

WHEN RECORDED MAIL TO:

Christopher Marrs
A. W. Marrs, Inc.
3573 E. Sunrise Drive, #233
Tucson, AZ. 85718

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
SONOITA HILLS AT MOUNTAIN VIEW RANCH, LOTS 60-84 and
PORTIONS OF COMMON AREA 'B' (Open Space) ADJACENT TO LOTS 60-84

THIS DECLARATION, made on the date hereinafter set forth by Lawyers Title of Arizona, Inc., as Trustee under Trust No. 7539-T, whose beneficiary is Mountain View Ranch Development Joint Venture, LLC, an Arizona limited liability company, its successors and assigns, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Pima County, State of Arizona, which is more particularly described as Mountain View Ranch Subdivision, Lots 60 through 84, and portions of Common Area 'B' (Open Space) adjacent to lots 60 through 84, as shown on the Plat of record in Book 54 of Maps and Plats at Page 5 of the Pima County Recorder's Office ("Properties").

NOW THEREFORE, Declarant hereby declares that all of the properties described above 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 run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1.01. "Association" shall mean and refer to Sonoita Hills at Mountain View Ranch Homeowners Association, its successors and assigns.

Section 1.02. "Architectural Review Committee" means the committee established to review and enforce Architecture and Design.

Section 1.03. "Architectural Review Rules" means the rules, criteria and guidelines adopted by the Architectural Review Committee, as amended or supplemented from time to time.

Section 1.04. "Building Envelope" means the area on a Lot within which Improvements are permitted (including, without limitation, dwelling units and ancillary structures, as well as driveways and walkways), as designated by the Declarant and/or Architectural Review Committee.

Section 1.05. "Declarant" shall mean and refer to Lawyers Title of Arizona, Inc., as Trustee under Trust No. 7539-T, whose beneficiary is Mountain View Ranch Development Joint Venture, LLC, an Arizona limited liability company, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 1.06. "Design Rules and Guidelines" means the written guidelines developed as a framework to express the community character of Sonoita Hills.

Section 1.07. "Developer" means any Person (other than the Declarant) who is in the business of developing, building, selling or leasing real property and who acquires one or more Lots in connection with, and in the course of, such business, for the purpose of developing, building on, selling or leasing such Lots.

Section 1.08. "Easement Property" shall mean that property so designated as shown in the Plat or in easements later granted to the Homeowners' Association.

Section 1.09. "Lot #" shall mean and refer to any lot shown upon any recorded subdivision map of the Properties.

Section 1.10. "Natural Open Space" means any approved revegetated area and any area of undisturbed natural desert with no man-made improvements, whether or not included in any easements or dedications to or in favor of the County or any other governmental entity in general, but without limitation, the Natural Area Open Space encompasses all portions of a Lot outside of that Lot's Building Envelope.

Section 1.11. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 1.12. "Plat" shall mean the subdivision plat of Mountain View Ranch, Lots 1 through 362 and Common Areas 'A', and 'B', which plat has been recorded at

Book 54 of Maps and Plats at Page 5 in the office of the Pima County Recorder,
Pima County, Arizona.

Section 1.13. "Properties" shall mean and refer to that certain real property described as Mountain View Ranch Subdivision, Lots 60 through 84, and portions of Common Area 'B' (Open Space) adjacent to lots 60 through 84, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 1.14. "Common Area" shall mean all real property designated as Common Area 'A' (Private Streets) and Common Area 'B' (Open Space) that is located on the recorded plat, adjacent to the properties in Section 1.13, whether improved or unimproved, and all improvements owned by the Association for the common use and enjoyment of the Owners.

ARTICLE II EASEMENTS

Section 2.01. Easement Property. The Declarant shall have a right and easement over the Easement Property for the purpose of constructing and maintaining signs and landscaping to mark the entrance of the Properties, subject to the right of the Declarant and/or Association to dedicate or transfer all or any part of the Easement Property to any public agency authority, or utility for such purposes as hereinafter provided.

Section 2.02. Sign and Landscape Easements. It is the intent of the Declarant to designate, from time to time, specific areas for entry features, landscaping and subdivision signage on certain lots. These easement areas will become the responsibility of the Association when created by separate instrument and will not be the responsibility of the homeowner.

ARTICLE III ARCHITECTURAL CONTROL

Section 3.01. No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration thereto be made, or shall the original color be changed until the plans and specifications showing the nature, kind, shape, height, materials, color, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Declarant or the Association as hereafter provided. In the event the Declarant, or Association, or its designated Architectural Review Committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. Such approval may be withheld for any reason in the sole discretion of the Declarant or Association or its designated Architectural Review Committee. If it is found necessary to cover any costs for such review of the plans and specifications, the Declarant or Association may charge a reasonable fee to an Owner for the review of such plans and

specifications. The Declarant or Association may provide "Design Rules and Guidelines" to assist lot Owners and Builders in the architectural approval process.

Section 3.02. Minimum Criteria Except for improvements or alterations undertaken by the Declarant, all house and site plans must meet the following minimum criteria.

- 1) Be in accordance with the provision of this Declaration and of sufficient detail to permit the Declarant to make its determination;
- 2) The location, style of architecture, exterior color scheme, all elevation heights, location of exterior lights, selection of building materials and their application shall meet the satisfaction of the Declarant and Design Rules and Guidelines for Sonoita Hills;
- 3) Each single-family dwelling shall be located within a delineated Building Site grading area and the ground floor area of the main structure, exclusive of one-story open porches and garages, shall not be less than one thousand seven hundred (1,700) square feet for a one-story dwelling. Accessory structures, including garages, shop and RV shadeports may be less than 1,000 square feet.
- 4) The roof shall be of the material, design and style satisfactory to the Declarant. White, light color or reflective roofs are unacceptable. Flat roofs, if approved, must be fully enclosed by parapet walls at heights approved by the Declarant so that the roof is not visible from adjacent lots. All HVAC should be ground mounted and screened, per the Design Rules and Guidelines.
- 5) Exterior colors should be of an earth tone or other colors in harmony as specifically approved, white, "Off" white and high reflectivity colors (with an LRV greater than 45) are specifically prohibited;
- 6) Include not less than a two-car enclosed garage;
- 7) Shall include adequate utility yards, or enclosures, in which all ground mounted exterior heating and cooling apparatus, mechanical equipment, tanks and space for trash or rubbish containers and wood storage shall be located so as to be concealed or screened from view from neighboring Lots or streets;
- 8) All electrical service and telephone lines from the utility company lines shall be placed underground and no outside electrical and telephone lines shall be placed overhead;
- 9) All exterior lights must not be directed toward or reflect upon surrounding properties, or public rights-of-way and must be in compliance with local codes.

ARTICLE IV
OWNERSHIP, USE AND MANAGEMENT OF THE COMMON AREA

Section 4.01. Conveyance of the Common Area. Declarant shall grant and convey to the Association, and the Association shall receive, ownership of the Common Areas adjacent to Lots 60-84 as shown on the plat, subject to the release from the Pima County Assurance Agreement. Upon such conveyance and grant, the Association shall succeed to all rights, duties and powers with respect to the Common Areas as prescribed by law, and set forth in the Articles, Bylaws and this Declaration.

Section 4.02. Management. The Board of Directors of the Association shall control, maintain, manage and improve the Common Areas as provided in this Declaration, the Articles and Bylaws. Such right and power of control and management shall be exclusive. In managing the Common Areas, the Association hereby accepts all responsibility for the control, maintenance, safety and liability of such Common Areas, including the collecting and paying of the Ad Valorem Taxes assessed by the County Assessor on the Common Areas, and the insurance coverage as provided in Section 5.04.

Section 4.03. Damages. Each Owner shall be liable to the Association for any damage to the Common Area which may be sustained by reason of the negligence or willful misconduct of said Owner or his family and guests, both minor and adult. In the case of joint ownership of a Lot, the liability of such Owners shall be joint and several, except to the extent that the Association has previously contracted in writing with such joint Owners to the contrary. The amount of such damage shall be an assessment against the Lot and may be collected in the manner provided for the collection of other assessments.

Section 4.04. Restrictions on Conveyance of Common Areas. The Common Areas, title to which is held by the Association, may not be alienated, released, transferred, hypothecated or otherwise encumbered without the affirmative vote of two thirds (2/3) of the votes entitled to be cast by each class of Members, except that the Association shall at all times have the right to grant and convey to any person or entity easements, or rights of way, in, over, or under any Common Area for the purpose of constructing, erecting, operating or maintaining thereon, therein, and thereunder (1) roads, streets, walks, pathways, driveways, parkways, recreational facilities and park areas; (2) temporary overhead or permanent underground lines, cables, wires, conduits, or other devices for the transmission of electricity for lighting, heating, power, telephone, cable television, data and other purposes; (3) sewers, storm drains and pipes, water systems, water, heating and gas lines or pipes; (4) any similar public or quasi- public improvements or facilities; and (5) such improvements as may be permitted under Section 7.01 of this Declaration, provided that if ingress or egress to any residence is through the Common Areas, then any conveyance is subject to the Lot Owner's easement for the same.

ARTICLE V
THE ASSOCIATION: SONOITA HILLS AT MOUNTAIN VIEW RANCH
HOMEOWNERS' ASSOCIATION

Section 5.01. Organization.

A. Association. The Association is or shall be a non-stock, non-profit Arizona

corporation charged with the duties set forth in the Articles, Bylaws, and this Declaration. The Association shall be legally constituted and in existence prior to the conveyance of the first Lot.

B. Board of Directors and Officers. The affairs of the Association shall be conducted by the Board of Directors and such officers and committees as the Board may elect or appoint, in accordance with the Articles and Bylaws, as same may be amended from time to time. The composition of the Board shall be defined in the Bylaws, but so long as Declarant retains the Class B membership, Declarant reserves the right to appoint the Board of Directors.

C. Personal Liability. No member of the Board or any Committee of the Association or any officer or employee of the Association, or the Declarant 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, omission, error) or negligence of the Association, the Board, or any representative or employee of the Association, or any committee) or any officer of the Association, provided that such person has, upon the basis of such information as may be possessed by him) acted in good faith, without willful or intentional misconduct.

Section 5.02. Membership.

A. Qualification. Each Owner of a Lot (which is subject to assessment) shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest in a Lot merely as security for the performance of an obligation. No Owner shall have more than one membership for each Lot owned.

B. Transfer of Membership. Membership of each Owner (including Declarant) in the Association shall be appurtenant to the Lot owned and shall not be transferred, pledged, or alienated in any way except upon the transfer of ownership to said Lot, and then only to the transferee thereof. Any attempt to make a prohibited transfer shall be void. Any transfer of ownership of a Lot shall operate automatically to transfer said membership to the new Owner thereof.

Section 5.03. Voting Rights. The Association shall have two classes of voting membership:

Class A: Class A members shall be all Owners, with the exception of Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any 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 (1) vote be cast with respect to any Lot.

Class B: The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) When the total votes outstanding in the Class A membership equal the total outstanding in the Class B membership; or

(b) on December 31, 2016.

(e) upon written notice from the Class B member to the Association.

Section 5.04. Insurance Requirements.

A. Casualty Insurance on Insurable Common Areas. The Association shall keep all Common Areas, whether real or personal, insured against loss or damage by fire for the full insurance replacement cost thereof, and may obtain insurance against such other hazards and casualties as the Association may deem desirable. The insurance coverage with respect to the Common Areas shall be written in the name of, and the proceeds thereof shall be payable to the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are common expenses included in the Annual Assessments made by the Association.

B. Replacement or Repair of Property. In the event of damage to or destruction of any part of the Common Area, the Association shall repair or replace the same from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a Reconstruction Assessment against all Owners to cover the additional cost of repair or replacement not covered by the insurance proceeds, in addition to any other assessment made against such Owner.

C. Annual Review of Policies. All insurance policies shall be reviewed at least annually by the Board of Directors in order to ascertain whether the coverage contained in the policies is sufficient to make any necessary repairs or replacement of the property which may have been damaged or destroyed.

ARTICLE VI INSURANCE

Section 6.01. The Declarant and/or Association may obtain insurance against hazards and casualty rated by the construction and maintenance of the entrance sign on the Easement Property or for the Common Areas. Premiums for all insurance carried by the Declarant and/or Association are common expenses included in the common assessments made by the Association.

ARTICLE VII MAINTENANCE, REPAIR AND UPKEEP

Section 7.01. Responsibilities of Declarant and/or Association. The Declarant and/or Association, or its duly delegated representative, shall maintain or otherwise manage the improvements on the Easement Property including, but not limited to, the

landscaping and lighting located therein. The Declarant and/or Association shall maintain the Common Areas.

Section 7.02. Responsibilities of Owner. Except as otherwise provided herein, each Owner, at his own cost and expense, shall maintain his Lot in a neat and clean manner. Owner shall permit no condition to exist on or about such Owner's Lot which could or does cause damage to any adjoining Lot. All utility lines within the boundaries of a Lot shall be maintained at the expense of the Owner of the Lot unless they belong to a utility company and fall within a utility easement. Any such changes made without the prior written approval of the Declarant or the Association shall be immediately corrected or removed at the Owner's sole cost and expense upon the written demand of the Declarant or the Association.

ARTICLE VIII COVENANT FOR MAINTENANCE ASSESSMENTS

Section 8.01. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 8.02. Purpose of Assessments. The assessments levied by the Declarant or Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties, for the improvement and maintenance of the Easement Property and the enforcement of the architectural controls and use restrictions as set forth in these Declarations.

Section 8.03. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Two Hundred Dollars (\$200.00) per Lot. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than ten percent (10%) above the maximum assessment for the previous year.

Section 8.04. Uniform Rate of Assessment. Assessments must be fixed at a uniform rate for all Lots and maybe collected on an annual basis. Any Lot owned by the

Declarant shall not pay assessments, but upon sale of such Lot to a third party, the Lot shall thereafter be assessed at the uniform rate.

Section 8.05. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of a Lot to a third party buyer other than an exempt third party builder. The first annual assessment shall be prorated according to the number of months remaining in the calendar year. The Declarant or Association 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 the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Declarant or Association.

Section 8.06. Effect of Nonpayment of Assessments; Remedies of the Declarant or Association. Any assessment not paid within thirty (30) days after the due date may be assessed a late fee of \$25 and shall bear interest from the due date at the rate of one and one-half percent (1-1/2%) per month of the assessment until paid. In addition to such interest, if any assessment is not paid by the due date the Declarant or Association shall have the right to record a lien on the Owner's Lot and to immediately charge the Owner for any collection expenses, direct or indirect, occurred by the Declarant or Association in the collection of such assessments, i.e. attorneys fees, collection agency fees and court costs. The Declarant or Association may bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien encumbering the Lot. No Owner may waive or otherwise escape liability for the assessments.

Section 8.07. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE IX OTHER RESTRICTIONS

Section 9.01. All buildings or structures erected upon the Property shall be new construction. No structure whatsoever other than one first-class, private-one-family dwelling and associated guest house, together with a private garage shall be placed on any of the lots, except that a separate, free standing guest house may be built with the express written approval of the Declarant. Special attention will be given to the height, size and setbacks so as to minimize any impacts to adjacent lots. All buildings or structures erected upon the Property shall be new construction and no buildings or structures shall be moved from any other location onto the Property. No vehicle, trailer, camper, tent, shack, garage, carport or outbuilding or other temporary structure shall be used on any portion of the Properties at any time as a guest residence other than occasional accommodations for less than 30 days.

Section 9.02. Notwithstanding any provision herein contained to the contrary, it shall be permissible for the Declarant, or its assigns, to maintain during the period of construction and sale of such Lots, upon such portion of the Properties as such Declarant may choose, such facilities as in the sole option of such Declarant may be reasonably required, convenient or incidental to the construction and sale of such Lots, including a business office, storage area, construction trailer or office, construction yards, signs, model units, a sales office, and on-site security officer.

Section 9.03. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that a reasonable number of dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose, and further provided that such pets do not create a nuisance for any other resident within the Properties.

Section 9.04. No advertising signs, billboards, unsightly objects or nuisances shall be erected, placed or permitted on the Properties, nor shall the Properties be used in anyway or for any purpose which may endanger the health or unreasonably disturb the Owner of any Lot or any resident thereof. The foregoing covenants in this section shall not apply to any builder or its agents and employees during the construction and sales period of dwelling units within the Properties, nor shall the covenants of this section apply to the activities of the Declarant or Association or its agents or employees in furtherance of its powers and purposes as set forth herein.

Section 9.05. All clothesline, garbage cans, service yards, wood piles and storage piles shall be kept screened by adequate planting, walls, or fencing so as to conceal them from view from neighboring Lots or streets.

Section 9.06. No hedges, walls, landscaping or ground cover shall be erected or maintained upon the Properties except as installed in accordance with the initial construction of the buildings on the Lots or as approved by the Declarant and/or Association or its designated representatives in accordance with Article III; specifically provided, however, no fences shall be built other than masonry walls, stone walls, wood split rail or other similar wall approved by the Declarant. Fence block (interlocking with non-grouted joints) is specifically prohibited.

Section 9.07. No motorized or non-motorized vehicles of any type which is abandoned or inoperable shall be stored or kept on any Lot.

Section 9.08. All Owners shall park their vehicles either on their driveway or within their respective carports or garages only. The streets within or adjacent to any of the Lots shall be for the temporary parking of the guests and invitees of the Owners only. No Owner, tenant, guest, invitee or other person shall repair any vehicle or trailer on any street, road or pathway within or adjacent to any of the Properties. Motorhomes, recreational vehicles, trailers travel trailers, detached campers, boats and boat trailers may be parked outside of a garage but only if parked under a covered structure, the location and design of which must be approved in advance by the Architectural Review Committee.

Section 9.09. No building of any nature shall be moved on to the Properties or any Lot without the consent of the Declarant or Association; and in the event a building shall be so placed from without on any Lot, said building shall comply in all respects with each and every provision of this declaration of conditions and restrictions relating thereto.

Section 9.10. No derrick or other structure designed for use in boring for water, oil or natural gas shall be erected, placed, or permitted upon any part of the Properties, nor shall any oil, natural gas, petroleum, asphalt or hydrocarbon products or substances be produced or extracted therefrom, except that the Declarant reserves the use of one or more Lots on which they may maintain the necessary structures and tanks for the supplying of water in the Properties. Individual windmills may be permitted with written approval.

Section 9.11. No elevated tanks of any kind shall be erected, placed or permitted upon any part of the Properties. Any tanks for use in connection with any residence constructed on the Properties, including tanks for the storage of gas and fuel oil, gasoline or oil, must be buried or walled in to conceal them from the neighboring Lots, roads or streets.

Section 9.12. No Lot shall be used in whole or in part for the storage of rubbish or any character whatsoever nor for the storage of any property or thing that will cause such Lot to appear in an unclean or untidy condition or that will be obnoxious otherwise. No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done, placed, or stored thereon which may be or become an annoyance or nuisance to the neighborhood or occasion any noise or odor which will or might disturb the peace, quiet, comfort or serenity of the occupants of surrounding Lots. All equipment for the storage or disposal of garbage or other waste shall be kept in a clean and sanitary condition. No garbage container shall be allowed on the street except on the specific day of garbage collection; at all other times, garbage containers shall be stored in an approved enclosure so as not to be visible from the street.

Section 9.13. No Lot or Lots shall be subdivided except for the purpose of combining the re-subdivided portions with another adjoining Lot or Lots, provided that no additional Lot is created thereby. Any ownership or single holding by any person comprising part or parts of one or more adjoining Lots shall, for all purposes of this Article be deemed as constituting a single lot.

Section 9.14. No Owner shall have the right to remove any vegetation within the 100 year flood prone area, except any necessary required maintenance to trim or remove any brush to avoid fire hazards and/or to repair any wind and/or flood damage.

Section 9.15. Native plants and vegetation shall not be removed from any lot except for that area required for construction of driveways, housepad, walkways and backyard, or walled in areas.

Section 9.16. An electric curb post light with mailbox shall be installed according to design and location as approved by the Declarant or Association. This light shall burn continuously at night and shall operate by photoelectric switch.

Section 9.17. Exterior lighting shall be permitted on a Lot so long as: (a) the source of such lighting is not visible from neighboring property; (b) such lighting is limited to that which is reasonably necessary for the safety and convenience of the Occupants of such Lot; and (c) such lighting conforms to such other requirements as may be imposed by the Architectural Review Committee.

Section 9.18. Exterior house and wall colors must be approved by the Architectural Committee of the Board of Directors at least ten (10) days prior to painting under Article III. White, off white, and high reflectivity exterior colors are specifically prohibited.

ARTICLE X MODELS AND SALES OFFICE

Section 10.01. The Declarant or a Declarant may designate certain Lots as "models", and shall have the right to transfer the designation of a model from one Lot to another within the Properties. The models may be leased or rented by the Declarant or the Developer.

Section 10.02. Project sales offices may be erected on any Lot in the subdivision by the Declarant, its designee, or its approved broker, and the use of such offices shall be limited to sale of lots and homes within the Mountain View Ranch subdivision plat. The office may be used until all Lots in the properties have been sold by such Declarant.

ARTICLE XI ENFORCEMENT

Section 11.01. Enforcement Provisions. The provisions of the Declaration shall be enforced by the Declarant or its assigns until such time as a Declarant records a notice in the Pima County Recorder's Office transferring its right and duties under the Declaration to the Association. However, notwithstanding such transfer, the Declarant or its assigns shall retain architectural control and review rights as provided in Article III until such time as Declarant no longer owns any Lots, plus two (2) years. In the exercise of the rights of the Declarant or Association under these Articles, the Declarant or Association, as the case may be, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now and hereinafter imposed by the provisions of these declarations. Failure by the Declarant or Association to enforce any covenant or restriction herein shall in no event be deemed a waiver of the right to do so hereafter.

Section 11.02. Association. Simultaneously with the assignment of its rights and duties under the terms of these Declarations, the Declarant shall form the Association. Each Owner of a Lot which is subject to assessment shall be a member of the

Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. When more than one Owner holds an interest in any Lot, all such persons shall be members. The vote of any such Lot shall be exercised as such Owners determine, but in no event shall more than one vote be cast with respect to any Lot. The powers and duties of the Association directed to the Association under the terms of these Declarations shall be carried out by the Board of Directors as set forth in its Articles and Bylaws.

ARTICLE XII RESOLUTION

Section 12.01. Limitation of Declarant's Builders' Liability. Notwithstanding anything to the contrary hereon, it is expressly agreed, and each Owner, by accepting title to a Lot and becoming an Owner, and each other person, by acquiring any interest in the Project, acknowledges and agrees, that neither Declarant nor Builders (including, but not limited to, any assignee of the interest of Declarant or a Builder) nor any partner, shareholder, officer, director, employee or affiliate of Declarant or a Builder shall have any personal liability to the Association, or to any Owner, Member or other Person, arising under or in connection with this Declaration or resulting from any action or failure to act with respect to this Declaration, the Association or the Committee except, in the case of Declarant and Builders (or their assignees), to the extent of their respective interests in the Project; and, in the event of a judgment against any such parties no execution or other action shall be sought or brought thereon against any other assets, nor be a lien upon such other assets, or the judgment debtor. Neither Declarant nor the Association shall be liable for any theft, vandalism, disturbance, accident, unauthorized entrance or other similar occurrence or breach of the peace or security which may occur or take place within the Project.

ARTICLE XIII GENERAL PROVISIONS

Section 13.01. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 13.02. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by the Declarant any time prior to the transfer of its powers and duties as set forth in Article IX above. After the Declarant transfers its powers and duties under these Declarations to the Association under Article IX above, these Amendments may be amended by a two-thirds (2/3) vote of the Owners.

Section 13.03. Annexation of Additional Property.

Section 13.03.1. At any time on or before December 31, 2016, the Declarant shall have the right to annex and subject to this Declaration all or any portion of the Additional Property without the consent of any other Owner or Person (other than the Person who owns the property to be annexed, if other than the Declarant). The annexation of all or any portion of the Additional Property shall be effected by the Declarant Recording a written instrument (which may be, but shall not be required to be, a Subdivision Declaration) setting forth the legal description of the Additional Property being annexed and stating that such portion of the Additional Property is annexed and subjected to the Declaration.

Section 13.03.2. The Additional Property may be annexed as a whole, at one time or in one or more portions at different times, or it may never be annexed, and there are no limitations upon the order of annexation or the boundaries thereof. Property annexed by the Declarant pursuant to this Section 13.03 need not be contiguous with other property in the Project, and the exercise of the right of annexation as to any portion of the Additional Property shall not bar the further exercise of the right of annexation as to any other portion of the Additional Property. The Declarant makes no assurances as to which, if any, part of the Additional Property will be annexed.

Section 13.04 Withdrawal of Property. At any time on or before December 31, 2016, the Declarant shall have the right to withdraw property from the Project without the consent of any other Owner or Person (other than the Owner of such property, if other than the Declarant), except as otherwise expressly provided in the Subdivision Declaration with respect to such property. The withdrawal of all or any portion of the Project shall be effected by the Declarant Recording a written instrument setting forth the legal description of the property being withdrawn. Upon the withdrawal of any property from the Project pursuant to this Section, such property shall no longer be subject to any of the covenants, conditions and restrictions set forth in the Declaration.

Section 13.05. Disclaimer of Representations. The Declarant makes no representations or warranties whatsoever that: (a) the Project will be completed in accordance with the plans for the Project as they exist on the date this Declaration is Recorded; (b) any property subject to this Declaration will be committed to or developed for a particular use or for any use; (c) any property not now subject to this Declaration will be subjected to the provisions hereof; or (d) the use of any property subject to this Declaration will not be changed in the future. Nothing contained in this Declaration and nothing which may be represented to a purchaser by real estate brokers or salesmen representing the Declarant or any Declarant shall be deemed to create any covenants or restrictions, implied or express, with respect to the use of any property subject to this Declaration or of any part of the Additional Property.

13.06. Development Plans. Notwithstanding any other provision of this Declaration to the contrary, the Declarant, without obtaining the consent of any other Owner or Person, shall have the right to make changes or modifications to Declarant's development plans pertaining to the subject property, Mountain View Ranch Lots 60-84 with respect to any property owned by the Declarant in any way which the Declarant desires including, but not limited to, changing the density of all or any portion of the property owned by the Declarant or changing the nature or extent of the used to which such property may be devoted.

Section 13.07. Attorneys Fees and Costs. If the Association, the Declarant and/or any other Owner brings a cause of Action to enforce any of the provisions of these Declarations against any Owner, including a suit to collect any assessments pursuant to the provisions of Article VI above, the Association, Declarant and/or Owner shall be entitled to its reasonable attorneys fees and court costs if it is the prevailing party in any such suit.

Section 13.08. Exemption of Declarant. Nothing in these restrictions shall limit the right of Declarant to complete excavation, grading, and construction of improvements to any property within the Subdivision owned by Declarant, or to alter the foregoing, including alterations of design or materials or both, or to construct such additional improvements as Declarant deems advisable in the course of development of the Subdivision so long as any Lot or Dwelling Unit therein remains unsold, or to use any structure in the Subdivision as a model home or real estate sales or leasing office. The rights of Declarant hereunder or elsewhere in the restrictions may be assigned.

Section 13.09. Delivery of Notices and Documents. Any written notice or other documents relating to or required by this Declaration may be delivered either personally or by mail. If by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy of same has been deposited in the United States mail; postage paid, certified or registered mail addressed as follows: If to the Association to:

Sonoita Hills at Mountain View Ranch Homeowners Association
3573 E. Sunrise Drive, Suite 233
Tucson, AZ 85718

If to an Owner, to the address of any Lot within the Subdivision Owned, in whole or in part, by him or to any other address last furnished by an Owner to the Association; and if the Declarant:

Mountain View Ranch Development Joint Venture, LLC
3573 E. Sunrise Drive, Suite 233
Tucson, AZ. 85718

provided, however, that any such address may be changed at any time by the party concerned by delivering written notice of change of address to the Association. Each Owner of a Lot association shall promptly notify the Association in writing of any subsequent change of address.

