

H.O.A. CONDOMINIUM / PLANNED COMMUNITY ADDENDUM

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Document updated:
October 2021



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SELLER'S NOTICE OF H.O.A. INFORMATION

1. Seller: James P. Boulay, Trustee Barbara R. Gores, Trustee
2. Premises Address: 4160 N. Painted Quail Pl. 81 Tucson AZ 85750
3. Date: 06/20/2025

4. **INSTRUCTIONS:** (1) Homeowner's association ("H.O.A.") information on page 1 to be completed by Seller at the time of listing the
5. Premises for sale. (2) Upon completion, this Addendum shall be uploaded to the multiple listing service, if available, or delivered to
6. prospective buyers upon request prior to prospective buyer's submission of a Residential Resale Real Estate Purchase Contract to Seller.

ASSOCIATION(S) GOVERNING THE PREMISES

7. H.O.A.: Quail Canyon Ridges Contact Info: Troy Jennings
8. Management Company (if any): Contact Info: 520-991-6978
9. Amount of Dues: \$ 1,800.00 How often? Yearly
10. Amount of special assessments (if any): \$ How often? Start Date: End Date:
MO/DAY/YR MO/DAY/YR
11. Master Association (if any): Quail Canyon HOA Contact Info: Angie Chu-Make
12. Management Company (if any): Contact Info: 520-299-0797
13. Amount of Dues: \$ 0.00 How often?
14. Amount of special assessments (if any): \$ How often? Start Date: End Date:
MO/DAY/YR MO/DAY/YR
15. Other: Contact Info:
16. Amount of Dues: \$ How often?

FEES PAYABLE UPON CLOSE OF ESCROW

17. **Transfer Fees:** Association(s) fees related to the transfer of title: H.O.A.: \$ Master Association: \$.
18. **Capital Improvement Fees,** including but not limited to those fees labeled as community reserve, asset preservation, capital reserve,
19. working capital, community enhancement, future improvement fees, or payments: H.O.A.: \$ Master Association: \$.
20. **Prepaid Association(s) Fees:** Dues, assessments, and any other association(s) fees paid in advance of their due date:
21. H.O.A.: \$ Master Association: \$.
22. **Disclosure Fees:** Association(s)/Management Company(ies) costs incurred in the preparation of a statement or other documents
23. furnished by the association(s) pursuant to the resale of the Premises for purposes of resale disclosure, lien estoppels and any other
24. services related to the transfer or use of the property. Pursuant to Arizona law, Disclosure Fees cannot be more than an aggregate
25. of \$400.00 per association. As part of the Disclosure Fees, each association may charge a statement or other documents update fee of
26. no more than \$50.00 if thirty (30) days or more have passed since the date of the original disclosure statement or the date the documents
27. were delivered. Additionally, each association may charge a rush fee of no more than \$100.00 if rush services are required to be
28. performed within seventy-two (72) hours after the request. H.O.A.: \$ Master Association: \$.
29. **Other Fees:** \$ Explain: .

30. **SELLER CERTIFICATION:** By signing below, Seller certifies that the information contained above is true and complete to the best of
31. Seller's actual knowledge as of the date signed. Broker(s) did not verify any of the information contained herein.

32. James P. Boulay, Trustee 06/23/2025 Barbara R. Gores, Trustee 06/23/2025
33. ^ SELLER'S SIGNATURE MO/DAY/YR ^ SELLER'S SIGNATURE MO/DAY/YR
James P. Boulay, Trustee Barbara R. Gores, Trustee

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H.O.A. Condominium / Planned Community Addendum >>**ADDITIONAL OBLIGATIONS**

34. **If the homeowner's association has less than 50 units**, no later than ten (10) days after Contract acceptance, the Seller shall provide
35. in writing to Buyer the information described below as required by Arizona law.
36. **If the homeowners association has 50 or more units**, Seller shall furnish notice of pending sale that contains the name and address
37. of the Buyer to the homeowner's association within five (5) days after Contract acceptance and pursuant to Section 3d of the Contract.
38. Escrow Company is instructed to provide such notice on Seller's behalf. The association is obligated by Arizona law to provide information
39. described below to Buyer within ten (10) days after receipt of Seller's notice.
40. **BUYER IS ALLOWED FIVE (5) DAYS AFTER RECEIPT OF THE INFORMATION FROM THE SELLER(S) OR HOMEOWNER'S**
41. **ASSOCIATION TO PROVIDE WRITTEN NOTICE TO SELLER OF ANY ITEMS DISAPPROVED.**

INFORMATION REQUIRED BY LAW TO BE PROVIDED TO BUYER:

- 42.
43. 1. A copy of the bylaws and the rules of the association.
44. 2. A copy of the declaration of Covenants, Conditions and Restrictions ("CC&Rs").
45. 3. A dated statement containing:
46. (a) The telephone number and address of a principal contact for the association, which may be an association manager, an
47. association management company, an officer of the association or any other person designated by the board of directors.
48. (b) The amount of the common expense assessment and the unpaid common expense assessment, special assessment or
49. other assessment, fee or charge currently due and payable from the Seller.
50. (c) A statement as to whether a portion of the unit is covered by insurance maintained by the association.
51. (d) The total amount of money held by the association as reserves.
52. (e) If the statement is being furnished by the association, a statement as to whether the records of the association reflect any
53. alterations or improvements to the unit that violate the declaration. The association is not obligated to provide information
54. regarding alterations or improvements that occurred more than six years before the proposed sale. Seller remains obligated
55. to disclose alterations or improvements to the Premises that violate the declaration. The association may take action
56. against the Buyer for violations apparent at the time of purchase that are not reflected in the association's records.
57. (f) If the statement is being furnished by the Seller, a statement as to whether the Seller has any knowledge of any alterations
58. or improvements to the unit that violate the declaration.
59. (g) A statement of case names and case numbers for pending litigation with respect to the Premises or the association,
60. including the amount of any money claimed.
61. 4. A copy of the current operating budget of the association.
62. 5. A copy of the most recent annual financial report of the association. If the report is more than ten pages, the association may
63. provide a summary of the report in lieu of the entire report.
64. 6. A copy of the most recent reserve study of the association, if any.
65. 7. Any other information required by law.
66. 8. A statement for Buyer acknowledgment and signature are required by Arizona law.

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H.O.A. Condominium / Planned Community Addendum >>**BUYER'S ACKNOWLEDGMENT AND TERMS**

67. Buyer: _____
68. Seller: James P. Boulay, Trustee Barbara R. Gores, Trustee
69. Premises Address: 4160 N. Painted Quail Pl. 81 Tucson AZ 85750
70. **NOTE: LINES 71-76 TO ONLY BE COMPLETED BY BUYER, AND NOT SELLER!**
71. **The following additional terms and conditions are hereby included as a part of the Contract between Seller and Buyer for the**
72. **above referenced Premises.**
73. **Transfer Fees** shall be paid by: ☐ Buyer ☐ Seller ☐ Other _____
74. **Capital Improvement Fees** shall be paid by: ☐ Buyer ☐ Seller ☐ Other _____
75. Any additional fees not disclosed on page 1 and payable upon close of escrow shall be paid by: ☐ Buyer ☐ Seller ☐ Other _____
76. _____
77. Buyer shall pay all **Prepaid Association Fees**.
78. Seller shall pay all **Disclosure Fees** as required by Arizona law.
79. In a financed purchase, Buyer shall be responsible for all lender fees charged to obtain Association(s)/Management Company(ies) documents.
80. **BUYER VERIFICATION:** Buyer may contact the Association(s)/Management Company(ies) for verbal verification of association
81. **FEES PAYABLE UPON CLOSE OF ESCROW.**
82. **ASSESSMENTS:** Any current homeowner's association assessment which is a lien as of Close of Escrow shall be paid in full by Seller.
83. Any assessment that becomes a lien after Close of Escrow is Buyer's responsibility.

ADDITIONAL TERMS AND CONDITIONS

84. _____
85. _____
86. _____
87. _____
88. **BUYER ACKNOWLEDGEMENT:** By signing below, Buyer acknowledges receipt of all three (3) pages of this addendum and acknowledges
89. that, although Seller has used best efforts to identify the amount of the fees stated herein, the precise amount of the fees may not be known
90. until written disclosure documents are furnished by the Association(s)/Management Company(ies) per Arizona law (A.R.S. § 33-1260 and
91. §33-1806). Buyer further acknowledges that Broker(s) did not verify any of the information contained herein. Buyer therefore agrees to
92. hold Seller and Broker(s) harmless should the **FEES PAYABLE UPON CLOSE OF ESCROW** prove incorrect or incomplete.
93. The undersigned agrees to the additional terms and conditions set forth above and acknowledges receipt of a copy hereof.

94. _____
95. ^ BUYER'S SIGNATURE MO/DAY/YR ^ BUYER'S SIGNATURE MO/DAY/YR
96. **SELLER'S ACCEPTANCE:**
97. _____
98. ^ SELLER'S SIGNATURE MO/DAY/YR ^ SELLER'S SIGNATURE MO/DAY/YR
James P. Boulay, Trustee Barbara R. Gores, Trustee

For Broker Use Only:

Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____
MO/DAY/YR

**AMENDED AND RESTATED DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR LOTS 58-84 OF QUAIL CANYON, PHASE II, PIMA COUNTY, ARIZONA**

(As amended 11/02)

This Amended and Restated Declaration is made on the date hereafter set forth by the Grantor, as required and permitted by the Declaration of Covenants, Conditions and Restrictions for Lots 58-84 of Quail Canyon, Phase II.

RECITALS:

A. Grantor's predecessors have recorded previously Declarations of Covenants, Conditions and Restrictions for Lots 58-84 of Quail Canyon, Phase II in the office of the Pima County Recorder, Arizona, in Docket 8550 beginning at Page 384 (collectively, the "Declaration");

B. Grantor owns 100% of the Lots 58-84;

C. The Grantor wishes to amend and restate the Declarations for the purpose of recording certain legal descriptions of the property affected by the Declarations, granting certain easements and providing for the maintenance thereof and for such other matters as more fully set forth herein.

NOW, THEREFORE, the prior Declarations are hereby amended and restated fully as follows:

The undersigned, hereinafter called Grantor, being the owner of that certain real property described as Lots 58-84 of Quail Canyon, Phase II, a subdivision in Pima County, Arizona, according to the map or plat thereof of record in the office of the County Recorder of Pima County, Arizona, in Book 31 of Maps and Plats at page 62 (the "Plat"), does hereby establish as of the 11th day of September, 1991, a general plan for the improvement and development of said Lots 58-84, inclusive, and does hereby declare that the above-described property and each of the lots therein are and will be held, sold and conveyed subject to the following covenants, conditions and restrictions. Each and every one of said covenants, conditions and restrictions is and all are for the benefit of each owner of real property in said subdivision, or any interest therein, and shall inure to and pass with each and every parcel of said subdivision, and shall bind the respective successors in interest of the present owner or owners thereof. Said covenants, conditions and restrictions are and each thereof is imposed upon said lots, all of which are to be construed as restrictive covenants running with the title to said lots and with each and every parcel thereof, to-wit:

ARTICLE I - DEFINITIONS

Section 1. "Association" shall mean Quail Canyon Ridges Homeowners Association, a non-profit corporation of the State of Arizona which has been or shall be formed by the Grantor. The Quail Canyon Ridges Homeowners Association shall be a subsidiary association of The Quail Canyon Homeowners Master Association as established in the Declaration of Covenants, Conditions and Restrictions recorded in Book 6150 at Page 986-995.

Section 2. "Member" shall mean a person or entity entitled to hold membership in the Association.

Section 3. "Owner" shall mean the holder of record title to each lot. The term "Owner" also shall be deemed to include a contract purchaser who is entitled to possession of a lot under the terms of a recorded Contract for Sale of Real Estate and shall exclude the holder of the vendor's interest in such a Contract.

Section 4. "Property" shall mean the real property heretofore described and such additional Property as may hereafter be declared subject to these covenants, conditions and restrictions and be brought within the jurisdiction of this Declaration.

Section 5. "Mortgage" shall include mortgages, deeds of trust and recorded Contracts for Sale of Real Estate wherein the purchaser is entitled to possession of the subject Property, and the term "mortgagee" shall include mortgagees, beneficiaries under deeds of trust and holders of vendors' interests in recorded contracts for sale of real estate wherein the purchaser is entitled to possession of the subject Property.

Section 6. "Grantor" shall mean Fidelity National Title Agency, Inc. (or a successor trustee), as Trustee under Trust No. 10,425 and the beneficiaries under said Trust, together with each of their successors or assigns in the ownership of the Property. The term "Successors or assigns" as used in this section shall not be deemed to mean individual lot owners who purchased individual lots or an interest therein but only a person or entity that succeeds to substantially all of the ownership of the Grantor. Should Trust No. 10,425 terminate and should legal title to the Property described hereinabove be vested in the beneficiaries of said Trust No. 10,425, reference to "Grantor" herein shall mean the beneficiaries of Trust No. 10,425, together with each of their successors or assigns.

Section 7. "Lot" shall mean any Lot as shown by a number on the recorded plat, a Lot and portions of another contiguous Lot, or two or more contiguous Lots upon which a Detached Single-family Dwelling may be erected in conformance with the requirements of this Declaration; provided, however, an ownership or single holding by any owner comprising parts of two adjoining Lots, or the whole of one Lot and part or parts of one or more adjoining Lots, may, at the option of the Grantor, be deemed to constitute a single Lot. No Lot subject hereto shall be divided or split except as approved by the Grantor.

Section 8. "Detached Single-family Dwelling" or "Single-family Dwelling" shall mean a building and structures customarily appurtenant thereto, erected and maintained in conformance with the requirements of this Declaration for private residential purposes and designed for occupancy by a single family. It shall not mean any professional office, flat, apartment, multi-family dwelling or duplex, lodging house, rooming house, hotel, hospital or sanatorium, even though intended for residential purposes, or similar dwelling, whether or not a fee is charged for occupying the dwelling.

"Detached Single-family Dwelling" or "Single-family Dwelling" shall expressly not include any mobile homes, manufactured homes, multisectional manufactured homes, modular homes, factory-built homes, mobile/component housing or similar units, which are manufactured elsewhere, or a single-family dwelling constructed elsewhere and moved to the lot for attachment to either a permanent or movable foundation.

Section 9. "Improvement" or "Improvements" shall mean any and all alterations of the land, other than interior modifications of existing structures, including but not limited to structures, buildings, outbuildings, ramadas, garages, guest houses, storage sheds, playhouses, servants' quarters, swimming pools, satellite dish antennae, tennis courts, walls, fencing, landscaping, driveways, and private roads, whether intended to be temporary or permanent. It shall also include all acts done to exteriors, including changes in color, whether for maintenance, repair, or alterations.

Section 10. "Building Site" shall mean that portion of each Lot, as designated by Grantor, within which a Single-family Dwelling may be constructed.

Section 11. "Approving Agent" shall mean the Grantor or a person or persons, partnership, corporation or other entity duly appointed by Grantor.

ARTICLE II - ARCHITECTURAL AND CONSTRUCTION CONTROL

Section 1. Except for Improvements or alterations undertaken by the Grantor, no building, fence, wall or other structure or Improvement shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration thereto be made until detailed plans and specifications showing the color, nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to compliance with the provisions of this Declaration and as to harmony of external design and location on the Building Site in relation to surrounding structures and topography by the Approving Agent. The location on the Building Site of such structure, building or Improvement shall be staked on the site and approved by the Approving Agent prior to beginning construction.

Section 2. For the purpose of enforcing architectural and construction control, Approving Agent shall have the exclusive right, exercisable in its sole discretion, to promulgate reasonable rules, regulations and restrictions on construction; to waive, amend or modify these restrictions; to amend such rules, regulations and restrictions from time to time; and to waive or modify any such rules, regulations or restrictions, provided that no such waiver shall be deemed a waiver of the right to enforce such rules, regulations or restrictions in the future as to others; and provided, further, that any waiver or modification shall be consistent with the general plan for the improvement and development of the Property. Any waiver granted by the Approving Agent shall be given in exchange for a hold harmless agreement executed by the Owner benefiting from the waiver and running to the benefit of the Grantor or its successors or assigns.

Section 3. Prior to making any Improvements, an Owner shall be required to obtain the approval of the Approving Agent. Owner shall submit to the Approving Agent two complete sets of plans for proposed Improvements, specifications (including exterior color schemes) and plot plans which shall include location and floor elevations of dwellings, the location of all driveways and parking areas, and a Building Site grading plan. A landscape plan for all areas outside of the patio wall, if any, shall be submitted for approval as part of the plot plan. The landscape plan must include riprap, back-planting or other acceptable treatment for all cut and fill areas on the Lot. Approval of the plans and specifications shall be evidenced by the written endorsement of the Approving Agent made on the plans and specifications. At the request (and in the sole discretion) of the Approving Agent, a scale model of the improvement shall also be submitted. A copy of the endorsed plans shall be obtained by the Owner of the Lot proposed to be improved prior to the beginning of construction. An Owner shall not proceed with Improvements without a copy of his approved plans in his possession. One set of plans and specifications shall be retained by the Approving Agent. No changes or deviations in or from the plans and specifications, insofar as the exterior of the proposed Improvements is concerned, shall be made without written approval of the Approving Agent. After construction is completed, no changes shall be made, including changes of exterior color, without the written permission of the Approving Agent. Approval of plans shall be in the Approving Agent's sole discretion.

Section 4. At such time as Grantor may assign or transfer to the Association the rights, powers and duties of Grantor under this Article II, the Association shall have the authority to impose a fee upon each Owner at the time plans are submitted to the Approving Agent for approval. Said fee shall not exceed the amount necessary to reimburse the Association for payments made, if any, to the Approving Agent for services rendered in connection with the plan approval process.

Section 5. Except for improvements or alterations undertaken by the Grantor, all plans must meet the following minimum criteria and such further criteria as the Approving Agent promulgates:

- (a) Be in accordance with the provision of this Declaration;
- (b) The location, style of architecture, exterior color scheme, height, location of exterior

lights, shall be in harmony with the general surroundings of the building or structure or proposed buildings or structures on any Lot subject to these covenants;

- (c) Each Single-family Dwelling shall be located within a Building Site and shall contain not less than 2500 square feet of living area . (As amended 11/97)
- (d) Be in sufficient detail to permit the Approving Agent to make its determination;
- (e) The roof shall be of the material or style compatible with the surroundings. White or reflective roofs shall be unacceptable if visible to any other Owner. The repair or replacement of any roof shall be subject to the same conditions as the original roof. Flat roofs must be fully enclosed by parapet walls. (As amended 11/97)
- (f) Include not less than a two-car garage;
- (g) Shall include adequate utility yards or enclosures in which all ground-mounted exterior heating and cooling apparatus, meters, clothes lines, mechanical equipment, tanks and space for trash or rubbish containers and wood storage shall be located;
- (h) All electrical service and telephone lines from the utility company lines shall be placed underground and no outside electrical and telephone lines shall be placed overhead. This restriction prohibiting overhead lines also applies to cable television lines and security and fire protection system lines, if any;
- (i) Where water, gas or other public utility facilities or private services have been installed to or near the property line of a particular Lot, for the purpose of providing service to that Lot, the service connection to service an Improvement on that Lot shall be made only to and from the installed facility or point assigned by the Approving Agent;
- (j) No Single-family Dwelling or Improvement shall exceed one story in height and no part of the roof ridgeline shall exceed fifteen (15) feet, and no part of a parapet wall shall exceed thirteen (13) feet above finished floor elevation of such dwelling or improvement. Provided, however, the Approving Agent may allow a two-story Single-family Dwelling or one-story and a partial story Single-family Dwelling on certain Lots, provided the topography of the Lot and its relationship to surrounding Lots is such that in the sole judgment of the Approving Agent such exception(s) would not be in conflict with the stated intent of this sub-paragraph (j). The finished floor elevation shall be the average elevation of the natural grade of the area on which the Single- family Dwelling or Improvement is located. The natural grade shall be determined by the Approving Agent based on the topographic elevations shown on the Tentative Plat approved by and on file with Pima County, Arizona, or engineered topographic depiction deemed to be accurate and reliable by Grantor. The Building Site shall be that area designated on each Lot as provided for in Article I, Section 10;

The intent of this sub-paragraph (j) is to provide a means for controlling the position and height of Single-family Dwellings and Improvements relative to surrounding dwellings and improvements within the Building Sites, so as to provide the greatest protection of views and privacy for the benefit of the largest number of Lot Owners.
- (k) All cooling and heating equipment shall be concealed from view from public rights-of-way and other Lots. No evaporative cooler, air conditioning equipment, heating equipment, cooling or heating ducts or other equipment shall be placed, installed or maintained on the roof or wall of any building or structure, except that certain solar devices which heat or cool may be placed on roofs which completely conceal the

same and are not detrimental to other properties within the subdivision. Specific prior written approval by the Approving Agent is required before placement of such solar devices; provided, however, the requirements hereunder shall not effectively prohibit the installation or use of solar energy devices. If such approval is not obtained, said devices shall be immediately removed by the Owner at his expense.

Section 6. All driveways and private roads shall be treated and maintained with a minimum of a two-shot bituminous surface treatment to prevent dust.

Section 7. All exterior lights must be so located as not to be directed toward or reflect upon surrounding properties, public rights-of-way, or common areas.

Section 8. All mail boxes and mail box standards shall be of a uniform shape, size, color, lettering and design as designated by the Approving Agent in order that the Property be strictly uniform in appearance with respect thereto.

Section 9. All grass and other ground covers shall be kept within patio walls and shall be of a variety recognized to be pollen free.

Section 10. No Single-family Dwelling, garage, building, swimming pool, wall, coping, overhang, other structure or Improvement (excluding drainageways, driveways and private roads) shall be erected or placed less than ten (10) feet from any property line of a Lot, or from any street, not including driveways, within the Property, whichever shall result in the greater setback. (As amended 11/02) Any wall or coping may not exceed six (6) feet in height. Any plantings used to form a hedge shall be subject to the same setback requirements and height limitations as apply to a wall or coping. In determining the height of such wall, coping or hedge, the average ground level shall be used.

Section 11. Neither the Grantor nor the Approving Agent shall be responsible for any defects, structural or otherwise, in the plans or specifications nor in any building or structure erected in accordance with the plans and specifications. Neither the Grantor nor the Approving Agent shall be liable for damages to any one submitting plans for approval or to any Owner or Owners of Property subject to this Declaration by reason of a mistake in judgment, negligence or nonfeasance of itself, its agents or employees. Owners, by taking title to Lots, waive any and all such claims.

Section 12. The Owner is responsible for any damage to the subdivision and other land in or adjacent to the subdivision done by any contractor or sub-contractor during the course of construction of Improvements on the Owner's Lot.

If the damage is not adequately repaired, the Association may make such repairs and the cost of such repair shall be a lien on the Lot whose Owner is directly or indirectly responsible for such damage. Such lien shall also include all costs incurred in enforcing and collecting the lien.

Section 13. Adequate provisions or facilities shall be established by each Owner to contain all back-flushing, back-washing and similar drainage within each Lot in a manner such that the water disposal is not discharged onto the roads or other Lots. Such discharge shall not be allowed to erode the natural landscape of the Lot.

Section 14. At the time plans or requests relating to Improvements are submitted to the Approving Agent, the Owner shall deposit the sum of \$2,000.00 for house construction, or \$750.00 for other improvements (the "Deposit") with the Approving Agent. (As amended 11/97)

The Deposit shall be held by the Approving Agent in a non-interest bearing account, and may be utilized or disbursed by the Approving Agent for:

- (a) Repair of any damage caused directly or indirectly by the Owner to roads, vegetation, entry ways, or improvements constructed or controlled by Grantor or otherwise for the general benefit of the Property;
- (b) Completion of any construction, landscaping or revegetation on the Lot of the Owner which was not completed by the Owner in accordance with the approved plans;
- (c) Expenses, including legal and consulting fees, incurred in the enforcement of these Covenants with respect to the Owner.

The Deposit, or the undisbursed portion thereof, shall be refunded to the Owner at such time as the Approving Agent has made a final inspection and approved the Improvements.

ARTICLE III - USE RESTRICTIONS

Section 1. Except for Improvements or alterations undertaken by the Grantor, the Property and every portion thereof shall be subject to the use restrictions more particularly set forth in this Article.

Section 2. No structures or Improvements whatsoever, except public utility facilities and common facilities built by Grantor, shall be erected, placed or permitted to remain on any portion of the Property which does not constitute a Lot. Nothing contained herein shall be construed to prevent Grantor from erecting, placing or maintaining signs, structures, and offices as may be deemed necessary for the operation or development of the subdivision.

Section 3. No structure or Improvements shall be erected, altered, placed or permitted to remain on any Lot other than one Detached Single-family Dwelling for private use, together with other customary Improvements. A minimum two-car garage shall be constructed on every Building Site before the residence constructed thereon is occupied. All garages shall be maintained as such unless the Grantor approves its use for some other purpose, and Owner constructs a replacement garage contemporaneously with the conversion of the existing garage.

Section 4. The native growth on the Property, including cacti, mesquite and palo verde trees, shall not be destroyed or removed from any of the Lots by any of the Owners, except removal of native growth as may be necessary for permitted and approved Improvements. In the event that growth is removed or destroyed without the approval of the Grantor or which is not necessary for the construction of Improvements, Grantor may require the replanting or replacement of the same at Owner's expense.

Section 5. No Lot or portion thereof shall be used in whole or in part for the storage or dumping of rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such Lot to appear in an unclean or untidy condition or that will be obnoxious to the eye, nor shall any substance, thing or materials be kept upon any Lot that will emit foul or obnoxious odors, or that will cause any noise that will or might unreasonably disturb the peace, quiet, comfort or serenity of the occupants of surrounding Property.

Section 6. No billboards or advertising signs of any character shall be erected, placed, permitted or maintained on any Lot or in any building erected thereon, other than a name plate of the occupant of any residence upon which the professional title may also be added, and provided no such sign or name plate shall exceed a size of one square foot. Such signs must be of a uniform shape as designated by the Approving Agent. Provided, however, that permission is hereby granted for the erection and maintenance of not more than one signboard on each Building Site during the course of construction of a new Single-family Dwelling and upon its completion, during the course of its initial

sale, which signboard shall not exceed five square feet. Such sign shall not include any name other than the contractor's name. Notwithstanding the above, Grantor shall have the right to place any signs on Lots owned by Grantor considered necessary by Grantor to market property owned by Grantor.

Section 7. All trees and other vegetation planted on any of said Property shall be kept trimmed to a height which will not materially interfere with the principal views from neighboring Building Sites.

Section 8. No derrick or other structure designed for use in boring for oil or natural gas or radio or television transmission towers or radio or television receiving towers shall be erected, placed or permitted upon any part of said Property, nor shall any oil, natural gas, petroleum, asphaltum or hydrocarbon product or substance be produced or extracted therefrom. Provided, however, nothing contained herein shall prohibit Grantor from erecting antennae or towers in connection with the installation of a master antenna television system and/or centralized security/fire protection system.

Section 9. No elevated tanks of any kind shall be erected, placed or permitted upon any part of said Property. Any tanks for use in connection with any residence constructed on said Property, including tanks for the storage of gas and fuel oil, gasoline or oil, must be buried or walled in sufficiently to conceal them from the view from neighboring or other Lots or roads or streets. All clothes lines, equipment and mechanical equipment shall be walled in, and wood piles, storage piles and construction materials shall be concealed at all times, so that none may be viewed from any point beyond the Building Site on which they are located. Trash or rubbish containers shall be concealed from view of adjoining Lots at all times in a utility yard and shall not be placed along street rights-of-way for collection if a trash collection service is available that collects from utility yards.

Section 10. Said Property and the whole thereof shall be used for Single-family Dwelling purposes only; no business or nonresidential activity of any nature, whether conducted for profit or non-profit, nor any so-called home occupations shall be conducted thereon. Rental of any guest house is prohibited; the occupancy thereof shall be limited to members of the Owner's family, guests or servants. This shall not be construed as preventing the leasing or renting of an entire Lot, together with the improvements thereon.

Section 11. Said Property shall be subjected to any and all rights or privileges which the County of Pima, Arizona, may have acquired through dedication or the filing or recording of maps or plats of said Property, as authorized by law. No condition, restriction or privilege or act performed hereunder shall be in conflict with any applicable county zoning law. Where the setback requirements set forth herein differ from applicable County of Pima setback requirements, the more restrictive setback requirements shall prevail.

Section 12. No garage, building, structure or other Improvement shall be erected or permitted on any Building Site on said Property until the construction and completion of a Single-family Dwelling thereon, except a Single-family Dwelling and the necessary outbuildings, garages or other structures related thereto may be simultaneously constructed; provided, however, that nothing herein contained shall be construed to prevent the incorporation and construction of a garage in and as a part of such dwelling house.

Section 13. No temporary house, dwelling, garage, outbuilding or other Improvement, or house trailer, commercial vehicle or equipment, construction or like equipment, tent, or other structure shall be placed or erected upon any of said Property. Boats, campers, other trailers, recreational and similar vehicles or equipment shall not be placed upon any of said Property unless stored within an enclosed structure approved by Grantor. Only normal passenger vehicles, such as station wagons, two-door coupes and four-door sedans may be left outside a garage on a routine basis. All other vehicles including but not limited to pick-up trucks, offroad vehicles and carryalls, shall be placed within an approved enclosed structure. No residence placed or erected on any Building Site shall be

occupied in any manner while in the course of construction, nor at any time prior to its being fully completed as herein required, nor shall any residence when completed be in any manner occupied until made to comply with the approved plans, and all other conditions and restrictions herein set forth.

The work of constructing, altering or remodeling any Single-family Dwelling, garage, building or other Improvement on any part of said Property shall be prosecuted diligently from the commencement thereof until the completion thereof. Any Single-family Dwelling, garage, building or other Improvement damaged by fire or other casualty shall be repaired, replaced or removed within six months from the time of such damage; provided, that the Grantor may extend such time when in Grantor's opinion conditions warrant same.

Section 14. No tennis court or other type of recreational court shall be constructed or permitted upon any part of said Property; however, the Approving Agent may waive this restriction when, in its sole judgment, such waiver would not be detrimental to any other Lot.

Section 15. No animals, birds or fowl of any kind other than customary domesticated household pets belonging to the household of the premises shall be kept or maintained on any part of the Property subject to this Declaration. In no event, however, are more than two dogs and/or cats more than ten weeks old permitted. The Grantor shall have the right to order the removal from any Lot of any animals, birds, or fowl which may be objectionable to any of the residents on adjacent Property. The owner of such animals, birds or fowl must immediately remove same from the premises upon receipt of notice from Grantor. No horses, mules or donkeys shall be kept on the Property.

Section 16. No motor driven vehicles (including but not limited to motorcycles, motor driven bicycles, go-carts and mini-bikes) shall be kept or operated on any part of the Property subject to these restrictions if such vehicle or the operation of such vehicle is disturbing to the Owner or Owners of any neighboring or nearby Property for whose benefit these restrictions are created. Grantor shall have the right to order the removal of and/or cessation of operation of any such vehicle which is objectionable as provided by the preceding sentence. Upon receipt of a written order to remove and/or to cease operation of such vehicle, the Owner of the Property upon which such vehicle is located or being operated shall promptly comply with such order.

Section 17. If Grantor provides a master antenna television or cable system with related equipment and lines, all Owners shall be required to connect to the system and pay the pro rata operating, maintenance, repair and replacement cost thereof under provisions relating to assessments in Article V hereof. No individual antennae may be installed without the express approval of the Approving Agent.

Section 18. All Improvements shall be maintained in accordance with the original and subsequent plans submitted by Owner and approved by Grantor.

Section 19. Grantor will cause to be installed natural gas distribution facilities to serve each and every Lot within the subdivision. As a part of the agreement with the utility which will install the facilities, provision will be made to refund to Grantor a refundable advance that Grantor is required to deposit prior to installation of the facilities. Said refund is available to Grantor only in the event a Single-family Dwelling is connected to the gas main where gas is to be utilized for space heating and water heating requirements. Therefore, any Lot Owner who does not use gas in a manner to qualify Grantor for such refund shall pay to Grantor an amount equal to the refund that would have been available under the terms of the agreement with the utility. Said refund shall be due and payable at the time architectural approval of plans is requested and the Approving Agent shall not approve any plans for Improvements until such refund, if due from Owner, has been paid.

Section 20. No Lot, nor any portion of the Property, shall be used for or permitted for use by helicopters or hot-air balloons.

ARTICLE IV - EASEMENTS

Section 1. A perpetual easement upon and over the ten (10) foot perimeter of each and every Lot is hereby reserved to the Grantor for utility, cable television and security/fire protection purposes, with access thereto for installing, repairing and maintaining all facilities necessary for such purposes. The Grantor may assign any portion of such easement rights to any other person or persons for the purposes specified, but all of such utilities shall be installed in such manner as not to disturb or change existing Structures.

Section 2. Grantor hereby reserves a perpetual ten (10) foot easement running along the property line of each Lot which is adjacent to a street as shown on the subdivision plat for the purpose of constructing, installing and maintaining landscaping, monuments, street signs and such other improvements as Grantor deems necessary or desirable, provided that nothing herein contained shall obligate Grantor to construct or maintain any such improvements in such easement areas.

ARTICLE V - ASSOCIATION

Section 1. Grantor may form, under the laws of the State of Arizona, a non-profit, homeowner's corporation, referred to herein as the Association. Grantor may at Grantor's sole option at any time hereafter convey or otherwise transfer to the Association all or any part of the Property described in this Declaration and any improvements situated thereon, and assign or otherwise transfer to the Association all or any number of the rights, powers and duties retained by Grantor under this Declaration. Upon such assignment or other transfer, it shall be the responsibility of the Association to exercise said rights and powers and perform said duties to further the purposes for which the Association is organized. In addition, the Association shall accept the responsibilities set forth in the Dedication of the plat of the Property.

Section 2. Said Association may be formed for the general purpose of providing for maintenance, preservation and architectural control of the Property of the Owners and the Association, and promoting the health, safety and welfare of the Owners, and shall be responsible for the

- (a) exercise and performance of the rights, powers and duties assigned to it by Grantor and granted to it by the Articles of Incorporation of the Association;
- (b) operation, maintenance (including landscaping where appropriate), repair and replacement of all street signs, monuments, walls and all other improvements, whether constructed by Grantor or the Association, located in or on the road rights-of-way, the easements provided for in Article IV or on other portions of the Property conveyed to the Association;
- (c) operation, maintenance, repair and replacement of a master antenna or cable television system (if any) and/or centralized security/fire protection system (if any) installed on the Property;
- (d) acquisition of appropriate amounts and coverages of casualty insurance on property owned or operated by the Association and on structures placed in or on road rights-of-way or the easements provided for in Article IV;
- (e) acquisition of such liability insurance as the Association deems necessary to protect the members and the Board of Directors of the Association from any liability from occurrences or happenings on or about those portions of the Property maintained by the Association (including, but not limited to, errors and omissions insurance for the Board of Directors of the Association);

- (f) payment for all utilities and all real estate taxes and assessments on property owned or operated by the Association;
- (g) hiring, firing, supervising and paying necessary employees and personnel, including but not limited to security guards, workmen, landscapers, attorneys, accountants, architects and contractors to carry out the obligations set forth herein;
- (h) assessment and collection of the funds required to accomplish the objectives and perform the duties and obligations of the Association set forth herein.

Section 3. Each Owner as defined by this Declaration shall automatically become a member of the Association; provided, however, that the Board of Directors of the Association may establish reasonable additional requirements for maintaining such membership. Where Owner as defined by this Declaration includes more than one person or entity, such persons or entities shall be deemed one member and each member shall be entitled to one vote. Where reference is made herein to the number of Owners or members entitled to membership or to vote or to take some other action, it shall mean the total number, at any particular time, of qualifying Owners or members due to ownership of Lots in Quail Canyon, Phase II, Lots 58-84, inclusive.

Section 4. Except as provided for in Sections 8 and 9 of this Article V, the Owner of every lot within the Property bound by this Declaration covenants and agrees to pay to the Association within twenty (20) days from receipt of an invoice, a sum equal to the total of the following (hereinafter called "assessment"):

- (a) the pro rata share of the actual costs and expenses to the Association of performing the responsibilities, duties and obligations set forth in Sections 1 and 2 of this Article V;
- (b) the pro rata share of the estimated future costs and expenses to the Association of performing the responsibilities, duties and obligations set forth in Sections 1 and 2 of this Article V which the Association determines shall be necessary to collect in advance and which are not covered by funds theretofore collected and reserved for such purposes;
- (c) the proration of the total of such costs and expenses shall be made on the basis that each Lot will bear an equal share of such charges;
- (d) invoices for payment of any and all assessments may be submitted monthly or at any other interval as may be fixed by the Association.

Section 5. Each Lot Owner's share of all assessments, together with interest on each unpaid installment thereof at the rate of ten percent (10%) per annum and the Association's costs and reasonable attorney's fees, shall be the personal obligation of the Owner (provided that an Owner shall have no personal liability for assessments becoming due before or after his ownership of a lot) and, regardless of an Owner's personal liability therefor, shall be a continuing lien on each respective Lot until paid.

Section 6. The Association shall have the right to maintain an action at law against any Owner personally liable for payment of an assessment and/or to foreclose its lien in the manner provided for foreclosure of mortgages. No Owner shall have the right to except himself or his property from liability for any assessments by abandonment or non-use of his Lot or of any portions of the Property maintained by the Association. In an action by the Association to collect any assessments or to enforce any of the provisions of this Declaration an Owner's dissatisfaction with the management

and operation of the Property by the Association shall not constitute a defense to the Association's claim.

Section 7. The lien for such assessments shall be subordinate to the lien of any mortgage or deed of trust made in good faith for value covering the same Property or a portion of the same Property against which said assessment or assessments are made, which mortgage or deed of trust is recorded prior to recordation of the claim for such assessments, but the lien of such assessments shall be binding and effective against any party who owns any such property during the period for which such an assessment is made even though the title of such party is acquired through foreclosure, forfeiture, trustee's sale or otherwise.

Section 8. Anything contained in this Declaration to the contrary notwithstanding, Grantor shall have no obligation to pay to the Association its pro rata share of any costs and expenses.

ARTICLE VI - ENFORCEMENT AND AMENDMENT

Section 1. The covenants, conditions, and restrictions shall be covenants running with the land and the breach of any thereof or the continuance of any such breach may be enjoined or remedied by appropriate proceedings at law or in equity by the Grantor or by any Owner of any Property for whose benefit these restrictions have been established, but by no other person.

Section 2. An Owner of any Lot who permits the breach of any of these covenants, conditions and restrictions by persons over whom he or she exercises either direct or indirect control shall be given written notice, by first class mail sent to his last known address or by personal service, to remedy said breach within ten (10) days from mailing. If such breach is not remedied as provided, a Notice of Violation of Covenants may be recorded in the office of the Pima County Recorder which shall be removed subsequent to compliance, or the appropriate legal action may be taken. This Notice, if recorded, may constitute an exception to the title to the property which may affect an Owner's ability to convey marketable title to said property. Nothing in this paragraph shall be construed to limit any other remedy available in law or equity for breach of these covenants.

Section 3. The breach of any of the foregoing covenants, conditions and restrictions shall not affect or render invalid the lien of any mortgage or deed of trust made in good faith for value as to any Lot or Lots or portions of Lots in said Property, but said covenants, conditions and restrictions shall be binding upon and effective against any party acquiring title to any such Property, whose title thereto or whose grantor's title is or was acquired by foreclosure, trustee's sale or otherwise.

Section 4. In the event Grantor incurs Attorney's fees for any reason, court costs or other expenses in enforcing Grantor's rights under this Declaration, said costs and expenses shall be paid by the Owner, trustee or Owner of an interest in any of the Property hereinabove described committing or permitting the breach giving rise to such costs and expenses, and the Grantor shall have a lien upon such Lot or Lots to secure payment of all such amounts.

Section 5. No delay or omission on the part of the Grantor or the Owner of other Lots in said Property in exercising any right, power or remedy herein provided shall be construed as a waiver thereof or acquiescence in any breach hereof; and no right of action shall accrue nor shall any action be brought or maintained by anyone on account of any breach hereof or for imposing restrictions herein which may be unenforceable.

Section 6. Any or all of the covenants, conditions and restrictions herein are subject to waiver by the Grantor and any such waiver may apply at the option of the Grantor to less than all of the Lots without waiver of such covenants, conditions and restrictions as to any other Lot or Lots.

Section 7. Grantor shall have the right from time to time to make any changes it desires in these covenants, conditions and restrictions which it deems beneficial to the Owners of the majority of the Lots bound by them. Subsequent to such time as Grantor may assign or transfer its rights, powers and duties to the Association, seventy-five percent (75%) of the holders of record title to the Lots subject to this Declaration shall have the right from time to time to amend these covenants, conditions and restrictions by their affirmative vote at a meeting duly called for that purpose. In that event, the Association by and through its president, shall be authorized to sign (including notary acknowledgment) and record the amendment document, which shall contain a certification that the required number of affirmative votes had been so obtained at such meeting. (As amended 11/97)

Section 8. In the event that any one or more of the covenants, conditions and restrictions herein set forth and contained or any changes made therein shall be declared for any reason, by any court of competent jurisdiction, to be null and void, such judgment or decree shall not in any manner whatsoever affect, modify, change, abrogate or nullify any of said covenants, conditions and restrictions not so expressly held to be void, but all the remaining covenants, conditions and restrictions not so declared to be void shall continue unimpaired and in full force and effect.

ARTICLE VII - TERMINATION OF DECLARATION

Section 1. All of the covenants, conditions and restrictions contained herein shall continue and remain in full force and effect at all times as against the Owner of any portion of said Property, however his title thereto may be acquired, until the commencement of this calendar year 2011, and shall be automatically continued thereafter for successive periods of ten years each; provided, the Owners of a majority of the Lots subject to these restrictions may, by executing and acknowledging an appropriate agreement or agreements in writing for such purpose and recording the sale at any time at least one year prior to January 1, 2011, release all of the Property so restricted from said restrictions or may release any of the property subject to these restrictions from said restrictions, said release to be effective January 2, 2011. During each successive ten-year period after January 1, 2011, a majority of the Owners shall have the same power to release said restrictions as to any Property then covered by said restrictions by executing, acknowledging and recording an appropriate agreement or agreements at least one year prior to expiration of said ten-year period, said release to be effective at expiration of said ten-year period.

FIRST AMENDMENT - Security Gate (As amended 6/96)

Section 1. In the event of a conflict between the Declaration and this First Amendment, the provisions of this First Amendment shall control.

Section 2. Notwithstanding any other provision contained in the Declaration to the contrary, the Association, by and through its Board of Directors, is authorized to cause the abandonment to the Association (as defined in the Declaration) of the public streets within the Property, to construct a security gate at or near the entrance to the Property, to cause the abandonment to the Association of the public street easterly of the Property to allow for traffic turn-around prior to reaching the security gate, and to take all other steps reasonably necessary in order to accomplish the foregoing. In connection therewith, the Association shall have the power and authority to construct the security gate and improvements related thereto, to operate and maintain the security gate and improvements related thereto (including without limitation the private roadways resulting from the aforementioned abandonment), to assess each of its members for the cost of construction of the security gate and related improvements, and to assess its members for the operation and the maintenance of the security gate and related improvements and the private streets, during the term of the Declaration.