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 OFFICIAL RECORDS OF
 PINAL COUNTY RECORDER
 LAURA DEAN-LYTTLE

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CAPTION HEADING

Declaration of Covenants Conditions
Restrictions & Easements for Bonanza Ranch

DO NOT DISCARD THIS PAGE. THIS COVER PAGE IS RECORDED AS PART OF YOUR DOCUMENT. THE CERTIFICATE OF RECORDATION WITH THE FEE NUMBER IN THE UPPER RIGHT CORNER IS THE PERMANENT REFERENCE NUMBER OF THIS DOCUMENT IN THE PINAL COUNTY RECORDER'S OFFICE.

DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR BONANZA RANCH

THIS DECLARATION made this 9th day of May, 2001, by Ridgeback L.L.C., as Arizona Limited Liability Corporation, as owner, hereinafter referred to as Declarant, is as follows:

WITNESSETH

WHEREAS, Declarant is now the owner of all of the real property described as:

Lot 1 through 58, inclusive, Bonanza Ranch, according to the plat thereof recorded on the 9th day of May, 2000, in CABINET D SLIDE 010 thereof, records of Pinal County recorder, and more particularly described as follows:

See Exhibit "A" attached hereto and by this reference incorporated herein ("Property").

WHEREAS, Declarant intends to and does hereby establish for its own benefit, for the mutual benefit of all future owners or occupants of the Property as the Property is now and may subsequently be constituted, certain easements and rights in, over and upon the Property, and certain mutually beneficial covenants, conditions, restrictions and obligations relating to the proper use, conduct and maintenance thereof; and

WHEREAS, Declarant desires to form a non-profit corporation for the purpose of benefiting the Property and the Owners thereof, which non-profit corporation (herein referred to as the "Association") without obligation, will (i) operate, manage and maintain the private paved roads within the Property; (ii) establish, levy, collect and disburse the assessments and other charges as may be imposed, and (iii) as the agent and representative of the Owners of the Property, administer and enforce all provisions of these CC&R's; and

WHEREAS, Declarant intends that the owners, mortgagees, occupants and all other persons hereafter acquiring any interest in the Property or any part thereof, shall at all times enjoy the benefits of, and shall hold, sell and convey their interests subject to the rights, easements, covenants, conditions, restrictions and obligations as set forth, all of which are hereby declared to be in furtherance of a general plan to promote and protect the cooperative aspect of the development and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Property;

NOW, THEREFORE, Declarant as owner of the real property described in Exhibit "A" hereto and for the purposes above set forth, declares that all of the Property as defined herein, shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall constitute equitable servitudes on the "Property" and which shall run with the Property and be binding on and inure to the benefit of all parties having or acquiring any right, title or interest therein, or any part thereof, including their heirs, successors and assigns.

ARTICLE I

DEFINITIONS

"Access Easements" shall mean the roadways as shown on the subdivision map of Bonanza Ranch and which roadways are maintained by the Association for the benefit of all Owners.

"Articles" shall mean the Articles of Incorporation of Bonanza Ranch Property Owners Association which are, or shall be, filed with the Arizona Corporation Commission, including all amendments that are from time to time adopted.

"Association" shall mean Bonanza Ranch Property Owners Association, Inc., an Arizona nonprofit corporation, its successors or assigns; to be organized by Declarant to administer and enforce the covenants and to exercise the right, powers and duties set forth in this Declaration.

"Board" shall be synonymous with "Board of Directors" and shall mean the Board of Directors of the Association.

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

"Property" shall mean the real property described in Exhibit "A" attached hereto and incorporated herein by this reference.

"Declarant" shall mean Ridgeback L.L.C., a limited liability company, its successors and assigns.

"Declaration" shall mean, this instrument including any and all amendments by which the Property is established as a residential development.

"Improvement(s)" shall mean buildings, private streets, garages, carports, driveways, walkways, parking areas, barns, stables, fences, walls, porches, patios, hedges, plantings, planters, planted trees and shrubs, swimming pools, spas and all other structures or landscaping improvements of every kind, nature or description.

"Member" shall mean every person or entity who holds membership in the Association. Member is synonymous with Owner.

"Owner" shall mean the person or persons whose estates or interests, individually or collectively, or in the aggregate have a fee simple ownership of a Lot, including Declarant, but excluding those having an interest merely as security for the performance of an obligation.

"Lot" shall mean each portion of real property within the Property as may be transferred or conveyed with a separate and distinct instrument or by a final subdivision plat, which has been duly recorded or filed in the office of the County Recorder of Pinal County, Arizona.

"Public Utility Easement" shall mean an easement over, under, upon and through an area as shown on the final recorded plat for the purpose of maintaining public utilities, including water, sewer, electric, telephone, cable television, irrigation lines or ditches, refuse collection and emergency vehicle access.

ARTICLE II

BONANZA RANCH PROPERTY OWNERS ASSOCIATION

2.1 ORGANIZATION. The Association is a nonprofit Arizona corporation, which corporation shall be the governing body for all of the Owners for the maintenance, repair, replacement, administration and operation of the private paved roads and all other property it is required or permitted to maintain pursuant to this Declaration, and shall have the duties and powers prescribed by law set forth in the Articles, Bylaws and this Declaration. Neither the Articles nor Bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

2.2 MEMBERSHIP.

2.2.1. Qualifications. Each owner of a Lot, but excluding persons or entities who hold an interest merely as security for the performance of an obligation, shall automatically, upon

becoming an Owner, become a Member of the Association and shall remain a Member until such Owner ceases to own a Lot.

- 2.2.2. Membership Rights and Duties. Each Member shall have the rights, duties and obligations set forth in this Declaration, the Articles, the Bylaws and the Association Rules as said documents may be amended from time to time.
- 2.2.3. Transfer of Membership. The Association Membership of each Owner shall be appurtenant to the Lot giving rise to such Membership, and shall not be assigned, transferred, pledged, conveyed or alienated in any way except upon the transfer of title to said Lot, and then only to the transferee of title to said Lot. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Lot shall operate automatically to transfer the Membership in the Association appurtenant thereto the new Owner thereof.

2.3 VOTING.

- 2.3.1. Membership and Voting Rights. The association shall have two classes of voting membership:

Class A: Class A members shall be all owners of lots within Bonanza Ranch. Class A members shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any such Lot, all such persons shall be members. The vote for such Lot shall be exercised as they, among themselves determine, but in no event shall more than one vote be cast, with respect to any Lot.

Class B: The Class B member shall be the Declarant (including its successors and assigns), and shall be entitled to three votes for each Lot owned, when voting on a matter presented to the Class A members. The Class B membership shall cease and be converted into Class A, on the happening of any of the following events; (i) When all of the Lots have been conveyed to purchasers, or (ii) When the Declarant notifies the association in writing that it relinquishes its Class B membership.

- 2.3.2. Commencement of Voting Rights; Joint Owners' Disputes. Voting rights for the Property shall commence upon the first conveyance of a lot by Declarant to an Owner. The vote for each such Lot must be cast as a unit, and fractional votes shall not be allowed. In the event that the joint Owners are unable to agree among themselves as to how their one vote will be cast, they shall lose their right to vote on the matter in question. If any owner or Owners cast a vote representing a Lot, it will thereafter be conclusively presumed for all purposes that he or they were acting with the authority and consent of all other Owners of the same Lot. In the event that more than one (1) vote is cast for a particular acre, none of said votes shall be counted and said votes shall be deemed void.

- 2.3.3. Election and Removal of Board of Directors. Every owner entitled to vote at any election of the Board may cumulate his vote and give one candidate a number of votes equal to the number of Directors to be elected multiplied by the number Lot(s) the owner is entitled to vote. The entire Board or any individual Director may be removed from office on the vote of the majority provided, however, an individual removed prior to the expiration of his term of office cannot be removed if the number of votes against the resolution for his removal or not consenting in writing to such removal would be sufficient to elect the Director if voted cumulatively at an election at which the same number of votes were cast and the entire number of Directors authorized at the time of the most recent election of the Director were then being elected. If any or all of the Directors are so removed, new Directors may be elected at the same meeting. Each Director must be a Member of the Association or an officer, director or managing member or partner of an Owner, if the owner is a corporation, limited liability company or partnership.

- 2.4. DUTIES OF THE ASSOCIATION. In addition to the powers delegated to it by its Articles, and without limiting the generality thereof, the Association shall have the obligation to perform each of the following duties:

- 2.4.1. Maintenance and Management of Paved Roads. Maintain in a safe and first class condition, manage and preserve all of the roadways and such additional maintenance areas as the Board elects to maintain, including all improvements presently or hereafter located thereon and thereunder.

Duties

- 2.4.2. Architectural Control Committee. Act as an Architectural Control Committee pursuant to Article 5. *page 9*
- 2.4.3. Enforcement of Restrictions and Rules; Rule Making. Make, establish, promulgate, amend and repeal the Association Rules. Perform such other acts, whether or not expressly authorized by this Declaration, as may be reasonably necessary to enforce any of the provisions of this Declaration and the Association Rules.
- 2.4.4. Budgets and Financial Statements. The Board shall cause financial statements for the Association to be regularly prepared and copies to be made available to each Member of the Association.
- 2.5. POWERS AND AUTHORITY OF THE ASSOCIATION. The association shall have all the powers of a nonprofit corporation organized under the Nonprofit Corporation Law of the State of Arizona, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws or this Declaration. It shall have the power to do any and all lawful things which may be authorized, required or permitted to be done by the Association by this Declaration, the Articles and the Bylaws, and to do and perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers of the Association, including without limitation.
- 2.5.1 Assessments. To levy assessment against Lots and to enforce payment of such Assessments, all in accordance with the provisions of the Article III entitled "Assessments".
- 2.5.2 Insurance. To obtain and maintain in force the following policies of insurance: (I) fire and extended coverage insurance on the Access Easements, the amount of such insurance to be not less than one hundred percent (100%) of the aggregate full insurable value; (ii) general comprehensive public liability insurance against claims for personal or bodily injury, death or property damage with limits with regard to injury or death of not less than \$500,000.00 per person and \$1,000,000.00 per occurrence; and with limits of no less than \$500,000.00 per occurrence in respect of property damage, insuring against liability for bodily injury, death and property damage arising from the activities of the Association or with respect to property under its jurisdiction. The liability insurance shall name and separately protect as insured each owner, the Association; (iii) such other insurance, including director and officer insurance (errors and omissions), and worker's compensation liability insurance to the extent necessary to comply with any applicable law, faithful performance and fidelity bonds to insure the Association against any loss from malfeasance or dishonesty of any employee or other person charged with the management or possession of any Association funds or other property and such indemnity and other bonds as the Board shall deem necessary or expedient to carry out the Association's functions.
- 2.5.3 Employment of Agents. To employ the services of any person or corporation as managers, advisors, consultants, contractors or employees to manage, conduct and perform business, obligations and duties of the Association or to provide advice and counsel as may be directed by the Board and to enter into contracts for such purpose. Such agents shall have the right to ingress and egress over such portions of the Property as is necessary for the performance of such business, duties and obligations.
- 2.5.4 Borrowing of Money. To borrow and repay moneys for the purpose of maintaining and improving the Access Easements, and to encumber property of the Association as security for the repayment of such borrowed money.
- 2.5.5 Hold Title and Make Conveyances. To acquire, hold title to and convey with or without consideration, real and personal property and interests therein, including, but not limited to, easements.
- 2.6. PERSONAL LIABILITY. No member of the Board or any officer of the Association, or Declarant, or the manager shall be personally liable to any owner, or to any other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act,

Does this pertain to us?

omission, error or negligence of the Association, the Board, the manager or any other representative or employee of the Association, Declarant or any officer of the association or of Declarant, provided that such person has, upon the basis of such information as may be possessed by him, acted in good faith, and without willful or intentional misconduct.

ARTICLE III

ASSESSMENTS

Minimum \$180 per yr

- 3.1. CREATION OF THE PERSONAL OBLIGATION FOR ASSESSMENTS. Declarant, hereby covenants, and each Owner of any Lot or any portion thereof, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, and whether or not any Improvements exist on such Lot, is deemed to covenant and agree, for each Lot owned, to pay to the Association Annual Assessments and Special Assessments which shall be established, made and collected as hereinafter provided. Each such assessment, together with interest, costs and reasonable attorneys' fees shall be a personal obligation of the person who is the owner of such Lot at the time the assessment becomes due and payable. The personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed by them. No Owner may waive or otherwise escape liability for the assessments provided for in this Declaration by nonuse of the Access Easements or any part thereof, or abandonment of the Lot.
- 3.2. PURPOSES OF ASSESSMENTS. Assessments levied shall be used exclusively to promote the recreation, health and safety and welfare of the residents of the Property, the improvement, operation and maintenance of the Access Easements and the performance of the duties of the Association as set forth in this Declaration.
- 3.3. OPERATING FUND. There shall be an operating fund, into which the Association shall deposit all moneys paid to it as Assessments and from which the Association shall make disbursements in performing the functions for which the foregoing assessments are levied.
- 3.4. ANNUAL ASSESSMENTS.
 - 3.4.1. Levy and Enforcement of Annual Assessments. Until January 1, 2002, the maximum annual assessment for each Lot shall be \$180.00 paid quarterly and shall be made and enforced by the Board, in the manner provided in this Declaration against the Owners or Trustors of all Lots. The annual assessment may be increased each year no more than five percent (5%) above the annual assessment for the previous year. From and after January 1, 2002, the maximum annual assessment may be increased more than the normal increase allowed, above the annual Assessment for the previous year, by a vote of two-thirds (2/3) of each class of member, who are voting in person or by proxy at the meeting duly called for this purpose. The Board may fix the annual assessment at an amount ~~not~~ in excess of the applicable maximum. The Declarant shall not be responsible to pay assessments on Lots it owns.
 - 3.4.2. Amount of Assessments; Commencement Date for Annual Assessments. The amount of the total Annual Assessments for all the Lots shall be determined by the Board at least thirty (30) days prior to the commencement of each fiscal year based on the budget for such fiscal year. The Annual Assessment hereunder shall commence to accrue on all Lots on the date ("Initial Commencement Date") which is the first day of the first month following the first recordation of a deed of a Lot from Declarant to any owner other than Declarant pursuant to the sale of such Lot by Declarant to such Owner.
 - 3.4.3. Notice and Quorum for Any Action Authorized Under Paragraph 3.4.1 and 3.4.2. Written notice for any meeting called for the purpose of taking any action authorized under paragraph 3.4.1 or paragraph 3.4.2 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class membership constitutes a quorum. If the required quorum is not present,

another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

3.4.4. Uniform Rate of Assessment. Both annual and special assessment must be fixed at uniform rate for all Lots. However, the amount of the assessment of any one year and from year to year may vary between undeveloped, developed and improved Lots.

3.4.5. Mortgages. Where the holder of a first mortgage of record obtains title to the Lot as a result of foreclosure or deed in lieu of foreclosure, of said first mortgage, such acquirer of title, its successors and assigns, shall not be liable for the share of the expenses of the assessments by the Association chargeable to such Lot which became due prior to the acquisition of title to such lot by such acquirer. As used in this declaration, the term "mortgage" shall include "deed of trust" and "agreement for sale" and "mortgagee", shall include the "Beneficiary" under a deed of trust and "vendor" under an agreement for sale. Such acquirer shall be responsible, as any Owner, for assessments charged subsequent to the acquisition.

3.5 DUE DATES OF ASSESSMENTS; CERTIFICATE REGARDING ASSESSMENTS.

3.5.1 Due Dates. The first Annual Assessment and all Special Assessments shall be adjusted according to the number of months remaining in the fiscal year. The Board shall fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment period. Written notice of all assessments shall be sent to each owner subject thereto.

3.6 EFFECT OF NON PAYMENT OF THE ASSESSMENT. In the event of a default in payment of any assessment when due, such assessment shall be deemed to be delinquent on the date 30 days following the date due. Each Owner vests in the Association or its assigns the right and power to bring all actions at law, liens, foreclosures, or other remedies provided herein against the Owners for the collection or delinquent assessments. In the event an attorney or attorneys are employed for collection of any assessment, whether by suit or otherwise, each Owner agrees to pay reasonable attorneys' fees and costs thereby incurred in addition to any other amounts due or any other relief or remedy obtained against said Owner. In addition to any other remedies herein or by law provided, the Association may enforce the obligations of the Owners to pay the assessments provided for herein, and each of them, in any manner provided by law or in equity, and without any limitation of the foregoing by any or all of the following procedures.

3.6.1. Suspension of Rights; Monetary Penalties. The Board may (i) suspend the voting rights of any Owner, and after a hearing by the Board (whether or not the delinquent Owner appears, upon ten (10) days written notice to the delinquent Owner, and/or (ii) impose reasonable monetary penalties pursuant to a monetary penalty schedule established by the Association.

3.6.2. Enforcement by Suit. The Board may commence and maintain a suit at law or equity against an Owner or prior Owner to enforce said assessment obligation, such suit to be maintained in the name of the Association. Any judgment rendered in any such action shall include the amount of the delinquency, with interest thereon at the rate equal to the highest rate for FHA or VA mortgage loans during the period of delinquency, from the date of the delinquency, and all court costs and reasonable attorneys' fees, in such amount as the court may adjudge against the delinquent owner.

ARTICLE IV

COVENANTS AND USE RESTRICTIONS

In addition to all other covenants and restrictions contained herein, the following covenants and restrictions shall govern the use and occupancy of the Property:

- 4.1. RESIDENTIAL USE. No part of any Lot shall be used for other than private dwelling purposes and accessory uses as may be permitted under the residential zoning regulations of Pinal County or its successor. No Building shall be erected, placed, altered or permitted to remain on any Lot other than a minimum one thousand six hundred (1,600) square foot residence and normal outbuildings which conform to the residential zoning regulations of Pinal County or its successor.
- 4.2. GARAGES. All single-family residences must have attached double garage of minimum size 10' x 20'. It shall accommodate no more than three cars. All garages should be side loaded. Only with the approval of the architectural control committee may a front load garage be permitted.
- 4.3. DRIVEWAYS. All single-family residences must have driveways composed of gravel or other surface materials.
- 4.4. SEWAGE. Until such time as sewers may become available, all bathrooms, toilets or sanitary conveniences shall be connected to septic tanks and cesspools or leach fields constructed in accordance with the requirements and standards of County and State laws, rules and regulations in accordance with sound engineering, safety and health practices. There shall not be allowed any outside portable lavatories, outside toilets or open plumbing.
- 4.5. FUEL TANKS. No storage of any fuel tanks of any kind are permitted. *Propane ok*
- 4.6. PORCHES. Front porches are encouraged.
- 4.7. MAINTENANCE BY OWNER. Except as otherwise provided herein, the Owner of each Lot shall maintain all Improvements on his Lot in a clean and attractive condition, and without limiting the generality of the foregoing, the Owner of each Lot shall: (i) keep his Lot free from rubbish, litter and noxious weeds; (ii) maintain, cultivate and keep in good condition and repair, crops, shrubs, trees, grass, lawns, plantings and other landscaping located or from time to time placed upon the Lot; and (iv) maintain in good condition and repair and adequately paint or otherwise finish all drainage Improvements and structures located or from time to time placed upon his Lot.
- 4.8. OBNOXIOUS AND OFFENSIVE ACTIVITIES. No obnoxious or offensive activity shall be carried on, in or upon any Lot or any part of the Property, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood or which may in any way interfere with the quiet enjoyment by each of the owners of his respective Lot, or which shall in any way increase the premium rate of insurance.
- 4.9. COMPLIANCE WITH LAWS. Each Owner shall promptly comply with all laws, statutes, ordinances, rules and regulations of federal, state or municipal governments or authorities applicable to use and occupancy of and construction and maintenance of any Improvements.
- 4.10. EXTRACTION OF MINERALS. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted on any Lot, nor shall oil wells, tanks, tunnels or mineral excavations be permitted on any Lot or within five hundred (500) feet below the surface of any Lot and no derrick or other structure designed for use in boring for water, oil, or natural gas shall be erected, maintained or permitted upon any Lot.
- 4.11. LEASES. Nothing herein shall be deemed to prevent the leasing of any Lot from time to time by the owner thereof for residential purposes only and subject to all of the provisions of this Declaration.
- 4.12. GRADES SLOPES AND DRAINAGE. No Owner of any Lot shall in any manner alter, modify or interfere with the drainage on any other Lot. No structure, plantings, or other material shall be placed or permitted, which may damage or interfere with established slope ratios, create erosion or sliding problems, or which may change the direction of flow of drainage channels or obstruct or retard the flow of water through drainage channels or across Lots. Each Owner hereby acknowledges and covenants that all surface runoff from the street adjacent to his lot and from the Lot itself shall be retained on the Lot. All other surface water shall be left free to its natural flow unless lawfully diverted to a drainage ditch.
- 4.13. COMMUNICATIONS. No antenna for the transmission or reception of signals shall be permitted except television and satellite dishes are permitted. All such equipment must be screened from view.

- 4.14. USE OF IMPROVEMENTS DURING CONSTRUCTION: DILIGENCE IN CONSTRUCTION.
No Improvement upon any Lot shall be occupied until a certificate of occupancy is issued for it and it is in compliance with the restrictions, covenants and conditions contained in this Declaration. With the written approval of the Architectural Control Committee, a temporary building may be placed on a lot to facilitate the construction of a premises. In no event may the temporary building be used for human habitation and it must be removed within one year of its placement on the lot. Any Improvement which is partially or totally destroyed or damaged shall be removed, repaired or replaced within a reasonable time after such destruction or damage occurs. All work of construction, removal or repair of any Improvement upon any Lot shall be completed within two (2) years from the time of commencement thereof, except to the extent prevented by strikes, lockouts, boycotts, the elements, war, inability to obtain materials, acts of God or similar causes.
- 4.15. MANUFACTURED – MOBILE – MODULAR HOMES. No manufactured, mobile or modular homes shall be permitted. All homes constructed shall be site built.
 - 4.15.1. MECHANICAL EQUIPMENT. No mechanical equipment shall be erected upon a roof unless it is fully screened from view at all angles and approved by the architectural control committee in writing.
 - 4.15.2. HEIGHT RESTRICTIONS. Two-story homes shall be permitted. However, the highest point of the house shall not exceed twenty-four (24) feet above grade.
 - 4.15.3. ROOFING MATERIALS. Roofing shall be tile or materials of like kind. No rolled roofing shall be permitted except for patio covers so long as the material is screened by a parapet.
 - 4.15.4. SIDING. All siding shall be of earth tone colors. No T-1-11 shall be permitted. Siding shall be subject to architectural control committee approval.
 - 4.15.5. SOLAR EQUIPMENT. All solar equipment must be screened from view or incorporated into the design of the structure subject to architectural control committee approval.
 - 4.15.6. LANDSCAPING. All landscaping must be oriented so as to control dust, granite material, zerascape in design. No white quartz or volcanic stone is permitted. Landscaping is subject to architectural control committee approval.
 - 4.15.7. FENCING. If a lot owner chooses to install a fence, then it shall be constructed of materials and be of such design that it is compatible with other fencing in the subdivision. The architectural control committee must approve fence design and construction prior to erection. No solid (opaque) perimeter walls which enclose all or substantially all of the lot/lots are permitted. No wood fencing of any kind is permitted. Pipe, sucker rod or like materials are the preferred materials. Square wire or V-mesh may be attached with the approval of the Architectural Control Committee.
- 4.16. SIGNS. The only signs permitted on any Lot be: (i) One sign of customary size for offering of signed property for sale; (ii) Residential identification signs of a face area of seventy-five (75) square inches or less for identification of the occupant and address of any Dwelling; (iii) Such signs as may be necessary to advise of rules and regulations or to caution or warn of danger; (iv) Such signs as may be required by law.
- 4.17. ANIMALS. All animals must be fenced or kept on a leash so as not to interfere with any other Owners of Lots. Animal husbandry shall be conducted so as to not create a noise, odor, insect or other nuisance to adjacent Lots. Unless and until a completed and occupied home is established on a Lot animals cannot be kept, bred or maintained within the Lot. No animals shall be kept, bred or maintained within the Property for any commercial purpose. At no time will pigs, swine, geese, fowl, buckgoats or peacocks be allowed. No more than six animal units may be kept and maintained or stabled on any Lot; one animal unit is defined as: one weaned animal over six month of age, or one horse, or one llama, or one goat, or five sheep, or the equivalent. No more than six dogs or six cats or any combination thereof not to exceed a total of six shall be kept, bred or maintained within the Lot.
- 4.18. PARKING RESTRICTIONS. No Owner shall do anything which will in any manner prevent the Access Easements from at all times being free and clear of all obstructions and in a safe condition

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for vehicular use; no overnight parking on streets is allowed. So that the Property may function in an orderly manner, it shall be the duty and obligation of every Owner on behalf of himself, his family, tenants, servants, guests and invitees to observe and enforce the parking restrictions. Automobiles of the private passenger class and trucks of the pick-up class, horse trailers and recreational vehicles may be parked on improved surfaces within the lot only. No motor vehicle which is under repair or not in operating condition shall be placed or permitted to remain on any street, or streets, or any portion of any lot, or lots in Bonanza Ranch, unless it is within an enclosed garage, carport or structure. No machinery other than small farm machinery shall be stored on a lot.

- 4.19. BURNING AND INCINERATIONS. No open fires or burning shall be permitted on any Lot at any time and no incinerators or like equipment shall be placed, allowed or maintained upon any Lot. The foregoing shall not be deemed to preclude the use, in customary fashion, of outdoor residential barbecues or grills. All trash shall be kept in covered containers and not allowed to accumulate. The containers shall be stored on an improved portion of each lot except when set out for collection.
- 4.20. EXCEPTIONS. The covenants, conditions and restrictions set forth in the Article titled "Covenants and Use Restrictions" shall not and do not apply to any of the following:
- i) Any act done or proposed to be done upon the Property, or any condition created thereon, by any utility company (including, but not limited to, companies furnishing electric, gas, water, telephone, cable television and/or sewer service to all or parts of the Property), or the agents or employees of any such company, which act could be done by such company were this Declaration not made;
 - ii) The development and sales of the Lots by Declarant or its permittees, including, but not limited to, construction trailers, mobile homes and sales offices;
 - iii) Any act done or proposed to be done upon the Property, or any condition created thereon, by any person pursuant to court order, or the order of any public officer or public agency; provided, however, that the orders contemplated in this subparagraph are only those which are the result of action initiated by public officers or agencies and which embody mandatory requirements with penalties for nonperformance, and are not those orders which result from the application of private parties or are merely permissive.

ARTICLE V

ARCHITECTURAL CONTROL COMMITTEE

- 5.1. Organization. There shall be an Architectural Control Committee organized, which shall consist of three members. None of such members shall be required to be an architect or to meet any other particular qualification for membership. A member need not be, but may be, a member of the Board or an officer of the Association.
- 5.2. Initial Members. The following person are hereby designated as the initial members of the Architectural Control Committee:
- Mark Mounce
Ray Christian
Tom Tierney
- 5.3. Terms of Office. Unless the initial members of the Architectural Control Committee have resigned or been removed, their term of office shall expire at the time all Lots are developed, sold and recorded, but shall continue thereafter until the appointment of their respective successors. Thereafter the term of each member of the Committee shall be for a period of three (3) years and until the appointment of his successor.
- 5.4. Appointment and Removal. The right to appoint and remove members of the Architectural Control Committee at any time, shall be and is hereby vested fully in the Board of the Association, provided, however, that no member may be removed from the Architectural Control Committee

We need new forms

by the Board except by the vote or written consent of two-thirds (2/3) of all the members of the Board. Any member of the Architectural Control Committee may resign at any time by giving written notice thereof to the Board.

- 5.5. Duties. The Architectural Control Committee shall have the authority and responsibility to review the Plans and Specifications of all single-family residences, garages, barns, stable, sheds, fences and walls, or other structures to be constructed in the subdivision, pursuant to the terms hereof, and perform such other duties as may be delegated to it by the Board. The Architectural Control Committee shall have right to disapprove any plans, or specifications or grading plans, which are not suitable or desirable, in its opinion, for aesthetic or other reasons, and in so passing upon, such plans, specifications and grading plans, and without any limitation of the foregoing, it shall have the right to take into consideration the suitability of the proposed building or other structure, and of the materials of which it is to be built, the site upon which it is proposed to erect the same, the harmony thereof with the surroundings and the effect of the proposed building or other structure on the outlook from the adjacent or neighboring property. In addition, the Architectural Control Committee shall have the right and power to waive the specific requirements hereof when reasonableness and prudence, in its unanimous opinion, require in order to avoid unnecessary or excessive expense or inconvenience to one or more Owners or the Association; provided, however, that the Committee shall have no power to waive the requirements of applicable city, county or state laws.

All subsequent additions to or changes or alterations in any building, fence, wall or other structure, including exterior color scheme, shall be subject to the prior approval of the Architectural Control Committee. No changes or deviations in or for such plans and specifications once approved shall be made without the prior written approval of the Architectural Control Committee. All decisions of the Architectural Control Committee shall be final, and no Owner or other party shall have recourse against the Architectural Control Committee for its approval or disapproval of any such plan and specification or plot plan.

- 5.6. Application and Approval. Two copies of the complete plans and specification of any proposed structure must be submitted to the Architectural Control Committee, together with such fee or fees as the Committee determines in its sole discretion to be reasonable or necessary to defray the cost of its review and the professional evaluation of such plans and specifications. At least one copy of said plans and specifications shall be retained by the Architectural Control Committee.

no fee

In the event that a written request for such approval is not acted upon within thirty (30) days of the receipt of the Committee of said request, then such approval shall not be required; provided, however, that no structure may be constructed pursuant to this paragraph which conflicts with any specifically delineated restrictions contained herein or with any applicable zoning or use law.

- 5.7. Waiver. The approval by the Architectural Control Committee of any plans or specifications for any work done or proposed, or for any other matter requiring the approval of the Architectural Control Committee, shall not be deemed to constitute a waiver of any right to withhold approval of similar plan, drawing, specification, or matter subsequently submitted for approval.

- 5.8. Meetings and Compensations. The Architectural Control Committee shall meet from time to time as necessary to perform its duties hereunder. The vote or written consent of any two members at a meeting, or otherwise shall constitute the act of the Committee. Members of the Architectural Control Committee shall not be entitled to compensation for their services.

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- 5.9. Committee Rules. The Architectural Control Committee may, from time to time, and in its sole and absolute discretion, adopt, amend, and repeal, by unanimous vote or written consent, rules and regulations, to be known as the Architectural Control Committee Rules. The Rules may set forth the standards and procedures for Committee review and guidelines for architectural design, placement of buildings, landscaping, color scheme, exterior finishes and materials and similar features which are recommended for use within Bonanza Ranch.

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- 5.10. Liability. Neither the Architectural Control Committee nor any member thereof, shall be liable to the Association, any Owner, or to any other party for any damage, loss or prejudice suffered or claimed on account of:

A. Approval or disapproval of any plans, drawings, or specification, whether or not defective,

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- B. The construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications,
- C. The development of any property within Bonanza Ranch, or
- D. The execution and filing of any estoppel certificate, whether or not the facts therein are correct.

Without any way limiting the generality of any of the foregoing provisions of this section, the Architectural Control Committee, or any member thereof, may, but is not required to, consult with, or hear the views of the Association or any Owner with respect to any plans, drawings, specifications, or any other proposal submitted to the Committee for review.

ARTICLE VI

ENFORCEMENT

- 6.1. ALL REMEDIES ARE AVAILABLE. In the event of any default by any owner under the provisions of this Declaration, the Articles, or the Bylaws, and upon any failure of any Owner to comply with any requirement or restriction thereof, the Owners, the Association and its successors and assigns, the Board and its agents, or any of them, shall have all the rights and remedies which may be provided for in this Declaration, the Bylaws, or the Articles, or which may be available at law or in equity, and may prosecute any action or other proceeding against such defaulting Owner and/or other persons for damages or injunction or specific performance, or for judgment of payment of money and collection thereof, or for any combination of remedies, for any other relief. Provided, however, that any breach by reason thereof shall not defeat or adversely affect the lien of a first mortgagee upon any Lot, but each and all said covenants, conditions and restrictions shall be binding upon and affective against any Owner, lessee or occupant of said lot whose title thereto is acquired by foreclosure or otherwise.
- 6.2. EXPENSE OF ENFORCEMENT. All expenses of the Association in connection with such actions or proceedings, including court costs and attorneys' fees, and all damages, together with interest thereon at the maximum rate charged for VA or FHA mortgages during the period in question, until paid, shall be charged to such defaulting or non-complying Owner and shall be enforceable as an Assessment in the manner set forth in the Article hereof, titled "Assessments".
- 6.3. CUMULATIVE REMEDIES. Any and all such remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Association, or by the Board. The provisions of this Article and available in addition to the provisions in the Article hereof titled "Assessments".

ARTICLE VII

GENERAL PROVISIONS

- 7.1. AMENDMENTS.
This Declaration may be amended at any time by an instrument signed by not less than the Owners of sixty-seven percent (67%) of the Property in land area. Any amendment must be recorded prior to becoming effective. No provision in this Declaration may be changed, modified or rescinded so as to conflict with the provisions of any law. No amendment or termination of this Declaration which does not apply to all of the Property then covered by this Declaration shall be made or recorded as to any portion of the Property without the written consent of all of the record owners of such affected portion.
- 7.2. NOTICES. Notices provided for in this Declaration shall be in writing and shall be addressed to the person intended to receive the same, at the following address:

Association:

BONANZA RANCH PROPERTY OWNERS ASSOCIATION. At the address of the management office if professional management is obtained; if not, the address of the President of the Association or such other address as the Association may provide to the Owners.

Owner:

At the address of the Lot owned by him or her or any other address designated in writing by such owner.

The Association may designate a different address or addresses for notices by giving written notice of such change of address to all Members of the Association. Any Owner may designate a different address or addresses for notices to such Owner by giving written notice of such change of address to the Association. Notice addressed as above provided shall be deemed given when deposited in the United States Mail, return receipt requested, or when delivered in person with written acknowledgment of the receipt thereof.

- 7.3. SEVERABILITY. If any provision of this Declaration, the Articles, the Bylaws, or any section, sentence, clause, phrase or word, or the application thereof; in any circumstance, is held invalid, the validity of the remainder of the Declaration, the Articles and Bylaws, and of the application of any such section, sentence, clause, phrase, or word in any offer circumstances shall not be affected thereby.
- 7.4. VIOLATION AND NUISANCE. Every act or omission whereby any provision of this Declaration is violated in whole or in part is hereby declared to be a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action, by the Association or any Owner or Owners.
- 7.5. VIOLATION OF LAW. All activities shall be in conformity with the laws and ordinances of Pinal County or its successor. Any violation of any federal, state, municipal or local law, ordinance or regulations, pertaining to the ownership, occupancy or use of any of the Property is hereby declared to be a violation of this Declaration and subject to any or all of the enforcement procedures set forth here.
- 7.6. BREACH. No breach of the covenants, conditions or restrictions herein contained, nor the enforcement of any lien provisions herein, shall defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, but all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure or trustee's sale, or otherwise.
- 7.7. CONSTRUCTION OF DOCUMENT: TERM. This Declaration shall be construed in accordance with the laws of the State of Arizona. This Declaration and the covenants, conditions and restrictions contained herein, as amended from time to time, shall be and remain in full force and effect for a term of twenty (20) years from the date this Declaration, is recorded, after which time said Declaration shall be extended automatically for successive periods of ten (10) years, unless amended or terminated in accordance with the Article titled "General Provisions", section titled "Amendments", except that if Arizona statutes require a higher percentage of approval for termination, such higher percentage shall be required. Upon termination of the Association, its assets shall be conveyed to another nonprofit organization or to a public agency having similar purposes.
- 7.8. PLURALS, GENDER. Whenever the context so requires, the use of the singular shall include and be construed as including the plural, and the masculine shall include the feminine and neuter.
- 7.9. HEADINGS. Section headings and table of contents are inserted for convenience only and are not intended to be a part of this document or, in any way, to define, limit, or describe the scope or intent of the particular section to which they refer.

- 7.10. CAPITALIZATION. Capitalization of a common noun or predicate adjective indicates the term is used as defined in the Article titled "Definitions", unless the context requires otherwise.
- 7.11. PERPETUITIES AND RESTRAINTS ON ALIENATION. If any of the covenants, rights, privileges or duties created by this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of the last of the now living descendants of the President of the United States, William J. Clinton, and Jane Hall, Governor of Arizona.
- 7.12. DOCUMENTS TO PREVAIL. In the event there is a conflict between or among this Declaration, the Articles or Bylaws, the most restrictive provision shall apply unless such interpretation is clearly contrary to the meaning and intent of the Bonanza Ranch Documents. In the event of a conflict, the provisions of the various documents shall prevail in the following order: (i) this Declaration; (ii) the Articles of Incorporation of the Bonanza Ranch Property Owners Association; (iii) the Bylaws of the Bonanza Ranch Property Owners Association,

IN WITNESS WHEREOF, Declarant has executed this Declaration the day and year first herein above written.

"DECLARANT"
Ridgeback L.L.C.
An Arizona Limited Liability Company

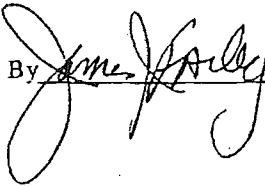
By  - SERVICES MANAGER

EXHIBIT "A" LEGAL DESCRIPTION

Lots One (1) through Fifty eight (58) , inclusive, BONANZA RANCH,
according to the office of the County Recorder of Pinal County, Arizona
Cabinet D Slide 010.