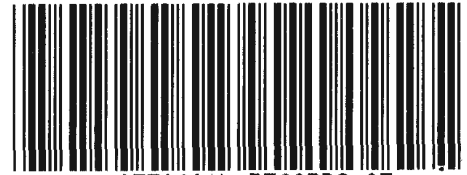


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AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS
FOR
THE SHORES VILLAS

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DECLARATION OF COVENANTS, CONDITION
AND RESTRICTIONS

FOR

THE SHORES VILLAS

This Amended And Restated Declaration of Covenants, Conditions and Restrictions for The Shores Villas ("Declaration") is adopted this 1 day of May, 2008, by The Shores Condominium Association, an Arizona non-profit corporation here after called the "Association").

INTRODUCTION

A. By that certain Declaration of Horizontal Property Regime For The Shores ("Original Declaration"), declarant imposed certain conditions, covenants, restrictions and created other property and contract rights burdening and benefiting the real property described below in the Declaration.

B. Article VIII, Section 8.5 of the Original Declaration provides for the amendment of the Original Declaration by the affirmative written assent of not less than sixty-six and two-thirds percent (66-2/3%) of the Owners.

C. By a duly held vote of the Association, in excess of sixty-six and two-thirds percent (66-2/3%) of the Owners approved this Amended and Restated Declaration.

D. The Owners desire that the entire Property subject hereto be held, conveyed, hypothecated, encumbered, leased, occupied, built upon and otherwise used, improved or transferred in whole or in part, subject to this Declaration, as amended or modified from time to time.

NOW THEREFORE, the Original Declaration is hereby amended and revoked in its entirety and the provisions of the restated Declaration are hereby imposed upon the Property.

WITNESSETH:

WHEREAS, the Association is the owner of all that certain real property, including but not limited to all improvements now or hereafter placed or constructed thereon (hereinafter referred to as the "Property") situated in Maricopa County, Arizona described on Appendix "A" attached hereto and made a part hereof by reference, and hereinafter generally known and described as:

THE SHORES, according to the Plat thereof recorded in Book 176 of Maps, page 23, Records of Maricopa County, Arizona, as more particularly described and shown in Appendix A (Appendix A being a reduction of the aforesaid plat); and

WHEREAS, pursuant to Arizona Revised Statutes §§ 33-1201 to 33-1261 inclusive (the "Act"), the Association desires to submit the Property to a condominium regime (the "Regime"); and

WHEREAS, each Co-owner (hereinafter sometimes called an "Owner") in the Regime owns a condominium unit (the "Unit"), including such Unit's appurtenant undivided percentage interest in the General Common Elements. It is, expressly understood that each Unit shall be held, mortgaged, encumbered, sold, leased and conveyed together with, and shall not be separated from, such Unit's appurtenant undivided percentage interest (as more specifically set forth in Appendix B attached hereto and made a part hereof by reference) in the General Common Elements.

NOW, THEREFORE, Declarant hereby submits and subjects the Property and all improvements thereon and interests therein to a condominium regime as provided for in the Act, and does hereby declare and agree that all said Property is and shall be held, leased, occupied, sold, conveyed, mortgaged and encumbered subject to such easements, restrictions, covenants, assessments, liens and conditions as are set forth herein and in the Bylaws of the Association and rules and regulations

adopted by the Board of Directors, and any amendments of this Declaration, the Bylaws and rules and regulations:

ARTICLE I

DESCRIPTION OF THE REGIME

Section 1.1. Name; Description of Property. The Property and all improvements thereon and interests therein described in Appendix A are submitted to a condominium regime (the "Regime") and shall be referred to and known as THE SHORES VILLAS.

Section 1.2. Composition of Regime; Term. The entire Regime shall be composed of the General Common Elements, one two-story building containing three Units, five two-story buildings containing seven Units each, one two-story building containing five Units and two one-story buildings containing four Units each, all of said Units bearing Unit numbers as set forth on Appendix A.

Section 1.3. Description of Buildings. The buildings hereinabove referred to (all of which compose the "Building"), will have one or two stories above ground level and contain a total of fifty-one Units. Said Units shall bear unit numbers as set forth on Appendix A. The finished top surfaces and finished interior walls of all patios or balconies attached to a Unit shall be a part of and appurtenant to each such Unit. The locations of the buildings on the Property are set forth on the plat of the Regime attached as Appendix A. The vertical boundaries of said buildings shall be the exterior of the outside walls located on the perimeter line as set forth on the plat in Appendix A. The horizontal boundaries shall be the plane of the top elevation and the plane of the base elevation as set forth in the Elevation Schedule on Appendix A, all of said elevations being based upon the benchwork described in Appendix A.

Section 1.4. Description of Units. The vertical boundaries of each Unit located within said buildings shall be the interior of all the unfinished walls located on the perimeter lines (including walls separating Units) as set forth on Appendix A. Any masonry load bearing walls located within the aforesaid vertical boundaries of each Unit shall (except for the finished surfaces thereof, which shall be deemed part of the Unit) be part of the General Common Elements. The horizontal boundaries of each Unit shall be

the plane of the top elevation (being the underside of the unfinished ceiling) and the plane of the base elevation (being the top surface of the unfinished floor) for each numbered Unit as set forth in the Elevation Schedule in Appendix A. The finished top surface of the floor slab (to the perimeters of each such floor slab), and the finished interior of any encircling wall or railing of any patio or balcony attached to a Unit shall be deemed part of and appurtenant to such Unit. In addition, and anything in this Declaration or Appendix A to the contrary notwithstanding, each condenser and compressor (located on the roof of a building) forming part of the air conditioning system for a particular Unit shall be deemed part of and appurtenant to each such Unit. The windows in each wall of a Unit and skylights in the ceiling of a Unit also shall be deemed part of the Unit.

A Unit shall consist of and include the Owner's interest in (a) his Unit as described in Section 1.4, and (b) his percentage interest in the General Common Elements as described in Sections 1.5 and 1.6. No Unit may be sold, leased, transferred, conveyed, assigned or encumbered except as part of and in connection with the sale, lease, transfer, conveyance, assignment or encumbrance of such Unit's appurtenant percentage interest in the General Common Elements.

Section 1.5. Percentage Interest in Regime. The numbered designation of each Unit, including any patio or balcony, and the percentage interest which each Unit bears to the General Common Elements and to the Regime, are set forth in Appendix B.

Section 1.6. General Common Elements. The General Common Elements shall include the land described in Appendix A, and all of the buildings, improvements, structures and facilities placed in or upon the Property submitted to this Regime, and all interests which the Association may acquire in adjacent lands, improvements, recreational areas or easements granted to the Association by others, less the Units hereinabove described.

Section 1.7. Parking Spaces. The carports erected upon the Property are part of the General Common Elements. The Association shall assign to each Unit Owner, and each such Owner shall have an exclusive easement for the use of, two parking spaces within said carports, such spaces to be in a reasonably convenient location in relation to the location of said Unit. Such spaces shall be used exclusively for the parking of passenger vehicles of the Owner, his family members, guests, tenants or other persons

occupying said Unit. No other types of vehicles or articles shall be parked, placed or stored upon or within said parking spaces. Each assigned parking space shall pass with a conveyance of the Unit to which it has been assigned and shall remain appurtenant to and part of said Unit. The exclusive custody and control of said parking spaces within the General Common Elements shall be subject always to the easements established pursuant to Article II hereof.

Section 1.8. Storage Areas. The Association shall have the right, but not the obligation, to set aside certain parts of the General Common Elements for storage purposes and to permit individual Owners to have the exclusive right to use certain designated parts of said storage areas.

ARTICLE II EASEMENTS

Section 2.1. Easements for Encroachments. If any portion of the General Common Elements (hereinafter sometimes called "Common Elements") now encroaches upon any Unit or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements as a result of the construction of the building or Unit, or if any such encroachment shall occur hereafter as a result of repairing, remodeling or rebuilding, a valid easement for the encroachment and for the maintenance of the same so long as the building stands, shall exist. In the event any Unit or any other structure is partially or totally destroyed, and then rebuilt, minor encroachments due to construction shall be permitted, and a valid easement in favor of the Owners or the Association, its agents, contractors and employees for said encroachments, and the repair and maintenance of such encroaching construction, shall exist.

Section 2.2. Reciprocal Easements. Each Unit Owner shall have an easement in common with the Owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements serving any of the other Units. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, ducts, cables, wires, conduits, public utility lines and other Common Elements serving such other Units. Upon reasonable written notice (except for an emergency) as provided in the Bylaws, the Board of Directors or its duly appointed agent

shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair, or replace the Common Elements contained adjacent thereto, therein or elsewhere in the building.

Section 2.3. Public Utility Easements. Each Unit and all of the Common Elements in this Regime shall be subject to a blanket easement for the purpose of permitting the Association or utility companies, such as those providing telephone, gas, electric, water, sewage and any and all other utility services, and any governmental agency to install, affix, maintain, operate and replace telephone wires and equipment, electric wires, buried cables, circuits, conduits, fixtures, gas lines, sewer lines, water lines and television cables in all the walls, ceilings, roofs, floors and ground which are a part of this Regime. Said easements shall also include the right to use all driveways, passageways, stairways and hallways for ingress and egress to all or any part of the Property and to temporarily use any part of the Property necessary to permit construction, installation and maintenance of any of said utilities.

ARTICLE III

THE ASSOCIATION; RIGHTS AND DUTIES

Section 3.1. Control and Management of Regime. The Association shall be the entity through which the Owners shall act. The association shall have the rights, powers and duties as are prescribed by law and as are set forth in the Declaration, Bylaws and rules and regulation together with such rights, powers and duties as may be reasonably necessary to effectuate the purposes and objectives of the association as set forth in the Act and this Declaration. The Association shall be managed by its Board of Directors (sometimes called the "Board") in accordance with the Bylaws adopted by the Association. Whenever this Declaration sets forth a duty to be performed by the Association, or sets forth a right, option or other legal interest owned or held by the Association, such duty shall be performed and such right, option or legal interest shall be exercised by the Board of Directors or the Board's duly authorized representative, except any duties and rights as shall be specifically reserved herein to the Owners without right of delegation to the Board of Directors.

Section 3.2. Membership. Membership in the Association shall consist of all the Unit Owners. Any person, upon accepting and recording a deed for a Unit (and/or other instrument establishing title to a Unit) shall be the Owner of such Unit and shall automatically become a member of the Association and shall remain a member thereof until such time as his ownership of such Unit ceases for any reason, at which time his membership in the Association shall automatically cease.

Section 3.3. Board of Directors. The Board of Directors of the Association shall at all times be responsible for the care, upkeep and surveillance of the Regime and the General Common Elements and facilities. The Board of Directors shall also have such other duties and responsibilities as are set forth herein and in the Bylaws. The Board shall be the sole and absolute judge as to the appropriate maintenance of the Common Elements and the Regime.

Section 3.4. Voting. In all matters requiring a vote of the Owners, voting shall be on a percentage basis. The percentage of the vote to which each owner is entitled is the percentage assigned in Exhibit B to the Unit owned by each such Owner. As used in this Declaration, the term "majority of Co-Owners" shall mean those Owners of record holding more than fifty percent (50%) of the vote in accordance with the percentages assigned herein to each Unit. In the event any Unit is owned by two or more persons, whether by joint tenancy, tenancy in common, community property or otherwise, the membership in the Association as to each such Unit shall be joint. In each case where there are two or more Owners of a Unit, the Owners of said Unit shall designate to the Association in writing at the time of acquisition of their Unit one of their number who shall have the power to vote on any matters which must be determined by the Owners as provided for herein, and in the absence of such designation and until such designation is made the Board of Directors shall make such designation.

Section 3.5. Right to Enter Units. The Association through its duly authorized agent shall have the right at all times upon reasonable written notice (except in case of an emergency) as provided in the Bylaws to enter upon or in any Unit to abate any infractions or correct any violation of any of the covenants, conditions and restrictions herein set forth, and in connection therewith shall assess all costs incurred

against the Owner, such assessment to be secured by the Assessment Lien provided for in Article VI hereof.

Section 3.6. Rules and Regulations. The Board of Directors shall have the right to adopt rules and regulations in accordance with the Bylaws for the regulation and operation of the Regime, including, but not limited to regulations governing the use of the General Common Elements, including the nature and hours of use of the recreational areas. The Association shall have the right, pursuant to its regulations, to exclude from the use of the General Common Elements and recreational areas any Owners who are delinquent in the payment of their assessments levied in accordance with Article VI hereof.

ARTICLE IV ARCHITECTURAL CONTROL

Section 4.1. Installations, Alterations, Additions, Replacements and Maintenance. A co-owner shall not make any interior or exterior structural modifications or alterations in his unit located in the Regime without prior written approval from the Board of Directors. Further, each owner must comply with applicable McCormick Ranch Property Owners Association, City of Scottsdale, Maricopa County and Arizona State laws, codes and regulations and have necessary permits and inspections for any work being performed.

Section 4.2. Limitation on Architectural Control. The provisions in this Article are subject to the Reservation of Architectural Control by Kaiser-Aetna recorded in Docket No. 9148 at pages 701 to 705 inclusive, records of Maricopa County, Arizona. To the extent the provisions herein are contrary to or inconsistent with the provisions of said Reservation, the provisions of said Reservation shall control.

ARTICLE V UNIT USE AND MAINTENANCE

Section 5.1. Restriction on Use and Occupancy. Each Unit in the Regime shall be used solely for residential purposes by the Owner as a single family unit for

himself and his family and for no other purpose, except that under the terms of these restrictions the Unit may be leased to a single family for residential purposes in accordance with the provisions set forth herein.

Section 5.2. Maintenance of Units. Each Owner at his own expense shall maintain and keep his own Unit in good condition and repair. In the event any Owner shall fail to maintain, keep or repair his own Unit and/or in the event the Association shall determine that such failure shall place the welfare, health or safety of the Regime or any of the remaining Owners in jeopardy, the Association shall have the right, but not the obligation, to make such repairs as it shall deem necessary and the cost of such repairs shall be a lien against said Owner's Unit as hereinafter provided. The Association, or its agents, upon reasonable written notice (except in case of an emergency) as provided in the Bylaws, may enter any Owner's Unit whenever necessary in connection with any maintenance, repair or construction which the Board shall deem necessary.

ARTICLE VI

ASSESSMENTS: ASSESSMENT LIEN

Section 6.1. Assessments for Common Expenses. Each Owner shall pay to the Association monthly assessments which may be levied by the Association for repairs, maintenance, upkeep, taxes and assessments (except real property taxes and assessments or other taxes, and utilities such as gas, electricity, telephone or other utilities which are or may hereafter be billed separately against each Unit, or the personal property or other interest of the Owner by the utility company), gas, electricity, water, sewer or other utility charges, hazard and public liability insurance, rentals, and reserve for replacements or repairs with respect to the Common Elements. Said payments shall be allocated on the basis of the percentage of interest in the General Common Elements owned by each Owner as set forth in Appendix B.

Section 6.2. McCormick Ranch Property Owners' Association Assessments. Any person, upon accepting and recording a deed for a Unit (and/or other instrument establishing title to a Unit) shall be the Owner of such Unit and shall either (i) automatically become a member of the McCormick Ranch Property Owner's Association, Inc. (the "McCormick Association") and shall be bound by and subject to

the terms and conditions, including assessments, of that certain document recorded on December 29, 1971 in the office of the Maricopa County, Arizona, Recorder at Docket 9148, pages 706 through 756 inclusive and entitled "Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations, and Easements for McCormick Ranch" or (ii) be subject to certain Special Use Fee Assessments levied by the McCormick Association as set forth in that certain Warranty Deed recorded December 28, 1973 in the office of the Maricopa County, Arizona, Recorder at Docket 10454, pages 1036 through 1041 inclusive. The applicability of phrase (i) or (ii) above shall depend upon the contractual arrangements effected by Declarant in its sole discretion at any time or from time to time.

Section 6.3. Improvement Assessments. To the extent not charged or billed directly to the individual Owners by the appropriate governmental or other assessing authority, each Owner shall pay to the Association a portion of such assessments as may be levied by the Association for payment of assessments levied against the Property, or any portion thereof, for improvements such as, without limitation, water systems, sewer systems and street lighting. Each Owner's portion shall be allocated on the basis of the percentage of interest in the General Common Elements owned by each Owner as set forth in Appendix B.

Section 6.4. Special Assessments for Capital Improvements. From time to time, the Association may levy 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 upon the Property, including fixtures and personal property related thereto, provided that any such assessment and the terms thereof shall have the assent of Owners representing sixty-six and two-thirds percent (66-2/3%) of the interest (as shown in Appendix B) in the Regime in person or by absentee ballot at a meeting duly called for such purpose. The provisions of this Section are in addition to and are not intended to limit or modify in any way the provisions of the foregoing Sections 6.1, 6.2 and 6.3.

Section 6.5. Time of Assessments. The Board of Directors shall in accordance with the Bylaws determine the assessment of each Unit Owner prior to the beginning of each fiscal year of the Regime, provided, however that said assessments may be adjusted or assessed at any time if deemed necessary by the Board of Directors.

No Owner shall be exempt from any assessment or charge by waiver or suspension of the use of any of the Common Elements, recreational areas or by the abandonment of his Unit.

Section 6.6. Due Dates; Penalties. Payments of assessments shall be due on the first day of each month and shall become delinquent ten (10) days thereafter if not fully paid. All unpaid assessments shall be subject to a late penalty charge as determined from time to time by resolution of the Board of Directors, such late penalty charge to be applied uniformly to all Owners. In the event it shall become necessary for the Association to employ attorneys to collect any delinquent assessments, whether by foreclosure of the lien hereinafter created or otherwise, the delinquent Owner shall pay, in addition to the assessment, interest thereon from the date of delinquency at the rate of ten percent (10%) per annum, a reasonable attorney's fee, and all other costs and expenses incurred by the Association as a result of said delinquency.

Section 6.7. Initial Assessment. Each Owner shall pay to the Association, at the time each such Owner purchases or otherwise acquires a Unit; a non-refundable Initial Assessment in such amount as may be provided for in the Bylaws.

Section 6.8. Assessment Lien. All sums assessed by the Association and all expenses incurred in enforcing the collection of such sums as set forth in this Declaration shall be deemed a charge on the land and shall be a continuing lien (hereinafter called the "Assessment Lien") upon the Unit against which such assessment is made.

Section 6.9. Enforcement of Payment of Common Expenses. If any Owner fails to pay any sums assessed by the Association against his Unit, the Association may enforce payment by taking either or both of the following actions, concurrently or separately (and by exercising either of the remedies hereinbelow set forth, the Association does not prejudice or waive its right to exercise the other remedy):

- (a) Bring an action at law against the Owner for a money judgment for his share of the common expenses; or
- (b) Foreclose the Assessment Lien against the Unit in accordance with the then prevailing Arizona law relating to the foreclosure of realty mortgages (including any right to recover any deficiency); the Association shall have the

power to bid on the Unit at the foreclosure sale and to acquire, hold, lease, mortgage, sell or convey the same; and the Unit may be redeemed after foreclosure sale as provided by law.

Anything hereinabove to the contrary notwithstanding, the remedies above set forth for the Association are not exclusive, and the Association may take any and all other remedies available to it at law or in equity.

ARTICLE VII INSURANCE

Section 7.1. Required Insurance Coverage. The Association shall be required to obtain and maintain (a) fire and extended coverage insurance as set forth below and in the Bylaws; (b) workmen's compensation insurance and public liability and property damage insurance as set forth in the Bylaws; and (c) directors and officers' liability insurance covering all the directors and officers of the Association in such limits as the Board may determine from time to time; and (d) such other insurance as the Board of Directors from time to time may determine.

Section 7.2. Hazard Insurance. The Association shall maintain sufficient insurance to cover the replacement cost of all buildings, Units and improvements in the Regime in accordance with the original basic plans and specifications for said buildings and improvements in the event of damage by fire and other hazards covered by standard insurance endorsements, and against such other risks of a similar nature as are or shall be customarily covered with respect to buildings similar in construction, location and use. Premiums for such insurance shall be part of the common expenses payable by the Unit Owners. Insurance coverage shall be written in the name of the Board of Directors as trustees for each of the Owners. Nothing contained herein shall prejudice the right of each Owner to insure his own Unit for his own benefit. It shall be the responsibility of each Owner to provide as he sees fit hazard insurance not otherwise covered homeowner's liability insurance and theft and other insurance covering personal property damage and loss in or with respect to his own Unit.

Section 7.3. Reconstruction and Repair. In the event of loss, the Association shall as soon as reasonably possible commence and complete repair and

reconstruction to restore the improvements so damaged or destroyed to substantially the same condition in which they existed prior to such casualty occurrence. In the course of such repair and reconstruction, the Association shall first use the proceeds of insurance received by it in payment of all costs incurred. In the event said insurance proceeds are insufficient to pay all said costs of repair and reconstruction, such deficiency shall be a common expense of the Regime and assessed as such to the Owners. Such special assessment shall be due and payable by the Owners within thirty (30) days after written notice is given by the Association to the Owners, and shall be secured by the Assessment Lien provided for in Article VI.

ARTICLE VIII MISCELLANEOUS

Section 8.1. Declaration Binding on Owners. The conditions, restrictions and burdens ("covenants") imposed by this Declaration and the Bylaws constitute a general scheme for the benefit of all Owners in the Regime. Said covenants are for the benefit of all Units in the Regime, and may be enforced by the Association (and its respective successors and assigns) or by a Unit Owner and shall bind all Unit Owners, their heirs, executors, administrators, assigns, grantees and tenants. Said covenants shall be a burden upon and a benefit not only to the Association and each individual purchaser of a Unit but his grantees and all subsequent Owners of the Unit. The acceptance of a deed of conveyance, agreement for sale or the entering into of a lease or the entering into occupancy of any Unit constitutes an agreement that the provisions of this Declaration, the Bylaws and the rules and regulations or as the same may be amended from time to time are accepted and ratified by such Owner, tenant, or occupant, and all of such provisions are and shall be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed of conveyance, agreement for sale or lease thereof.

Section 8.2. Non-waiver. Failure of the Association or of any individual Owner to enforce any condition, restriction or covenant herein contained shall not constitute a waiver of the right to do so thereafter.

Section 8.3. Severability. Should any of the covenants, restrictions or conditions herein imposed be void or be or become unenforceable at law or equity, the remaining portion shall, nevertheless, be and remain in full force and effect.

Section 8.4. Notices. Whenever notices are required to be given to the individual Owners, such notice shall be effective upon delivery of the notices to the Owners at their Units in the Regime, unless the Owner shall have previously designated another place for the giving of notice in writing to the Board of Directors. Notices required to be given to the Association shall be effective upon delivery of the notice to the office of the Association located on the Property, or in the event no office is maintained on the Property, by depositing said notice in a box provided for said purpose on the Property. In addition to said methods of giving notice, any notice shall be deemed to have been given on depositing a copy thereof in the United States mail, postage prepaid, addressed to the Owners at the Property described herein or to the Association, as the case may be, and in the event notice is given by mail, it shall be deemed to have been received, for the purposes of service, two (2) days after the date of mailing.

Section 8.5. Amendments. This Declaration shall remain in full force and effect for as long as the Property remains a condominium provided, however, that this Declaration may be amended only by (a) a vote of Owners representing sixty-six and two-thirds percent (66-2/3%) of the interest (as shown in Appendix B) in the Regime. Such amendments shall be effective only upon the recordation of the certificate setting forth the amendment signed by Owners representing not less than sixty-six and two-thirds percent (66-2/3%) of all the interests in the Regime. No amendments to this Declaration shall be in conflict with the laws of Arizona pertaining to a condominium.

Section 8.6. Condemnation. In case at any time or times this Regime or any part thereof shall be taken or condemned by any authority having the power of eminent domain, all compensation and damages for or on account of any Unit shall be payable to and be the sole property of the Unit Owner, and all compensation and damages

for or on account of any of the General Common Elements of the Regime shall be payable to such bank or trust company authorized to do business in the State of Arizona as the Association's Board of Directors shall designate as trustee for all Owners and mortgagees affected thereby according to the loss or damages to their respective Units and percentage interests in the General Common Elements. Such compensation shall be used promptly by the Board of Directors to the extent necessary for restoring or replacing such improvements on the remaining land according to plans therefor first approved as herein provided, unless by a vote of the Owners representing not less than sixty-six and two-thirds percent (66-2/3%) of the interest in the Regime determine within a reasonable time after such taking or condemnation that such restoration or replacement is impractical under the circumstances. In which event, the Board of Directors, on behalf of the Association and as a common expense of the Association shall remove all remains of such improvements so taken or condemned and restore the site thereof to good orderly condition and even grade, and shall equitably distribute the remaining proceeds from such condemnation or taking to the Owners and mortgagees affected thereby according to the loss or damage to their respective Units and percentage interests in the General Common Elements.

Section 8.7. Termination. Except as so provided under Section 8.6 above, this Declaration and the covenants, conditions and restrictions herein shall not be revoked unless all of the Owners and all of the holders of any recorded first mortgage or first deed of trust covering or affecting any or all of the Units unanimously consent and agree to such revocation by instrument(s) duly recorded.

Section 8.8. Interpretation. Except for judicial construction, the Board of Directors shall have the exclusive right to construe and interpret the provisions of this Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Board of Directors' construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all persons and Owners.

Section 8.9. Captions and Titles. All captions, titles and headings of the articles and sections in this Declaration are for the purpose of reference and convenience only, and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof, or to be used in determining the intent hereof.

The foregoing Amended and Restated Declaration was adopted as of the 1 day of May, 2008, by a vote of the Owners greater than sixty-six and two-third percent (66 2/3%) in favor.

THE BOARD OF DIRECTORS

By [Signature]
Randy Davis, President

STATE OF ARIZONA)
) ss.
County of Maricopa)

On this 1 day of May, 2008, before me, the undersigned notary public, personally appeared Randy Davis, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purpose therein contained.

Oct 24, 2008
Notary Expiration

[Signature]
Notary Public



THE BOARD OF DIRECTORS

By [Signature]
Bonnie Yates, Secretary

STATE OF ARIZONA)
) ss.
County of Maricopa)

On this 1 day of May, 2008, before me, the undersigned notary public, personally appeared Bonnie Yates, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purpose therein contained.

Oct 24, 2008
Notary Expiration

[Signature]
Notary Public

