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Mirage Crossing Resort Casitas Homeowners Association c/o Phillips, Maceyko and Battock, PLLC 5010 E. Shea Blvd., Suite 155 Scottsdale, AZ 85254

### AMENDED AND RESTATED CONDOMINIUM DECLARATION

**FOR** 

MIRAGE CROSSING RESORT CASITAS, A CONDOMINIUM

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# AMENDED AND RESTATED CONDOMINIUM DECLARATION FOR MIRAGE CROSSING RESORT CASITAS, A CONDOMINIUM

This Amended and Restated Condominium Declaration for Mirage Crossing Resort Casitas, a Condominium ("Declaration") is made on the date hereinafter set forth by Mirage Crossing Resort Casitas Homeowners Association (the "Association").

#### WITNESSETH:

WHEREAS, Mirage Homes Construction, Inc. an Arizona corporation ("Declarant") recorded a Condominium Declaration for Mirage Crossing Resort Casitas, a Condominium on September 13, 1999 at Recording #99-0855530, Official Records of Maricopa County, Arizona Recorder (the "Original Declaration");

WHEREAS, the Original Declaration governs the following real property within the County of Maricopa, State of Arizona ("Condominium"):

Units 1001 through 1110 inclusive, Units 2001 through 2110 inclusive, and all other property as described on the plat, CONDOMINIUM PLAT FOR MIRAGE CROSSING RESORT CASITAS, A CONDOMINIUM, as recorded in Book 523 of Maps, Page 38, Official Records of Maricopa County, Arizona Recorder.

WHEREAS, the Association, by and through its members, wishes to amend and restate the Original Declaration in its entirety as set forth herein;

NOW, THEREFORE, the Association hereby declares that all of the property described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the real property, and all of which are hereby declared to be for the benefit of all of the property described herein and the Owners thereof, their heirs, successors, grantees and assigns. These easements, covenants, restrictions and conditions shall run with the real property and shall be binding on all parties having or acquiring any right, title or interest in the described Properties or any part thereof, and shall inure to the benefit of each Owner thereof. Every conveyance of a Unit shall be and is subject to these easements, covenants, conditions and restrictions.

#### **ARTICLE 1**

#### **DEFINITIONS**

1.0 <u>Definitions</u>. Capitalized and other terms not otherwise defined in this Declaration shall have the meanings specified for such terms in the Condominium Act. The following capitalized terms shall have the general meanings ascribed to them in the Condominium Act and for purposes of this Declaration shall have the specific meanings set forth below:

- "A.R.S." means the Arizona Revised Statutes, as amended or recodified from time to time.
- "Articles" means the Articles of Incorporation of the Association, as they may be amended from time to time.
- "Assessment Lien" means the lien granted to the Association by the Condominium Act to secure the payment of Assessments and other charges owed to the Association by a Unit Owner.
- "Assessments" means the Common Expense Assessments, Special Assessments and Working Capital Assessment levied and assessed against each Unit pursuant to this Declaration.
- "Association" means the Arizona nonprofit corporation organized to administer and enforce the Condominium Documents and to exercise the rights, powers and duties set forth therein, and its successors and assigns.
- "Association Rules" means any and all rules and regulations adopted by the Association, as such rules may be amended from time to time.
  - "Board" or "Board of Directors" means the Board of Directors of the Association.
- "Bylaws" means the Bylaws of the Association, as they may be amended from time to time.
- **"Common Elements"** means all portions of the Condominium other than the Units, including, without limitation, any recreational amenities, drainage facilities and retention areas, private streets and driveways, Visitor parking areas, underground utilities, entry features, landscaped areas, and any other portions of the Condominium designated on the Plat as a "common element" or "common area."
- "Common Expense Assessment" means the assessment levied against a Unit pursuant to Article 7 of this Declaration.
- "Common Expense Liability" means the liability for Common Expenses allocated to each Unit by this Declaration.
- "Common Expenses" means expenditures made or financial liabilities incurred by or on behalf of the Association, together with any allocations to reserves.
- "Condominium" means the real property located in Maricopa County, Arizona, which is more particularly described above and on the Plat (including without limitation all Units), together with all improvements located thereon and all easements, rights, and appurtenances belonging thereto. The name of the Condominium created by this Declaration is "Mirage Crossing Resort Casitas, A Condominium."
- "Condominium Act" means the Arizona Condominium Act, A.R.S. Title 33, Chapter 9, §33-1201, *et seq.*, as amended or recodified from time to time.

- "Condominium Documents" means this Declaration (including the Plat), and the Articles, Bylaws, Association Rules, and any other policies, rules and regulations concerning the Condominium adopted by the Association or the Board of Directors.
- "Declarant" means Mirage Homes Construction, Inc., an Arizona corporation, its successors and assigns.
- "Declaration" means this entire document, as it may be amended from time to time, together with any Exhibits, and where appropriate by context, the Plat.
- "First Mortgage" means any mortgage or deed of trust on a Unit with first priority over any other mortgage or deed of trust.
  - "First Mortgagee" means the holder of any First Mortgage.
- "Improvement" means any physical structure, fixture or facility existing or constructed, placed, erected or installed on any portion of the land included in the Condominium, including, but not limited to, buildings, private streets, drainage and retention facilities, parking areas, recreational amenities, fences, walls, poles, signs, and all landscaping, including, but not limited to, hedges, plantings, trees and shrubs of every type and kind.
- "Limited Common Elements" means any portion of the Common Elements specifically designated in this Declaration as a Limited Common Element, or specifically designated on the Plat as a "limited common element", and allocated by this Declaration or by operation of the Condominium Act for the exclusive use of one or more, but fewer than all, of the Units.
  - "Member" means any Person who is or becomes a member of the Association.
- "Person" means a natural person, corporation, business trust, estate, trust, partnership, association, limited liability company, joint venture, or other legal or commercial entity.
- "Plat" means the condominium plat for Mirage Crossing Resort Casitas, a Condominium, as recorded in Book 523 of Maps, Page 38, Official Records of Maricopa County, Arizona Recorder, and any amendments, supplements, or corrections thereto.
- "Purchaser" means any Person who by means of a voluntary transfer becomes a Unit Owner.
- "Single Family" means a group of one or more persons each related to the other by blood, marriage or legal adoption, or a group of not more than three (3) persons not all so related, who maintain a common household in a Unit.
  - "Special Assessment" means the assessment levied against a Unit pursuant to Article 7.
- "Unit" means a portion of the Condominium as described in this Declaration and as shown on the Plat that is designated for separate ownership and residential use by a Unit Owner.

"Unit Owner" or "Owner" means the owner of record, whether one or more Persons, 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 Unit. "Unit Owner" shall not include (i) Persons having an interest in a Unit merely as security for the performance of an obligation, or (ii) a lessee or tenant of a Unit. "Unit Owner" shall include a purchaser under a contract for the conveyance of real property, a contract for deed, a contract to convey, an agreement for sale or any similar contract through which a seller has conveyed to a purchaser equitable title to a Unit under which the seller is obligated to convey to the purchaser the remainder of seller's title in the Unit, whether legal or equitable, upon payment in full of all monies due under the contract. "Unit Owner" shall not include a purchaser under a purchase contract and receipt, escrow instructions or similar executory contract which is intended to control the rights and obligations of the parties to the executory contract pending the closing of a sale or purchase transaction. In the case of a Unit the fee simple title to which is vested in a trustee pursuant to a deed of trust, the trustor shall be deemed to be the "Unit Owner."

"Visible From Neighboring Property" means, with respect to any given object, that all or a part of such object is or would be visible to an individual six (6) feet tall, standing on any portion of such neighboring property, or on any portion of the Condominium, as the case may be.

"Visitor" means and refers to an individual who is not a Unit Owner or resident, but who is staying in a Unit for up to seven (7) consecutive or non-consecutive days in any calendar month.

**"Working Capital Assessment"** means the assessment levied against a Unit pursuant to Article 7.

#### **ARTICLE 2**

## SUBMISSION OF PROPERTY; UNIT BOUNDARIES; ALLOCATION OF COMMON ELEMENT INTERESTS, COMMON EXPENSE LIABILITIES AND VOTES; <u>LIMITED COMMON ELEMENTS</u>

2.0 <u>Submission of Property</u>. The real property described as the Condominium above, and on the Plat, together with all Improvements situated thereon and all easements, rights and appurtenances thereto, shall be held and conveyed subject to the terms, covenants, conditions and restrictions set forth in this Declaration. All Units shown on the Plat, as identified on the Plat, shall be a part of the Condominium.

#### 2.1 <u>Unit Boundaries</u>.

(A) The boundaries of each Unit are the interior unfinished surfaces of the exterior perimeter walls and any common walls, floor, ceiling, exterior doors and windows of the Unit. All drywall, lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of the interior finished surfaces are part of the Unit, and all other portions of the walls, floors or ceilings are a part of the Common Elements. Except as may otherwise be provided in this Article, all spaces, interior partitions and other fixtures and improvements within the

boundaries of a Unit are part of the Unit, and all fixtures and improvements located outside the boundaries of any Unit, including, but not limited to, Building (as hereinafter described) exteriors, roofs, foundations, perimeter and common walls, and any common stairways, are a part of the Common Elements. For purposes of this Declaration, the term "Building" means any structure containing one or more Units that have been constructed on the land included in the Condominium, and designated as a building on the Plat.

For purposes of this Declaration, a Unit Owner's Unit includes any garage, as shown on the Plat, that is designated for separate ownership and has been conveyed to such Unit Owner, the boundaries of which garage shall be the same as though the garage were a Unit. The right to own any garage shall be restricted to Unit Owners; a Unit Owner is permitted to sell and convey a garage, but only to another Unit Owner. No garage may be subdivided, and no additional voting or other rights shall be allocated to any Unit Owner on account of ownership of one or more garages.

- (B) In the event of an inconsistency or conflict between the provisions of this Section and the Plat, this Section shall control.
- (C) The physical boundaries of a Unit shall be considered to be the proper boundaries regardless of settling, rising or lateral movement of any structures and regardless of any variances between the boundaries shown on the Plat and the actual physical boundaries as constructed.
- 2.2 <u>Allocation of Common Element Interests and Common Expense Liabilities</u>. The undivided interests in the Common Elements and in the Common Expenses of the Association shall be allocated equally among the Units so that each Unit's percentage interest in the Common Elements of the Association and in the Common Expenses of the Association (the "Common Expense Liability") shall equal one divided by the number of Units in the Condominium.
- 2.3 <u>Allocation of Votes in the Association</u>. The votes in the Association shall be allocated equally among all the Units then in the Condominium, with each Unit having one (1) vote.

#### 2.4 Limited Common Elements.

- (A) The following portions of the Common Elements are Limited Common Elements and are allocated to the exclusive use of one Unit as follows:
  - (1) Each Unit is allocated the sidewalk, patio or balcony, if any, shown on the Plat as adjoining the Unit and which is designed for the exclusive use of the Unit.
  - (2) Any utility meter which serves only one Unit is allocated to the Unit which it serves.

- (3) If any chute, flue, duct, wire, conduit, bearing wall, bearing column, beating or air conditioning unit, apparatus or system or other fixtures lies partially within and partially outside the designated boundaries of a Unit, any portion serving only that Unit is a Limited Common Element allocated solely to that Unit and any portion serving more than one Unit or any portion of the Common Elements is a part of the Common Elements.
- (4) Any shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, entryways, or patios, and all exterior doors and windows or other fixtures designed to serve a single Unit, but located outside of the Unit's boundaries, are Limited Common Elements allocated exclusively to that Unit.
- (5) If a Unit Owner owns a garage, the space immediately in front of such garage as designated on the Plat lying between such garage and any common drive or roadway is allocated to the owner of such garage as a Limited Common Element.
- (6) All parking shown on the Plat and not designated as a Limited Common Element pursuant to this Article shall be a general Common Element.
- (B) A Limited Common Element may be reallocated by an amendment to this Declaration made in accordance with the provisions of §33-1218(8) of the Condominium Act.

#### **ARTICLE 3**

#### **EASEMENTS**

- under the Common Elements for reasonable ingress, egress, installation, replacing, repairing or maintaining of all utilities, including, but not limited to, water, sewer, electricity, telephone, cable television, communication systems, and gas, but only to the extent needed to provide service to the Condominium. By virtue of this easement, it shall be expressly permissible for the providing utility company (or Association, in the event the Association provides said services) to erect and maintain the necessary equipment and facilities on the Common Elements, but no sewers, electrical lines, water lines or other utility or service lines may be installed or located on the Common Elements except as initially designed and constructed, or thereafter as approved by the Board of Directors. This easement shall in no way affect any other recorded easements on the Common Elements.
- 3.1 <u>Unit Owners' Easements for Ingress and Egress</u>. There are hereby created easements for ingress and egress for pedestrian traffic over, through and across sidewalks, stairs, paths, walks and lanes that from time to time may exist upon the Common Elements. There is also created an easement for ingress and egress for pedestrian and vehicular traffic over, through and across such driveways and parking areas as from time to time may be paved and intended for such purposes except that such easements shall not extend to any Limited Common Elements. Such

easements shall run in favor of and be for the benefit of the Unit Owners and occupants of the Units and their guests, families, tenants and invitees.

#### 3.2 <u>Unit Owners' Easements of Enjoyment of the Common Elements.</u>

- (A) Every Unit Owner shall have a right and easement of enjoyment in and to the Common Elements, except for any Limited Common Elements allocated to other Units, which right and easement shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:
  - (1) the right of the Association to adopt reasonable rules and regulations governing the use of the Common Elements as part of the Association Rules;
  - (2) the right of the Association to suspend the voting rights of a Unit Owner for any period during which any Assessment against his Unit remains delinquent, and in addition for a period of sixty (60) days (and for successive sixty (60) day periods if such infraction is not corrected during any preceding suspension period) for any other infraction or violation of the Condominium Documents;
  - (3) the right of the Association to suspend the right of a Unit Owner and any resident of its Unit to use the Common Elements for any period during which the Unit Owner is in violation of any provision of the Condominium Documents, or delinquent in the payment of any Assessment or other amount owed to the Association;
  - (4) the right of the Association to convey the Common Elements or subject the Common Elements to a mortgage, deed of trust, or other security interest, in the manner and subject to the limitations set forth in the Condominium Act, but in no event without the vote or written assent of those Unit Owners representing at least eighty percent (80%) of the votes in the Association; and in all events, subject to a Unit Owner's easement for ingress and egress if access to such Unit is through the Common Elements; and
  - (5) the right of the Association to dedicate or transfer all or any part of the Common Elements to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Unit Owners. No such dedication or transfer shall be effective unless an instrument signed by Unit Owners entitled to cast two-thirds (2/3) of the votes in the Association agreeing to such dedication or transfer have been recorded, The requirements of this Section shall not apply in the case of utility easements otherwise covered herein;
    - (6) all rights and easements set forth in this Declaration.
  - (B) If a Unit is leased or rented, the lessee and the members of the lessee's family residing with the lessee shall have the right to use the Common Elements during the

term of the lease, and the Unit Owner shall have no right to use the Common Elements until the termination or expiration of the lease.

- (C) The guests and invitees of any Unit Owner or lessee or other person entitled to use the Common Elements pursuant to this Article may use the Common Elements provided they are accompanied at all times by a Unit Owner, lessee or other person entitled to use the Common Elements pursuant to this Article. The Board of Directors shall have the right to limit the number of guests and invitees who may use the Common Elements at any one time and may restrict the use of the Common Elements by guests and invitees to certain specified times.
- (D) A Unit Owner's right and easement of enjoyment in and to the Common Elements shall not be conveyed, transferred, alienated or encumbered separate and apart from a Unit. Such right and easement of enjoyment in and to the Common Elements shall be deemed to be conveyed, transferred, alienated or encumbered upon the sale of any Unit, notwithstanding that the description in the instrument of conveyance, transfer, alienation or encumbrance may not refer to such right and easement Any conveyance, encumbrance, judicial sale, or other transfer (voluntary or involuntary) of an individual interest in the Common Elements shall be void unless the Unit to which that interest is allocated is also transferred in conjunction therewith.
- 3.3 <u>Common Elements Easement in Favor of the Association</u>. The Common Elements shall be subject to an easement in favor of the Association and the agents, employees and independent contractors of the Association for the purpose of the inspection, upkeep, maintenance, repair and replacement of the Common Elements and for the purpose of exercising all rights of the Association and discharging all obligations of the Association. In addition, the Association may, in its discretion, grant permits, licenses and easements over the Common Elements for utilities, roads and other purposes necessary for the operation of the Condominium.
- 3.4 <u>Units and Limited Common Elements Easement in Favor of Association</u>. The Units and any Limited Common Elements are hereby made subject to the following easements in favor of the Association and its directors, officers, agents, employees and independent contractors:
  - (A) For inspection, at reasonable times and upon reasonable notice to the Unit Owner, of the Units and Limited Common Elements in order to verify the performance by Unit Owners of all items of maintenance and repair for which they are responsible.
  - (B) For inspection, maintenance, repair and replacement of the Common Elements or the Limited Common Elements situated in or accessible from such Units or Limited Common Elements.
  - (C) For entry in case of an emergency, and for correction of emergency conditions in one or more Units or Limited Common Elements or casualties to the Common Elements, the Limited Common Elements or the Units. For purposes of this section, "emergency" includes, but it is not limited to the following: reasonable suspicion of a water or sewer leak, a fire, or some other condition resulting in a threat to life, safety or property,

including a home alarm that continues to go off. Such entry may be made without notice to the Owner in the event of an imminent threat to life, safety or property, and for the sole purpose of correcting the emergency condition.

- (D) For the purpose of enabling the Association, the Board of Directors, or any committees appointed by the Board of Directors to exercise and discharge their respective rights, powers and duties under the Condominium Documents.
- (E) For inspection, at reasonable times and upon reasonable notice to the Unit Owner, of a Unit and the Limited Common Elements to verify that the provisions of the Condominium Documents are being complied with by the Unit Owners, their guests, tenants, invitees and the other occupants of the Unit.
- 3.5 <u>Common Elements Easement in Favor of Unit Owners</u>. The Common Elements and Limited Common Elements shall be subject to the following easements in favor of the Units benefited:
  - (A) For the installation, repair, maintenance, use, removal or replacement of pipes, ducts, heating and air conditioning systems, electrical, telephone and other communication wiring and cables and all other utility lines and conduits which are a part of or serve any Unit and which pass across or through a portion of the Common Elements or Limited Common Elements.
  - (B) For the installation, repair, maintenance, use, removal or replacement of lighting fixtures, electrical receptacles, panel boards and other electrical installations which are a part of or serve any Unit but which encroach into a part of a Common Element or Limited Common Element adjacent to such Unit; provided that the installation, repair, maintenance, use, removal or replacement of any such item does not unreasonably interfere with the common use of any part of the Common Elements, adversely affect either the thermal or acoustical character of any Common Element, or impair or structurally weaken any Common Element.
  - (C) For the maintenance of any lighting devices, outlets, medicine cabinets, exhaust fans, ventilation ducts, registers, grills and similar fixtures which serve only one Unit but which encroach into any part of the Common Elements, and for driving and removing nails, screws, bolts and other attachment devices to the extent such nails, screws, bolts and other attachment devices may encroach into a part of a Common Element adjacent to such Unit; provided that any such action will not unreasonably interfere with the common use of any part of the Common Elements, adversely affect either the thermal or acoustical character of any Common Element or impair or structurally weaken any Common Element.
  - (D) For the performance of the Unit Owner's obligation to maintain, repair, replace and restore those portions of the Limited Common Elements that the Unit Owner is obligated to maintain pursuant to this Declaration.

- 3.6 <u>Easement for Support</u>. To the extent necessary, each part of the Condominium shall have an easement for structural support over every other part of the Condominium.
- 3.7 <u>Easement for Encroachments</u>. Each Unit and the Common Elements shall be subject to an easement for encroachments, including but not limited to encroachments created by construction, alteration, restoration, settling, shifting or any reason other than the intentional encroachment onto the Common Elements or any Unit by a Unit Owner, as originally designed or constructed, or as created by discrepancies between the Plat and the actual construction. If any portion of the Common Elements shall actually encroach upon any Unit, or if any Unit shall actually encroach upon another Unit, as the Common Elements and the Units are shown on the Plat, a valid easement for any of said encroachment and for the maintenance thereof, so long as they stand, shall and does exist. In the event any Units or Common Elements are repaired, altered, or reconstructed, the Owners of the Units agree that similar encroachments shall be permitted and that a valid easement for said encroachment and for the maintenance thereof shall exist.

#### **ARTICLE 4**

#### **USE AND OCCUPANCY RESTRICTIONS**

- 4.0 <u>Single Family Residential Use</u>. All Units and Limited Common Elements shall be used, improved and devoted exclusively to residential use by a Single Family. No gainful occupation, profession, business, trade or other nonresidential use shall be conducted on or in any Unit or Limited Common Element, provided that a Unit Owner or other permitted resident may conduct limited business activities so long as (i) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Unit; (ii) the business activity conforms to all applicable zoning requirements or requirements for the Condominium; (iii) the business activity does not involve door-to-door solicitation of other Unit Owners or other residents of the Condominium; (iv) the business activity does not generate drive-up traffic or customer or client parking; and (v) the business activity is consistent with the residential character of the Condominium, does not constitute a nuisance or a hazardous or offensive use, and does not threaten the security or safety of other Unit Owners or other residents in the Condominium, as may be determined in the sole discretion of the Board of Directors. The leasing of a Unit by the Unit Owner thereof shall not be considered a trade or business within the meaning of this Section.
- Animals. No animal, bird, livestock, reptile, poultry or fowl of any kind, other than a reasonable number of generally recognized house pets (as determined by the Board of Directors and set forth in the Association Rules) shall be maintained on or in any Unit and then only if they are kept or raised thereon solely as domestic pets and not for commercial purposes. Notwithstanding the foregoing, no pet or other animal shall be allowed to make an unreasonable amount of noise (including excessive barking), cause an odor, or to become a nuisance, as the foregoing may be determined by the Board of Directors. A ll dogs shall be kept on a leash not to exceed six (6) feet in length when outside a Unit, and all dogs shall be directly under the Unit Owner's control at all times. No Unit Owner or any lessee or guest of a Unit Owner shall permit its household pets to relieve themselves on any portion of the Common Elements or Limited Common Elements. It shall be the responsibility of the Unit Owner, lessee or guest to immediately

remove any droppings from pets. No structure for the care, housing, confinement, or training of any animal or pet shall be maintained on any portion of the Common Elements or on any Unit or Limited Common Element so as to be Visible From Neighboring Property. Upon the written request of any Unit Owner, the Board of Directors shall determine whether, for the purposes of this Section, a particular animal or bird is a generally recognized house pet, a nuisance, or whether the number of pets on any Unit or the Limited Common Elements allocated thereto is reasonable or any other matter hereunder. The right of Unit Owners and other occupants of Units to maintain a reasonable number of house pets on a Unit pursuant to this Section is expressly subject to the right of the Board of Directors to restrict such house pets to only certain portions of the Condominium and to prospectively restrict the size and number of dogs or other pets which may be maintained or kept on the Units.

- 4.2 <u>Garbage</u>. Unit Owners shall place trash and garbage in exterior covered containers of a type, size and style and located in areas designated from time to time by the Board of Directors. All trash and garbage shall be regularly removed from each Unit and any Limited Common Element and shall not be allowed to accumulate thereon. No incinerator shall be maintained on any Unit or Limited Common Element and no trash, garbage or debris shall be burned thereon by open fire or otherwise. The Board of Directors shall have the right to subscribe to a trash service for the use and benefit of the Association and all Unit Owners.
- 4.3 <u>Clothes Drying Facilities</u>. No outside clotheslines or other facilities for drying or airing clothes shall be placed on any Unit or Limited Common Element or within the Condominium unless the same is not Visible From Neighboring Property.
- 4.4 <u>Window Coverings</u>. In no event shall the interior or exterior of any windows of any Unit or other structure upon the Condominium be covered with reflective material, such as foil, reflective screens or glass, mirrors, or similar items, or with paper, bed sheets or other temporary coverings. No enclosures, drapes, blinds, shades, screens or other items affecting the exterior appearance of a Unit or any Limited Common Element shall be constructed, installed or maintained without the prior written consent of the Board of Directors. The exterior facing portion of any interior window covering shall be white or cream in color.
- 4.5 <u>Signs</u>. No signs of whatever nature shall be placed on any Unit or other part of the Condominium which are Visible From Neighboring Property except (a) signs required by legal proceedings; (b) one street address identification sign as approved by the Board of Directors; (c) one "for sale" or "for lease" sign no larger than 18" x 24" within an interior window; and (d) any other signs which must be allowed under applicable law.
- 4.6 <u>Garages</u>. The interior of any garage shall be maintained by the respective Unit Owner or occupants thereof in a neat and clean condition. Garages shall be used for parking permitted vehicles and for reasonable residential storage only, and shall not be used or converted for living, recreational or vocational activities. Garage doors shall be kept closed at all times except to the limited extent reasonably necessary to permit the entry or exit of vehicles or persons.
- 4.7 <u>Vehicles and Parking</u>. Except for moving vans, delivery trucks, service vehicles or other similar large vehicles, trucks or equipment *temporarily* on the Condominium, the only types

of vehicles permitted on the Condominium are private, non-commercial, passenger automobiles, sport utility vehicles, golf carts, motorcycles or pickup trucks not exceeding one (1) ton in carrying load or cargo capacity.

No other vehicle (including, but not limited to, mobile homes, motor homes, boats, recreational vehicles, all-terrain vehicles, trailers, trucks, machinery, equipment, campers, permanent tents, or similar vehicles or equipment, "commercial vehicles" (as defined below), or vehicles exceeding one (1) ton in carrying load or cargo capacity or similar vehicles or equipment) shall be kept, placed or maintained upon the Condominium or any roadway adjacent thereto, except: (i) within a fully-enclosed garage; or (ii) in such areas and subject to the Association Rules (and the Board of Directors in its sole discretion may prohibit such other vehicles and equipment completely).

For purposes of this Section, the term "commercial vehicle" shall mean any vehicle that has an aggregate of one hundred forty-four (144) square inches or more of any type of signage, design or lettering for advertising visible, commercial utility racks or ladder racks located on the vehicle, or work equipment or a tool box stored on the vehicle that is visible from outside of the vehicle.

No vehicle (including, but not limited to, those enumerated in the preceding sentences) shall be constructed, reconstructed or repaired, nor shall any inoperable vehicle be stored anywhere on the Condominium or any roadway adjacent thereto except within a fully enclosed garage with the garage door closed. No vehicle shall be washed anywhere on the Condominium. No permitted vehicle shall make an unreasonable amount of noise or emit other than an ordinary amount of fumes. Any damage to any driveway or other Improvement within the Condominium due to a Unit Owner's, or his family's, Visitor's or invitee's, vehicle shall be assessed against such Unit Owner as a Special Assessment.

All permitted vehicles shall be parked only in designated parking areas. Visitor parking may be provided in certain portions of the Common Elements. If so provided, then Visitors (but not Unit Owners or other residents) may park in those designated areas on a temporary basis, meaning not exceeding 72 consecutive hours or seven (7) non-consecutive calendar days in any month, or as otherwise may be set forth in the Association Rules.

The Association may establish speed limits, speed bumps, directional limitations, and such other traffic rules as it may determine to be in the best interest of the Condominium.

The Board of Directors shall have the right to have any vehicle or other item of equipment parked, maintained, kept, operated, reconstructed or repaired in violation of the Condominium Documents towed away at the sole expense of the owner of the vehicle or equipment.

The provisions of this Section shall not apply to the Association for vehicles required for the maintenance, construction or operation of the Common Elements.

- 4.8 <u>Temporary Occupancy</u>. No trailer, motor home, vehicle, tent, shack, garage, barn or other structure, and no temporary improvement of any kind, shall be used at any time for a residence either temporarily or permanently.
- 4.9 <u>Improvements and Alterations</u>. No addition, alteration or improvement in or on any

Unit or Limited Common Element that would be Visible from Neighboring Property shall be made without the prior written approval of the Board of Directors, which approval shall only be granted if the Board of Directors affirmatively finds that the proposed addition, alteration or improvement is aesthetically pleasing, in harmony with the surrounding Improvements and consistent with the Condominium Documents. The design, size, color, materials, location and elevation of any Improvement which is Visible From Neighboring Property, and all changes thereto, must be approved by the Board of Directors prior to installation.

Except as may otherwise be provided herein, any Unit Owner may make nonstructural additions, alterations and improvements within the interior living space of his Unit without the prior written approval of the Board of Directors so long as such additions, alterations or improvements are made in accordance with any applicable governmental regulations. Notwithstanding the foregoing, any such Unit Owner shall, to the extent required by Arizona law, be responsible for any damage to other Units or to the Common Elements which results from any such alterations, additions or improvements.

No Person shall make any additions, alterations or improvements to a Unit or a Limited Common Element of a structural nature, or to a Common Element, unless prior to the commencement of each addition, alteration or improvement, the Unit Owner receives the prior written approval of the Board of Directors. Before considering whether or not to grant any approval, the Board of Directors may require that the Unit Owner retain an architect or engineer, licensed in Arizona, to certify that such addition, alteration or improvement will not impair the structural integrity of any other part of the Condominium. Notwithstanding any approval given by the Board of Directors or any certification by any architect or engineer, the Unit Owner shall, to the extent required by Arizona law, be responsible for any damage to other Units and to the Common Elements which results from any such additions, alterations or improvements.

Except for existing lines, wires and devices, and maintenance and replacement of the same, no lines, wires or other devices for the communication or transmission of electric current or power, including telephone, television, and radio signals, shall be erected, placed or maintained anywhere in or upon the Condominium unless they are contained in conduits or cables installed and maintained underground or concealed in, under or on Improvements or other structures approved by the Board of Directors. No provision hereof shall be deemed to forbid the erection of temporary power, telephone or other structures approved by the Board of Directors.

No Unit Owner or tenant or other occupant shall interfere with the drainage established for the Condominium.

4.10 <u>Heating, Ventilating and Air Conditioning Units</u>. No heating, ventilating, air conditioning or evaporative cooling units or equipment shall be placed, constructed or maintained

upon a Unit, a Limited Common Element or any other part of the Condominium, including, but not limited to, upon the roof or exterior walls of any Improvement or other structure on any part of the Condominium unless: (i) where such unit or equipment is installed upon the roof of any structure upon the Condominium, such unit or equipment is fully screened from view from any adjacent Unit(s) by a parapet wall which conforms architecturally with such structure so as not to be Visible From Neighboring Property; or (ii) in all other cases, such unit or equipment is attractively screened or concealed and is not Visible From Neighboring Property, which means of screening or concealment shall (in either case (i) or (ii)) be subject to the regulations and approval of the Board of Directors.

- 4.11 <u>Antennas, Poles and Towers</u>. No antenna, aerial, satellite dish or other device for the transmission or reception of television or radio (including amateur or ham radio) signals of any kind or any other form of electromagnetic radiation (collectively referred to herein as "antennas"), nor any telescope or other like optical device, will be allowed to be placed or located on, upon or about a Unit or the roof or walls thereof, or on, upon or about the Limited Common Elements, if the same is or shall be Visible From Neighboring Property, without the advance written consent of the Board of Directors, except:
  - (A) Those antennas whose installation or use is protected under federal law or regulations (generally, certain antennas under one meter in diameter), provided that an application for such an antenna must be submitted to the Board of Directors and such application will be approved only if:
    - (1) the antenna is designed to assure the minimal visual intrusion possible (i.e., is located in a manner that minimizes visibility from the street, other Units and Common Areas used for recreational purposes); and
    - (2) the antenna complies to the maximum extent feasible with any rules related thereto within the confines of applicable federal regulations (i.e., without precluding reception of quality signal, or unreasonably increasing the cost of the antenna).

The restrictions in this Section shall be subject to any limitations imposed by law.

#### 4.12 <u>Nuisances; Mineral Exploration; Diseases, Insects and Rodents.</u>

(A) No nuisance shall be permitted to exist or operate upon the Condominium, and no activity shall be conducted upon the Condominium which is offensive or detrimental to any portion of the Condominium or any Unit Owner or other occupant of the Condominium. No rubbish or debris of any kind shall be placed or permitted to accumulate upon any portion of the Condominium for any unreasonable time, and no odors shall be permitted to arise therefrom, so as to render the Condominium or any portion thereof unsanitary, unsightly, offensive or detrimental to any other portion of the Condominium in the vicinity thereof or to any Unit Owners or other occupants of a Unit No exterior speakers, horns, whistles, bells or other sound devices, except security or other emergency devices used exclusively for security or emergency purposes, shall be located,

used or placed on the Condominium. No loud, noxious or offensive activity shall be carried on or permitted on any part of the Unit, nor shall anything be done thereon which may be, or may become, an unreasonable annoyance or nuisance to Persons or property in the vicinity of such Unit, or which shall unreasonably interfere with the quiet enjoyment of each of the Unit Owners and other occupants of a Unit. The Board of Directors shall have the right to determine, in its sole discretion, whether the provisions of this Section have been violated. Any decision rendered by the Board of Directors shall be conclusive and shall be enforceable in the same manner as other restrictions in this Declaration.

- (B) No portion of the Condominium 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.
- (C) No Unit Owner shall permit any thing or condition to exist upon his Unit or the Condominium which could induce, breed or harbor infectious plant diseases, noxious insects or rodents.
- 4.13 <u>Prohibited Uses.</u> No use which is offensive by reason of odor, fumes, dust, smoke, noise, glare, heat, sound, vibration, radiation or pollution, or which constitutes any other form of nuisance or unreasonable source of annoyance, or which is hazardous by reason of risk of fire or explosion, shall be permitted on any part of the Condominium. No use which is in violation of the laws of the United States, the State of Arizona, or any other governmental entity having jurisdiction over the Condominium shall be conducted on any Unit or within the Condominium. All valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction over the Condominium shall be observed. Any violation of such laws, zoning ordinances or regulations shall be a violation of this Declaration.
- 4.14 <u>Leasing</u>; <u>Obligations of Tenants and Other Occupants</u>. No Unit may be leased for an initial term of less than thirty (30) days. Extensions of the initial thirty (30) day lease term shall be permitted. No subleases whatsoever will be permitted. For purposes of this Section, a lease is defined as any occupancy of the Unit where money or other consideration is exchanged.

No Owner may lease less than their entire Unit. All leases must be in writing and must provide that the terms of the lease are subject in all respects to the provisions of the Condominium Documents and that any violation of the Condominium Documents by the lessee or the other occupants shall be a default under the lease.

Within fifteen (15) days of the effective date of any new lease term or renewal term, the Owner of a leased Unit shall furnish the Association with a completed lessee information form (in such format as is provided by the Association). The lessee information form shall include (i) the name and contact information for any adults occupying the Unit; (ii) the time period of the lease including the beginning and ending dates of the tenancy; (iii) a description and license plate number of the lessees' vehicles; (iv) the address and telephone number at which the Owner can be contacted by the Association during the lease term; and (v) any other information that the Association may request by law. The Association may charge the Owner who leases their Unit an administrative fee in an amount permitted by law, for each new tenancy of the Unit.

Any Owner who leases their Unit must provide the lessee with copies of the Condominium Documents. The Owner shall be liable for any violation of the Condominium Documents by the lessees or other persons residing in the Unit and their guests or invitees and, in the event of any such violation, the Owner, upon demand of the Association, shall immediately take all necessary actions to correct any such violations.

4.15 <u>Variance</u>. The Board of Directors, in its good-faith discretion, may grant such variances to the restrictions contained in this Article as it shall deem appropriate, so long as the use permitted by such variance shall not result in an unsafe, unsanitary or aesthetically displeasing condition and shall not result, in the Board of Directors' discretion, in a substantial departure from the common plan of development and administration contemplated by this Declaration. In addition, the Condominium shall continue at all times to be subject to applicable zoning laws and ordinances; <u>provided</u>, <u>however</u>, that where the provisions of this Declaration are more restrictive than such laws or ordinances, the provisions of this Declaration shall control.

#### **ARTICLE 5**

#### MAINTENANCE AND REPAIR OF COMMON ELEMENTS AND UNITS

5.0 <u>Duties of the Association</u>. Except as otherwise provided in this Declaration, the Association shall maintain, repair and make necessary improvements to all Common Elements, including, without limitation, any and all Improvements other than individual Units, but excepting any Limited Common Elements that the Unit Owners are obligated to maintain, repair and replace pursuant to this Declaration. Common Elements that the Association shall maintain include, but are not limited to, all common facilities and improvements, landscaping, recreational amenities, drainage facilities, streets, parking areas and walks. If it so elects (without obligation to do so), or is required to do so by any governmental authority, the Association shall maintain landscaping located on public rights of way adjacent to, or within, the Condominium. Except as set forth in this Declaration, he cost of all repairs, maintenance and improvements for which the Association is responsible shall be a Common Expense and shall be paid for by the Association.

The Association shall be the sole judge as to the management and necessary maintenance, repair and replacement of the Common Elements. No Owner or other occupant shall be permitted to install or leave fixtures, personal property, equipment, planters, landscaping features or other similar items on the Common Elements without Board approval.

5.1 <u>Duties of Unit Owners</u>. Each Unit Owner shall maintain, repair, replace and restore, at his own expense: (i) all portions of his Unit, subject to the Condominium Documents; and (ii) the Limited Common Elements allocated to his Unit pursuant to this Declaration, except that if a Unit Owner owns a garage, then the space immediately in front of such garage as designated on the Plat as a Limited Common Element lying between such garage and any common drive or roadway shall be maintained by the Association. Without limiting the generality of the foregoing, each Unit Owner shall, at his own expense, maintain, repair, replace and restore, all doors, window glass, and any heating, cooling and air conditioning systems and equipment exclusively serving his Unit, and all electrical and plumbing fixtures and appliances exclusively serving his Unit, including, but not limited to, dishwashers, laundry equipment, ranges, ovens,

water heaters and other built-in appliances. Each Owner shall clean, maintain, repair, replace and restore all interior finishes including, without limitation, floor coverings and wall coverings.

- 5.2 <u>Repair or Restoration Necessitated by Owner</u>. Each Unit Owner shall be liable to the Association, to the extent permitted by Arizona law, for any damage to the Common Elements or the Improvements, landscaping or equipment thereon, which results from the negligence or willful misconduct or omission of the Unit Owner. The cost to the Association of any such repair, maintenance or replacement required by such act or omission of a Unit Owner shall be paid by the Unit Owner, upon demand, to the Association. The Association may enforce collection of any such amounts in the same manner and to the same extent as provided for in this Declaration for the collection of Assessments.
- 5.3 <u>Unit Owner's Failure to Maintain</u>. If a Unit Owner fails to discharge the duties imposed upon such Unit Owner by this Article within ten (10) days following written demand by the Association that he do so, the Association shall have the right, but not the obligation, to perform the required maintenance, repair or replacement. The cost of any such maintenance, repair or replacement, together with interest at 12% per annum thereon and an administrative fee at 10% of the amount incurred by the Association, shall be assessed against the non-performing Unit Owner, and said assessment shall be due and collectable in the same manner as provided for the collection of Assessments.

#### **ARTICLE 6**

#### THE ASSOCIATION; RIGHTS AND DUTIES; MEMBERSHIP

6.0 Existence, Rights, Powers and Duties of the Association. The Association is organized as a nonprofit Arizona corporation. The Association shall be the entity through which the Unit Owners shall act. The Association shall have such rights, powers and duties as are prescribed by law and as are set forth in the Condominium Documents 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 and in the Condominium Act. The Association shall have the right to finance capital Improvements in the Condominium by encumbering future Assessments if such action is approved by the written consent or affirmative vote of Unit Owners representing more than fifty percent (50%) of the votes in the Association. Unless the Condominium Documents or the Condominium Act specifically require a vote of the Members, approvals or actions to be given or taken by the Association shall be valid if given or taken by the Board of Directors. The Association has the specific duty to make available to Unit Owners and their designated representatives records of the Association, pursuant to A.R.S. 33-1258.

Subject to the restrictions and limitations contained herein, or in the Articles, the Bylaws, and the laws of the State of Arizona, the Association may enter into contracts or other transactions with other parties. Notwithstanding the foregoing, any management contract entered into by the Association must be terminable, without penalty, by the Association for cause at any time and without cause upon reasonable notice.

Upon adoption of a resolution by the Board of Directors stating that the then current use of a specified part of the Common Elements is no longer in the best interests of the Unit Owners, and the approval of such resolution by not less than two-thirds (2/3rds) of the votes of all Members voting (in person or by absentee ballot) at a meeting duly called for such purpose, the Board of Directors shall have the power and right to change the use thereof (and in connection therewith to take whatever actions are required to accommodate the new use), provided such new use; (i) also shall be for the common benefit of the Unit Owners; and (ii) shall be consistent with any recorded deed and zoning regulations.

- 6.1 <u>Directors and Officers</u>. The affairs of the Association shall be conducted by and through the Board of Directors and such officers and committees as the Board may elect and appoint, all in accordance with the Article and the Bylaws. The Unit Owners shall elect the Board of Directors, which must consist of at least three (3) members, all of whom must be Unit Owners. The Board of Directors elected by the Unit Owners shall then elect the officers of the Association.
- Membership; Voting. Every Unit Owner shall automatically be a Member of the 6.2 Association for so long as such ownership continues. Each Member shall have one vote for each Unit owned by such Member. Fractional votes shall not be allowed. Each Unit Owner's membership in the Association shall be appurtenant to, and may not be separated from ownership of, the Unit to which the membership is attributable. In the event any Unit is owned by two or more Persons, whether by joint tenancy, tenancy in common, community property or otherwise, each such Person shall be considered a Member but the membership as to such Unit shall be joint. Such Members shall decide among themselves how to vote on behalf of that Unit; provided, however, that if any one of such Persons casts a vote or votes representing a Unit that Person will thereafter be conclusively presumed to be acting with the authority and consent of all other Persons sharing ownership of such Unit unless and until objection thereto is made to the Board, in writing. In the event a Unit is owned by a corporation, partnership or association, the corporation, partnership or association shall be a Member and shall designate in writing to the Association at the time of its acquisition of the Unit, the name and title of the person who shall have the power to vote the membership of the corporation, partnership or association in the Association. The person so designated shall be the only person who shall be entitled to cast the vote for the Units owned by such corporation, partnership or association. No change in the ownership of a Unit shall be effective for voting purposes until the Board receives satisfactory evidence thereof.
- Association Rules. The Board of Directors, from time to time and subject to the provisions of this Declaration and the Condominium Act, may adopt, amend, and repeal rules and regulations. The Association Rules may, among other things, restrict and govern the use of any area by any Unit Owner, by the family of such Unit Owner, or by any invitees, licensee or lessee of such Unit Owner; provided, however, that the Association Rules may not unreasonably discriminate among Unit Owners and shall not be inconsistent with the Condominium Act, applicable federal and state fair housing laws, this Declaration, the Articles or Bylaws.
- 6.4 Optional Architectural Committee. The Board of Directors may, but shall not be obligated to, establish an Architectural Committee consisting of one or more members appointed by the Board of Directors to regulate the external design, appearance, use and maintenance of the

Condominium and to perform such other functions and duties as are imposed upon it by the Condominium Documents or by the Board of Directors. The Architectural Committee may adopt procedural rules and regulations for its performance of such duties, including procedures for the preparation, submission and consideration of the application for any approvals required by this Declaration, including a reasonable fee and the imposition of its costs to properly consider applications. The Architectural Committee may promulgate design guidelines to be used by the Architectural Committee in rendering its decisions. The Architectural Committee may grant variances from the standards set forth in the Declaration or its design guidelines if the Architectural Committee determines the matter permitted under the requested variance will not have a substantially adverse effect on other Unit Owners and is consistent with the high quality of life intended for the Condominium. In the event the Board does not establish or appoint an Architectural Committee, the Board may fulfill the duties and functions of the Architectural Committee outlined herein.

- 6.5 <u>Personal Liability</u>. No Board of Directors member, officer, or committee member, employee or representative of the Association, nor the Association, shall be personally liable to any Unit Owner, or to any other Person, including the Association, for any damages, losses, costs, fees (including reasonable attorneys' fees), or any prejudice suffered or claimed on account of any of their acts, omissions, errors or negligence, unless such person has failed to act in good faith or has engaged in willful or intentional misconduct.
- 6.6 Property Rights. Every Unit Owner shall have a non-exclusive right and easement of enjoyment in, to and over the Common Elements, subject to this Declaration and to the Association Rules adopted by the Board of Directors pursuant hereto, and such right shall be unrestricted as to ingress and egress to such Unit Owner's Unit and shall be perpetual so that it passes with the Unit estate as transfer of the ownership of the Unit occurs. Any Unit Owner may assign that right of enjoyment to (and share the same with) the members of his or her household and assign the same to and share the same with his, her or its tenants and invitees subject to the provisions of this Declaration and to reasonable regulation by the Board of Directors. A Unit Owner who leases his, her or its Unit shall be deemed to have delegated such Unit Owner's rights and easements under this Section to the lessee of such Unit for the term of such lease.
- 6.7 <u>Resale of Units</u>. Within ten days of receipt of a written notice of a pending sale of a Unit that contains the name and address of the Purchaser, the Association shall provide the information required by A.R.S. §33-1260 to such Purchaser in the manner provided therein, and may charge a fee for this service as permitted therein.

#### ARTICLE 7

#### **ASSESSMENTS**

7.0 <u>Creation of the Lien and Personal Obligation for Assessments</u>. Each Owner of a Unit, by acceptance of a deed therefor or otherwise becoming a Unit Owner, is deemed to covenant and agree to pay to the Association: (a) Common Expense Assessments, (b) Special Assessments and (c) a Working Capital Assessment, if in effect. The Assessments, together with interest, collection costs, reasonable attorneys' fees and all other amounts payable to the Association under

the Condominium Documents, shall be a lien on the Unit against which each such Assessment is made, and shall also be the personal obligation of each person who was a Unit Owner of such Unit at the time when the Assessment was levied. The personal obligation for delinquent Assessments or other obligations shall not pass to any unrelated bona fide third party who succeeds to the title of the Unit Owner unless expressly assumed by such successor.

7.1 <u>Purpose of Assessments</u>. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Unit Owners, for the improvement and maintenance of the Common Elements, and for all purposes set forth in the Condominium Documents, including but not limited to, insurance premiums, expenses for maintenance repairs and replacements of Common Elements and reserves for depreciation and contingencies.

#### 7.2 <u>Preparation of Budget</u>.

- At least sixty (60) days before the beginning of each fiscal year of the (A) Association, the Board of Directors shall adopt a budget for the Association containing an estimate of the total amount of funds which the Board of Directors believes will be required during the ensuing fiscal year to pay all Common Expenses including, but not limited to: (i) the amount required to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units or Limited Common Elements, if any, which the Association has the responsibility of maintaining, repairing and replacing; (ii) the cost of wages, materials, insurance premiums, services, supplies and other expenses required for the administration, operation, maintenance and repair of the Condominium; (iii) the amount required to render to the Unit Owners all services required to be rendered by the Association under the Condominium Documents; and (iv) such amounts as are necessary to provide general operating reserves and reserves for contingencies and replacements of, among other things, improvements located on the Common Elements. The budget shall separately reflect any Common Expenses to be assessed against less than all of the Units as provided for hereinafter and must include an adequate allocation to reserves as part of the Common Expense Assessment.
- (B) Within thirty (30) days after the adoption of a budget, the Board of Directors shall send to each Unit Owner a summary of the budget and a statement of the amount of the Common Expense Assessment assessed against each Unit in accordance with this Section.
- (C) The failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year and to make any assessment shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his allocable share of the Common Expenses as provided in this Section and each Unit Owner shall continue to pay the Common Expense Assessment against his Unit as established for the previous fiscal year until notice of the Common Expense Assessment for the new fiscal year has been established by the Board of Directors.
- (D) The Board of Directors is expressly authorized to adopt and amend budgets for the Association, and no ratification of any budget by the Unit Owners shall be required.

- 7.3 <u>Common Expense Assessment</u>. In order to provide funds to enable the Association to meet its obligations and to create and maintain appropriate reserves, there is hereby created a right of assessment exercisable on behalf of the Association by the Board of Directors.
- (A) For each fiscal year of the Association, the total amount of the estimated Common Expenses set forth in the budget adopted by the Board of Directors (except for the Common Expenses which are to be assessed against less than all of the Units as provided for hereinafter) shall be assessed against each Unit in the proportion to the Unit's Common Expense Liability as set forth in this Declaration. The amount of the Common Expense Assessment assessed pursuant to this Section shall be in the sole discretion of the Board of Directors except that it shall not exceed the maximum Common Expense Assessment for such fiscal year as computed below.
- (B) If the Board of Directors determines during any fiscal year that its funds budgeted or available for that fiscal year are, or will, become inadequate to meet all Common Expenses for any reason, including, without limitation, nonpayment of Assessments by Members, it may increase the Common Expense Assessment for that fiscal year and the revised Common Expense Assessment shall commence on the date designated by the Board of Directors, except that the increase in the Common Expense Assessment assessed pursuant to this Section shall not exceed the maximum Common Expense Assessment for such fiscal year as computed below.
- (C) The Common Expense Assessment for the 2021 fiscal year is **three hundred twenty-five dollars (\$325.00)** per month. Except as provided below, unless a greater increase is approved by a vote of two-thirds (2/3) of the votes of Members represented (in person or by absentee ballot) at a meeting of Members called for such purpose, the Common Expense Assessment for any fiscal year may not be increased by more than twenty percent (20%) over the Common Expense Assessment levied the prior fiscal year (the "maximum Common Expense Assessment").
  - (1) Notwithstanding the foregoing, the Board may, without the approval of the Members, increase the Common Expense Assessment for any fiscal year by an amount sufficient to permit the Board to meet any increase over the preceding fiscal year in: (a) premiums for any insurance coverage required by this Declaration to be maintained by the Association; and (b) charges for utility services necessary to the Association's performance of its obligations under this Declaration, notwithstanding the fact that the resulting increase in such Common Expense Assessment is greater than otherwise permitted under this Section. Increases in Common Expense Assessments shall in all events be subject to any limitations imposed by law.
  - (2) The maximum Common Expense Assessment shall apply only to the amount of the Common Expense Assessment assessed against all Units, and has no applicability to Common Expenses assessed against only specific Units as provided for hereinafter.
- (D) The Board of Directors may require that the Common Expense Assessments or Special Assessments be paid in installments.

- (E) The Common Expense Assessments shall be fixed at a uniform rate for each Unit.
- (F) Except as otherwise expressly provided for in this Declaration, any Common Expense associated with the maintenance, repair or replacement of a Limited Common Element shall be assessed against the Unit(s) to which the Limited Common Element is allocated.
- (G) If any Common Expense is caused by the negligence, omission or willful misconduct of any Unit Owner (or any individual for whom the Unit Owner is responsible), the Association shall assess that Common Expense exclusively against his Unit, together with interest at 12 percent (12%) per annum and an administrative fee at ten percent (10%) of the amount incurred by the Association.
- (H) Assessments to pay a judgment against the Association may be made only against the Units in the Condominium at the time the judgment was entered, in proportion to their Common Expense Liability.
- (I) In the event the Association elects to provide, either directly or indirectly, special services, including but not limited to water, power, telephone and cable television service to either the Owners of all Units or to those Owners who individually subscribe to such service, the Association may assess the Owners of each Unit using such services a fee to be determined by the Board of Directors of the Association which fee may be a function of the type and volume of such service.
- 7.4 <u>Special Assessments</u>. In addition to Common Expense Assessments, the Association may levy, in any fiscal year of the Association, a Special Assessment 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 Elements, including fixtures and personal property related thereto, or for any other lawful Association purpose, provided that any Special Assessment shall have first been approved by Unit Owners representing two-thirds (2/3) of the votes cast (in person or by absentee ballot) at a meeting duly called for such propose. Unless otherwise specified by the Board of Directors, Special Assessments shall be due thirty (30) days after they are levied by the Association and notice of the Special Assessment is given to the Unit Owners.
- 7.5 Notice and Quorum for Any Action Authorized Under Article 7. Written notice of any meeting called for the purpose of obtaining the consent of the Members for any action for which the consent of Members is required under Article 7 shall be sent to all Members not less than thirty (30) days nor more than fifty (50) days in advance of the meeting. At the first such meeting called, the presence of Members (in person or by absentee ballot) entitled to cast sixty percent (60%) of all the votes in the Association 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 fifty (50) days following the preceding meeting.

#### 7.6 <u>Effect of Nonpayment of Assessments; Remedies of the Association.</u>

- (A) Any Assessment, or any installment of an Assessment, which is not paid when due shall be deemed delinquent and shall bear interest from the date of the delinquency at the rate of twelve percent (12%) per annum, plus a late charge as set by the Board of Directors from time to time. Late charges shall be subject to any limitations imposed by law.
- (B) All Assessments, late fees, interest, and other fees and charges imposed or levied against any Unit or Unit Owner shall be secured by the Assessment Lien as provided for in the Condominium Act. The recording of this Declaration constitutes record notice and perfection of the Assessment Lien and no other recordation of any claim of lien shall be required. Although not required to perfect the Assessment Lien the Association shall have the right, but not the obligation, to record a notice setting forth the amount of any delinquent Assessments, monetary penalties or other fees or charges imposed or levied against the Unit or the Unit Owner which are secured by the Assessment Lien.
- (C) The Association shall have the right, at its option, to enforce collection of any delinquent Assessments and all other fees and charges owed to the Association in any manner allowed by law, including, but not limited to (i) bringing an action at law against the Unit Owner personally obligated to pay the delinquent amounts which came due at the time he was the Owner thereof and such action may be brought without waiving the Assessment Lien securing any such delinquent amounts, provided, however, that the personal obligation to pay delinquent Assessments which came due prior to the transfer of ownership shall not pass to successors in title; (ii) bringing an action to foreclose its Assessment Lien against the Unit in the manner provided by law for the foreclosure of a realty mortgage; and (iii) suspending voting and recreational amenities use rights in its reasonable discretion. 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 Units purchased at such sale.
- Subordination of Assessment Lien to Mortgages. The Assessment Lien shall be subordinate to the lien of any First Mortgage. Any First Mortgage or any other party acquiring title or coming into possession of a Unit through foreclosure of a First Mortgage, purchase at a foreclosure sale or trustee sale, or through any equivalent proceedings, such as, but not limited to, the taking of a deed in lieu of foreclosure, shall acquire title free and clear or any claims for unpaid Assessments, monetary penalties and other charges and fees against the Unit which became payable prior to such sale or transfer. Any delinquent Assessments, monetary penalties and other fees and charges which are extinguished pursuant to this Section may be reallocated and assessed to all Units as a Common Expense. Any Assessments, monetary penalties and other fees and charges against the Unit which accrue prior to such sale or transfer shall remain the personal obligation of the defaulting Unit Owner.
- 7.8 <u>Exemption of Unit Owner</u>. No Unit Owner may exempt himself from liability for payment of Assessments, monetary penalties and other fees and charges levied pursuant to the Condominium Documents by waiver and nonuse of any of the Common Elements and facilities or by the abandonment of his Unit.

- 7.9 <u>Certificate of Payment</u>. The Association, on written request, shall furnish to a lienholder, Unit Owner or Person designated by a Unit Owner, a recordable statement setting forth the amount of unpaid Assessments against his Unit. The statement shall be finished within ten (10) business days after receipt of the request and is binding on the Association, the Board of Directors, and every Unit Owner. The Association may charge a reasonable administrative fee in an amount established by the Board of Directors for each such statement.
- 7.10 <u>No Offsets</u>. All Assessments, monetary penalties and other fees and charges shall be payable in accordance with the provisions of this Declaration, and no offsets against such Assessments, monetary penalties and other fees and charges shall be permitted for any reason, including, without limitation, a claim that the Association is not properly exercising its duties and powers as provided in the Condominium Documents or the Condominium Act.
- Working Capital Assessment. In addition to the other Assessments provided for in 7.11 this Declaration, the Board shall have the discretion to impose a Working Capital Assessment on Owners who purchase their Unit after the date this Declaration is recorded. If the Board enacts a Working Capital Assessment, it shall adopt and record a Board Resolution setting forth the amount and the commencement date of the Working Capital Assessment. The Working Capital Assessment will then be imposed on all purchases of Units that close escrow after the recordation of the Board Resolution. The Working Capital Assessment shall be collectible at the close of escrow, and subject to the same lien rights as regular Assessments. The Working Capital Assessment shall not be deemed a prepayment of any other Assessments. The Board may amend the amount of the Working Capital Assessment from time to time by recording an amended Board Resolution. However, the Board may not increase the amount of the Working Capital Assessment by more than ten percent (10%) in any twelve (12) month period without the approval of Unit Owners representing two-thirds (2/3) of the votes cast (in person or by absentee ballot) at a meeting duly called for such propose The Working Capital Assessment shall be used to contribute to funding the reserves to pay for capital improvements and maintenance of the Common Elements.
- 7.12 <u>Association's Rights in Spending Funds From Year to Year</u>. The Association shall not be obligated to spend in any year all funds received by it in such year and the Board of Directors may carry forward as surplus or hold in reserve (for general purposes or for specified future expenditures) any balances remaining. The Association shall not be obligated to reduce the amount of the Common Expense Assessments in any succeeding year or any other Assessments if a surplus or reserves exist from a prior year or years.
- 7.13 <u>Monetary Penalties</u>. In accordance with the requirements of A.R.S. 33-1242, the Board of Directors shall have the right to levy reasonable monetary penalties against a Unit Owner for violations of the Condominium Documents.

#### **ARTICLE 8**

#### **INSURANCE; DESTRUCTION; CONDEMNATION**

#### 8.0 <u>Scope of Insurance Coverage</u>.

- (A) The Association shall maintain, to the extent reasonably available, the following insurance coverage:
  - (1) Property insurance on the Common Elements and Units, exclusive of improvements and betterments installed in Units by Unit Owners, issued under a standard form "All Risk of Direct Physical Loss Form" in an amount equal to the maximum insurable replacement value of the Common Elements and Units, as determined by the Board of Directors; provided, however, that the total amount of insurance after application of any deductibles shall not be less than one hundred percent (100%) of the current replacement cost of the insured property, exclusive of land, excavations, foundations and other items normally excluded from a property insurance policy.
  - (2) Broad Form Comprehensive general liability insurance, for a limit to be determined by the Board of Directors, but not less than \$1,000,000.00 for any single occurrence. Such insurance shall cover all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements and any other area of Association responsibility. Such policy shall include (i) a cross liability clause to cover liabilities of the Unit Owners as a group to a Unit Owner; (ii) medical payments insurance and contingent liability coverage arising out of the use of hired and non-owned automobiles; and (iii) coverage for any legal liability that results from lawsuits related to employment contracts in which the Association is a party.
  - (3) Workmen's compensation insurance to the extent necessary to meet the requirements of the laws of Arizona.
  - (4) Directors' and officers' liability and fidelity insurance covering all the directors and officers of the Association in such limits as the Board of Directors may determine from time to time.
  - (5) Such other insurance as the Association shall determine from time to time to be appropriate to protect the Association, the members of the Board of Directors, the officers, the members of any committee or the Unit Owners, including, without limitation, fidelity bonds as may be required by the Federal National Mortgage Association or any Eligible Mortgage Holder or Eligible Insurer or Guarantor.

- (6) The insurance policies purchased by the Association shall, to the extent reasonable available, contain the following provisions:
  - (a) Each Unit Owner shall be an insured or additional insured under the policy with respect to liability arising out of his ownership of an undivided interest in the Common Elements or his membership in the Association.
  - (b) No act or omission by any Unit Owner, unless acting within the scope of his authority on behalf of the Association, shall void the policy or be a condition to recovery on the policy.
  - (c) A "severability of interest" endorsement which shall preclude the insurer from denying the claim of a Unit Owner because of the negligent acts of the Association or other Unit Owners.
  - (d) The Association shall be the insured for use and benefit of the individual Unit Owners (designated by name if required by the insurer).
  - (e) For policies of hazard insurance, a standard mortgagee clause providing that the insurance carrier shall notify the Association and each First Mortgagee named in the policy at least ten (10) days in advance of the effective date of any substantial change in coverage or cancellation of the policy.
    - (f) Any insurance trust agreement will be recognized by the insurer.
  - (g) Such coverage shall not be contingent upon action by the insurance carrier's board of directors, policyholders or members or permit claims for contribution or assessments to be made against Unit Owners or their Mortgagees.
- (7) "Agreed Amount," "Inflation Guard," and "Building Ordinance or Law" endorsements, except where expressly not applicable or not available.
- (8) The Association shall require any management agent of the Association to maintain its own fidelity bond or insurance coverage. The total amount of fidelity coverage so maintained shall be based upon the best business judgment of the Board, and shall not be less than the greater of (i) the amount equal to one hundred fifty percent (150%) of the estimated annual operating expenses of the Condominium, (ii) the estimated maximum of funds, including reserve funds, in the custody of the Association or the management agent, as the case may be, at any given time during the term of each bond, or (iii) the sum equal to three months aggregate Common Expense Assessments on all Units plus reserve funds. The fidelity coverage maintained by the management agent shall cover funds

maintained in bank accounts of the management agent and need not name the Association as an obligee.

- (B) If, at the time of a loss insured under an insurance policy purchased by the Association, the loss is also insured under an insurance policy purchased by a Unit Owner, the Association's policy shall provide primary coverage.
- 8.1 <u>Payment of Premiums</u>. Premiums for all insurance obtained by the Association pursuant to this Article shall be Common Expenses and shall be paid for by the Association.
- 8.2 <u>Payment of Association's Insurance Deductible.</u> As set forth in the Association Rules, if damage results from the negligence or willful misconduct of a Unit Owner (or any individual for whom such Unit Owner is responsible), such Unit Owner is responsible for payment of the Association's insurance deductible in its entirety, or costs of repair less than the deductible, and any cost to repair or remediate the Unit that is not covered by the Association's insurance policy, pursuant to <u>Section 7.3(G)</u>.

If damage occurs to less than all of the Units, the Owner(s) of the affected Unit(s) are responsible for payment of the Association's deductible, or costs of repair less than the deductible, and any cost to repair or remediate the Unit(s) that is not covered by the Association's insurance policy, regardless of whether the damage was the result of negligence or misconduct of a Unit Owner, in accordance with A.R.S. 33-1255(C)(2).

The Board shall have the sole and final authority to determine who is responsible for paying the deductible (or costs of repair if less than the deductible amount) or costs of repair or remediation not covered by the Association's insurance if a loss occurs. If an Owner is required to pay any such amount to the Association to perform any repair or reconstruction work, said amount shall be collectible in the same manner as Assessments.

- 8.3 <u>Insurance Obtained by Unit Owners</u>. Each Unit Owner is responsible for obtaining insurance for his own benefit and at his own expense covering anything not covered by the insurance maintained by the Association, including coverage for personal property, improvements and betterments within the Unit, coverage for the amount of the Association's deductible as payment may be required per <u>Section 8.2</u>, and personal liability coverage.
- 8.4 <u>Payment of Insurance Proceeds</u>. Any loss covered by property insurance obtained by the Association in accordance with this Article shall be adjusted with the Association and the insurance proceeds shall be payable to the Association and not to any mortgagee or beneficiary under a deed of trust. The Association shall hold any insurance proceeds in trust for Unit Owners and lienholders as their interests may appear, and the proceeds shall be disbursed and applied as provided in §33-1253 of the Condominium Act.
- 8.5 <u>Certificate of Insurance</u>. An insurer that has issued an insurance policy pursuant to this Article shall issue certificates or memoranda of insurance to the Association and, on written request, to any Unit Owner, mortgagee, or beneficiary under a deed of trust. The insurer issuing the policy shall not cancel or refuse to renew it until thirty (30) days after notice of the proposed

cancellation or nonrenewal has been mailed to the Association, each Unit Owner, and each mortgagee or beneficiary under a deed of trust to whom a certificate or memorandum of insurance has been issued at their respective last known address.

- 8.6 Restoration of Condominium in Event of Destruction. Except as otherwise provided in this Declaration or required by the Condominium Act, in the event of any destruction of any portion of the Common Elements, the repair or replacement of which is the responsibility of the Association, it shall be the duty of the Association to restore and repair the same to its former condition, as promptly as practical. The proceeds of any insurance maintained pursuant to this Article for reconstruction or repair of the Common Elements shall be used for such purpose, unless (a) the Condominium is terminated; (b) repair or restoration would be illegal under any state or local statute or ordinance governing health or safety; (c) eighty percent (80%) of the Unit Owners vote not to rebuild.
- 8.7 <u>Condemnation</u>. The term "Taking" as used in this Section shall mean condemnation by eminent domain or sale under threat of condemnation. In the event of a threatened Taking of all or any portion of the Common Elements, the Owners hereby appoint the Board and such persons as the Board may designate to represent all of the Owners in connection with the Taking. The Board shall act, in its sole discretion, with respect to any awards made or to be made in connection with the Taking and shall be entitled to make a voluntary sale to the condemnor in lieu of engaging in a condemnation action. Any award received on account of the Taking shall be paid to the Association and not to any mortgagee or beneficiary under a deed of trust The Association shall hold any condemnation proceeds in trust for Unit Owners and lienholders as their interests may appear, and the proceeds shall be disbursed and applied as provided for in § 33-1206 of the Condominium Act.

#### ARTICLE 9

#### **GENERAL PROVISIONS**

- 9.0. <u>Enforcement</u> The Association or any Owner may enforce the Condominium Documents in any manner provided for in the Condominium Documents or by law or in equity, including, but not limited to:
  - (A) imposing reasonable monetary penalties after notice and an opportunity to be heard is given to the Unit Owner. A Unit Owner shall be responsible for payment of any fine levied or imposed against a lessee or occupant of the Owner's Unit or by any invitee of the Unit Owner or any lessee or occupant;
    - (B) suspending a Unit Owner's right to vote as set forth in <u>Section 3.2</u>;
  - (C) suspending any Person's right to use any facilities within the Common Elements as set forth in <u>Section 3.2</u>; provided, however, nothing in this Section shall authorize the Board to limit ingress or egress to or from a Unit;
  - (D) exercising self-help of taking action to abate any violation of the Condominium Documents;

- (E) requiring a Unit Owner, at the Unit Owner's expense, to remove any Improvement installed or constructed in such Owner's Unit or in any Limited Common Element allocated to the Owner's Unit in violation of the Condominium Documents and to restore the Unit or the Limited Common Element to its previous condition and, upon failure of the Unit Owner to do so, the Board of Directors or its designee shall have the right to enter the property, remove the violation and restore the property to substantially the same condition as previously existed and any such action shall not be deemed a trespass;
- (F) towing vehicles which are parked in violation of the Condominium Documents;
- (G) filing a suit at law or in equity to enjoin a violation of the Condominium Documents, to compel compliance with the Condominium Documents, to recover monetary penalties or money damages or to obtain such other relief as to which the Association may be entitled;
- (H) recording a written notice of a violation of any restriction or provision of the Condominium Documents. The notice shall be executed and acknowledged by an officer of the Association and shall contain substantially the following information: (i) the legal description of the Unit against which the notice is being recorded; (ii) a brief description of the nature of the violation; and (iii) a statement of the specific steps which must be taken by the Unit Owner to cure the violation. Recordation of a Notice of Violation shall serve as a notice to the Unit Owner and to any subsequent purchaser of the Unit that there is a violation of the provisions of the Condominium Documents. If, after the recordation of such notice, it is determined by the Association that the violation referred to in the notice does not exist or that the actual violation referred to in the notice has been cured, the Association shall record a notice of compliance which shall state the legal description of the Unit against which the notice of violation, and shall state that the violation referred to the notice of violation has been cured, or if such be the case, that it did not exist.

The Association shall not be obligated to take any enforcement action if the Board of Directors determines, in its sole discretion, that because of the strength of possible defenses, the time and expense of litigation or other enforcement action, the likelihood of a result favorable to the Association, or other facts deemed relevant by the Board of Directors, enforcement action would not be appropriate or in the best interests of the Association.

Any Unit Owner may enforce the Condominium Documents in any manner provided for in this Declaration or at law or in equity, except that a Unit Owner may not exercise any remedy provided to the Association by this Declaration or enforce payment of any Assessments or other amounts payable to the Association pursuant to the Condominium Documents.

All rights and remedies of the Association under the Condominium Documents or at law or in equity are cumulative, and the exercise of one right or remedy shall not waive the Association's right to exercise another right or remedy. The failure of the Association or an Owner to take enforcement action with respect to a violation of the Condominium Documents shall not

constitute or be deemed a waiver of the right of the Association or any Owner to enforce the Condominium Documents in the future.

- 9.1 <u>Severability</u>. Invalidation of any covenant or restriction by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.
- 9.2 <u>Duration</u>. Except as they may be earlier terminated or amended pursuant to this Declaration, the covenants and restrictions of this Declaration shall run with and bind the Condominium 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 often (10) years.
- 9.3 <u>Termination of Condominium</u>. Subject to the further provisions of this Declaration regarding notice and consent requirements, the Condominium may be terminated only in the manner provided for in the Condominium Act.
- 9.4 <u>Amendment</u>. Except in cases of amendments that may be executed by the Association under §§33-1206 or 33-1216(D) of the Condominium Act, or by certain Unit Owners under §§33-1218(B), 33-1222, 33-1223 or 33-1228(B) of the Condominium Act, and except to the extent permitted or required by other provisions of the Condominium Act, the Declaration, including the Plat, may be amended only by the agreement or affirmative vote of the Unit Owners to which at least sixty-seven percent (67%) of the votes in the Association are allocated, without regard to whether such amendment has uniform application to the Units or the Condominium as a whole. Any amendment adopted by the Unit Owners pursuant to this Declaration shall be signed by an officer of the Association and shall be recorded with the county recorder.
- 9.5 <u>Remedies Cumulative</u>. Each remedy provided herein is cumulative and not exclusive.
- 9.6 Notices. All notices, demands, statements or other communications required or permitted to be given or served under this Declaration shall be in writing and shall be deemed to have been duly given and served if delivered personally or sent by United States mail, postage prepaid, return receipt requested, addressed to a Unit Owner, at the address at which the Unit Owner shall designate in writing and file with the Association. A Unit Owner may change his address on file with the Association for receipt of notices by delivering a written notice of change of address to the Association pursuant to this Section. A notice given by mail, whether regular, certified or registered, shall be deemed to have been received by the person to whom the notice was addressed on the earlier of the date the notice is actually received or three days after the notice is mailed. If a Unit is owned by more than one person, notice to one of the Unit Owners shall constitute notice to all Unit Owners of the same Unit. Each Unit Owner shall file his correct mailing address with the Association, and shall promptly notify the Association in writing of any subsequent change of address. In the event that Arizona law is amended to permit such notices, demands, statements and/or other communications to be sent via electronic mail, this Section shall be automatically amended accordingly.
- 9.7 <u>Binding Effect</u>. By acceptance of a deed or by acquiring any ownership interest in any portion of the Condominium, each Person, for himself his heirs, personal representatives,

successors, transferees and assigns, binds himself, his heirs, personal representatives, successors, transferees and assigns, to all of the provisions, restrictions, covenants, conditions, easements, rules, and regulations now or hereafter imposed by the Condominium Documents and any amendments thereof. In addition, each such Person by so doing thereby acknowledges that the Condominium Documents set forth a general scheme for the improvement and development of the real property covered thereby and hereby evidences his intent that all the restrictions, conditions, covenants, easements, rules, and regulations contained in the Condominium Documents shall run with the land and be binding on all subsequent and future Owners, grantees, purchasers, assignees, and transferees thereof. Furthermore, each such Person fully understands and acknowledges that the Condominium Documents shall be mutually beneficial, prohibitive and enforceable by the various subsequent and future Unit Owners. The Units and the membership in the Association and the other rights created by the Condominium Documents shall not be separated or separately conveyed and each shall be deemed to be conveyed or encumbered with its respective Unit even though the description in the instrument of conveyance or encumbrance may refer only to the Unit.

- 9.8 <u>Gender</u>. 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 to either entities or individuals, or men or women, shall in all cases be assumed as though in each case fully expressed.
- 9.9 <u>Topic Headings; References to an "Article" or a "Section"</u>. 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 of this Declaration. References to an "Article" a "Section" without further attribution are hereby deemed to refer to articles of or sections of, as the case may be, this Declaration.
- 9.10 <u>Survival of Liability</u>. The termination of membership in the Association shall not relieve or release any such former Owner or Member from any liability or obligation incurred under, or in any way connected with, the Association during the period of such ownership or membership, or impair any rights or remedies which the Association may have against such former Owner or Member arising out of, or in any way connected with, such ownership or membership and the covenants and obligations incident thereto.
- 9.11 <u>Construction</u>. In the event of any discrepancies, inconsistencies or conflicts between the provisions of this Declaration and the Articles, Bylaws or Association Rules, the provisions of this Declaration shall prevail.
- 9.12 <u>Joint and Several Liability</u>. In the case of joint ownership of a Unit, the liabilities and obligations of each of the joint Unit Owners set forth in, or imposed by, the Condominium Documents shall be joint and several.
- 9.13 <u>Guests and Tenants</u>. Each Unit Owner shall, to the extent permitted by Arizona law, be responsible for compliance by his agents, tenants, guests, Visitors, invitees, licensees and their respective servants, agents, and employees with the provisions of the Condominium Documents. A Unit Owner's failure to ensure compliance by such persons shall be grounds for the

same action available to the Association or any other Unit Owner by reason of such Unit Owner's own noncompliance.

- 9.14 <u>Attorneys' Fees</u>. In the Association or any Unit Owner employs an attorney or attorneys to enforce an Assessment Lien or to collect any amounts due from a Unit Owner or to enforce compliance with or recover damages for any violation of or noncompliance with the Condominium Documents, the prevailing party in any such action shall be entitled to recover from the other party the reasonable attorneys' fees incurred in the action and such fees shall constitute an Assessment Lien on all Units owned by the Unit Owner or Unit Owners against whom the action is taken (or against whose tenants or other occupants, guests, Visitors, or invitees the action is taken), which Assessment Lien shall have the priority and may be enforced in the manner described herein.
- 9.15 <u>Number of Days</u>. In computing the number of days for purposes of any provision of the Condominium Documents, all days shall be counted including Saturdays, Sundays and holidays; provided, however, that if the final day of any time period falls on a Saturday, Sunday or holiday, then the final day shall be deemed to be the next day which is not a Saturday, Sunday or holiday.
- 9.16 <u>Restriction on Further Subdivision and Time Shares</u>. No Unit shall be further subdivided or separated into smaller Units by any Owner, and no portion less than all of any such Unit shall be conveyed or transferred by any Owner without the prior written approval of the Board. This restriction shall not prevent the granting by an Owner thereof of an easement over part of a Unit for use by another Owner. No Owner shall establish, transfer, sell, assign or convey any time share (as defined in A.R.S.) in his Unit and any such transaction shall be void.
- 9.17 <u>Interpretation</u>. Except for judicial construction, the Association, by its Board, shall have the exclusive right to construe and interpret the provisions of the Condominium Documents. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Association's construction or interpretation of the provisions of the Condominium Documents shall be final, conclusive and binding as to all persons and property benefitted or bound by the provisions of the Condominium Documents.

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#### **CERTIFICATION**

The President of the Association hereby certifies that the provisions contained within this Amended and Restated Declaration have been approved by the required percentage of the Owners.

DATED this 2 day of May, 2022.

Mirage Crossing Resort Casitas Homeowners Association

By: Sonald Collins
Its: TREASURER

STATE OF ARIZONA

) ss.

County of Maricopa

On this 2 day of May, 2022, before me personally appeared Ronald L. Cacini, whose identity was proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this document, and who acknowledged that he/she signed this document.

Notary Public

Notary Seal:

