First Avenue south of Tangerine Road, a requirement of four lanes is indicated. Further south on First Avenue, at its approach to Oracle Road, traffic volumes would be higher and may necessitate a six-lane cross-section. If this were the case, it might be appropriate to develop First Avenue as a six-lane facility for the entire segment between Oracle Road and Tangerine Road.

5. ALTERNATE MODES

The Rancho Vistoso Community Plan has envisioned a distribution of land uses into autonomous and self-contained sub-communities or "pieces of the whole." These sub-communities are served by a community-wide network of pedestrian trails and bike paths. The location of the hierarchy of neighborhood and community uses has been based upon required population base, size or distance factors, and is designed to encourage the use of alternate modes of transportation. For example, neighborhood commercial centers and elementary schools are located within walking distance to residential areas. The community-wide service, education, recreation, and employment centers are clustered, such as in the Town Center and Corporate Office Park areas, which will facilitate mass transit service when warranted by population levels.



URBAN COLLECTOR	V	G	R/W
	35	10	80

V: DESIGN SPEED MPH
 G: MAX. GRADE %

TYPICAL CROSS SECTION - URBAN COLLECTOR

NT8

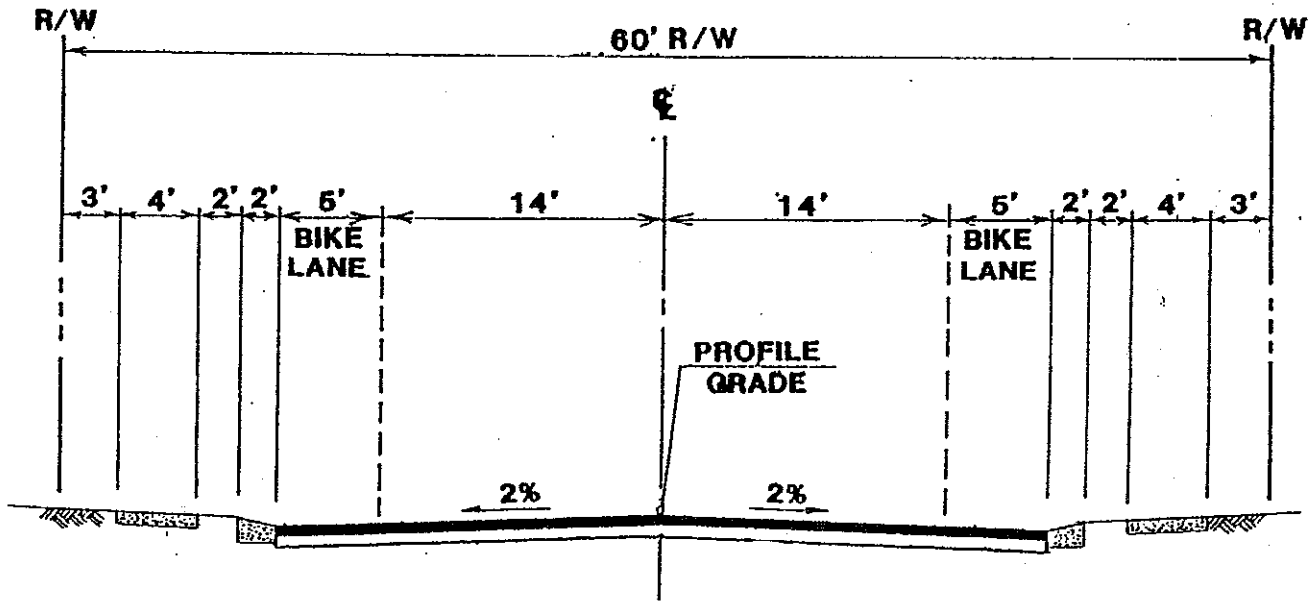
EXHIBIT B-3

The WLB Group Inc.

WLB

Engineering • Planning • Surveying
 Environmental Architecture • Mass Design

Offices in Tucson and Phoenix, Arizona
 and Rancho Conejo, California
 444 East Broadway
 Tucson, Arizona 85711 (520) 291-7400



	V	G	R/W
LOCAL COLLECTOR	30	10	60

V: DESIGN SPEED MPH
 G: MAX. GRADE %

UTILITY LOCATIONS TO BE APPROVED BY TOWN ENGINEER.

TYPICAL CROSS SECTION - LOCAL COLLECTOR

NTB

EXHIBIT B-3A

Approved by Mayor and Council (o)89-23 10-11-89

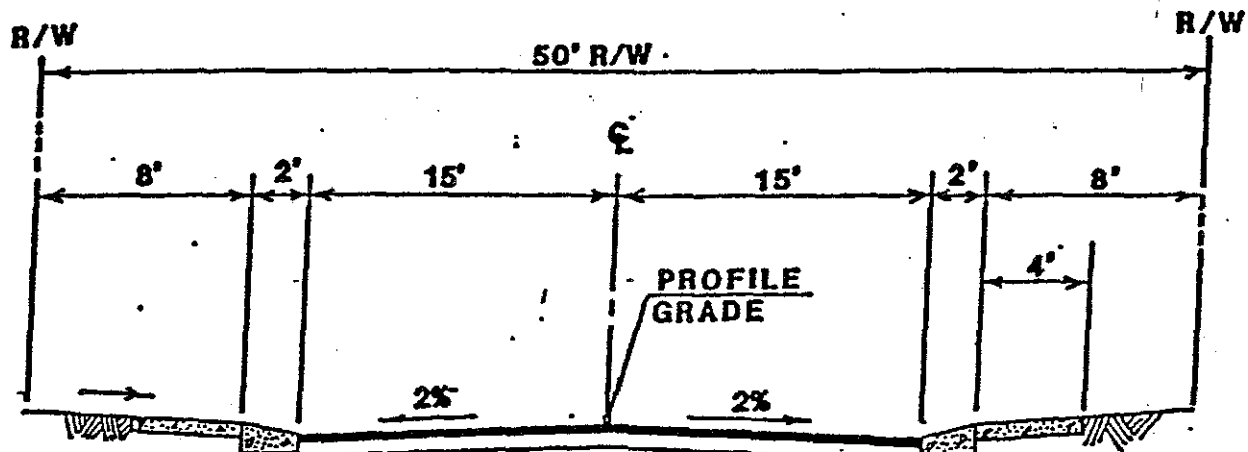
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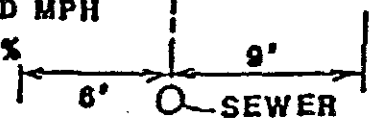
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 and Rancho Cucamonga, California
 4602 East Broadway
 Tucson, Arizona 85711 (520) 881-7400

54.1



LOCAL STREETS	20	12	50
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V: DESIGN SPEED MPH
 G: MAX. GRADE %



JOINT TRENCH:
 CABLE T.V.
 GAS
 PHONE
 ELECTRIC

TYPICAL CROSS SECTION - LOCAL STREETS

NTS

EXHIBIT B-4

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WLB
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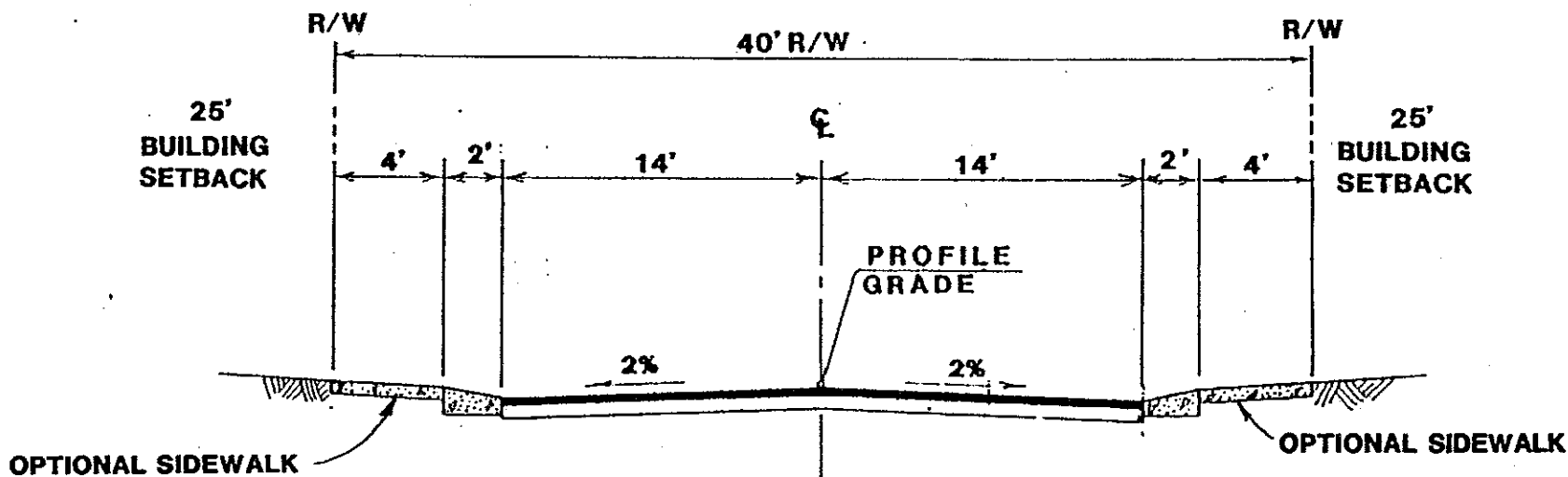
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 and San Francisco
 Tucson, Arizona 85711 520/298-1400

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	V	G	R/W
LOCAL STREETS	20	12	40

V: DESIGN SPEED MPH

G: MAX. GRADE %

UTILITY LOCATIONS TO BE APPROVED BY TOWN ENGINEER.

TYPICAL CROSS SECTION - LOCAL STREETS

NT8

EXHIBIT B-4A

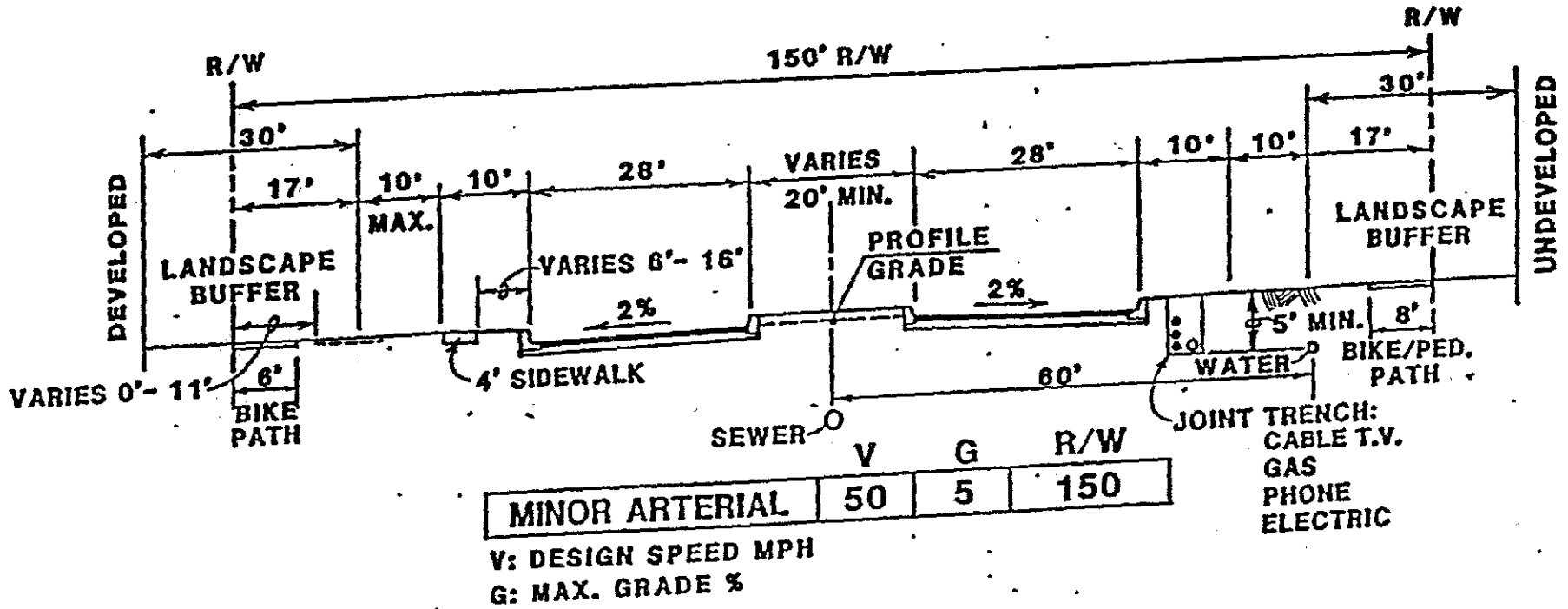
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Landscape Architecture • Urban Design

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Tucson, Arizona 85711 (602) 861-1400

Approved by Mayor and Council
(0)89-23 10-11-89



TYPICAL CROSS SECTION - MINOR ARTERIAL
RANCHO VISTOSO BOULEVARD
NTS

EXHIBIT B-2

The WLB Group Inc. **WLB**

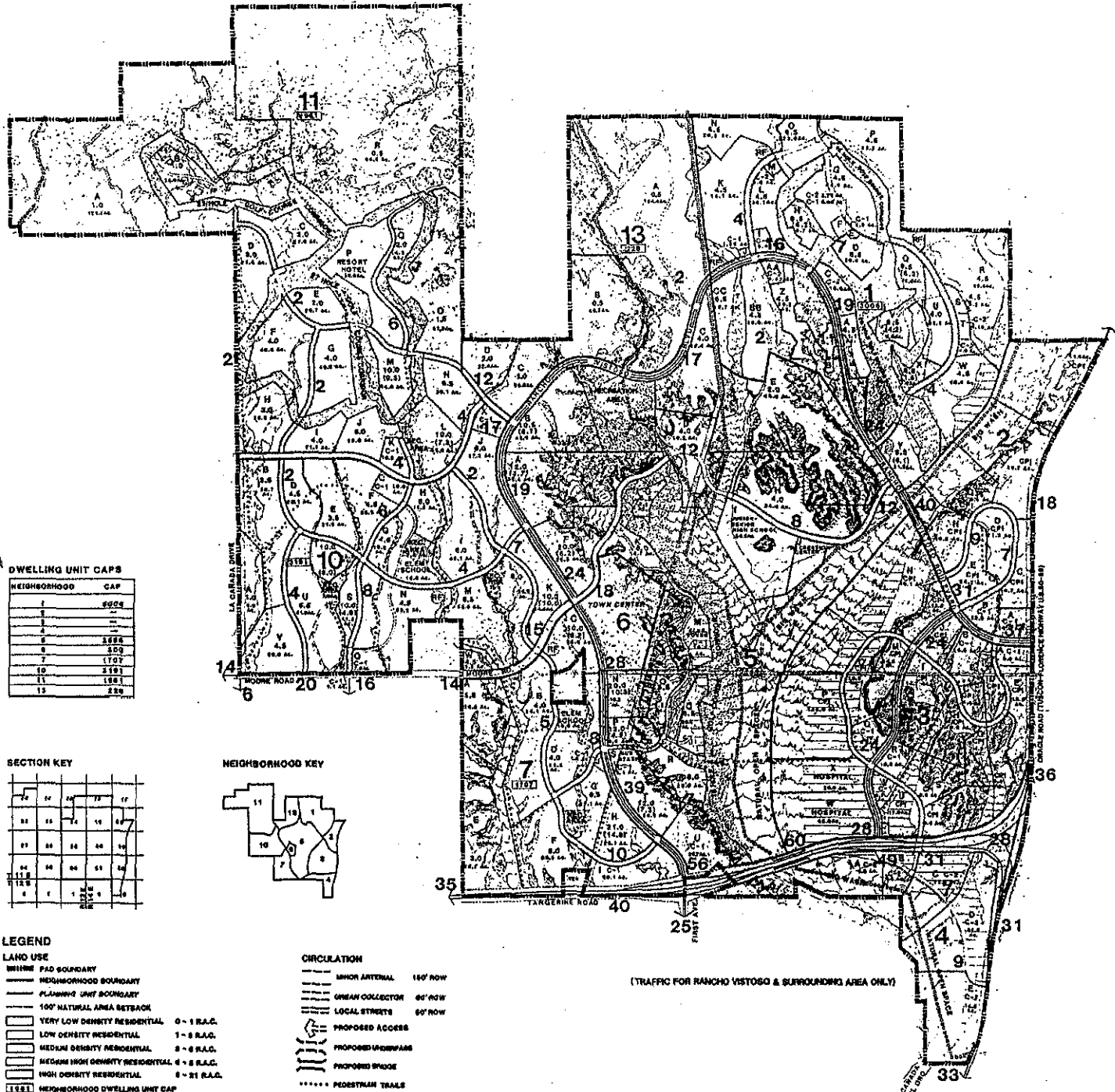
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6. TRAFFIC ESTIMATION METHODOLOGY

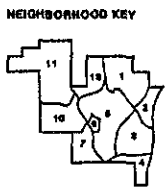
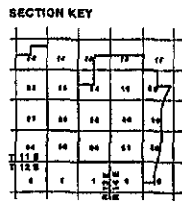
Traffic volumes in the Rancho Vistoso area were estimated using a micro-computer traffic modeling process. (The specific software used was MINUTP.) In the modeling process, the typical transportation planning steps were used, as follows:

- A. Subdividing the area into traffic analysis zones (99 traffic analysis zones were used, including gateways or external nodes).
- B. Trip Generation - using the trip generation rates in Table A applied at the traffic analysis zone level.
- C. Trip Distribution - using the gravity model process.
- D. Traffic Assignment - using a capacity restraint procedure.



DWELLING UNIT CAPS

NEIGHBORHOOD	CAP
1	500
2	1000
3	1500
4	2000
5	2500
6	3000
7	3500
8	4000
9	4500
10	5000
11	5500
12	6000



LEGEND

LAND USE

- PAD BOUNDARY
- NEIGHBORHOOD BOUNDARY
- PLANNING UNIT BOUNDARY
- 100' NATURAL AREA SETBACK
- VERY LOW DENSITY RESIDENTIAL 0 - 1 R.A.C.
- LOW DENSITY RESIDENTIAL 1 - 3 R.A.C.
- MEDIUM DENSITY RESIDENTIAL 3 - 6 R.A.C.
- MEDIUM HIGH DENSITY RESIDENTIAL 6 - 8 R.A.C.
- HIGH DENSITY RESIDENTIAL 8 - 21 R.A.C.
- NEIGHBORHOOD DWELLING UNIT CAP
- NET RESIDENCES PER ACRE (R.A.C.)
- GROSS RESIDENCES PER ACRE (R.A.C.)
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- REGIONAL COMMERCIAL
- CAMPUS PARK INDUSTRIAL
- CULTURAL/ INSTITUTIONAL
- RELIGIOUS FACILITY
- RESORT
- RECREATION AREA/ GOLF COURSE
- OPEN SPACE

CIRCULATION

- MINOR ARTERIAL 150' ROW
- URBAN COLLECTOR 80' ROW
- LOCAL STREETS 50' ROW
- PROPOSED ACCESS
- PROPOSED UNDERPASS
- PROPOSED BRIDGE
- PEDESTRIAN TRAILS
- BICYCLIST/BIKE TRAILS

HYDROLOGY

- 100 YEAR FLOOD FLOOD LIMIT FOR WASHES UPON SOE OPS
- PROPOSED MAXIMUM FLOODPLAIN ENFORCEMENT

FIGURE 1 ESTIMATED DAILY TRAFFIC LOADS AT PROJECTED BUILDOUT

Rancho Vistoso
Planned Area Development

Oro Valley, Arizona

DEVELOPED BY:
WOLFSWINKEL GROUP INCORPORATED
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MESA, ARIZONA 85202
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PLANNING:
GAGE DAVIS ASSOCIATES
PLANNING AND LANDSCAPE ARCHITECTURE
ARCHITECTURE AND URBAN DESIGN
1007 PEAK STREET
BUCKLE UP! 100 80302
(502) 429-1188

SCALE: 1" = 600'
0 600 600 1800

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When recorded, return to:
 D. Randall Stokes, Esq.
 Lewis and Roca
 100 West Washington Street
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 Phoenix, Arizona 85003-1899

RESTATED
DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS
AND EASEMENTS
FOR
RANCHO VISTOSO
PIMA COUNTY, ARIZONA

8021 025

10

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1 portions of Rancho Vistoso to the public and to Record various
2 additional covenants, conditions and restrictions apart from
3 this Declaration in the form of separate Tract Declarations or
4 Subsidiary Declarations which shall cover certain portions of
5 Rancho Vistoso to be specified in such Tract Declarations or
6 Subsidiary Declarations, and may join with purchasers of one or
7 more Parcels to execute and Record supplements to this
8 Declaration pursuant to Section 16.12 hereof.

9 F. Declarant desires and intends that the Covered
10 Property shall be held, sold and conveyed subject to the ease-
11 ments, restrictions, covenants and conditions in this
12 Declaration, which: (i) are for the purpose of protecting the
13 value, desirability, attractiveness and natural desert charac-
14 ter of the Covered Property; (ii) shall run with all of the
15 real property comprising the Covered Property; (iii) shall be
16 binding on all parties having any right, title or interest in
17 the Covered Property, or any part thereof; and (iv) shall inure
18 to the benefit of the aforementioned parties and their
19 successors and assigns.

20 G. Declarant desires to form an Arizona nonprofit
21 corporation to be known as the "Vistoso Community Association,"
22 which shall be the "master association" (excluding all
23 Subsidiary Associations) for the purposes of, among other
24 things: (i) holding title in fee or otherwise to the Common
25 Areas; (ii) the efficient preservation of the values and amen-
26 ities of the Covered Property, in regard to which the
Association will be delegated certain powers of administering
and maintaining the Common Areas and enforcing this Declaration
and the Architectural and Landscaping Review Committee
Guidelines adopted pursuant hereto; and, (iii) establishing,
collecting, disbursing and enforcing the Assessments created
herein.

27 H. In regard to Declarant's formation of the
28 Association and without obligation so to do, Declarant may seek
29 approval thereof and hereof by the FHA or the VA or any other
30 Agencies whose approval Declarant deems necessary or desirable
31 in Declarant's sole discretion.

32 I. Until such time as the Association is incorpo-
33 rated, Declarant shall and does hereby reserve to itself, its
34 successors and assigns, the right to exercise the powers,
35 rights and duties granted to or imposed upon the Association
36 under this Declaration.

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1 NOW, THEREFORE, Declarant hereby declares, covenants
and agrees as follows:

2 ARTICLE I

3 DEFINITIONS

4 As used in this Declaration, the following terms shall
5 have the following meanings:

6 1.1 "Additional Covenants" shall mean the covenants,
restrictions, reservations, charges, servitudes, assessments,
7 conditions, liens or easements in addition to those provided
for in this Declaration, which are provided for in any Recorded
8 Subsidiary Declaration, any Recorded Tract Declaration, any
Recorded contract, deed, declaration or other instrument or any
9 supplement to this Declaration adopted with respect to one or
more Non-Residential Parcels pursuant to Section 16.12 hereof;

10 1.2 "Additional Property" shall mean the real property
described on Exhibit "A" attached hereto and by this reference
11 incorporated herein;

12 1.3 "Adjustment Date" shall mean January 1 of each
year during the period this Declaration remains in effect;

13 1.4 "Agencies" shall mean the FHA, the VA, the Federal
14 National Mortgage Association, the Federal Home Loan Mortgage
Corporation and any other governmental agencies or financial
15 institutions;

16 1.5 "Annual Assessments" shall mean the annual
assessments levied by the Board pursuant to Section 8.2 of this
17 Declaration;

18 1.6 "Apartment Parcel" shall mean a Parcel designated
pursuant to Section 5.1 of this Declaration as having a
19 Residential Apartment Development Land Use Classification;

20 1.7 "Apartment Unit" shall mean a Dwelling Unit
located on a portion of the Covered Property which has been
21 designated as being for Residential Apartment Development Use,
the occupancy of which is governed by a rental agreement as
22 defined in A.R.S. § 33-1310(11);

23 1.8 "Architectural and Landscaping Review Committee"
shall mean the committee formed pursuant to Article IV of this
24 Declaration;

25 1.9 "Architectural and Landscaping Review Committee
Guidelines" shall mean the rules and regulations adopted,
26

1 amended and supplemented by the Architectural and Landscaping
2 Review Committee pursuant to Section 4.5 of this Declaration;

3 1.10 "Articles" shall mean the Articles of
4 Incorporation of the Association, as amended or restated from
5 time to time, on file with the Arizona Corporation Commission;

6 1.11 "Assessments" shall mean all Annual Assessments,
7 Special Assessments and Maintenance Assessments.

8 1.12 "Assessment Lien" shall mean the charge and
9 continuing servitude and lien against a Lot or Parcel for
10 payment of Assessments and Special Use Fees as described in
11 Section 8.1 of this Declaration;

12 1.13 "Assessment Period" shall mean each period for
13 which Assessments are to be levied against a Lot or Parcel pur-
14 suant to this Declaration, as more particularly described in
15 Section 8.8 below;

16 1.14 "Association" shall mean the "Vistoso Community
17 Association", an Arizona nonprofit corporation, its successors
18 and assigns;

19 1.15 "Association Rules" shall mean the reasonable
20 rules and regulations adopted by the Association pursuant to
21 Section 6.3 of this Declaration;

22 1.16 "Board" shall mean the Board of Directors of the
23 Association;

24 1.17 "Bylaws" shall mean the Bylaws of the
25 Association, as amended or restated from time to time;

26 1.18 "Common Areas" shall mean all real property and
the improvements or amenities thereon, all easements and
licenses, and all personal property and facilities, which shall
from time to time be owned, controlled or operated by the
Association (including, but not limited to, areas used for
landscaping, flood control, drainage, bicycle or jogging paths,
parks, recreational areas, open space, walkways, equestrian
trails and pedestrian and vehicular ingress and egress), or
with respect to which the Association has administrative, main-
tenance or other similar responsibilities;

1.19 "Condominium Parcel" shall mean a Parcel desig-
nated pursuant to Section 5.1 of this Declaration as having a
Residential Condominium Development Land Use Classification;

1.20 "Condominium Unit" shall mean a Dwelling Unit
constituting a "unit" in a "condominium", together with any

1 appurtenant interest in all "common elements", as such terms
2 are defined in Chapter 9, Title 33, Arizona Revised Statutes,
as amended;

3 1.21 "County" shall mean Pima County, Arizona,
4 provided, however, that in the event Rancho Vistoso (or any
5 part thereof) is at any future time annexed into a municipality
or becomes part of a county other than Pima County, the term
"County" shall mean and refer to such municipality or other
county, as applicable;

6 1.22 "Covered Property" shall mean the property more
7 particularly described on Exhibit "B" attached hereto and
8 incorporated by this reference, plus the Additional Property,
if and to the extent annexed;

9 1.23 "Declarant" shall mean Wolfswinkel Group, Inc.,
10 an Arizona corporation, and the successors and assigns of
Wolfswinkel Group, Inc.'s rights and powers hereunder;

11 1.24 "Declaration" shall mean this Restated
12 Declaration of Covenants, Conditions, Restrictions and
Easements, as amended or supplemented from time to time;

13 1.25 "Delinquent Amount" shall mean any Special Use
Fee or Assessment, or installment thereof, not paid when due;

14 1.26 "Developer Owner" shall mean a Person in the
15 business of developing, leasing and/or selling real property
and who has acquired one or more Lots or Parcels in Rancho
16 Vistoso in connection with, and in the course of, such busi-
ness, for the purpose of developing, leasing or selling such
17 Lots or Parcels, and shall also include a Person who acquires a
Non-Residential Parcel for such Person's own development and
18 use;

19 1.27 "Dwelling Unit" shall mean any building, or part
20 thereof, situated upon a Lot or Parcel and intended for use and
occupancy as a residence by a Single Family;

21 1.28 "Event of Foreclosure" shall mean the foreclo-
22 sure, the acceptance of a deed in lieu of foreclosure, or the
transfer of title by trustee's deed at a trustee's sale in
23 regard to a mortgage, deed of trust or other encumbrance infe-
rior in priority to an Assessment Lien;

24 1.29 "Exempt Property" shall mean portions of the
25 Covered Property not subject to Assessments, which shall be the
following areas now or hereafter located within Rancho Vistoso:

26 1.29.1 all Government Property;

1 1.29.2 a Parcel with a Land Use Classification of
2 School Use or Church Use, unless and to the extent it is other-
wise indicated in the applicable Recorded Tract Declaration or
other appropriate Recorded instrument;

3 1.29.3 all Common Areas for so long as Declarant
4 or the Association is the owner thereof; and,

5 1.29.4 all Limited Common Areas;

6 1.30 "FHA" shall mean the Federal Housing
Administration;

7 1.31 "Funds" shall mean all funds and property col-
8 lected and received by the Association from any source;

9 1.32 "Government Property" shall mean all land and
10 improvements owned by or dedicated to a public or governmental
11 agency or authority for so long as the public or governmental
12 agency or authority is the owner or beneficiary thereof, except
for land or improvements, or both, owned and/or operated by a
public or governmental agency or authority acting in a proprie-
tary capacity;

13 1.33 "Index" shall mean the Consumer Price Index, All
14 Items, All Urban Consumers (1967 = 100) published by the United
States Department of Labor; "Comparison Index" shall mean the
15 Index published for the month which is three months prior to an
Adjustment Date; and "Base Index" shall mean the Index pub-
16 lished for the month which is 12 months prior to the month for
which the Comparison Index is published;

17 1.34 "Land Use Classification" shall mean a classifi-
18 cation of a portion of the Covered Property for a particular
use, as described in Section 5.1 of this Declaration;

19 1.35 "Limited Common Areas" shall mean all areas of
20 any Parcel now or hereafter designated on a Recorded Tract
Declaration or a Recorded subdivision plat as an area to be
21 used in common by the Owners or Occupants of a particular
Parcel or subdivision (which areas shall also be maintained by
22 and at the expense of the Owners or Occupants of such Parcel or
subdivision, or by a homeowners' or similar Subsidiary
23 Association established with respect to such Parcel or subdivi-
sion);

24 1.36 "Lot" shall mean:

25 1.36.1 an area of real property designated as a
26 "Lot" on a Recorded Tract Declaration or Recorded subdivision
plat approved by Declarant, covering any Parcel, or a portion

1 thereof, which area of real property is limited by a Tract
2 Declaration, Subsidiary Declaration or other Recorded instru-
ment to either Single Family Residential Use or Cluster
Residential Use; or

3 1.36.2 a Condominium Unit.

4 The term "Lot" shall not include Exempt Property;

5 1.37 "Maintenance Assessments" shall mean the
6 assessments, if any, levied by the Board pursuant to
Sections 8.7 and 11.2 of this Declaration;

7 1.38 "Master Development Plan" shall mean the concep-
8 tual or site development plan at any time in effect for Rancho
9 Vistoso and approved by the County or any other governmental
jurisdiction having the authority to approve and regulate mas-
10 ter plans for planned area developments located in Rancho
11 Vistoso, as the same may be amended from time to time. A cur-
rent copy of the then applicable Master Development Plan shall
12 be on file at all times in the Association office. If required
by the County or any Agency, the Master Development Plan shall
be Recorded;

13 1.39 "Maximum Annual Assessment" shall mean the amount
14 established by or in accordance with Section 8.4 of this
Declaration;

15 1.40 "Member" shall mean any Owner, including
16 Declarant for so long as Declarant is a Class A or Class B
Member;

17 1.41 "Membership" shall mean the amalgam of rights and
18 duties of Owners, including Declarant so long as Declarant is a
Class A or Class B Member, with respect to the Association;

19 1.42 "Net Acre" shall mean a gross acre less any dedi-
20 cated rights-of-way and Common Areas and shall be equivalent to
what is commonly referred to as a "net net acre";

21 1.43 "Non-Developer Owner" shall mean any Owner who is
not a Developer Owner;

22 1.44 "Non-Residential Parcel" shall mean a Parcel
23 restricted under a Recorded Tract Declaration or other Recorded
instrument to nonresidential uses;

24 1.45 "Occupant" shall mean any Person, other than an
25 Owner, occupying a Parcel or Lot, or any portion thereof or
building or structure thereon, as a Resident, Tenant, licensee
26 or otherwise, other than on a merely transient basis;

1 1.46 "Owner" shall mean the Record holder of legal
2 title to the fee simple interest in any Lot or Parcel or, in
3 the case of a Recorded "contract" (as that term is defined in
4 A.R.S. § 33-741(2)), the holder, of Record, of the purchaser's
5 or vendee's interest under said contract, but excluding others
6 who hold such title merely as security. If fee simple title to
7 a Lot or Parcel is vested of Record in a trustee pursuant to
8 A.R.S. §§ 33-801 et seq., for purposes of this Declaration
9 legal title shall be deemed to be held by the trustor (or the
10 trustor's successor of Record), and not by the trustee. An
11 Owner shall include any Person who holds Record title to a Lot
12 or Parcel in joint ownership or as an undivided fee interest;

13 1.47 "Parcel" shall mean each area of the Covered
14 Property as shall be defined and limited to a specific Land Use
15 Classification by a Recorded Tract Declaration, as well as any
16 lot (as distinguished from Lots, as defined in Section 1.36),
17 pad or sub-parcel thereof, if such lot, pad or sub-parcel shall
18 have been created by a parcel split or subdivision approved or
19 permitted in accordance with Section 5.3.9. Notwithstanding
20 the preceding sentence, a Parcel other than a Non-Residential
21 Parcel shall cease being a Parcel upon Recording of a subdivi-
22 sion plat or a declaration of condominium creating Lots or
23 Condominium Units in regard thereto. In the case of the staged
24 development of a Parcel having a Land Use Classification of
25 Cluster Residential Use, Single Family Residential Use or
26 Residential Condominium Development Use, those areas of such
Parcel not yet covered by a Recorded subdivision plat or decla-
ration of condominium creating Lots or Condominium Units shall
continue to be a Parcel for purposes of this Declaration.
Further, for purposes of determining voting rights, Assessments
and Membership rights attributable to portions of the Covered
Property not yet subject to Recorded Tract Declarations, all of
such portions other than Exempt Property shall also be deemed
to be Parcels;

1.48 "Person" shall mean a corporation, partnership,
joint venture, individual, trust or any other legal entity;

1.49 "Recorded Assessment Lien" shall mean an
Assessment Lien with respect to which the Board has Recorded a
notice of lien covering the Delinquent Amount plus interest and
accrued collection costs against the applicable Lot or Parcel
(provided, however, that the Board's failure to Record an
Assessment Lien against a Lot or Parcel shall not be deemed to
invalidate or extinguish the Assessment Lien with respect to
such Lot or Parcel);

1.50 "Record", "Recording" and "Recorded" shall mean
placing or having placed a document of public record in the
Official Records of Pima County, Arizona;

1 1.51 "Rental Business Space" shall mean an area within
2 a commercial building or shopping center designed for lease to
a business Tenant;

3 1.52 "Resident" shall mean:

4 1.52.1 each Tenant who resides on the Covered
5 Property and the members of the immediate family of each Tenant
who reside on the Covered Property;

6 1.52.2 each Owner who resides on the Covered
7 Property and the members of the immediate family of each Owner
who reside on the Covered Property; and,

8 1.52.3 such persons as the Board, in its absolute
9 discretion, may authorize, including without limitation guests
of an Owner or Tenant;

10 1.53 "Residential Apartment Development" shall mean a
11 development comprised of Apartment Units and the surrounding
area which is intended to be integrated and under the same own-
ership;

12 1.54 "Residential Condominium Development" shall mean
13 a development comprised of Condominium Units and the
surrounding Limited Common Areas;

14 1.55 "Single Family" shall mean a group of persons
15 related by blood, marriage or legal adoption, or a group of not
more than three unrelated persons maintaining a common house-
16 hold;

17 1.56 "Single Family Parcel" shall mean a Parcel desig-
18 nated pursuant to Section 5.1 of this Declaration as having a
Single Family Residential or Cluster Residential Land Use
Classification;

19 1.57 "Special Assessments" shall mean the assessments,
20 if any, levied by the Board pursuant to Section 8.5 of this
Declaration;

21 1.58 "Special Use Fees" shall mean any fees charged by
22 the Association for use of the Common Areas pursuant to
Section 3.1 of this Declaration;

23 1.59 "Subsidiary Association" shall mean an Arizona
24 nonprofit corporation, its successors and assigns, established
for the purpose of administering and enforcing the provisions
25 of any Recorded Subsidiary Declaration or Recorded Tract
Declaration;

26

1 1.60 "Subsidiary Declaration" shall mean any declara-
2 tion of covenants, conditions and restrictions or like instru-
3 ment Recorded after the Recording of this Declaration in regard
4 to any Parcel, or part thereof, or group of Lots, by the Owner
of such Parcel or part thereof, or group of Lots, which shall
in all cases be consistent with and subordinate to this
Declaration and any applicable Recorded Tract Declaration;

5 1.61 "Tenant" shall mean a Person occupying any part
6 of the Covered Property under any type of rental agreement,
7 whether such rental agreement is within the definition set
8 forth in A.R.S. § 33-1310(11) or otherwise;

9 1.62 "Tract Declaration" shall mean any declaration of
10 covenants, conditions and restrictions or like instrument
11 Recorded after the Recording of this Declaration in regard to
12 one or more Parcels, or portions thereof, or group(s) of Lots,
13 by the Owner of such Parcels or portions thereof, or group(s)
14 of Lots, which shall in all cases be consistent with and subor-
15 dinate to this Declaration;

16 1.63 "VA" shall mean the United States Veterans'
17 Administration;

18 1.64 "Visible From Neighboring Property" shall mean,
19 with respect to any given object, that such object is or would
20 be visible to a Person 6 feet tall, standing at ground level on
21 neighboring property.

22 ARTICLE II

23 PROPERTY AND PERSONS BOUND BY THIS DECLARATION

24 2.1 General Declaration. Declarant intends to develop
25 Rancho Vistoso in accordance with the Master Development Plan
26 and to sell and convey the Lots and Parcels, or portions
thereof. As portions of Rancho Vistoso are developed,
Declarant, without obligation, intends to Record one or more
Tract Declarations that will, among other things, create
Parcels, designate Land Use Classifications, designate Common
Areas and Limited Common Areas, and establish such additional
covenants, conditions and restrictions as may be appropriate
for the respective portions of Rancho Vistoso. Declarant
hereby declares that all of the Covered Property is and shall
be held, conveyed, hypothecated, encumbered, leased, occupied,
built upon or otherwise used, improved or transferred, in whole
or in part, subject to this Declaration and any Recorded
Subsidiary Declarations and Recorded Tract Declarations appli-
cable thereto, as amended or modified from time to time.
Notwithstanding the preceding sentence, except as expressly
provided herein, property owned by or dedicated to a governmen-

1 tal agency or the public shall not be subject to this
2 Declaration, provided, however, that any restrictions imposed
3 in this Declaration upon the Owners and Occupants concerning
4 the use and maintenance of such property shall be applicable at
5 all times. This Declaration is declared and agreed to be in
6 furtherance of a general plan for the development and sale of
7 the Covered Property and is established for the purpose of
8 enhancing and perfecting the value, desirability and attrac-
9 tiveness of the Covered Property. This Declaration shall run
10 with the Covered Property for all purposes and shall be binding
11 upon and inure to the benefit of Declarant, the Association,
12 and all Owners and Occupants of the Covered Property and their
13 successors in interest. Nothing in this Declaration or in any
14 Recorded Subsidiary Declaration or Recorded Tract Declaration
15 shall be construed to prevent Declarant from modifying any part
16 of the Master Development Plan with respect to property as to
17 which a Subsidiary Declaration or Tract Declaration has not
18 been Recorded, or from dedicating or conveying portions of
19 Rancho Vistoso not subject to this Declaration (if any) for
20 uses other than as a Lot, a Parcel, or Common Areas. This
21 Declaration is executed and Recorded in substitution for, and
22 in the full place and stead of, the Original Declaration, and,
23 upon the Recordation of this Declaration, it shall supersede
24 the Original Declaration in its entirety and the Original
25 Declaration shall be of no further force or effect whatsoever.
26

14 2.2 Owners and Occupants Bound. Upon the Recording of
15 this Declaration, this Declaration shall be binding upon all
16 Owners and Occupants of the Covered Property and their
17 successors and assigns, whether or not stated in any document
18 or deed transferring any interest in any Parcel or Lot to or
19 from such Owners or Occupants.

17 2.3 Association Bound. Upon the incorporation of the
18 Association, this Declaration shall be binding upon and benefit
19 the Association, and its successors and assigns.

19 2.4 Subsidiary Associations Bound. Upon the incorpo-
20 ration of any Subsidiary Association, this Declaration shall be
21 binding upon and shall benefit such Subsidiary Association.

21 ARTICLE III

22 EASEMENTS AND RIGHTS OF ENJOYMENT IN THE COMMON AREAS

23 3.1 Easements and Rights of Enjoyment. Each Owner
24 shall have a nonexclusive easement for use and enjoyment in and
25 to the Common Areas, which nonexclusive easement shall be
26 appurtenant to and shall pass with the title to each Owner's
Lot or Parcel. All Occupants shall have a nonexclusive,
nontransferable temporary license to use and enjoy the Common

1 Areas so long as they remain Occupants. The foregoing grants
2 and rights are subject, among other things, to the following
3 limitations:

3 3.1.1 The right of the Association pursuant to
4 this Section and Section 12.1 below to charge reasonable
5 Special Use Fees for the use of the Common Areas. The Special
6 Use Fees shall be set by the Board from time to time, in its
7 absolute discretion. Special Use Fees shall be charged only
8 for actual entry upon or utilization of those Common Areas
9 selected by the Board to be subject to a Special Use Fee, and
shall be intended to collect revenue from the actual users of
such selected Common Areas so that all of the costs of
operating such selected Common Areas are not borne by all of
the Owners through Annual Assessments, but rather are borne, at
least in part, by the Owners, Occupants and other persons
utilizing such selected Common Areas;

10 3.1.2 The right of the Association to suspend the
11 voting rights and the rights to use and enjoyment of the Common
Areas of any Owner or Occupant, as the case may be:

12 (a) for any period during which an Assessment
remains delinquent;

13 (b) for a period not to exceed 60 days for
14 any infraction of this Declaration, a Recorded Tract
15 Declaration, the Association Rules, or the Architectural and
Landscaping Review Committee Guidelines; or,

16 (c) for successive 60-day periods if any such
17 delinquency or infraction is not corrected during any preceding
suspension period;

18 3.1.3 The right of the Association to limit the
19 number of guests of an Owner or Occupant, or the number of
Persons from a Rental Business Space or a Non-Residential
Parcel, who may use the Common Areas; and,

20 3.1.4 The right of the Association to regulate
21 use of the Common Areas in accordance with this Declaration.

22 3.2 Ingress and Egress Over Certain Common Areas.

23 3.2.1 The Association may own land which is
24 intended to be used for landscaping adjacent to streets in
25 Rancho Vistoso. Such landscaping area will often separate a
26 Parcel from the street nearest to the Parcel, thereby creating
a need for the Owner of the Parcel to have ingress and egress
rights over the landscaping area in order to have access to the
street. Therefore, Declarant hereby creates, grants and

1 conveys to the Owner and Occupants of each Parcel, their
2 agents, employees, guests and invitees, a permanent, nonexclu-
3 sive easement (an "Access Easement") for vehicular and pedes-
4 trian ingress and egress in, upon, over and across such
5 landscaping area (a "Landscape Tract"). At such time as the
6 exact location of such Access Easement is determined with
7 respect to a particular Parcel and approved by Declarant or the
8 Architectural and Landscaping Review Committee, as applicable,
9 it shall be indicated on the Recorded subdivision plat or plats
10 for the Parcel or on such other Recorded instrument as is mutu-
11 ally acceptable to Declarant or the Architectural and
12 Landscaping Review Committee, as applicable, and to the Owner
13 of such Parcel. For itself and the Association, Declarant
14 retains and reserves the right to use each Landscape Tract for
15 drainage, irrigation lines, pedestrian and bicycle paths, and
16 other purposes which do not preclude the uses permitted herein.
17

18 3.2.2 At its sole cost and expense, the Owner of
19 a Parcel benefitted by such an Access Easement shall construct
20 all necessary improvements in connection with such Access
21 Easement, and maintain such improvements in good working order,
22 condition and repair (including, without limitation, all
23 cleaning, sweeping, restriping and repairing of roadways) and
24 in compliance with all applicable governmental regulations.
25 During the construction phase of the improvements on a Parcel,
26 Declarant or the Association, as applicable, shall grant to the
Owner thereof and its agents and employees, a temporary license
to enter upon the applicable Landscape Tract as is reasonably
necessary in order to construct such improvements, and such
Owner shall be fully responsible and liable for making any and
all repairs and replacement of landscaping and other improve-
ments on such Landscape Tract caused by or resulting from such
activities.

18 3.2.3 Unless Declarant or the Board authorizes
19 the public dedication or transfer of all or any parts of such
20 an Access Easement to a municipal corporation, the Owner of the
21 Parcel to which such Access Easement is appurtenant (or
22 Declarant or the Board, if such Owner fails to do so), shall on
23 an annual basis prohibit the use of such Access Easement by the
24 general public during a twenty-four (24) hour period.
25

22 3.2.4 Each Owner, its successors, assigns and
23 grantees, hereby agrees to indemnify and hold harmless
24 Declarant, its successors and assigns, and the Association,
25 from and against any and all damages, costs and liabilities,
26 including, without limitation, attorneys' fees, real estate
taxes and assessments, arising out of or in connection with the
Access Easement appurtenant to such Owner's Parcel.

1 3.3 Delegation of Use. Any Owner or Occupant, in
2 accordance with the Association Rules and this Declaration, may
3 delegate his rights of use and enjoyment in the Common Areas to
4 the members of his family or his Occupants, employees, cus-
5 tomers or guests subject to the limitations set forth herein
6 and in the Association Rules, provided, however, that the
7 Association Rules may limit the number of Persons from a Rental
8 Business Space or a Non-Residential Parcel who may have access
9 to the Common Areas.

6 3.4 Waiver of Use. No Owner may exempt himself from
7 personal liability for Assessments, or release the Lot or
8 Parcel owned by him from the liens or charges arising under
9 this Declaration or any Recorded Subsidiary Declaration or
10 Recorded Tract Declaration by waiver of his or his Occupants',
11 employees', customers' or guests' rights of use and enjoyment
12 of the Common Areas.

10 3.5 Acceptance of Certain Common Areas. In the course
11 of development and sale of Parcels within the Covered Property,
12 fee title to land which is restricted to use as Common Areas
13 (the "Restricted Tracts") may be transferred by Declarant to
14 Persons acquiring fee title to one or more Parcels. In such
15 event, and notwithstanding that fee title to the Restricted
16 Tracts may be held by Persons other than the Association (or
17 Declarant), such Restricted Tracts shall nevertheless be Common
18 Areas for all purposes under this Declaration, and all Owners
19 and Occupants shall have the easements, licenses and rights to
20 the use and enjoyment of such Restricted Tracts as with respect
21 to the other Common Areas generally, subject in all cases to
22 the provisions of this Declaration and the Association Rules,
23 and the owners of fee title to such Restricted Tracts shall not
24 interfere with their use and enjoyment as Common Areas pursuant
25 hereto. In the event any Person owning fee title to any such
26 Restricted Tract desires at any time to transfer such fee title
to the Association, the Association shall accept such fee title
so long as, at the time of and in connection with such trans-
fer, the Person transferring title to the Association provides
to the Association, at no expense to the Association, a stan-
dard coverage owner's policy of title insurance in an amount
reasonably acceptable to the Association (but in no event less
than the minimum amount, if any, required for such policies by
VA or FHA, if VA or FHA are involved in the insurance or guar-
antee of loans affecting portions of the Rancho Vistoso
project), issued by a title insurance company authorized to
transact such business in the State of Arizona, insuring that
the Association is the owner of fee title to the transferred
Restricted Tract subject only to such liens or other matters as
may be approved by the Association, which approval shall not be
unreasonably withheld. The Association shall be conclusively
deemed reasonable in withholding its approval of any monetary

1 liens or encumbrances affecting title to any Restricted Tract
2 proposed to be transferred to the Association.

3 3.6 Temporary Sign Easement. Declarant hereby
4 reserves to itself and its agents a temporary easement over,
5 upon and across those portions of the Common Areas adjacent to
6 publicly dedicated streets and roadways for purposes of
7 installing and maintaining signs identifying Persons building
8 upon or developing portions of the Covered Property. The ease-
9 ment reserved hereby shall expire and terminate upon completion
10 of construction and sales activities upon the Covered Property,
11 but in no event later than 10 years after the date this
12 Declaration is Recorded.

13 ARTICLE IV

14 ARCHITECTURAL AND LANDSCAPING RESTRICTIONS AND CONTROL

15 4.1 Landscaping Restrictions.

16 4.1.1 General Requirements. Except as expressly
17 provided herein or approved by the Architectural and
18 Landscaping Review Committee, landscaping on the Covered
19 Property shall be consistent with the character of the native
20 desert environment surrounding Rancho Vistoso, and shall comply
21 with the provisions of the Architectural and Landscaping Review
22 Committee Guidelines relating to permitted and prohibited
23 plants, and with all applicable native plant preservation regu-
24 lations of the County and the State of Arizona. Native plants
25 which must be removed to permit construction work on the
26 Covered Property shall be inventoried prior to removal, and
shall be transplanted to another location on the Covered
Property or replaced with equivalent plants approved by the
Architectural and Landscaping Review Committee in accordance
with the Architectural and Landscaping Review Committee
Guidelines. Plants shall be transplanted in accordance with
customary professional standards. Transplanted or replacement
plants shall be maintained and watered as appropriate until
reestablished. Any native plants on the Covered Property which
die as a result of transplanting or construction activity on
the Covered Property shall be replaced with equivalent plants
approved by the Architectural and Landscaping Review Committee
in accordance with the Architectural and Landscaping Review
Committee Guidelines.

4.1.2 Restrictions Applicable to Lots and
Parcels. All Lots and Parcels, excluding driveways and parking
areas, and in the case of a Lot, excluding that portion of the
Lot, if any, which is enclosed by a perimeter wall around the
rear yard, shall be landscaped in a natural desert manner,

1 using indigenous or similar plants and soil approved by the
2 Architectural and Landscaping Review Committee.

3 4.1.3 Natural Areas. The portions of the Covered
4 Property generally depicted on Exhibit "C" attached hereto are
5 presently natural areas. Declarant reserves the right from
6 time to time to similarly designate by one or more Recorded
7 instruments other portions of the Covered Property owned by
8 Declarant (including portions of the Additional Property
9 annexed thereto pursuant to Article 14 below). Declarant
10 intends that such portions of the Covered Property shall be
11 maintained in their natural state as of the date hereof (or, as
12 to subsequently designated portions of the Property, as of the
13 date of such designation), except as otherwise approved by the
14 Architectural and Landscaping Review Committee in accordance
15 with the Architectural and Landscaping Review Committee
16 Guidelines. Nothing set forth in this Section 4.1.3 or
17 Exhibit "C" shall be deemed or construed to be a dedication or
18 platting of such areas. On or before the date set forth in
19 Section 7.3.2(y), Declarant shall Record a Tract Declaration
20 with respect to such areas, specifying with greater particular-
21 ity the restrictions applicable thereto.

22 4.2 Power and Duties. The Architectural and
23 Landscaping Review Committee shall have all of the powers,
24 authority and duties conferred upon it by this Declaration or
25 by the Articles, Bylaws or Association Rules, or by any
26 Recorded Tract Declaration. Without limiting the generality of
the foregoing, it shall be the duty of the Architectural and
Landscaping Review Committee to consider and act upon all pro-
posals or plans submitted to it pursuant to the provisions
hereof, to adopt the Architectural and Landscaping Review
Committee Guidelines, to perform any other duties delegated to
it by the Board, and to carry out all other duties imposed upon
it by this Declaration.

4.3 Organization of Architectural and Landscaping
Review Committee. The Architectural and Landscaping Review
Committee shall be organized as follows:

4.3.1 Committee Composition. The Architectural
and Landscaping Review Committee shall consist of three regular
members and one alternate member, provided, however, that the
number of members may be increased at any time by a vote of the
Board to five regular members and one alternate member. A
member shall not be required to satisfy any particular qualifi-
cation for membership and may be a member of the Board, an
officer of the Association, or an officer, agent or employee of
Declarant;

1 4.3.2 Alternate Members. In the event of the
2 absence or disability of a regular member or members of the
3 Architectural and Landscaping Review Committee, the remaining
4 regular members, even though less than a quorum, may designate
5 the alternate member to act as a substitute regular member of
6 the Architectural and Landscaping Review Committee so long as
7 any one or more regular members remain absent or disabled;

8 4.3.3 Term of Office. Unless a member of the
9 Architectural and Landscaping Review Committee has resigned or
10 been removed, his or her term of office shall be for a period
11 of 1 year, or until the appointment of his or her respective
12 successor. Any new member appointed to replace a member who
13 has resigned or been removed shall serve such member's
14 unexpired term. Members of the Architectural and Landscaping
15 Review Committee who have resigned, been removed or whose terms
16 have expired may be reappointed;

17 4.3.4 Appointment and Removal. Except as herein-
18 after provided, the right to appoint and remove all regular and
19 alternate members of the Architectural and Landscaping Review
20 Committee at any time shall be and is hereby vested solely in
21 the Board, provided, however, that no regular or alternate
22 member may be removed from the Architectural and Landscaping
23 Review Committee by the Board except by the vote or written
24 consent of at least 51% of the members of the Board;

25 4.3.5 Resignations. Any regular or alternate
26 member of the Architectural and Landscaping Review Committee
may at any time resign from the Committee by giving written
notice thereof to the Board; and,

 4.3.6 Vacancies. Vacancies on the Architectural
and Landscaping Review Committee, however caused, shall be
filled by the Board. A vacancy or vacancies on the
Architectural and Landscaping Review Committee shall be deemed
to exist in case of the death, resignation or removal of any
regular or alternate member.

 4.4 Meetings and Compensation of Architectural and
Landscaping Review Committee. The Architectural and
Landscaping Review Committee shall meet from time to time as
necessary to perform its duties hereunder. Subject to
Section 4.3.2, the vote or written consent of a majority of the
regular members (including any substitute regular member
serving pursuant to Section 4.3.2) shall constitute the act of
the Architectural and Landscaping Review Committee. The
Architectural and Landscaping Review Committee shall keep and
maintain a written record of all actions taken by it. Although
members of the Architectural and Landscaping Review Committee
shall not be entitled to compensation for their services, con-

1 sultants hired by such Committee, if such are authorized by the
2 Board, may be entitled to compensation at the discretion of the
3 Board.

3 4.5 Architectural and Landscaping Review Committee
4 Guidelines. Subject to the written approval of the contents
5 thereof by the Board, the Architectural and Landscaping Review
6 Committee shall adopt, and may from time to time amend,
7 supplement and repeal, the Architectural and Landscaping Review
8 Committee Guidelines. The Architectural and Landscaping Review
9 Committee Guidelines shall interpret, implement and supplement
10 this Declaration, and shall set forth procedures for
11 Architectural and Landscaping Review Committee review and the
12 standards for development within the Covered Property. The
13 Architectural and Landscaping Review Committee Guidelines shall
14 include, without limitation, provisions regarding:

9 4.5.1 the size of Single Family Dwelling Units;

10 4.5.2 architectural design, with particular
11 regard to the harmony of the design with surrounding structures
12 and topography;

12 4.5.3 placement of buildings;

13 4.5.4 landscaping design, content and conformity
14 with the natural desert character of Rancho Vistoso;

15 4.5.5 requirements concerning exterior color
16 schemes, exterior finishes, and materials, in particular the
17 use of desert tones and muted colors throughout Rancho Vistoso;

17 4.5.6 signage; and

18 4.5.7 perimeter and screen wall design and
19 appearance.

19 The Architectural and Landscaping Review Committee Guidelines
20 shall have the same force and effect as the Association Rules.

21 4.6 Obligation to Obtain Approval.

22 4.6.1 Except as otherwise expressly provided in
23 this Declaration or the Architectural and Landscaping Review
24 Committee Guidelines or any applicable Recorded Tract
25 Declaration, without the prior written approval by the
26 Architectural and Landscaping Review Committee of plans and
specifications prepared and submitted to such Committee in
accordance with the provisions of this Declaration and the
Architectural and Landscaping Review Committee Guidelines:

1 (a) no improvements, alterations, repairs,
2 excavation, grading, landscaping or other work shall be done
3 which in any way alters the exterior appearance of any property
4 or improvements thereon from their natural or improved state
5 existing on the date a Recorded Tract Declaration for such
6 property is first Recorded; and,

7 (b) no building, fence, exterior wall, pool,
8 roadway, driveway or other structure, improvement or grading
9 shall be commenced, erected, maintained, altered, changed or
10 made on any Lot or Parcel at any time;

11 4.6.2 No exterior trees, bushes, shrubs, plants
12 or other landscaping shall be planted or placed upon the
13 Covered Property except in compliance with plans and
14 specifications therefor which have been submitted to and
15 approved by the Architectural and Landscaping Review Committee
16 in accordance with the Architectural and Landscaping Review
17 Committee Guidelines;

18 4.6.3 No material changes or deviations in or
19 from the plans and specifications for any work to be done on
20 the Covered Property, once approved by the Architectural and
21 Landscaping Review Committee, shall be permitted without
22 approval of the change or deviation by such Committee.

23 4.7 Waiver. The approval by the Architectural and
24 Landscaping Review Committee of any plans, drawings or
25 specifications for any work done or proposed, or for any other
26 matter requiring the approval of the Architectural and
Landscaping Review 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.

4.8 Liability. Neither Declarant nor the
Architectural and Landscaping Review Committee (nor any member
thereof) shall be liable to the Association, any Owner or any
other party for any damage, loss or prejudice suffered or
claimed on account of:

4.8.1 the approval or disapproval of any plans,
drawings or specifications, whether or not defective;

4.8.2 the construction or performance of any
work, whether or not pursuant to approved plans, drawings and
specifications;

4.8.3 the development of any Lot or Parcel; or

1 4.8.4 the execution and filing of any estoppel
2 certificate or statement, whether or not the facts therein are
3 correct, provided, however, that with respect to the liability
4 of a member of the Architectural and Landscaping Review
5 Committee, such member has acted in good faith on the basis of
6 such information as may be possessed by him.

7 Without in any way limiting the generality of any of
8 the foregoing provisions of this Section 4.8, the Architectural
9 and Landscaping Review Committee, or any member thereof, may,
10 but is not required to, consult with or hear the views of the
11 Association or any Owner (other than the Owner applying for
12 consent or approval, whose views the Architectural and
13 Landscaping Review Committee shall be required to hear) with
14 respect to any plans, drawings, specifications, or any other
15 proposal submitted for review.

16 4.9 Appeal to Board. Except as provided in this
17 Section 4.9 and in Section 4.12 below, any Owner or Occupant
18 aggrieved by a decision of the Architectural and Landscaping
19 Review Committee may appeal the decision to the Board in accor-
20 dance with procedures to be established in the Architectural
21 and Landscaping Review Committee Guidelines. In the event the
22 decision of the Architectural and Landscaping Review Committee
23 is overruled by the Board on any issue or question, the prior
24 decision of the Architectural and Landscaping Review Committee
25 shall be deemed modified to the extent specified by the Board.

26 4.10 Fee. The Board may establish a reasonable pro-
cessing fee to defer the costs of the Architectural and
Landscaping Review Committee in considering any requests for
approvals submitted to the Architectural and Landscaping Review
Committee or for appeals to the Board, which fee shall be paid
at the time the request for approval or review is submitted.

 4.11 Inspection. Any member or authorized consultant
of the Architectural and Landscaping Review Committee, or any
authorized officer, director, employee or agent of the
Association, may at any reasonable time and without being
deemed guilty of trespass enter upon any Lot or Parcel, after
reasonable notice to the Owner or Occupant of such Lot or
Parcel, in order to inspect the improvements constructed or
being constructed on such Lot or Parcel to ascertain that such
improvements have been, or are being, built in compliance with
the Architectural and Landscaping Review Committee Guidelines,
this Declaration, and any applicable Recorded Tract Declaration.

 4.12 Declarant's Jurisdiction over Non-Residential
Parcels. Notwithstanding the other provisions of this Article
IV (or any other provision of this Declaration), Declarant
shall have all of the rights and powers of the Architectural

1 and Landscaping Review Committee (or the Board, as applicable)
2 with respect to all Non-Residential Parcels and all buildings,
3 fences, walls, pools, roadways, driveways and other structures
4 and improvements thereon (including, but not limited to, all
5 exterior additions to or changes or alterations in any such
6 structure or improvement), provided, however, that such rights
7 and powers shall vest in and be exercisable only by the
8 Architectural and Landscaping Review Committee (or the Board,
9 as applicable) upon the first to occur of: (a) the date as of
10 which approved buildings and other improvements have been com-
11 pleted (as evidenced by certificates of occupancy issued by the
12 appropriate governmental authority), in accordance with site
13 plans approved by Declarant, upon all Non-Residential Parcels
14 within the Covered Property and on all other property within
15 Rancho Vistoso designated for nonresidential purposes by the
16 Master Development Plan, as amended from time to time; or,
17 (b) the date specified in a Recorded instrument executed by
18 Declarant expressly waiving its right to exercise the rights
19 and powers conferred upon it by this Section 4.12 (or, if no
20 date is specified, the date of recordation of such Recorded
21 instrument). All decisions made by Declarant in its exercise
22 of the rights and powers conferred upon it by this Section 4.12
23 shall be final and binding and shall not be subject to appeal
24 to, or review by, the Board. Further, no variances of any of
25 the restrictions set forth in this Declaration with respect to
26 Non-Residential Parcels and no consents or approvals required
or permitted to be given by the Board or the Architectural and
Landscaping Review Committee pursuant hereto relating to
Non-Residential Parcels shall be granted or given without the
prior written consent of Declarant until the earlier of the two
dates specified in (a) and (b) of this Section 4.12.

ARTICLE V

LAND USE CLASSIFICATIONS, PERMITTED USES AND RESTRICTIONS

5.1 Land Use Classifications. As portions of the
Covered Property are readied for development in accordance with
the Master Development Plan, any number of Land Use
Classifications, including any number of subclassifications
thereof for any special uses, may be fixed by Declarant in a
Recorded Tract Declaration which may be Recorded at such time
as the applicable portion of the Covered Property is conveyed
by deed or, if retained by Declarant, at such time as Declarant
begins development thereof. Each Recorded Tract Declaration
shall be construed as a supplement to this Declaration and
fully a part hereof as if all of the provisions thereof were
set forth herein, provided, however, that if any provision of a
Recorded Tract Declaration is inconsistent with any provision
of this Declaration, the provision of this Declaration shall
control. Declarant shall not impose any new Land Use

1 Classifications which are not generally in conformance with
2 then-existing uses and restrictions applicable to the Covered
3 Property or the development scheme contemplated by the Master
4 Development Plan and this Declaration. The Land Use
5 Classifications established by a Recorded Tract Declaration
6 shall not be changed except as specifically permitted by this
7 Declaration and such Recorded Tract Declaration. The Land Use
8 Classifications contemplated as of the date of this Declaration
9 are:

6 5.1.1 "Cluster Residential Use", consisting of
7 Lots with Dwelling Units including those types of residential
8 housing arrangements known as "townhouses", "clustered hous-
9 ing", "zero-lot line housing", and similar arrangements (but
10 not including Condominium Units), together with related amen-
11 ities;

9 5.1.2 "Residential Apartment Development Use",
10 which may be converted to Residential Condominium Development
11 Use;

11 5.1.3 "Residential Condominium Development Use",
12 which may be converted to Residential Apartment Development Use;

13 5.1.4 "Single Family Residential Use";

14 5.1.5 "Common Areas";

15 5.1.6 "Commercial Office Use";

16 5.1.7 "General Commercial Use";

17 5.1.8 "Industrial Park Use";

18 5.1.9 "Hospital and Health Care Use";

19 5.1.10 "Park Use";

20 5.1.11 "School Use"; and

21 5.1.12 "Church Use".

22 Unless otherwise specifically provided in this
23 Declaration and subject to applicable zoning laws and the last
24 sentence of this Section 5.1, the definitions and characteris-
25 tics of the Land Use Classifications and specific permitted and
26 prohibited uses of the real property within a particular Land
Use Classification shall be determined in the respective
Recorded Tract Declarations. Notwithstanding the foregoing
listing, Declarant shall not be obligated to establish within
Rancho Vistoso each of the uses listed above, nor shall such

1 listing prohibit the establishment by Declarant of other Land
2 Use Classifications otherwise conforming with the third sen-
3 tence of this Section 5.1. Exhibits "D", "E," "F" and "G"
4 hereto set forth a list of general uses which may be made of
5 Parcels having the Land Use Classifications referenced above in
6 Sections 5.1.6, 5.1.7, 5.1.8 and 5.1.9, respectively, provided,
7 however, that: (a) Declarant shall have the right, at any time
8 prior to its conveyance of title to a Parcel to an Owner other
9 than Declarant, to Record a Tract Declaration or other instru-
10 ment against such Parcel further limiting the uses which may be
11 made of such Parcel, or, in the event Declarant deems it to be
12 appropriate in the circumstances and not inconsistent with
13 either the Master Development Plan or the general nature of the
14 applicable Land Use Classification in question, adding addi-
15 tional uses which may be made of such Parcel; or (b) following
16 conveyance by Declarant of title to a Parcel to an Owner other
17 than Declarant, and upon application by the then Owner of such
18 Parcel (and with such Owner's written consent), the Association
19 may, in the event the Association deems it to be appropriate in
20 the circumstances and not inconsistent with the applicable Land
21 Use Classification or the manner in which other property within
22 the vicinity of such Parcel (and within Rancho Vistoso gen-
23 erally) has been or is being developed and used, Record an
24 instrument against such Parcel adding additional uses which may
25 be made of such Parcel.
26

14 5.2 Covenants, Conditions, Restrictions and Easements
15 Applicable to Single Family Residential Use, Residential
16 Apartment Development Use, Residential Condominium Development
17 Use, and Cluster Residential Use. The following covenants,
18 conditions, restrictions and reservations of easements and
19 rights shall apply to all Lots and Parcels included within the
20 Land Use Classifications of Single Family Residential,
21 Residential Apartment Development, Residential Condominium
22 Development or Cluster Residential, and to the Owners and
23 Occupants thereof:

19 5.2.1 General.

20 (a) Single Family Residential Use. No structure
21 whatsoever, other than one private, Single Family residence,
22 together with a private garage for not more than 4 cars and one
23 guest residence, one gazebo, one tennis court, one swimming
24 pool, a horse facility (if and to the extent approved by the
25 Board under Section 5.4.16) and one storage facility (all of
26 which must be approved in advance by the Architectural and
Landscaping Review Committee in accordance with this
Declaration) shall be erected, placed or permitted on any Lot
limited to Single Family Residential Use.

1 (b) Residential Apartment Development Use,
2 Residential Condominium Development Use, and Cluster
3 Residential Use. No structure whatsoever, other than one or
4 more buildings each containing one or more private Dwelling
5 Units, together with parking garages or structures, storage
6 facilities, recreational facilities (including but not limited
7 to tennis courts and swimming pools) and property management
8 sales or rental offices incidental or appurtenant thereto (all
9 of which must be approved in advance by the Architectural and
10 Landscaping Review Committee in accordance with this
11 Declaration) shall be erected, placed or permitted on any
12 portion of the Covered Property included within the Land Use
13 Classifications of Residential Apartment Development,
14 Residential Condominium Development or Cluster Residential.

15 (c) Use; Leasing. No gainful occupation, profes-
16 sion, trade or other nonresidential use shall be conducted on
17 or in any Lot. The entire (but not less than all of a)
18 Dwelling Unit on (or constituting) a Lot may be leased to a
19 Single Family Tenant from time to time by the Owner, subject to
20 the provisions of this Declaration, any applicable Recorded
21 Subsidiary Declaration or Recorded Tract Declaration and the
22 Association Rules.

23 5.2.2 Animals. No animal, livestock, poultry or
24 fowl of any kind, other than a reasonable number of generally
25 recognized house pets (and, subject to applicable zoning and
26 other ordinances and governmental regulations, and subject to
the prior approval of the Board pursuant to Section 5.4.16, not
more than two horses per Lot), shall be maintained on or in any
Lot or Parcel and then only if they are kept or raised thereon
solely as domestic pets and not for commercial purposes. No
house pets shall be permitted to make an unreasonable amount of
noise or create a nuisance. No structure for the care, housing
or confinement of any permitted pet shall be Visible From
Neighboring Property. Notwithstanding the foregoing, no
permitted pets may be kept on or in any Lot or Parcel which
result in an annoyance to other Owners or Occupants in the
vicinity. All permitted pets shall be leashed when not on a
Lot owned by the pet's owner or on which the pet's owner is a
Tenant, guest or invitee; and persons walking pets shall carry
a "pooper scooper" (a hand held shovel or other instrument
designed for removing animal excrement from the ground) with
them at all times and shall remove the pet's excrement from the
Covered Property;

 5.2.3 Garbage. No garbage or trash shall be
allowed, stored or placed on a Lot or Parcel except in sani-
tary, covered containers. In no event shall such containers be
Visible From Neighboring Property, except for a reasonable time
immediately prior to and after collection. All trash and gar-

1 bage shall be regularly removed from each Lot and Parcel and
2 shall not be allowed to accumulate thereon;

3 5.2.4 Machinery and Equipment. No machinery or
4 equipment of any kind shall be placed, operated, stored or
5 maintained upon any Lot or Parcel except:

6 (a) such machinery or equipment as is usual
7 and customary in connection with the use, maintenance or con-
8 struction (during the period of construction) of a building,
9 appurtenant structures or improvements thereon; or,

10 (b) that which Declarant or the Association
11 may require for the development, operation and maintenance of
12 Rancho Vistoso;

13 5.2.5 Signs. No signs of whatever nature shall
14 be placed on the Common Areas except with respect to
15 Association or Common Areas matters as approved by the Board.
16 No signs of whatever nature shall be placed on any Lot or
17 Parcel except:

18 (a) signs required by legal proceedings;

19 (b) a maximum of 2 identification signs for
20 Dwelling Units, each with a maximum face area of 72 square
21 inches or less;

22 (c) signs, including "for sale" and "for
23 lease" signs and subdivision, condominium and apartment identi-
24 fication signs, the nature, number, location, content and
25 design of which shall be approved in advance and in writing by
26 the Architectural and Landscaping Review Committee;

5.2.6 Restriction on Further Subdivision,
Property Restrictions, and Rezoning. All proposed site plans,
subdivision plats and condominium declarations for any Lot or
Parcel, or portion thereof, must be approved in writing by the
Board prior to Recordation thereof or commencement of construc-
tion on the applicable Lot or Parcel. Except with respect to
property owned by Declarant, no Lot or Parcel, or portion
thereof, shall be further subdivided or subjected to a condo-
minium declaration, and no portion less than all of any such
Lot or Parcel, or any easement or other interest therein, shall
be conveyed or transferred by any Owner without the prior
written approval of the Board. No portion of a Lot but for the
entire Lot, together with the improvements thereon, may be
rented, and then only to a Single Family. No Subsidiary
Declaration or further covenants, conditions, restrictions,
condominium declarations or easements shall be Recorded against
any Lot or Parcel, or portion thereof, without the prior

1 written approval of the Board. No applications for rezoning,
2 variances or use permits shall be filed without the prior
3 written approval of the Board, and then only if such proposed
4 zoning, variance or use is in compliance with this Declaration,
5 any applicable Recorded Subsidiary Declaration or Recorded
6 Tract Declaration, and the general plan of development of
7 Rancho Vistoso. No subdivision plat, condominium declaration,
8 Subsidiary Declaration, easement, declaration of further cove-
9 nants, conditions and restrictions or other instrument which is
10 to be Recorded and which is required by this Section 5.2.6 to
11 be approved by the Board shall be effective unless the required
12 approval is evidenced on such instrument by the signature of an
13 authorized representative of the Board. The Board may, in its
14 sole discretion, delegate in writing to the Architectural and
15 Landscaping Review Committee authority to exercise all or any
16 of the Board's authorities or duties under this Section 5.2.6.
17 No site plan, subdivision plat, condominium declaration,
18 Subsidiary Declaration or further covenants, conditions,
19 restrictions, or easements, and no application for rezoning,
20 variances or use permits, shall be submitted to the County or
21 any other governmental authority or agency unless the same has
22 first been approved in writing by the Board as provided in this
23 Section 5.2.6; further, no changes or modifications shall be
24 made in any such documents, instruments or applications once
25 the same have been approved by the Board hereunder (whether
26 requested by the County or otherwise) unless such changes or
modifications have first been approved by the Board in writ-
ing. The preceding sentence shall not apply to portions of the
Covered Property owned by Declarant or to site plans, subdivi-
sion plats, condominium declarations, Subsidiary Declarations,
Tract Declarations or further covenants, conditions, restric-
tions or easements, or applications for rezoning, variances or
use permits, made, filed, submitted or Recorded by Declarant
with respect to portions of the Covered Property owned by
Declarant;

5.2.7 Parking. It is the intent of Declarant to
eliminate on-street parking as much as possible in Rancho
Vistoso. No vehicle shall be parked on any street or roadway
shown on any map of dedication, or similar instrument, Recorded
by Declarant unless otherwise expressly provided either:
(a) in or on such Recorded map of dedication or similar instru-
ment showing the street or roadway; or (b) in a separate
Recorded instrument executed by Declarant. Vehicles shall be
kept in garages, carports, residential driveways, other desig-
nated parking areas or as otherwise required in a Recorded
Subsidiary Declaration or Recorded Tract Declaration. The
Association may adopt additional parking restrictions including
the establishment of fines and assessments for their
violation. The Association may also delegate its authority to

1 enforce such parking restrictions to the appropriate Subsidiary
2 Association;

3 5.2.8 Model Homes. Nothing contained herein or
4 in any applicable Recorded Subsidiary Declaration or Recorded
5 Tract Declaration shall prohibit the construction and maintenance of model homes, model apartments, sales offices, apartment rental offices, property management offices and parking incidental thereto by persons engaged in the construction, marketing, rental or management of Dwelling Units within the Covered Property, provided, however, that the models are open only during reasonable hours and otherwise are in compliance with the provisions of this Declaration and ordinances of the County. Except as otherwise approved in writing by the Board:
6 (a) all model homes and sales offices shall cease to be used as
7 such at any time the Owner (or lessee thereof as the case may
8 be) is not actively engaged in the construction or sale of
9 Dwelling Units within the Covered Property (provided that the
10 foregoing portion of this sentence shall not apply to model
11 apartments, apartment rental offices or property management
12 offices); and (b) no model home, model apartment, sales office,
apartment rental office or property management office shall be
used for the sale or rental of residences not located within
the Covered Property.

13 5.3 Covenants, Conditions, Restrictions and Easements
14 Applicable to General Commercial Use, Commercial Office Use,
15 Industrial Park Use and Hospital and Health Care Use. The following covenants, conditions, restrictions and reservations of easements and rights shall apply to all Parcels included within the Land Use Classifications of General Commercial, Commercial Office, Industrial Park and Hospital and Health Care, and to the Owners and Occupants or users thereof:

16 5.3.1 Permitted Uses. Subject to the provisions
17 of this Declaration, and to such additional restrictions or
18 limitations as may be imposed upon one or more Parcels by one
19 or more Recorded Tract Declarations, Recorded Subsidiary
20 Declarations or other Recorded instruments, the Parcels may be
21 used for any non-residential purpose permitted by applicable
law;

22 5.3.2 Parking. Parking and parking areas shall
be governed as follows:

23 (a) Adequate off-street parking shall be
24 provided by each Owner. No parking shall be permitted other
25 than on the on-site paved parking spaces (or in one or more
parking garages) to be provided by the Owner of a Parcel. Each
Owner and Occupant shall be responsible for compliance by his
26

1 Occupants, employees, customers and visitors with the provi-
2 sions of the preceding sentence;

3 (b) The location, number, size and surfacing
4 of parking spaces shall be subject to the approval of the
5 Architectural and Landscaping Review Committee in accordance
6 with Article IV hereof, and shall conform to applicable County
7 ordinances and regulations in effect from time to time;

8 (c) Each Owner shall cause all parking areas
9 on such Owner's Parcel to be striped and all parking areas,
10 driveways and roads to be kept in good repair, and to be illu-
11 minated with fixtures approved as to height, type, location and
12 appearance by the Architectural and Landscaping Review
13 Committee in accordance with Article IV hereof, which fixtures
14 and illumination shall be screened from view from the streets
15 to the extent deemed reasonably desirable by, and using such
16 means and materials reasonably approved by, the Architectural
17 and Landscaping Review Committee in accordance with Article IV
18 hereof.

19 It is the intent of Declarant to eliminate on-street parking as
20 much as possible in Rancho Vistoso. No vehicle shall be parked
21 on any street or roadway shown on any map of dedication, or
22 similar instrument, Recorded by Declarant unless otherwise
23 expressly provided either: (i) in or on such Recorded map of
24 dedication or similar instrument showing the street or roadway;
25 or (ii) in a separate Recorded instrument executed by
26 Declarant. The Association may adopt additional parking
restrictions including the establishment of fines and
assessments for their violation. The Association may also del-
egate its authority to enforce such parking restrictions to the
appropriate Subsidiary Association;

5.3.3 Loading and Receiving Areas. All loading
and receiving areas shall be screened, so as not to be Visible
From Neighboring Property, by means and materials approved by
the Architectural and Landscaping Review Committee in its rea-
sonable discretion in accordance with Article IV hereof;

5.3.4 Waste and Waste Containers. All rubbish,
trash, garbage, litter, debris, refuse and other waste shall be
stored in clean and sanitary waste containers conforming to the
provisions of this Section 5.3.4. Subject to applicable County
ordinances and regulations in effect from time to time which
may impose additional or more stringent container requirements,
each Parcel shall have a minimum of one (1) commercial size
solid waste container. All waste containers shall be main-
tained in good mechanical condition. All waste containers
shall be emptied as often as necessary so as to prevent such
container from overflowing and at least once every seven (7)

1 days if such container is used for the deposit of garbage or
2 other putrescible material. All garbage or putrescible mate-
3 rial must be bagged or wrapped so as to be air tight before
4 being deposited in the waste containers. When waste containers
5 are in use, lids and doors of such waste containers are to be
6 kept in a closed position at all times except during times when
7 such containers are being emptied or filled. Each waste
8 container shall be screened so as not to be Visible From
9 Neighboring Property, the location and design of which
10 screening shall be subject to the prior approval of the
11 Architectural and Landscaping Review Committee in accordance
12 with Article IV hereof;

7 5.3.5 Signs. No signs of whatever nature shall
8 be placed on the Common Areas except with respect to
9 Association or Common Areas matters as approved by the Board.
Signs upon Parcels shall be governed as follows:

10 (a) no sign (including, but not limited to, a
11 building identification or marketing sign or a tenant identifi-
12 cation sign) shall be permitted on any Parcel without the prior
13 written approval of the Architectural and Landscaping Review
14 Committee given in accordance with the provisions of Article IV
15 hereof as to size, number, location, design, and color.
16 Normally, such approval will be limited to those signs which:

14 (i) identify the name or address (or
15 both) of the development situated on the Parcel or the name and
16 business of Owner or the Occupant(s) thereof, or which give
17 directions, or which offer the premises for sale or for lease,
18 or, during any construction period, identify the builder,
19 architect, contractors, subcontractors or lenders; and

17 (ii) are not of an unusual size or shape
18 when compared to the building or buildings, if any, on the
19 Parcel;

19 (b) any permitted sign shall conform to all
20 other governmental ordinances and regulations applicable
21 thereto. Nothing in this Section 5.3.5 shall be deemed to pro-
22 hibit signs required by legal proceedings;

22 5.3.6 Exterior Lighting. Exterior lighting shall
23 be governed as follows:

23 (a) all exterior building lighting shall be
24 hidden from view and shall be designed, installed, directed,
25 altered and maintained in accordance with plans and
26 specifications submitted to and approved by the Architectural
and Landscaping Review Committee in accordance with the provi-
sions of Article IV hereof; and

1 (b) all exterior lighting shall be kept in
2 good working order and shall be compatible and harmonious
3 throughout the Parcels and shall be in keeping with the spe-
4 cific function and building type being served;

5 5.3.7 Animals. No animal, livestock, poultry or
6 fowl of any kind shall be maintained on or in any Parcel,
7 except for: (a) guard dogs kept or maintained within buildings
8 or fenced areas on a Parcel; (b) reasonable numbers of gen-
9 erally recognized domestic pets maintained within a fully-
10 enclosed building on a Parcel in connection with the retail
11 sale to the public of such pets in a pet store or similar busi-
12 ness (but not in connection with the operation of a commercial
13 breeding business), provided that the same do not make an
14 unreasonable amount of noise or create a nuisance; and, (c)
15 animals undergoing treatment in a veterinary office or veteri-
16 nary hospital operated on a Parcel in accordance with applica-
17 ble laws and this Declaration (or being temporarily boarded in
18 such an office or hospital), provided that such animals do not
19 make an unreasonable amount of noise or create a nuisance, and
20 provided that any such boarding facilities shall be fully
21 enclosed in a manner approved in advance by the Architectural
22 and Landscaping Review Committee;

23 5.3.8 Machinery and Equipment. No machinery or
24 equipment of any kind shall be placed, operated, stored or
25 maintained upon any Parcel outside of a building except:

26 (a) such machinery or equipment as is usual
and customary in connection with the use, maintenance or con-
struction (during the period of construction) of a building,
appurtenant structures or improvements thereon;

(b) forklifts or other similar types of
equipment located on a Parcel which are generally used in the
operation of businesses such as that operated on such Parcel,
so long as such forklifts or other equipment are, except when
in use, stored so as not to be Visible From Neighboring
Property; or

(c) that which Declarant or the Association
may require for the development, operation and maintenance of
Rancho Vistoso;

5.3.9 Restriction on Further Subdivision,
Property Restrictions, and Rezoning. All proposed site plans,
subdivision plats and non-residential condominium declarations
for any Parcel, or portion thereof, must be approved in writing
by the Board prior to Recordation thereof or commencement of
construction on the applicable Parcel. Except with respect to
property owned by Declarant, no Parcel, or portion thereof,

1 shall be further subdivided or subjected to a condominium dec-
2 laration, and no portion less than all of any such Parcel, or
3 any easement or other interest therein, shall be conveyed or
4 transferred by any Owner without the prior written approval of
5 the Board, unless such subdivision, subjection, conveyance or
6 transfer: (a) is made in connection with the development of
7 one or more pads, lots or other subdivisions of a Parcel for
8 commercial or industrial use; and, (b) is made in accordance
9 with a site plan for such Parcel approved by the Architectural
10 and Landscaping Review Committee. No Subsidiary Declaration or
11 further covenants, conditions, restrictions, condominium decla-
12 rations or easements shall be Recorded against any Parcel or
13 portion thereof without the prior written approval of the
14 Board. No applications for rezoning, variances or use permits
15 shall be filed without the prior written approval of the Board,
16 and then only if such proposed zoning variance or use is in
17 compliance with this Declaration, any applicable Recorded
18 Subsidiary Declaration or Recorded Tract Declaration, and the
19 general plan of development of Rancho Vistoso. No subdivision
20 plat, condominium declaration, Subsidiary Declaration, ease-
21 ment, declaration of further covenants, conditions and restric-
22 tions or other instrument which is to be Recorded and which is
23 required by this Section 5.3.9 to be approved by the Board
24 shall be effective unless the required approval is evidenced on
such instrument by the signature of an authorized representa-
tive of the Board. The Board may, in its sole discretion, del-
egate in writing to the Architectural and Landscaping Review
Committee authority to exercise all or any of the Board's
authorities or duties under this Section 5.3.9. No site plan,
subdivision plat, condominium declaration, Subsidiary
Declaration or further covenants, conditions, restrictions, or
easements, and no application for rezoning, variances or use
permits, shall be submitted to the County or any other govern-
mental authority or agency unless the same has first been
approved in writing by the Board as provided in this
Section 5.3.9; further, no changes or modifications shall be
made in any such documents, instruments or applications once
the same have been approved by the Board hereunder (whether
requested by the County or otherwise) unless such changes or
modifications have first been approved by the Board in writ-
ing. The preceding sentence shall not apply to portions of the
Covered Property owned by Declarant or to site plans, subdivi-
sion plats, condominium declarations, Subsidiary Declarations,
Tract Declarations or further covenants, conditions, restric-
tions or easements, or applications for rezoning, variances or
use permits, made, filed, submitted or Recorded by Declarant
with respect to portions of the Covered Property owned by
Declarant.

25 5.4 Covenants, Conditions, Restrictions and Easements
26 Applicable to All Land Use Classifications. The following cov-

1 enants, conditions, restrictions and reservations of easements
2 and rights shall apply to all Lots and Parcels included within
all Land Use Classifications, and to the Owners and Occupants
thereof:

3 5.4.1 Prohibited Uses. The following uses of
4 Lots and Parcels are prohibited:

5 (a) any use which is offensive by reason of
6 odor, fumes, dust, smoke, noise, glare, heat, sound, vibration,
7 radiation or pollution, or which constitutes a nuisance, or
8 which is hazardous by reason of risk of fire or explosion, or
9 which is injurious to the reputation of any Lot, Parcel or
10 Owner; and

11 (b) any use which is in violation of the laws
12 (after taking into account the application of any validly
13 granted or adopted variance, exception or special use ordinance
14 or regulation) of the United States, the State of Arizona, the
15 County or any other governmental entity having jurisdiction
16 over the Covered Property;

17 5.4.2 Temporary Occupancy and Temporary
18 Buildings; Outside Storage. No trailer, tent, shack, garage,
19 barn or temporary structure of any kind shall be used as a res-
20 idence, whether temporary or permanent. Except during the con-
21 struction process, no temporary building or structure shall be
22 erected, installed or maintained on any Lot or Parcel without
23 the prior written approval of the Architectural and Landscaping
24 Review Committee. Temporary structures used during construc-
25 tion must receive prior written approval by the Architectural
26 and Landscaping Review Committee with regard to location and
appearance, and shall be removed immediately after completion
of such construction, and that portion of the Lot or Parcel
from which the same are removed shall be promptly placed in
such condition as is otherwise required by this Declaration.
Except during construction, no materials, supplies, equipment,
finished or semifinished products or articles of any nature
shall be stored on any area outside of a building without the
approval of the Architectural and Landscaping Review
Committee. Any permitted outside storage shall be screened by
a solid visual barrier so as not to be Visible From Neighboring
Property, provided, however, that during construction of
improvements on any Lot or Parcel, necessary construction
materials and supplies may be stored on the Lot or Parcel
without the need for a solid visual barrier providing such
materials and supplies are kept in neat order considering the
construction activities. The Architectural and Landscaping
Review Committee is authorized to designate the areas and
manner in which supplies of building materials and construction

1 equipment shall be stored and the routes construction vehicles
2 may use. All such designations shall be reasonable;

3 5.4.3 Repair of Buildings. No building or
4 improvement on any Lot or Parcel shall be permitted to fall
5 into disrepair and each such building and improvement shall at
6 all times be kept in good condition and repair and adequately
7 painted or otherwise finished to maintain a first class appear-
8 ance of the building or improvement. In the event any building
9 or improvement is damaged or destroyed, then, subject to the
10 approvals required by Article IV above, such building or
11 improvement shall be immediately repaired, rebuilt or demol-
12 ished (or caused to be repaired, rebuilt or demolished) by the
13 Owner thereof;

14 5.4.4 Maintenance of Landscaping and Driveways.
15 Unless otherwise provided in a Recorded Subsidiary Declaration
16 or Recorded Tract Declaration, each Owner shall be responsible
17 for the proper maintenance of all landscaping in the following
18 locations:

19 (a) on the Owner's Lot or Parcel (including
20 set back areas located thereon), except that in the event the
21 maintenance of any portions of such Owner's Lot or Parcel is
22 the responsibility of the Association, a utility, or a govern-
23 mental or similar authority, then only for so long as such
24 entities are not undertaking such responsibility;

25 (b) portions of the Common Areas adjacent to
26 an Owner's Lot or Parcel and which are on the Lot's or Parcel's
side of any wall erected on the Common Areas; and,

(c) public right-of-way areas between
sidewalks (or bicycle paths or equestrian trails) and the
street curb on the Owner's Lot or Parcel, or other public or
easement areas adjacent to the Owner's Lot or Parcel, except
that in the event the maintenance of such areas is the respon-
sibility of the Association, a utility, or a governmental or
similar authority, then only for so long as such entities are
not undertaking such responsibility.

As used herein, maintenance shall include but not be limited to
keeping the areas neatly trimmed, cultivated and free of trash,
weeds and unsightly material. All lawn areas shall be timely
mowed as needed to keep an even, well groomed appearance and
shall be watered and fertilized at such times and in such quan-
tities as required to keep the grass alive and attractive and
free of weeds. All trees, shrubs, plants and ground covers
shall be timely and properly trimmed (including, without limi-
tation, the removal of dead wood therefrom) according to their
plant culture and landscape design and shall be watered and

1 fertilized at such times and in such quantities as required to
2 keep them alive and attractive. Any dead tree, shrub, plant or
3 ground cover shall be removed and replaced immediately. All
4 bed areas shall be kept free of weeds and cultivated periodically
5 as needed. Landscaping may be required to be placed on a
6 Lot or Parcel within certain time frames established by the
7 Architectural and Landscaping Review Committee. Each Owner
8 shall maintain in good condition and repair all paved and concrete
9 areas, including driveways, roadways and parking areas,
10 located on the Owner's Lot or Parcel;

11 5.4.5 Nuisances; Dust Control; Construction
12 Activities. No rubbish or debris of any kind shall be permitted
13 to accumulate upon or adjacent to any Lot or Parcel so as to
14 create a nuisance or render any such property or activity
15 thereon unsanitary, unsightly or offensive. Each Lot and
16 Parcel shall be landscaped and maintained in a manner which
17 will minimize the possibility of dust being transmitted into
18 the air and over adjacent properties. Although normal construction
19 activities shall not be considered a nuisance or otherwise prohibited,
20 Lots and Parcels must be kept in a neat and tidy condition during
21 construction periods. No noxious or offensive activity shall be
22 carried on or permitted on any Lot or Parcel, nor shall anything
23 be done thereon which may be, or may become, an annoyance or
24 nuisance to Persons or property in the vicinity of such Lot or
25 Parcel or to Rancho Vistoso, or which shall interfere with the
26 quiet enjoyment of each of the Owners and Occupants;

15 5.4.6 Diseases and Insects. No Owner or Occupant
16 shall permit any thing or condition to exist upon any Lot or
17 Parcel which shall induce, breed or harbor infectious plant or
18 animal diseases or noxious insects;

18 5.4.7 Antennas and Dishes. No antenna or other
19 device for the transmission or reception of television or radio
20 signals or any other form of electromagnetic radiation shall be
21 erected or placed upon a Lot or Parcel, or on any improvement
22 or building thereon, unless approved in advance by the
23 Architectural and Landscaping Review Committee;

21 5.4.8 Mineral Exploration. No Lot or Parcel
22 shall be used in any manner to explore for, quarry, mine,
23 remove or transport any water, oil or other hydrocarbons, minerals,
24 gravel, gas, earth or any earth substance of any kind;

24 5.4.9 Clothes Drying Facilities. No outside
25 clotheslines or other facilities for drying or airing clothes
26 shall be placed on any Lot or Parcel without the prior written
consent of the Architectural and Landscaping Review Committee
unless they are not Visible from Neighboring Property;

1 5.4.10 Blanket Utility Easements. There is
2 hereby created a blanket easement upon, over and under each
3 Lot, each Parcel, the Common Areas and the Limited Common Areas
4 for ingress to, egress from, and the installation, replacement,
5 repair and maintenance of all utility equipment and service
6 lines and systems, as such equipment, lines and systems are
7 installed in connection with the initial development of the
8 Lots, Parcels, Common Areas and Limited Common Areas and the
9 construction of buildings thereon; provided that such easements
10 shall be specifically and permanently described and fixed by
11 Recorded instrument either: (a) at the time a subdivision
12 plat, approved as required by this Declaration, is Recorded
13 with respect to the portion of the Covered Property to be
14 served or burdened by such easement(s), as applicable; or
15 (b) within 120 days following approval, as required by this
16 Declaration and by the appropriate governmental agencies, of a
17 site plan for the portion of the Covered Property to be served
18 or burdened by such easement(s), as applicable; provided, fur-
19 ther, that in the event such easements with respect to a
20 portion of the Covered Property are not specifically and perma-
21 nently described and fixed by Recorded instrument at or within
22 the time specified in (a) or (b) above, the blanket easements
23 created hereby with respect to such portion of the Covered
24 Property shall nevertheless automatically terminate and
25 expire. Utility or service facilities and equipment may be
26 affixed and maintained on, in and under the roofs and exterior
walls of buildings on the Lots, Parcels, Common Areas and
Limited Common Areas. Notwithstanding anything to the contrary
contained in this subparagraph, no utility or service equipment
or lines may be installed or relocated on any Lot, any Parcel,
the Common Areas or the Limited Common Areas except as ini-
tially approved by the Declarant or the Architectural and
Landscaping Review Committee, or, if installed after
Recordation of a Subsidiary Declaration or Tract Declaration,
as approved by the Owner and the Architectural and Landscaping
Review Committee;

19 5.4.11 Party Walls. Except as hereinafter
20 provided, the rights and duties of Owners of contiguous Lots or
21 Parcels which have shared walls or fences ("Party Walls") shall
22 be as follows:

23 (a) each Owner shall have the right to use
24 the Party Wall, provided that such use does not interfere with
25 the other Owner's use and enjoyment thereof;

26 (b) if a Party Wall is damaged or destroyed
through the willful or negligent act of an Owner or the Owner's
Occupants, agents, guests or family, the Owner or Occupant, as
the case may be, shall be obligated to rebuild and repair the
Party Wall at the Owner's sole expense (provided that this

1 shall not bar such Owner from recovering, or seeking to
2 recover, all or any part of such expense from any Occupant,
3 agent, guest or other Person who otherwise may be liable to
such Owner). Any dispute over an Owner's liability shall be
resolved as provided in Subsection 5.4.11(d) below;

4 (c) in the event any Party Wall is damaged or
5 destroyed other than by the willful or negligent act of an
6 adjoining Owner or the Owner's Occupants, agents, guests or
7 family, or deteriorates from ordinary wear and tear, it shall
8 be the joint obligation of all Owners whose Lots or Parcels
adjoin the damaged or destroyed portion of such Party Wall to
immediately rebuild and repair such Party Wall, such expense to
be ratably divided among such Owners on the basis of the amount
of frontage of their respective Lots or Parcels on the damaged
or destroyed Party Wall;

9 (d) in the event of a dispute between Owners
10 with respect to a Party Wall or the sharing of the cost
11 thereof, such Owners shall submit the dispute to the
12 Architectural and Landscaping Review Committee, whose decision
13 shall be binding unless appealed to the Board, in which event
the Board's decision shall be binding and final.
Notwithstanding any such decision, no Owner is prohibited from
seeking indemnity from the party causing the damage;

14 (e) notwithstanding the foregoing and unless
15 otherwise indicated in a Recorded Subsidiary Declaration or
16 Recorded Tract Declaration, or unless otherwise expressly
17 agreed in writing by the Association, in the case of walls or
18 fences: (i) between Common Areas and Lots or Parcels; or,
19 (ii) situated on Common Areas within or adjacent to a Lot or
20 Parcel, the Owners and Occupants of such Lots or Parcels shall
be responsible, at their expense, for all maintenance, repair,
painting and replacement thereof. Further, unless otherwise
approved in writing by the Board, any wall situated generally
between a Lot or Parcel and Common Areas shall be situated
entirely upon such Lot or Parcel (and not upon the Common
Areas) but shall be situated immediately adjacent to such Lot's
or Parcel's boundary line with the Common Areas; and,

21 (f) this Section 5.4.11 does not and is not
22 intended to control or relate to Party Walls between
23 Residential Condominium Developments or Condominium Units, or
between non-residential condominium units;

24 5.4.12 Overhead Encroachments. No tree, shrub or
25 planting of any kind shall be allowed to overhang or encroach
26 upon any public right-of-way, bicycle path or any other pedes-
trian way from ground level to a height of 8 feet, without the

1 prior written approval of the Architectural and Landscaping
2 Review Committee;

3 5.4.13 Trucks, Trailers, Campers, Boats and Motor
4 Vehicles. No motor vehicle, motor home, mobile home, trailer,
5 camper shell, detached camper, boat, boat trailer, snow mobile,
6 jet ski or other similar equipment or vehicle may be parked,
7 maintained, constructed, reconstructed, repaired or stored on
8 any Lot or Parcel or on any street so as to be Visible From
9 Neighboring Property (including but not limited to any Common
10 Areas, Limited Common Areas, or street). The foregoing limita-
11 tion on parking shall not apply to:

12 (a) automobiles, trucks or vans, or mini-
13 motor homes not exceeding 7 feet in height from ground level
14 and 18 feet in length, so long as such automobiles, trucks or
15 vans or mini-motor homes: (i) are parked as provided in
16 Section 5.2.7 or Section 5.3.2, as applicable; and, (ii) are
17 used on a regular and recurring basis for basic transportation
18 or, in the case of Non-Residential Parcels, for delivery ser-
19 vice or otherwise in connection with the business(es) conducted
20 on the Non-Residential Parcel upon which such vehicles are
21 parked, provided that either the Board or the Architectural
22 Review Committee shall have the authority to adopt and enforce
23 regulations regarding parking of such vehicles on a Parcel
24 (including, but not limited to, regulations requiring the
25 screening of delivery trucks and vans, or other business vehi-
26 cles) if, in the sole discretion of the Board or the
Architectural Review Committee, such regulations are necessary
to prevent such vehicles from being or becoming an eyesore or
nuisance to the Owners or Occupants of adjacent property; or

(b) temporary facilities maintained during,
and used exclusively in connection with, construction
activities, provided, however, that such activities are
approved in advance and in writing by the Architectural and
Landscaping Review Committee.

Notwithstanding subsection 5.4.13(a) above, no automo-
bile, motorcycle, motorbike or other motor vehicle shall be
constructed, repaired or, if inoperable, stored upon any Lot,
Parcel or street so as to be Visible From Neighboring Property;

5.4.14 Declarant's Exemption. Nothing contained
in this Declaration shall be construed to prevent the construc-
tion, installation or maintenance by Declarant or its agents
during the period of development and construction on the
Covered Property of improvements, landscaping or signs deemed
necessary or convenient by Declarant, in its sole discretion,
to the development or sale of property within the Covered
Property, provided that any such improvements and landscaping

1 shall be generally consistent, in terms of appearance and qual-
2 ity, with similar improvements and landscaping elsewhere within
Ranch Vistoso;

3 5.4.15 Health, Safety and Welfare. In the event
4 uses of, activities on, or facilities upon or within a Parcel
5 or Lot are deemed by the Board to be a nuisance or to adversely
6 affect the health, safety or welfare of Owners or Occupants,
7 the Board or the Architectural and Landscaping Review Committee
8 may make rules restricting or regulating their presence;

9 5.4.16 Incidental Uses. Subject to the provi-
10 sions of any applicable Recorded Tract Declaration or Recorded
11 Subsidiary Declaration, the Board may approve, regulate and
12 restrict incidental uses of property within a Land Use
13 Classification. By way of example and not of limitation, the
14 Board may permit: private roadways; tennis and/or swimming
15 clubs intended primarily for the benefit of all or certain
16 Owners or Occupants; tennis courts; swimming pools; boarding
17 upon a Lot limited to residential purposes of not more than two
18 horses, and erection and maintenance of a small barn or other
19 facility for boarding such horse(s) upon such Lot, where
20 permitted by applicable zoning and other ordinances and govern-
21 mental regulations; and other recreational facilities;

22 5.4.17 Window Coverings. No external window
23 covering or reflective covering may be placed, or permitted to
24 remain, on any window of any building, structure or other
25 improvement without the prior written approval of the
26 Architectural and Landscaping Review Committee;

5.4.18 Parcel Coverage. The percentage of each
Lot or Parcel which may be covered by buildings (as well as the
location of such buildings and other improvements on each Lot
or Parcel) shall be subject to the review and approval of the
Architectural and Landscaping Review Committee, as part of the
Architectural and Landscaping Review Committee's review of
plans for proposed improvements on such Lot or Parcel pursuant
to this Declaration, but shall in no event violate County
ordinances and regulations in effect from time to time;

5.4.19 Duty of Maintenance. Each Owner shall, at
such Owner's sole cost and expense, keep such Owner's Lot or
Parcel (including buildings, improvements, private drives,
easement areas and grounds thereon) in a well-maintained,
clean, neat and attractive condition at all times and shall
comply in all respects with all governmental health, fire and
safety statutes, ordinances, regulations and requirements;

5.4.20 Utility Lines and Connections. All util-
ity wires, lines, pipes, conduits, facilities, connections and

1 installations (including, without limitation, electrical, tele-
2 phone, cable television, water, gas and sanitary sewer) shall
3 be installed and maintained underground or concealed in, under,
4 or on structures approved in writing in advance by the
5 Architectural and Landscaping Review Committee. No utility
6 meter or apparatus shall be located on any pole or attached to
7 the outside of any building wall which is exposed to view from
8 any street. All transformers shall be placed on or below the
9 surface of the Lot or Parcel. Temporary above-ground power or
10 telephone structures and water lines incident to construction
11 activities shall be permitted but only with the prior written
12 approval of the Architectural and Landscaping Review Committee;

7 5.4.21 On-Site Grading and Drainage. No water
8 shall be drained or discharged from any Lot or Parcel, or
9 building thereon, except in accordance with: (a) the master
10 drainage study (including any amendments thereto) approved by
11 the appropriate governmental agency (or agencies) and the
12 Architectural and Landscaping Review Committee (or other drain-
13 age study approved by such Committee, if no such master drain-
14 age study exists); and (b) grading plans approved by the
15 Architectural and Landscaping Review Committee in accordance
16 with the provisions of Article IV hereof and applicable County
17 ordinances. Finished grades along the periphery of a Lot or
18 Parcel shall match the existing grades or the top of curb of
19 any constructed or proposed streets which are part of the over-
20 all master infrastructure for Rancho Vistoso; the tolerance
21 allowed shall be within plus or minus one foot of the existing
22 grades or top of curb within a horizontal distance of twenty
23 (20) feet unless otherwise previously approved in writing by
24 the Architectural and Landscaping Review Committee. Further,
25 no Owner or Occupant shall interfere with the drainage estab-
26 lished by the grading plan for the remainder of the Covered
Property or any other property adjacent to the Parcel;

18 5.4.22 Building Exteriors. All colors of
19 materials on the building exteriors and all exterior wall sur-
20 faces of any building shall be in accordance with plans and
21 designs approved by the Architectural and Landscaping Review
22 Committee in accordance with the provisions of Article IV
23 hereof. All materials used for the exterior of the buildings
24 shall be high quality, long-life, low maintenance materials.

22 5.5 Variances. The Board may, at its sole discretion,
23 grant variances from the restrictions set forth in Article V
24 hereof or in any Recorded Tract Declaration if the Board deter-
25 mines that:

25 5.5.1 either:

1 (a) a particular restriction would create a
2 substantial hardship or burden on an Owner or Occupant and that
3 such hardship is not attributable to the Owner's or Occupant's
4 acts; or,

5 (b) a change of circumstances has rendered
6 the particular restriction obsolete; and,

7 5.5.2 the activity permitted under the requested
8 variance will not have a substantially adverse effect on other
9 Owners and Occupants and is consistent with the high quality of
10 life intended for Rancho Vistoso. The request for a variance
11 must be made in writing and be accompanied by adequate support-
12 ing documentation. The Board shall approve or disapprove the
13 request, in writing, as promptly as possible under the particu-
14 lar circumstances. All decisions of the Board shall be final
15 and nonappealable.

16 ARTICLE VI

17 ORGANIZATION OF ASSOCIATION

18 6.1 Formation of Association. The Association shall
19 be a nonprofit Arizona corporation charged with the duties and
20 vested with the powers prescribed by law and set forth in the
21 Articles, the Bylaws, and this Declaration. Neither the
22 Articles nor the Bylaws shall be amended or interpreted so as
23 to be inconsistent with this Declaration.

24 6.2 Board of Directors and Officers. The affairs of
25 the Association shall be conducted by the Board and such offi-
26 cers as the Board may elect or appoint in accordance with the
Articles and the Bylaws. The initial Board and each Board
thereafter for so long as there is a Class B Member of the
Association shall consist of 3 Members or other persons, and
Declarant shall have the right to appoint all such directors.
Commencing with the first annual meeting of the Members when
there is no longer a Class B Member, the Board shall consist
of, and the voting Members shall elect, 7 directors, all of
whom must be Members (or an individual designated by a corpo-
rate, partnership or other non-individual Member). The forego-
ing reference to 7 directors shall be subject to increase in
the number of Directors as provided in the Bylaws. The term of
each of the Directors shall be for 1 year until there is no
longer a Class B Member. Thereafter the initial terms shall be
4 Directors for a 1-year term and 3 Directors for a 2-year
term, thus establishing a staggered Board. In succeeding
years, all directors shall be elected for a 2-year term. The
Board may appoint various committees at its discretion. The
Board may also appoint or engage a manager to be responsible
for the day-to-day operation of the Association and the Common

1 Areas. The Board shall determine the compensation to be paid
2 to the manager.

3 6.3 Association Rules. By a majority vote of the
4 Board, the Association may, from time to time and subject to
5 the provisions of this Declaration, adopt, amend and repeal the
6 Association Rules. The Association Rules may restrict and gov-
7 ern the use of the Common Areas, provided, however, that the
8 Association Rules shall not discriminate among Owners and
9 Occupants except to reflect their different rights and obliga-
10 tions as provided herein, and shall not be inconsistent with
11 this Declaration, the Articles, or the Bylaws. The Association
12 Rules shall be intended to enhance the preservation and devel-
13 opment of the Covered Property, the Common Areas and the
14 Limited Common Areas. Upon adoption, the Association Rules
15 shall have the same force and effect as if they were set forth
16 herein. A copy of the Association Rules as adopted, or
17 amended, shall be available for inspection at the office of the
18 Association.

19 6.4 Personal Liability. No Board member, officer,
20 committee member, employee or representative of the
21 Association, or the Association, shall be personally liable to
22 any Owner, or to any other Person, including the Association,
23 for any damage, loss, costs, fees (including reasonable attor-
24 neys' fees), or prejudice suffered or claimed on account of any
25 of their acts, omissions, errors or negligence, provided, how-
26 ever, that the limitations set forth in this Section 6.4 shall
not apply to any Person who has failed to act in good faith or
has engaged in willful or intentional misconduct.

6.5 Subsidiary Associations. In the event any home-
owners' or similar Subsidiary Association is formed by a
Developer Owner (other than Declarant) of a Parcel or portion
thereof, or group of Lots, such Subsidiary Association's
governing documents shall not be effective unless they have
been approved in advance by the Board and they specify that
such governing documents, such Parcel or portion thereof, or
group of Lots, the Subsidiary Association, and the Subsidiary
Association's members are subject and subordinate to this
Declaration and the Articles, Bylaws, and Association Rules.
The Board shall not disapprove any such governing documents
unless, in the Board's sole discretion, either: (a) they are
inconsistent or in conflict with this Declaration, the
Articles, the Bylaws, the Association Rules, the Architectural
and Landscaping Review Committee and any applicable Recorded
Tract Declaration; or (b) they fail to contain the specifica-
tion required by the preceding sentence.

6.6 Mergers or Consolidations. The Association shall
have the right, power and authority to participate in mergers

1 or consolidations with any other nonprofit corporation whose
2 objectives, methods, and taxable status and format of operation
3 are similar to those of the Association (a "Merger
4 Candidate"). Merger or consolidation of the Association with a
5 Merger Candidate must be approved in advance by Members holding
6 at least two-thirds (2/3) of the votes in each class of Members
7 of the Association, whether in Person or by proxy, at a meeting
8 duly called for such purpose. The Association's properties,
9 rights and obligations shall be transferred to and assumed by
10 the surviving or consolidated corporation by operation of law,
11 or, alternatively, the properties, rights and obligations of
12 the Merger Candidate shall be transferred by operation of law
13 to the Association as the surviving corporation. The surviving
14 or consolidated corporation, at a minimum, shall have the same
15 administrative responsibilities and enforcement rights estab-
16 lished by this Declaration in regard to the Covered Property.
17 In addition, for so long as there is a Class B Member and to
18 the extent Declarant has theretofore sought the approval of an
19 Agency in regard to the Association or any Subsidiary
20 Association, any such merger or consolidation will be subject
21 to the approval by such Agency if so required by the rules and
22 regulations of the Agency.

12 ARTICLE VII

13 MEMBERSHIPS AND VOTING

14 7.1 Votes of Owners of Lots and Parcels. Every Owner
15 of a Lot or Parcel which is subject to assessment automatically
16 shall be a Member of the Association and shall remain a Member
17 for so long as such ownership continues. Each Owner (other
18 than Declarant) shall have the following applicable number of
19 votes in regard to votes of the Members of the Association:

18 7.1.1 One vote for each Lot owned;

19 7.1.2 One-half of one vote for each completed
20 Apartment Unit owned;

21 7.1.3 One-half of one vote for each Dwelling Unit
22 permitted under the applicable Recorded Tract Declaration upon
23 an Apartment Parcel upon which construction has not been com-
24 pleted (or, if no Tract Declaration has been Recorded with
25 respect to such Parcel, then one-half of one vote for each
26 Dwelling Unit permitted upon such Parcel under the then current
Master Development Plan.) The number of such Dwelling Units
shall be determined based on the assumption that the number of
Dwelling Units will be spread evenly over such Parcel. If a
Tract Declaration or a subdivision plat for such Parcel is
thereafter Recorded for a different number of Dwelling Units,
the number of votes shall be adjusted to reflect the actual

1 number of Dwelling Units as set forth in such Recorded Tract
2 Declaration or Recorded subdivision plat;

3 7.1.4 In the case of the Owner of a Single Family
4 Parcel or Residential Condominium Development Parcel which has
5 not been divided into Lots by a Recorded subdivision plat or
6 other Recorded instrument, one vote for each Dwelling Unit
7 permitted upon the Parcel under the applicable Recorded Tract
8 Declaration, or if no Tract Declaration has been Recorded, then
9 one vote for each Dwelling Unit permitted upon such Parcel
10 under the then current Master Development Plan. If a subdivi-
11 sion plat or other instrument creating Lots is Recorded cover-
12 ing all or part of such Parcel, then the votes attributable to
13 the Lots shall be determined pursuant to Section 7.1.1 above,
14 and the number of votes held by the Owner of such Parcel as
15 Owner of the portion of such Parcel not so divided into Lots
16 (if any) shall be equal to the number of Dwelling Units
17 permitted on such Parcel pursuant hereto less the number of
18 votes determined pursuant to Section 7.1.1 above. If a Tract
19 Declaration or subdivision plat for such Parcel is thereafter
20 Recorded for a different number of Dwelling Units, the number
21 of votes shall be adjusted to reflect the actual number of
22 Dwelling Units as set forth in such Recorded Tract Declaration
23 or Recorded subdivision plat. All votes attributable to such
24 Parcel shall cease when the property ceases to be a Parcel
25 because all of the area therein is platted (or otherwise
26 divided into Lots) or dedicated to the public; and,

15 7.1.5 In the case of the Owner of a
16 Non-Residential Parcel, six (6) votes for each Net Acre owned
17 (in the case of fractional Net Acres rounding to the nearest
18 whole number of votes, e.g., 1.7 Net Acres = 15 votes),
19 provided, however, that if a commercial condominium is estab-
20 lished, Declarant or the Board, as applicable, may allocate
21 votes in a manner deemed appropriate so that the allocated
22 votes do not exceed six (6) per Net Acre.

19 Each Owner's Membership in the Association shall be
20 appurtenant to and may not be separated from ownership of the
21 Lot or Parcel to which the Membership is attributable. There
22 shall be only the Memberships for each Lot and Parcel as are
23 described herein. Joint ownership or ownership of undivided
24 interests in any property as to which a Membership is estab-
25 lished pursuant hereto shall not cause there to be more
26 Memberships than the number established herein. Memberships
shall be shared by any joint owners of, or owners of undivided
interests in, the property interests to which such Memberships
are attributable. Memberships attributable to a Lot or Parcel
shall not be increased because of joint or undivided multiple
ownership thereof.

1 7.2 Declarant. Declarant shall be a Member of the
2 Association for so long as it holds a Class A or Class B
Membership.

3 7.3 Voting Classes. The Association shall have two
4 classes of voting Members:

5 7.3.1 Class A. Class A Members shall be all
6 Owners except Declarant (until the conversion of Declarant's
7 Class B Membership to Class A Membership as provided below).
8 Subject to the authority of the Board to suspend an Owner's
9 voting rights in accordance with the provisions hereof, a
Class A Member shall have the number of votes provided in
Section 7.1. Notwithstanding the foregoing, a Class A Member
shall not be entitled to vote with respect to any Lots, Parcels
or Apartment Units in regard to which the Owner is paying only
a reduced Assessment pursuant to Section 8.3; and,

10 7.3.2 Class B. The Class B Member shall be
11 Declarant. The Class B Member shall be entitled to the number
12 of votes equal to 3 times the number of votes which would be
13 attributable to Lots and Parcels owned by Declarant as deter-
14 mined pursuant to Section 7.1 above, provided that as to any
15 Parcel owned by Declarant which has not yet been subjected to a
16 Tract Declaration (and therefore has not yet been assigned to a
17 particular Land Use Classification), for purposes of determin-
18 ing the votes to which Declarant shall be entitled with respect
19 to such Parcel: (a) such Parcel shall be deemed to be either a
20 residential Parcel or a Non-Residential Parcel, depending upon
21 the use for such Parcel designated on the then-current approved
neighborhood plan affecting such Parcel, if any, and otherwise
as designated on the then-current approved community plan
affecting such Parcel; and (b) a Parcel deemed pursuant to sub-
paragraph (a) to be a residential Parcel shall be deemed to
have the maximum number of Dwelling Units permitted for such
Parcel under the then-current neighborhood plan affecting such
Parcel, if any, and otherwise under the then-current approved
community plan affecting such Parcel. Subject to the provi-
sions of Section 14.2 below, the Class B Membership automati-
cally shall cease and be converted to a Class A Membership upon
the happening of the first of the following events:

22 (x) the date which is 120 days after the date
23 upon which the total votes of the Class A Members entitled to
vote equals the total votes of the Class B Member; or,

24 (y) the date which is seven (7) years after
25 the date this Declaration is Recorded.
26

1 7.4 Right to Vote. No change in the ownership of a
2 Lot, Parcel or Apartment Unit shall be effective for voting
3 purposes until the Board receives written notice of such change
4 together with satisfactory evidence thereof. The vote for each
5 Member must be cast as a single unit. Fractional votes shall
6 not be allowed. In the event that a Lot, Parcel, or Apartment
7 Unit is owned by more than one Person and such Owners are
8 unable to agree as to how their vote or votes shall be cast,
9 they shall not be entitled to vote on the matter in question.
10 If any Owner casts a vote or votes representing a certain Lot,
11 Parcel or Apartment Unit, the Owner will thereafter be conclu-
12 sively presumed to be acting with the authority and consent of
13 all other Owners of such Lot, Parcel or Apartment Unit unless
14 objection thereto is made to the Board, in writing, at or prior
15 to the time the vote or votes are cast. In the event more than
16 1 Person casts or attempts to cast a vote for a particular Lot,
17 Parcel or Apartment Unit all such votes shall be deemed void.

18 7.5 Members' Rights. Each Member shall have the
19 rights, duties and obligations set forth in this Declaration,
20 the Articles, the Bylaws, the Association Rules, and the
21 Architectural and Landscaping Review Committee Guidelines.

22 7.6 Transfer of Membership. Except as otherwise
23 provided in this Declaration, the rights, duties and obliga-
24 tions of a Class A Member cannot and shall not be assigned,
25 transferred, pledged, conveyed or alienated in any way except
26 upon transfer of ownership of such Class A Member's Lot, Parcel
or Apartment Unit, and then only to the transferee thereof.
Such transfer may be effected by deed, intestate succession,
testamentary disposition, foreclosure, or other legal process
authorized under Arizona law. Any attempt to make a
nonapproved form of transfer shall be void. Any transfer of
ownership in a Lot, Parcel or Apartment Unit shall operate to
transfer the Membership appurtenant thereto to the new Owner.

ARTICLE VIII

ASSESSMENTS AND CREATION OF LIEN

1 8.1 Creation of Assessment Lien; Personal Obligation
2 of Lot or Parcel Owner. Declarant, for each Lot and Parcel
3 constituting part of the Covered Property, hereby covenants and
4 agrees, and each Owner by acceptance of a deed therefor
5 (whether or not it should be so expressed in any such deed or
6 other instrument) is deemed to covenant and agree, to pay to
7 the Association the following:

8 8.1.1 the Special Use Fees as provided in
9 Section 3.1; and,

1 8.1.2 the Assessments, as hereinafter established.
2 The amount and time for payment of the Special Use
3 Fees and the Assessments shall be determined by the Board pur-
4 suant to this Declaration and the Articles and Bylaws. The
5 Special Use Fees and the Assessments, together with interest
6 thereon and the costs and reasonable attorneys' fees, if any,
7 incurred by the Association in connection with the enforcement
8 and collection thereof or in otherwise enforcing this
9 Declaration, shall be a charge and continuing servitude and
10 lien upon the Lot or Parcel against which such Special Use Fees
11 or Assessments are made and, in addition, shall be the personal
12 obligation of the Owner of such Lot or Parcel at the time when
13 such Special Use Fees or Assessments become due and payable.
14 Notwithstanding any other provision of this Declaration to the
15 contrary, as to each Lot or Parcel owned by Declarant,
16 Declarant shall be obligated to pay only twenty-five percent
17 (25%) of the Assessments which would otherwise be payable in
18 respect of such Lot or Parcel until either an occupied Dwelling
19 Unit or commercial building shall be situated on such Lot or
20 Parcel, provided that during any period when Declarant is
21 paying reduced Assessments pursuant to this sentence, Declarant
22 shall contribute to the Association such funds as may be
23 required from time to time to meet any budget deficit which
24 results from Declarant having paid such reduced Assessments.
25

13 8.2 Annual Assessments. The Association by and
14 through the Board shall levy the Annual Assessments for the
15 purposes set forth hereinbelow. The Annual Assessments levied
16 by the Association shall be used to promote the recreation,
17 health, safety and welfare of the Owners and Occupants, to
18 enhance the quality of life within the Covered Property, to
19 preserve the value of the Covered Property, to pay the costs of
20 administration of the Association and the maintenance of the
21 Common Areas, and to otherwise further the interests of the
22 Association as the Board deems appropriate. Subject to the
23 provisions of Section 8.4, the Board may, during an Assessment
24 Period, revise the amount of the Annual Assessment in order to
25 meet expenses which exceed the amounts previously budgeted by
26 the Association and collect such increased Annual Assessment in
accordance with Section 8.9 below. The Annual Assessment for
each Apartment Unit shall always equal one-half of the Annual
Assessment for each Lot. The Annual Assessment for each Net
Acre in a Non-Residential Parcel shall always equal six (6)
times the Annual Assessment for each Lot. The Annual
Assessment for a Single Family Parcel which has not yet been
subdivided into Lots or a Condominium Parcel as to which a con-
dominium declaration has not yet been recorded shall be an
amount equal to the Annual Assessment for a Lot multiplied by
the number of Dwelling Units permitted to be constructed on the
Parcel under the applicable Recorded Tract Declaration (or, if

1 there is no Recorded Tract Declaration, under the Master
2 Development Plan).

3 8.3 Rate of Assessment. Subject to Sections 8.4 and
4 8.5 hereof, the amount of the Annual Assessments and Special
5 Assessments shall be fixed by the Board, in its sole discre-
6 tion, but always in the ratios, as among Owners of Lots,
7 Apartment Units and Non-Residential Parcels, provided for in
8 Section 8.2.

9 8.3.1 The Developer Owner of a Lot (other than a
10 Condominium Unit) shall pay only 25% of the Annual Assessments
11 and Special Assessments for such Lot until the earliest of:

12 (a) the initial conveyance of
13 a completed Dwelling Unit thereon
14 to a Non-Developer Owner; or,

15 (b) 12 months from the date of
16 Declarant's conveyance of the Lot
17 (or the Parcel from which such Lot
18 was established) to a Developer
19 Owner.

20 If the Developer Owner ceases to be entitled to the 25% rate
21 because of the occurrence of the event described in
22 Section 8.3.1(b) above, then thereafter the Developer Owner
23 shall pay only 40% of the Annual Assessments and Special
24 Assessments for such Lot until the earliest of:

25 (c) the initial conveyance of
26 a completed Dwelling Unit thereon
to a Non-Developer Owner; or,

(d) 12 months after the date
the 25% rate terminated;

8.3.2 The Developer Owner of an Apartment Parcel
(which has not been converted to a Condominium Parcel) shall
pay only 25% of the Annual Assessments and Special Assessments
until the earliest of:

(a) completion of construction
of the Apartment Units as
evidenced by the issuance of a
certificate of occupancy therefor;
or,

(b) 12 months from the date of
Declarant's conveyance of the
Parcel to a Developer Owner.

1 If the Developer Owner ceases to be entitled to the 25% rate
2 because of the occurrence of the event described in
3 Section 8.3.2(b) above, then thereafter the Developer Owner
shall pay only 40% of the Annual Assessments and Special
Assessments until the earliest of:

4 (c) completion of the
5 Apartment Units as evidenced by
6 the issuance of a certificate of
7 occupancy therefor; or,

8 (d) 12 months after the date
9 the 25% rate terminated;

10 However, if the approved site plan for the Apartment Parcel
11 contemplates the construction of more than one apartment build-
12 ing thereon, the Apartment Parcel shall, for purposes of this
13 Section 8.3.2 only, be deemed subdivided into the number of
14 sub-parcels equal to the number of approved buildings on the
approved site plan, in which case the Annual Assessments and
Special Assessments shall be deemed divided equally among such
sub-parcels such that each of the buildings shall be allocated
to a separate sub-parcel, and the Developer Owner shall pay
only 25% or 40% as applicable of the prorated Annual
Assessments and Special Assessments against each sub-parcel
until the earliest of the events specified in subsections (a)
and (b) above, or (c) and (d) above, as applicable, with
respect to such sub-parcel.

15 8.3.3 The Developer Owner of a Single Family
16 Parcel which remains an intact Parcel because it has not yet
17 been subdivided shall pay only 25% of the Annual Assessments
and Special Assessments until the earlier of:

18 (a) such time as the Parcel is
19 subdivided into Lots at which time
20 Section 8.3.1 above shall apply;
or,

21 (b) 12 months from the date of
22 Declarant's conveyance of the
23 Parcel to a Developer Owner.

24 If the Developer Owner ceases to be entitled to the 25% rate
25 because of the occurrence of the event described in
26 Section 8.3.3(b) above, then thereafter the Developer Owner
shall pay only 40% of the Annual Assessments and Special
Assessments until the earlier of:

(c) such time as the Parcel is
subdivided into Lots at which time

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Section 8.3.1 above shall apply;
or,

(d) 12 months after the date
the 40% rate terminated;

In the event the Parcel is subdivided into phases and less than all of such phases are subdivided into Lots, the applicable reduced rates set forth above in this Section 8.3.3 will continue to apply to the unsubdivided remainder of the Parcel;

8.3.4 The Developer Owner of a Condominium Parcel shall pay only 25% of the Annual Assessments and Special Assessments for such Parcel until a condominium declaration is Recorded against all or part of such Parcel. Subsequent to such Recording, the Developer Owner shall pay with respect to each Condominium Unit to be constructed on such Parcel pursuant to such condominium declaration 25% of the Annual Assessments and Special Assessments until the earliest of:

(a) completion of the initial Condominium Units as evidenced by the issuance of a certificate of occupancy therefor; or,

(b) 12 months from the date of Declarant's conveyance of the Parcel to a Developer Owner.

In the event the Developer Owner ceases to be entitled to the 25% rate because of the occurrence of the event described in Section 8.3.4(b) above, then thereafter the Developer Owner shall pay only 40% of the Annual Assessments and Special Assessments until the earliest of:

(c) completion of the initial Condominium Units as evidenced by the issuance of a certificate of occupancy therefor; or,

(d) 12 months after the date the 25% rate terminated.

In the event the condominium development is to be built in phases, the reduced rate as provided hereinabove shall terminate with respect to each phase upon the conveyance of the first Condominium Unit in such phase by a Developer Owner to a third-party; and,

1 8.3.5 The Developer Owner of a Non-Residential
2 Parcel shall pay only 25% of the Annual Assessments and Special
Assessments for such Parcel until the earliest of:

3 (a) completion of the first
4 building thereon as evidenced by
the issuance of the certificate of
occupancy therefor;

5 (b) 12 months from the date of
6 Declarant's conveyance of the
Parcel to a Developer Owner.

7 In the event the Developer Owner ceases to be entitled to the
8 25% rate because of the occurrence of the event described in
Section 8.3.5(b) above, then thereafter the Developer Owner
9 shall pay only 40% of the Annual Assessments and Special
Assessments until the earliest of:

10 (c) completion of the first
11 building on such Parcel as
evidenced by the issuance of a
12 certificate of occupancy therefor;
or,

13 (d) 12 months from the date
14 the 25% rate terminated.

15 However, if the approved site plan for the Parcel contemplates
16 the construction of more than one building thereon, the Parcel
shall, for the purposes of this Section 8.3.5 only, be deemed
17 subdivided into the number of sub-parcels equal to the number
of approved buildings set forth on the approved site plan, in
18 which case the Annual Assessments and Special Assessments shall
be deemed divided equally among such sub-parcels such that each
19 of the buildings shall be allocated to a separate sub-parcel,
and the Developer Owner shall pay only 25% or 40% as applicable
20 of the Annual Assessments and Special Assessments against each
sub-parcel until the earliest of the events specified in
21 subsections (a) and (b) above, or (c) and (d) above, as appli-
cable, with respect to each sub-parcel.

22 A Non-Developer Owner shall not be entitled to the
reduced assessment rates provided in Sections 8.3.1 through
23 8.3.5 and a Developer Owner shall be entitled to such reduced
rates only if he is a Developer Owner with respect to the spe-
24 cific Lot or Parcel in question. If a Developer Owner ceases
to qualify for the reduced payments provided for hereinabove
25 during an Assessment Period, the Developer Owner shall immedi-
ately notify the Board, in writing, of the change in status and
26 the Annual Assessments and Special Assessments shall be

1 prorated between the applicable rates on a per diem basis. The
2 failure of a Developer Owner to notify the Board of the change
3 in status shall not prevent or preclude the reinstatement of
4 the full payment obligation pursuant hereto from taking effect
5 as of the applicable date as provided herein. The Association
6 may from time to time request that any Developer Owner of prop-
7 erty being assessed at a reduced rate furnish to the
8 Association evidence that such Developer Owner continues to be
9 entitled to a reduced assessment rate under this Section 8.3,
10 and if such Developer Owner fails to produce such evidence
11 within 30 days following the date of the Association's request,
12 or if such evidence as is furnished is unsatisfactory, in the
13 Board's reasonable discretion, to demonstrate such Developer
14 Owner's continued entitlement to the reduced assessment rate,
15 the Board may terminate such reduced assessment rate as of the
16 date reasonably deemed appropriate by the Board.

9 8.4 Maximum Annual Assessment. The Maximum Annual
10 Assessment shall be determined as follows:

11 8.4.1 For the fiscal year ending April 30, 1988,
12 the Maximum Annual Assessment shall be:

- 13 (a) for each Lot, \$150.00;
- 14 (b) for each Apartment Unit, \$75.00; and
- 15 (c) for each Non-Residential Parcel,
16 \$ 900.00 times the number of Net Acres (to the nearest one-
17 tenth of a Net Acre) in such Non-Residential Parcel.

18 8.4.2 Thereafter, except as provided in
19 Section 8.4.3 below, the Maximum Annual Assessment for each
20 Lot, each Apartment Unit, and each Non-Residential Parcel for
21 any fiscal year of the Association shall be equal to the
22 Maximum Annual Assessment for the immediately preceding fiscal
23 year, increased by the greater of:

24 (a) 5% of the Maximum Annual Assessment for
25 the Lot or Apartment Unit or Non-Residential Parcel in effect
26 during the immediately preceding fiscal year; or,

 (b) an amount equal to the amount of increase
in the Index during the prior year, if any, calculated as fol-
lows: If the Comparison Index has increased over the Base
Index, the Maximum Annual Assessment for the immediately
succeeding Assessment Period shall be calculated by multiplying
the then effective Maximum Annual Assessment by a fraction, the
numerator of which is the Comparison Index and the denominator
of which is the Base Index. In no case, however, shall the
Maximum Annual Assessment calculated pursuant to the preceding

1 formula ever be less than the Maximum Annual Assessment in
2 effect prior to the Adjustment Date. If the Index is eliminat-
3 ed or its method of determination is changed, the foregoing
4 formula shall be altered, if possible, so as to achieve sub-
5 stantially the same effect as the foregoing formula. If this
6 is not possible, a new formula shall be adopted by the Board;
7 and,

8 8.4.3 The Maximum Annual Assessment for an
9 Assessment Period may be increased above the Maximum Annual
10 Assessment for such Assessment Period otherwise determined
11 under Section 8.4.2 above by an affirmative vote of Members
12 holding at least two-thirds (2/3) of the votes in each class of
13 Members represented in person or by proxy at a meeting of the
14 Members of the Association duly called for such purpose, except
15 that if the utility charges or insurance premiums paid by the
16 Association in the 12-month period prior to the subject
17 Assessment Period are in excess of those paid during the
18 12-month period immediately preceding such prior 12-month
19 period, or such utility charges or insurance premiums increase
20 unexpectedly during the course of the subject Assessment
21 Period, the Board may increase the Maximum Annual Assessment
22 otherwise determined under Section 8.4.2 above for the subject
23 Assessment Period by the pro rata share for each Lot, Apartment
24 Unit or Parcel of the additional utility or insurance costs
25 without the Membership vote described in this Section 8.4.3
26 (with such pro rata share to be in the same relative propor-
tions, as among Lots, Parcels and Apartment Units, as the ini-
tial Maximum Annual Assessments set forth in Section 8.4.1
above).

16 8.5 Special Assessments. The Association may levy a
17 Special Assessment but only for the purpose of defraying, in
18 whole or in part, the cost of any construction, reconstruction,
19 repair or replacement of a capital improvement owed by the
20 Association or for defraying other extraordinary expenses,
21 provided, however, that such Special Assessment shall have the
22 prior assent of two-thirds (2/3) of the votes of each class of
23 Members voting in Person or by proxy at a meeting of the
24 Association duly called for such purpose. Special Assessments
25 shall be assessed uniformly among the Owners, except as autho-
26 rized under Section 8.3 hereof.

22 8.6 Notice and Quorum for Any Action Authorized Under
23 Sections 8.4 and 8.5. Written notice of any meeting of the
24 Members of the Association called for the purpose of conducting
25 a vote required under Sections 8.4 or 8.5 shall be sent to all
26 Owners not less than 30 days nor more than 60 days in advance
of such meeting. At such meeting, the presence of Members or
of proxies entitled to cast 60% of all the votes (exclusive of
suspended voting rights) of each class of Members shall consti-

1 tute a quorum. If the required quorum is not present, another
2 meeting shall be called for such purpose, subject to the fore-
3 going notice requirements, and the required quorum at the sub-
4 sequent meeting shall be one-half of the quorum required at the
initially scheduled meeting. The subsequent meeting shall be
held within 60 days following the date of the initially sched-
uled meeting.

5 8.7 Maintenance Assessments. In addition to any
6 Annual Assessment or Special Assessment and the Assessments
7 arising under Section 11.2, the Board shall have the authority
8 to levy and collect Maintenance Assessments for costs and
9 expenses arising by or attributable to the special characteris-
tics or needs of a particular Lot or Parcel, or if the Owner of
a Lot or Parcel contracts with the Association for the
Association to provide particular maintenance services in
regard to such Owner's Lot or Parcel.

10 8.8 Annual Assessment Period. Except as otherwise
11 provided hereinbelow, the Assessment Period shall be the fiscal
12 year commencing on May 1 of each year and terminating on
13 April 30 next following. The Board may, in its sole discre-
14 tion, from time to time, change the Assessment Period. The
initial Assessment Period shall commence on the date of
Recording of this Declaration and terminate on April 30 follow-
ing the date of Recording. The Assessments provided for
hereinabove shall be prorated for the initial Assessment Period.

15 8.9 Billing and Collection Procedures. The Board
16 shall have the right to adopt procedures for the purpose of
17 making, billing and collecting the Assessments and Special Use
18 Fees, which procedures may include delegating to the applicable
19 Subsidiary Association the authority and obligation of billing
20 and collecting some or all of the Assessments and Special Use
21 Fees. The failure of the Association to send a bill to an
22 Owner shall not relieve such Owner of the Owner's liability for
23 an Assessment or Special Use Fee. No Recorded Assessment Lien
24 shall be foreclosed or otherwise enforced until the Owner has
25 been given not less than 30 days written notice thereof prior
26 to the commencement of such foreclosure or enforcement. The
notice shall be addressed to the Owner at the address of the
Owner on the records of the Association. It shall be the
responsibility of the Owner to inform the Association in writ-
ing of a change of address. The Association shall be under no
duty to refund any payments received by the Association even if
the ownership of a Lot or Parcel changes during an Assessment
Period. Any successor Owner shall be given credit for any
unrefunded prepayments made by a prior Owner. In case the
Owner of a Lot or Parcel having a right to pay a reduced
payment amount as provided herein fails to notify the Board at
such time as the payment amount should be increased, such Owner

1 shall nonetheless be liable for the full amount of the
2 Assessment and such Owner's failure to notify the Board shall
3 not relieve such Owner of the liability for such full
4 Assessment.

3 8.10 Collection Costs and Interest on Delinquent
4 Amounts. Any Delinquent Amount shall have added thereto a late
5 charge of 15% if such Delinquent Amount is not paid within 15
6 days after its due date. In addition, the Delinquent Amount
7 shall bear interest from its due date until paid at a rate
8 equal to the greater of: (a) 12% per annum; or (b) the then
9 prevailing interest rate on loans insured by FHA or VA. The
10 Owner shall be liable for all costs, including but not limited
11 to attorneys' fees and collection agency fees, which may be
12 incurred by the Association in collecting any Delinquent
13 Amount. The Board may also Record a Recorded Assessment Lien
14 against the applicable Lot or Parcel and may establish a fixed
15 fee to be reimbursed to the Association for the Association's
16 cost in Recording such Recorded Assessment Lien, processing the
17 delinquency, and Recording a release of lien. The foregoing
18 fee shall be treated as a collection cost of the Association
19 secured by the Recorded Assessment Lien.

12 8.11 Statement of Payment. Upon receipt of a written
13 request therefor from any Owner or Resident, the Board, within
14 a reasonable time thereafter, shall issue to the requesting
15 party a written statement stating that as of the date of that
16 statement:

15 8.11.1 all Assessments and Special Use Fees
16 (including collection fees, if any in regard thereto), have
17 been paid with respect to such Owner's or Resident's Lot or
18 Parcel; or,

18 8.11.2 if such have not been paid, the amount(s)
19 then due and payable.

19 The Association may make a reasonable charge for the
20 issuance of such statement. Any such statement shall be con-
21 clusive and binding with respect to any matter set forth
22 therein.

22 8.12 Exempt Property. Exempt Property shall be exempt
23 from Assessments (except as may be provided in Section 11.3
24 with respect to Maintenance Assessments) and the Assessment
25 Lien, and shall have no voting rights in the Association,
26 provided, however, that should any Exempt Property cease to be
Exempt Property for any reason, it shall thereupon be subject
to Assessments (prorated as of the date it ceased to be Exempt
Property) and the Assessment Lien, and shall have voting rights
in the Association as otherwise determined in this Declaration.

1 ARTICLE IX

2 ENFORCEMENT AND THE ASSESSMENT LIEN

3 9.1 Association Remedies to Enforce Assessments. If
4 any Owner fails to pay any Assessments or Special Use Fees when
5 due, the Association may (and each Owner hereby authorizes the
6 Association to) enforce the payment thereof and the Assessment
7 Lien and Recorded Assessment Lien by taking either or both of
8 the following actions, concurrently or separately (and by
9 exercising either remedy the Association does not prejudice or
10 waive its right to exercise the other remedy):

11 9.1.1 Bring an action at law against the Owner to
12 recover judgment against the Owner who is personally liable for
13 the Assessments or Special Use Fees; and,

14 9.1.2 Foreclose the Recorded Assessment Lien
15 against the appropriate Lot or Parcel in accordance with then
16 prevailing Arizona law relating to the foreclosure of realty
17 mortgages (including the right to recover any deficiency) and,
18 at the Association's option, the Association may bid for and
19 purchase the Lot or Parcel at any foreclosure sale. For pur-
20 poses of this Article IX, the Assessment Lien shall extend to
21 (and phrases such as "appropriate Lot or Parcel" or "the "Lot
22 or Parcel" shall be deemed to include) all Non-Residential
23 Parcels owned by the delinquent Owner and, in the case of a
24 delinquent Developer Owner, to all Lots and Parcels owned by
25 such Developer Owner, regardless of whether the Delinquent
26 Amounts owed by the Owner in question relate to all or less
than all of the Lots or Parcels owned by such Owner.

27 9.2 Subordination of Assessment Lien. The Assessment
28 Lien shall be superior to all charges, liens or encumbrances
29 which hereafter are or may be imposed on any Lot or Parcel
30 except:

31 9.2.1 the lien of any first mortgage or deed of
32 trust encumbering the Lots and Parcels which was Recorded prior
33 to this Declaration;

34 9.2.2 the lien for taxes or other governmental
35 assessments which is deemed superior hereto by applicable law;
36 and,

37 9.2.3 the lien of any first mortgage or deed of
38 trust.

39 Sale or transfer of any Lot or Parcel shall not affect the
40 Assessment Lien provided, however, the sale or transfer of any
41 Lot or Parcel pursuant to any first mortgage or deed of trust

1 foreclosure or any proceeding in lieu thereof, shall extinguish
2 the Assessment Lien only as to payments which became due prior
3 to such sale or transfer. No other sale or transfer shall
4 relieve a Lot or Parcel, or the Owner thereof, for liability
5 from any Assessment theretofore becoming due nor from the
6 Assessment Lien arising in regard thereto. In addition, no
7 Event of Foreclosure shall impair the Assessment Lien or a
8 Recorded Assessment Lien, except that a Person obtaining an
9 interest in a Lot or Parcel through an Event of Foreclosure
10 shall take title subject only to such Assessments as shall
11 accrue subsequent to the date the Person acquires its interest.

12 9.3 Release of Recorded Assessment Lien. Upon the
13 complete curing of any default for which a Recorded Assessment
14 Lien was Recorded by the Association, the Association shall
15 Record an appropriate release of the Recorded Assessment Lien.

16 ARTICLE X

17 USE OF ASSOCIATION FUNDS

18 10.1 Use of Association Funds. In addition to the
19 powers enumerated in the Articles and Bylaws, the Association
20 shall apply all Funds for the common good and benefit of the
21 Covered Property, the Owners and the Occupants. The Funds may
22 be used, among other things, to insure, acquire, construct,
23 alter, maintain, provide and operate, in any manner whatsoever,
24 any and all land, properties, improvements, services, projects,
25 programs, studies and systems, within the Covered Property and
26 the Common Areas, which may be necessary, desirable or benefi-
27 cial to the general common interests of the Owners and the
28 Occupants.

29 10.2 Borrowing Power. The Association may borrow money
30 in such amounts, at such rates, upon such terms and security,
31 and for such periods of time as the Board deems necessary or
32 appropriate.

33 10.3 Association's Rights in Spending Funds From Year
34 to Year. The Association shall not be obligated to spend in
35 any year all Funds received by it in such year, and the Board
36 may carry forward as surplus any balances remaining. The
37 Association shall not be obligated to reduce the amount of the
38 Annual Assessment in the succeeding year if a surplus exists
39 from a prior year.

1 ARTICLE XI

2 MAINTENANCE

3 11.1 Common Areas and Public Rights-of-Way.

4 11.1.1 Areas of Association Responsibility. The
5 Association, or its duly delegated representative, shall
6 maintain and otherwise manage all Common Areas, provided, how-
7 ever, that the Association shall not be responsible for
8 providing or maintaining the landscaping or structures on any
9 Common Areas located on or within Lots or Parcels unless:

10 (a) such landscaping or structures are
11 intended for the general benefit of the Owners and Occupants;
12 and,

13 (b) the Association assumes in writing the
14 responsibility for such maintenance and such instrument is
15 Recorded.

16 The Association shall also maintain any landscaping
17 and other improvements not located on Lots or Parcels but
18 located within the Covered Property if such areas are intended
19 for the benefit of Owners and Occupants, unless such areas are
20 to be maintained by a governmental entity or public utility and
21 in fact are being maintained by such entity or utility or are
22 the responsibility of a Lot or Parcel Owner pursuant to
23 Section 5.4.4 above. Common Areas to be maintained by the
24 Association may be identified on Recorded subdivision plats
25 approved by Declarant, or in a Recorded Tract Declaration or in
26 deeds from Declarant, but the failure to so identify such areas
shall not affect the Association's rights or responsibilities
with respect thereto.

11.1.2 Delegation of Responsibilities. In the
event any Recorded subdivision plat, Recorded Tract
Declaration, Recorded map of dedication, Recorded deed restric-
tion or this Declaration permits the Association to determine
whether Owners of certain Lots or Parcels shall be responsible
for maintenance of certain Common Areas or public rights-of-
way, the Board shall have the sole discretion to determine
whether the Association or an individual Owner should be
responsible for such maintenance, considering cost, uniformity
of appearance, location and other relevant factors. The Board
may also cause the Association to contract with others for the
performance of such maintenance and other obligations of the
Association and, in order to promote uniformity and harmony of
appearance, the Board may also cause the Association to con-
tract to provide maintenance services to Owners of Lots and

1 Parcels having such responsibilities in exchange for the
2 payment of such fees as the Association and the Owner may agree.

3 11.1.3 Standard of Care. The Association shall
4 use a reasonably high standard of care in providing for the
5 repair, management and maintenance of the Common Areas so that
6 Rancho Vistoso will reflect a high degree of pride of owner-
7 ship. The Board shall be the sole judge as to the appropriate
8 level of maintenance of all Common Areas.

9 11.2 Assessment of Certain Maintenance Costs. In the
10 event the need for maintenance or repair of areas maintained by
11 the Association is caused through the willful or negligent act
12 or omission of any Owner (or of any other Person for whom such
13 Owner is legally responsible under applicable state law), the
14 cost of such maintenance or repair shall be added to and become
15 a part of the Assessments to which such Owner and such Owner's
16 Lot or Parcel is subject and shall be secured by the Assessment
17 Lien, and by a Recorded Assessment Lien if deemed appropriate
18 by the Board. Any charges to be paid by an Owner in connection
19 with a maintenance contract entered into by the Association
20 pursuant to Section 11.1 shall also become a part of such
21 Assessments and be secured by the Assessment Lien, and by a
22 Recorded Assessment Lien if deemed appropriate by the Board.

23 11.3 Improper Maintenance and Use of Lots and Parcels.
24 In the event any portion of any Lot or Parcel is maintained so
25 as to present a nuisance, or substantially detracts from or
26 affects the appearance or quality of any neighboring Lot,
Parcel or other area, or is used in a manner which violates
this Declaration or any applicable Recorded Tract Declaration,
or in the event the Owner of any Lot or Parcel fails to perform
such Owner's obligations under this Declaration, any applicable
Recorded Tract Declaration, the Association Rules, or the
Architectural and Landscaping Review Committee Guidelines, the
Association, by Board resolution, may make a finding to such
effect, specifying the particular condition(s) that exist, and
thereafter give notice to the Owner of such Lot or Parcel that
unless specified corrective action is taken within a specified
time period the Association, at such Owner's cost, may take
whatever action is appropriate to compel compliance including,
without limitation, appropriate legal action. If at the expi-
ration of the specified time period the requisite corrective
action has not been taken by the Owner, the Association is
hereby authorized and empowered, at its sole discretion, to
cause corrective action to be taken or to commence appropriate
legal action and the cost thereof, including court costs and
attorneys' fees, shall be added to and become a part of the
Assessments to which the offending Owner and the Owner's Lot or
Parcel is subject and shall be secured by the Assessment Lien,

1 and by a Recorded Assessment Lien if deemed appropriate by the
2 Board.

3 11.4 Excess Maintenance Costs. In the event any use
4 of, or activity on, any Lot or Parcel causes the maintenance or
5 repair costs incurred or to be incurred by the Association with
6 respect to any portion of the Common Areas to be substantially
7 greater than those costs which would typically be incurred for
8 such portion of the Common Areas if such portion were adjacent
9 to Lots used only for typical Single Family residential housing
10 and related purposes, whether such use or activity is of a
11 continuing nature or an isolated event, the Board may, by reso-
12 lution, make a finding to such effect, of the amount of the
13 excess costs incurred or expected to be incurred by the
14 Association and of the method of determining such excess
15 costs. Upon the adoption of such a resolution, the amount of
16 such excess costs at any time or from time to time incurred by
17 the Association for the reasons specified in the resolution
18 shall be added to and become a part of the Assessments for
19 which the Owner of any Lot or Parcel upon which such use or
20 activity is conducted is liable and all of such Assessments
21 shall be secured by the Assessment Lien on such Owner's Lot or
22 Parcel.

23 ARTICLE XII

24 RIGHTS AND POWERS OF ASSOCIATION

25 12.1 Rights, Powers and Duties of the Association. In
26 addition to the rights and powers of the Association set forth
in this Declaration, the Association shall have such rights and
powers as are set forth in the Articles and Bylaws, together
with such rights and powers and duties as may be reasonably
necessary in order to effect all the objectives and purposes of
the Association as set forth herein. A copy of the Articles
and Bylaws shall be available for inspection at the office of
the Association during reasonable business hours.

12.2 Rules and Regulations. In addition to the right
to adopt, amend and repeal rules and regulations on the matters
expressly mentioned elsewhere in this Declaration, the
Association, acting through the Board, shall have the right to
adopt, amend and repeal rules and regulations with respect to
all other aspects of the Association's rights, activities and
duties, provided such rules and regulations are not inconsis-
tent with the provisions of this Declaration, the Articles, and
the Bylaws. Upon adoption, the Association Rules shall be
enforceable in the same manner as this Declaration and shall
have the same force and effect as if they were set forth in and
were a part of this Declaration.

1 12.3 Association's Rights of Enforcement. The
2 Association, as the agent and representative of the Owners,
3 shall have the right, but not the obligation, to enforce the
4 provisions of this Declaration. Further, any Owner (including
5 Declarant, so long as Declarant is an Owner) shall have the
6 right and authority, but not the obligation, to enforce the
7 provisions of this Declaration.

8 12.4 Contracts with Others. Subject to the restric-
9 tions and limitations contained herein, the Articles, the
10 Bylaws, and the laws of the State of Arizona, the Association
11 may enter into contracts with others, including Declarant and
12 Declarant's affiliated companies, and such contracts shall not
13 be invalidated by the fact that one or more directors or offi-
14 cers of the Association are employed by or otherwise affiliated
15 with Declarant or Declarant's affiliates, provided, however,
16 that the fact of such interest shall be previously disclosed or
17 made known to the other members of the Board acting upon such
18 contract or transaction and, provided further, that the trans-
19 action or contract is fair and reasonable. Notwithstanding the
20 foregoing, any management contract entered into by the
21 Association must be terminable, without penalty, by the
22 Association for cause at any time and without cause upon rea-
23 sonable notice. Any contract between the Association and
24 Declarant or Declarant's affiliates must be terminable by the
25 Association without penalty upon no more than 30 days notice.

26 12.5 Procedure for Change of Use of Common Areas. Upon
adoption of a resolution by the Board stating that the then
current use of a specified part of the Common Areas is no
longer in the best interests of the Owners and Occupants, and
the approval of such resolution by not less than two-thirds
(2/3) of the votes of each class of Members voting in person or
by proxy at a meeting duly called for such purpose, the Board
shall have the power and right to change the use thereof (and
in connection therewith to take whatever actions are required
to accommodate the new use), provided such new use: (a) also
shall be for the common benefit of the Owners and Occupants;
and (b) shall be consistent with any Recorded deed, Recorded
Tract Declaration, Recorded restrictions or zoning regulations.

 12.6 Procedure for Transfers of Common Areas. The
Association shall have the right to dedicate or transfer all or
any part of the Common Areas to any public authority or utility
provided that:

 12.6.1 such a transfer or dedication does not have
a substantial adverse effect on the enjoyment of the Common
Areas by the Owners and Occupants or on the easements and
licenses with respect to the Common Areas granted by this
Declaration to the Owners and Occupants;

1 12.6.2 it is required by a Recorded subdivision
2 plat, a zoning stipulation or an agreement with the County; and

3 12.6.3 so long as the Class B Membership shall not
4 have terminated, the transfer or dedication has been approved
5 by VA or FHA, as applicable, to the extent VA or FHA may be
6 involved in the Rancho Vistoso project.

7 Except as authorized above, the Association shall not make any
8 such dedication or transfer or change the size, shape or
9 location of the Common Areas, exchange the Common Areas for
10 other property or interests which become Common Areas, or abandon
11 or otherwise transfer Common Areas (to a nonpublic authority)
12 except upon: (a) the adoption of a resolution by the
13 Board stating that ownership and/or use of the relevant Common
14 Area is no longer in the best interests of the Owners and
15 Occupants, and that the change desired shall be for their benefit
16 and shall not substantially adversely affect them; (b) the
17 approval of such resolution by not less than two-thirds (2/3)
18 of the votes of each class of Members voting in Person or by
19 proxy at a meeting called for such purpose; and (c) approval of
20 the proposed action by VA or FHA, as applicable, to the extent
21 this Declaration has been mutually approved by VA or FHA.

22 ARTICLE XIII

23 TERM; AMENDMENTS; TERMINATION

24 13.1 Term; Method of Termination. This Declaration
25 shall be effective upon its Recordation and, as amended from
26 time to time, shall continue in full force and effect for a
term of 20 years from the date of its Recordation. Thereafter,
this Declaration (as amended from time to time) shall be automatically
extended for successive periods of 10 years each, unless there is an
affirmative vote to terminate this Declaration by the then Owners
casting 90% of the total votes then entitled to be cast at an election
held for such purpose within 6 months prior to the expiration of the
initial term hereof or any 10-year extension. In addition, this
Declaration may be terminated at any time if 90% of the votes then
entitled to be cast by each class of Members shall be cast in favor
of termination at an election held for such purpose. If the necessary
votes and consents are obtained, the Board shall Record a Certificate
of Termination, duly executed by the President or Vice President of
the Association and attested to by the Secretary of the Association.
Upon the Recording of the Certificate of Termination this Declaration
shall have no further force and effect and the Association thereupon
shall be dissolved in accordance with the terms of its Articles and
Bylaws and the laws of the State of Arizona.

1 13.2 Amendments. Until the first sale of a Lot within
2 the Covered Property to a Non-Developer Owner for use and occu-
3 pancy as a Dwelling Unit, this Declaration may be amended by
4 Recorded instrument duly executed by Declarant, without the
5 necessity of calling a meeting of Owners or obtaining the con-
6 sent of Owners. Thereafter, this Declaration may be amended
7 (either during the initial 20-year term or during any extension
8 thereof pursuant to Section 13.1 above) by Recording a
9 Certificate of Amendment, duly executed by the President or
10 Vice President of the Association, which Certificate of
11 Amendment shall set forth in full the text of the amendment
12 adopted, and, except as provided in Section 13.3, shall certify
13 that at an election duly called the Owners casting 75% of the
14 votes then entitled to be cast at the election voted
15 affirmatively for the adoption of the amendment. A Recorded
16 Tract Declaration may be amended at any time by a Recorded
17 instrument (or by counterpart instruments) executed by
18 Declarant and the Owners (other than Declarant, if Declarant is
19 an Owner of any Lot(s) or Parcel(s) subject to the Recorded
20 Tract Declaration) holding 75% of the Class A votes attribut-
21 able to all Lots and Parcels subject to the Recorded Tract
22 Declaration.

12 13.3 Right of Amendment if Requested by Governmental
13 Agency or Federally Chartered Lending Institution. Anything in
14 this Article to the contrary notwithstanding, Declarant
15 reserves the right to amend this Declaration or a Recorded
16 Tract Declaration as may be requested or required by the FHA,
17 VA or any other Agency with whom Declarant elects to do busi-
18 ness as a condition precedent to such Agency's approval of this
19 Declaration or an applicable Tract Declaration, or by any fed-
20 erally chartered lending institution as a condition precedent
21 to lending funds upon the security of any Lot or Parcel or pur-
22 chasing loans secured thereby. Any such amendment shall be
23 effected by Declarant Recording a Certificate of Amendment duly
24 executed and acknowledged by Declarant specifying the Agency or
25 the lending institution requesting the amendment and setting
26 forth the requested or required amendment(s). Recordation of
such a Certificate shall be deemed conclusive proof of the
Agency's or institution's request or requirement and such
Certificate, when Recorded, shall be binding upon all of the
Covered Property and all persons having an interest therein.
It is the desire of Declarant to retain control of the
Association and the Association's activities during the period
of planning and development of the Covered Property. If any
amendment requested or required pursuant to the provisions of
this Section deletes, diminishes or alters such control,
Declarant shall have the right to prepare, provide for and
adopt as an amendment hereto, other and different control pro-
visions which shall be binding upon the Covered Property and
Owners without a vote of the Owners. Except as provided in

1 this Section 13.3 Declarant shall not have any right to amend
2 this Declaration or a Recorded Tract Declaration otherwise than
3 in accordance with and pursuant to the provisions of
4 Section 13.2.

5 ARTICLE XIV

6 ANNEXATION OF ADDITIONAL PROPERTY

7 14.1 Annexation of Additional Property. Declarant may,
8 in its sole discretion, at any time and from time to time up to
9 the date which is seven (7) years after the date this
10 Declaration is Recorded, annex to the Covered Property the
11 Additional Property or any portion or portions thereof,
12 provided that the FHA or VA, as the case may be and to the
13 extent they or each of them may be involved with the Covered
14 Property, has determined that the annexation is in accordance
15 with the Master Development Plan (and subject to the written
16 consent of the owner of the portion or portions to be annexed,
17 if other than Declarant). To effect such annexation, a
18 Supplementary Declaration of Covenants, Conditions,
19 Restrictions and Easements, as described in Section 14.2,
20 covering the Additional Property (or the applicable portion or
21 portions thereof) shall be executed and Recorded by Declarant.
22 The Recordation of such Supplementary Declaration shall consti-
23 tute and effectuate the annexation of the Additional Property
24 (or the applicable portion or portions thereof) described
25 therein, making such Additional Property (or the applicable
26 portion or portions thereof) and the Owners and Occupants
thereof subject to this Declaration and the jurisdiction of the
Association. Except as provided in Section 14.3 below, any
annexation to the Covered Property of property not included
within the Additional Property shall require an amendment to
this Declaration pursuant to Section 13.2 above, provided that
such amendment must be approved by: (a) Owners holding two-
thirds (2/3) of all Class A votes; and (b) Declarant, so long
as the Class B Membership is in existence.

14.2 Supplementary Declarations. The annexations
authorized under Section 14.1 shall be made by Recording a
Supplementary Declaration of Covenants, Conditions,
Restrictions and Easements. A Supplementary Declaration may
contain such complementary additions to and modifications of
this Declaration as may be necessary to reflect the different
character, if any, of the Additional Property (or the applica-
ble portion or portions thereof). In no event, however, shall
any such Supplementary Declaration revoke or conflict with this
Declaration or any Recorded Tract Declaration. If so annexed,
Declarant shall be entitled to additional votes under
Section 7.3, in an amount equal to three votes for each "lot"
within the Additional Property (or the applicable portion or

1 portions thereof), as determined in accordance with Section
2 7.3.2 above and the Master Development Plan, and the Additional
3 Property (or applicable portion(s) thereof) shall thereupon
4 become fully a part of the Covered Property subject to all pro-
5 visions of this Declaration (including, but not limited to,
6 provisions hereof regarding Assessments). If the Class B
7 Membership shall have terminated prior to any such annexation
8 by reason of the occurrence of the event described in
9 subsection 7.3.2(x) above, and if the votes to which Declarant
10 would be entitled with respect to such annexed property pur-
11 suant to the preceding sentence, together with the other
12 Class B votes to which Declarant would be entitled under
13 Section 7.3.2 absent termination of the Class B votes, exceed
14 the total number of Class A votes then outstanding, Declarant's
15 Class B membership shall be reinstated until the earlier of the
16 events described in subsections 7.3.2(x) and 7.3.2(y).

9 14.3 Annexation and De-Annexation of Certain Property.

10 14.3.1 Prior to the Recordation of this
11 Declaration, Samcor, Inc., an Arizona non-profit corporation
12 ("Samcor"), has acquired from Declarant the real property
13 described on Exhibit "H" hereto (the "Samcor Property"), and
14 has obtained certain rights to exchange the Samcor Property for
15 the real property described on Exhibit "I" hereto (the
16 "Exchange Property"). As of the date of Recordation of this
17 Declaration, the Samcor Property is not a part of the Covered
18 Property, while the Exchange Property is part of the Covered
19 Property and subject to this Declaration. Declarant has, how-
20 ever, prior to the Recordation of this Declaration, Recorded
21 against the Samcor Property an instrument entitled "Tract
22 Declaration" imposing certain covenants, conditions and
23 restrictions upon the Samcor Property (the "Samcor
24 Declaration").

18 14.3.2 In the event Samcor exercises its right to
19 exchange the Samcor Property for the Exchange Property, with
20 the result that Samcor (or its permitted successor, if any)
21 acquires title to the Exchange Property and Declarant re-
22 acquires title to the Samcor Property, then: (a) at any time
23 within ninety (90) days after the date of Recordation of the
24 deed or other instrument conveying title to the Exchange
25 Property to Samcor, either Declarant or Samcor may, at their
26 respective option, execute and Record an instrument deleting
the Exchange Property from the Covered Property and thereby
removing the Exchange Property from the effect of this
Declaration; and (b) upon Recordation of the deed or other
instrument conveying title to the Samcor Property to
Declarant: (i) the Samcor Property shall be deemed to be a
part of the Additional Property annexable to the Covered
Property and to the effect of this Declaration at Declarant's

1 discretion in accordance with Section 14.1 above; and (ii)
2 Declarant shall thereafter have the option, in its sole discre-
tion, to revoke and rescind the Samcor Declaration by Recorded
instrument.

3 14.3.3 The Samcor Declaration provides, among
4 other things, that upon the occurrence of certain events, as
5 more particularly set forth in the Samcor Declaration,
6 Declarant and the then-owner of the Samcor Property shall:
7 (a) execute and Record an instrument annexing the Samcor
8 Property to the Covered Property and subjecting the Samcor
9 Property to this Declaration, and terminating the Samcor
10 Declaration; and (b) execute and Record a Tract Declaration
with respect to the Samcor Property establishing and describing
the Land Use Classification for the Samcor Property. The annex-
ation and other actions contemplated by this Subsection 14.3.3
shall be permitted notwithstanding any other provision of this
Article XIV (subject only to the determination by FHA or VA
contemplated by Section 14.1 above, if applicable).

11 ARTICLE XV

12 EMINENT DOMAIN AND INSURANCE INVOLVING 13 THE COMMON AREA

14 15.1 Eminent Domain. The term "Taking" as used in this
15 Section shall mean condemnation by eminent domain or sale under
16 threat of condemnation. In the event of a threatened Taking of
17 all or any portion of the Common Area, the Owners hereby
18 appoint the Board and such persons as the Board may delegate to
19 represent all of the Owners in connection with the Taking. The
20 Board shall act, in its sole discretion, with respect to any
21 awards made or to be made in connection with the Taking and
22 shall be entitled to make a voluntary sale to the condemnor in
lieu of engaging in a condemnation action. Any awards received
on account of the Taking shall be paid to the Association. In
the event of a total Taking, the Board may, in its sole discre-
tion, retain any award in the general funds of the Association
or distribute pro rata all or a portion thereof to the Owners,
(taking into account a reduction in the distribution to those
Owners paying reduced amounts for Assessments pursuant
thereto), and all holders of liens and encumbrances, as their
interest may appear of Record.

23 15.2 Authority to Purchase Insurance. The Association
24 shall purchase and maintain such property damage and liability
25 insurance upon the Common Areas and such other insurance as the
26 Board, in its absolute discretion, may determine. The
Association shall be the named insured in all policies
providing such insurance. Neither the Association nor the
Board, nor any member of the Board or officer or agent of the

1 Association, shall be liable to any Person for failure of the
2 Association to secure and maintain any such insurance coverage
3 where such insurance coverage is not available in the State of
4 Arizona at a reasonable cost and on other reasonable terms and
5 conditions. Notwithstanding the foregoing, the Association
6 shall obtain and maintain at all times, at the Association's
7 expense, directors' and officers' liability insurance covering
8 all officers and directors of the Association, as well as all
9 regular and alternate members of the Architectural and
10 Landscaping Review Committee, in amounts and on terms adequate
11 to permit the Association to meet its obligations to indemnify
12 such persons pursuant to the Articles and Bylaws.

13 15.3 Individual Responsibility. It shall be the
14 responsibility of each Owner or Occupant to provide insurance
15 for himself on his real or personal property interests on or
16 within the Covered Property, including, but not limited to, his
17 additions and improvements thereto, furnishings and personal
18 property therein, his personal liability to the extent not cov-
19 ered by the property and public liability insurance, if any,
20 obtained by the Association. Each Owner and Occupant shall
21 also provide such other insurance which is not carried by the
22 Association as such Person desires. No Person shall maintain
23 any insurance which would limit or reduce in any manner the
24 insurance proceeds payable under the insurance maintained by
25 the Association in the event of damage to the improvements or
26 fixtures on the Common Areas. Neither the Association nor any
Board member nor Declarant shall be liable to any Person or
mortgagee if any risks or hazards are not covered by the insur-
ance obtained by the Association or if the amount of such
insurance is not adequate.

15.4 Insurance Claims. The Association is hereby
irrevocably appointed and authorized by the Owners to adjust
all claims arising under insurance policies purchased by the
Association and to execute and deliver releases upon the
payment of claims, and to do all other acts reasonably neces-
sary to accomplish any of the foregoing. The Board has full
and complete power to act for the Association in this regard
and may, at its discretion, appoint an authorized representa-
tive or committee, or enter into an insurance trust agreement
wherein the trustee shall have authority, to negotiate losses
under any policy purchased by the Association.

ARTICLE XVI

MISCELLANEOUS

16.1 Enforcement Rights. Each Owner (including
Declarant, so long as Declarant is an Owner) shall have the

1 right and authority, but not the obligation, to enforce the
2 provisions of this Declaration.

3 16.2 Interpretation of the Covenants. Except for judi-
4 cial construction and as hereinafter provided, the Association,
5 by its Board, shall have the exclusive right to construe and
6 interpret the provisions of this Declaration, including without
7 limitation, the land use restrictions in Article V hereof and
8 in any Recorded Tract Declarations. In the absence of any
9 adjudication to the contrary by a court of competent jurisdic-
10 tion, the Association's construction or interpretation of the
11 provisions hereof shall be final, conclusive and binding as to
12 all persons and property benefited or bound by this Declaration.

13 16.3 Severability. Any determination by any court of
14 competent jurisdiction that any provision of this Declaration
15 is invalid or unenforceable shall not affect the validity or
16 enforceability of any of the other provisions hereof.

17 16.4 Rule Against Perpetuities. If any of the
18 interests, privileges, covenants or rights created by this
19 Declaration shall be unlawful, void or voidable for violation
20 of the Rule against Perpetuities or any related rule, then such
21 provision shall continue until 21 years after the death of the
22 survivor of the now living descendants of the President of the
23 United States living on the date this Declaration is Recorded.

24 16.5 Change of Circumstances. Except as otherwise
25 expressly provided in this Declaration, no change of conditions
26 or circumstances shall operate to extinguish, terminate or
modify any of the provisions of this Declaration.

17 16.6 Declarant's Disclaimer of Representations.
18 Notwithstanding anything to the contrary herein, Declarant
19 makes no warranties or representations whatsoever that the
20 plans presently envisioned for the complete development of
21 Rancho Vistoso can or will be carried out, or that any real
22 property now owned or hereafter acquired by it is or will be
23 subjected to this Declaration, or that any such real property
24 (whether or not it has been subjected to this Declaration) is
25 or will be committed to or developed for a particular (or any)
26 use, or that if such real property is once used for a particu-
lar use, such use will continue in effect. While Declarant has
no reason to believe that any of the restrictive covenants con-
tained in this Declaration are or may be invalid or unenforce-
able for any reason or to any extent, Declarant makes no
warranty or representation as to the present or future validity
or enforceability of any such restrictive covenant. Any Owner
acquiring a Lot or Parcel in reliance on one or more of such
restrictive covenants shall assume all risks of the validity

1 Declarant's discretion the circumstances so warrant and the
2 resulting development will be generally consistent with the
3 Master Development Plan, to execute with the purchaser of any
4 Parcel, prior to or concurrently with the sale of such Parcel
5 to such purchaser, a supplement to this Declaration qualifying
6 or limiting the application to such Parcel of, or entirely
7 excepting such Parcel from the coverage of, any or all of the
8 restrictions, limitations or other provisions included in
9 Article IV and Sections 5.2, 5.3 and 5.4 of this Declaration.
10 No such supplement shall exempt any Parcel or its Owner (or any
11 Lots into which such Parcel is divided, or the respective
12 Owners thereof) from the obligations to pay Assessments here-
13 under or from the Assessment Lien or deprive such Parcel or its
14 Owner (or any Lots into which such Parcel is divided, or the
15 respective Owners thereof) of membership and voting rights
16 otherwise established by this Declaration. Such supplements
17 shall be Recorded and shall be binding upon Declarant, the
18 Association, the Architectural and Landscaping Review Committee
19 and each Owner and Occupant (including the Owner and each
20 Occupant of the Parcel referenced in such supplement, or of any
21 Lot into which such Parcel is subdivided). Declarant shall
22 deliver a true and complete copy of any such supplement to the
23 Association within a reasonable time after Recordation thereof
24 (or, if the Association shall not yet have been formed, after
25 formation of the Association). Notwithstanding provisions of
26 this Declaration stating that in the event of any conflict or
inconsistency between this Declaration and any supplement,
Tract Declaration or other such instrument this Declaration
governs, in the event of any conflict or inconsistency between
this Declaration and a supplement executed pursuant to this
Section 16.12, such supplement shall govern as to the Parcel
referenced therein. Further, notwithstanding anything in this
Section 16.12 to the contrary, no supplement adopted pursuant
to this Section with respect to a Parcel restricted by a
Recorded Tract Declaration to any of the following Land Use
Classifications shall be effective unless approved by the VA or
the FHA (but only if this Declaration has been initially
approved by the FHA or VA): Single Family Residential,
Residential Condominium Development or Cluster Residential.

16.13 Water Rights. The Association shall have the
right to receive all water which any Lot or Parcel, or the
Owner thereof, is entitled to receive from any irrigation dis-
trict serving such Lot or Parcel. The Association shall use
such water for maintaining the Common Areas and for other
appropriate uses for the benefit of the Owners and Occupants
generally. Each Owner shall execute any assignments or
instructions as the Association or any irrigation district may
request in order to maintain, increase or obtain allocations of
water to which such Owner's Lot or Parcel is entitled and to
enable the Association to receive all water which is at any.

1 time allocated to the Lot or Parcel. The right to receive such
2 water from an irrigation district is and shall remain appurte-
3 nant to the Lot or Parcel. Declarant, for each Lot or Parcel
4 and any portion thereof, covenants and agrees and each Owner by
5 acceptance of a deed therefor is deemed to covenant and agree
6 that the irrigation district shall have no obligation or duty
7 to construct or in any way provide ditches for water delivery,
8 regardless of the then current use of the Lot or Parcel. The
9 Association shall pay any and all assessments and charges made
10 by the irrigation district for the delivery and use of water to
11 which the Lot or Parcel is entitled when used by the
12 Association for maintaining the Common Areas and for other
13 appropriate uses for the benefit of the Owners and Occupants
14 generally. Notwithstanding the foregoing, any Owner has the
15 right to require direct delivery of water to which his, her or
16 its land is entitled from any such irrigation district. In the
17 event an Owner requires direct delivery, such Owner, and not
18 the Association, shall bear any and all expenses associated
19 with direct delivery, including, but not limited to, the con-
20 struction and installation of a delivery system and all future
21 assessments and charges for the delivery and use by such Owner
22 of water to which his, her or its land is entitled.

12 IN WITNESS WHEREOF, Declarant has caused this
13 Declaration to be duly executed.

14 WOLFSWINKEL GROUP, INC., an Arizona
15 corporation

16 By J. J. [Signature]
17 Its President

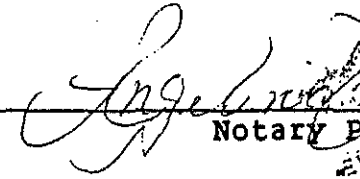
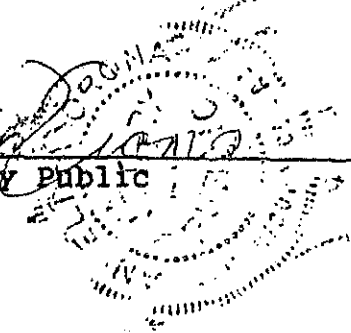
19 STATE OF ARIZONA)
20 County of Maricopa) ss.

21 On this 22nd day of April, 1987, before me, the
22 undersigned officer, personally appeared Jay Ellingson
23 President of WOLFSWINKEL GROUP, INC., an Arizona corpora-
24 tion, and that he, in such capacity, being authorized so to do,
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executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.


Notary Public


My Commission Expires:

My Commission Expires Sept. 2, 1989

CONSENT AND APPROVAL OF LENDER

The undersigned Lender, which is the Beneficiary of that certain Deed of Trust and Assignment of Rents, dated August 20, 1986, by Declarant as Trustor, recorded at Docket 7852, Page 1603-1645, as re-recorded at Docket 7897, Page 1305 in the Records of the Pima County Recorder, as amended by that certain First Amendment to Deed of Trust, dated December 31, 1986, by Declarant as Trustor, recorded at Docket 7942, Page 2129 in the Records of the Pima County Recorder (collectively referred to as the "Deed of Trust"), as a first lien on the property described in Exhibit "B" hereto, for and on behalf of itself and its successors and assigns, hereby consents to and approves the foregoing Restated Declaration of Covenants, Conditions, Restrictions and Easements for Rancho Vistoso (the "Declaration"), and agrees that its lien and all rights it may have with respect to the property described are subject and subordinate to Declaration; provided, however, that this consent and approval shall not constitute a subordination of the lien of the Deed of Trust to any lien or charge created or arising pursuant to the terms of the foregoing Declaration including, without limitation, Articles VIII and IX of the Declaration.

Dated as of the 23rd day of April, 1987.

LINCOLN SAVINGS AND LOAN ASSOCIATION, a California state chartered savings and loan association, dba American Continental Financial Services, Inc.

By: Jeffrey Erhart
Its: Vice President

STATE OF ARIZONA)
) ss.
County of Maricopa)

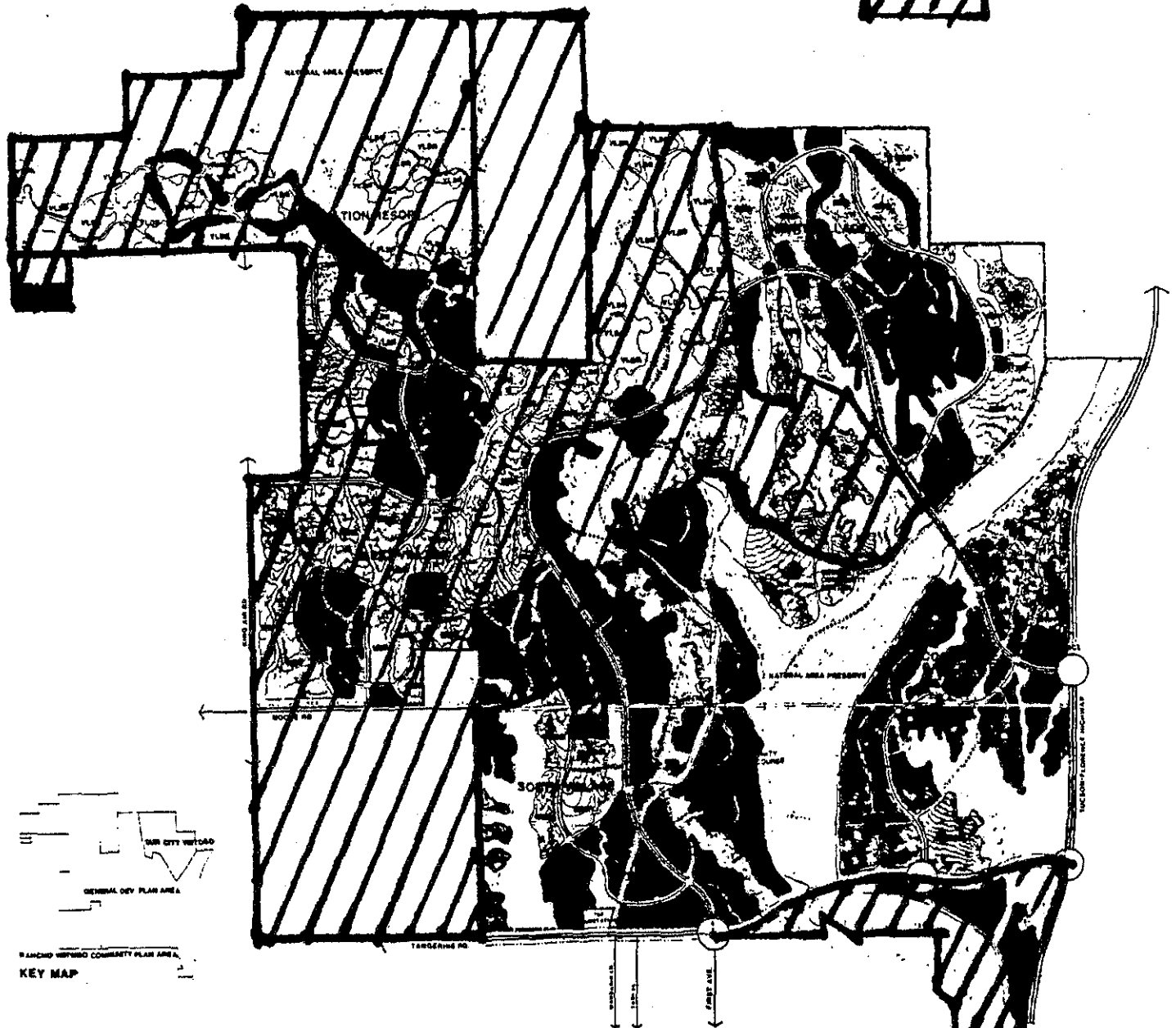
The forgoing instrument was acknowledged before me this 23rd day of April, 1987, by Jeffrey Erhart, the Vice President and Assistant Secretary of Lincoln Savings and Loan Association, a California state chartered savings and loan association, dba American Continental Financial Services, Inc.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Michele J. Fuzala
Notary Public

My commission expires:
5/3/87

ANNEXABLE PROPERTY



LEGEND:

RESIDENTIAL		CIRCULATION	
VLBR	VERY LOW DENSITY RESIDENTIAL 0-1 S.U. AC.	Principal Arterial	14' Street
LRB	LOW DENSITY RESIDENTIAL 1-3 S.U. AC.	Urban Arterial	10' Street
MRB	MEDIUM DENSITY RESIDENTIAL 3-6 S.U. AC.	Urban Collector	7' Street
MHRB	MEDIUM HIGH DENSITY RESIDENTIAL 4-10 S.U. AC.	Local Streets	
HRB	HIGH DENSITY RESIDENTIAL 10-20 S.U. AC.	Driveway	
SERVICE EMPLOYMENT		Intersection	
R	RESORT	Pedestrian Bike Path	
C	COMMERCIAL	Equestrian Trail	
CI	CULTURAL INSTITUTIONAL		
OR	BUSINESS OFFICE RESEARCH		
U	UTILITIES		
CH	CHURCH		
OPEN SPACE			
OS	DEVELOPED		
OS	UNDEVELOPED		

DEVELOPED BY:
AMERICAN CONTINENTAL CORPORATION
 2731 EAST CAMELBACK RD
 PHOENIX, ARIZONA 85028
 602/951-9000

THE WOLFSWINKEL GROUP
 INCORPORATED
 1004 WEST SOUTHWEST
 MESA, ARIZONA 85202
 602/951-1000

ENGINEERING:
WLB
 2445 W. WILLOW WAY
 TUCSON, ARIZONA
 520/718-1100

PLANNING:
GAGE DAVIS ASSOCIATES
 PLANNING AND ARCHITECTURE ARCHITECTURE AND URBAN DESIGN
 810 18TH STREET
 BOULDER, COLORADO 80502
 (303) 440-1700

DATE: DECEMBER 10 1988
 SCALE: 1" = 800'
 0 400 800 1600

**LAND USE PLAN
 GENERAL DEVELOPMENT PLAN**

Rancho Vistoso
 Master Planned Community

Pima County, Arizona



LEGAL DESCRIPTION
RANCHO VISTOSO

That portion of Sections 25 and 36, Township 11 South, Range 13 East, and Sections 29, 30, 31 and 32, Township 11 South, Range 14 East, G. & S.R.B. & M., Pima County, Arizona, described as follows:

COMMENCING at the Southwest corner of the said Section 36;

THENCE N 00°02'10" W, along the West line of the said Section 36, a distance of 150.00 feet to the POINT OF BEGINNING;

THENCE N 00°02'10" W, along the said West line, a distance of 2,487.13 feet to the West One-Quarter (W 1/4) corner;

THENCE N 00°01'56" W, along the said West line, a distance of 2,608.81 feet to a line 30.00 feet south of and parallel with the North line of the said Section 36;

THENCE N 89°48'48" E, along the said parallel line, a distance of 75.00 feet;

THENCE N 00°01'56" W, 30.00 feet to the said North line;

THENCE N 89°48'48" E, along the said North line, a distance of 452.00 feet to a point of curvature of a tangent curve, concave to the North;

THENCE Easterly, along the arc of said curve, to the left, having a radius of 2,000.00 feet and a central angle of 031°57'55" for an arc distance of 1,115.80 feet to a point of tangency;

THENCE N 57°50'53" E, 346.73 feet to a point of curvature of a tangent curve, concave to the Northwest;

THENCE Northeasterly, along the arc of said curve, to the left, having a radius of 500.00 feet and a central angle of 046°30'00" for an arc distance of 405.79 feet to a point of tangency;

THENCE N 11°20'53" E, 458.89 feet to a point of curvature of a tangent curve, concave to the Southeast;

THENCE Northeasterly, along the arc of said curve, to the right, having a radius of 500.00 feet and a central angle of 046°30'00" for an arc distance of 405.79 feet to a point of tangency;

THENCE N 57°50'53" E, 675.00 feet to a point of curvature of a tangent curve, concave to the Northwest;



THENCE Northeasterly, along the arc of said curve, to the left, having a radius of 450.00 feet and a central angle of $065^{\circ}30'00''$ for an arc distance of 514.44 feet to a point of tangency;

THENCE $N 07^{\circ}39'07'' W$, 290.00 feet to a point of curvature of a tangent curve, concave to the East;

THENCE Northerly, along the arc of said curve, to the right, having a radius of 450.00 feet and a central angle of $045^{\circ}00'00''$ for an arc distance of 353.43 feet to a point of tangency;

THENCE $N 37^{\circ}20'53'' E$, 660.54 feet to a point of curvature of a tangent curve, concave to the West;

THENCE Northerly, along the arc of said curve, to the left, having a radius of 500.00 feet and a central angle of $036^{\circ}27'22''$ for an arc distance of 318.14 feet to a point of tangency;

THENCE $N 00^{\circ}53'31'' E$, 248.56 feet to a point of curvature of a tangent curve, concave to the Southeast;

THENCE Northeasterly, along the arc of said curve, to the right, having a radius of 500.00 feet and a central angle of $054^{\circ}18'00''$ for an arc distance of 473.86 feet to a point of tangency;

THENCE $N 55^{\circ}11'31'' E$, 1,245.00 feet to a point of curvature of a tangent curve, concave to the South;

THENCE Easterly and Southeasterly, along the arc of said curve, to the right, having a radius of 500.00 feet and a central angle of $111^{\circ}00'00''$ for an arc distance of 968.66 feet to a point of tangency;

THENCE $S 13^{\circ}48'29'' E$, 250.00 feet to a point of curvature of a tangent curve, concave to the Northeast;

THENCE Southeasterly, along the arc of said curve, to the left, having a radius of 500.00 feet and a central angle of $054^{\circ}37'00''$ for an arc distance of 476.62 feet to a point of tangency;

THENCE $S 68^{\circ}25'29'' E$, 330.00 feet to a point of curvature of a tangent curve, concave to the Southwest;

THENCE Southeasterly, along the arc of said curve, to the right, having a radius of 2,125.00 feet and a central angle of $017^{\circ}28'00''$ for an arc distance of 647.81 feet to a point of tangency;



THENCE S 50°57'29" E, 425.00 feet to a point of curvature of a tangent curve, concave to the Northeast;

THENCE Southeasterly, along the arc of said curve, to the left, having a radius of 1,600.00 feet and a central angle of 024°00'00" for an arc distance of 670.21 feet to a point of tangency;

THENCE S 74°57'29" E, 675.00 feet to a point of curvature of a tangent curve, concave to the Northwest;

THENCE Northeasterly, along the arc of said curve, to the left, having a radius of 965.00 feet and a central angle of 079°30'00" for an arc distance of 1,338.97 feet to a point of tangency;

THENCE N 25°32'31" E, 650.00 feet to a point of curvature of a tangent curve, concave to the Southeast;

THENCE Northeasterly, along the arc of said curve, to the right, having a radius of 500.00 feet and a central angle of 033°00'00" for an arc distance of 287.98 feet to a point of tangency;

THENCE N 58°32'31" E, 149.66 feet to the Southwesterly line of that parcel recorded in Docket 7761 at Page 1525, Pima County Recorder's Office, Pima County, Arizona;

THENCE S 35°00'33" E, along the said line, a distance of 272.33 feet to an angle point;

THENCE N 56°35'53" E, along the Southeasterly line of the said Parcel, a distance of 16.68 feet to a point on the arc of a non-tangent curve, concave to the Southwest, a radial line of said curve through said point having a bearing of N 61°24'55" E;

THENCE Southeasterly, along the arc of said curve, to the right, having a radius of 5,410.77 feet and a central angle of 001°24'31" for an arc distance of 133.03 feet to a point of tangency;

THENCE S 27°10'33" E, 1,274.36 feet to a point of curvature of a tangent curve, concave to the Southwest;

THENCE Southeasterly, along the arc of said curve, to the right, having a radius of 6,745.93 feet and a central angle of 006°18'00" for an arc distance of 741.75 feet to a point of tangency;



THENCE S 20°52'33" E, 756.34 feet to a point of curvature of a tangent curve, concave to the Northeast;

THENCE Southeasterly, along the arc of said curve, to the left, having a radius of 1,575.00 feet and a central angle of 068°25'28" for an arc distance of 1,880.92 feet to a point of tangency;

THENCE S 89°18'01" E, 453.83 feet to the West right-of-way line of Oracle Road (U.S. Highway 89);

THENCE S 00°41'59" W, along the said right-of-way line, a distance of 2,965.61 feet to a point of curvature of a tangent curve, concave to the West; _

THENCE Southerly, along the said right-of-way line, along the arc of said curve, to the right, having a radius of 7,539.44 feet and a central angle of 009°25'49" for an arc distance of 1,240.93 feet to the North right-of-way line of Tangerine Road as described in Resolution No. 1926-72 recorded in Docket 7786 at Page 966;

THENCE along the said right-of-way line the following course and distances;

N 78°43'48" W, 305.80 feet to a point of curvature of a tangent curve, concave to the South;

Westerly, along the arc of said curve, to the left, having a radius of 1,677.89 feet and a central angle of 036°05'08" for an arc distance of 1,056.76 feet to a point of tangency;

S 65°11'04" W, 496.74 feet to a point of curvature of a tangent curve, concave to the North;

Westerly, along the arc of said curve, to the right, having a radius of 1,377.89 feet and a central angle of 033°56'00" for an arc distance of 816.05 feet to a point of tangency;

N 80°52'56" W, 731.49 feet to a point of curvature of a tangent curve, concave to the South;

Westerly, along the arc of said curve, to the left, having a radius of 3,969.72 feet and a central angle of 027°35'24" for an arc distance of 1,911.56 feet to a point of tangency;



S 71°31'40" W, 1,149.11 feet to a point of curvature of a tangent curve, concave to the Southeast;

Southwesterly, along the arc of said curve, to the left, having a radius of 2,441.83 feet and a central angle of 014°44'50" for an arc distance of 628.50 feet to a point of tangency;

S 56°46'50" W, 318.11 feet;

THENCE N 26°17'53" W, 50.34 feet to a point of curvature of a tangent curve, concave to the Southwest;

THENCE Northwesterly, along the arc of said curve, to the left, having a radius of 720.00 feet and a central angle of 017°27'28" for an arc distance of 219.38 feet to a point of tangency;

THENCE N 43°45'21" W, 154.94 feet;

THENCE S 43°43'51" W, 445.41 feet;

THENCE S 84°46'30" W, a distance of 576.55 feet to a point on the arc of a non-tangent curve, concave to the West, a radial line of said curve through said point having a bearing of N 71°32'50" E;

THENCE Southerly, along the arc of said curve, to the right, having a radius of 1,150.00 feet and a central angle of 011°26'34" for an arc distance of 229.67 feet to the said North right-of-way line of Tangerine Road;

THENCE S 89°52'21" W, 2,333.07 feet to the East line of that Parcel recorded in Docket 6745 at Page 608;

THENCE N 15°47'24" E, along the said East line, a distance of 451.41 feet to the Northeast corner;

THENCE N 89°59'31" W, along the North line, a distance of 737.58 feet to the Northwest corner;

THENCE S 00°00'29" W, along the West line, a distance of 435.00 feet to the said North right-of-way line of Tangerine Road;

THENCE along the said right-of-way line, the following courses and distances;



N 89°59'31" W, 54.03 feet to a point of curvature of a tangent curve, concave to the South;

Westerly, along the arc of said curve, to the left, having a radius of 11,609.16 feet and a central angle of 003°26'22" for an arc distance of 696.88 feet to a point of tangency;

S 86°34'07" W, 562.07 feet to a point of curvature of a tangent curve, concave to the North;

Westerly, along the arc of said curve, to the right, having a radius of 11,309.16 feet and a central angle of 003°26'22" for an arc distance of 678.87 feet to a point of tangency;

N 89°59'31" W, 281.15 feet to the POINT OF BEGINNING.

EXCEPT that portion of the said Sections 25 and 36 described as follows:

COMMENCING at the Northwest corner of the said Section 36;

THENCE N 89°48'48" E, along the North line of the said Section 36, a distance of 2,120.73 feet to the POINT OF BEGINNING;

THENCE S 00°00'00" E, 644.47 feet;

THENCE S 90°00'00" E, 675.00 feet;

THENCE N 00°00'00" W, 1,067.41 feet;

THENCE S 32°37'09" W, 189.84 feet to a point of curvature of a tangent curve, concave to the Northwest;

THENCE Southwesterly, along the arc of said curve, to the right, having a radius of 570.00 feet and a central angle of 057°11'39" for an arc distance of 568.99 feet to a point of tangency on the North line of the said Section 36;

THENCE S 89°48'48" W, along the said North line, a distance of 94.43 feet to the POINT OF BEGINNING.

and EXCEPT that portion of Section 31, Township 11 South, Range 14 East, G. & S.R.B. & M., Pima County, Arizona, described as follows:

COMMENCING at the Southeast corner of the said Section 31;



THENCE N 00°00'48" E, along the East line of the said Section 31, a distance of 1,427.60 feet to the North right-of-way line of Tangerine Road recorded in Docket 7786 at Page 966 Pima County Recorder's Office, Pima County, Arizona;

THENCE N 80°52'56" W, along the said right-of-way line, a distance of 385.74 feet to a point of curvature of a tangent curve, concave to the South;

THENCE Westerly, along the said right-of-way line, along the arc of said curve, to the left, having a radius of 3,969.72 feet and a central angle of 007°21'14" for an arc distance of 509.51 feet to the POINT OF BEGINNING;

THENCE Westerly, along the said right-of-way line, along the arc of said curve, to the left, having a radius of 3,969.72 feet and a central angle of 020°14'10" for an arc distance of 1,402.05 feet to a point on the arc of a non-tangent curve, concave to the East, a radial line of said curve through said point having a bearing of S 71°31'40" W;

THENCE Northerly, along the arc of said curve, to the right, having a radius of 2,370.00 feet and a central angle of 018°29'08" for an arc distance of 764.64 feet to a point of tangency;

THENCE N 00°00'48" E, 426.58 feet;

THENCE S 89°33'39" E, 1,382.04 feet;

THENCE S 18°30'00" E, 243.29 feet to a point of curvature of a tangent curve, concave to the West;

THENCE Southerly, along the arc of said curve, to the right, having a radius of 1,525.00 feet and a central angle of 021°41'54" for an arc distance of 577.53 feet to a point of tangency;

THENCE S 03°11'54" W, 141.75 feet to a point of curvature of a tangent curve, concave to the Northwest;

THENCE Southwesterly, along the arc of said curve, to the right, having a radius of 25.00 feet and a central angle of 088°33'56" for an arc distance of 38.64 feet to the POINT OF BEGINNING.

EXCEPT the following described parcel:

COMMENCING at the Southeast corner of the said Section 31;



THENCE N 00°00'48" E, along the East line of the said Section 31,
a distance of 2,329.41 feet;

THENCE N 89°59'12" W, 1,756.88 feet to the POINT OF BEGINNING;

THENCE N 89°59'12" W, 50.00 feet;

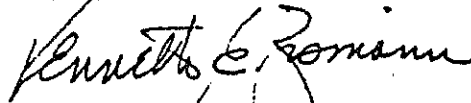
THENCE N 00°00'48" E, 50.00 feet;

THENCE S 89°59'12" E, 50.00 feet;

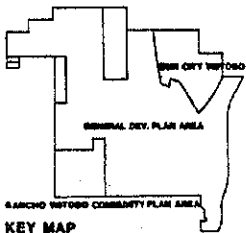
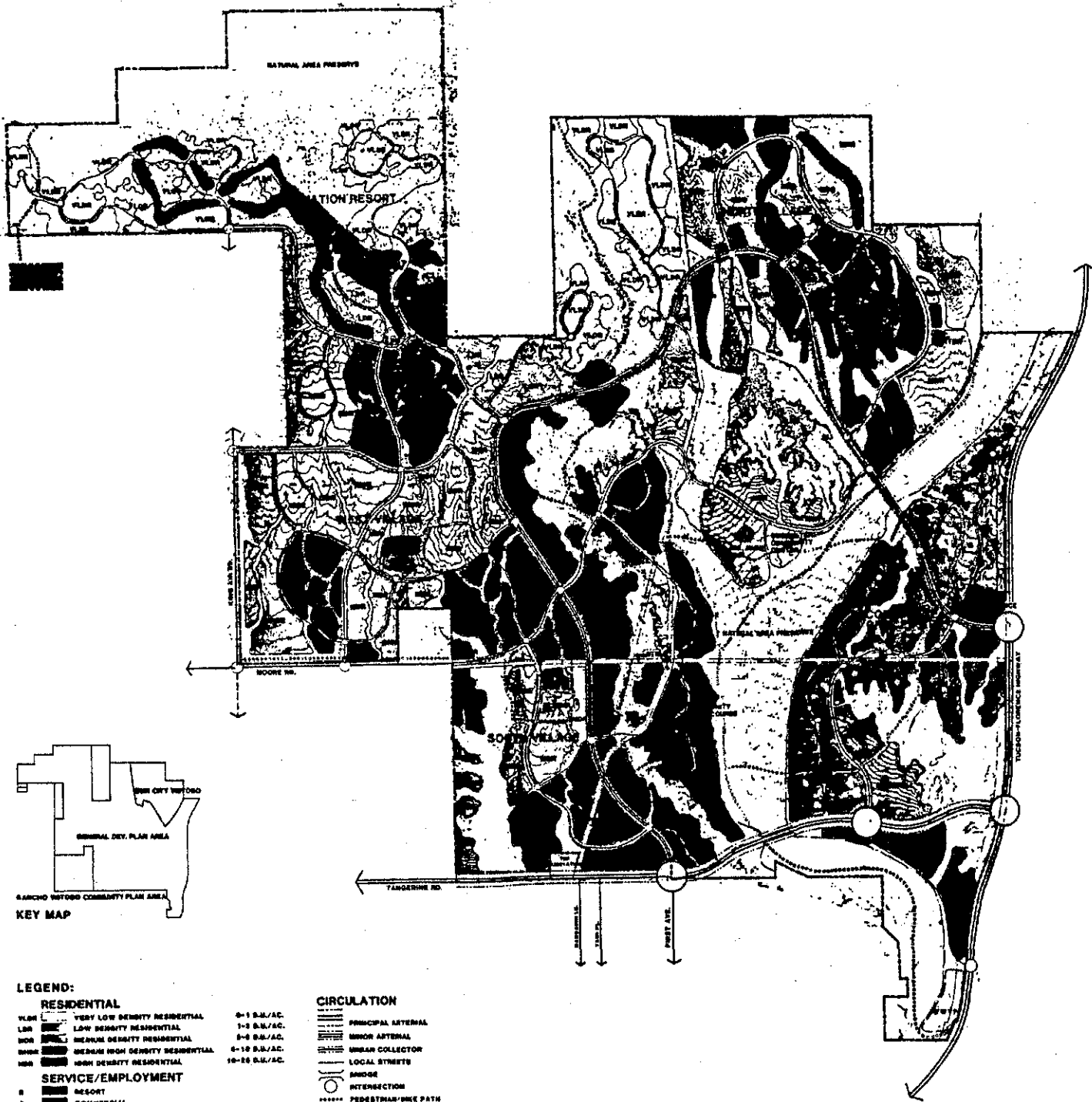
THENCE S 00°00'48" W, 50.00 feet to the POINT OF BEGINNING.

Prepared by:

THE WLB GROUP


Kenneth E. Zismann, R.L.S.





LEGEND:

- RESIDENTIAL**
- VLDR VERY LOW DENSITY RESIDENTIAL 0-1 S.U./AC.
 - LDH LOW DENSITY RESIDENTIAL 1-3 S.U./AC.
 - MDR MEDIUM DENSITY RESIDENTIAL 3-8 S.U./AC.
 - MDHR MEDIUM-HIGH DENSITY RESIDENTIAL 8-18 S.U./AC.
 - HDH HIGH DENSITY RESIDENTIAL 18-25 S.U./AC.
- SERVICE/EMPLOYMENT**
- R RESORT
 - C COMMERCIAL
 - CI CULTURAL/INSTITUTIONAL
 - BO BUSINESS/OFFICE/RESEARCH
 - U UTILITIES
 - CH CHURCH
- OPEN SPACE**
- D DEVELOPED
 - ND UNDEVELOPED

- CIRCULATION**
- PA PRINCIPAL ARTERIAL
 - MA MINOR ARTERIAL
 - MC URBAN COLLECTOR
 - LS LOCAL STREETS
 - INT INTERSECTION
 - PP PEDESTRIAN/BIKE PATH
 - ET EQUESTRIAN TRAIL

DEVELOPED BY:
AMERICAN CONTINENTAL CORPORATION
 7755 EAST CAMELBACK RD.
 TUCSON, ARIZONA 85706
 (602) 957-0100

THE WOLFSBERG GROUP INCORPORATED
 1004 WEST SOUTHWEST
 MESA, ARIZONA 85203
 (602) 831-1900

ENGINEERING:
W.L.B.
 4244 E. BROADWAY
 TUCSON, ARIZONA
 (602) 881-7122

PLANNING:
GAGE DAVIS ASSOCIATES
 PLANNING AND LANDSCAPE ARCHITECTURE
 ARCHITECTURE AND URBAN DESIGN
 810 14TH STREET
 BOCA RATON, FLORIDA 33433
 (305) 424-1188

DATE: DECEMBER 10 1988
SCALE: 1" = 880'

**LAND USE PLAN
 GENERAL DEVELOPMENT PLAN**

Rancho Vistoso
 Master Planned Community

Pima County, Arizona

EXHIBIT "D"

COMMERCIAL OFFICE USES

1. Bank
2. Messenger office
3. Newspaper office
4. Office: Business, professional or semi-professional

EXHIBIT "E"

GENERAL COMMERCIAL USE

1. Addressographing
2. Adjuster, insurance
3. Administrative, engineering, scientific research and development, design facility, and fabrication as may be necessary in connection therewith
4. Advertising sign or structure
5. Ambulance service
6. Amusement or recreational enterprise (within a completely enclosed structure), including:
 - a. Bowling alley
 - b. Gymnasium
 - c. Mechanical or electronic games arcade
 - d. Penny arcade or shooting gallery
 - e. Skating rink
 - f. Sports arena
7. Amusement or recreational enterprise (outdoor), including:
 - a. Archery range
 - b. Baseball batting cage
 - c. Miniature golf or practice driving or putting range
 - d. Swimming pool
 - e. Tennis court
8. Antique store
9. Apparel store
10. Appliance store
11. Art or drawing supply store
12. Art needlework
13. Art store or gallery
14. Auditorium or assembly hall

15. Auto parking lot (within or without a building), so long as the same is incidental or accessory to another permitted use
16. Automobile accessories, parts and supplies (retail sales)
17. Automobile lubrication and oil change operation in conjunction with a department store
18. Automobile tires, batteries and accessories installation in conjunction with a department store
19. Baby shop
20. Bakery
21. Bank
22. Barber
23. Bathroom accessories (retail sales)
24. Beauty shop
25. Beverage bottling plant
26. Bicycle shop
27. Blueprinting
28. Burglar alarm service
29. Cafe or lunchroom
30. Candy shop
31. Canvas goods (retail sales)
32. Catering service
33. Child care center
34. Cleaning, dyeing, laundry agency
35. Clothing (retail sales)
36. Club: Athletic, private, social, sport or recreational, except sports stadium or field
37. Cocktail lounge

38. College or governmental structure
39. Commercial stable
40. Community service agency
41. Confectionery store
42. Convention facilities, such as conference and banquet rooms
43. Crockery sales (retail)
44. Custom dressmaking, millinery, hemstitching or pleating
45. Custom weaving or mending
46. Dealers in coins, stamps or similar collector's items
47. Delicatessen
48. Dental laboratory
49. Department store
50. Drapery shop
51. Driving school
52. Drug store
53. Dry goods or notions store
54. Duplicating, mimeographing, multigraphing
55. Engraving, photo-engraving
56. Equestrian facilities
57. Fitness and exercise centers
58. Floor covering store (retail sales)
59. Florist shop
60. Frozen food locker
61. Fruit or vegetable store
62. Furniture store
63. Game courts such as tennis and racquetball

64. Gasoline service station (incidental repairing only)
65. Gift, curio, hobby or novelty shop
66. Glass shop, custom
67. Grocery market
68. Gymnasium
69. Handyman shop
70. Hardware store
71. Health food store
72. Hotel, motel, lodge or inn (collectively referred to as hotel) and customary accessory facilities including, but not limited to, cocktail lounge, restaurant, gift shop, barber shop, beauty shop and newsstands (collectively referred to as accessory uses), provided such accessory uses are a part of the hotel
73. House furnishing store
74. Ice cream store
75. Interior decorator
76. Jewelry and watch repair
77. Jewelry store
78. Laundry and dry cleaning units
79. Laundry, cleaning or dyeing works
80. Lawnmowing sales and repair
81. Leather goods store
82. Library or museum
83. Light manufacturing or assembling incidental to retail sales from the premises
84. Liquor store
85. Locksmith
86. Lumber, retail sales

87. Major resort
88. Meat, fish or poultry market
89. Medical laboratory
90. Merchandise broker's display: Wholesale
91. Mini-storage facility
92. Motorcycle or motor scooter sales, repair or storage
93. Music, phonograph, radio or television store
94. Office supplies (retail sales)
95. Optical goods (manufacturing and sales)
96. Orthopedic appliances
97. Oxygen equipment (rental or distribution)
98. Pet grooming
99. Pet shop
100. Photograph studio
101. Photographic supply store
102. Piano (retail sales and repair)
103. Picture frame shop
104. Plant nursery
105. Playground or athletic field
106. Plumbing (retail custom)
107. Printing or publishing
108. Private preschool or elementary school
109. Record recording studio or sound score production
110. Reducing salon
111. Refreshment stand
112. Refrigeration installation or service

8021 1017

113. Repair of light sheet-metal products, miscellaneous small parts, novelties, toys and merchandise
114. Restaurants
115. Safe depository
116. School: Dramatic, gymnastic, handicraft, insurance, painting, real estate, sculpture or stenographic
117. Self-service carwash
118. Self-service laundry or coin-operated dry cleaning establishment
119. Shoe repair store
120. Sign painting shop
121. Sporting goods, hunting and fishing equipment store
122. Stationery store
123. Tailor shop
124. Taxicab stand
125. Taxidermist
126. Tire Store
127. Tool or cutlery sharpening
128. Toy or hobby shop
129. Travel bureau
130. Upholstery shop
131. Veterinary hospital
132. Wallpaper sales, paper hanging
133. Water, telephone or telegraph distribution installation or electrical receiving or distribution station (within or without a building)

EXHIBIT "F"

INDUSTRIAL PARK USE

1. Administrative, clerical, sales or professional offices
2. Apparel (clothing and other products manufactured from textiles)
3. Assembly of electrical appliances: Radios and phonographs, including the manufacture of small parts only, such as coils, condensers, transformers, crystal holders and the like
4. Banking or financial facilities
5. Beverage bottling plant
6. Blacksmith and welding shop or machine shop (excluding punch presses over twenty tons rated capacity, and drop hammers), foundry casting lightweight nonferrous metals not causing noxious fumes or odors
7. Carpet and rug cleaning
8. Child care center
9. Distribution plant
10. Hotel, motel, lodge or inn (collectively referred to as hotel) and customary accessory facilities, but not limited to, cocktail lounge, restaurant, gift shop, barber shop, beauty shop and newsstands (collectively referred to as accessory uses), provided such accessory uses are a part of the hotel
11. Ice and cold storage plant
12. Ink mixing and packaging and inked ribbons
13. Laboratories: Photo, medical, dental, research, experimental and testing
14. Laundry, cleaning or dyeing works
15. Manufacture of:
 - a. Cameras and other photographic equipment and supplies
 - b. Dentures and drugs
 - c. Jewelry

- d. Leather products: Including shoes and machine belting (excluding tanning)
 - e. Luggage
 - f. Musical instruments
 - g. Orthopedic and medical supplies
 - h. Small paper products
 - i. Plastic products: But not including the processing of the raw material
 - j. Precision instruments (such as optical, medical and drafting)
 - k. Silverware, plate and sterling
 - l. Sporting and athletic equipment
 - m. Toys
16. Manufacture and assembly of electrical and electronic products
 17. Manufacture and packaging of beverage products
 18. Manufacture and service of data systems
 19. Manufacture, compounding, processing, packaging or treatment of: Bakery goods, candy, cosmetics, dairy products, drugs and pharmaceutical products, perfumes, soap (cold process only), and food products, except fish or meat products, sauerkraut, vinegar, yeast and the rendering or refining of fats and oils
 20. Manufacture, compounding, assembling or treatment of articles of merchandise from the following previously prepared materials: Bone, broom corn, cellphane, canvas, cloth, cork, feathers, felt, fibre, fur, glass, hair or bristles, horn, leather, paper, plastics or plastic products, precious or semi-precious metals or stones, shell, textiles, tobacco, wax, (paraffin, tallow, etc.), wood (excluding sawmill or planning mill), yarns, paint (not employing a boiling process)
 21. Manufacture and maintenance of: Electric and neon signs, billboards, commercial advertising structures and displays, light sheet metal products, including heating or cooling, and ventilating ducts and equipment, cornices, eaves and the like
 22. Manufacture of: Glass, pottery or other similar ceramic products (using only previously prepared sand or pulverized clay, and kilns fired only by electricity or gas), concrete or cement products, musical instruments, toys, novelties, rubber or metal stamps
 23. Motion picture production and television broadcast studios

24. Printing, newspaper publishing and binding: Including engraving and photo-engraving
25. Recreational facilities
26. Restaurant facilities
27. Soap and detergent (packaging only)
28. Storage building or warehouse
29. Veterinary or cat or dog hospital or kennels
30. Warehousing (not including dead vehicle storage)
31. Wholesale business and storage

EXHIBIT "G"

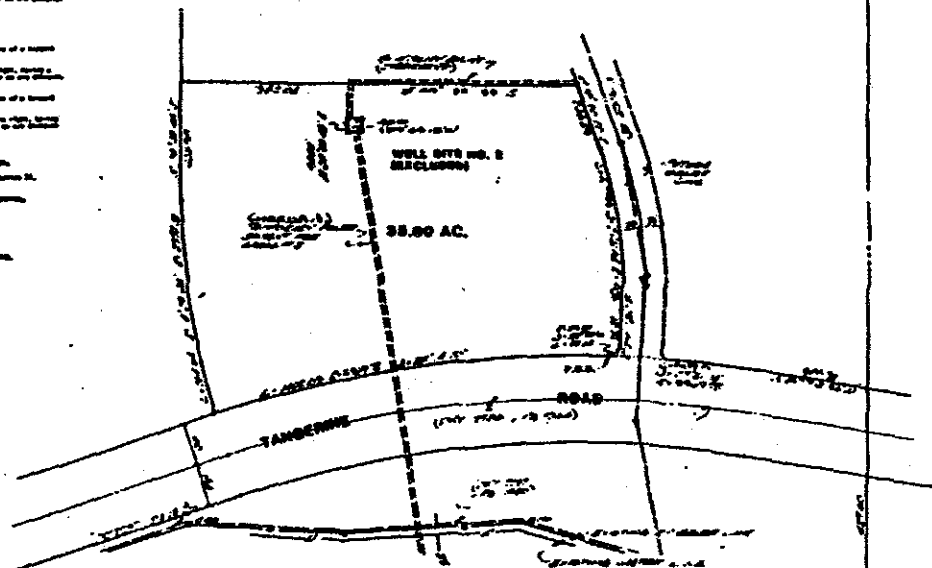
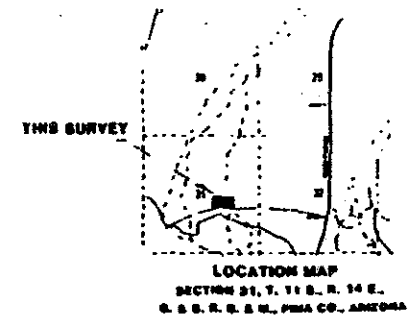
HOSPITAL AND HEALTH CARE USE

Hospital and Health Care Use shall mean use of a Parcel or a Lot for a "hospital" or "health care institution" and uses necessary and incidental thereto. As used herein, "hospital" or "health care institution" shall be an institution for the diagnosis, care, treatment or rehabilitation of two or more unrelated persons suffering from illness, injury or deformity, or for the rendering of obstetrical, surgical or other professional medical care including care rendered in the event of an emergency, on a non-profit or not-for-profit basis, and including the operation of outpatient clinics, medical testing facilities and offices of physicians, staff and other hospital administrators (the "Primary Use"). The services proved by a "hospital" or "health care institution" shall include the services incidental to the Primary Use, including, but not limited to administrative and other support services; nursing services; surgical services; dietary services; emergency services; disaster preparedness; environmental services; medical record services; laboratory services; pharmaceutical services; rehabilitation services; radiology services; respiratory care services; special care unit; obstetrical services; pediatric services; ambulance service; medical offices; parking lots and/or parking garages; child care facility; dental laboratory; fitness center; medical laboratory; optical goods manufacturing and sales; orthopedic appliances sale or rental; rental or other distribution of oxygen or other medical equipment; and social services as such services are defined in the Arizona Administrative Rules and Regulations promulgated by the Arizona Secretary of State.

WGI-25.3

LEGAL DESCRIPTION

The Survey of Section 21, Township 11 North, Range 14 East, of the 6th P.M.A. Co., Arizona, is shown on the attached map of the said section as follows: ...



GENERAL NOTES

1. THIS SURVEY WAS MADE IN ACCORDANCE WITH THE PROVISIONS OF THE GENERAL ACTS OF THE LEGISLATURE OF THE STATE OF ARIZONA, PASSED FEBRUARY 24, 1910.
2. THE SURVEY WAS MADE BY MEASUREMENTS MADE FROM CERTAIN POINTS OF WHICH COPIES OF AN INSTRUMENT OF SURVEY ARE KEPT.
3. THIS SURVEY IS MADE IN ACCORDANCE WITH THE PROVISIONS OF THE GENERAL ACTS OF THE LEGISLATURE OF THE STATE OF ARIZONA, PASSED FEBRUARY 24, 1910, AND AS SUCH IS SUBJECT TO THE GENERAL ACTS AND ORDINANCES RELATIVE TO SUCH SURVEYS.
4. THE SURVEY WAS MADE BY MEASUREMENTS MADE FROM CERTAIN POINTS OF WHICH COPIES OF AN INSTRUMENT OF SURVEY ARE KEPT.

CERTIFICATION OF SURVEY

I, the undersigned, being duly sworn, certify that the above described survey was made by me or under my direction and supervision, and that the same is correct and true to the best of my knowledge and belief, and that I am a duly qualified surveyor under the laws of the State of Arizona.

[Signature]
 REGISTERED SURVEYOR
 STATE OF ARIZONA

8021 1023



T. 11 N. SEC. 21 SEC. 22
 R. 14 E. SEC. 8 SEC. 9

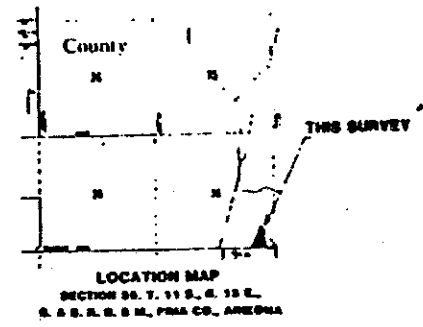
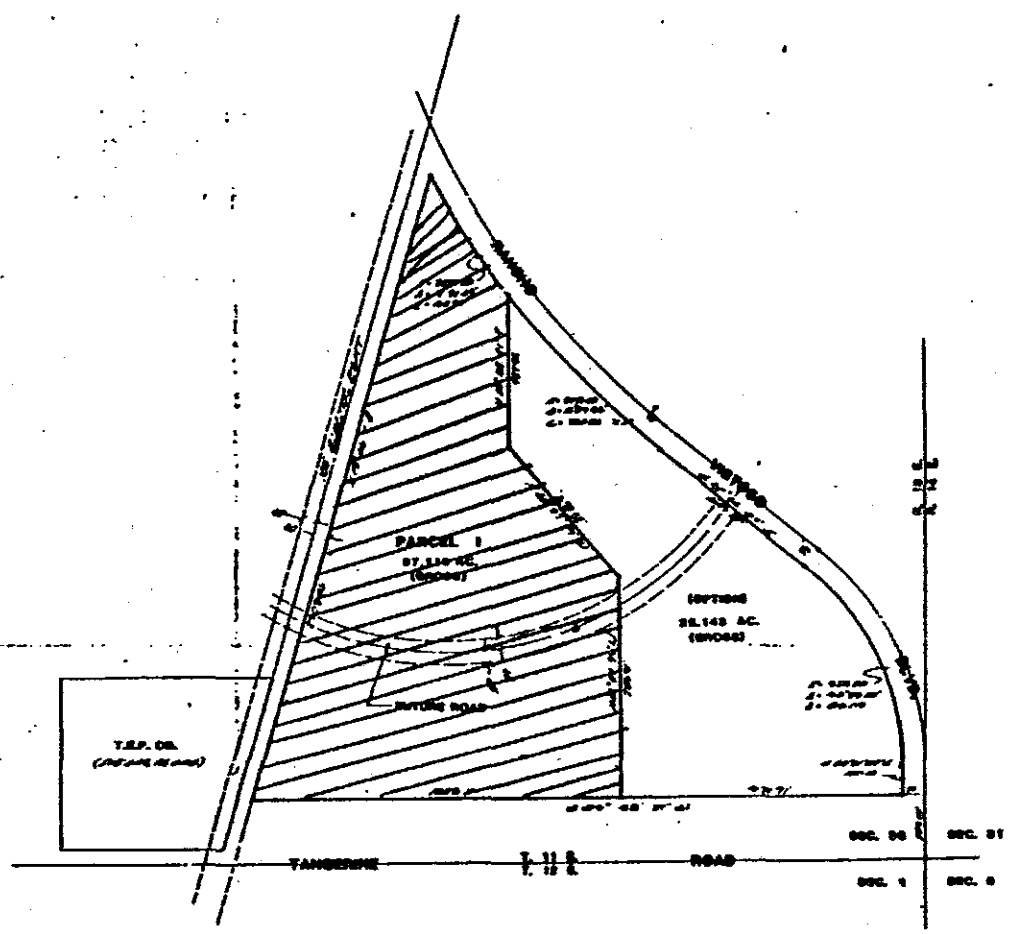
WLB

MAP OF SURVEY OF A PORTION OF THE SE 1/4 OF THE 21 1/4 OF SECTION 21, T. 11 N., R. 14 E., 6th P.M.A. CO., ARIZONA

SAMARITAN PARCEL

EXHIBIT "H"/MASTER DECLARATION OF CC&R'S

8021 1024



WLB [Surveyor Information] [Map of Arizona] [Title Block]

WLB
 [Surveyor Name]
 [Address]
 [City, State, Zip]
 [Phone Number]
 [Fax Number]
 [E-mail Address]

MAP OF ARIZONA BY THE U.S. GEOLOGICAL SURVEY
 PIMA COUNTY, ARIZONA

Scale: 1" = 400'

Sheet: 1024 of 1024

Date: 07/26/00

Drawn by: S.A.S.

Checked by: S.A.S.

EXCHANGE PARCEL
 EXHIBIT "I"/MASTER DECLARATION OF CC&R's

- d. Leather products: Including shoes and machine belting (excluding tanning)
 - e. Luggage
 - f. Musical instruments
 - g. Orthopedic and medical supplies
 - h. Small paper products
 - i. Plastic products: But not including the processing of the raw material
 - j. Precision instruments (such as optical, medical and drafting)
 - k. Silverware, plate and sterling
 - l. Sporting and athletic equipment
 - m. Toys
16. Manufacture and assembly of electrical and electronic products
17. Manufacture and packaging of beverage products
18. Manufacture and service of data systems
19. Manufacture, compounding, processing, packaging or treatment of: Bakery goods, candy, cosmetics, dairy products, drugs and pharmaceutical products, perfumes, soap (cold process only), and food products, except fish or meat products, sauerkraut, vinegar, yeast and the rendering or refining of fats and oils
20. Manufacture, compounding, assembling or treatment of articles of merchandise from the following previously prepared materials: Bone, broom corn, cellphane, canvas, cloth, cork, feathers, felt, fibre, fur, glass, hair or bristles, horn, leather, paper, plastics or plastic products, precious or semi-precious metals or stones, shell, textiles, tobacco, wax, (paraffin, tallow, etc.), wood (excluding sawmill or planning mill), yarns, paint (not employing a boiling process)
21. Manufacture and maintenance of: Electric and neon signs, billboards, commercial advertising structures and displays, light sheet metal products, including heating or cooling, and ventilating ducts and equipment, cornices, eaves and the like
22. Manufacture of: Glass, pottery or other similar ceramic products (using only previously prepared sand or pulverized clay, and kilns fired only by electricity or gas), concrete or cement products, musical instruments, toys, novelties, rubber or metal stamps
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24. Printing, newspaper publishing and binding: Including engraving and photo-engraving
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26. Restaurant facilities
27. Soap and detergent (packaging only)
28. Storage building or warehouse
29. Veterinary or cat or dog hospital or kennels
30. Warehousing (not including dead vehicle storage)
31. Wholesale business and storage

EXHIBIT "G"

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WGI-25.3

LEGAL DESCRIPTION

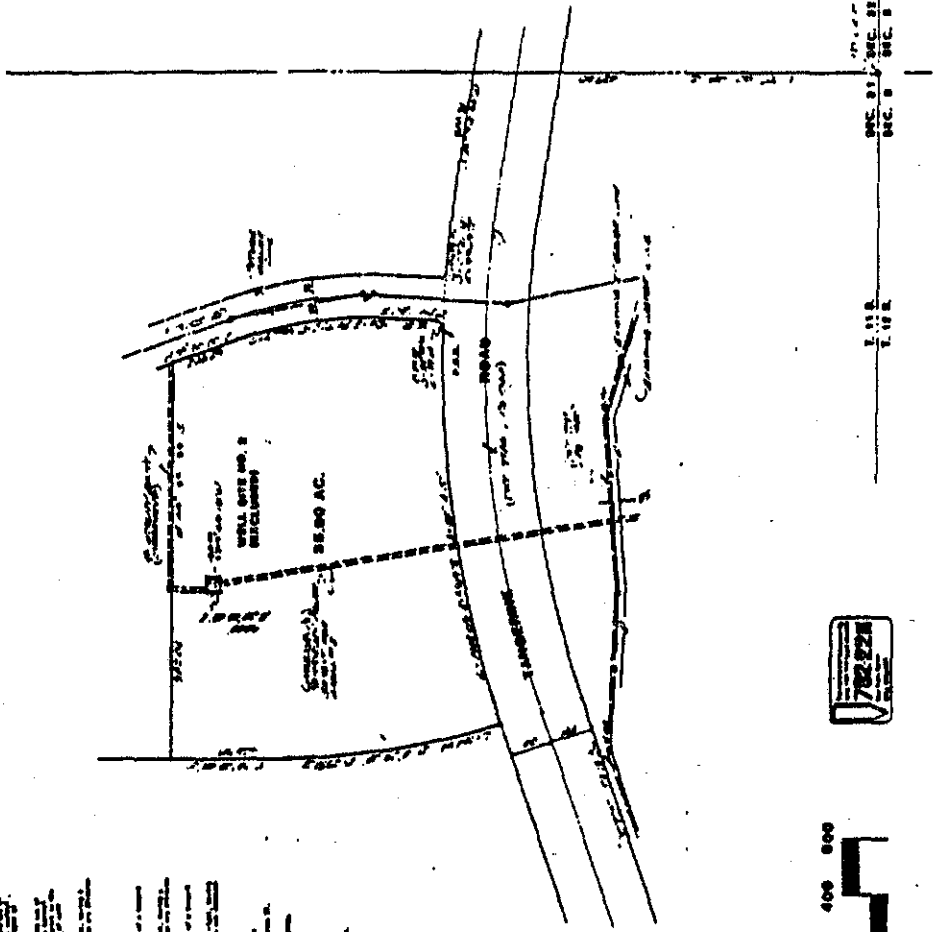
ALL THAT PART OF THE LAND described in the above recited plat as being in the County of Santa Cruz, State of Arizona, bounded as follows: To the north by the line of the ... To the south by the line of the ... To the east by the line of the ... To the west by the line of the ...

8021 1023

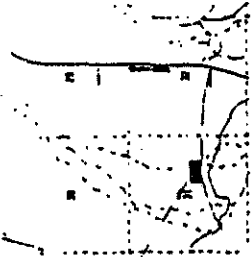


1 1/2

SEC. 9, T. 12 S., R. 12 E.



THIS SURVEY



LOCATION MAP
SECTION 31, T. 11 S., R. 14 E.,
S.O.B.R.S.O.M., PIMA CO., ARIZONA

GENERAL NOTES

1. THIS SURVEY WAS MADE BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND THE INSTRUMENTS USED WERE ACCURATELY CALIBRATED AND FOUND TO BE IN ACCORDANCE WITH THE REQUIREMENTS OF THE SURVEYING ACTS.
2. ALL CORNER MARKS AND OTHER MONUMENTS LOCATED AND SET BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION ARE SHOWN ON THIS PLAN AND ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE SURVEYING ACTS.
3. THE AREA OF THIS SURVEY IS 35.00 ACRES AS SHOWN ON THIS PLAN AND IS IN ACCORDANCE WITH THE REQUIREMENTS OF THE SURVEYING ACTS.
4. ALL RIGHTS RESERVED TO THE STATE OF ARIZONA, UNITED STATES OF AMERICA AND THE FEDERAL GOVERNMENT ARE HEREBY ACKNOWLEDGED.
5. I HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT STATEMENT OF THE FACTS AND CONDITIONS OF THIS SURVEY.

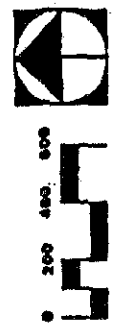
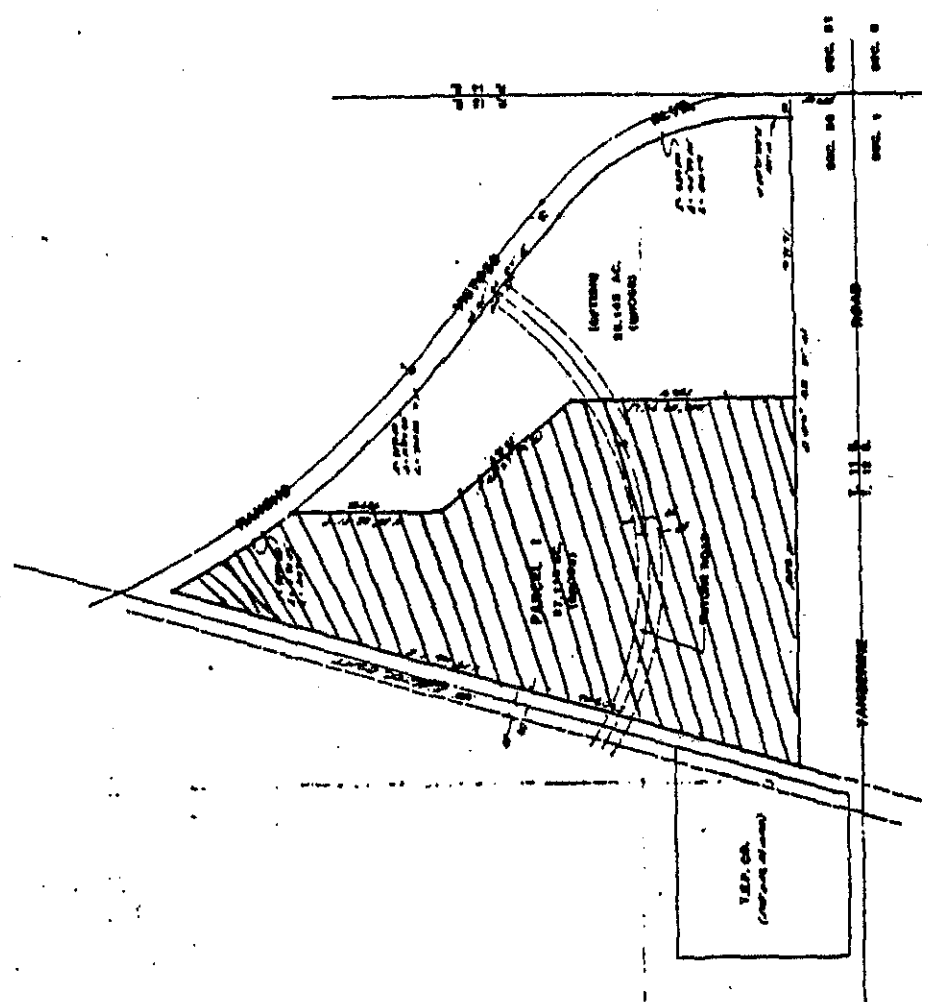
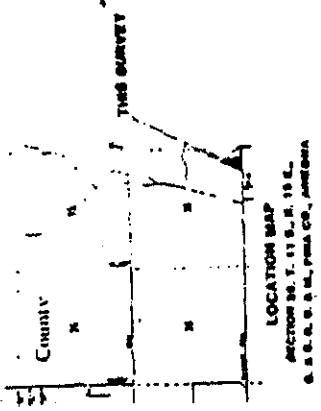
CERTIFICATION OF SURVEY

I, the undersigned, being duly sworn, depose and say that the foregoing is a true and correct statement of the facts and conditions of this survey, and that I am a duly licensed and qualified surveyor in the State of Arizona, and that I have not been convicted of any crime involving moral turpitude within the last five years, and that I am not under any disability which would prevent me from performing my duties as a surveyor.

SAMARITAN PARCEL

EXHIBIT "H" / MASTER DECLARATION OF CC&R'S

W.L.B.



8021 1024

WLB

DATE	11/11/2011
BY	WLB
PROJECT	YAGNER ROAD
SECTION	30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40
TOWNSHIP	T. 11 S.
RANGE	R. 19 E.
COUNTY	P.M.A. CO., ARIZONA

EXCHANGE PARCEL

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RICHARD J. KENNEDY, RECORDER, RECORDED IN OFFICIAL RECORDS OF PIMA COUNTY, ARIZONA

at the request of

~~THE AMERICAN TITLE~~

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SUN CITY VISTOSO
AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS,
ASSESSMENTS, CHARGES, SERVITUDES, LIENS,
RESERVATIONS AND EASEMENTS

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SUN CITY VISTOSO
AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS,
ASSESSMENTS, CHARGES, SERVIDUTES, LIENS,
RESERVATIONS AND EASEMENTS

THIS AMENDED AND RESTATED DECLARATION of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements (hereinafter termed the "Master Declaration"), is made this _____ day of _____, 198, by FIRST AMERICAN TITLE INSURANCE COMPANY OF ARIZONA, as Trustee and DEL E. WEBB COMMUNITIES, INC., an Arizona corporation (both hereinafter sometimes termed "Declarant").

W I T N E S S E T H:

WHEREAS, Declarant is the Developer and Owner of approximately one thousand (1,000) acres of land in Pima County, Arizona, known as Sun City Vistoso, and legally described on Exhibit "A" attached hereto and by reference made a part hereof; and

WHEREAS, Declarant desires to develop, in stages, the aforesaid properties and any Additional Property which may from time to time be annexed pursuant to this Declaration and become a part of Sun City Vistoso, into planned residential, office, commercial, recreational, golf course and other amenities; and

WHEREAS, to accomplish the foregoing purposes, Declarant executed that certain "Sun City Vistoso Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements" as recorded in the records of Pima County, Arizona, in Docket No. 7910, pages 1092-1150 (the "Superseded Declaration"). In accordance with the provisions of Article XVII, Section 3 (iii) of the Superseded Declaration, Declarant has determined to amend the Superseded Declaration and to replace it in its entirety with this Master Declaration. Accordingly, the Superseded Declaration is hereby withdrawn and nullified and shall have no further force or effect. All references herein to the "Master Declaration" shall refer to this document and not the Superseded Declaration, and all references to the "Master Declaration" contained in any Tract Declaration recorded pursuant to the Superseded Declaration shall refer to this document and not the Superseded Declaration; and

WHEREAS, at full development it is intended without obligation, that Sun City Vistoso will collectively have one or more commercial buildings, recreational facilities and areas, open spaces, office parks, walkways, paths, golf course, landscaped drainage areas, churches and other social, civic and cultural buildings and facilities; and

WHEREAS, as part of the various stages of development of the aforesaid lands and any annexations thereto, Declarant intends, without obligation, to record various subdivision plats; to dedicate portions of Sun City Vistoso to the public for streets, roadways, drainage, flood control, and general public use; and to record various Tract Declarations covering portions of Sun City Vistoso, which Tract Declarations will designate the purposes for which such portions of Sun City Vistoso may be used and may set additional covenants, conditions, restrictions,

assessments, charges, servitudes, liens, reservations and easements applicable to such portions of Sun City Vistoso; and

WHEREAS, Declarant desires to form a non-profit corporation for the maintenance, social, security, aesthetic and recreational purposes of benefiting Sun City Vistoso, the Owners, their Tenants and the Residents (as said terms are defined hereinbelow), which non-profit corporation (hereinafter termed the "Association") will (1) acquire, operate, manage and maintain any recreational facilities, the golf course, any open spaces, any common areas declared to be maintained by the Association in this Declaration or any subsequent Tract Declarations, certain easements, and certain rights-of-way; (2) establish, levy, collect and disburse the assessments and other charges imposed hereunder; and (3) as the agent and representative of the Members of the Association, administer and enforce all provisions hereof and enforce use and other restrictions imposed on various parts of Sun City Vistoso; and

WHEREAS, Declarant is preparing the necessary documents for the incorporation and organization of the Association; and

WHEREAS, Declarant therefore wishes to subject all of Sun City Vistoso to the covenants, conditions, restrictions, assessments, charges, servitudes, liens, reservations and easements (hereinafter collectively called "Covenants") hereinafter set forth; and

WHEREAS, in order to cause the Covenants to run with Sun City Vistoso as well as any lands annexed to Sun City Vistoso in the future, and to be binding upon Sun City Vistoso and the Owners, Lessees and Residents thereof from and after the date of recordation of this Declaration, Declarant hereby makes all conveyances of Sun City Vistoso except for exempt property (as said term is defined herein below), whether or not so provided therein, subject to the Covenants herein set forth; and by accepting deeds, leases, easements or other grants or conveyances to any portion of Sun City Vistoso, the Owners, Lessees, Residents and other Transferees for themselves and their heirs, executors and administrators, trustees, personal representatives, successors and assigns, agree that they shall be personally bound by all of the Covenants (including but not limited to the obligation to pay assessments) hereinafter set forth except to the extent such persons are specifically excepted herefrom.

NOW, THEREFORE, DECLARANT hereby declares, covenants and agrees as follows:

ARTICLE I

DEFINITIONS

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

A. "Annexation Land" shall mean land which may be annexed in whole or in part, from time to time, in accordance with the provisions of this Declaration.

B. "Annual Assessment" shall mean the charge levied and assessed each year against each Lot or Parcel, pursuant to Article VII, Section 2, hereof.

C. "Apartment Development" shall mean a Parcel or portion thereof which is described in a Tract Declaration, is limited by the Tract Declaration to residential use, and is comprised of Rental Apartments and surrounding area which are intended, as shown by the site plan therefor approved by the County of Pima and the Architectural Review Committee or otherwise, as one integrated apartment operation under the same ownership.

D. "Architectural Review Committee" shall mean the committee of the Association to be created pursuant to Article XI below.

E. "Articles" shall mean the Articles of Incorporation of the Association as the same may from time to time be amended or supplemented.

F. "Assessable Property" shall mean any Lot or Parcel, except such part or parts thereof as may from time to time constitute Exempt Property.

G. "Assessment" shall mean an Annual Assessment, Special Assessment and/or Maintenance Charge.

H. "Assessment Lien" shall mean the lien created and imposed by Article VII.

I. "Assessment Period" shall mean the term set forth in Article VII, Section 8.

J. "Association" shall mean the 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, its successors and assigns. Declarant hereby reserves the exclusive right to cause such Association to be incorporated and intends to name the Association "The Sun City Vistoso Community Association."

K. "Association Land" shall mean such part or parts of Sun City Vistoso, together with the buildings, structures and improvements thereon, and other real property which the Association may at any time own in fee or in which the Association may at any time have a leasehold interest, for as long as the Association is the owner of the fee or leasehold interest.

L. "Board" shall mean the Board of Directors of the Association.

M. "Bylaws" shall mean the Bylaws of the Association as the same may from time to time be amended or supplemented.

N. "Common Area and Common Areas" shall mean (a) all Association Land; (b) all land within Sun City Vistoso which the Declarant, by this Declaration or other recorded instrument, makes available for use by Members of the Association and evidences its intent to convey to the Association at a later date; (c) all land within Sun City Vistoso which the

Declarant indicates on a recorded subdivision plat or within a Tract Declaration is to be used for open space, natural open space, natural area, landscaping, drainage and/or flood control for the benefit of Sun City Vistoso, which land will be conveyed to the Association at a later date; (d) all land within Sun City Vistoso which the Declarant indicates on a recorded subdivision plat or Tract Declaration is to be used for landscaping, drainage, and/or flood control for the benefit of Sun City Vistoso and/or the general public and is to be dedicated to the public or the County of Pima upon the expiration of a fixed period of time, but only until such land is so dedicated; (e) all land within Sun City Vistoso which the Declarant indicates on a recorded subdivision plat or Tract Declaration is to be used for the benefit of specific Lot Owners and to be conveyed to an Association of specific Lot Owners formed for the purpose of holding title to and maintaining said land; and (f) all other lands within any drainage easement areas as set forth by Tract Declarations, subdivision plats or other recorded instruments.

O. "Covenants" shall mean the covenants, conditions, restrictions, assessments, charges, servitudes, liens, reservations and easements set forth herein.

P. "Declarant" shall mean not only First American Title Insurance Company of Arizona, as Trustee, but also: (1) Del E. Webb Communities, Inc., an Arizona corporation, and (2) any successors or assigns of Del E. Webb Communities, Inc., an Arizona corporation, but, for purposes of the foregoing, no individual, corporation, trust, partnership or other entity who or which has purchased property within the Project from Declarant, or whose title to such property is derived from a person who has purchased such property from Declarant, shall be deemed to be a successor or assign of Declarant.

Q. "Declaration" shall mean the Sun City Vistoso Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements, as amended or supplemented from time to time.

R. "Deed" shall mean a deed or other instrument conveying the fee simple title in a "Lot" or "Parcel."

S. "Developer" shall mean and refer to Del E. Webb Communities, Inc., an Arizona corporation, and its successors and assigns as more specifically set forth in Section P above.

T. "Dwelling Unit" shall mean any building or portion of a building situated upon a Lot or Parcel designed and intended for use and occupancy as a residence by a single family.

U. "Exempt Property" shall mean the following parts of Sun City Vistoso:

- (1) All land and improvements owned by or dedicated to and accepted by the United States, the State of Arizona, Pima County, or any political subdivision thereof, for as long as any such entity or political subdivision is

the owner thereof or for so long as said dedication remains effective;

- (2) All Association Land, for as long as the Association is the owner thereof;
- (3) All land within Sun City Vistoso which the Declarant, by this Declaration or other recorded instrument, makes available for use by Members of the Association and evidences its intent to convey to the Association at a later date, including but not necessarily limited to the golf course, the golf course pro shop, natural and landscaped open spaces;
- (4) Common Area; and
- (5) All commercial and church sites.

V. "First Mortgage" shall mean and refer to any unpaid and outstanding mortgage, deed of trust, or other security instrument on real property in the Project recorded in the office of the Clerk and Recorder of the County of Pima, Arizona, having priority of record over all other recorded liens except those governmental liens made superior by statute (such as general ad valorem tax liens and special assessments). "First Mortgagee" shall mean and refer to any person named as a Mortgagee or Beneficiary under any first mortgage or any successors to the interest of any such person under such first mortgage.

W. "Golf Course" or "Golf Course Facilities" shall mean the Golf Course and related facilities which will be owned and/or operated by the Association, and which will be constructed within the Project, and all appurtenances thereto, including the maintenance and other buildings, vehicles and equipment associated therewith. The Golf Course Facilities are Exempt Property.

X. "Government Mortgage Agency" shall mean the Federal Housing Administration, the Veterans Administration, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association or the Federal National Mortgage Association or any similar entity, public or private, authorized, approved or sponsored by any governmental agency to insure, guarantee, make or purchase mortgage loans.

Y. "Land Use Classifications" shall mean the classification to be established by the Declarant pursuant to Article IV, Section 1, which designates the type of improvements which may be constructed on a Lot, Parcel or Association Land and the purposes for which such improvements and surrounding land may be utilized.

Z. "Lease" shall mean a lease, whether oral or written and regardless of the term thereof, whereby the Owner of a Rental Apartment in an Apartment Development lets such Rental Apartment to a Lessee. A Lease (when the term is so capitalized) shall not, for purposes of this Declaration, include any subleases or any leasing arrangements involving property other than a Rental Apartment in an Apartment Development.

AA. "Lessee" shall mean the Lessee under a Lease, including an assignee of a Lease but excluding any person who has assigned all of his interest in a Lease.

BB. "Lot" shall mean any area of real property within Sun City Vistoso designated as a residential Lot on any subdivision plat recorded or approved by Declarant with the exception of the Common Areas, open spaces and streets, but together with all appurtenances, improvements, and residences now or hereafter built or placed on the Lot.

CC. "Maintenance Charges" shall mean any and all costs assessed pursuant to Article X, Sections 2 or 3.

DD. "Master Development Plan" shall mean the Neighborhood Plan 1 C013-86-1, May 6, 1986 Rancho Vistoso approved by the County of Pima, as the same may be from time to time amended, a copy of which shall be on file at all times in the office of the Association.

EE. "Member" shall mean any person holding a Membership in the Association pursuant to this Declaration and without exception shall mean and refer to each Owner, including the Declarant, of a Lot in the Project, that is subject to assessment; Membership in the Association shall be appurtenant to, and may not be separated from, ownership of a Lot.

FF. "Membership" shall mean a Membership in the Association and the rights granted to the Owners, Lessees and Declarant pursuant to Article VI to participate in the Association.

GG. "Occupant" shall mean any person, other than an Owner, in rightful possession of a Lot.

HH. "Open Spaces and/or Natural Open Spaces" shall mean and refer to those areas designated on a recorded subdivision plat or Tract Declaration as areas of the Project to be left open and undeveloped with the exception of some additions to landscaping and any irrigation thereof. Unless otherwise stated in a subdivision plat or Tract Declaration, it is intended that all open spaces and/or natural open spaces shall be for the benefit of Sun City Vistoso and shall be conveyed to the Association and/or dedicated to the public or the County of Pima.

II. "Owner" shall mean (when so capitalized) the record holder of legal title to the fee simple interest in any Lot or Parcel including contract sellers, but excluding others who hold such title merely as security. In the case of Lots or Parcels the fee simple title to which is vested of record in a trustee pursuant to Arizona Revised Statutes, Section 33-801 et seq., legal title shall be deemed to be in the Trustor. An Owner shall include any person who holds record title to a Lot or Parcel in joint ownership with any other person or holds an undivided fee interest in any Lot or Parcel.

JJ. "Parcel or Tract" shall mean any area of real property within Sun City Vistoso limited by a Tract Declaration to one of the following Land Use Classifications: Apartment Development, General Commercial, Church Site, Well Site, Model Home Site, Common Area, Natural Open

Space, or other use determined to be suitable by Declarant in accordance with Article IV, Section 1 herein. The term Parcel shall also include an area of land within Sun City Vistoso as to which a Tract Declaration has been recorded designating the area for Single Family Residential use or Cluster Residential use but which has not yet been subdivided into Lots and related amenities and rights of way, but any such area shall cease to be a Parcel upon the recordation of a subdivision plat or other instrument covering the area and creating Lots and related amenities. A Parcel shall not include a Lot, any Exempt Property or any Association Land but, in the case of stage developments, shall include areas not yet included in a subdivision plat or other recorded instrument creating Lots and related amenities.

KK. "Project and/or Properties" shall mean the property situated in the County of Pima, State of Arizona, as described in Exhibit "A" to this Declaration, and such later additions to Sun City Vistoso of contiguous land as may by annexation be brought within the purview of this Declaration.

LL. "Recording" shall mean placing an instrument of public record in the office of the County Recorder of Pima County, Arizona, and "Recorded" shall mean having been so placed of public record.

MM. "Recreational Facilities" shall mean all real property (including the improvements thereon) owned by the Association for the common recreational use and enjoyment of the Members. This shall include but not necessarily limited to the following types of uses: golf course, miniature golf, tennis, bocce ball, shuffle board, jogging, par course, picnic ground, swimming pools, racket and handball courts, arts and crafts and hobby centers, club and meeting rooms, restaurants, snack shops, and social hall. The initial recreational facilities to be conveyed to and owned by the Association are legally described on Exhibit "B" attached hereto and incorporated herein by this reference. Additional facilities may be conveyed by Declarant to the Association and upon any such conveyance, shall become a part of the recreational facilities as defined herein.

NN. "Rental Apartments" shall mean Dwelling Units within a permanent improvement consisting of four (4) or more commercially integrated Dwelling Units under a single ownership upon one or more contiguous Parcels, each of which is designed and utilized, otherwise than as a hotel or on some other transient basis, for rental or leased residential purposes to non-owners on a non-cooperative basis. This term is intended to include rented or leased apartments in the typically regarded sense as of the date hereof, and it is not intended to include unusual or atypical arrangements or any arrangements whereby the Apartment occupant is, directly or indirectly, an owner or beneficiary of ownership in his apartment or whereby he occupies his apartment pursuant to some form of reciprocal use agreement, irrespective of whether any such arrangements may otherwise fall within the aforesaid definition.

OO. "Residence" shall mean a dwelling on any Lot, including a detached single family house, a garden villa, a patio home, one-half (½) of a duplex, an apartment, etc.

PP. "Resident" shall mean:

- (1) An owner actually residing on any part of the Assessable Property;
- (2) Each buyer under a contract of sale covering any part of the Assessable Property, regardless of whether the contract is recorded, and each Tenant (other than a Lessee) actually residing on any part of the Assessable Property;
- (3) Members of the immediate family of each Owner and of each buyer and Tenant referred to in subparagraph (1) actually living in the same household with such Owner or such buyer or Tenant; and
- (4) Lessees, but only if the Tract Declaration for commercial apartment use established residence status for Lessees.

Subject to such rules and regulations as the Association may hereafter specify (including the imposition of special non-resident fees for use of the Association Land if the Association shall so direct), the term "Resident" also shall include the guests or invitees of any such Owner, buyer or Tenant, if and to the extent the Board in its absolute discretion by resolution so directs.

QQ. "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) persons not all so related, who maintain a common household in a Dwelling Unit or residence.

RR. "Special Assessment" shall mean any assessment levied and assessed pursuant to Article VII, Section 6.

SS. "Special Use Fees" shall mean special fees authorized by this Declaration which an Owner, Lessee, Resident or any other person is obligated to pay to the Association over, above and in addition to any Annual or Special Assessments or Maintenance Charges imposed or payable hereunder.

TT. "Subdivision Plat" shall mean a recorded plat, other than the Master Development Plan, causing a legal subdivision of all or any part of the Project.

UU. "Sun City Vistoso" shall mean the real property described on page 1 of this Declaration, the legal description of which is attached hereto as Exhibit "A" and the development to be completed thereon, including any additions or annexations thereto as permitted pursuant to this Declaration.

VV. "Sun City Vistoso Rules" shall mean the rules for Sun City Vistoso adopted by the Board pursuant to Article V, Section 3.

WW. "Sun City Vistoso Development Standards" shall mean the rules and standards established by the Sun City Vistoso Architectural Review Committee which rules shall become part of this Declaration enforceable in the same manner as this Declaration.

XX. "Tract Declaration and/or Homeowner Declaration" shall mean a Declaration recorded pursuant to Article IV, Section 1 of this Declaration to which subdivisions of the Properties may hereafter be subjected. Each such Declaration must be approved and executed by Declarant and recorded in the office of the Recorder of the County of Pima.

YY. "Homeowner Association" shall mean and refer to any Arizona non-profit corporation, its successors and assigns, organized and established by Declarant pursuant to or in connection with any Tract or Homeowner Declaration governing a specific subdivision of land from within the Properties.

ZZ. "Visible From Neighboring Property" shall mean, with respect to any given object, that such object is or would be visible to a person six feet tall, standing at ground level on any part of such neighboring property.

ARTICLE II

PROPERTY SUBJECT TO SUN CITY VISTOSO DECLARATION

Section 1. General Declaration Creating Sun City Vistoso. Declarant intends to develop Sun City Vistoso by subdivision into various Lots and Parcels and to sell and convey such Lots and Parcels. As portions of Sun City Vistoso are developed, Declarant intends, with respect to particular property, to record one or more Tract Declarations covering Lots and Parcels and designating Common Areas and easements which will incorporate this Declaration and which will establish such additional covenants, conditions, and restrictions as may be appropriate for that property. Declarant hereby declares that all of the real property within Sun City Vistoso is and shall be held, conveyed, hypothecated, encumbered, leased, occupied, built upon or otherwise used, improved or transferred, in whole or in part, subject to this Declaration and any recorded Tract Declaration applicable thereto, as amended or modified from time to time; provided, however, property which is not part of a Lot or Parcel, properties which are specifically exempt, and properties which are dedicated to the public or a governmental entity for public purposes shall not be subject to this Declaration and the Covenants herein contained while owned by the public or the governmental entity, although restrictions imposed in this Declaration upon the Owners, Lessees and Residents concerning the use and maintenance of such exempt and public areas shall at all times apply to the Owners, Lessees and Residents. This Declaration and the Tract Declarations are declared and agreed to be in furtherance of a general plan for the subdivision, improvement and sale of Sun City Vistoso and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of Sun City Vistoso and every part thereof. All of this Declaration shall run with all Lots, Parcels and Association Land for all purposes and shall be binding upon and inure to the benefit of Declarant, the Association, all Owners, Lessees and Residents and their successors in interest.

Nothing in this Declaration shall be construed to prevent the Declarant from modifying the Master Development Plan or any portions thereof as to which a Tract Declaration has not been recorded or from dedicating or conveying portions of Sun City Vistoso, including streets or roadways, for uses other than as a Lot, Parcel or Association Land.

Section 2. Association Bound. Upon issuance of a Certificate of Incorporation by the Arizona Corporation Commission to the Association, the Covenants shall be binding upon and shall benefit the Association.

Section 3. Superseded Declaration. This Master Declaration supersedes and replaces in full the Superseded Declaration as of the date of recordation of this Master Declaration. Upon the effective date of this Master Declaration, the Superseded Declaration shall cease to be of any force and effect except with respect to events occurring prior to the effective date of this Master Declaration. Any Tract Declaration recorded pursuant to the Superseded Declaration shall be subject to this Master Declaration, and any reference in any previously recorded Tract Declaration to the "Master Declaration" shall be deemed to refer to this document.

ARTICLE III

EASEMENTS AND RIGHTS OF ENJOYMENT IN COMMON AREAS

Section 1. Easements of Enjoyment. Every Owner, Lessee and other Member of the Association shall have a non-exclusive right and easement of enjoyment in and to the Common Areas, which easement shall be appurtenant to and shall pass with the title to every Lot, Parcel and Lease, subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other Special Use Fees for the use of any facility situated upon the Common Areas. Fees shall be uniform among Members;

(b) The right of the Association to suspend the voting rights and right to use of the facilities and Common Areas by any Member (i) for any period during which any Assessment against his Lot, Parcel or Lease remains delinquent; (ii) for a period not to exceed sixty (60) days for any infraction of this Declaration, a Tract Declaration or the Sun City Vistoso Rules, and (iii) for successive sixty (60) day periods if any such infraction is not corrected during any prior sixty (60) day suspension period;

(c) The right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Association. Unless otherwise required by zoning stipulations or agreements with the County of Pima effective prior to the date hereof or specified on a recorded subdivision plat, no such dedication or transfer shall be effective unless (i) such action is approved in writing by such Government Mortgage Agencies as have insured, made or purchased mortgage loans on any of the Lots in the Properties and is

approved by two-thirds (2/3) of the votes of each type of Membership, and approved by all First Mortgagees of Lots; (ii) written notice of the proposed agreement and action thereunder is sent to every Member at least thirty (30) days in advance of any action taken; (iii) such dedication or transfer is approved by the County of Pima, Arizona, or any successor governmental entity having jurisdiction over the Properties, if required by resolutions or ordinances thereof. Notwithstanding the foregoing, the Board shall have authority to transfer to such public agencies, authorities or utilities such permits, licenses, and easements for public utilities, roads and/or for other purposes consistent with the intended use of the Common Areas or as provided for in this Declaration or subsequent Tract Declarations and reasonably necessary or useful for the proper use, maintenance or operation of the Properties, which are intended to benefit Sun City Vistoso and which do not have any substantial adverse effect on the enjoyment of the Common Areas by the Members;

(d) The right of the Association to regulate the use of the Common Areas through the Sun City Vistoso Rules and to prohibit access to those Common Areas, such as landscaped rights-of-way, not intended for use by the Members. The Sun City Vistoso Rules shall be intended, in the absolute discretion of the Board, to enhance the preservation of the Common Areas or the safety and convenience of the users thereof, or otherwise shall serve to promote the best interests of the Owners, Lessees and Residents;

(e) The right of the Association to close or limit the use of the Common Areas, or portions thereof, while maintaining and repairing the same;

(f) The right of the Declarant, reserved hereby, to non-exclusive use of the Properties, including all Common Property, for display, sales, promotional, and other purposes deemed useful by Declarant and its agents and representatives in advertising or promoting Sun City Vistoso. This right shall permit Declarant to allow unlimited use by guests and prospective customers of all Common Areas and recreational facilities thereon, and shall terminate upon closing of the sale of the last lot in Sun City Vistoso, or January 1, 1997, whichever first occurs; and

(g) The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Areas and, with written consent of two-thirds (2/3) of the votes of each type of Membership, and one hundred percent (100%) of all First Mortgagees of Lots to mortgage said Property as security for any such loan.

Section 2. Delegation of Use. Any Member may, in accordance with the Sun City Vistoso Rules and the limitations therein contained, the Bylaws and this Declaration (a) delegate his right of enjoyment in the Common Areas and facilities to the members of his family, his tenants, or his guests or invitees; or (b) designate another person to exercise all of

his rights (but not liabilities or voting rights), which other person shall, during the period of such designation, have the sole right to delegate rights of enjoyment pursuant to subsection (a) of this Section 2.

Section 3. Payment of Taxes or Insurance by Mortgagees. First Mortgagees of Lots shall have the right, jointly or singularly, to pay taxes or other charges or assessments which are in default and which may or have become a lien against the Common Areas and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for the Common Areas, and any First Mortgagee making any such payment shall be owed immediate reimbursement therefore from the Association.

ARTICLE IV

LAND USE CLASSIFICATIONS, PERMITTED USES AND RESTRICTIONS

Section 1. Land Use Classifications. As portions of Sun City Vistoso are readied for development, the Land Use Classifications, restrictions, easements, right-of-way, and other matters, including new or different uses and restrictions therefor and including any number of subclassifications thereof for any special uses, shall be fixed by Declarant in a Tract Declaration which may be recorded on that portion of the Project being developed. Any such Tract Declaration shall be construed as a supplement to this Declaration and fully a part hereof for all purposes to the same extent as if all of the provisions thereof were set forth in this Declaration and vice versa. The land use classifications for Lots, Parcels, Tracts and Association Land established by a Tract Declaration shall not be changed except as specifically permitted by this Declaration. Contemplated Land Use Classifications are as follows:

(a) Single Family Residential Use.

(b) Cluster Residential Use, which shall consist of Lots with Dwelling Units intended for Single Family occupancy and may include those types of residential housing arrangements known as patio homes, garden villas, duplexes, clustered housing, zero-lot line housing and similar arrangements, together with related areas intended for the use and enjoyment of the Owners and Residents of the Lots in the cluster development.

(c) Apartment Development Use.

(d) Commercial Use.

(e) General Office Use.

(f) Association Use, which may include Common Areas.

(g) Church Use.

(h) Utility Use.

(i) General Public Use.

(j) Golf Course Use.

Unless otherwise specifically provided in this Declaration, the definitions and characteristics of such Land Use Classifications, and specific permitted and prohibited uses in such Classifications, shall be determined in the Tract Declaration. All Tract Declarations shall be subject to applicable zoning laws.

Section 2. Covenants, Conditions, Restrictions and Easements
Applicable to Lots and Parcels Within All Land Use Classifications. The following covenants, conditions, restrictions and reservations of easements and rights shall apply to all Lots, Parcels and Leases, the Owners and Lessees thereof and all Residents and occupants, regardless of Land Use Classifications.

(a) Age Restrictions. Each Dwelling Unit in Sun City Vistoso, if occupied, shall be occupied by at least one (1) person not less than forty-five (45) years of age and no person eighteen (18) years of age or under shall reside in any Dwelling Unit.

(b) Architectural Control. No improvements, alterations, repairs, excavation, grading, landscaping or other work which in any way alters the exterior appearance of any property within Sun City Vistoso, or the improvements located thereon, from its natural or Declarant improved state existing as of completion of Declarant's constructions thereon or improvements thereto shall be made or done without prior approval of the Architectural Review Committee except as otherwise expressly provided in this Declaration. Other than as constructed by Declarant. No building, fence, wall, residence or other structure shall be commenced, erected, maintained, improved, altered, or made without the prior written approval of the Architectural Review Committee. All subsequent additions to or changes or alterations in any building, fence, wall or other structure, including exterior color scheme, and all changes in the grade of Lots or Parcels, shall be subject to the prior written approval of the Architectural Review Committee. No changes or deviations in or from the plans and specifications once approved by the Architectural Review Committee shall be made without prior written approval of the Architectural Review Committee. All original construction as well as any modifications or additions thereto as shall be constructed by Declarant shall be exempt from the provisions of this paragraph.

(c) Animals and Wildlife. (i) No animal, bird, fowl, poultry or livestock, other than a reasonable number of generally recognized house or yard pets, shall be maintained on any Lot or Parcel and then only if they are kept, bred or raised thereon solely as domestic pets and not for commercial purposes. No animal, bird, fowl, poultry, or livestock shall be allowed to make an unreasonable amount of noise or to become a nuisance. No

structure for the care, housing or confinement of any animal, bird, fowl, poultry, or livestock shall be maintained so as to be Visible From Neighboring Property. Each Owner shall be responsible for the immediate removal and disposal of all solid animal waste of his pet from his lot, Association Lands, and Common Areas (including Common Area established by subdivision plats and Tract Declarations). No animals shall be permitted upon Common Areas except as controlled on a leash or similar device held by its Owner. Upon the written request of any Member, the Architectural Review Committee shall conclusively determine, in its sole and absolute discretion, whether, for the purposes of this Section, a particular animal, bird, fowl, poultry, or livestock is a generally recognized house or yard pet, whether such a pet is a nuisance, or whether the number of animals or birds on any such property is reasonable. Any decision rendered by the Architectural Review Committee shall be enforceable in the same manner as other restrictions contained herein. Declarant shall have the authority to exempt from the foregoing restrictions, or portions thereof, a pet shop in a General Commercial or Shopping Center Land Use Classification. (ii) Owners will take precaution as required to prevent the alteration of native fauna by insuring that pet food, garbage, and refuse are properly stored, covered and disposed of.

(d) Temporary Occupancy and Temporary Buildings. No trailer, basement of any incomplete building, tent, shack, garage or barn, and no temporary buildings or structures of any kind, shall be used at any time for a residence, either temporary or permanent. Temporary buildings or structures used during the construction of a dwelling or other improvements or as a sales office on any property shall be removed immediately after the completion of construction.

(e) Storage Sheds and Outside Storage. No storage buildings or sheds, whether prefabricated, metal or any other construction whatsoever, whether permanent or temporary, shall be moved, placed, assembled, constructed or otherwise maintained on any Lot. No furniture, fixtures, appliances, or other goods and chattels not in active use shall be stored in any building or open area or on any Lot in such manner that such material is Visible from Neighboring Property or Common Areas.

(f) Maintenance of Landscaping. All landscaping installed must be in accordance with the Sun City Vistoso Development Standards as adopted by the Architectural Review Committee. The theme for landscaping shall emphasize plantings and other features which will compliment and enhance the native, existing character. Certain plantings will be prohibited as defined by the Development Standards and as may be further prohibited by local governmental regulations. An Owner shall, within ninety (90) days after the closing of the purchase of his dwelling unit substantially complete all landscaping of the Lot not otherwise provided by Developer. Approved landscaping after installation will be maintained as required to provide a neat and attractive

appearance. Removal of dead bushes and trees and removal of trash and debris will be accomplished as required to this effect. The Architectural Review Committee will be the sole and final judge as to whether or not landscaping after installation has met the approved criteria and whether or not it is, at any given time, maintained properly to the standards established by this Declaration and the Development Standards. The Association will have the right to require any Owner to landscape and/or maintain landscaped areas, or to maintain natural areas in its natural state on any right-of-way between a Lot and a sidewalk, street, or path which is immediately adjacent to such Lot. The Association also has the right, by agreement with the Owners, to maintain parts of Lots or Parcels directly adjacent to public or private rights-of-way at the expense of the Association when the Board determines that it is to the benefit of all Members that the Association accept such responsibility.

(g) Nuisances; Construction Activities; Hazardous Activities; Lighting. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot or Parcel, and no odors or loud noises shall be permitted to arise or emit therefrom, so as to render any such property or any portion thereof, or activity thereon, unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to the occupants of such other property. Woodpiles or other material shall be stored in a manner so as not to be attractive to native rodents, snakes, and other animals and to minimize the potential danger from fires. No other nuisance shall be permitted to exist or operate upon any Lot or Parcel so as to be offensive or detrimental to any other property in the vicinity thereof or to its occupants. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, firecrackers, bells or other sound devices, except wind chimes and security devices used exclusively for security purposes, shall be located, used or placed on any residential lot. Normal construction activities and parking in connection with the building of improvements on a Lot or Parcel shall not be considered a nuisance or otherwise prohibited by this Declaration. The Board in its sole discretion shall have the right to determine the existence of any nuisance. No activities shall be conducted upon or adjacent to any Lot or Parcel or within improvements constructed thereon which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any of the properties, no explosives of any kind shall be discharged or stored upon any of the properties and no open fires shall be lighted or permitted on the properties, except in a contained outdoor fireplace or barbecue unit while attended and in use for cooking purposes or within a safe and well-designed interior fireplace. No lighting will be permitted which causes unreasonable glare to Neighboring Property Owners, Neighborhoods or the Association lands.

(h) Diseases and Insects. No Owner shall permit any thing or condition to exist upon any Lot or Parcel which shall induce, breed or harbor infectious plant diseases or noxious insects.

(i) Repair of Building. No building or structure on any Lot or Parcel shall be permitted to fall into disrepair and each such building and structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished. In the event any building or structure is damaged or destroyed, then, subject to the approvals required by Subsection (a) above, such building or structure shall be immediately repaired or rebuilt or shall be demolished.

(j) Antennas. No antenna, satellite dish or other device for the transmission or reception of television or radio (including ham radios) signals or any other form of electromagnetic radiation shall be erected, used or maintained outdoors on any Lot or Parcel, whether attached to a building or structure or otherwise, unless approved by the Architectural Review Committee.

(k) Trash Containers and Collection. No garbage or trash shall be placed or kept on any Lot or Parcel, except in covered containers of a type, size and style which are approved by the Architectural Review Committee. In no event shall such containers be maintained so as to be visible from the street on any lot unless they are being made available for collection and then only for the shortest time reasonably necessary to effect such collection. All rubbish, trash, or garbage shall be removed from the Lots and Parcels and shall not be allowed to accumulate thereon. No outdoor incinerators shall be kept or maintained on any Lot or Parcel.

(l) Clothes Drying Facilities. Outside clotheslines or other outside facilities for drying or airing clothes shall not be erected, placed or maintained on any Lot or Parcel.

(m) Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Lot or Parcel except (i) such machinery or equipment as is usual and customary in connection with the use, maintenance or construction (during the period of construction) of a building, appurtenant structures, or other improvements; (ii) that which Declarant or the Association may require for the operation and maintenance of Sun City Vistoso; or (iii) that used in connection with any business permitted under a Tract Declaration.

(n) Signs. No signs whatsoever (including, but not limited to, commercial, political and similar signs) which are Visible From Neighboring Property shall be erected or maintained on any Lot or Parcel except:

(i) Signs required by legal proceedings.

(ii) No more than one (1) identification sign for individual residences.

(iii) Signs, such as For Sale Signs, the nature, number, and location of which have been approved in advance and in writing by the Architectural Review Committee.

(iv) Signs of Declarant on any Lot or Parcel.

(v) Such other signs (including but not limited to builder signs, shopping center, apartment and business identification signs) which are in conformance with the requirements of the County of Pima and which have been approved in writing by the Architectural Review Committee as to size, colors, design, message content and location.

(o) Restriction on Further Subdivision, Property Restrictions and Rezoning. No Lot or Parcel shall be further subdivided or separated into small lots or parcels by any Owner, and no portion less than all of any such Lot or Parcel, nor any easement or other interest therein, shall be conveyed or transferred by any Owner, without the prior written approval of the Board, which approval must be evidenced on the plat or other instrument creating the subdivision, easement or other interest. This provision shall not, in any way, limit Declarant from subdividing or separating into Lots or Parcels any property at any time owned by Declarant and which has not previously been platted or subdivided into Lots or from resubdividing the same. No portion of a Lot but for the entire Lot, together with the improvements thereon, may be rented, and then only to a single family. No further covenants, conditions, restrictions or easements shall be recorded by any Owner, Lessee, or other person against any Lot or Parcel without the provisions thereof having been first approved in writing by the Board and any covenants, conditions, restrictions or easements recorded without such approval being evidenced thereon shall be null and void. No application for rezoning of any Lot or Parcel, and no applications for variances or use permits, shall be filed with any governmental authority unless the proposed use of the Lot or Parcel has been approved by the Board and the proposed use otherwise complies with this Declaration and any applicable Trust Declaration.

(p) Utility Easements. There is hereby created a blanket easement upon, across, over and under each Lot and Parcel for ingress to, egress from, and the installation, replacing, repairing and maintaining of, all utility and service lines and systems, including, but not limited to water, sewers, gas, telephones, electricity, television cable or communication lines and systems, etc. as such utilities are installed in connection with the initial development of the Lot or Parcel and the construction of the first Dwelling Unit or other building thereon. Pursuant to this easement, a providing utility or service company may install and maintain facilities and equipment on the property

and affix and maintain wires, circuits and conduits on, in and under the roofs and exterior walls of buildings on the Lots and Parcels. Notwithstanding anything to the contrary contained in this Subsection, no sewers, electrical lines, water lines, or other utilities or service lines may be installed or relocated on any Lot or Parcel except as initially programmed and approved by the Declarant, or, if requested after recordation of a Tract Declaration, as approved by the Owner and the Architectural Review Committee.

(q) Party Walls. Except as hereinafter provided, the rights and duties of Owners with respect to Party Walls between Lots and between Lots and Parcels or Party Fences between Lots and between Lots and Parcels shall be as follows:

(i) The Owners of contiguous Lots or Parcels who have a Party Wall or Party Fence shall both equally have the right to use such Wall or Fence, provided that such use by one Owner does not interfere with the use and enjoyment of same by the other Owner.

(ii) In the event that any Party Wall or Party Fence is damaged or destroyed through the act of an Owner or any of his tenants, Lessees, agents, guests, or members of his family (whether or not such act is negligent or otherwise culpable), it shall be the obligation of such Owner to rebuild and repair the Party Wall or Party Fence without cost to the Owner of the adjoining Lot or Parcel. Any dispute over an Owner's liability for such damage shall be resolved as provided in subsection (v) below, but any liability imposed on an Owner hereunder shall not prevent the Owner from seeking indemnity therefor from the persons causing such damage.

(iii) In the event any Party Wall or Party Fence is destroyed or damaged (including deterioration from ordinary wear and tear and lapse of time), other than by the act of an adjoining Owner, his tenants, Lessees, agents, guests or family, it shall be the obligation of all Owners whose Lots or Parcels adjoin such Party Wall or Party Fence to rebuild and repair such Wall or Fence at their joint expense, such expense to be allocated among the Owners in accordance with the frontage of their Lots or Parcels on the Party Wall or Party Fence.

(iv) Notwithstanding anything to the contrary herein contained, there shall be no impairment of the structural integrity of any Party Wall or Party Fence without the prior consent of all Owners of any interest therein, whether by way of easement or in fee.

(v) In the event of a dispute between Owners with respect to the construction, repair or rebuilding of a Party Wall or Party Fence, or with respect to any other matter in

connection therewith, then upon written request of one of such Owners addressed to the Association the matter shall be submitted to arbitration under such rules as may from time to time be adopted by the Association. If such rules have not been adopted by the Association, then the matter shall be submitted to three (3) Arbitrators, one chosen by each of the Owners and the third by the two (2) so chosen, or if the two (2) Arbitrators cannot agree as to the selection of the third Arbitrator within ten (10) days, then by any Judge of the Superior Court of Pima County, Arizona. A determination of the matter signed by any two (2) of the three (3) Arbitrators shall be binding upon the Owners, who shall share the cost of Arbitration equally. In the event one party fails to choose an Arbitrator within ten (10) days after receipt of a request in writing for Arbitration from the other party, then the other party shall have the right and power to choose both Arbitrators.

(vi) In the case of Party Fences (1) between Common Areas and Lots or Parcels, or (2) constructed by the Declarant or the Association on Common Areas within a Lot or Parcel, the Association shall be responsible for all maintenance thereof, subject to the provisions of Article X, Sections 2 and 3, except that each Owner of a Lot or Parcel shall be responsible for painting the portion of the Party Fence facing his Lot or Parcel or the portion thereof which is not a portion of the Common Area, and

(vii) The provisions of this Subsection (p) shall not apply to any Party Wall which separates the interiors of two (2) Dwelling Units and the rights of the Owners of such Dwelling Units with respect to Party Walls shall be governed by Tract Declarations to be recorded by the developer of the Dwelling Unit.

(viii) The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the residence and shall pass to and be binding upon such Owner's heirs, assigns and successors in title.

(r) Utility Service. No lines, wires, or other devices for the communication or transmission of electric current or power, including telephone, television, and radio signals, shall be erected, placed or maintained anywhere in or upon any Lot or Parcel unless the same shall be contained in conduits or cables installed and maintained underground or concealed in, under or on buildings, cabinets or other structures initially approved by Declarant, or subsequently approved by the Architectural Review Committee. No provision hereof shall be deemed to forbid the erection of temporary power or telephone structures incident to the construction of buildings or structures by Declarant or buildings and structures approved by the Architectural Review Committee.

(s) Overhead Encroachments. No tree, shrub, or planting of any kind on any Lot or Parcel shall be allowed to overhang or otherwise to encroach upon any sidewalk, street, pedestrian way or other area without the prior approval of the Architectural Review Committee. No fence, wall, tree, hedge or shrub planting which obstructs site lines at elevations between two (2) and six (6) feet above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of the street property lines extended.

(t) Walls and Fences. Other than as initially constructed by Declarant, no solid wall, fence or hedge of any type greater than three (3) feet six (6) inches in height shall be constructed or maintained closer than twenty (20) feet to the front Lot line of any Lot. Other than as initially constructed by Declarant, no side or rear wall or fence other than the wall of the building constructed on any of the said Lots shall be more than six (6) feet in height unless mandated by topographical considerations. No hedge located on any portion of any lot shall be permitted to be more than six (6) feet in height. No chain link or similar material shall be used as fence material on Lots in Sun City Vistoso.

(u) Trucks, Trailers, Recreational Vehicles, Campers and Boats. No motor vehicle classed by manufacturer rating as exceeding 3/4-ton, recreational vehicle, mobile home, travel trailer, tent trailer, trailer, camper shell, detached camper, boat, boat trailer, or other similar equipment or vehicle may be parked, maintained, constructed, reconstructed or repaired on any Lot or Parcel or on any street in Sun City Vistoso so as to be Visible From Neighboring Property, the Common Area or the Streets; provided however, the provisions of this Section shall not apply to (i) pickup trucks of less than 3/4-ton capacity with camper shells not exceeding seven (7) feet in height measured from ground level and mini-motor homes and/or passenger vans not exceeding seven (7) feet in height and eighteen (18) feet in length which are parked as provided in Subsection (v) below and are used on a regular and recurring basis for basic transportation, (ii) trucks, trailers and campers parked in areas designated for parking in non-residential Land Use Classifications in connection with permitted commercial activities conducted in such non-residential Land Use Classifications. Notwithstanding the foregoing, any of the above-described vehicles may be stored on a Lot or Parcel provided a garage or enclosed shelter for each vehicle is approved by the Architectural Committee and is constructed as an integral part of the dwelling or substructure and is maintained in the same manner as all other parts of the Unit(s) constructed thereon. The Architectural Review Committee may, however, at its discretion, determine local limitations as to size and shape of such vehicles to be stored, and such storage areas may not be permitted on certain individual Lots solely on

the merits of the overall aesthetic impact for that Lot, regardless of the fact that other Lots with other building designs, terrain features, and locations may have been give approval for like or similar structures for like or similar vehicles. The provisions of this Section shall not apply to cleaning, loading or unloading and short-term parking which shall be permitted for a cumulative period not to exceed seventy-two (72) hours in any calendar month.

(v) Motor Vehicles. No automobile, motorcycle, motorbike or other motor vehicle shall be constructed, reconstructed or repaired upon any Lot, Parcel or Street in Sun City Vistoso, and no inoperable vehicle may be stored or parked on any such Lot, Parcel or Street, so as to be Visible From Neighboring Property or to be visible from Common Areas or streets; provided, however, that the provisions of this Section shall not apply to (i) emergency vehicle repairs or temporary construction shelters or facilities maintained during, and used exclusively in connection with, the construction of any improvement approved by the Architectural Review Committee; (ii) any automobile repair business which may be permitted in any General Commercial or Shopping Center Land Use Classification; (iii) the parking of such vehicles during normal business in areas designated for parking in a non-residential Land Use Classification; and (iv) vehicles parked in garages on Lots or Parcels so long as such vehicles are in good operating condition and appearance and are not under repair.

(w) Parking. It is the intent of the Declarant to restrict On-Street parking as much as possible. Vehicles of all Owners, Lessees and Residents, and of their employees, guests and invitees, are to be kept garages, carports, residential driveways of the Owner, and other designated parking areas wherever and whenever such facilities are sufficient to accommodate the number of vehicles at a Lot or Parcel; provided, however, this Section shall not be construed to permit the parking in the above-described areas of any vehicle whose parking on Sun City Vistoso is otherwise prohibited or the parking of any inoperable vehicle.

(x) Right of Entry. During reasonable hours and upon reasonable notice to the Owner or other occupant of a Lot or Parcel, any Member of the Architectural Review Committee, any Member of the Board, or any authorized representative of either of them, shall have the right to enter upon and inspect any Lot or Parcel, and the improvements thereon, except for the interior portions of any completed residence, for the purpose of ascertaining whether or not the provisions of this Declaration have been or are being complied with and such persons shall not be deemed guilty of trespass by reason of such entry.

(y) Declarant's Exemption. Nothing contained in this Declaration shall be construed to prevent the erection or maintenance by Declarant, or its duly authorized agents, of

structures, improvements or signs necessary or convenient to the development or sale of property within Sun City Vistoso.

(z) Health, Safety and Welfare. In the event additional uses, activities, and facilities are deemed by the Board to be a nuisance or to adversely affect the health, safety or welfare of Owners, Lessees and Residents, the Board may make rules restricting or regulating their presence on Sun City Vistoso as part of the Sun City Vistoso Rules or may direct the Architectural Review Committee to make rules governing their presence on Lots or Parcels as part of the architectural guidelines.

(aa) Model Homes. The provisions of this Declaration and of Tract Declarations which prohibit non-residential use of Lots and Parcels and regulate parking of vehicles shall not prohibit the construction and maintenance of model homes by Declarant and parking incidental to the visiting of such model homes.

Section 3. Covenants, Conditions, Restrictions and Easements Applicable to Lots Within Single Family Residential Land Use Classifications. The following covenants, conditions, restrictions and reservations of easements and rights shall apply only to Lots and the Owners and Residents thereof lying within any Single Family Land Use Classification:

(a) General. Property classified as "Single Family Residential" under a Tract Declaration may be used only for the construction and occupancy of single family detached dwellings and typical residential activities incidental thereto, such as the construction and use of a family swimming pool. All property within such Land Use Classification shall be used, improved, and devoted exclusively to Single Family residential use. No gainful occupation, profession, trade or other nonresidential use shall be conducted on any such property and no person shall enter into any Lot for engaging in such uses or for the purposes of receiving products or services arising out of such usage. No structure whatever, other than one private, single family residence, together with a private garage, shall be erected, placed or permitted to remain on any Lot.

(b) Tenants. The entire Dwelling Unit on a Lot may be let to a single family tenant from time-to-time by the Owner subject to the provisions of this Declaration and the Sun City Vistoso Rules.

Section 4. Covenants, Conditions and Restrictions Applicable to all Lots and Parcels Bordering a Golf Course. The following covenants, conditions and restrictions and reservation of easements and rights shall apply only to Lots and Parcels and the Owners and Residents thereof lying along the boundary of a Sun City Vistoso golf course:

(a) Walls, Fences and Landscaping. No wall or fence of any nature shall be built, erected, placed or permitted to remain on Lots or Parcels bordering any golf course within a distance of fifteen (15) feet of the rear property line of a height greater

than five (5) feet with any portion thereof in excess of three (3) feet in height being limited to open wrought iron construction. In the event a swimming pool is placed on a Lot bordering a golf course, that portion of any fence which is in excess of three (3) feet in height must be of wrought iron if it is located within fifteen (15) feet of the rear property line. Landscaping shall be planned for any Lot bordering a golf course so as to avoid undue obstruction of the view of the golf course from said Lot and from any Neighboring Lots. Landscaping of Common Areas and Lots bordering the golf course shall be maintained so as to avoid undue obstruction of the view of the golf course from the Lots and other Common Areas bordering said golf course. Specifically, but not to the exclusion of the general statement above, no fence, wall, hedge, shrub or other planting which obstructs sight lines at elevations higher than three (3) feet above the finished floor grade of any Dwelling Unit bordering the golf course shall be placed or planted by an Owner, the Association or any homeowner Association within fifteen (15) feet of the boundary between the Lot or Common Area and said golf course. Other than as initially installed by Declarant, no trees shall be permitted of any Common Area bordering a golf course.

(b) Disclaimer Applicable to Golf Course. Each Owner, occupant, Tenant or other person acquiring any interest in Lots and Parcels in the Project is hereby deemed to acknowledge being aware that for such period of time as the golf course is being utilized as such, it can be expected that (i) maintenance activities on the golf course shall begin early in the morning and extend late into the evening; (ii) during certain periods of the year, the golf course will be heavily fertilized; (iii) golf balls are not susceptible of being easily controlled and accordingly may land or strike beyond the golf course boundaries. Neither the Declarant or the Association, nor any employee or agent of the Declarant or the Association shall be liable for personal injury or property damage caused by golf balls; and (iv) from approximately December of 1989, reclaimed and retreated waste water (effluent) will be used to water the golf course, all in accordance with the Water Conservation Regulations and Requirements of the local authority whether state, county or local.

ARTICLE V

ORGANIZATION OF ASSOCIATION

Section 1. Formation of Association. The Association shall be a non-profit Arizona corporation charged with the duties and vested with the powers prescribed by law and set forth in the 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.

Section 2. Board of Directors and Officers. The affairs of the Association shall be conducted by the Board of Directors and such

officers as the Board may elect or appoint in accordance with the Articles and the Bylaws as the same may be amended from time to time. The Board of Directors shall be composed of at least five (5) and no more than nine (9) members. The initial Board shall be composed of five (5) members. The Association, through the Board of Directors, unless specifically provided otherwise, shall have the duty of enforcement of all provisions of this Declaration, the right to enforce the provisions of all Tract Declarations, and shall have the right and be responsible for the proper and efficient management and operation of the Association Land, Common Areas and recreational facilities, including:

(a) Maintaining, operating and rebuilding the entrance area and any improvements thereon;

(b) Maintaining and landscaping the Association Lands, Common Areas, open spaces, recreational facilities and any other properties or easements controlled by the Association, including easements, trails, paths and roads, if any;

(c) Operating, maintaining (including insuring) and rebuilding, if necessary, signs, monuments, walls and fences, and other improvements originally constructed by Declarant or later constructed by the Association on Association Lands, Common Areas and easements granted to the Association, if any;

(d) Paying real estate taxes, assessments and other charges on the Association Lands;

(e) Insuring all improvements which the Association is obligated to maintain against damage by casualty with such companies and such limits as provided herein and as the Association deems appropriate;

(f) Hiring, firing, supervising and paying employees and independent contractors to carry out the obligations of the Association as set forth herein;

(g) Maintaining such liability insurance as the Association deems necessary to protect the Members and the Board of Directors from any liability caused by occurrences or happenings on or about any property owned or maintained by the Association (including, but not limited to, errors and omissions insurance for the Board of Directors);

(h) Maintaining workmens compensation insurance for the employees of the Association;

(i) Purchasing all goods, supplies, labor, and services reasonably necessary for the performance of the obligations set forth herein;

(j) Establishing and maintaining such cash reserves, if any, as the Association may, in its sole and absolute discretion, deem reasonably necessary for the maintenance and repair of the

Common Areas and recreational facilities, including but not limited to the establishment and maintenance of an Asset Replacement Fund;

(k) Payment of all utility services to the Association;

(l) Entering into such agreements and taking such actions as are reasonably necessary and convenient for the accomplishment of the obligations set forth in this Declaration and the operation and maintenance of the Association Land and facilities thereon as a first class multi-use development; and

(m) Such other matters and powers as are provided for in this Declaration, the Articles of Incorporation, and the Bylaws.

Section 3. The Sun City Vistoso Rules. The Board shall be empowered to adopt, amend, or repeal such Rules and Regulations as it deems reasonable and appropriate, which shall be binding upon all persons subject to this Declaration (collectively the "Sun City Vistoso Rules"), whether Members of the Association or not; provided, however, that the Sun City Vistoso Rules shall not discriminate among Members and shall not be inconsistent with this Declaration, the Articles or Bylaws. The Sun City Vistoso Rules may also include the establishment of a system of Fines and Penalties related to the enforcement and/or violation thereof. The Sun City Vistoso Rules may be established, modified or amended at any special or regular meeting of the Board.

The Sun City Vistoso Rules are deemed incorporated herein by this reference and shall have the same force and effect as if they were set forth in and were part of this Declaration and shall be binding on all persons having any interest in, or make any use of any part of the Association Land, Common Areas and recreational facilities, whether or not Members of the Association and whether or not copies of the Sun City Vistoso Rules are actually received by such persons. The Sun City Vistoso Rules, as adopted, amended, modified or repealed shall be available for review at the principal office of the Association to each person reasonably entitled thereto. In the event of any conflict between any provisions of the Sun City Vistoso Rules and any provisions of this Declaration or the Articles and Bylaws, the provisions of the Sun City Vistoso Rules shall be deemed to be superseded by the provisions of this Declaration, the Articles or Bylaws to the extent of any such conflict. Any monetary penalties or fines imposed by the Sun City Vistoso Rules shall not be treated as an assessment which may become a lien against the Members' Lot or Dwelling Unit enforceable by a sale thereof. The foregoing provision shall not apply to charges imposed against an Owner consisting of reasonable late payment penalties for delinquent assessments and/or charges to reimburse the Association for the loss of interest and for costs reasonably incurred (including attorneys' fees) in its efforts to collect delinquent assessments.

Section 4. Non-Liability of Officials and Indemnification. To the fullest extent permitted by law Declarant, and every Director, Officer, Committee Member, Manager or other employee of the Association and of the Declarant (to the extent a claim may be brought by reason of

Declarant's appointment, removal, or control of Members of the Board or its control over the Association or any Committee, Manager or employee thereof) shall not be personally liable to any Member, or to any other person, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error, or negligence of any thereof and shall be indemnified and defended by the Association; provided, however, the provisions set forth in this Section 4 shall not apply to any person or has failed to act in good faith or has engaged in willful or intentional misconduct. Every other person serving as an employee or direct agent of the Association, the Declarant or otherwise acting on behalf of, and at the request of the Association or Declarant may in the discretion of the Board be defended and indemnified by the Association.

Section 5. Homeowner Associations. Each and every homeowner association in Sun City Vistoso and the Articles of Incorporation, Bylaws and Rules and Regulations thereof shall be expressly subject and subordinate to the terms and provisions of this Declaration, the provisions of the Articles and Bylaws of the Association and the provisions of the Sun City Vistoso Rules. The foregoing notwithstanding, homeowner associations Tract Declarations, Bylaws and Rules shall control and be superior to this Declaration only insofar as they pertain to the maintenance, regulation and administration of the Common Areas and Tracts owned by the individual homeowner associations and the improvements thereon and on any Lots to be maintained by said homeowner associations.

Section 6. Managing Agent. All powers, duties and rights of the Association or the Board, as provided by law and herein, may be delegated to a Managing Agent under a Management Agreement. Any agreement for professional management shall not exceed a term of one year unless the terms thereof have been approved by a government mortgage agency, or have been approved by a vote or written assent of a majority of the voting power of the Association residing in Members other than the Declarant. The term of any such agreement may be renewed by agreement of the parties for successive one year periods. Any such agreement shall provide for termination by either party with or without cause and without payment of a termination fee upon ninety (90) days written notice; provided, however, that the Association may terminate the agreement for cause upon thirty (30) days written notice. The Association is expressly authorized to contract with Declarant, or an affiliate of Declarant, to provide management services or to perform other duties of the Association or the Board.

Section 7. Records and Accounting. The Association shall keep, or cause to be kept, true and correct books and records of the account at the sole cost and expense of the Association in accordance with generally accepted accounting principles. Financial statements for the Association shall be regularly prepared and distributed to all members regardless of the number of Members or the amount of assets of the Association as follows:

- (a) A pro forma operating statement (budget) for each fiscal year shall be distributed not less than sixty (60) days before the beginning of the fiscal year.

(b) An annual report consisting of the following shall be distributed within one hundred twenty (120) days after the close of the fiscal year:

- (1) A balance sheet as of the end of the fiscal year.
- (2) An operating (income) statement for the fiscal year.
- (3) A statement of changes in financial position for the fiscal year.

The annual report shall be prepared by an independent accountant for any fiscal year in which the gross income to the Association exceeds Seventy Five Thousand and No/100 (\$75,000.00) Dollars. If the annual report is not prepared by an independent accountant, it shall be accompanied by the certificate of an authorized Officer of the Association that the statements were prepared without audit from the books and records of the Association.

Section 8. Inspection of Books and Records. The Membership register, books of account and minutes of meetings of the Members, of the Board of Directors and of Committees of the Board of Directors of the Association shall be made available for inspection and copying by any Member of the Association, or by his duly appointed representative, at any reasonable time and for a purpose reasonably related to his interest as a Member, at the office of the Association or at such other place within Sun City Vistoso as the Board shall prescribe. The Board shall establish reasonable rules with respect to: (1) notice to be given to the custodian of the records by the Member desiring to make the inspection; (2) hours and days of the week when such an inspection may be made; and (3) payment of the cost of reproducing copies of documents requested by a member. Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association.

ARTICLE VI

MEMBERSHIPS AND VOTING

Section 1. Owners of Lots and Parcels. Every Owner of a Lot which is subject to assessment shall be a Member of the Association. Each such Owner shall have the following number of Memberships:

- (a) One Membership for each Lot owned by the Member; and
- (b) One Membership for each completed Rental Apartment owned by the Member and not leased to a Lessee, but which has been previously leased to a Lessee.

Each such Membership shall be appurtenant to and may not be separated from ownership of the Lot, Dwelling Unit or Rental Apartment to which the Membership is attributable. There shall be only one Membership for each Lot, for each Dwelling Unit, and for each Rental Apartment which

Memberships shall be shared by any Joint Owners thereof, or Owners of undivided interests therein.

Section 2. Lessees. Every Lessee of a Rental Apartment during the period the Lessee has the right to occupy the Rental Apartment shall be a Member of the Association. Each Lessee shall have one Membership for each Rental Apartment leased by the Lessee, but there shall be only one Membership for each Rental Apartment. Each Membership shall be appurtenant to and may not be separated from the Lessee's Lease. Upon termination of a Lessee's Lease, the Membership held by the Lessee shall vest in the Owner of the Rental Apartment until the Membership is transferred to a new Lessee under this Section.

Section 3. Declarant. Declarant shall be a Member of the Association for so long as he holds a Class B Membership pursuant to Section 4 below or owns any Lot or Parcel in Sun City Vistoso.

Section 4. Voting. The Association shall have two (2) classes of voting Memberships:

Class A. Class A Memberships shall be all Memberships, except the Class B Membership held by the Declarant, and each Owner and Lessee shall be entitled to one vote for each Class A Membership held by the Owner or Lessee, subject to the authority of the Board to suspend the voting rights of the Owner or Lessee for violations of this Declaration in accordance with the provisions hereof.

Class B. There shall be one Class B Membership which shall be held by the Declarant (Del E. Webb Communities, Inc., its successors and assigns) and the Class B Membership shall be entitled to three (3) votes for each Lot owned by the Declarant. For purposes of this Section only and in order to pursue the development of Sun City Vistoso contemplated by the Master Development Plan, the Class B Member shall at any time be deemed to be the Owner of two thousand nine hundred (2,900) Lots, less the number of Lots equal to the number of Class A Memberships then held by Class A Members (net Class A Memberships held by Lessees). Because Sun City Vistoso is an expandable Project which will grow as additional property is acquired and annexed into Sun City Vistoso, it is acknowledged that the total number of Lots owned by Declarant may increase in proportion to the number of Lots annexed in accordance with the maximum density for the annexed property established by Pima County or other applicable governmental agency having jurisdiction over such matters. The Class B Membership shall cease and be converted to Class A Memberships, on the same basis of the number of Lots actually owned by Declarant, on the happening of the first of the following events:

(a) When the total votes outstanding in the Class A Memberships equal the total votes outstanding in the Class B Membership, or

(b) The first day of September, 1995.

Section 5. Right to Vote.

(a) No change in the ownership of a Membership shall be effective for voting purposes unless and until the Board is given actual written notice of such change and is provided satisfactory proof thereof. The vote for each such Membership must be cast as a Unit, and fractional votes shall not be allowed. In the event that a Membership is owned by more than one person or entity and such 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 Member casts a vote representing a certain Membership, it will thereafter be conclusively presumed for all purposes that he was acting with the authority and consent of all other owners of the same Membership unless objection thereto is made at the time the vote is cast. In the event more than one vote is cast for a particular Membership, none of the said votes shall be counted and all said votes shall be deemed void.

(b) Any mortgagee who acquires title to a Lot pursuant to a judgment of foreclosure or a trustee sale shall automatically become entitled to exercise all voting rights which the Owner of said Lot would otherwise have had.

(c) If any lender to whom Declarant has assigned, or hereafter assigns, as security, all or substantially all of its rights under this Declaration succeeds to the interests of the Declarant by virtue of said assignment, the absolute voting rights of the Declarant as provided herein shall not be terminated thereby, and such lender shall hold the Declarant's Memberships and voting rights on the same terms as they were held by Declarant.

Section 6. Cumulative Voting for Board Members. In any election of the members of the Board, every Owner of a Membership entitled to vote at such an election shall have the number of votes for each Membership equal to the number of Directors to be elected, except that the Class B Member shall have the number of votes designated in Section 4 above times the number of Directors to be elected. Each Member shall have the right to cumulate his votes for one candidate or to divide such votes among any number of the candidates. The candidates receiving the highest number of votes, up to the number of the Board Members to be elected, shall be deemed elected.

Section 7. Membership Rights. Each Member shall have the rights, duties and obligations set forth in this Declaration and such other rights, duties and obligations as are set forth in the Articles and Bylaws, as the same may be amended from time to time.

Section 8. Transfer of Membership. The rights and obligations of the Owner of a Class A Membership in the Association shall not be assigned, transferred, pledged, conveyed or alienated in any way except

upon transfer of ownership to an Owner's Lot. A transfer of ownership to a Lot may be effected by deed, intestate succession, testamentary disposition, foreclosure of a mortgage of record, or such other legal process as now in effect or as may hereafter be established under or pursuant to the laws of the State of Arizona. Any attempt to make a prohibited transfer shall be void. Any transfer of ownership to a Lot shall operate to transfer the Membership appurtenant to said Lot to the new Owner thereof.

Section 9. Adjustment in Votes of Class B Member. In the event the general plan of development contemplated by the Master Development Plan (or modification thereof) is expanded to include additional lands contiguous to Sun City Vistoso, and an annexation of said lands into Sun City Vistoso is recorded having previously been approved by the County of Pima or such other governmental agency as shall have jurisdiction over the property, then, in such event the number of Lots deemed owned by the Declarant pursuant to Section 4 above shall be increased by the number of Dwelling Units (maximum density) attributable on the Master Plan to the area so annexed.

ARTICLE VII

COVENANT FOR ASSESSMENTS AND CREATION OF LIEN

Section 1. Creation of Lien and Personal Obligation of Assessments. The Declarant, for each Lot hereinafter established within Sun City Vistoso, hereby covenants and agrees, and each Owner by acceptance of a deed therefor (whether or not it shall be so expressed in such deed) is deemed to covenant and agree, to pay to the Association the following assessments and charges: (1) Annual Assessments established by this Article VII, (2) Special Assessments for capital improvements or other extraordinary expenses or costs established by this Article VII, and (3) Maintenance Charges established by Article X, Sections 2 and 3, all such Assessments to be established and collected as hereinafter provided. There shall be no assessment for Lots and Planned Lots not annexed into the Project. The Annual and Special Assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the Lot and shall be continuing servitude and lien upon the Lot against which each such Assessment is made. The lien may be enforced by foreclosure of the lien on the defaulting Owner's Lot by the Association in like manner as a mortgage on real property. The lien for each unpaid assessment attaches to each Lot at the beginning of each assessment period and shall continue to be a lien against such Lot until paid. The costs and expenses for filing any notice of lien shall be added to the assessment for the Lot against which it is filed and collected as part and Parcel thereof. Each such Annual and Special Assessment, and Maintenance Charge, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of the Lot at the time when the Assessment fell due. The personal obligation for delinquent Assessments shall not pass to the successors in title of the Owner unless expressly assumed by them.

Section 2. Annual Assessments. In order to provide for the uses and purposes specified in Article IX hereof, including the establishment of replacement and maintenance reserves, the Board in each year, commencing with the year in which the first Tract Declaration is recorded,

shall assess against each Lot an Annual Assessment. For each Parcel upon which a Tract Declaration is recorded, the Annual Assessment for all Lots within the Parcel shall commence on the first day of the month following the closing of the first sale of a Lot in said Parcel. The initial payment, by an Owner other than Declarant of the Annual Assessment shall be made at the time of closing of the purchase of a Dwelling Unit and shall be paid annually thereafter. The amount of the Annual Assessment shall be in the sole discretion of the Board but shall be determined with the objective of fulfilling the Association's obligations under this Declaration and providing for the uses and purposes specified in Article IX.

Section 3. Uniform Rate of Assessment. The amount of any Annual or Special Assessment against each Lot or Parcel shall be fixed at a uniform rate per Lot or Planned Lot. Annual Assessments may be collected in advance on a monthly, quarterly or annual basis and Special Assessments may be collected as specified by the Board unless otherwise determined by the resolution of the Members of the Association approving the Special Assessment.

Section 4. Superiority of Assessment Lien. The Association's lien on each Lot for assessments shall be superior to any homestead exemption now or hereafter provided by the laws of the State of Arizona or any exemption now or hereafter provided by the laws of the United States. The acceptance of a deed subject to this Declaration shall constitute a waiver of the homestead and any other exemption as against said assessment lien. The assessment liens of the Association shall also be superior in all cases to the assessment liens of any Homeowners Association established by a Tract Declaration recorded on the Parcel.

Section 5. Maximum Annual Assessment. The initial Annual Assessment period shall commence on the first day of the month following the closing of the first sale of a Lot in Sun City Vistoso, and each subsequent Annual Assessment period shall correspond with the fiscal year of the Association. The Annual Assessment to be established by the Board may not exceed a certain amount, hereinafter referred to as the "Maximum Annual Assessment," which Maximum Annual Assessment shall be determined and shall vary in accordance with the following provisions:

(a) During the initial Annual Assessment period as defined above, the Maximum Annual Assessment against each Owner or Lessee shall be \$205.00 per year for each Lot owned.

(b) Effective with commencement of the first full fiscal year (the second Annual Assessment period) and each subsequent fiscal year, the Maximum Annual Assessment may be increased by the Board without a vote of the Membership by a maximum of twenty percent (20%). Any such increase shall be effective at the beginning of each fiscal year.

(c) The Maximum Annual Assessment may be increased above the twenty percent (20%) limit as set forth under Subsection (b) above, provided that any such increase shall have the assent of two-thirds (2/3) of the votes of the Class A Membership and two-thirds (2/3) of the votes of the Class B Membership who are

voting in person or by proxy at a meeting duly called for this purpose, as provided in Section 7 below.

Section 6. Special Assessments for Capital Improvements and Extraordinary Expenses. The Association may, in any assessment period, levy a special assessment applicable to that period only, for the purpose of defraying, in whole or in part, the cost of any acquisition, construction, reconstruction, repair or replacement of a capital improvement upon the Association land, including fixtures and personal property related thereto, or for the purpose of defraying other extraordinary expenses, provided that in any fiscal year, the Board of Directors of the Association may not, without the vote or written assent of a majority of each class of membership, levy Special Assessments to defray the costs of any action or undertaking on behalf of the Association which in the aggregate exceeds five percent (5%) of the budgeted gross expenses of the Association for that fiscal year. Said vote shall be cast by members who are voting in person or by proxy at a meeting duly called for this purpose in accordance with Section 7 below. Every Special Assessment shall be levied upon the same basis as that prescribed for the levying of regular assessments. The provisions of this Section are not intended to preclude or limit the assessment, collection or use of Annual Assessments for the aforesaid purposes.

Section 7. Notice and Quorum for Any Action Authorized Under Sections 5 and 6. Written notice of any meeting called for the purpose of taking any action authorized under Sections 5 or 6 of this Article shall be sent to all Members no less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At any such meeting called, the presence of Membership or of proxies entitled to cast sixty percent (60%) of all the votes (exclusive of suspended voting rights) of each class of Membership shall constitute a quorum.

Section 8. Establishment of Annual Assessment Period. The period for which the Annual Assessment is to be levied (the "Assessment Period") on each lot shall commence on the first day of the month following the closing of the first sale of said Lot, and shall be billed on the same annual, quarterly or monthly basis thereafter.

Section 9. Rules Regarding Billing and Collection Procedures. The Board shall have the right to adopt rules and regulations setting forth procedures for the purpose of making the assessments provided herein and for the billing and collection of the Annual and Special Assessments and the Maintenance Charges imposed pursuant to Article X, Sections 2 and 3, provided that said procedures are not inconsistent with the provisions hereof. Such procedures may include an obligation for the Owner of an Apartment Development to collect Assessments imposed on a Lessee and forward the collected amounts to the Association. The failure of the Association to send a bill to a Member shall not relieve any Member of his liability for any Assessment or charge under this Declaration, but the assessment lien therefor shall not be foreclosed or otherwise enforced until the Member has been given not less than thirty (30) days written notice prior to such foreclosure or enforcement, at the address of the Member on the records of the Association, that the Assessment or any installment thereof is or will be due and of the amount owing. Such notice

may be given at any time prior to or after delinquency of such payment. The Association shall be under no duty to refund any payments received by it even though the ownership of a Membership changes during an Assessment Period; successor Owners of Lots or Parcels and successor Lessees shall be given credit for prepayments, on a prorated basis, made by prior Owners and Lessees. The amount of the Annual Assessment and any Special Assessment against Members who become such during an Assessment Period shall be prorated. The Association may charge new Members who become such during an assessment period an administrative fee related to the issuance or reissuance of new Membership cards and updating Membership records.

Section 10. Collection Costs and Interest on Delinquent Assessments. Any Annual or Special Assessment or Installment thereof not paid when due shall be deemed delinquent and shall bear interest from thirty (30) days after the due date until paid at a uniform rate established by the Board which rate shall in no event be greater than sixteen percent (16%) per annum, and the Member shall be liable for all costs, including attorneys' fees, which may be incurred by the Association in collecting the same. The applicable interest rate on delinquent assessments shall be determined on a daily basis. The Board may also record a Notice of Delinquent Assessment against any Lot or Parcel as to which an Annual or Special Assessment is delinquent and constitutes a lien and may establish a fixed fee to reimburse the Association for the Association's cost in recording such Notice, processing the delinquency and recording a notice of payment, which fixed fee shall be treated as a collection cost of the Association secured by the assessment lien.

Section 11. Evidence of Payment of Annual and Special Assessments. Upon receipt of a written request by a Member or any other person, the Association within a reasonable period of time thereafter shall issue to such Member or other person a written certificate stating (a) that all Annual and Special Assessments (including interest, costs and attorneys' fees, if any, as provided in Section 10 above) have been paid with respect to any specified Lot or Dwelling Unit, as of the date of such certificate, or (b) if all Annual and Special Assessments have not been paid, the amount of such Annual and Special Assessments (including interest, costs and attorneys' fees, if any) due and payable as of such date. The Association may make a reasonable charge for the issuance of such certificates, which charges must be paid at the time the request for any such certificate is made. Any such certificate, when duly issued as herein provided, shall be conclusive and binding with respect to any matter therein stated or against any bona fide purchaser of, or lender on, the Lot or Dwelling Unit in question.

Section 12. Property Exempted From the Annual and Special Assessments and Assessment Lien. Exempt Property shall be exempted from the assessment of the Annual and Special Assessments and, the Assessment Lien; provided, however, that in the event any change of ownership of Exempt Property results in all or any part thereof becoming Assessable Property in any year, the same thereupon shall be subject to the assessment of the Annual and Special Assessments (prorated as of the date it became Assessable Property) and the Assessment Lien.

Section 13. Annual Assessment Fees Paid by Developer. Developer shall pay a full assessment on all subdivided lots owed by Developer as of the last day of the fiscal year of the Association, as well as all authorized and planned lots for Sun City Vistoso which have not yet been subdivided. Planned lots shall be as determined by the Development Plan originally approved by Pima County, and any addendum thereto which may hereafter be approved by Pima County.

Section 14. Developer Subsidy. So long as the Class B Membership exists, Developer shall subsidize the financial operations of the Association in the event all assessments and every other revenue source (income) received by the Association fails to equal or exceed the actual expenses incurred during the fiscal year. The terms and conditions of the subsidy shall be established by written agreement between Developer and the Association. Developer shall have no obligation for any such short fall caused by any decrease in assessments resulting from the levying of any assessment in an amount less than the maximum authorized for that Annual Assessment Period, or by expenditures for capital improvements, unless the same has been previously approved in writing by Developer. The subsidy contemplated herein shall terminate at the close of the fiscal year in which the Class B Membership of Developer is converted to Class A Membership unless earlier terminated by virtue of the self-sufficient financial condition of the Association.

ARTICLE VIII

ENFORCEMENT OF PAYMENT OF ANNUAL AND SPECIAL ASSESSMENTS

AND MAINTENANCE CHARGES AND OF ASSESSMENT LIEN

Section 1. Association as Enforcing Body. The Association, as the agent and representative of the Members, shall have the exclusive right to enforce the provisions of this Declaration. However, if the Association shall fail or refuse to enforce this Declaration or any provision hereof for an unreasonable period of time, after written request to do so, then any Member may enforce them on behalf of the Association, but not at the expense of the Association, by any appropriate action, whether in law or in equity.

Section 2. Association's Remedies to Enforce Payment of Annual and Special Assessments. If any Member fails to pay the Annual or Special Assessments or installments when due, the Association may enforce the payment of the Annual or Special Assessments, and/or the Assessment Lien by taking either or both of the following actions, concurrently or separately (and, by exercising either of the remedies hereinafter set forth, the Association does not prejudice or waive its right to exercise the other remedy):

(a) Bring an action at law and recover judgment against the Member personally obligated to pay the Annual or Special Assessments; and

(b) Foreclose the Assessment Lien against the Lot or Parcel (including an Apartment Development in the case of an Assessment

against a Lessee) in accordance with the then prevailing Arizona law relating to the foreclosure of realty mortgages (including the right to recover any deficiency), and the Lot or Parcel may be redeemed after foreclosure sale as provided by law.

Section 3. Association's Remedies to Enforce Payment of Maintenance Charges. If any Member fails to pay Maintenance Charges assessed pursuant to Article X, Sections 2 and 3, the Association may enforce the payment thereof by bringing an action at law and recover judgment against the Member personally obligated to pay the Maintenance Charges. No lien rights shall accrue in favor of the Association pursuant to the collection of Maintenance Charges assessed in accordance with Article X, Sections 2 and 3.

Section 4. Subordination of Assessment Lien to First Mortgage or Deed of Trust; Priority of Lien. The Assessment Lien provided for herein shall be subordinate to any first mortgage lien held by, or first deed of trust of which the beneficiary is, a lender who has lent funds with the Lot or Parcel as security, or held by the lender's successors and assigns, and shall also be subject and subordinate to liens for taxes and other public charges which by applicable law are expressly made superior. Except as above provided, the Assessment Lien shall be superior to any and all charges, liens or encumbrances which hereafter in any manner may arise or be imposed upon each Lot or Parcel. Sale or transfer of any Lot or Parcel shall not affect the Assessment Lien; provided, however, that if the sale or transfer is pursuant to foreclosure of a mortgage or deed of trust to which the Assessment Lien is subordinate, or pursuant to any sale or proceeding in lieu thereof, the purchaser at the mortgage foreclosure or deed of trust sale, or any grantee taking by deed in lieu of foreclosure, shall take the Lot or Parcel free of the Assessment Lien for all Annual and Special Assessments that have accrued up to the date of issuance of a sheriff's or trustee's deed or deed in lieu of foreclosure; but upon the date of issuance of a sheriff's or trustee's deed or deed in lieu of foreclosure, the Assessment Lien immediately shall become and remain superior to any and all other charges, liens or encumbrances (except liens for taxes or other public charges which by applicable law are expressly made superior), and such mortgage or deed of trust foreclosure sale purchaser or grantee shall take subject to all Annual and Special Assessments, and the Assessment Lien thereof accruing subsequent to the date of issuance of a sheriff's or trustee's deed or deed given in lieu of foreclosure.

Section 5. Costs to be Borne by Member in Connection with Enforcement of Payment of Annual and Special Assessments and Maintenance Charges. Should the Association prevail in any action taken pursuant to Section 2 of this Article, the Member shall be personally liable for the Annual and Special Assessments and Maintenance Charges together with interest and the Association's collection costs and attorneys' fees, including those costs and fees specified in Article VII, Section 9.

ARTICLE IX

USE OF FUNDS; BORROWING POWER

Section 1. Purposes for which Association's Funds may be Used. The association shall apply all funds and property collected and received by it (including the Annual and Special Assessments, fees, loan proceeds, surplus funds and all funds and property received by it from any other source) for the common good and benefit of Sun City Vistoso and the Members and Residents by devoting said funds and property, among other things, to the acquisition, construction, alteration, maintenance, provision and operation, by any manner or method whatsoever, of any and all land, properties, improvements, recreational facilities, services, projects, security, programs, studies and systems, within or without Sun City Vistoso, which may be necessary, desirable or beneficial to the general common interests of Sun City Vistoso, the Members and the Residents. The following are some, but not all, of the areas in which the Association may seek to aid, promote and provide for such common benefit: social interaction among Members and Residents, golf course maintenance, maintenance of landscaping on Common Areas and public right-of-way and drainage areas within Sun City Vistoso, recreation, liability insurance, communications, transportation, health, utilities, public services, safety and indemnification of Officers and Directors of the Association. The Association also may expend its funds for any purposes which any municipality may expend its funds under the laws of the State of Arizona or such municipality's charter.

Section 2. Borrowing Power. The Association may borrow money in such amounts, at such rates, upon such terms and security, and for such period of time as is necessary or appropriate.

Section 3. Association's Rights in Spending Funds From Year to Year. The Association shall not be obligated to spend in any year all the sums received by it in such year (whether by way of Annual or Special Assessments, fees or otherwise), and may carry forward as surplus any balances remaining. The Association shall not be obligated to reduce the amount of the Annual Assessment in the succeeding year if a surplus exists from a prior year and the Association may carry forward from year to year such surplus as the Board in its discretion may determine to be desirable for the greater financial security of the Association and the accomplishment of its purposes.

Section 4. Administration of Special Use Fees. The Association is authorized to bill for, sue for, collect, administer and disburse all Special Use Fees and the payment thereof shall be secured by the Assessment Lien; provided, however, that all Special Use Fees collected shall, if imposed in connection with a particular improvement, be separately accounted for as to each separate improvement pertaining to which they are collected and shall be expended on the particular improvement to which they pertain.

ARTICLE X

MAINTENANCE

Section 1. Common Areas and Public Right-of-Way. The Association, or its duly delegated representative, shall maintain and otherwise manage all Common Areas owned by the Association, including, but not limited to, the golf course landscaping, walkways, paths, parking areas, drives, recreational facilities; provided, however, the Association shall not be responsible for providing or maintaining the landscaping or structures on any Common Areas which are part of Lots or Parcels unless (i) such landscaping or structures are available for use by all Owners and Residents or are within easements intended for the general benefit of Sun City Vistoso, and (ii) the Association assumes in writing the responsibility for such maintenance or such responsibility is set forth in a recorded instrument as herein provided. The Association shall also maintain natural open spaces, any landscaping and other improvements not on Lots and Parcels which are within areas shown on a subdivision plat or other plat of dedication for Sun City Vistoso or covered by a Tract Declaration, and which are intended for the general benefit of all the Owners and Residents of Sun City Vistoso, except the Association shall not maintain areas which (i) the County of Pima or other governmental entity is maintaining or (ii) are to be maintained by the Owners of a Lot or Parcel pursuant to Article IV, Section 2(e), of this Declaration unless the Association elects to maintain such areas and as to which the Association has not made such an election to maintain. Specific areas to be maintained by the Association may be identified on subdivision plats recorded or approved by the Declarant, in Tract Declarations and in deeds from the Declarant to a transferee of a Lot or Parcel, but the failure to so identify such areas shall not affect the Association's rights or responsibilities with respect to such Common Areas and other areas intended for the general benefit of Sun City Vistoso.

The Board shall use a reasonably high standard of care in providing for the repair, management and maintenance of said property so that the Sun City Vistoso development will reflect a high pride of ownership. The Board shall be the sole judge as to the appropriate maintenance of all Common Areas and other properties maintained by the Association. Any cooperative action necessary or appropriate to the proper maintenance and upkeep of said properties shall be taken by the Board or by its duly delegated representative.

Section 2. Assessment of Certain Costs of Maintenance and Repair of Common Areas and Public Areas. In the event that the need for maintenance or repair of Common Areas and other areas maintained by the Association is caused through the willful or negligent act of any Member, his family, guests, invitees or designees, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Member and the Member's Lot is subject. However, such charges shall not become a part of or be secured by the Assessment Lien rights against such Lot.

Section 3. Improper Maintenance and Use of Lots and Parcels. In the event any portion of any Lot or Parcel is so maintained as to present a public or private nuisance, or as to substantially detract from

the appearance or quality of the surrounding Lots and Parcels or other areas of Sun City Vistoso which are substantially affected thereby or related thereto, or in the event any portion of a Lot or Parcel is being used in a manner which violates this Declaration or any Tract Declaration applicable thereto, or in the event the Owner of any Lot or Parcel is failing to perform any of its obligations under this Declaration, any Tract Declaration, or the architectural guidelines and standards of the Architectural Review Committee, the Board may by Resolution make a finding to such effect, specifying the particular condition or conditions which exist, and pursuant thereto give notice thereof to the offending Owner that unless corrective action is taken within fourteen (14) days, the Board may cause such action to be taken at said Owner's cost. If at the expiration of said fourteen (14) day period of time the requisite corrective action has not been taken, the Board shall be authorized and empowered to cause such action to be taken and the cost thereof shall be added to and become a part of the assessment to which the offending Owner and the Owner's Lot is subject. However, such charges shall not become a part of or be secured by the Assessment Lien rights against such Lot.

ARTICLE XI

ARCHITECTURAL REVIEW COMMITTEE

Section 1. Establishment. The Declarant shall establish an Architectural Review Committee to perform the functions of the Architectural Review Committee set forth in this Declaration and shall adopt the procedural rules and regulations for the performance of such duties by the Architectural Review Committee, including procedures for the preparation, submission and determination of the application for any approvals required by this Declaration or any Tract Declaration. The Architectural Review Committee shall consist of not less than three (3) nor more than five (5) Members with such alternate Members as the Developer or Board may deem necessary. Developer shall appoint all of the original Members of the Architectural Review Committee and shall continue to appoint all Members of the Committee until the Class B Membership of Developer ceases and becomes converted to a Class A Membership, at which time the Board of the Association shall have the power to appoint one Member to the Committee and Developer shall appoint the remaining Members until ninety percent (90%) of all of Lots in Sun City Vistoso have been sold. Thereafter the Board of the Association shall have the power to appoint all of the Members of the Architectural Review Committee. The appointees of Developer need not be architects, Owners, Lessees or Residents and do not need to possess any special qualifications of any type except such as the Developer may, in its discretion, require. Members appointed to the Committee by the Board shall be from the Membership of the Association. The Architectural Review Committee shall hold regular meetings, a quorum for such meeting shall consist of a majority of the regular Members, and the concurrence of a majority of the regular Members at a meeting shall be necessary for any decision of the Architectural Review Committee. An alternate Member, approved by the Declarant, may participate at any meeting at which there is not a quorum of regular members present, may constitute a quorum by his (their) presence and shall have all of the authority of a regular Member while so participating. The Architectural Review Committee shall follow the Sun City Vistoso Development Standards as the standard to be used in

rendering its decisions and developing its rules. Subject to the provisions of Section 3 of this Article, the decision of the Architectural Review Committee shall be final on all matters submitted to it pursuant to this Declaration.

Section 2. Review by Committee. With the exception of structures designed and/or constructed by Developer, prior written approval by the Architectural Review Committee shall be required of all new construction in Sun City Vistoso. In addition, no alteration or modification to an existing Dwelling Unit constructed by Developer or other structure previously approved by the Committee whether buildings, ramadas, rooms, fences, walls, canopies, awnings, roofs, devices to be mounted on roofs, exterior lighting facilities, athletic facilities, changes in exterior paint color, or other similar improvements or attachments shall be constructed and no alteration of the established drainage on a Dwelling Unit Lot shall be made unless complete plans and specifications therefore have been first submitted to and approved in writing by the Architectural Review Committee. The Committee shall exercise its best judgment to the end that all such changes, improvements and alterations requested for properties within Sun City Vistoso conform to and harmonize with the existing surroundings, residences, landscaping and structures. The provisions of this Article and Article IV, Section 2 shall apply to all properties within Sun City Vistoso including, but not necessarily limited to commercial, recreational and church properties.

Section 3. Appeal. Any Owner, Lessee or other Resident aggrieved by a decision of the Architectural Review Committee may appeal the decision to the Committee in accordance with procedures to be established by the Committee. Such procedures would include the requirement that the appellant has modified the requested action or has new information which would in the Committee's opinion warrant a reconsideration. If the Committee fails to allow an appeal or if the Committee, after appeal, again rules in a manner aggrieving the appellant, the decision of the Committee is final.

Section 4. Fee. The Board may establish a reasonable processing fee to defer the costs of the Association in considering any requests for approvals submitted to it, which fee shall be paid at the time the request for approval is submitted.

Section 5. Sun City Development Standards. ~~Sun City Vistoso~~ Development Standards shall include written guidelines setting forth the minimum standards for the design, size, location, style, structure, color, mode of architecture, mode of landscaping and relevant criteria deemed important by the Architectural Review Committee or by the Developer for the construction of improvements of any nature on the Project. The initial Development Standards shall be subject to all provisions of this Declaration and shall not, so long as Declarant owns a single Lot or planned Lot in Sun City Vistoso, be amended or waived without the written consent of the Declarant. The Development Standards are deemed incorporated herein by reference. The purpose of the Development Standards are to preserve and promote the character and orderly development of Sun City Vistoso as designed and developed by Declarant. By acceptance of a deed to any Lot or Parcel, each Owner thereof and his successors and assigns agrees to be

bound by all provisions of the Sun City Vistoso Development Standards and to use diligence in keeping abreast of the provisions thereof.

Section 6. Violation of Approved Plans. If it is determined by the Architectural Review Committee that work completed on any Lot or Parcel has not been completed in compliance with the final plans approved by the Committee, the Committee or the Association may notify the Owner in writing of such non-compliance within thirty (30) days of inspection, specifying in reasonable detail the particulars of non-compliance and may require the Owner to remedy the same. If the Owner fails to remedy such non-compliance or to commence and continue diligently toward achieving compliance, Declarant or the Association (as their interests shall appear) shall notify the Owner that it shall take action to remove the non-complying improvements and/or seek injunctive relief, recovery of costs incurred, and imposition of a fine, which fine shall not exceed ten percent (10%) of the cost of achieving compliance.

Section 7. Non-Liability for Approval of Plans. Architectural Review Committee approval of plans shall not constitute a representation, warranty or guarantee that such plans and specifications comply with good engineering design or with zoning or building ordinances, or other governmental regulations or restrictions. By approving such plans and specifications neither the Architectural Review Committee, the Members thereof, the Association, any Member thereof, the Board nor Declarant assumes any liability or responsibility therefore, or for any defect in the structure constructed from such plans or specifications. Neither the Architectural Review Committee, any Member thereof, the Association, the Board nor Declarant shall be liable to any Member, Owner, occupant, or other person or entity for any damage, loss, or prejudice suffered or claimed on account of (a) the approval or disapproval of any plans, drawings and specifications, whether or not defective, or (b) the construction or performance of any work, whether or not pursuant to the approved plans, drawings, and specifications.

ARTICLE XII

RIGHTS AND POWERS OF ASSOCIATION

Section 1. Association's Rights and Powers as Set Forth in Articles and Bylaws. In addition to the rights and powers of the Association set forth in this Declaration, the Association shall have such rights and powers as are set forth in its Articles and Bylaws. Such rights and powers, subject to the approval thereof by any agencies or institutions deemed necessary by Declarant, may encompass any and all things which a natural person could do or which now or hereafter may be authorized by law, provided such Articles and Bylaws are not inconsistent with the provisions of this Declaration and are necessary, desirable or convenient for effectuating the purposes set forth in this Declaration. Upon incorporation of the Association, a copy of the Articles and Bylaws of the Association shall be available for inspection and copying at the office of the Association during reasonable business hours.

Section 2. Association's Rights of Enforcement of Provisions of This and Other Instruments. The Association, as the agent and

representative of the Owners and Lessees, shall have the right to enforce the covenants set forth in this Declaration and/or any and all covenants, restrictions, reservations, charges, servitudes, assessments, conditions, liens or easements provided for in any contract, deed, declaration or other instrument which (a) shall have been executed pursuant to, or subject to, the provisions of this Declaration, or (b) otherwise shall indicate that the provisions of such instrument were intended to be enforced by the Association or by Declarant.

Section 3. Contracts with Others for Performance of Association's Duties. Subject to the restrictions and limitations contained herein, the Association may enter into contracts and transactions with others, including Declarant and its affiliated companies, and such contracts or transactions shall not be invalidated or in any way affected by the fact that one or more Directors or Officers of the Association or Members of any Committee is employed by or otherwise connected with Declarant or its affiliates, provided that the fact of such interest shall be disclosed or known to the other Directors acting upon such contract or transaction, and provided further that the transaction or contract is fair and reasonable. Any such Director, Officer or Committee Member may be counted in determining the existence of a quorum at any meeting of the Board or Committee of which he is a member which shall authorize any contract or transaction described above or grant or deny any approval sought by the Declarant, its affiliated companies or any competitor thereof and may vote thereat to authorize any such contract, transaction or approval with like force and effect as if he were not so interested.

Section 4. Change of Use of Association Land and Procedure Therefor. Upon (a) adoption of a resolution by the Board stating that in the Board's opinion the then present use of a designated part of the Association Land or of the Association's interest in other Common Areas is no longer in the best interests of the Owners and Residents and (b) the approval of such resolution by a majority of the votes of Members who are voting in person or by proxy at a meeting duly called for such purpose, the Board shall have the power and right to change the use thereof (and in connection therewith, construct, reconstruct, alter or change the improvements thereon in any manner deemed necessary by the Board to accommodate the new use), provided such new use (i) shall be for the benefit of the Owners and Residents, and (ii) shall be consistent with any deed restrictions (or zoning regulations) restricting or limiting the use of the Association Land.

ARTICLE XIII

INSURANCE

Section 1. Insurance on Common Property. The Association shall maintain insurance covering all insurable improvements located or constructed upon Association Land. The Association shall maintain the following types of insurance, to the extent that such insurance is reasonably available, considering the availability, cost, and risk coverage provided by such insurance:

(a) A policy of property insurance covering all insurable improvements located on Association Land, with a "Replacement Cost Endorsement" providing that any claim shall be settled on a full replacement cost basis without deduction for depreciation. Such insurance as maintained by the Association pursuant to this subsection shall afford protection against at least the following:

(1) Loss or damage by fire and other perils normally covered by the standard extended coverage endorsement; and

(2) Such other risks as shall customarily be covered with respect to projects similar in construction, location, and use, including all perils normally covered by the standard all risk endorsement, where such is available.

(b) A comprehensive policy of public liability insurance covering all of the Common Property, insuring the Association in an amount not less than Five Million and No/100 Dollars (\$5,000,000.00) covering bodily injury, including death of persons, personal injury, and property damage liability arising out of a single occurrence, and such other risks as shall customarily be covered with respect to projects similar in construction, location, and use.

(c) A policy providing adequate fidelity coverage or fidelity bonds to protect against dishonest acts on the part of Officers, Directors, trustees, and employees of the Association and all others who handle or are responsible for handling funds of the Association. Such fidelity coverage or bonds shall name the Association as an obligee and shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

(d) If the Association Land or any portion thereof is located within an areas identified by the Federal Emergency Management Agency as having special flood hazards, and flood insurance coverage or improvements on the Association Land has been made available under the National Flood Insurance Program, then such a policy of flood insurance on the Association Land located therein in an amount at least equal to the lesser of:

(1) The maximum coverage available under the National Flood Insurance Program for all buildings and other insurable property located within a designated flood hazard area; or

(2) One hundred percent (100%) of current replacement cost of all buildings and other insurable property located within a designated flood hazard area.

Section 2. Policy Terms. All policies of insurance shall contain waivers of subrogation and waivers of any defense based on

invalidity arising from any acts of the Declarant or a Member of the Association and shall provide that the policies may not be cancelled or substantially diminished or reduced in coverage without at least thirty (30) days' prior written notice to the insured, as well as to any first mortgagee having previously requested such information in writing. Duplicate originals of all policies and renewals thereof, together with proof of payment of premiums, shall be delivered to any first mortgagee of a Lot upon written request. The insurance shall be carried in blanket forms naming the Association, as the insured, as trustee and attorney-in-fact for all Owners, and each Owner shall be an insured person under such policies with respect to liability arising out of any such Owner's Membership in the Association.

Section 3. Damage to Common Property. In the event of damage to or destruction of all or a portion of the Common Property due to fire or other adversity or disaster, the insurance proceeds, if sufficient to reconstruct or repair the damage, shall be paid by the Association to such reconstruction and repair. If the insurance proceeds with respect to such Common Property damage or destruction, together with money offered or contributed from another source, if any, are insufficient to repair and reconstruct the damage or destruction, the Association shall present to the Members a notice of special assessment for approval by the Membership in accordance with Article VII hereof. If such assessment is approved, the Association shall levy such assessment and proceed to make such repairs or reconstruction. If such assessment is not approved, the insurance proceeds may, after first being used to clean and landscape damaged areas, be applied in accordance with the wishes of the Membership upon the approval of Members and Eligible Mortgage Holders as set forth in Article XV hereof, except that the proceeds shall not be distributed to the Owners, unless made jointly payable to Owners and the first mortgagees, if any, of their respective Lots.

Any such assessment or refund as set forth above shall be applied in accordance with the same methods used for regular annual assessments. Such assessment shall be due and payable as provided by resolution of the Board of Directors of the Association, but not sooner than sixty (60) days after written notice thereof. The assessment provided for herein shall be a debt of each Owner and a lien on his Lot, and may be enforced and collected in the same manner as any assessment lien provided for in this Declaration.

Section 4. Other Insurance to be Maintained by Owners. Insurance coverage on the furnishings and other items of personal property belonging to an Owner, public liability insurance coverage upon each Lot, and hazard insurance coverage on the improvements constructed on Lots (unless such coverage is maintained by a Homeowner Association having jurisdiction over such Lot), shall be the responsibility of the Owner thereof.

Section 5. Notice of Loss to First Mortgagees. Provided that a first mortgagee has, in writing, requested the following information with respect to a Lot upon which said first mortgagee holds the first mortgage and has furnished the Association with the address to which said first mortgagee wants the information sent, then in the event that there shall be

any damage to or destruction of the Common Property which shall be in excess of One Hundred Thousand and No/100 (\$100,000.00) Dollars, then timely written notice of any such damage or destruction shall be given by the Association to such first mortgagee.

Section 6. Annual Review of Insurance Policies. All insurance policies carried by the Association shall be reviewed annually by the Board to ascertain that the coverage provided by such policies is reasonably adequate in view of expected and likely risks insured by the Association.

ARTICLE XIV

EASEMENTS

Section 1. Maintenance Easement. An easement is reserved and granted to the Association, its Officers, agents, employees, and assigns upon, across, over, in, and under the Association Land to enable the Association to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration.

Section 2. Utilities. A blanket easement is reserved and granted upon, across, over, and under the Association Land for utilities and the installation, replacement, repair, and maintenance of utilities, including but not limited to water, sewer, gas, telephone, electricity, and cable television systems and the Association television antenna systems, if any, provided that said blanket easement shall not extend upon, across, over, or under any residence or building constructed on a Lot or Parcel. By virtue of this blanket easement, it shall be expressly permissible to erect and maintain the necessary facilities, equipment, and appurtenances on the Association Land and to affix, repair, and maintain water and sewer pipes, gas, electric, telephone, and television wires, circuits, conduits and meters.

In the event any utility or quasi-utility company furnishing a service covered by the general easement created herein requests a specific easement by separate recordable document, Declarant reserves and is hereby given the right and authority to grant such easement upon, across, over, or under any part or all of the Association Land without conflicting with the terms hereof; provided, however, that such right and authority in the Declaration shall cease and terminate upon conveyance by Declarant of the last Lot in Sun City Vistoso to the first Owner thereof (other than Declarant). The easement provided for in this Section 2 shall in no way affect, avoid, extinguish, or modify any other recorded easement(s) on the Properties.

Section 3. Rights of Declarant Incident to Construction. An easement is reserved by and granted to Declarant, its successors and assigns, for access, ingress, and egress over, in, upon, under, and across the Association Land, including but not limited to the right to store materials thereon and to make such other use thereof as may be reasonably

necessary or incidental to Declarant's construction in Sun City Vistoso, provided, however, that no such rights or easements shall be exercised by Declarant in such a manner as to unreasonably interfere with the occupancy, use, enjoyment, or access by any Owner, his family members, guests, or invitees, to or of that Owner's Lot, or any recreational facility completed upon the Association Land. The easement created pursuant to this Section shall automatically terminate and be of no further force and effect upon completion of construction of the last dwelling unit in Sun City Vistoso or January 31, 1997, whichever first occurs.

Section 4. Maintenance of Walls and Improvements. An easement is reserved and granted in favor of Declarant, the Association, their successors, assigns, employees, and agents, upon, over and across each Lot adjacent to any boundaries of Association Land for reasonable ingress, egress, installation, replacement, maintenance, and repair of any wall or other improvement which Declarant may construct or cause to be constructed on or near any Association Land boundary.

Section 5. Easements Deemed Created. All conveyances of Lots hereafter made, whether by the Declarant or otherwise, shall be construed to grant and reserve the easements contained in this Article XIV, even though no specific reference to such easements or to this Article XIV appears in the instrument of such conveyance.

ARTICLE XV

FIRST MORTGAGEES

Section 1. Member and First Mortgagee Approval. Subject to all provisions of this Declaration, the Association shall not, unless it has obtained the prior written consent of at least sixty-seven percent (67%) of the votes of the Membership, and fifty-one percent (51%) of the votes of the eligible mortgage holders of Lots (based upon one vote for each First Mortgage owned), add or amend any material provisions of this Declaration, which establish, provide for, govern, or regulate any of the following: (a) voting; (b) assessments, assessment liens, or subordination of such liens; (c) reserves for maintenance or repair of those elements of the Common Property which must be maintained or repaired on a periodic basis; (d) insurance, including but not limited to fidelity bonds; (e) rights to use of the Common Property; (f) responsibility for maintenance and repair of any portion of the Properties; (g) expansion or contraction of the Properties or the addition, annexation, or withdrawal of property to or from the Properties; (h) boundaries of any Lot; (i) interests in the Common Areas; (j) convertibility of Lots or residences into Common Areas or of Common Areas into Lots; (k) leasing of Lots; (l) imposition of any right of first refusal or similar restriction on the right of any Owner to sell, transfer, or otherwise convey his Lot; (m) any provisions which are for the express benefit of First Mortgagees, or insurers or guarantors of First Mortgages; or (n) effectuate any decision to terminate professional management and assume self-management of the Association when professional management has previously been required by any First Mortgagee of a Lot or insurer or guarantor of such a First Mortgage; (o) termination of the legal status of the properties after substantial destruction or condemnation; and

(p) repair or restoration of the Properties, after a hazard or partial condemnation, in a manner other than that specified in this Declaration.

An amendment to this Declaration shall not be considered material if it is for the purpose of correcting technical errors or for clarification, nor shall an amendment be considered material if it is made as a result of or in connection with a plan of expansion, annexation, or phased development as provided in this Declaration.

"Eligible mortgage holders" as set forth in this Section are those Owners of First Mortgages who have requested the Association to notify them on any proposed action that requires the consent of a specified percentage of eligible mortgage holders.

Section 2. Notice of Action. Upon written request to the Association, identifying the name and address of the First Mortgagee or insurer or guarantor of the First Mortgage and the address of the property which is subject to such First Mortgage, each such First Mortgagee of a Lot, or insurer or guarantor of such a First Mortgage, shall be entitled to timely written notice of:

(a) Any condemnation loss or casualty loss which affects a material portion of the Project or any Lot subject to a First Mortgage held, insured, or guaranteed by such First Mortgagee, insurer, or guarantor of a First Mortgage;

(b) Any delinquency in the payment of assessments or charges owed to the Association by the Owner of the Lot subject to a First Mortgage held, insured, or guaranteed by such First Mortgagee, insurer, or guarantor, or any default by such Owner in any obligation under this Declaration, and the Board of Directors of the Association has actual knowledge of such default, when such delinquency and/or default remains uncured for a period of sixty (60) days;

(c) Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and

(d) Any proposed action which would require the consent of a specified percentage of First Mortgagees as provided in this Article XV.

Section 3. Audit. The Association shall provide, free of charge an audited financial statement for the immediately preceding fiscal year to any First Mortgagee of a Lot, or any insurer or guarantor of such a First Mortgagee of a Lot, or any insurer or guarantor of such a First Mortgage, within a reasonable time after written request therefor by any such party.

Section 4. Association Books and Records. The Association shall make available to First Mortgagees of Lots, and insurers or guarantors of any such First Mortgage, current copies of this Declaration, and the Articles of Incorporation, Bylaws, rules and regulations, books,

records, and financial statements of the Association. "Available" shall mean available for inspection, upon request, during normal weekday business hours or under other reasonable circumstances.

ARTICLE XVI

CONDEMNATION

In the event proceedings are initiated by any government or agency thereof, seeking to take by eminent domain the Association Land, any part thereof, or any interest therein, any improvement thereon, or any interest therein, with a value (including loss of value to the balance of the Association Land and improvements thereof), as reasonably determined by the Association in excess of Ten Thousand and No/100 (\$10,000.00) Dollars, the Association shall give prompt notice thereof, including a description of the part of or interest in the Association Land or improvement thereon sought to be so condemned, to all First Mortgagees of Lots, all Members, and to the Declarant. The Association shall have full power and authority to defend in said proceedings, and to represent the Owners in any negotiations, settlements and agreements with a condemning authority for acquisition of the Association Land or part thereof, but the Association shall not enter into any such proceedings, settlements or agreements pursuant to which all or any portion or interest in the Association Land or improvement located thereon is relinquished, without giving all First Mortgagees of Lots, all Members and Declarant at least fifteen (15) days prior written notice thereof. In the event following such proceedings, there is such a taking in condemnation or by eminent domain of a part or all of the Association Land, the award made for such taking shall be applied by the Association to such repair and restoration of the remaining Association Land or improvements as it, in its discretion shall determine. If the full amount of such award is not expended to repair and restore the Association Land and/or facilities, the Association shall disburse the net proceeds of such award to the Owners, the Owner of each Lot to receive one (1) equal share, provided that the Association shall first pay out of the share of each Owner the amount of any unpaid liens or encumbrances on his Lot in the order of the priority of such liens or encumbrances. No provision of this Declaration or of any other document relating to Sun City Vistoso shall be deemed to give an Owner or any other party priority over the rights of a First Mortgagee pursuant to a First Mortgage in the case of a distribution to an Owner of insurance proceeds or condemnation awards for losses to or taking of Lots, Association Land or Common Areas, or any combination thereof.

ARTICLE XVII

TERM; AMENDMENTS; TERMINATION

Section 1. Term; Method of Termination. This Declaration shall be effective upon the date of recordation hereof and, as amended from time to time, shall continue in full force or effect for a term of twenty-five (25) years from the date this Declaration is recorded. From and after said date, this Declaration, as amended, shall be automatically extended for successive periods of ten (10) years each, unless there is an affirmative vote to terminate this Declaration by the then Members casting

ninety percent (90%) of the total votes cast at an election held for such purpose within six (6) months prior to the expiration of the initial effective period hereof or any ten (10) year extension. The Declaration may be terminated at any time if ninety percent (90%) of the votes cast by each class of Members shall be cast in favor of termination at an election held for such purpose. Anything in the foregoing to the contrary notwithstanding, no vote to terminate this Declaration shall be effective unless and until the written consent to such termination has been obtained, within a period from six (6) months prior to such vote to six (6) months after such vote, from the holders of Recorded first mortgages or deeds of trust pursuant to the provisions of Article XV hereof. If the necessary votes and consents are obtained, the Board shall cause to be recorded with the County Recorder of Pima County, Arizona, a Certificate of Termination, duly signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Association, with their signatures acknowledged. Thereupon these covenants shall have no further force and effect, and the Association shall be dissolved pursuant to the terms set forth in its Articles.

Section 2. Amendments.

(a) As long as there is a Class B vote, this Declaration may be amended by obtaining approval by fifty-one percent (51%) or more of each class of Membership provided that there shall also be full compliance with all other provisions hereof.

(b) When there is no longer a Class B vote, this Declaration may be amended by obtaining approval by seventy-five percent (75%) of the total voting power of the Association; provided, however, after twenty-five (25) years from the date of recordation of this Declaration, this Declaration may be amended by a vote of Members casting fifty-one percent (51%) of the total voting power of the Association. Any amendment pursuant to subsections (a) or (b) of this Section shall be recorded with the County Recorder of Pima County, Arizona, along with a Certificate of Amendment, duly signed and acknowledged as required for a Certificate of Termination in Section 1 of this Article. The Certificate of Amendment shall set forth in full the amendment adopted, and, except as provided in Section 3 below, shall certify that at an election duly called and held pursuant to the provisions of the Articles and Bylaws, the Members casting the required percentages of the total voting power of the Association voted affirmatively for the adoption of the amendment. Notwithstanding the foregoing provisions, the percentage of the voting power necessary to amend a specific clause or provision shall not be less than the percentage of affirmative votes prescribed for action to be taken under that clause.

Section 3. Right of Amendment if Requested by Governmental Mortgage Agency or Federally Chartered Lending Institutions.

(i) Anything in this Article to the contrary notwithstanding, Declarant reserves the right to amend all or any part of this Declaration to such an extent and with such language as may be requested by

Governmental Mortgage Agencies and to further amend to the extent requested by any other federal, state or local governmental agency which requests such an amendment as a condition precedent to such agency's approval of this Declaration, or by any federally chartered lending institution as a condition precedent to lending funds upon the security of any Lot(s) or Parcel(s) or any portions thereof. Any such amendment shall be effected by the recordation, by Declarant, of a Certificate of Amendment duly signed by or on behalf of the authorized agents, or authorized officers of Declarant, as applicable, with their signatures acknowledged, specifying the Governmental Mortgage Agency, the federal, state or local governmental agency or the federally chartered lending institution requesting the amendment and setting forth the amendatory language requested by such agency or institution. Recordation of such a Certificate shall be deemed conclusive proof of the agency's or institution's request for such an amendment, and such Certificate, when recorded, shall be binding upon all of Sun City Vistoso and all persons having an interest therein.

(ii) It is the desire of Declarant to retain control of the Association and its activities during the anticipated period of planning and development. If any amendment requested pursuant to the provisions of this Section deletes, diminishes or alters such control, Declarant shall have the right to prepare, provide for and adopt as an amendment hereto, other and different control provisions. Except as provided in this Section 3, Declarant shall not have any right to amend this Declaration otherwise than in accordance with and pursuant to the provisions of Section 2 of this Article.

(iii) In the event this Declaration is recorded or used for any purpose prior to having been approved by any Government Mortgage Agency, Declarant shall have the absolute right to amend the provisions hereof without the approval of any agency or any percentage of the Membership whatsoever until such approval is first obtained. Such amendment shall be effective when signed by the Declarant and duly recorded.

ARTICLE XVIII

MISCELLANEOUS

Section 1. 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.

Section 2. Severability. Any determination by any court of competent jurisdiction that any provision of this Declaration is invalid or unenforceable shall not affect the validity or enforceability of any of the other provisions hereof.

Section 3. Rule Against Perpetuities. If any interest purported 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.

Section 4. Annexation.

(i) Additional property may be annexed hereunder with the consent of two-thirds (2/3) of the votes of the Class A Membership and two-thirds (2/3) of the votes of the Class B Membership.

(ii) Notwithstanding the foregoing, the Declarant may until December 31, 1991, annex into Sun City Vistoso additional property contiguous to Sun City Vistoso without the consent of the individual owners or members (or any percentage thereof) and without the consent of any First Mortgagees, insurers, or guarantors, provided that such annexation will include the development and construction of additional Association Land and Recreational Facilities so as not to overburden existing facilities.

(iii) Each such annexation shall be effective, if at all, by recording a document entitled "Declaration of Annexation" in the office of the Recorder of the County of Pima, Arizona, which document shall provide for annexation to this Declaration of the properties described in such document. Any purchaser of a portion of the Annexation Land is deemed irrevocably to consent to annexation under the purview of this Master Declaration to permit development in accordance with the General Plan established hereby.

(iv) All provisions of this Master Declaration, including, but not limited to those provisions regarding obligations to pay assessments to the Association and any right to cast votes as Members of the Association, shall apply to annexed property, including, but not limited to all lots contained therein, immediately upon recording an annexation document with respect thereto as aforesaid. Improvements which are constructed by Declarant on any property annexed by Declarant shall be consistent, in terms of quality of construction, with improvements constructed on the properties by Declarant prior to such annexation.

Section 5. Change of Circumstances. Except as otherwise expressly provided in this Declaration, no change of conditions or circumstances shall operate to extinguish, terminate or modify any of the provisions of this Declaration.

Section 6. Rules and Regulations. In addition to the right to adopt rules and regulations on the matters expressly mentioned elsewhere in this Declaration, the Association shall have the right to adopt rules and regulations with respect to all other aspects of the Association's rights, activities and duties, provided said rules and regulations are not inconsistent with the provisions of this Declaration.

Section 7. Declarant's Disclaimer of Representations. Anything to the contrary in this Declaration notwithstanding, and except as otherwise may be expressly set forth on a recorded plat or other instrument recorded in the office of the County Recorder of Pima County, Arizona, Declarant makes no warranties or representations whatsoever that the plans presently envisioned for the complete development of Sun City Vistoso can or will be carried out, or that any land now owned or hereafter acquired by it is or will be subjected to this Declaration, or that any such land (whether or not it has been subjected to this Declaration) is or will be committed to or developed for a particular (or any) use, or that if such land is once used for a particular use, such use will continue in effect.

Section 8. References to the Covenants in Deeds. Deeds to and instruments affecting any Lot or Parcel or any part of Sun City Vistoso 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.

Section 9. Successors and Assigns of Declarant. Any reference in this Declaration to Declarant shall include any successors or assignees of Declarant's rights and powers hereunder.

Section 10. Gender and Number. Wherever the context of this Declaration so requires, words used in the masculine gender shall include the feminine and neuter genders; words used in the neuter 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.

Section 11. Captions and Titles. 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 deemed to limit, modify or otherwise affect any of the provisions hereof or to be used in determining the intent or context thereof.

Section 12. Notices. Unless written notice of any action or proposed action is required by virtue of this Declaration, the Articles or Bylaws, notice of any action or proposed action by the Board or any Committee or of any meeting to be given to any Owner, Lessee or Resident shall be deemed satisfied if notice of such action or meeting is published once in any newspaper in general circulation within the County of Pima or Sun City Vistoso. Each Owner shall register his mailing address with the Association, and except for monthly statements and other routine notices, all other written notices shall be addressed in the name of the Owner at such registered mailing address. All notices, demands, or other notices intended to be served upon the Board or the Association shall be sent by Certified Mail, postage prepaid, to the business office of the Association. This Section shall not be construed to require that any notice be given if

not otherwise required and shall not prohibit satisfaction of any notice required in any other manner.

IN WITNESS WHEREOF, FIRST AMERICAN TITLE INSURANCE COMPANY OF ARIZONA, as Trustee, and DEL E. WEBB COMMUNITIES, INC., an Arizona corporation, have hereunto caused their names to be signed by the signatures of their duly authorized officials as of the day and year first above written.

FIRST AMERICAN TITLE INSURANCE COMPANY OF ARIZONA, an Arizona corporation, Declarant

By: DAKE WILLIAMS

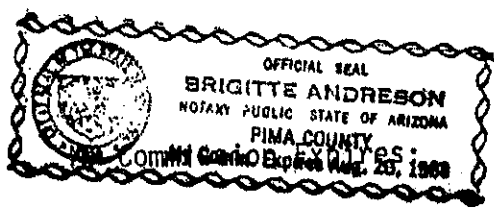
Its: ASSY TRUST OFFICER

DEL E. WEBB COMMUNITIES, INC., an Arizona corporation, Declarant

By: Paul H. Tatz, President

STATE OF ARIZONA }
County of Pima } ss.

On this 30 day of DECEMBER, 1986 before me a, a Notary Public, personally appeared DAKE WILLIAMS, known to me to be the Trust Officer of FIRST AMERICAN TITLE INSURANCE COMPANY OF ARIZONA, an Arizona corporation, and that he executed the within instrument and acknowledged to me that such corporation executed the same.



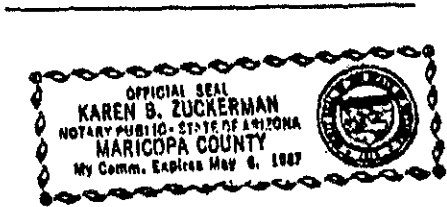
Brigitte Andreson
Notary Public

STATE OF ARIZONA }
County of Maricopa } ss.

On this 22nd day of Dec., 1986, before me, a Notary Public, personally appeared Paul H. Tatz, known to me to be the President of DEL E. WEBB COMMUNITIES, INC., an Arizona corporation, and that he executed the within instrument and acknowledged to me that such corporation executed the same.

Karen D. Zuckerman
Notary Public

My Commission Expires:



7941 2244

EXHIBIT "A"

LEGAL DESCRIPTION

That portion of Sections 18, 19, 20, 29 and 30, Township 11 South, Range 14 East, Gila and Salt River Base and Meridian, Pima County, Arizona, described as follows:

COMMENCING at the West quarter corner of Section 18;

thence South 89 degrees, 28 minutes, 53 seconds East along the East-West mid-section line of the said Section 18, a distance of 291.67 feet to the POINT OF BEGINNING on the Easterly right of way line of the United States Department of Interior, Bureau of Reclamation Easement;

thence South 89 degrees, 28 minutes, 53 seconds East, 4,977.89 feet to the East quarter corner of the said Section 18;

thence South 00 degrees, 10 minutes, 43 seconds East, along the East line of the said Section 18, a distance of 2,644.81 feet to the Southeast corner of the said Section 18;

thence South 89 degrees, 50 minutes, 09 seconds East along the North line of the said Section 20, a distance of 2,598.95 feet to the North quarter corner;

thence South 00 degrees, 17 minutes, 09 seconds West, along the North-South mid-section line of the said Section 20, a distance of 2,642.57 feet to the interior quarter corner;

thence South 17 degrees, 00 minutes, 00 seconds West, 894.56 feet to a point of curvature of a tangent curve, concave to the Northwest;

thence Southwesterly along the arc of said curve, to the right, having a radius of 2,500.00 feet and a central angle of 026 degrees, 30 minutes, 00 seconds for an arc distance of 1,156.28 feet to a point of tangency;

thence South 43 degrees, 30 minutes, 00 seconds West, 1,901.90 feet;

thence South 56 degrees, 35 minutes, 33 seconds West, 641.25 feet;

thence North 35 degrees, 00 minutes, 33 seconds West, 1,380.42 feet;

thence North 32 degrees, 48 minutes, 28 seconds West, 1,995.59 feet;

thence North 66 degrees, 01 minutes, 07 seconds West, 1,295.00 feet;

thence South 09 degrees, 20 minutes, 53 seconds West, 700.00 feet;

thence North 80 degrees, 39 minutes, 07 seconds West, 350.00 feet to a point of curvature of a tangent curve, concave to the Northeast;

EXHIBIT "A" continued

thence Northwesterly along the arc of said curve, to the right, having a radius of 1,250.00 feet and a central angle of 040 degrees, 03 minutes, 30 seconds for an arc distance of 873.94 feet to the Easterly right of way line of Bureau of Reclamation Easement;

thence North 06 degrees, 10 minutes, 10 seconds West, along the said Easterly right of way line, a distance of 5,831.20 feet to the POINT OF BEGINNING.

EXCEPT any portion conveyed to Pima County, Arizona, a body politic, more fully described in instrument recorded August 18, 1986, in Docket 7850, Page 1285, and thereafter rerecorded September 12, 1986, in Docket 7868, Page 1451.

EXHIBIT "B"



LEGAL DESCRIPTION
WEBB (GOLF COURSE)

That portion of Sections 18, 19, 20 and 29, Township 11 South, Range 14 East, G. & S.R.B. & M., Pima County, Arizona, described as follows:

COMMENCING at the Southeast corner of the said Section 18;

THENCE N 89°38'43" W, along the South line of the said Section 18, a distance of 317.14 feet to the POINT OF BEGINNING;

THENCE N 09°44'00" W, 87.14 feet;

THENCE N 30°28'00" E, 177.00 feet;

THENCE N 08°22'00" W, 240.00 feet;

THENCE N 18°12'00" E, 150.00 feet;

THENCE N 07°39'00" W, 334.00 feet;

THENCE N 34°52'00" W, 445.00 feet;

THENCE N 47°38'00" W, 293.00 feet;

THENCE N 65°53'00" W, 230.00 feet;

THENCE N 46°14'00" W, 262.00 feet;

THENCE N 47°21'00" W, 415.00 feet;

THENCE N 89°44'00" W, 211.00 feet;

THENCE S 03°06'16" W, 105.98 feet;

THENCE S 53°26'20" W, 150.00 feet to a point on the arc of a non-tangent curve, concave to the Southwest, a radial line of said curve through said point having a bearing of N 53°26'20" E;

THENCE Southeasterly, along the arc of said curve, to the right, having a radius of 513.35 feet and a central angle of 005°34'50" for an arc distance of 50.00 feet to a non-tangent line;

THENCE S 61°20'00" W, 735.00 feet;

THENCE S 54°06'00" W, 200.00 feet;

THENCE S 01°04'00" E, 55.00 feet;



THENCE S 45°50'00" W, 295.00 feet;
THENCE S 90°00'00" W, 35.00 feet;
THENCE S 45°15'00" W, 163.00 feet;
THENCE S 11°15'00" W, 395.00 feet;
THENCE S 11°02'00" E, 531.00 feet;
THENCE S 00°18'00" W, 193.00 feet;
THENCE S 28°48'00" E, 327.00 feet;
THENCE S 46°56'00" E, 313.00 feet;
THENCE S 13°03'00" W, 408.00 feet;
THENCE S 25°25'00" E, 133.00 feet;
THENCE S 02°51'00" W, 342.00 feet;
THENCE S 12°23'00" E, 303.00 feet;
THENCE S 32°55'00" W, 125.00 feet;
THENCE S 25°19'00" E, 165.00 feet;
THENCE S 15°00'00" W, 90.00 feet;
THENCE S 23°25'00" E, 75.00 feet;
THENCE S 83°10'00" E, 235.00 feet;
THENCE S 29°54'00" E, 367.00 feet;
THENCE S 00°00'00" E, 161.01 feet;
THENCE N 90°00'00" E, 67.86 feet;
THENCE S 27°53'50" E, 96.18 feet;
THENCE S 53°25'37" E, 193.00 feet;
THENCE S 03°08'42" W, 455.69 feet;
THENCE S 25°12'04" E, 93.94 feet;



THENCE N 62°42'02" E, 174.43 feet;
THENCE N 01°49'53" E, 571.93 feet;
THENCE N 76°20'53" E, 125.00 feet;
THENCE S 13°39'07" E, 870.00 feet;
THENCE N 76°20'53" E, 461.23 feet;
THENCE S 02°28'00" W, 1,125.00 feet;
THENCE S 21°10'00" E, 320.00 feet;
THENCE S 39°09'00" E, 200.00 feet;
THENCE N 49°05'00" E, 320.00 feet;
THENCE N 33°09'00" E, 350.00 feet;
THENCE S 75°18'00" E, 335.00 feet;
THENCE S 33°46'00" E, 655.00 feet;
THENCE S 11°41'00" W, 235.00 feet;
THENCE S 11°21'00" E, 280.00 feet;
THENCE S 89°41'00" E, 139.64 feet;
THENCE N 43°30'00" E, 410.29 feet;
THENCE N 11°44'00" E, 199.79 feet;
THENCE N 00°00'00" E, 475.00 feet;
THENCE N 31°55'00" W, 830.00 feet;
THENCE N 71°20'00" W, 480.00 feet;
THENCE N 24°45'00" W, 695.00 feet;
THENCE N 02°47'00" E, 475.00 feet;
THENCE N 75°04'00" E, 15.00 feet;



TRENCE S 21°50'00" E, 250.00 feet;
THENCE S 49°17'00" E, 105.00 feet;
THENCE S 10°21'00" E, 115.00 feet;
THENCE S 69°25'00" E, 245.00 feet;
THENCE N 45°50'00" E, 388.00 feet;
THENCE N 17°55'00" E, 565.00 feet;
THENCE N 09°26'00" W, 385.00 feet;
THENCE N 21°15'00" W, 305.00 feet;
THENCE N 43°02'00" W, 310.00 feet;
THENCE N 57°57'00" E, 120.00 feet;
THENCE N 04°33'00" W, 85.00 feet;
THENCE N 89°58'00" W, 395.00 feet;
THENCE N 22°05'00" W, 348.00 feet;
THENCE N 03°41'00" E, 514.00 feet;
THENCE N 31°00'00" W, 272.00 feet;
THENCE N 09°44'00" W, 344.86 feet to the POINT OF BEGINNING.

EXCEPT that portion lying within Rancho Vistoso Boulevard as recorded in Docket 7868 at Page 1451, Pima County Recorder's Office;

AND EXCEPT that portion lying within Sun City Vistoso, Unit 1, recorded in Book 40 of Maps and Plats at Page 53, Pima County Recorder's Office;

AND EXCEPT that portion lying within the following described parcels, attached Exhibits A, B, C, D, E and F.



SUN CITY VISTOSO
UNIT 2

That portion of Sections 18 and 19, Township 11 South, Range 14 East, G. & S.R.B. & M., Pima County, Arizona, described as follows:

COMMENCING at the Southeast corner of the said Section 18;

THENCE N 89°38'43" W, along the South line of the said Section 18, a distance of 968.93 feet to the POINT OF BEGINNING on the arc of a non-tangent curve, concave to the Northeast, a radial line of said curve through said point having a bearing of S 42°19'26" W;

THENCE Southeasterly, along the arc of said curve, to the left, having a radius of 763.91 feet and a central angle of 28°35'26" for an arc distance of 381.19 feet to a point of tangency;

THENCE S 76°16'00" E, 275.88 feet;

THENCE S 13°44'00" W, 295.00 feet;

THENCE S 03°44'00" W, 286.81 feet;

THENCE S 44°43'30" W, 200.00 feet;

THENCE N 45°16'30" W, 100.00 feet;

THENCE S 44°43'30" W, 216.12 feet to a point of curvature of a tangent curve, concave to the Southeast;

THENCE Southerly, along the arc of a curve, to the left, having a radius of 50.00 feet and a central angle of 41°24'35" for an arc distance of 36.14 feet to a point of reverse curvature;

THENCE Southwesterly, along the arc of said curve, to the right, having a radius of 50.00 feet and a central angle of 166°28'21" for an arc distance of 145.27 feet to a non-tangent line;

THENCE S 42°13'30" W, 85.37 feet;

THENCE N 47°46'30" W, 635.00 feet;

THENCE N 31°18'40" W, 405.82 feet to a point on the arc of a non-tangent curve, concave to the Southeast, a radial line of said curve through said point having a bearing of N 46°47'29" W;

THENCE Southwesterly, along the arc of said curve, to the left, having a radius of 603.11 feet and a central angle of 06°25'01" for an arc distance of 67.54 feet to a point of tangency;



THENCE S 36°47'30" W, 393.76 feet;

THENCE N 53°12'30" W, 80.00 feet;

THENCE N 36°47'30" E, 393.76 feet to a point of curvature of a tangent curve, concave to the Southeast;

THENCE Northeasterly, along the arc of said curve, to the right, having a radius of 683.11 feet and a central angle of 15°03'30" for an arc distance of 179.53 feet to a point of tangency;

THENCE N 51°51'00" E, 50.00 feet;

THENCE S 38°09'00" E, 40.00 feet;

THENCE N 51°51'00" E, 630.00 feet;

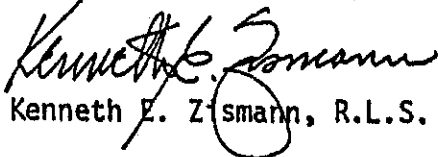
THENCE S 38°09'00" E, 65.00 feet to a point of curvature of a tangent curve, concave to the Northeast;

THENCE Southeasterly, along the arc of said curve, to the left, having a radius of 763.91 feet and a central angle of 09°31'34" for an arc distance of 127.01 feet to the POINT OF BEGINNING.

Containing 23.64 acres, more or less.

Prepared by:

THE WLB GROUP


Kenneth E. Zismann, R.L.S.





SUN CITY VISTOSO
UNIT 3

That portion of Sections 18 and 19, Township 11 South, Range 14 East, G. & S.R.B. & M., Pima County, Arizona, described as follows:

COMMENCING at the Southeast corner of said Section 18;

THENCE N 89°38'43" W, along the South line of said Section 18, a distance of 535.73 feet to the POINT OF BEGINNING;

THENCE N 13°44'00" E, 36.61 feet;

THENCE N 05°42'00" W, 600.00 feet;

THENCE N 22°46'20" W, 504.00 feet;

THENCE N 52°04'20" W, 374.00 feet;

THENCE N 45°38'30" W, 315.00 feet;

THENCE N 36°41'30" W, 342.50 feet;

THENCE S 71°40'20" W, 47.50 feet;

THENCE N 36°33'40" W, 193.00 feet;

THENCE S 53°26'20" W, 180.21 feet to a point on the arc of a non-tangent curve, concave to the Southwest, a radial line of said curve through said point having a bearing of N 57°55'49" E;

THENCE Southerly, along the arc of said curve, to the right, having a radius of 520.00 feet and a central angle of 25°44'31" for an arc distance of 233.63 feet to a non-tangent line;

THENCE S 81°48'35" W, 100.00 feet;

THENCE S 01°43'11" W, 140.85 feet;

THENCE S 79°40'55" W, 129.84 feet;

THENCE S 48°21'30" W, 783.50 feet;

THENCE S 00°00'00" W, 270.00 feet;

THENCE S 46°43'30" E, 219.30 feet to a point on the arc of a non-tangent curve, concave to the Southwest, a radial line of said curve through said point having a bearing of N 19°40'55" W;



THENCE Easterly, along the arc of said curve, to the right, having a radius of 50.00 feet and a central angle of $136^{\circ}35'30''$ for an arc distance of 119.20 feet to a point of reverse curvature;

THENCE Southerly, along the arc of said curve, to the left, having a radius of 50.00 feet and a central angle of $41^{\circ}24'35''$ for an arc distance of 36.14 feet to a point of tangency;

THENCE S $14^{\circ}30'00''$ E, 214.04 feet to a point of curvature of a tangent curve, concave to the Northeast;

THENCE Southeasterly, along the arc of said curve, to the left, having a radius of 265.00 feet and a central angle of $44^{\circ}18'00''$ for an arc distance of 204.89 feet to a point of tangency;

THENCE S $58^{\circ}48'00''$ E, 106.40 feet to a point of curvature of a tangent curve, concave to the Northeast;

THENCE Easterly, along the arc of said curve, to the left, having a radius 302.79 feet and a central angle of $23^{\circ}25'45''$ for an arc distance of 123.82 feet to a point of tangency;

THENCE S $82^{\circ}13'45''$ E, 142.63 feet;

THENCE S $07^{\circ}46'15''$ W, 50.00 feet to a point on the arc of a non-tangent curve, concave to the Southwest, a radial line of said curve through said point having a bearing of N $07^{\circ}46'15''$ E;

THENCE Easterly, along the arc of said curve, to the right, having a radius of 283.77 feet and a central angle of $38^{\circ}32'07''$ for an arc distance of 190.86 feet to a point of compound curvature of a tangent curve, concave to the Southwest;

THENCE Southerly, along the arc of said curve, to the right, having a radius of 25.00 feet and a central angle of $95^{\circ}26'45''$ for an arc distance of 41.65 feet to a point of cusp of a tangent curve, concave to the Northwest;

THENCE Northeasterly, along the arc of said curve, to the right, having a radius of 683.11 feet and a central angle of $00^{\circ}05'53''$ for an arc distance of 1.17 feet to a point of tangency;

THENCE N $51^{\circ}51'00''$ E, 50.00 feet;

THENCE S $38^{\circ}09'00''$ E, 40.00 feet;

The
WLB
Group
Inc.

THENCE N 51°51'00" E, 630.00 feet;

THENCE S 38°39'00" E, 65.00 feet to a point of curvature of a tangent curve, concave to the Northeast;

THENCE Southeasterly, along the arc of said curve, to the left, having a radius of 763.91 feet and a central angle of 38°07'00" for an arc distance of 508.20 feet to a point of tangency;

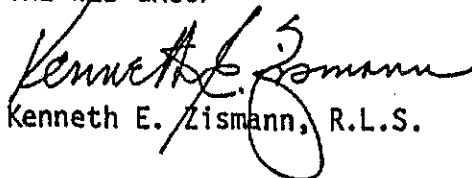
THENCE S 76°16'00" E, 55.88 feet;

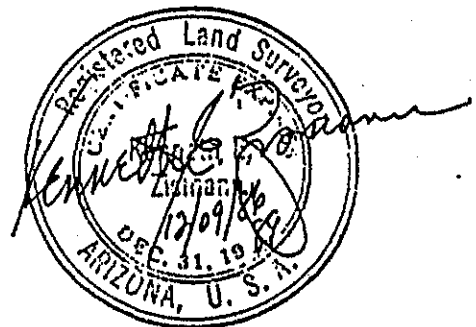
THENCE N 13°44'00" E, 193.39 feet to the POINT OF BEGINNING.

Containing 61.318 acres, more or less.

Prepared by:

THE WLB GROUP


Kenneth E. Zismann, R.L.S.





SUN CITY VISTOSO
UNIT 4

That portion of Sections 18 and 19, Township 11 South, Range 14 East, G. & S.R.B. & M., Pima County, Arizona, described as follows:

COMMENCING at the Southeast corner of the said Section 18;

THENCE N 89°38'43" W, along the South line of the said Section 18, a distance of 2,104.30 feet to the POINT OF BEGINNING;

THENCE N 58°48'00" W, 66.95 feet to a point of curvature of a tangent curve, concave to the Northeast;

THENCE Northwesterly, along the arc of said curve, to the right, having a radius of 265.00 feet and a central angle of 44°18'00" for an arc distance of 204.89 feet to a point of tangency;

THENCE N 14°30'00" W, 214.04 feet to a point of curvature of a tangent curve, concave to the Northeast;

THENCE Northerly, along the arc of said curve, to the right, having a radius of 50.00 feet and a central angle of 41°24'35" for an arc distance of 36.14 feet to a point of reverse curvature;

THENCE Northwesterly, along the arc of said curve, to the left, having a radius of 50.00 feet and a central angle of 136°35'30" for an arc distance of 119.20 feet to a non-tangent line;

THENCE N 46°43'30" W, 219.30 feet;

THENCE S 62°33'40" W, 293.00 feet;

THENCE S 23°47'00" E, 136.50 feet;

THENCE S 14°30'00" E, 300.00 feet;

THENCE N 75°30'00" E, 110.00 feet;

THENCE S 14°30'00" E, 88.50 feet to a point of curvature of a tangent curve, concave to the Northeast;

THENCE Southeasterly, along the arc of said curve, to the left, having a radius of 384.88 feet and a central angle of 44°18'00" for an arc distance of 297.58 feet to a non-tangent line;

THENCE S 31°12'00" W, 110.00 feet;

THENCE S 58°48'00" E, 320.00 feet;

The
WLB
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Inc.

THENCE N 31°12'00" E, 389.09 feet;

THENCE S 82°13'45" E, 142.63 feet;

THENCE N 07°46'15" E, 50.00 feet;

THENCE N 82°13'45" W, 142.63 feet to a point of curvature of a tangent curve, concave to the Northeast;

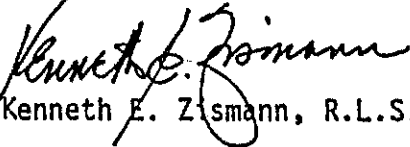
THENCE Northwesterly, along the arc of said curve, to the right, having a radius of 302.79 feet and a central angle of 23°25'45" for an arc distance of 123.82 feet to a point of tangency;

THENCE N 58°48'00" W, 39.45 feet to the POINT OF BEGINNING.

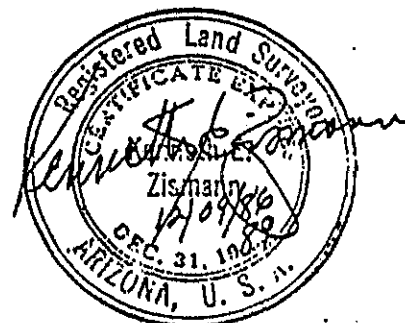
Containing 9.311 acres, more or less.

Prepared by:

THE WLB GROUP


Kenneth E. Zismann, R.L.S.

7941 2257





LEGAL DESCRIPTION

SUN CITY VISTOSO
RECREATION CENTER

That portion of Section 19, Township 11 South, Range 14 East, Gila and Salt River Base and Meridian, Pima County, Arizona, described as follows:

COMMENCING at the Northeast corner of the said Section 19;

THENCE S 00°04'54" E along the East line of the said Section 19, a distance of 1,973.09 feet;

THENCE S 89°55'06" W, 1,100.05 feet to the POINT OF BEGINNING;

THENCE N 03°26'45" W, 406.00 feet;

THENCE N 29°44'45" W, 281.89 feet;

THENCE N 50°38'35" W, 324.76 feet;

THENCE N 39°26'00" W, 330.00 feet;

THENCE N 59°44'00" W, 265.74 feet;

THENCE S 36°47'30" W, 222.93 feet to a point of curvature of a tangent curve concave to the East;

THENCE Southerly along the arc of said curve, to the left, having a radius of 25.00 feet and a central angle of 082°50'17" for an arc distance of 36.14 feet to a point of reverse curvature of a tangent curve concave to the Southwest;

THENCE Southeasterly along the arc of said curve, to the right, having a radius of 1,375.00 feet and a central angle of 032°23'40" for an arc distance of 777.41 feet to a point of tangency;

THENCE S 13°39'07" E, 482.61 feet;

THENCE N 78°20'30" E, 499.95 feet to the POINT OF BEGINNING.

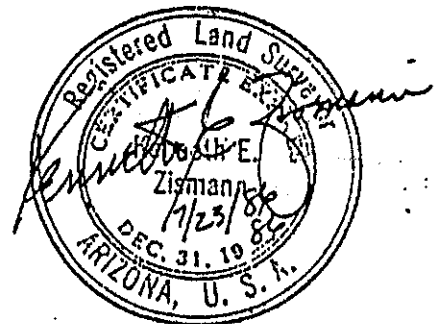
The
WLB
Group
inc.

Containing 14.002 acres, more or less.

Prepared by:

THE WLB GROUP, INC.

Kenneth E. Zismann
Kenneth E. Zismann, R.L.S.





LEGAL DESCRIPTION
WEBB (PARCEL 6)

That portion of Sections 19 and 20 Township 11 South, Range 14 East, G. & S.R.B. & M., Pima County, Arizona, described as follows:

COMMENCING at the Northeast corner of the said Section 19;

THENCE S 00°04'54" E, along the East line of the said Section 19, a distance of 1,777.32 feet to the POINT OF BEGINNING;

THENCE S 33°25'00" W, 20.42 feet;

THENCE S 61°48'00" W, 156.00 feet;

THENCE S 79°25'00" W, 234.00 feet;

THENCE S 57°00'00" W, 515.00 feet;

THENCE S 31°42'00" E, 520.00 feet;

THENCE N 77°28'00" E, 185.00 feet;

THENCE S 83°28'00" E, 202.00 feet;

THENCE S 38°36'00" E, 152.00 feet;

THENCE S 69°11'00" E, 152.00 feet;

THENCE N 86°22'00" E, 63.00 feet;

THENCE S 36°32'00" E, 100.00 feet;

THENCE N 43°13'00" E, 205.00 feet;

THENCE N 04°14'00" E, 108.00 feet;

THENCE N 24°16'00" W, 190.00 feet;

THENCE N 01°43'00" W, 266.00 feet;

THENCE N 05°38'00" E, 163.00 feet;

THENCE N 26°23'00" W, 142.00 feet;

THENCE N 20°00'00" E, 125.00 feet;

THENCE N 63°14'00" E, 65.00 feet;

The
WLB
Group
Inc.

THENCE N 36°52'00" W, 138.87 feet;

THENCE S 59°57'00" W, 249.82 feet;

THENCE S 33°25'00" W, 35.58 feet to the POINT OF BEGINNING.

Containing 18.379 acres, more or less.

Prepared by:

THE WLB GROUP

Kenneth E. Zismann
Kenneth E. Zismann, R.L.S.



LEGAL DESCRIPTION
WEBB (PARCEL 7)

That portion of the Southeast One-Quarter (SE 1/4) of Section 19, Township 11 South, Range 14 East, G. & S.R.B. & M., Pima County, Arizona, described as follows:

COMMENCING at the Northeast corner of the said Section 19;

THENCE S 00°04'54" E, along the East line of the said Section 19, a distance of 2,642.95 feet to the Northeast corner of the said Southeast One-Quarter (SE 1/4);

THENCE S 00°33'15" W, along the East line of the said Section 19, a distance of 1,234.23 feet;

THENCE N 89°26'45" W, 267.17 feet to the POINT OF BEGINNING;

THENCE N 32°58'00" W, 459.48 feet;

THENCE S 68°38'00" W, 124.86 feet;

THENCE S 03°15'00" E, 195.00 feet;

THENCE S 26°53'00" E, 240.00 feet;

THENCE S 02°40'00" W, 215.00 feet;

THENCE S 12°49'00" W, 360.00 feet;

THENCE S 27°03'00" E, 210.00 feet;

THENCE N 29°13'00" E, 135.00 feet;

THENCE N 04°40'00" E, 370.00 feet;

THENCE N 58°33'00" E, 163.00 feet;

THENCE N 01°23'00" E, 250.00 feet to the POINT OF BEGINNING.

Containing 5.095 acres, more or less.

Prepared by:

THE WLB GROUP

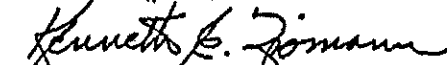

Kenneth E. Zismann, R.L.S.

EXHIBIT "B"

The
WLB
Group
Inc.

LEGAL DESCRIPTION

SUN CITY VISTOSO
RECREATION CENTER

That portion of Section 19, Township 11 South, Range 14 East, Gila and Salt River Base and Meridian, Pima County, Arizona, described as follows:

COMMENCING at the Northeast corner of the said Section 19;

THENCE-S 00°04'54" E along the East line of the said Section 19, a distance of 1,973.09 feet;

THENCE S 89°55'06" W, 1,100.05 feet to the POINT OF BEGINNING;

THENCE N 03°26'45" W, 406.00 feet;

THENCE N 29°44'45" W, 281.89 feet;

THENCE N 50°38'35" W, 324.76 feet;

THENCE N 39°26'00" W, 330.00 feet;

THENCE N 59°44'00" W, 265.74 feet;

THENCE S 36°47'30" W, 222.93 feet to a point of curvature of a tangent curve concave to the East;

THENCE Southerly along the arc of said curve, to the left, having a radius of 25.00 feet and a central angle of 082°50'17" for an arc distance of 36.14 feet to a point of reverse curvature of a tangent curve concave to the Southwest;

THENCE Southeasterly along the arc of said curve, to the right, having a radius of 1,375.00 feet and a central angle of 032°23'40" for an arc distance of 777.41 feet to a point of tangency;

THENCE S 13°39'07" E, 482.61 feet;

THENCE N 78°20'30" E, 499.95 feet to the POINT OF BEGINNING.

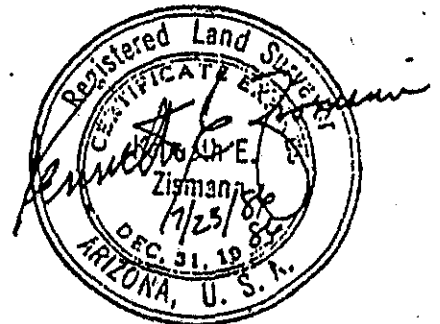
The
WLB
Group
Inc.

Containing 14.002 acres, more or less.

Prepared by:

THE WLB GROUP, INC.

Kenneth E. Zisman
Kenneth E. Zisman, R.L.S.



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