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WHEN RECORDED RETURN TO:

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RESTATED AND AMENDED

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
PINNACLE PEAK RANCHOS**

THIS DECLARATION, is made as of the 28th day of January 2013, by the undersigned being a majority of the Owners of lots within Pinnacle Peak Ranchos according to Book 86 of Maps, page 9, of the public records of Maricopa County, Arizona, subject to the Restated and Amended Declaration of Covenants, Conditions and Restrictions for Pinnacle Peak Ranchos recorded December 29, 1989 at Document No. 89-600338 of the public records of Maricopa County, Arizona, as amended by the Amendment and Partial Release of the Declaration of Covenants, Conditions and Restrictions for Pinnacle Peak Ranchos recorded April 12, 2002 at Document No. 2002-0378166 (collectively, the "Prior Declaration").

RECITALS:

- A. The Owners desire to enhance and establish the use of the Property as a first class residential subdivision in a unique natural desert setting and to preserve and protect the value, desirability and attractiveness of the Property and every part thereof.
- B. Certain conditions, covenants, and restrictions created other property and contract rights burdening and benefiting the Property have been imposed upon the Property pursuant to that certain Restated and Amended Declaration of Covenants, Conditions and Restrictions recorded December 29, 1989, Maricopa County Recorder Number 1989-600338 of the public records of Maricopa County, Arizona, and the Amendment and Partial Release of the Declaration of Covenants, Conditions and Restrictions for Pinnacle Peak Ranchos recorded April 12, 2002 at Document No. 2002-0378166 (the "2002 Amendment").
- C. Paragraph 10.6 of the Prior Declaration permits the amendment or termination of the Prior Declaration by a majority of the Owners of the Property.

D. Owners desire to amend the Prior Declaration in its entirety to conform to the provisions hereof and desire that all of the Property be hereafter held, conveyed, hypothecated, encumbered, leased, occupied, built upon and otherwise used, improved or transferred in whole or in part, subject to this Declaration, as amended or modified from time to time.

NOW THEREFORE, Owners hereby amend the Prior Declaration in its entirety and impose upon the Property the provisions of this restated Declaration.

1. Definitions.

1.1. "Articles" shall mean the Articles of Incorporation of the Association may be amended from time to time.

1.2. "Assessments" shall include all assessments described herein.

1.3. "Architectural Review Committee" shall mean the committee established by the Board pursuant to Section 7.1 of this Declaration.

1.4. "Association" shall mean and refer to Pinnacle Peak Ranchos Property Owner's Association, an Arizona non-profit corporation, its successors and assigns.

1.5. "Association Rules" shall mean the rules and regulations adopted and promulgated from time to time by the Board.

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

1.7. "By-Laws" shall mean the By-Laws of the Association as amended from time to time.

1.8. "Common Expenses" shall mean the expenses incurred by the Association in the good faith judgment of the Board for the management, preservation, or protection of the Property or in furtherance of the purposes of the Association or in the discharge of any obligation imposed on the Association by this Declaration.

1.9. "Declaration" shall mean the covenants, conditions, restriction, provisions and easements herein set forth in this entire document, and as it may from time to time be appropriately amended or supplemented, in accordance with the provisions as set forth herein, in the By-Laws and the Articles of Incorporation.

1.10. "Improvement" shall mean any building, structure, improvement, storage facility, excavation, grading, road, roadway, parking area, fence, wall, lighting fixture, hedge, planting, planted tree, shrub, grass, tennis court, swimming pool, basketball court, statuary, fountain, artistic work, craft work, figurine and any ornamentation or embellishment of any type of kind, whether or not affixed, and any other structure of any kind or nature now or hereafter located on the Property.

1.11. "Improvements" shall mean those improvements described in Section 7.1 of this Declaration.

1.12. "Lot" shall mean and refer to each separate parcel of real property shown and designated as a Lot upon the Subdivision Map excluding those Lots described in the 2002 Amendment. The term "Lot" shall also include each portion of a preexisting lot divided in the manner permitted hereunder.

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

1.14. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of equitable or beneficial title (or legal title if same has merged) of any Lot. "Owner" shall not include the purchaser of a lot under an unrecorded executory contract for the sale of property or persons or entities who hold an interest in a Lot merely as security for the performance of an obligation.

1.15. "Property" includes all real property described in that certain plat of Pinnacle Peak Ranchos recorded at Book 86 of Maps, page 9 of the public records of Maricopa County, Arizona excluding those Lots described in the 2002 Amendment.

1.16. "Regular Annual Assessment" shall mean the Regular Annual Assessment paid by each Owner of the Association for Common Expenses.

1.17. "Single Family" shall mean a group of one or more persons each related to the other by blood, marriage or legal adoption, or a group of not more than two persons not so related, who maintain a common household.

1.18. "Subdivision Map" or "Subdivision Plat" shall mean the recorded plat of the Property attached hereto as Exhibit "A," and recorded in the office of the Maricopa County Recorder, at Book 86 of Maps, Page 9 as said plat may be amended or replaced from time to time in a manner permitted herein.

1.19. "Vehicle" includes automobiles, motorcycles, trailers, recreation vehicles, and all other motor powered or towed means of conveyance of every description.

1.20. "Visible from neighboring property" shall mean, with respect to any given object, that all or any portion of such object is or would be visible to a person six feet tall, standing on any other part of the Property at an elevation equal to the elevation of the base of the object being viewed.

2. Use Restrictions.

2.1. Residential Use. All Lots shall be known and described as single family residential building sites. No structure shall be erected, altered, placed or permitted to remain on any Lot other than:

2.1.1 One detached single family dwelling;

2.1.2 A private garage for not more than four (4) Vehicles not to exceed 1,500 square feet;

2.1.3 Guest or servant quarters for the sole use of actual non-paying guests or actual servants of the occupants of the main residence on the Lot;

2.1.4 A single barn, horse stable, or similar outbuilding not exceeding 1,500 square feet of gross ground floor space; and

2.1.5 Such appurtenant structures as are ordinarily and customarily found in first class residential neighborhoods for the enjoyment of the foregoing.

2.2. New Construction. All structures shall be of new construction and no building shall be moved from any other location onto any Lot.

2.3. Order of Construction. No garage or other structure shall be constructed on any Lot until such time as either the construction of the dwelling house has commenced or a dwelling house shall have been constructed on said Lot in compliance with this Declaration.

2.4. Commercial Uses Prohibited. No gainful occupation, business, profession, trade or other non-residential use shall be conducted on any portion of the Property unless said use is specifically approved from time to time by the Association and then only for such periods of time as the Association shall specifically approve from time to time and such use otherwise complies with the requirements of this Declaration. The mere leasing of a Lot to a Single Family from time to time does not constitute a non-residential use of the Lot. Without limitation, no store, office, hospital, sanitarium or other place for the care or treatment of sick or the physically or mentally disabled, nor any theater, saloon or other place of entertainment shall ever be permitted on the Property.

2.5. Parking Restrictions. No Vehicle shall be parked or stored overnight on any roads or streets within the Property. No non-operable Vehicle shall be parked or stored on the Property for more than five (5) days. No automotive or mechanical repair work other than minor service customarily performed by owners of automobiles shall be performed on the Property.

2.6. Desert Landscaping. Inasmuch as the Owners intend to preserve the present natural desert in its present state, desert growth shall not be destroyed or removed except as necessary for the construction of driveways, residences and other structures expressly permitted herein. In addition to all other requirements of this Declaration, at least 25 percent of the net area of each Lot shall remain in its undisturbed natural state.

2.7. Off-Road Vehicles. Except as reasonably necessary for construction permitted hereby, no Vehicle shall be operated upon the Property unless said Vehicle is properly licensed for use on public streets and its operation is restricted to public streets and to driveways serving a residence on a Lot. All motors operated on the Property shall be equipped with adequate mufflers.

2.8. Height Limitation. No structure located on the Property shall exceed one story in height (exclusive of basement).

2.9. Building Style. All structures constructed on the Property shall be of Spanish, Southwest Indian, Mexican, Arizona territorial, or ranch-type design unless specifically approved by the Architectural Review Committee.

2.10. Size Requirements. The residence constructed on each Lot shall have a ground floor area of not less than 2,400 square feet, exclusive of porches, pergolas, attached garages, or other similar extensions or projections. Guest and servant quarters may not exceed 1,500 square feet.

2.11. Roofing Materials. The roofing materials for all sloped roofs on structures located on the Property shall be of a mission, clay, barrel-shaped or "s"-shaped tile, except as expressly permitted by the Architectural Review Committee. Roof-mounted air conditioning or heating units, hot water heaters, compressors, solar panels, solar collectors or similar devices must not be visible from neighboring property unless specifically approved by the Architectural Review Committee. All flat roofs must have parapets on all four sides.

2.12. Color Scheme. The exteriors of all structures shall be of earth tone colors so as to blend with the natural desert surroundings.

2.13. Fences. No wall, fence or hedge over 30 inches high shall be constructed or maintained closer than 40 feet to the front Lot line of any Lot. No other fence or wall (except the walls of buildings constructed in conformance herewith) shall exceed 6 feet in height nor shall any improvement interfere with the use of utility easements on the Property.

2.14. Sewage Facilities. All bathrooms, plumbing and other sanitary facilities shall be located inside buildings. Until such time as sewers may be available, each Lot improved with a residence shall be connected to a septic tank or cesspool deep enough to prevent water from coming to the surface and operated and constructed in accordance with applicable laws and regulations. When and, after sewers are available, then all sanitary facilities thereafter installed shall be connected to such sewer systems.

2.15. Storage Tanks. Above-ground water, gasoline, propane, and other storage tanks of every description (excluding potable water tanks located entirely within a building permitted hereunder) are prohibited.

2.16. Antennas. No antenna or other device for the transmission or reception of television or radio signals or any other form of electromagnetic radiation shall be erected, used or maintained outdoors on any portion of the Property whether attached to a building, structure, or otherwise. The preceding sentence does not apply to such devices which:

- (a) are not visible from neighboring property;
- (b) (i) do not exceed ten (10) feet overall in length, width or height (including the mast);
- (i) weigh less than thirty (30) pounds exclusive of mast and rotating device; and

(ii) are ground mounted (or attached to the main dwelling house and extend no more than eight (8) feet above the roof line at the point of attachment); or

(c) are screened from view to the extent feasible and have been approved by the Association.

All satellite dishes must blend with the natural terrain of the Property.

2.17. Underground Utility Service. All lines, wires, or other devices for the communication or transmission of electric current or power, including telephone, television and radio signals, shall be placed in conduits or cables installed and maintained underground. The foregoing shall not be deemed to forbid the erection of temporary power or telephone installations incident to the construction of permitted buildings or structures.

2.18. Lot Maintenance. No Lot shall be permitted to fall into disrepair or to become unsafe, unsanitary or unsightly. All Lots shall at all times be kept clean, free of rubbish and in good condition and repair and adequately painted and maintained. No noxious or offensive activity shall be carried on upon 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 to the Property as a whole, or which shall in any way interfere with the quiet enjoyment of each of the Owners of such Owner's Lot, or which shall in any way increase the rate of any insurance respecting the Property.

2.19. Trash Containers and Collections. No garbage, junk, rubbish or trash shall be placed or kept on any portion of the Property, except in covered containers. Such containers shall be maintained so as to not be visible from neighboring property except to make the same available for collection and, then, only the shortest time reasonably necessary to effect such collection. No incinerators shall be used, kept or maintained on any Lot.

2.20. Unlawful Uses. The Property shall not be used in violation of any zoning law or in violation of any statute, ordinance or other law.

2.21. Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated or maintained upon any portion of the Property except such machinery or equipment as is usual and customary in connection with the construction, use and ordinary and routine maintenance and enjoyment of the single family residence and other structures specifically permitted hereunder.

2.22. Restriction on Further Subdivision. No Lot shall be further subdivided, separated or partitioned, and no portion less than all of any such Lot shall be conveyed or transferred by any Owner. Notwithstanding the foregoing, each of the sixty-three (63) Lots shown on the original plat recorded at Book 86 of Maps page 9 of the public records of Maricopa County, Arizona may be divided once (for a maximum total of two (2) Lots for each such Lot on the original plat) provided that each new Lot so created must include at least two (2) acres gross. Upon such division, each resulting portion of a Lot shall become a Lot and this Declaration shall apply to each Lot separately. By way of example and not limitation, one single-family residence shall be permitted on each of such two (2) resulting Lots and the owner of each such resulting

Lot shall be a member of the Association and required to pay full Assessments to the Association for such resulting Lot and shall be entitled to one vote as a member of the Association. A Lot shall not be considered divided so long as any one person or entity is the beneficial Owner of more than fifty (50) percent of each of the two (2) resulting Lots. No Lot may be converted to condominium, cooperative or other similar type of ownership.

2.23. Signs. Without the written approval of the Board, no signs visible from neighboring property shall be erected or maintained on any Lot. The preceding sentence shall not apply to address signs in number, size, construction, appearance, and location complying with the Association Rules identifying individual Lots or to a single "For Sale" sign of less than six (6) square feet total size. Corner Lots may have two such "For Sale" signs.

2.24. Noise. No exterior speakers, horns, whistles, bells, or other sound devices except security devices used exclusively for security purposes, shall be located, used or placed on the Property unless specifically approved in the Association Rules. Devices such as cutouts on exhaust systems, noisy mufflers, etc., are prohibited within the Property.

2.25. Laundry Facilities. No outside clotheslines or other outside facilities for laundering, drying or airing clothes shall be erected, placed or maintained on any portion of the Property so as to be visible from neighboring property.

2.26. Mineral Exploration. No portion of the Property shall be used in any manner to explore for or to remove any water, oil or other hydrocarbons, minerals of any kind, gravel, earth or any earth substances of any kind.

2.27. Lighting. Flood lighting, security lighting, and other high intensity lighting is authorized only if approved by the Board or expressly authorized by the Association Rules. All such lighting must be shielded and directed so as not to beam into the roads or the Lot of any neighbor, or in any way create a nuisance or be in violation of a neighbor's privacy.

2.28. Temporary Residential Structures. No structure of a temporary character or tent, shack, garage, trailer, barn or other outbuilding shall be used on the Property at any time as a residence, either temporarily or permanently.

2.29. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that not more than four (4) horses and a reasonable number of ordinary household pets may, subject to compliance with the Association Rules, be kept (but not bred) on any Lot. Animals may not be kept, bred or maintained for any commercial purpose. All animals not confined to a cage or tethered on a Lot so as to be unable to reach any boundary of the Lot, shall be kept on a leash held by a human being. The leash must be of such length as required by the Association Rules. No pet shall be allowed to relieve itself any place other than on its owner's Lot.

2.30. Setbacks. All Improvements shall comply with the setback, height and other requirements indicated on the Subdivision Plat and the setback laws of the City of Scottsdale.

2.31. Solicitation. No door-to-door sales or other solicitation of funds shall be permitted on the Property unless expressly permitted by the Association Rules.

2.32. Landscaping Required. Within forty-five (45) days of the first occupancy of a residence on each Lot, said Lot shall be landscaped in accordance with plans and specifications approved by the Architectural Review Committee. All landscaping shall be properly maintained, watered, and trimmed by the Owner of the Lot.

3. Association Organization and Membership.

3.1. Formation and Organization. The Association has been formed as a non-profit Arizona corporation and shall serve as the governing body for all of the Property and for the administration of this Declaration. A Board of Directors (comprised of not less than five (5) nor more than seven (7) directors) elected in accordance with the By-Laws and such officers as may be elected or appointed in accordance with the By-Laws, shall conduct the affairs of the Association in accordance with this Declaration, the Articles, the By-Laws and the Association Rules. The officers and directors of the Association must reside in Maricopa County, Arizona and must be members of the Association, or officers, directors, agents, partners or employees of a Member.

3.2. Membership. Upon becoming the Owner of a Lot an Owner shall automatically become a Member of the Association and said Owner shall be and remain a Member of the Association until such time as such Member's ownership of a Lot ceases, at which time such membership in the Association shall cease automatically. Only Owners shall be Members. Ownership of a Lot shall be the sole qualification and criterion for membership. A person or entity who holds an interest merely as security for the performance of an obligation is not entitled to membership.

In the event a Lot is owned by two or more persons, the membership as to each such Lot shall be joint, and a single membership for such Lot shall be issued in the names of all Owners of said Lot.

3.3. Membership Classification. The Association shall have one (1) class of voting membership.

3.4. Indemnification. Every director and every officer of the Association shall be indemnified by the Association as the case may be, against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon such director or officer in connection with any action, suit or claim in which he or she is or in which he or she may become involved, by reason of his or her being or having been a director or officer of the Association, or any settlement thereof, whether or not he or she is a director or officer at the time such expenses are incurred, provided that the Board of Directors of the Association shall determine, in good faith, that such officer or director did not act, fail to act, or refuse to act willfully or with gross negligence, or fraudulent or criminal intent in the performance of his or her duties. Such determination on behalf of the Board of Directors shall be binding upon the Association and such director and officer, and shall be final and conclusive, without appeal to any body, court or

tribunal of any kind. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such directors or officers may be entitled.

3.5. Voting. Each Member shall be entitled to one (1) vote for each Lot owned. The vote for each Lot must be cast as a unit and fractional votes shall not be allowed. All votes and approvals by Owners shall be based on the number of votes entitled to be cast on the matter and not on the number of Owners. Such entitlement to vote shall be determined in accordance with this Declaration, the Articles, the By-laws and the Association Rules.

3.6. Persons Subject to Declaration. The provisions of this Declaration, the Articles, the By-Laws and the Association Rules are binding upon all Owners and also upon all other persons possessing, occupying or using the Property or any portion thereof and the Association may enforce this Declaration, the Articles, the By-Laws and the Association Rules against all such other persons.

4. Authority of the Association.

4.1. Authority of the Association. The Association shall have the power to do any and all things which may be authorized, required or permitted to be done by the Association under this Declaration, the Articles, the By-Laws and the Association Rules, 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 the following:

4.1.1 Enforcement Actions. Enforce in its own name, on its own behalf, or on behalf of consenting Owner(s) the provisions of this Declaration by appropriate means, including, without limitation, the employment of legal counsel, and the commencement and maintenance of actions at law or equity;

4.1.2 Improvement Districts. Participate in and initiate improvement districts for the Property for the construction of sewers, water, electricity, telephone, natural gas, cable television, streets, curbs, sidewalks and similar utilities and works;

4.1.3 Zoning. Participate in and initiate and otherwise facilitate zoning and similar approvals allowing the Lots to be subdivided as permitted herein and to otherwise achieve the Property's maximum use and value consistent with the purposes and requirements of this Declaration. The foregoing includes, without limitation, providing assistance in rezoning the Property and abandoning excess rights-of-way within the Property;

4.1.4 Common Areas. Subject to approval of a majority of the Members, acquire, encumber, improve, maintain, operate, sell, dedicate and otherwise deal with real property in the immediate vicinity of the Property or directly beneficial to the Property for the common benefit of the Association and its members and regulate the use thereof;

4.1.5 Insurance. Maintain such policy or policies of insurance as the Board deems necessary or desirable in furthering the purposes of and protecting the interest of the Association and the Owners;

4.1.6 Additional Funds. Establish and maintain a working capital, contingency, and special project funds in an amount to be determined by the Board;

4.1.7 Contracts. Expend Association funds and execute such documents, contracts and other instruments as may be necessary or advisable for the purpose of performing the duties and exercising the rights granted to the Association;

4.1.8 Delegation. Within the limits set by law, this Declaration, the Articles and By-Laws, establish such temporary or permanent committees (whether or not such committees are expressly provided for herein) as the Board in its discretion deems necessary and to delegate the Board's authority, duties and responsibilities to such committees;

4.1.9 Rules and Regulations. Adopt reasonable Association Rules concerning the use of the Property. The Association Rules shall be established and enforced uniformly so as not to discriminate for or against any Owner or Lot. Copies of all the Association Rules shall be furnished by the Association to Owners upon request. In the event of any conflict in the provisions of this Declaration, the Articles, the By-Laws and the Association Rules, the provisions of this Declaration shall control, followed by the Articles, By-Laws and the Association Rules, in that order;

4.1.10 Further Acts. Perform such other acts, whether or not expressly authorized by this Declaration, as may be necessary or appropriate to maintain and administer the Property or to enforce or effectuate any provision of this Declaration, the By-Laws and the Association Rules.

4.2. Professional Management. The Association may retain the services of a professional management company to assist the Association in discharging its duties hereunder. A copy of all management agreements shall be made available to each Owner by the Board upon request.

5. Duties of the Association. It shall be the duty of the Association to:

5.1. Fidelity Bonds. Pay for and keep in force standard fidelity bonds covering persons authorized to sign checks on behalf of the Association or to receive or disburse funds or other property of the Association, in such amounts as the Board may determine from time to time; and

5.2. Accounting. At all times keep true and correct records of account for the Association in accordance with generally accepted accounting principles applied consistently, and furnish for the inspection of all voting Owners at reasonable times such records which shall specify in detail all expenses incurred and funds accumulated from Assessments or otherwise.

6. Covenants for Assessments.

6.1. Creation of the Assessments. Each Owner by taking title to a Lot covenants and agrees to pay to the Association: Regular Annual Assessments and such other Assessments as may be fixed, established and collected from time to time as herein provided.

The Assessments, together with interest, costs, reasonable late fees, and reasonable attorneys' fees incurred by the Association in collecting or attempting to collect such Assessments, whether or not a suit is filed, shall be the personal obligation of each Owner who was an owner of the Lot at the time the Assessment became due. Without the approval of the Board, no Lot shall be sold, transferred or conveyed by the Owner without all Assessments having been paid in full.

6.2. Regular Annual Assessments. Except as otherwise provided herein, the amount and time of payment of Regular Annual Assessments shall be determined by the Board pursuant to the By-Laws after giving due consideration to the needs of the Association.

6.3. Supplementary Assessments. In addition to the Regular Annual Assessments, the Association may impose in any fiscal year a supplementary Assessment applicable to that year only, for the purpose of defraying Common Expenses which are expected to exceed, or which in fact exceed Common Expenses previously budgeted under a Regular Annual Assessment during any given fiscal year. To the extent such Common Expenses exceed the Common Expenses previously budgeted under a Regular Annual Assessment by One Hundred Dollars (\$100.00) times the total number of Lots, such Assessment must have the assent of a majority of the votes at a Member's meeting duly called.

6.4. Uniform Rate of Assessment. Both Regular Annual Assessments and supplementary Assessments must be fixed at a uniform rate for all Lots. Supplemental Assessments may be collected on a monthly, quarterly or annual basis, as determined by the Board.

6.5. Date of Commencement of Assessments. The Regular Annual Assessments and other Assessments has commenced for each individual Lot on January 1, 1990.

6.6. Assessment Estoppel Certificates. The Association shall, upon demand, and for a reasonable fee not to exceed Twenty-Five Dollars (\$25.00), furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid and the current amount owing, if any.

6.7. Interest on Delinquent Assessments. Any Assessments not paid when due shall bear interest at the lesser of the rate of eighteen percent (18%) per annum, or the highest rate permitted by applicable law, and the total delinquent Assessment due shall also include a late fee equal to the five percent (5%) of the total principal amount of the delinquent Assessment.

6.8. Effect of Nonpayment of Assessments. In the event of a default in payment of any Assessment the Association may enforce each such obligation in any manner provided by law or in equity.

7. Architectural Review.

7.1. Obligation to Submit Exterior Plans for Approval. No construction, painting, installation or refurbishment of (i) any Improvement or (ii) any window, entryway, vestibule, stairway, awning, patio cover, window covering or treatment, antenna, balcony or patio visible from the neighboring property, (collectively "Improvements") shall be commenced, erected or maintained upon the Property or any portion of a Lot without the prior written

approval of a committee (the "Architectural Review Committee") established by the Board for the purpose of reviewing plans for construction on the Property. The Architectural Review Committee shall have authority to promulgate design guidelines.

7.2. Architectural Review Committee. The Architectural Review Committee shall be composed of five members of the Association who reside in Maricopa County, Arizona. The general purpose of the Architectural Review Committee shall be to provide for the maintenance of a high standard of architecture and general construction to enhance the aesthetics of the Property and promote structural soundness.

7.3. Submission of Plans. An Owner seeking the Architectural Review Committee's approval shall submit a written request for approval by the Architectural Review Committee and the plans and specifications sufficient to enable the Architectural Review Committee to understand the nature, kind, size, areas, height, materials, exterior color and surface, shape and design and location of any proposed Improvements.

7.4. Standard for Approval. Approval of proposed construction, installation, addition, alteration, repair or work may be withheld if the proposed construction, installation, addition, alteration, repair or work is not suitable or desirable with respect to the individual structure, or the Property as a whole, taking into consideration the requirements of this Declaration, the quality of workmanship and design, the aesthetics of the proposed Improvement, the harmony thereof with existing structures, the surroundings and the natural desert terrain, the effect on the view of adjacent or neighboring Lots, the effects on the Property as a whole and the general plan of development of the Property.

7.5. Delayed Approval. If the Architectural Review Committee fails to approve in writing or disapprove in writing (with specific written grounds for disapproval) plans and specifications properly submitted for its approval within twenty-one (21) days after delivery to the Architectural Review Committee, approval by the Architectural Review Committee shall be deemed to have been given (but all other requirements of this Declaration must be observed) unless, within the twenty-one (21) day period one or more members of the Architectural Review Committee give written notice to the Owner of the need for an additional seven (7) day period to study the proposed construction in which case the twenty-one (21) day period described in the preceding sentence shall be extended by an additional seven (7) days for a total of twenty-eight (28) days.

7.6. Changes to Plans. No changes or deviations in or from such plans and specifications once approved shall be made without the prior written approval of the Architectural Review Committee. Except for such appeal rights as may be expressly granted by the Association Rules, all decisions of the Architectural Review Committee shall be final.

7.7. Construction Practices. As soon as building materials are placed on any Lot, construction shall be promptly commenced and diligently prosecuted, to completion.

8. Insurance.

8.1. Terms. All insurance policies shall, if possible, contain clauses waiving subrogation against the Association and the Board. As to each of said policies which will not be

voided or impaired thereby, the Owners hereby waive and release all claims against the Association and the Board and agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said persons, but only to the extent of insurance proceeds received in compensation for such loss.

8.2. Additional Insurance. The Association shall have the authority to obtain such insurance as it may deem appropriate or necessary, including, but not limited to fidelity bonds or other coverage, workmen's compensation and officers' and directors' liability insurance.

9. Enforcement.

9.1. Rights of Enforcement/No Waiver. The Association, or any Owner, shall have the right, but not the obligation, to enforce, by any proceeding at law or equity, all restrictions, conditions, covenants, reservations and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The failure to employ any remedy on any one or more occurrences giving rise to such remedy shall not be a waiver of the right to thereafter employ such remedy.

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

9.3. Covenants Cumulative. The remedies, rights, obligations and restrictions described in this Declaration are cumulative and may be enforced individually or jointly and in any order.

9.4. Attorneys' Fees. The prevailing party in any action to enforce this Declaration or the Articles, the By-Laws or the Association Rules shall be entitled to recover such prevailing party's costs and reasonable attorneys' fees and other expenses.

10. General Provisions.

10.1. Preexisting Structures. Notwithstanding anything contained herein to the contrary, this Declaration shall not prohibit the continued existence of any Improvements actually affixed to and completely constructed upon the Property as of the date of this Declaration except that any repairs, addition to, or renovation of such Improvements must comply with this Declaration.

10.2. Purposes of Declaration. This Declaration is declared and agreed to be in furtherance of a general plan for the subdivision, improvement and sale of the Property and is established for the purpose of enhancing and preserve the value, desirability and attractiveness of the Property and every part thereof.

10.3. Running with the Land. All of this Declaration shall run with all of the Property for all purposes and shall be binding upon and inure to the benefit of the Association and all Owners and their successors in interest.

10.4. Severability. The partial or total invalidity for any reason of any provision or portion of a provision of this Declaration or the Articles, the By-Laws or the Association Rules by judgment or court order or otherwise shall not affect any other provisions thereof, which shall remain in full force and effect.

10.5. Construction. This Declaration and the Articles, the By-Laws, and the Association Rules shall be construed according to their clear and obvious intent in such a manner as to promote and secure the appearance, integrity, value, and operation of the Property as a whole. Section headings have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

10.6. Term and Amendment. The covenants, conditions and restrictions of this Declaration shall be amendable at any time by a written approval, or the affirmative vote or any combination thereof, the Owners of not less than fifty-one percent (51%) of the Lots agreeing to amend or release said Declaration in whole or in part. The portion of the Property south of Lone Mountain Drive (being lots 56 through 63 shown on the plat recorded at Book 86 of maps page 9 of the public records of Maricopa County, Arizona) may be excluded as a unit entirely from this Declaration by the affirmative vote of all Owners of said lots and seventy percent (70%) of the remaining Owners. Any amendment approved pursuant to this Section 10.6 shall be signed by the President of the Association and shall be recorded among the Official Records of Maricopa County, Arizona. Any such amendment shall certify that the amendment has been approved as required by this Section.

10.7. Singular Includes Plural. Whenever the context of this Declaration requires, the singular shall include the plural and references to any gender shall include all genders.

10.8. Perpetuities and Other Invalidity. If any of the privileges, covenants or rights created by this Declaration would otherwise be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provisions; (b) the rule restricting restraints or alienation; or (c) any other statutory or common laws rules imposing similar time limits, then such provision shall continue only until twenty-one (21) years after the death of all of the survivors of the now living descendants of Barack Obama, President of the United States.

10.9. Delivery of Notices and Documents. A ny notice or other documents relating to or required by this Declaration shall be delivered either personally, by USPS mail or electronic mail. Mailed notices shall be deemed to have been delivered twenty-four (24) hours after a copy of same has been deposited in the United States mail, postage prepaid, addressed to Pinnacle Peak Ranchos POA, at the address currently being used: and if to an Owner, to the address of his Lot or to any other address last furnished by the Owner to the Association for purposes of receiving notices. Any address for giving of notice may be changed at any time giving the Association notice of the new address.

10.10. Covenant by Owners. By acceptance of a deed or by the acquiring of any ownership interest in any of the real property included within this Declaration, each Owner, for himself or itself, his heirs, personal representatives, successors, transferees and assigns, binds himself, his heirs, personal representatives, successors, transferees and assigns, to all of the provisions, restrictions, covenants, conditions, rules, and regulations now or hereafter imposed by this Declaration, the Articles, the By-Laws, and the Association Rules, and any amendments thereto. In addition, each Owner by so doing thereby acknowledges that this Declaration and the ancillary instruments set forth a general plan and design for the improvement and development of the Property covered thereby and such Owner evidences his intent that all the restrictions, conditions, covenants and rules contained herein shall run with the land and be binding on all subsequent and future Owners, grantees, purchasers, assignees, and transferees thereof. Furthermore, each such person fully understands and acknowledges that this Declaration shall be mutually beneficial to and enforceable by the various subsequent and future Owners.

10.11. Counterparts. This Declaration may be executed in counterparts or approved by separate consents, approvals, petitions or other writings and all such writings shall be effective as if the person executing the same had personally executed and acknowledged this Declaration proper. Signatures need not be acknowledged. Each writing shall be deemed to have been given by each signatory on behalf of himself or herself, and his or her marital community, if applicable, and on behalf of each partnership, trust, corporation or other entity for whom said signatory may have authority to sign.

The undersigned, being greater than fifty-one percent (51%) of the Owners, have caused this Declaration to be in full force and effect by their signatures as set forth below, as of the date first set forth above.

[SIGNATURES ON FOLLOWING PAGES]

Lot 8

Owner: _____

Signature: _____

Lot 9

Owner: _____

Signature: _____

Lot 10

Owner: FRANCIS RANICULLIS

Signature: 

Lot 11

Owner: _____

Signature: _____

Lot 12A

Owner: _____

Signature: _____

Lot 13

Owner: _____

Signature: _____

Lot 8

Owner: _____

Signature: _____

Lot 9

Owner: _____

Signature: _____

Lot 10

Owner: _____

Signature: _____

Lot 11

Owner: _____

Signature: _____

Lot 12A

Owner: BRUCE RAVIO

Signature: Bruce Ravid

Lot 13

Owner: _____

Signature: _____

Lot 8

Owner: _____

Signature: _____

Lot 9

Owner: _____

Signature: _____

Lot 10

Owner: _____

Signature: _____

Lot 11

Owner: _____

Signature: _____

Lot 12A

Owner: _____

Signature: _____

Lot 13

Owner: Jean Scott

Signature: Jean Scott

Lot 14

Owner: _____

Signature EDWARDS TOKATLIAN

Signature: _____

Lot 15

Owner: _____

Signature: _____

Lot 16

Owner: _____

Signature: _____

Lot 17A

Owner: _____

Signature: _____

Lot 18

Owner: _____

Signature: _____

Lot 19

Owner: _____

Signature: _____

Lot 14

Owner: _____

Signature: _____

Lot 15

Owner: _____

Signature: _____

Lot 16

Owner: _____

Signature: _____

Lot 17A

Owner: Mark West

Signature: Mark West

Lot 18

Owner: _____

Signature: _____

Lot 19

Owner: _____

Signature: _____

Lot 14

Owner: _____

Signature: _____

Lot 15

Owner: _____

Signature: _____

Lot 16

Owner: _____

Signature: _____

Lot 17A

Owner: _____

Signature: _____

Lot 18

Owner: MOUNIA SHATILA

Signature: Mounia Shatila

Lot 19

Owner: _____

Signature: _____

Lot 20A – APN 26-52-022A

Owner: _____

Signature: _____

Lot 20B – APN 216-52-022B

Owner: THE SOMERVILLE FAMILY LIVING TRUST

Signature: 

Lot 21

Owner: _____

Signature: _____

Lot 22

Owner: _____

Signature: _____

Lot 23

Owner: _____

Signature: _____

Lot 24

Owner: _____

Signature: _____

Lot 20A – APN 26-52-022A

Owner: _____

Signature: _____

Lot 20B – APN 216-52-022B

Owner: _____

Signature: _____

Lot 21

Owner: THOMAS PARRELLA, Elizabeth PARRELLA

Signature: Thomas Parrella, Elizabeth Parrella

Lot 22

Owner: THOMAS PARRELLA, ELIZABETH PARRELLA

Signature: Thomas Parrella, Elizabeth Parrella

Lot 23

Owner: _____

Signature: _____

Lot 24

Owner: _____

Signature: _____

Lot 20A – APN 26-52-022A

Owner: _____

Signature: _____

Lot 20B – APN 216-52-022B

Owner: _____

Signature: _____

Lot 21

Owner: _____

Signature: _____

Lot 22

Owner: _____

Signature: _____

Lot 23

Owner: _____

Signature: _____

Lot 24

Owner: Robert Scarle

Signature: [Handwritten Signature]

Lot 25

Owner: _____

Signature: _____

Lot 26

Owner: _____

Signature: _____

Lot 27

Owner: _____

Signature: _____

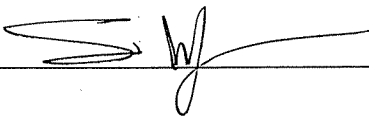
Lot 28

Owner: _____

Signature: _____

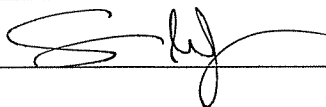
Lot 29

Owner: STEPHEN MERABE JONES

Signature: 

Lot 30

Owner: BANK OF AMERICA N A T R

Signature: 

Lot 31

Owner: _____

Signature: _____

Lot 32

Owner: MOJIB SHATILA

Signature: Mojib Shatila

Lot 33A – APN 216-52-035A

Owner: _____

Signature: _____

Lot 33B – APN 216-52-035B

Owner: _____

Signature: _____

Lot 34

Owner: _____

Signature: _____

Lot 35

Owner: _____

Signature: _____

Lot 31

Owner: _____

Signature: _____

Lot 32

Owner: _____

Signature: _____

Lot 33A – APN 216-52-035A

Owner: _____

Signature: _____

Lot 33B – APN 216-52-035B

Owner: JUSTIN AND JACKIE POSSNER

Signature:  _____

Lot 34

Owner: _____

Signature: _____

Lot 35

Owner: _____

Signature: _____

Lot 31

Owner: _____

Signature: _____

Lot 32

Owner: _____

Signature: _____

Lot 33A – APN 216-52-035A

Owner: _____

Signature: _____

Lot 33B – APN 216-52-035B

Owner: _____

Signature: _____

Lot 34

Owner: STEVE Bynkowske

Signature: Steve Bynkowske

Lot 35

Owner: _____

Signature: _____

Lot 31

Owner: _____

Signature: _____

Lot 32

Owner: _____

Signature: _____

Lot 33A – APN 216-52-035A

Owner: _____

Signature: _____

Lot 33B – APN 216-52-035B

Owner: _____

Signature: _____

Lot 34

Owner: _____

Signature: _____

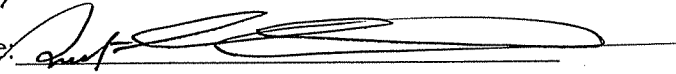
Lot 35

Owner: JAMES L & ESTHER M EMMONS TRUST

Signature: 

Lot 36

Owner: BRET CLEVELAND

Signature: 

Lot 37

Owner: _____

Signature: _____

Lot 38

Owner: _____

Signature: _____

Lot 39

Owner: _____

Signature: _____

Lot 40

Owner: _____

Signature: _____

Lot 41

Owner: _____

Signature: _____

Lot 36

Owner: _____

Signature: _____

Lot 37

Owner: Marjorie E. Nelson MARJORIE E. NELSON

Signature: Marjorie E. Nelson

Lot 38

Owner: _____

Signature: _____

Lot 39

Owner: _____

Signature: _____

Lot 40

Owner: _____

Signature: _____

Lot 41

Owner: _____

Signature: _____

Lot 36

Owner: _____

Signature: _____

Lot 37

Owner: _____

Signature: _____

Lot 38

Owner: RICHARD AND BLYTE EVANS

Signature: [Handwritten Signature]

Lot 39

Owner: _____

Signature: _____

Lot 40

Owner: _____

Signature: _____

Lot 41

Owner: _____

Signature: _____

Lot 36

Owner: _____

Signature: _____

Lot 37

Owner: _____

Signature: _____



Lot 38

Owner: _____

Signature: _____

Lot 39

Owner: MARC DINNERSTEIN Wendy Dinnerstein

Signature:  _____ 

Lot 40

Owner: _____

Signature: _____

Lot 41

Owner: _____

Signature: _____

Lot 36

Owner: _____

Signature: _____

Lot 37

Owner: _____

Signature: _____

Lot 38

Owner: _____

Signature: _____

Lot 39

Owner: _____

Signature: _____

Lot 40

Owner: Holly A. Goldstein

Signature: Holly R. Goldstein

Lot 41

Owner: _____

Signature: _____

Lot 42

Owner: Kenneth + Elyse Waters

Signature: Kenneth M. Waters Elyse Waters

Lot 43

Owner: _____

Signature: _____

Lot 44

Owner: _____

Signature: _____

Lot 45A – APN 216-52-047A

Owner: _____

Signature: _____

Lot 45B – APN 216-52-047B

Owner: _____

Signature: _____

Lot 46

Owner: _____

Signature: _____

Lot 42

Owner: _____

Signature: _____

Lot 43

Owner: _____

Signature: _____

Lot 44

Owner: Randall & Karen Harris

Signature: Karen J. Harris
Randall Harris

Lot 45A – APN 216-52-047A

Owner: _____

Signature: _____

R

Lot 45B – APN 216-52-047B

Owner: Randall & Karen Harris

Signature: Karen J. Harris
Randall Harris

Lot 46

Owner: _____

Signature: _____

Lot 42

Owner: _____

Signature: _____

Lot 43

Owner: _____

Signature: _____

Lot 44

Owner: _____

Signature: _____

Lot 45A – APN 216-52-047A

Owner: John S. Simonson

Signature: 

Lot 45B – APN 216-52-047B

Owner: _____

Signature: _____

Lot 46

Owner: _____

Signature: _____

Lot 42

Owner: _____

Signature: _____

Lot 43

Owner: _____

Signature: _____

Lot 44

Owner: _____

Signature: _____

Lot 45A – APN 216-52-047A

Owner: _____

Signature: _____

Lot 45B – APN 216-52-047B

Owner: _____

Signature: _____

Lot 46

Owner: KOHN FAMILY TRUST

Signature: By: Roger S. Kohn
ROGER S. KOHN, CONTRACTOR

Lot 47

Owner: MICHAEL + JANE BEAUN FAMILY TRUST

Signature: [Handwritten Signature] trustee

Lot 48

Owner: _____

Signature: _____

Lot 49

Owner: _____

Signature: _____

Lot 50

Owner: _____

Signature: _____

Lot 51

Owner: _____

Signature: _____

Lot 52

Owner: _____

Signature: _____

Lot 47

Owner: _____

Signature: _____

Lot 48

Owner: _____

Signature: _____

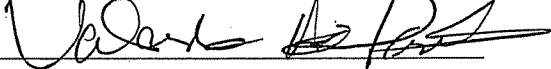
Lot 49

Owner: _____

Signature: _____

Lot 50

Owner: Valerie Voss Parkes

Signature: 

Lot 51

Owner: _____

Signature: _____

Lot 52

Owner: _____

Signature: _____

Lot 53

Owner: Michael Joseph Nijovic

Signature: M Joseph Nijovic

Lot 54

Owner: _____

Signature: _____

Lot 55

Owner: _____

Signature: _____

Lot 56

Owner: _____

Signature: _____

Lot 57

Owner: _____

Signature: _____

Lot 58

Owner: _____

Signature: _____

Lot 53

Owner: _____

Signature: _____

Lot 54

Owner: RAMON MURO

Signature: Ramon Muro

Lot 55

Owner: _____

Signature: _____

Lot 56

Owner: _____

Signature: _____

Lot 57

Owner: _____

Signature: _____

Lot 58

Owner: _____

Signature: _____

Lot 53

Owner: _____

Signature: _____

Lot 54

Owner: _____

Signature: _____

Lot 55

Owner: *Billy + Connie Allen* _____

Signature: *Connie Allen* _____

Lot 56

Owner: _____

Signature: _____

Lot 57

Owner: _____

Signature: _____

Lot 58

Owner: _____

Signature: _____

Lot 53

Owner: _____

Signature: _____

Lot 54

Owner: _____

Signature: _____

Lot 55

Owner: _____

Signature: _____

Lot 56

Owner: _____

Signature: _____

Lot 57

Owner: John Betts & Lisa Betts

Signature: [Handwritten Signature] [Handwritten Signature]

Lot 58

Owner: _____

Signature: _____

Lot 59

Owner: MICHAEL A. BARBER

Signature: Michael A. Barber

Lot 60

Owner: _____

Signature: _____

Lot 61

Owner: _____

Signature: _____

Lot 62

Owner: _____

Signature: _____

Lot 63

Owner: _____

Signature: _____

Lot 59

Owner: _____

Signature: _____

Lot 60

Owner: Bruce Davis

Signature: [Handwritten Signature]

Lot 61

Owner: _____

Signature: _____

Lot 62

Owner: _____

Signature: _____

Lot 63

Owner: _____

Signature: _____

Lot 59

Owner: _____

Signature: _____

Lot 60

Owner: _____

Signature: _____


Lot 61

Owner: _____

Signature: _____

Lot 62

Owner: ZOEY AIR LLC

Signature: 

Lot 63

Owner: _____

Signature: _____

Lot 59

Owner: _____

Signature: _____

Lot 60

Owner: _____

Signature: _____

Lot 61

Owner: _____

Signature: _____

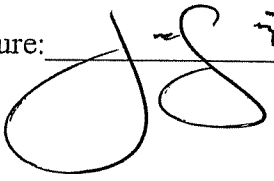
Lot 62

Owner: _____

Signature: _____

Lot 63

Owner: STANLEY CONTRACTING INC

Signature:  _____

LEGAL DESCRIPTION

Exhibit "A"

Pinnacle Peak Ranchos Subdivision recorded in Book 86, Page 9 of Maricopa County, Arizona Records.