

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned persons have this day, in compliance with the requirements of A.R.S. S 10-1001, et. seq-, as amended, voluntarily associated themselves together for the purposes of forming a nonprofit corporation under and pursuant to the laws of the state of Arizona, and for that purpose do hereby adopt the following Articles of Incorporation:

ARTICLE I

The name of the corporation shall be SPORTS RANCH VILLAGE HOMEOWNERS ASSOCIATION, INC.

ARTICLE II

This corporation is organized pursuant to the general nonprofit corporation laws of the State of Arizona.

ARTICLE III

The names and addresses of the incorporators are as follows:

Vincent P. Lacy
c / o Blue Valley Mortgage
7600 North 16th Street, Suite 145
Phoenix, Arizona 85020

Steven Freegard
c / o Blue Valley Mortgage
7600 North 16th Street Suite 145
Phoenix, Arizona 85020

ARTICLE IV

The principal place of business of the corporation shall be located at 7600 North 16th Street, Suite 145, Phoenix, Arizona 85020, but the corporation may establish other offices within or without Arizona and may hold its meetings at such places within or without Arizona as the Bylaws may provide.

ARTICLE V

The corporation does not contemplate pecuniary gain or profit, direct or indirect, to its Members. The nature of the business to be transacted and the objectives, powers and purposes of the corporation shall be as follows:

- A. To do and perform any and all acts and things and to transact any business, not inconsistent with law, which may be necessary, incidental to or convenient in carrying

out the purposes and objectives set forth in that certain Declaration of Covenants, Conditions and Restrictions for Sports Ranch Village recorded on October 22, 1986, at Instrument No. 86 578919, Official Records of Maricopa County Arizona, hereinafter referred to as "the Declaration," as the same may be duly amended from time to time in accordance with its terms and which Declaration is hereby incorporated herein by this reference, and further, generally to do any and all things and exercise all rights and powers permitted to nonprofit corporations under the laws of the State of Arizona, including those set forth in A.R.S. S 10-1005, as amended.

- B. Without limiting the generality of the foregoing, the corporation shall have the power to enter into, perform and carry out contracts of any kind or description with third parties, firms and corporations, whether or not affiliated with this corporation or any of its Members, Directors or officers, which are necessary to, or in connection with, or incidental to the accomplishment of the purposes of this corporation.

ARTICLE VI

Defined terms used herein shall, except as the context otherwise requires, have the definitions given said terms in the Declaration.

ARTICLE VII

The corporation shall be a non-stock corporation and shall be collectively called "Members of the corporation." Membership in the corporation shall be limited to "Owners" as such term is defined in the Declaration, and Declarant, whether or not Declarant is an Owner, as set forth in the Declaration. Membership shall be appurtenant to and may not be separated from status as an Owner.

Certificates of Membership need not be issued, and membership shall be evidenced by an official list of Members, which list shall be kept by the Secretary of the corporation. In the event ownership of a Lot is held by two or more persons or entities, whether by joint tenancy, tenancy in common, community property, or otherwise, the membership with respect thereto shall be joint, and a single membership shall be shown in the joint names of such two or more persons or entities, and they shall designate to the corporation in writing one of their number who shall have the power to vote said membership. In the absence of such designation and until such designation is made, the Secretary of the corporation may make such designation as he deems appropriate in his discretion. Subject to the foregoing, if any Member casts a vote for a certain Lot or Unit of Density, it will thereafter be conclusively presumed for all purposes that the first such Member voting was acting with the authority and consent of all other Members with respect to such Lot or Unit of Density.

The Board of Directors may prescribe, pursuant to the method set forth in the Declaration, rules and regulations, including, without limitation, rules and regulations relating to the rights and obligations of the Members of the corporation, governing use and enjoyment of property of the corporation, and fees (if any) chargeable with respect thereto, and the suspension of voting and other rights and privileges of Members failing promptly to

fulfill their obligations as such. Further, membership in the corporation shall be subject to the terms of the Declaration.

ARTICLE VIII

- A. Voting Rights of Members in this corporation shall be as set forth in the Declaration and the corporation's Bylaws.
- B. Whenever, pursuant to these Articles, the assent or vote of Members is required to effect or authorize a particular act, and a percentage or proportion of such Members so consenting or voting is specified, unless otherwise required by law, said percentage or proportion shall be measured in terms of the aggregate number of votes eligible to be cast by all Members of the corporation, irrespective of class of membership.
- C. In the event any Owner shall be in arrears in the payment of any amount due under any of the provision of these Articles, the Declaration, or any Bylaws, rules or regulations promulgated pursuant thereto, for a period in excess of fourteen (14) days, or shall be in default in the performance of any other obligation provided or contemplated by said Declaration, these Articles or any Bylaws, rules or regulations promulgated thereto for a period in excess of fourteen (14) days, in addition to all other available remedies, said Owner's right to vote and his other rights and privileges as a Member of the corporation shall be suspended and shall remain until all such payments are brought current and all such defaults remedied, unless otherwise determined by a majority of the Board of Directors, and may be further or otherwise suspended for certain such defaults as set forth in the Declaration.
- D. Subject to such requirements as may be imposed by the Bylaws from time to time, voting and other rights of membership in this corporation may be delegated by an Owner, but only to a person holding an Interest (whether as lessee, beneficial owner, purchaser pursuant to agreement of sale or otherwise) in the Lot with respect to which such voting and other rights exist or to a representative of Declarant. In addition to the foregoing, a revocable proxy for any meeting of Members may be granted to a person holding an interest in any other Lot, or to an employee, agent or representative of Declarant. Any such proxy shall be subject to such reasonable rules and regulations as may from time to time be promulgated in the Bylaws or otherwise by the Board of Directors of this corporation.

ARTICLE IX

The time of commencement of this corporation shall be the date of filing of these Articles of Incorporation with the Arizona Corporation Commission, and its existence shall be perpetual.

ARTICLE X

The affairs of the corporation shall be conducted by a Board of Directors consisting of not less than three (3) nor more than five (5) persons, and such officers as the Board of Directors may select from time to time as set forth in the Bylaws.

The number of Directors of this corporation shall be initially set as three (3), but such number may be changed by the Board of Directors, within the limits prescribed in this Article, in accordance with the Bylaws of this corporation, as the same may be duly adopted or amended from time to time. The following persons shall serve as the initial Board of Directors of the corporation until their successors shall have been duly elected and qualify:

Vincent P. Lacy
c/o Blue Valley Mortgage
7600 North 16th Street
Suite 145
Phoenix, Arizona 85020

Steven Freegard
c/o Blue Valley Mortgage
7600 North 16th Street
Suite 145
Phoenix, Arizona 85020

Allen Moore
c/o Blue Valley Mortgage
7600 North 16th Street
Suite 145
Phoenix, Arizona 85020

The Board of Directors will adopt Bylaws for the corporation, and such Bylaws may be amended, supplemented, repealed or suspended and new Bylaws may be adopted, by the Board of Directors and otherwise as provided for therein. Any such Bylaws shall be consistent with and subject to the Declaration to the extent set forth in the Declaration.

ARTICLE XI

The private property of each and every incorporator, officer and Director and Member of this corporation shall at all times be exempt from all obligations, debts and liabilities of the corporation.

ARTICLE XII

These Articles of Incorporation may be amended by the affirmative vote of three-quarters (3/4) of the votes eligible to be cast by all Members of the corporation. The Articles may not be amended insofar as such amendment would be inconsistent with the Declaration, and in the event of any conflict or consistency, the Declaration shall control.

These Articles shall not be amended nor shall any of the corporation's powers be exercised, in a manner that affects the rights and powers of the Declarant without the Declarant's prior written consent.

ARTICLE XIII

This corporation hereby appoints Clare H. Abel, Burch & Cracchiolo, P.A., 702 East Osborn Road, Suite 200, Phoenix, Arizona 85014, as statutory agent for this corporation. The Directors may, at any time, appoint another agent for such purpose, and the filing of such other appointment shall revoke this or any other previous appointment of such agent.

Vincent P. Lacy

Steven Freegård

**FIRST AMENDMENT TO BYLAWS OF
SPORTS RANCH VILLAGE HOMEOWNERS ASSOCIATION, INC.**

The Bylaws of Sports Ranch Village Homeowners Association, Inc. "Association"), an Arizona non-profit corporation are hereby amended as follows:

1. Article IV, Section 7 is amended as follows:

"Article IV. Section 7. Quorum. The presence, either in person or by proxy, of the Members holding ten percent (10%) of the votes entitled to be cast shall constitute a quorum of the Association Members for all purposes, unless representation of a larger group shall be required by law, by the Declaration, by the Articles or by these Bylaws, and in that event, representation of the number so required shall constitute a quorum."

2. The terms used in this Amendment without definition shall have the same meanings given to such terms in the Bylaws
3. By attesting to this Amendment, the undersigned certify that the Amendments to the Bylaws set forth in this Amendment were properly adopted by a majority of the Board of Directors in accordance with the requirements of the Bylaws.
4. Except as expressly amended by this Amendment, the Bylaws shall remain in full force and effect. In the event of any inconsistency or conflict between the provisions of this Amendment and Bylaws, this Amendment shall prevail.

CERTIFICATION

The undersigned, being a majority of the duly elected directors of Sports Ranch Homeowners Association, Inc., hereby certify that the foregoing amendment to the Bylaws of Sports Ranch Homeowners Association, Inc. was duly adopted by a majority of the Board of Directors in accordance with the requirements of the Bylaws.

Dated this 27 day of October 2003.

SPORTS RANCH VILLAGE HOMEOWNERS ASSOCIATION, INC.
BYLAWS

ARTICLE I

Section 1. Principal office. The principal offices of the Sports Ranch Village Homeowners Association, Inc. (the "Association") shall be located at 7600 North 16th Street, Suite 145, Phoenix, Arizona 85020.

Section 2. Other offices. The Association may establish such office or offices at such other places within or without the State of Arizona as the Board of Directors may from time to time designate.

ARTICLE II

MEMBERSHIP

Section 1. Qualification. Membership in the Association shall be limited as set forth in the Articles of Incorporation (the "Articles ") of the Association and the Declaration of Covenants, Conditions and Restrictions for Sports Ranch Village, as amended from time to time (the "Declaration"), referred to in the Articles (which Declaration is hereby incorporated herein by this reference).

Section 2. Transfer of Membership. No transfer of membership in the Association shall be made, except as provided in the Articles and the Declaration, and no such transfer shall be made upon the books of the Association for purposes of voting rights within ten (10) days next preceding the annual meeting of the Members.

ARTICLE III

PROPERTY RIGHTS: RIGHTS OF ENJOYMENT

Section 1. Use and Enjoyment. Consistent with the purposes of the Association, the Declaration and any other applicable document, and to the extent reasonably practicable, the Association may make the property and facilities subject to its control and administration available for the common use and enjoyment of the Members. A Member delegating his rights and privileges of using and enjoying such property and facilities pursuant to the Association's Articles shall notify the Secretary in writing in advance of the name of the delegee and the terms of the delegation, and notwithstanding any such delegation, the Member shall remain liable with respect to all duties as such, and the rights and privileges of any delegee shall remain subject to suspension in the event of any failure to perform such duties.

Section 2. Reasonable Fees: Regulations. If the Board of Directors of the Association deems it necessary or appropriate, the Association may charge reasonable admission and other fees for the use of the property and facilities owned by it or subject to its

administration. Subject to the rights and powers as set forth in the Declaration, the Board of Directors, or a duly appointed committee thereof, may establish such rules and regulations as it may determine to be necessary or appropriate for the regulation of the use and enjoyment of such property and facilities. Copies of any schedule of admission and other fees, or of any rules and regulations, so adopted shall be available to Members and any delegee referred to in Section 1 of this Article at a reasonable charge.

ARTICLE IV

MEMBERS OF THE ASSOCIATION

Section 1. Annual Meetings. An Annual meeting of the Members shall be held on the first Tuesday of December of each year commencing in 1991, at the principal place of business of the Association, or on such other date or at such other place as the Board of Directors may specify. If the date set for the annual meeting of the Members is a legal holiday, the meeting will be held on the first day following which is not a legal holiday. At such meeting, there shall be elected a Board of Directors in accordance with the requirements of Article V of these Bylaws. The members may also transact such other business of the Association as may properly come before them.

Section 2. Notice of Annual Meeting. Written notice of the annual meeting shall be given to each Member entitled to vote thereat by posting said notice in the Association offices at least ten (10) days (but no more than fifty (50) days) before the date of the meeting.

Section 3. Special Meetings. A special meeting of the Members, for any purpose or purposes, unless otherwise prescribed by statute or by the Articles, may be called by the President and shall be called by the President or Secretary at the request in writing of a majority of the Board of Directors, or at the request in writing signed by Members entitled to cast one-fourth (1/4) of all the votes of the entire membership. Such request shall state the purpose or purposes of the proposed meeting.

Section 4. Notice of Special Meeting. Written notice of a special meeting of the Members, stating in reasonable detail the time, place and purpose thereof, shall be given to each Member entitled to vote thereat by posting said notice in the Association offices, at least ten (10) days (but no more than fifty (50) days) before the date fixed for the meeting.

Section 5. Business Transacted at Special Meeting. Business transacted at any special meeting of Members shall be limited to the purposes stated in the notice, unless by consent of Members holding two-thirds (2/3) of the votes present, either in person or by proxy.

Section 6. Classes of Membership. The Association shall have the classes of membership as set forth in the Declaration. Whenever in the Articles or in these Bylaws provision is made for a specified percentage or proportion of members, such percentage or proportion shall be determined (except as otherwise specifically directed herein or required

by law) according to the aggregate number of votes eligible to be cast by all Members of the Association, irrespective of class of membership.

Section 7. Quorum. The presence, either in person or by proxy, of the Members (and of each class thereof if voting by classes shall be required by law, the Articles or these Bylaws) holding a majority of the votes entitled to be cast shall constitute a quorum of the Association Members for all purposes unless representation of a larger group shall be required by law, by the Declaration, by the Articles or by these Bylaws, and in that event, representation of the number so required shall constitute a quorum. Except as expressly provided in the Declaration, the Articles or these Bylaws for certain particular matters, all actions may be taken at any meeting of the Association Members upon the affirmative vote of a majority of the aggregate voting power of the Members present at the meeting in person or by proxy, provided that a quorum is present as provided herein.

Section 8. Adjournment of Meetings. If the number of Members necessary to constitute a quorum shall fail to attend in person or by proxy at the time and place of the meeting, the Chairman of the meeting, or a majority of the Members present in person or by proxy, may adjourn the meeting from time to time without notice other than an announcement at the meeting, until a quorum shall be present or represented. At any adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed.

Section 9. Proxies. A Member may grant proxy (whether or not revocable) to any person holding an interest in the Lot with respect to which such membership exists. Further, a revocable proxy for any meeting of Members may be granted to any other Member or to any employee, agent or representative of the Declarant: any such revocable proxy may be granted by a person holding a proxy pursuant to the first sentence of this Section, whether or not specifically permitted by the terms of the instrument granting proxy, unless expressly provided to the contrary by such instrument. Any proxy granted hereunder must be filed, or on file, with the Secretary prior to a vote pursuant thereto. Any such proxy shall automatically be revoked upon termination of the membership of the person originally granting the same.

Section 10. Written Instrument in Lieu of Meetings. Any action required or permitted to be taken at a meeting of Members may, to the extent not prohibited by law, be effected by instrument in writing setting forth such action, executed by each Member entitled to vote thereon, which instrument shall be filed at the principal office of the Association with the Minutes maintained for meetings of Members.

ARTICLE V

DIRECTORS

Section 1. Powers and Duties. The business, property and affairs of the Association shall be managed, controlled and conducted by a Board of Directors. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the

Association, and may do all such acts and things as are not by law or otherwise expressly directed to be exercised and done exclusively by the Members. The powers of the Board of Directors shall include, but not be limited to, all of the rights and duties of the Board of Directors as set forth elsewhere in these Bylaws, the Articles and the Declaration and shall also include the power to promulgate such rules and regulations pertaining to the rights and duties of Members and all other matters, as may be deemed proper and which are consistent with the foregoing. The Board of Directors may delegate to one or more committees thereof, and to other persons, such duties and powers, all as appears to the Board of Directors to be in the best interests of the Association and to the extent permitted by law. All provisions of this Article V are subject to all of the provisions of the Declaration and the rights and powers of the Declarant as set forth therein, and nothing contained in these Bylaws shall be construed to limit, waive, alter or abrogate any such provision, rights or powers, including without limitation any right of Declarant to appoint Directors.

Section 2. Number and Qualifications. The number of Directors shall be fixed from time to time by resolution of the Board of Directors within the limits prescribed by the Articles. Directors must be Members, except for any Director appointed by the Declarant.

Section 3. Election and Term of Office. The Directors shall be elected at the annual meeting of the Members (or by unanimous written consent of Members, in accordance with Article IV hereof) except as provided herein or in the Declaration. The term of the Directors named in the Articles shall be until the first annual meeting of the Members or until their successors are duly elected by the Members at each regular annual meeting thereafter and shall hold office for a term of one (1) year or until their respective successors shall be elected and shall qualify, except as otherwise provided herein or in the Declaration. The cumulative system of voting shall be followed in the election of Directors only if expressly required by the laws of the State of Arizona. The election of Directors shall be by written ballot, or by unanimous acclamation. While Class B Membership is in effect, the Class B Member shall appoint all Directors without any vote therefor being held.

Section 4. Removal of Directors. At any regular or special meeting of the Members, except as may otherwise be provided by applicable law, any one or more of the Directors may be removed with or without cause by the affirmative vote of a majority of the Members (other than Directors appointed by the Declarant, which shall be removable solely by Declarant, with or without cause). A successor may immediately thereafter be elected by Members to fill the vacancy thus created (other than Directors appointed and removed by Declarant, which vacancy shall be solely filled by appointment by Declarant), and a Director so chosen shall hold office until the next annual election and until his or her successor is duly elected and shall qualify unless sooner displaced. Any Director whose removal is proposed to the Members shall be given an opportunity to be heard at the meeting considering his or her removal.

Section 5. Resignation of Directors. Any Director may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless

otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. Vacancies and newly created directorships resulting from any increase in the authorized number of Directors may be filled by a majority of the Director (s) then in office, though less than a quorum, and Directors so chosen shall hold office until the next annual election and until their successors are duly elected and shall qualify, unless sooner displaced.

Section 7. Compensation. No compensation shall be paid to Directors for their services as Directors, nor shall remuneration be paid to a Director for services performed by him or her for the Association in any other capacity, unless a resolution authorizing such remuneration shall have been adopted by the Board of Directors.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least one such meeting (including an organizational meeting held within ten (10) days of election of Directors by the Members at the annual meeting) shall be held during each fiscal year. No notice of regular meetings of the Board of Directors need be given.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on at least twenty-four (24) hours notice to each Director, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice upon the written request of a majority of the Directors.

Section 10. Quorum. A majority of the Board of Directors then serving (but no less than 1/3 of the number of Directors then fixed) shall constitute a quorum for the transaction of business, but if at any meeting of the Board there be less than a quorum present, a majority of those present may adjourn the meeting from time to time until a quorum shall be present. Every act or decision done or made by a majority of the Directors at a duly held meeting at which a quorum is present shall be regarded as the act of the Board, except as may otherwise specifically provided by statute, the Articles, these Bylaws, the Declaration or applicable law.

Section 11. Adjournments. The Board of Directors may adjourn any meeting from day to day or for such other time as may be prudent or necessary in the interests of the Association, provided that no meeting may be adjourned for a period of longer than thirty (30) days. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally noticed.

Section 12. Action Taken Without a Meeting. Any action required or permitted to be taken at a meeting of Directors may be effected by an instrument in writing setting forth such action, executed by each Director, which instrument shall be filed at the principal office of the Association or with the Minutes maintained for meetings of Directors.

Section 13. Fidelity Bonds. The Board of Directors need not require (but may require, if it so determines) that all officers and employees of the Association handling or responsible for Association funds shall furnish fidelity bonds. In the event such bonds are required upon determination of the Board of Directors, the premiums therefor shall be paid by the Association.

Section 14. Committees. The Board of Directors may, by resolution passed by a majority of the whole Board, designate one or more committees, each committee to consist of one or more of the Directors of the Association, which (to the extent provided in the resolution, but not to the extent prohibited by the Articles, the Declaration or by applicable law) shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Association and may authorize the seal of the Association to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. The Board of Directors may, by resolution passed by a majority of the whole Board, appoint the members of the Architectural Committee as set forth in the Declaration. Architectural Committee appointees need not be architects, engineers, Directors, Owners or Residents.

ARTICLE VI

NOTICES

Section 1. Notices. Except as otherwise provided herein or in the Declaration for specific notices, all notices (except as specifically hereinafter provided in this Section) shall be in writing and delivered in person or mailed to the Members and Directors at their addresses appearing on the books of the Association. Notice by mail shall be deemed to be given three (3) days after the time when the same shall be mailed, postage prepaid, to such addresses. Notices to Directors may be given by telegram or telephone.

Section 2. Waiver. Whenever any notice is required to be given under the provisions of applicable law, of the Articles, of the Declaration, or of these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto. The presence of the person or persons entitled to notice at any meeting requiring such notice shall also be deemed a waiver of such notice, unless such attendance shall be solely for the express purpose of objecting to transaction of any business because the meeting is not lawfully called or convened.

ARTICLE VII

OFFICERS

Section 1. Designation. The principal officers of the Association shall be a President, one or more Vice Presidents, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. The Directors may appoint Assistant Secretaries and Assistant

Treasurers, and such other officers as in their judgment may be necessary. Any one person may hold two or more offices at the same time, except that no one person shall simultaneously hold the office of President and Secretary.

Section 2. Election of Officers: Term. The Board of Directors, at its first meeting after each annual meeting of the Members (or unanimous consent in lieu thereof), shall elect a President, one or more vice Presidents, a Secretary and a Treasurer, none of whom need be a member of the Board or Member of the Association. Except as otherwise provided herein, officers shall hold office until their successors are chosen and qualify.

Section 3. Other Agents. The Board of Directors may appoint such other agents as it shall deem necessary who shall hold their positions for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer or other agent may be removed, either with or without cause, at any time.

Section 5. Resignation of Officers. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office, for any reason whatsoever, may be filled by one vote of a majority of the Board of Directors then serving. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Members and of the Board of Directors. He shall have all of the general powers and duties which are normally vested in the office of the President of an association, including, but not limited to, the power to appoint committees from among Members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 8. Vice President. The Vice President (or most Senior Vice President, if there shall be more than one) shall take the place of the President, and perform his duties whenever the President shall be absent, unable to act or refuses to act. If neither the President nor a Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. A Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 9. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Members: he shall have the custody of the seal of the Association; he shall have charge of the membership books and such other books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the Office of Secretary.

Section 10. Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board of Directors.

Section 11. Compensation. No compensation shall be paid to officers for their services as officers and no remuneration shall be paid to an officer for services performed by him for the Association in any other capacity, unless a resolution authorizing such remuneration shall have been adopted by the Board of Directors.

ARTICLE VIII

AGREEMENTS

The Board of Directors shall have the express authorization, right and power to enter into one or more management agreements in order to facilitate efficient operation of the facilities and property owned by or subject to the control and administration of the Association, which management agreements may provide for, among other things, the administration, management, repair and maintenance of said facilities and property. The terms of said management agreements shall be as determined by the Board of Directors to be in the best interests of the Association, and shall be subject to the Articles, these Bylaws and the Declaration.

Consistent with the foregoing, the Board of Directors may enter into agreements delegating any of its duties, powers or functions for such period of time and pursuant to such terms and conditions as it deems advisable, to any person, firm or entity (whether or not affiliated with a Member, officer or Director). Any such delegation which extends beyond the term of office of the delegator shall be binding upon successor Board of Directors. The Board of Directors shall not be liable for any omission or improper exercise by any delegee of any such duties, powers or functions so delegated.

ARTICLE IX

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Subject to the further provisions hereof, the Association shall indemnify any and all of its Directors, officers, former Directors and former officers, to the full extent permitted under applicable law against all expense incurred by them and each of them, including but not limited to, legal fees, costs, judgments, fines and amounts paid in settlement which have or may be incurred, rendered or levied in any legal action, whether civil, criminal, administrative, investigative or otherwise, brought or threatened against any of them for or on

account of any action or omission alleged to have been committed while acting within the scope of his or her duties as a Director or officer of the Association. Whenever any present or former Director or officer shall report to the President of the Association that he has incurred or may incur such expenses and it is thereafter determined (within a reasonable period of time thereafter and in accordance with applicable law) that such person acted, failed to act or refused to act in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association in regard to the matter involved in the action or contemplated action and, with respect to any criminal action or proceeding, that he had no reasonable cause to believe his or her conduct was unlawful, indemnification shall be mandatory and shall be automatically extended as specified herein: provided, however, that the Association shall have the right to refuse indemnification in any instance in which the person to whom indemnification would otherwise have been applicable shall have unreasonably refused to permit the Association, at its own expense and through counsel of its own choosing, to defend him or her in the action. Nothing contained herein is intended to nor shall it limit any right of indemnification provided by Arizona Revised Statutes s 10-1005 or other applicable law.

ARTICLE X

CORPORATE SEAL

The Board of Directors shall provide a suitable corporate seal containing the name of the Association, which seal shall be in the custody and control of the Secretary. The corporate seal shall be in circular form, shall have inscribed thereon the name of the Association, the year it was organized and the words, "Corporate Seal, Arizona." If and when so directed by the Board of Directors, a duplicate seal may be kept and used by such officers or by other persons as the Board of Directors shall name.

ARTICLE XI

MISCELLANEOUS

Section 1. Books and Accounts. Books and Accounts of the Association shall be kept under the direction of the Treasurer and in accordance with reasonable standards of accounting procedure and prudence. The Treasurer shall be entitled to rely on accountants used by the Treasurer for such purposes.

Section 2. Inspection of Books. The books, records and papers of the Association, and the membership records of the Association, shall be available at the principal offices of the Association for inspection at reasonable times by any Member for proper purposes. Copies of the Declaration, the Articles and the Bylaws of the Association shall likewise be available for inspection by any Member at the principal offices of the Association.

Section 3. Execution of Corporate Documents. With the prior authorization of the Board of Directors, all notes, checks and contracts or other obligations shall be executed on

behalf of the Association by such officer or officers of the Association as said Board shall designate, or in the absence of such designation by the President.

Section 4. Fiscal Year. The fiscal year of the Association shall be determined by the Board of Directors.

Section 5. Defined Terms. Defined terms used herein shall, except as the context requires, have the definitions given said terms in the Declaration.

Section 6. Conflict in Documents. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; and in the case of any conflict between the Articles and the Declaration, the Declaration shall control. This provision shall be amended or repealed only in accordance with the most stringent amendment provision regarding amendment or repeal then contained in these Bylaws, the Articles and the Declaration.

ARTICLE XII

AMENDMENT OF THE BYLANS

These Bylaws may be altered or repealed by the affirmative vote of a majority of the Board of Directors then serving. These Bylaws may not be amended insofar as such amendment would be inconsistent with the Declaration, or the Articles.


Secretary

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SPORTS
RANCH VILLAGE

THIS DECLARATION of Covenants, Conditions and Restrictions (hereinafter termed the "Declaration") is made on this 10th day of October, 1986 by LAND DEVELOPMENT GROUP, INC., An Arizona corporation, (hereinafter sometimes termed "Declarant")

WITNESSETH:

WHEREAS, the Declarant is the Owner of the real property located in Phoenix, Arizona, which is described on Exhibit A attached hereto.

NOW, THEREFORE, Declarant hereby declares that all of said real property (hereinafter sometimes referred to as Sports Ranch Village) shall be held, sold, and conveyed subject to the easements, restrictions, covenants and conditions contained in this Declaration which are for the purpose of protecting the value and desirability of, and which shall run with, said real property, and be binding on all parties having any right, title or interest in said real property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I
DEFINITIONS

Section 1.1. "Architectural Committee" shall mean the Committee established by the Board pursuant to Section 2.4 of this Declaration.

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

Section 1.3. "Articles" shall mean the Articles of Incorporation of the Association which have been, or will be, filed in the Office of the Corporation Commission of the State of Arizona, as said Articles say be amended from time to time.

Section 1.4. "Association" shall mean the "Sports Ranch Village Homeowners Association", an Arizona nonprofit corporation, its successors and assigns.

Section 1.5. "Association Rules" shall mean the rules and regulations accepted by the Association, as the same may be amended: from time to time.

Section 1.6. "Board" shall mean the Board of Directors of the Association.

Section 1.7. "Bylaws" shall mean the Bylaws of the Association, as such Bylaws may be amended from time to time.

Section 1.8. "Common Area" shall mean all real property, and all improvements located thereon, owned by the Association for the common use and enjoyment to the Owners.

Section 1.9. "Declarant" shall mean Land Development Group, Inc. an Arizona corporation, its successors and any person or entity to whom it may expressly assign its rights under this Declaration.

Section 1.10. "Declaration" shall mean the covenants, conditions and restrictions herein set forth in this entire document, as same may from time to time be amended.

Section 1.11. "First Mortgage" shall mean and refer to any mortgage or deed of trust with first priority over any other mortgage or deed of trust.

Section 1.12. "First Mortgagee" shall mean and refer to the holder of any First Mortgage.

Section 1.13. "Improvement" shall mean buildings, roads, driveways, parking areas, fences, walls, rocks, hedges, plantings, planted trees and shrubs, and all other structures or landscaping Improvements of every type and kind.

Section 1.14. "Lot" shall mean any parcel of real property designated as a Lot on the Plat.

Section 1.15. "Member" shall mean any person, corporation, partnership, joint venture, or other legal entity who is a Member of the Association.

Section 1.16. "Owner" shall mean the record Owner, whether one (1) or more persons or entities, of beneficial or equitable title (and legal title if the same has merged with the beneficial or equitable title) to the fee simple interest of a Lot. Owner shall not include (i) the Purchaser of a Lot under an executory contract for the sale of real property, (ii) persons or entities having an interest in a Lot merely as security for the performance of an obligation, or (iii) a lessee or tenant of a Lot. In the case of Lots, the fee simple title to which is vested in a trustee pursuant to Arizona Revised Statutes, Section 33-801, et seq., the Trustor shall be deemed to be the Owner. In the case of Lots, the fee simple title to which is vested in a trustee pursuant to a subdivision trust agreement or similar agreement, the beneficiary of any such trust shall be deemed to be the Owner.

Section 1.17. "Plat" shall mean the Plat of survey of Sports Ranch Village, which Plat has been recorded with the County Recorder of Maricopa County of Arizona, in Book 29 of Maps, page 304, and all amendments thereto.

Section 1.18. "Project Documents" shall mean this Declaration and the Articles, Bylaws, Association Rules, and Architectural Committee Rules.

Section 1.19. "Property" or "Project" shall mean the real property described on Exhibit A attached to this Declaration.

Section 1.20. "Purchaser" shall mean any person other than the Declarant who by means of a voluntary transfer acquires a legal or equitable interest in a Lot other than (a) a leasehold interest (including renewable options) of less than five (5) years or (b) as security for an obligation.

Section 1.21. "Single Family" shall mean a group of one (1) or more persons each related to the other by blood, marriage or legal adoption: or a group of persons not all so related, not to exceed three (3) in number, who maintain a common household in a dwelling.

Section 1.22. "Single Family Residential Use" shall mean the occupation or use of a residence by a Single Family in conformity with this Declaration and the requirements imposed by applicable zoning laws or other state, county, or municipal rules and regulations.k

Section 1.23. "Visible From Neighboring Property" shall mean, with respect to any given object, that such object is, or would be, visible to a person six (6) feet tall, standing on any part of such neighboring property at an elevation no greater than the elevation of the base of the object being viewed.

ARTICLE 2 THE ASSOCIATION

Section 2.1. Rights, Powers, and Duties. The Association shall be a nonprofit Arizona corporation charged with the duties and invested with the powers prescribed by law and set forth in the Articles, Bylaws, and this Declaration together with such rights, powers and duties as may be reasonably necessary to effectuate the objectives and purposes of the Association as set forth in this Declaration.

Section 2.2. Board of Directors and Officers. The articles of the Association shall be conducted by a Board of Directors and such officers and committees as the Board may elect or appoint, in accordance with the Articles and the Bylaws.

Section 2.3. Association Rules. By a majority vote of the Board, the Association may, from time to time, and subject to the provisions of this Declaration, adopt, amend and repeal rules and regulations. The Association Rules may restrict and govern the use of any area by any Owner, by the family of such Owner, or by any invitee, licensee, or lessee of such Owner; provided, however, that the Association Rules may not discriminate among Owners and shall not be inconsistent with this Declaration, the Articles or Bylaws. A copy of the Association Rules as they may from time to time be adopted, amended, or repealed, shall be available for inspection by the Members at reasonable times. Upon adoption and recording with the County Recorder of Maricopa County, Arizona, the Association Rules shall have the same force and effect as if they were set forth in and were a part of this Declaration.

Section 2.4. Architectural Committee. Declarant shall appoint the Architectural Committee until ninety (90) days after all of the Lots have been conveyed to Purchasers, or until Declarant gives up the right to appoint the Architectural Committee in writing, whichever occurs sooner. Thereafter, the Board shall establish an Architectural Committee consisting of not less than three (3) members appointed by the Board to regulate the external design, appearance and use of the Property and to perform such other functions and duties as may be imposed upon it by this Declaration, the Bylaws or the Board. No improvement of any kind may be made on any Lot without prior approval from the Architectural Committee and no change to an Improvement previously approved by the Architectural Committee may be made without prior written approval of the Architectural Committee.

ARTICLE 3 MEMBERSHIP

Section 3.1. Identity of Members. Membership in the Association shall be limited to Owners of Lots. An Owner of a Lot shall automatically, upon becoming the Owner thereof, be a Member of the Association and shall remain a Member of the Association until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically cease.

Section 3.2. Transfer of Membership. Membership in the Association shall be appurtenant to each Lot and a membership in the Association shall not be transferred, pledged, or alienated in any way, except upon the sale of a Lot and then only to such Purchaser, or by intestate succession, testamentary disposition, foreclosure of mortgage of record or other legal process. Any attempt to make a prohibited transfer shall be void and shall not be reflected upon the books and records of the Association.

ARTICLE 4 VOTING RIGHTS

Section 4.1. Classes of Members. The Association shall have two (2) classes of voting membership:

Class A. Class A Members shall be all Owners of Lots, with the exception of the Declarant. Each Class A Member shall be entitled to one (1) vote for each Lot owned.

Class B. The Class B Member shall be the Declarant. The Class B Member, shall be entitled to three (3) votes for each Class A vote outstanding for as long as there is a Class B membership. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

- (a) Within ninety (90) days after the number of Class A votes equals the number of Class B votes: or
- (b) When the declarant notifies the Association in writing that it relinquishes its Class B membership: or
- (c) January 1, 1999.

Section 4.2. Joint Ownership. When more than one (1) person is the Owner of any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they

among themselves determine, but in no event shall more than one (1) ballot be cast with respect to any Lot. The vote or votes for each such Lot must be cast as a unit, and fractional votes shall not be allowed. In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be Cast, they shall lose their right to vote on the matter in question. If any Owner casts a ballot representing a certain Lot, 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 Lot. In the event more than one (1) ballot is cast for a particular Lot, none of said votes shall be counted and said votes shall be deemed void.

Section 4.3. Corporate Ownership. In the event any Lot is owned by a corporation, partnership or other association, the corporation, partnership or association shall be a Member and shall designate in writing at the time of acquisition of the Lot an individual who shall have the power to vote said membership, and in the absence of such designation and until such designation is made, the chief executive officer, if any, of such corporation, partnership or association shall have, the power to vote the membership, and if there is no chief executive officer, then the board of directors or general partner of such corporation, partnership or association shall designate who shall have the power to vote the membership.

Section 4.4. Suspension of Voting Rights In the event any Owner is in arrears in the payment of any assessments or other amounts due under any of the provisions of the Project Documents for a period of (15) days, said Owner's right to vote as a Member of the Association shall be suspended and shall remain suspended until all payments, including attorneys' fees are brought current, and for a period not to exceed sixty (60) days for any infractions of the Project Documents and for successive sixty (60) day periods if the infraction has not been corrected.

ARTICLE 5 COVENANT FOR MAINTENANCE ASSESSMENTS

Section 5.1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned by it, hereby covenants, and each Owner of a Lot by becoming the Owner thereof, whether or not it is expressed in the deed or other instrument by which the Owner acquired ownership of the Lot, is deemed to covenant and agree to pay to the Association: (1) annual assessments, (2) supplemental assessments, and (3) special assessments for capital Improvements. The annual, supplemental, and special assessments, together with costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such Assessment is made. Each such assessment, together with costs, and reasonable attorneys' fees, shall also be the personal obligation of the Owner of such Lot at the time when the assessment became due. Assessments shall not pass to the Owner's successors in title unless expressly assumed by them.

Section 5.2. Purpose of the Assessments. The assessments levied by the Association shall be used exclusively for the upkeep, maintenance, and Improvement of the Common Area and such portions of the Lots, and such portions of the Improvements located

thereon, as the Association is obligated to maintain under Sections 9.1, 9.2 and 9.3 of this Declaration, and for promoting the recreation, health, safety and welfare of the Owners and residents of Lots within the Property.

Section 5.3. Maximum Annual Assessment.

- (a) Until January 1 of the year immediately following the conveyance of the first Lot to a Purchaser, the maximum annual assessment for each Lot shall be seven hundred twenty dollars (\$720).
- (b) From and after January 1 of the year immediately following the conveyance of the first Lot to a Purchaser, the Board may, without a vote of the membership, increase the maximum annual assessment during each fiscal year of the Association by an amount proportional to the amount of increase during the prior fiscal year in the Consumer Price Index for All Urban Consumers (All Items, U.S. City Average, published by the United States Department of Labor, Bureau of Labor Statistics (1967- 100), or in the event said index ceases to be published, by any successor index recommended as a substitute therefor by the United States government; or ten percent (10%), whichever is greater.
- (c) From and after January 1 of the year immediately following the conveyance of the first Lot to a Purchaser, the maximum annual assessment may be increased by an amount greater than the maximum increase allowed pursuant to (b) above, only by a vote of Members entitled to cast at least two-thirds (2/3) of the votes entitled to be cast by Members who are voting in person or by proxy at a meeting duly called for such purpose, or by a two-thirds (2/3) majority of each class of vote as long as there is a Class B vote.
- (d) The Board may fix the annual assessment in any amount not in excess of the maximum annual assessment.

Section 5.4. Supplemental Assessments. In the event the Board shall determine that its funds budgeted or available in any fiscal year are, or will become, inadequate to meet all expenses of the Association, for any reason, including, without limitation, nonpayment of assessments by the Members, it shall immediately determine the approximate amount of such inadequacies for such fiscal year, prepare a supplemental budget, determine the amount of such inadequacies for such fiscal year and levy a supplemental assessment against each Lot in such amount as the Board deems necessary in order to obtain the amount of such inadequacies. Notice of any such supplemental assessment shall be given to each Owner. The supplemental assessment shall be paid on such dates and in such installments as may be determined by the Board. No supplemental assessment shall be levied until such assessment has been approved by Members entitled to cast at least two-thirds (2/3) of the votes entitled to be cast by Members who are voting in person or by proxy at a meeting duly called for such purpose, or a two-thirds (2/3) majority of each class as long as there is a Class B vote.

Section 5.5. Special Assessments. In addition In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special

assessment applicable to that fiscal year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital Improvement of the Common Area, including fixtures and personal property related thereto, or for any other lawful Association purpose, provided that any such assessment shall have the assent of Members having at least two-thirds (2/3) of the votes entitled to be cast by Members who are voting in person or by proxy at a meeting duly called for such purpose, or a two-thirds (2/3) majority of each class as long as there is a Class B vote.

Section 5.6. Notice and Quorum for Any Action Authorized Under Sections 5.3, 5.4 and 5.5. Written notice of any meeting called for the purpose of taking any action authorized under Section 5.3, 5.4 or 5.5 shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or proxies entitled to cast sixty percent (60%) of all the votes of each class of Members shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5.7. Uniform Rate of Assessment. Annual, supplemental, and special assessments must be fixed at a uniform rate for all improved Lots. However, as long as there is a Class B membership, Declarant shall not be subject to assessments for Lots not sold to individual Purchasers, but instead shall be required to pay the difference between actual operating costs for the Association and all income from assessments and other sources. When the class B membership ceases as prescribed in Article 4, Section 4.1, Declarant shall become a Class A Member and will be subject to a one hundred percent (100%) assessment for each improved Lot owned by Declarant, and a twenty-five percent (25%) assessment for each unimproved Lot owned by Declarant.

Section 5.8. Date of Commencement of Annual assessments Due Dates. The annual assessments provided for herein shall commence as to each Lot on the first day of the month following the conveyance of first Lot to a Purchaser. The first annual assessment shall be adjusted according to the number of months remaining in the fiscal year of the Association. The Board shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The Board may require that the annual assessment be paid in installments and in such event the Board shall establish the due dates for each installment. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

Section 5.9. Effect of Nonpayment of Assessments: Remedies at the Association. Any assessment, or any installment of an assessment, not paid within fifteen (15) days after the assessment, or the installment of the assessment, first became due, shall bear interest from the due date at the rate of twelve percent (12%) per annum, in addition to a flat ten dollar (\$10) penalty charge per late occurrence. Any assessment, or any installment of an

assessment, which is delinquent shall become a continuing lien on the Lot against which such assessment was made. The lien shall be perfected by the recording of a "Notice of claim of Lien" which shall set forth (1) the name of the delinquent Owner as shown on the records of the Association, (2) legal description, street address and number of the Lot against which of lien is made, (3) the amount claimed as of the date of the recording of the notice including lien recording fees, interest and reasonable attorneys' fees, (4) the name and address of the Association. The Association's lien shall have priority over all liens or claims created subsequent to the recording of the notice of Claim of the Lien except for tax liens for real property taxes on the Lot, assessments on any Lot in favor of any municipal or other governmental body and the Liens which are specifically described in Section 5.10 of this Declaration.

Before recording a lien against any Lot, the Association shall make a written demand to the defaulting Owner for payment of the delinquent assessment, together with interest and reasonable attorneys' fees, if any. Said demand shall state the date and amount of the delinquency. Each default shall constitute a separate basis for a demand or claim of lien, but any number of defaults may be included within a single demand or claim of lien. If such delinquency is not paid within ten (10) days after delivery of such demand, the Association may proceed with recording a Notice of Claim of Lien against the Lot of the defaulting Owner. The Association shall not be obligated to release any lien recorded pursuant to this Section until all delinquent assessments, interest, lien fees and reasonable attorneys' fees have been paid in full whether or not all of such amounts are set forth in the Notice of Claim of Lien.

The Association shall have the right, at its option, to enforce collection of any delinquent assessments together with interest, lien fees, reasonable attorneys' fees and any other sums due to the Association in any manner allowed by law including, but not limited to, (a) bringing an action at law against the Owner personally obligated to pay the delinquent assessments and such action may be brought without waiving any lien securing any such delinquent assessments or (b) bringing an action to foreclose its lien against the Lot in the manner provided by law for the foreclosure of a realty mortgage. The Association shall have the power to bid in at any foreclosure sale and to purchase, acquire, hold, lease, mortgage and convey any and all Lots purchased at such sale.

Section 5.10. Subordination of the Lien to Mortgages. The lien of the assessments provided for in this Declaration shall be subordinate to the lien of any First Mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to judicial or non judicial foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessment as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 5.11. Exemption of Owner. No Owner of a Lot may exempt himself from liability for annual, supplemental, or special assessments levied against his Lot or for other amounts which he may owe to the Association under the Project Documents by waiver and non-use of any of the Common Area and facilities, or by the abandonment of his Lot.

Section 5.12. Maintenance of Reserve Fund. Out of the annual assessments, the Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of Improvements to the Common Area and such Improvements of the Lots as the Association is obligated to maintain under Sections 9.1, 9.2 and 9.J of this Declaration.

Section 5.13. Working Capital Fund. To ensure that the Association shall have adequate funds to meet its expenses or to purchase necessary equipment or services, each Purchaser of a Lot from the Declarant shall pay the Association immediately upon becoming the Owner of the Lot a sum equal to one-sixth (1/6) of the annual assessment on his Lot. Such payment shall be non-refundable and shall not be considered as an advance payment of any assessments levied by the Association pursuant to this Declaration.

ARTICLE 6 PERMITTED USES and RESTRICTIONS

Section 6.1. Scope. Except as otherwise specified, the provisions of this Article shall apply to all of the Property.

Section 6.2. Residential Use. All Lots 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 Lot. Nothing herein shall be deemed to prevent the leasing of a Lot to a Single Family from time to time by the Owner thereof, subject to all of the provisions of the Project Documents. Any Owner who leases his Lot shall promptly notify the Association and shall advise the Association of the term of the lease and the name of each Lessee. All buildings or structures erected upon the property shall be of new construction and no buildings or structures shall be moved from other locations onto the property without the prior written approval of the Architectural Committee.

Section 6.3 Animals. No animals, birds, fowl, poultry, or livestock, other than a reasonable number of generally recognized house or yard pets, shall be maintained on any property and then only if they are kept, bred, or raised thereon solely as domestic pets and not for commercial purposes. No animal 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 shall be maintained so as to be Visible From Neighboring Property. Upon the written request of any Owner, the Board shall determine whether for the purposes of this Section, a particular animal is a generally recognized house or yard pet, or nuisance, or whether the number or animals on any such property is reasonable. Any decision rendered by the Board shall be enforceable to the same extent as other restrictions contained in this Declaration.

Section 6.4. Antennas. No antenna or other device for the transmission or reception of television or radio signals or any other form of electromagnetic radiation shall be erected, used or maintained outdoors on any property, whether attached to a building or structure or otherwise, unless approved by the Architectural Committee.

Section 6.5. Utility Service. Except as approved in writing by the Architectural Committee, no lines, wires, or other devices for the communication of transaction of electric current or power, including telephone, television, and radio signals, shall be erected, placed or maintained anywhere in or upon any property unless the same shall be contained in conduits or cables installed and maintained underground or concealed in, under or on buildings or other structures approved by the Architectural Committee. No provision hereof shall be deemed to forbid the erection of temporary power or telephone structures incidental to the construction of buildings or structures approved by the Architectural Committee.

Section 6.6. Improvements and Alterations. No Improvements, alterations, repairs, excavations, landscaping (except for such planting and landscaping as is installed in accordance with the initial construction of buildings on a Lot, or such planting or landscaping as is enclosed by a fence or wall, or in area not maintained by the Association) or other work which in any way alters the exterior appearance of any property or the Improvements located thereon, from its natural or improved state existing on the date such property was first conveyed in fee by Declarant to a Purchaser, shall be made or done without the prior written approval of the Architectural Committee, except as otherwise expressly provided in this Declaration. No building, fence, wall, landscaping, residence, or other structure shall be commenced, erected, maintained, improved, altered, made or done without the prior written approval of the Architectural Committee. No change or deviations in or from such plans and specifications once approved shall be made without the prior written approval of the Architectural Committee. All decisions of the Architectural Committee shall be final and no Owner or other parties shall have recourse against the Architectural Committee for its refusal to approve any such plans and specifications or plot plan, including lawn area and landscaping.

Section 6.7. Temporary Occupancy. No trailer, basement of any incomplete building, tent, shack, garage or barn, and no temporary buildings or structure of any kind shall be used at any time, on any portion of the Property, for a residence, either temporary or permanent. Temporary buildings or structures used during the construction of a dwelling on any such property shall be removed immediately after the completion of construction.

Section 6.8. Trailers and Motor Vehicles. No motor vehicle classed by manufacturer rating as exceeding 3/4-ton, 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 on any street so as to be visible From Neighboring Property; provided, however, that the provisions of this section shall not apply to pickup trucks of 3/4-ton or less capacity with camper shells not exceeding seven (7) feet in height measured from ground level and mini-motor homes not exceeding seven (7) feet in height and eighteen (18) feet in length which are used on a regular and recurring bases for basic transportation.

Section 6.9. Nuisances. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any property, and no odors shall be permitted to arise therefrom, so as to render any such property or any portion thereof unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. No

nuisance shall be permitted to exist or operate upon any such property 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, bells, or other sound devices, except security devices used exclusively for security purposes, shall be located, used, or placed on any such property.

Section 6.10. Trash Containers and Collection. No garbage or trash shall be placed or kept on any property except in covered containers of a type, size and style which are approved by the Architectural Committee. In no event shall such containers be maintained so as to be Visible From Neighboring Property except to make the same available for collection and then, only for the shortest time reasonably necessary to effect such collection. The Board shall have the right to require all Owners to place their garbage or trash containers at a specific location for collection, or to require all Owners to subscribe to a trash collection service. All rubbish, trash, and garbage shall be removed from the Lots and shall not be allowed to accumulate thereon. No incinerators shall be kept or maintained on any Lot. No garbage or trash containers shall be kept or placed on any grass or other landscaped area.

Section 6.11. Clothes Drying Facilities. Outside clothes lines or other outside facilities for drying or airing clothes shall not be erected, placed, or maintained on any property so as to be Visible From Neighboring Property.

Section 6.12. Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated, or maintained upon or adjacent to any property except such machinery or equipment as is usual and customary in connection with the maintenance, or construction of a residence, appurtenant structures, or other improvements, and except that which Declarant or the Association may require for the operation and maintenance of the Property.

Section 6.13. Restriction on Further Subdivision. No Lot shall be further subdivided or separated into smaller Lots by any Owner, and no portion less than all of any such Lot shall be conveyed or transferred by any Owner without the prior written approval of the Board.

Section 6.14. Signs. No signs whatsoever (including, but not limited to, commercial, advertising, Political, and similar signs) shall be erected or maintained anywhere on the Property including, but not limited to, the inside or outside of windows in any building located on the property, except such signs as may be required by legal proceedings or otherwise approved herein. The use of "For Sale" or "For Lease" signs is specifically prohibited except as provided in Section 6.15 herein.

Section 6.15. Declarant's Exemption. Notwithstanding any other provision of the Project Documents, it shall be expressly permissible for the Declarant or its duly authorized agents, employees, and representatives to maintain during the period of the sale of Lots, such facilities, structures, and signs as are necessary or convenient, in the sole opinion of the Declarant, to the sale of the Lots, including, but without limitation, a business office, storage area, construction yards, homes, and sales offices; provided, however, that such

use of the Common Area by the Declarant must be reasonable and must not Interfere with any Owner's use and enjoyment of the Common Area.

Section 6.16. Planting and Landscaping. No planting or landscaping shall be done, and no fences, hedges, or walls shall be erected or maintained on any Lot without the prior written approval of the Architectural Committee. In the event Declarant plants turt , ground cover, trees, bushes or other landscaping on the Lots prior to the sale of the Lots, the Board shall have the right to make rules requiring individual Owners, upon the purchase of such Lots, to maintain said landscaping, or arrange for the Association to perform such maintenance on a cost reimbursement basis.

Section 6.17. Mineral Exploration. No property shall be used in any manner to explore for, or to remove any water, oil, or other hydrocarbons, minerals of any kind, gravel, earth, or any earth substance of any kind.

Section 6.18. Diseases and Insects. No Owner shall permit any thing or condition to exist upon any property which shall induce, breed or harbor infectious plant diseases or noxious insects.

Section 6.19. Trash and Debris. Each Owner of a Lot, when installing or constructing Improvements on the Lot, shall provide a place for the daily collection and storage of trash and debris and will remove such trash and debris on a reasonable schedule. No Owner of a Lot will allow any nuisance to occur on his Lot or adjacent to his Lot other than the reasonable result of construction activity. The Board shall be the sole judge as to whether or not undue nuisance is occurring and upon notice from the Board to the Lot Owner, any such nuisances identified by the Board shall be corrected.

ARTICLE 7 EASEMENTS

Section 7.1. Utility Easement. There is hereby created a blanket easement upon, across, over, and under the Common Area for ingress, egress, installation, replacing, repairing, and maintaining all utilities, including, but not limited to water, sewers, gas, telephones, electricity, and a cable television system. By virtue of this easement, it shall be expressly permissible for the providing utility to erect and maintain the necessary facilities and equipment on the Common Area. This easement shall in no way affect any other recorded easements on the Common Area.

Section 7.2. Easement for Encroachment. In the event a wall, landscaping, or other approved Improvement on a Lot or the Common Area encroaches upon another Lot or the Common Area, and such encroachment is inadvertent and has no significant adverse impact on the adjacent property, an easement for such encroachment is hereby given and the right to determine whether such encroachment causes a significant adverse impact shall be determined by the Architectural Committee upon request by either of the parties. When

such determination is made by the Architectural Committee, that determination is binding on all parties.

Section 7.3. Easements for Ingress and Egress. Basements for ingress and egress are hereby served to the Declarant, the Owners, and their family, guests, tenants, and invitees for pedestrian traffic over, through and across sidewalks, paths, walks, and lanes as the same from time to time may exist upon the Common Area, and for vehicular traffic over, through and across such portions of the Common Area as from time to time may be paved and intended for such purposes; and for such other purposes reasonably necessary to the use and enjoyment of a Lot or the Common Area.

Section 7.4. Association's Right of Entry. During reasonable hours, the Association, any member of the Architectural Committee, any member of the Board or any authorized representative of them, shall have the right to enter upon and inspect any Lot, excluding the interior of any residence located thereon, for the purpose of making inspections to determine whether the provisions of this Declaration, the Association Rules and the Architectural Committee Rules are being complied with by the Owner of said Lot.

Section 7.5. Association's Easement By Performing & Maintenance Responsibilities. The Association shall have an easement upon, arco68, over and under the Connon Area and the Lots for the purpose of repairing, maintaining and replacing the Common Area and those by portions of the Lots which the Association is obligated to maintain under Article 9 of this Declaration.

Section 7.6. Use and Drainage Easements Among Owners. Wherever drainage, as estimated by the Declarant, flows tron one (1) Lot under or through one (1) or more Lots, said drainage flow shall not be impeded, diverted, or otherwise changed. These easements shall include, but are not limited to, receiving the runoff from roots and drainage under and through garden walls.

Section 7.7. Use and Benefit Easement. There is hereby created a use and benefit easement which is shown on the Plat. Said easement is granted to the adjacent Lot for the exclusive use, benefit and enjoyment of said adjacent Lot. Said easement extinguishes any right of use in and to the easement area by the Owner of the Lot upon which the easement is located except that the Lot Owner shall have the right to ingress and egress for the purposes of repair, maintenance, drainage, and improvement of any of the Lot Owner's property which abuts or is contiguous to the easement area. All use of the easement is hereby limited to the extent that no permanent Improvement of any nature or kind shall be placed in the easement area. These easements are for the benefit of, and shall run with, the land and shall be binding upon, and enforceable by, the benefitted Lot and each Owner of Lots described herein and their heirs, successors, agents, employees, other representatives and subsequent Owners.

ARTICLE 3
PROPERTY RIGHTS

Section 8.1. Owners' Easement of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area. Said easement shall be appurtenant to and shall pass with the title to every Lot subject to the following provisions:

- (a) the right of the Association to adopt reasonable rules and regulations governing the use of the Common Area and all facilities located thereon;
- (b) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members; provided, however, that no such dedication or transfer shall be effective unless evidenced by an instrument signed by at least two-thirds (2/3) of each class of Members, except that the Board may make a dedication for transfer without consent of the Members, providing such transfer is of minimal value and causes no adverse impact to the Members;
- (c) the right of Declarant and its agents and representatives, in addition to the rights set forth elsewhere in this Declaration, to the non-exclusive use, without charge, of the Common Area for maintenance of sales facilities, and display and exhibit purposes

Section 8.2. Delegation of Use. Any Owner may delegate, subject to this Declaration and the Association Rules, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, his guests or invitees, provided such delegation is for a reasonable number of persons and at reasonable times, and in accordance with reasonable Association Rules.

Section 8.3. Limitations. An Owner's right and easement of enjoyment in and to the Common Area shall not be conveyed, transferred, alienated or encumbered separate and apart from an Owner's Lot. Such right and easement of enjoyment in and to the Common Area shall be deemed to be conveyed, transferred, alienated or encumbered upon the sale of any Owner's Lot, notwithstanding that the description in the instrument of conveyance, transfer, alienation or encumbrance may not refer to the Common Area.

ARTICLE 9
MAINTENANCE

Section 9.1. Maintenance of Common Area by the Association. The Association shall be responsible for the maintenance, repair and replacement of the Common Area and may, without any approval of the Owners being required, do any of the following:

- (a) Reconstruct, repair, replace or refinish any Improvement or portion thereof upon any such area (to the extent that such work is not done by a

governmental entity, if any, responsible for the maintenance and upkeep of such area);

- (b) Replace injured and diseased trees or other vegetation in any such area, and plant trees, shrubs and ground cover to the extent that the Board deems necessary for the conservation of water and soil and for aesthetic purposes:
- (c) Place and maintain upon any such area such signs as the Board may deem appropriate for the proper identification, use and regulation thereof:
- (d) Do all such other and further acts which the Board deems necessary to preserve and protect the Common Area and the appearance thereof, in accordance with the general purposes specified in this Declaration.

Section 9.2. Adjacent Maintenance By Association. In addition to the maintenance, repair and replacement of the Common Area and the Improvements located thereon, the Association shall maintain, repair and replace the landscaping and other Improvements on any area within or immediately adjacent to Sports Ranch Village providing the Board agrees that such maintenance shall be in the best interest of all members and agrees to such maintenance in writing.

Section 9.3. Front Yard Maintenance. The Association accepts responsibility for the maintenance, repair and replacement of the landscaping of the front yard of an Owner's Lot up to the originally installed courtyard wall.

Section 9.4. Maintenance By Owners. Each Owner shall be solely responsible for that portion of the maintenance, repair and replacement of his Lot and Improvements which are not maintained by the Association is described in Sections 9.1, 9.2., and 9.3. including that portion of the Lot within the originally installed courtyard wall.

Section 9.5. Damage or Destruction of Common Area by Owners. No Owner shall in any way damage or destroy any Common Area or interfere with the activities of the Association, in connection therewith. No Owner shall in any way interfere with the maintenance responsibilities of the Association, including, but not limited to, landscaping, street maintenance, and wall maintenance. Any expenses incurred by the Association by reason of any such act of an Owner, his grantees, or assignees, shall be paid by said Owner, upon demand, to the Association to the extent that the Owner is liable thereto, under Arizona Law, and such amounts shall be a lien on any Lots owned by said Owner and the Association may enforce collection of any such amounts in the same manner as provided elsewhere in this Declaration for the collection and enforcement of assessments.

Section 9.6. Nonperformance by Owners. If any Owner fails to maintain any portion of his Lot and the Improvements located thereon, which he is obligated to maintain under the provisions of the Project Documents, the Association shall have the right, but not the obligation, after fourteen (14) days notice, to enter upon such Owner's Lot to perform by the maintenance and repairs not performed by the Owner, and the cost of any such work performed by or at the request of the Association shall be paid for by the Owner of the Lot, upon demand from the Association, and such amounts shall be a lien upon the Owner's Lot and the Association may enforce collection of such amounts in the same manner and to the

same extent as provided elsewhere in this Declaration for the collection and enforcement of assessments.

ARTICLE 10
PARTY WALLS

Section 10.1. Rights and Duties of Adjoining Owners. The rights and duties of Owners of Lots with respect to party walls shall be governed by the following provisions:

- (a) Each wall or fence which is placed on the dividing line between separate Lots shall constitute a party wall. With respect to any such wall, each of the adjoining Owners shall assume the burden and be entitled to the benefit of the restrictive covenants contained in this Declaration, and to the extent not inconsistent with this Declaration, the general rules of law regarding party walls shall be applied;
- (b) The cost of reasonable repair and maintenance of a party wall shall be shared by the adjoining Owners of such wall in proportion to the use thereof, without prejudice, however, to the right of any Owner to call for a larger contribution from the adjoining Owner under any rule of law regarding liability for negligent or willful acts or omissions;
- (c) In the event any such party wall is damaged or destroyed by some cause other than the act of one (1) of the adjoining Owners, his agents, tenants, licensees, guests or family (including ordinary wear and tear and deterioration from lapse of time) then, in such event, both such adjoining Owners shall proceed forthwith to rebuild or repair the same to as good condition as formerly at their joint and equal expense;
- (d) Notwithstanding any other provision of this Article, an Owner who, by his negligent or willful act, causes any party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements;
- (e) The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owners and their successors in title;
- (f) In addition to meeting the other requirements of this Declaration and of any other city code or similar regulations or ordinances, any Owner proposing to modify, make additions to build or rebuild a party wall in any manner which requires construction, extension or other alteration, shall first obtain the written consent of the adjoining Owner and the Architectural Committee;
- (g) In the event of a dispute between Owners with respect to the repair or the rebuilding of a party wall or with respect to sharing of the cost thereof, then, upon written request of one of such Owners addressed to the Association, the matter shall be submitted to the Architectural Committee whose decision shall be final.
- (h) For purposes of this Declaration, and pursuant to Article 7, Section 7.7., a party wall shall not include the walls of a unit, but shall include any fences erected on the setback line heretofore described in Article 7, Section 7.7.

- (i) The provisions of this Article shall be binding upon the heirs and assigns of any Owners, but no person shall be liable for any act or omission respecting the party wall except such as took place while he was an Owner.

ARTICLE 11 INSURANCE

Section 11.1 Scope of Coverage. Commencing not later than the time of the first conveyance of a Lot to a person other than the Declarant, the Association shall maintain adequate insurance for liability, including officers and directors liability, committees appointed by the Board, property, and fidelity.

Section 11.2. Certificates of Insurance. An insurer that has issued an insurance policy under this Article shall issue certificates or a memorandum of insurance to the Association and, upon request, to any Owner, mortgagee or beneficiary under a deed of trust.

Section 11.3. Repair and Replacement: of Damaged or Destroyed Property. Any portion of the Common Area damaged or destroyed shall be repaired or replaced promptly by the Association unless (a) repair or replacement would be illegal under any state or local health or safety statute or ordinance, or (b) Owners owning at least eighty percent (80%) of the Lots vote not to rebuild. The cost of repair or replacement in excess of insurance proceeds and reserves shall be paid by the Association. If the entire Common Area is not repaired or replaced, insurance proceeds attributable to the damaged Common Area shall be used to restore the damaged area to a condition which is not in violation of any state or local health or safety statute or ordinance and the remainder of the proceeds shall be Distributed to the Owners on the basis of an equal share for each Lot.

ARTICLE 12 GENERAL PROVISIONS

Section 12.1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the Declaration. Failure by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 12.2. Severability. Invalidation of any one (1) of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 12.3. Duration. The covenants and restrictions of this Declaration shall run with and bind the Property for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years.

Section 12.4. Amendment by Owners. This Declaration may be amended during the first twenty (20) year period by an Instrument signed by Owners representing not less than ninety percent (90%) of the Lots, and thereafter by an instrument signed by Owners representing not less than seventy-five percent (75%) of the Lots. Any amendment must be recorded.

Section 12.5. Amendment by Board. Notwithstanding anything to the contrary in this Declaration, the Board shall have the right, but not the obligation, to amend this Declaration, without obtaining the approval or consent of any other Owner or Mortgagee, in order to conform the Declaration to the requirements or guidelines of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration or other Government or Government approved agencies when such modification is required to qualify for the use of the services, insurance, or other guarantees provided by such agencies.

Section 12.6. Violations and Nuisance. Every act or omission whereby any provision of this Declaration is violated in whole or in part is hereby declared to be a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action, by Declarant, the Association or any Owner.

Section 12.7. Violation of Law. Any violation of any state, municipal, or local law, ordinance or regulation, pertaining to the ownership, occupation or use of any property within the Property is hereby declared to be a violation of this Declaration and subject to any or all of the enforcement procedures set forth herein.

Section 12.8. Cumulative Remedies. Each remedy provided herein is cumulative and not exclusive.

Section 12.9. Delivery of Notices and Documents. Any written notice or other documents relating to, or required by, this Declaration may be delivered either personally or by mail. If by mail, it shall be deemed to have been delivered twenty-four (24) hours after a copy of same has been deposited in the United States mail, postage prepaid, addressed as follows: If to the Association, at 110 S. Mesa Dr., Mesa, AZ 85202; if to the Architectural Committee, at 110 S. Mesa Dr., Suite 3, Mesa, AZ 85202; if to an Owner, to the address of his Lot or to any other address last furnished by the Owner to the Association; and if to Declarant, at 110 S. Mesa Dr., Suite 3, Mesa, AZ 85202; provided, however, that any such address may be changed at any time by the party concerned by recording a written notice of change of address and delivering a copy thereof to the Association. Each Owner of a Lot shall file the correct mailing address of such Owner with the Association, and shall promptly notify the Association in writing of any subsequent change of address.

Section 12.10. Binding Effect. By acceptance of a deed or by acquiring any interest in any of the property subject to this Declaration, each person or entity, for himself or itself, his heirs, personal representatives, successors, transferees and assigns, binds himself, his heirs, personal representatives, successors, transfers and assigns, to all of the provisions,

restrictions, covenants, conditions, rules, and regulations now or hereafter imposed by this Declaration and any amendments thereof. In addition, each such person by so doing thereby acknowledges that this Declaration sets forth a general scheme for the improvement and development of the Property and hereby evidences his interest that all the restrictions, conditions, covenants, rules and regulations contained in this Declaration shall run with the land and be binding in a subsequent and future Owners, grantees, Purchasers, assignees, lessees and transfers thereof. Furthermore, each such person fully understands and acknowledges that this Declaration shall be mutually beneficial, prohibitive and enforceable by the various subsequent and future Owners. Declarant, its successors, assigns and grantees, covenants and agrees that the Lots and the membership in the Association and the other rights created by this Declaration shall not be separated or separately conveyed, and each shall be deemed to be conveyed or encumbered with its respective Lot even though the description in the instrument of conveyance or encumbrance may refer only to the Lot.

Section 12.11. Management Agreement. Any agreement for professional management of the Association or the Project or any other contract providing for services of the Declarant, or other developer, sponsor or builder of the Project shall not exceed one (1) year. Any such agreement must provide for termination by either party without cause and without payment of a termination fee on thirty (30) days or less written notice.

Section 12.12. Gender. The singular, wherever used in this Declaration shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions of this Declaration apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Section 12.13. Topic Headings. The marginal or topical headings of the Sections contained in this Declaration are for convenience only and do not define, limit or construe the contents of the Sections or this Declaration.

Section 12.14. Survival of Liability. The termination of membership in the Association shall not relieve or release any such former Member from any liability or obligation incurred under or in any way connected with the Association during the period of such membership, or impair any rights or remedies which the Association may have against such former Member arising out of, or in any way connected with such membership and the covenants and obligations incident thereto.

Section 12.15. Construction. In the event of any discrepancies, inconsistencies or conflicts between the provisions of this Declaration and the Articles, Bylaws, Association Rules or Architectural Committee Rules, the provisions of this Declaration shall prevail.

Section 12.16. Joint and Several Liability. In the case of joint ownership of a Lot, the liabilities and obligations of each of the joint Owners set forth in, or imposed by, this Declaration, shall be joint and several.

Section 12.17. Attorneys' Fees. In the event the Association employs an attorney to enforce any lien granted to it under the terms of this Declaration or to collect any assessments or other amounts due from an Owner or to enforce compliance with or recover damages for any violation or noncompliance with the Project Documents, the prevailing party in any such action shall be entitled to recover from the other party its reasonable attorneys' fees incurred in any such action.

Section 12.18. Declarant's Right To Use Similar Name. The Association hereby irrevocably consents to the use by any other nonprofit corporation which may be formed or incorporated by Declarant of a corporate name which is the same or deceptively similar to the name of the Association provided one (1) or more words are added to the name of such other corporation to make the name of the Association distinguishable from the name of such corporation. Within five (5) days after being requested to do so by the Declarant, the Association shall sign such letters, documents or other writings as may be required by the Arizona Corporation Commission in order for any other corporation formed or incorporated by the Declarant to use a corporate name which is the same or deceptively similar to the name of the Association.