


AZNORTH Development Inc.
2410 E. Rt 66
Flagstaff, AZ 86004

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CC&R's
Majestic View Ranch

DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS
FOR
MAJESTIC VIEW RANCH

This Declaration of Covenants, Conditions and Restrictions (hereinafter the "Declarant"), made this 4th day of November 2005, by AZNORTH Development, Inc., an Arizona corporation, (hereinafter the "Declarant").

WHEREAS, Declarant is the Owner of real property in Coconino County, Arizona (hereinafter the "Property") more particularly described on Exhibit "A" attached hereto.

WHEREAS, Declarant desires to establish and maintain the rural nature of the property for the benefit of all owners;

NOW, THEREFORE, Declarant declares that the Property is and shall be held, conveyed, encumbered, leased and used subject to the following covenants, conditions and restrictions which are for the purpose of enhancing and protecting the value of the Property. The covenants, conditions and restrictions set forth herein shall run with the Property; shall be binding upon all persons having any interest in the Property; shall inure to the benefit of and be binding upon Declarant, its successors, each Owner and their successors; and may be enforced by Declarant or its successors, by any Owner or their successors, or by any entity having an interest in the Property.

ARTICLE I

DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases shall have the following meanings:

Section 1.01 "Assessments" means the Annual Assessment and any Special Assessments.

Section 1.02 "Assessment Lien" means the lien created and imposed by Sections 3.05 hereof.

Section 1.03 "Association" means Majestic View Ranch Homeowner's Association, an Arizona non-profit corporation.

Section 1.04 “Board” means the Board of Directors of the Association.

Section 1.05 “Bylaws” means the Bylaws of the Association as the same may be amended or supplemented from time to time.

Section 1.06 “Common Maintenance Areas” mean those areas within the subdivision which are designated on the final plat of Majestic View Ranch as being common areas, pedestrian easements, utility easements, roadways and/or roadway easements, along with drainage and retention easements. Ownership and control of all easements, except utility easements, dedications, or right-of-ways, shall be vested in the Declarant until transferred to the Association pursuant to Article III.

Section 1.07 “Declarant” means AZNORTH Development, Inc., an Arizona corporation, its successors, or assigns.

Section 1.08 “Declaration” shall mean the covenants, conditions and restrictions herein set forth in this entire document, as the same may be from time to time amended.

Section 1.09 “Dwelling Unit” shall mean the structure constructed on a lot, designated to be used as a place of residence.

Section 1.10 “Improvement” or “Improvements” shall mean any and all alterations of the land, other than interior modifications of existing structures, including, but not limited to, outbuildings, armadas, garages, guest houses, servant’s quarters, swimming pools, walls, fencing, stables, landscaping and driveways, whether intended to be temporary or permanent.

Section 1.11 “Lot” shall mean those parcels of real property shown on the recorded subdivision plat.

Section 1.12 “Member” means a lot owner in the Subdivision and a member of the Association.

Section 1.13 “Owner” shall mean (1) the owner of record, whether one or more persons of legal title in the fee simple of any Lot, or (2) the purchaser of a lot under a recorded executory contract for the sale of real property. The foregoing does not include persons who hold a interest in a lot as security for the performance of an obligation, or a lessee or tenant, or a purchaser under an executory contract of sale which has not “closed” and been recorded in the Office of County Recorder of Coconino County, Arizona.

Section 1.14 “Person” shall mean an individual or any other entity with the legal right to hold title to real property.

Section 1.15 “Plat” shall mean the final subdivision plat for the Majestic View Ranch property recorded in the Office of the County Recorder of Coconino County, Arizona.

Section 1.16 “Property” or Subdivision” shall mean Majestic View Ranch, Unit I, as described on the plat recorded in the Office of the Coconino County Recorder.

ARTICLE II

USES AND RESTRICTIONS

Without the written permission of the Architectural Review Committee first obtained in accordance with Article IV, no person or entity of any nature shall commence or maintain any improvements of any nature upon any of said Lots, including without limitation excavation, site preparation, tree removal, demolition of existing improvements, landscaping, fences, walkways, roadways, driveways, signs, exterior lights, foundations, exterior painting, walls or buildings of any nature (other than repainting in colors substantially similar to the colors originally approved). In no event shall the Architectural Review Committee approve any buildings or improvements, nor shall any buildings or improvements be constructed or maintained upon any of said Lots, which violate any of the following restrictions.

Section 2.01 Construction and Architectural Restrictions

- A. There may be erected on any one lot not more than one single-family residence plus such accessory and auxiliary garages, barns and tack rooms as are incidental to the single-family residential use. All structures erected or maintained on any lot or tract must be of new construction and no buildings or structures may be moved from any other location onto said lots or tracts.
- B. Only detached single-family dwellings containing a minimum livable area of One Thousand Eight Hundred (1,800) square feet may be erected on any lot. Guest quarters may be erected to be occupied solely by non-paying guests or servants. Any quarters for guests or servants may be attached or separate of the main residence. All construction for the guest quarters will be of the same type and materials as the main residence and comply with current County standards for guest quarters.
- C. The height of such dwelling may not exceed thirty-five (35) feet.

- D. Each single-family dwelling must have a minimum 2-car garage with a floor area of not less than Four Hundred (400) square feet.
- E. No structures of any kind, accessory buildings or corrals may be built on Lots 1-6 in the three hundred (300) foot no build zone on the South Boundary of said Lots.
- F. All dwellings must have standard architectural appearance and no non-conventional home may be constructed.
- G. The exterior of the main residence shall be of non-combustible limited flame spread material, with the exception of log homes, which shall be constructed with 8" diameter peeled logs, either round, sawn or hewn. Other construction materials may consist of masonry or rock, redwood and/or cedar materials. Straw Bale type housing will have conventional appearance and follow architectural guidelines and combustible material standards. House colors must be earth-tone colors (i.e., browns, grays, soft greens, etc.). No bright or garish colors may be used.
- H. Roofing materials for the main residence, and any outbuildings shall be a class-A roof as defined by the Uniform Building Code, and shall be earth-tone colored metal, cooper metal roofing, concrete tile, fiberglass shingles, or clay tile. No reflective or white roofing materials shall be permitted. Corrugated metal roofing, composite asphalt, or rolled type asphalt roofing will not be permitted. Single-family residence shall have a minimum roof pitch of five feet (5') in twelve feet (12'), 5'/12'. All roof caves shall be enclosed using non-combustible materials.
- I. Exterior decks and side enclosures shall be of a non-combustible limited flame spread material, and shall be constructed with 8" or larger structural beams or peeled logs, as described in the Uniform Building Code. Storage will not be allowed under the deck. Patio covers will be constructed using heavy timber or non-combustible materials (no light weight, easily ignited materials).
- J. No galvanized steel, press board, masonite, T-111 type plywood, corrugated or aluminum corrugated panels may be used for exterior construction of any type.
- K. Outbuildings may not exceed twenty (20) feet in height.
- L. A garage or similar structure may be erected on a lot prior to construction of the primary single-family residence; however, construction of the primary residence must be commenced within one year.
- M. All utility services such as electricity, telephone, water lines, gas lines, water storage tanks, or storage tanks of any other nature shall be installed underground in accordance with local county codes at the time of installation, and subject to the requirements of the supplying utility company.
- N. Site-specific Septic systems on all lots shall be installed and maintained in accordance with the standards of the Coconino County Health Department and the Arizona Department of Environmental Quality. Only designed alternative septic systems are allowed in the Majestic View Ranch Subdivision, they shall be properly landscaped so as to blend in with the

- area. At the time of this ADEQ approval for this subdivision, **all lots except 2,3,4 and 5** share a boundary with unsubdivided land. The required setback for on-site sewage systems (including the reserved disposal area) from unsubdivided land is 50 feet minimum unless the dwelling and other future improvements on the unsubdivided land will be served by a community water system, or an appropriate waiver has been obtained from the adjacent property owner(s).
- O. All exterior construction of any buildings permitted hereunder must be completed within twelve (12) months from commencement thereof and conform to standard accepted construction practices. All materials must be new or approved by the County Building Inspector. All construction shall (i) be according to the rules and regulations governing construction in Coconino County, (ii) be accomplished under a permit issued by Coconino County, and (iii) be completed under the latest codes and requirements in effect in Coconino County at the time of construction.
- P. All building and structures within the Majestic View subdivision shall occur within, Fifty (50) feet from the front or rear of the house and Twenty-five (25) feet from either side and our buildings will refer to the setbacks as depicted on the final Plat. For the purpose of this covenant steps and unsupported eaves shall not be considered a part of any building or structure. but decks, patios, and support structures shall be considered a part of a structure or building. Building envelopes must be approved prior to start of construction. Buildings and structures along the south V300 no build zone are not required to have any setbacks to this no build zone on Lots 1-6.
- Q. Any fences erected on the property shall be constructed in a manner and fashion consistent with the character of the surrounding area. The fencing shall be installed in a neat and professional manner using new materials. All fencing shall be constructed of the following materials: galvanized pipe rail, pressure-treated doweled rail, wood rail, vertical wood slat privacy style, stone or masonry walls up to three feet in height, and pressure treated fence posts with field fence. The finished height of any fence shall not exceed six (6) feet if erected within fifty (50) feet of the property line, nor more than eight (8) feet otherwise. An exception exists for dog runs inconspicuously near buildings or homes. Perimeter Lot fencing must be consistent with existing perimeter fencing.
- R. None of the Lots shall be subdivided into smaller lots, and no portion of any of said Lots or any easement or other interest therein shall be conveyed, leased or otherwise disposed of without the prior written approval of the Declarant. The ownership of two or more adjacent Lots shall, with the written approval of the Declarant, be deemed to constitute a single Lot for the purposes of these restrictions, with one member vote.
- S. No lot owner shall have the right to drill a well on its property without the expressed written consent of the Water Improvement District for the subdivision.

Section 2.02 General Use Restrictions

- A. No boarders or renters of portion of any of said Lots shall be permitted, but an entire lot, together with the improvements thereon, may be rented only to a single family.
- B. No garage, trailer, mobile home, motor vehicle or any temporary structure of any nature may be used as a permanent residence on any lot or tract. Temporary use is permitted, in small trailers and motor homes, for short periods of time (visitors, family members, home construction). Such temporary use, however, will not exceed a continuous period of two weeks or four weeks in the aggregate during any one-year calendar year, except during home construction the time period may be extended to six months.
- C. No open fires or burning shall be permitted on any Lot and no incinerators or like equipment shall be placed, allowed or maintained upon any Lot. The foregoing shall not be deemed to preclude the use in customary fashion of outdoor barbeques or grills, unless such use is prevented or restricted by fire protection rules or regulations.
- D. All residences (Lot 9 is exempt from fire sprinklers) must be equipped with smoke detectors and a fire sprinkler system, which shall be installed in conformance with NFPA standards as required by Majestic View Ranch Subdivision. All exterior building construction materials shall be of limited combustibility. All lot owners shall establish and maintain a defensible space around each structure constructed on a lot. All fireplace chimneys and outlets from stoves, heating appliances and outside fireboxes must be protected from flying sparks by the use of approved spark arrestors. All other fire management issues shall be under the control of the Declarant until control is transferred to the Association.
- E. Due to the possibility of fire, each of the Owners of said Lots shall at all times maintain his entire Lot cleared of hazardous growth, vegetation, dead wood, and other flammable or host materials. Additionally:
 - i) All buildings upon said Lots shall have not less than two garden hose outlets with adequate hoses so as to permit a stream of water to be directed at all sides and the roof of said building and all trees and other structures upon such Lot;
 - ii) Each Owner shall own and maintain a sufficient number of fire extinguishers to adequately protect the improvements upon the Lot.
 - iii) No Owner shall maintain any flammable materials or otherwise use his Lot in a manner which would create a fire danger to any of said Lots;
 - iv) Each Owner shall be bound by all fire protection rules and regulations issued by the Developer and Association;
 - v) Outdoor storage of firewood, kindling or compost material must be stored at least 30' from any structure, unless the material is stored

in an approved bin or enclosure. No LPG tanks will be maintained within 30' of any structure.

- F. No motor-driven vehicles of any kind shall make use of any easements or areas set aside for pedestrian use.
- G. No hotel, store, multi-family dwelling, boarding house, guest ranch or any other place of business of any kind, and no hospital, sanitarium or other place for the care or treatment of the sick or disabled, physically or mentally; nor any facility for care or treatment for compensation of sick or disabled animals shall ever be erected or permitted upon any lot, or any part thereof, and no business of any kind or character whatsoever shall be conducted in or from any residence or building on any of said lots or tracts, except for a home office or other activity that can be operated within a residence and without disturbing neighboring properties.
- H. Addresses for all residences will be at least 4" in height and will be in front of and affixed to the structure itself, per fire department specifications. All numbers will be clearly visible from the street, and each number will be on a contrasting background.
- I. Individual owners will be responsible for flood insurance if their Lot is affected by these designations.
- J. Any homeowner that has livestock on their property in excess of 60 days per year is required to have a mechanical backflow prevention device consisting of a residential dual check valve (RDC), a reduced-pressure principle assembly (RP), or a pressure vacuum breaker assembly (PVB) installed on their water service line immediately downstream of their water meter. This backflow preventer shall be inspected annually and associated documentation provided to the homeowner's association as evidence of compliance. Installation maintenance, and the operation of the backflow prevention device is the sole responsibility of the respective homeowner.
- K. The homeowners association will be responsible for the maintenance of the temporary cu-de-sac at the end of Chimney Springs Road, this temporary cu-de sac to be removed at homeowners expense once the road continues as a paved county maintained road to parcels to the north.

Section 2.03 Noise and Visual Restrictions

- A. Storing of trailers, boats, campers, cars or horse trailers shall be kept reasonably out of sight so as not to be visual nuisance to adjoining properties or highways; either in a garage or approved outbuilding, along side yards in a neat, inconspicuous manner, or within fenced or planted perimeters. Under no circumstances may a stored trailer be lived in during

- the period of storage. The 300 foot no build zone on lots 1-6 may not be used for any type of storage or parking of vehicles or trailers.
- B. No tanks of any kind, elevated above the surface of the ground or visible in any manner, shall be erected, placed or permitted on any of said Lots. No exterior clothesline equipment shall be permitted on any said Lots. All rubbish, trash or garbage shall be kept in airtight containers and not allowed to accumulate on any of said Lots. Woodpiles, service yards, and said rubbish, trash or garbage containers shall be kept screened by adequate planting, or screened enclosure, so as to conceal them from view of streets and of neighboring parcels or any other recreation areas. Incineration of rubbish, trash, garbage, or vegetation shall not be permitted.
- C. No motor vehicle, which is under repair and not in operating condition, shall be placed or permitted to remain on the road or any portion of any lot unless it is within an enclosed garage or structure.
- D. No advertising signs, billboards, unsightly objects or nuisances shall be erected, placed or permitted to remain on any of said lots or tracts, nor shall the premises be used in any way for any purpose which may endanger the health or unreasonably disturb the holder or occupant of any surrounding property; PROVIDED, HOWEVER, that a single "For Sale" sign, not larger than twenty-four (24") inches by twenty-four (24") inches, may be placed on any lot and such signs shall not be deemed in violation if these restrictions. Signs identifying residences will also be allowed at the entrance to such property.
- E. None of the land shall be used, in whole or in part, for the storage of any property or thing that will cause the land to appear in an unclean or untidy condition, or that will be obnoxious to the eye; nor shall any substance or material be kept upon the land that will emit a foul or obnoxious odor, or cause any noise that will or might disturb the peace, quiet, comfort or serenity of the occupants of the surrounding property.
- F. All rubbish, trash and garbage shall be removed from the lots and shall not be allowed to accumulate thereon. All garbage must be kept in closed containers, and must be concealed from view of the surrounding lots and roads.
- G. Noises which would be of nuisance to neighbors such as continually barking dogs, abnormally loud motors or engines, excessively loud music, or any other noise-producing sources which disturb the normal levels of sound in a rural atmosphere shall not be permitted.
- H. No outside speakers, amplifiers or other sound producing equipment shall be permitted to be installed or maintained on any lot. No radio antenna shall be permitted to be installed or maintained on the exterior of any dwelling or structure or other improvements. Ordinary television antennas may be erected provided they do not extend above the roof of the house more than five (5) feet. Satellite dishes are permitted provided they are installed in a location not visibly offensive to neighboring properties and provided they do not exceed eighteen (18) inches in diameter.

1. Lighting Restrictions: Because of the proximity of the property to nearby dark-sky observatory sites, all Owners must strictly adhere to the standards of the Coconino County Lighting Code, together with the following restrictions.
 1. All outdoor lighting is to be fully shielded, no matter the output. This means that no outdoor light source is to allow light to shine above the horizontal. Any floodlights or spotlights mounted on buildings must either be located up under eaves such that the eave extends below the lamp or fixture opening on all sides and the lamp is not directly visible from any point off the parcel, or they must be aimed straight down toward the ground. Porch lights can be either fully shielded by design, or they can be located above the door and shielded by the building eave as described above for spotlights and floodlights.
 2. A maximum of 10,000 lumens (initial output) of installed lighting, per parcel, is permitted. This total applies to all outdoor lighting fixtures, whether or not they will all be on at once or be used at all. All property owners are encouraged to use the minimum lighting required for safety and utility of their property, and to leave lighting turned off when it is not needed.
 3. No outdoor lighting is to remain on all night except for a single fully shielded porch light, if desired, at the main entrance for the home, and any low-output walkway lighting necessary for safety; the total output of any such constantly illuminated lighting must not exceed 1500 lumens (initial output). If security lighting is desired, lights activated by properly aimed and adjusted motion-sensors are suggested.

Section 2.04 Animal Restrictions

Livestock and poultry and all animals, of any kind, shall only be maintained on any Lot in strict accordance with Coconino County Zoning ordinances. No hogs, pigs or domestic farm animals except horses shall be kept on any of the Lots. There may be no more than three (3) horses kept on any single Lot for purposes of this Section, a mare and foal shall be considered one horse until the foal is weaned; however, said period of time shall not exceed six (6) months from the date of birth of the foal.

1. Such household pets do not offend or annoy any other Owner, are not left unattended at any time and are controlled by a leash or other form of restraint at all times outside the confines of a single family residence;
2. The household pets are not kept, bred or maintained for any commercial purpose;

3. No kennels, pens, enclosures or similar structures shall be built on any Lot, except pursuant to such plan approved by the Architectural Review Committee;
4. Each Owner of a household pet shall immediately be required to clean up waste products of a household pet and dispose of the same in the designated sanitary containers of such Owner, and in the event of a failure to do so, be subject to any reasonable fine or penalty (as a charge) imposed by the Board of Directors.
5. The Owner of a household pet shall otherwise comply with each and every property rule as may be adopted by the Association regarding household pets.

Section 2.05 Water and Mining Restrictions

- A. No oil or mineral drilling, development, refining, quarrying, or mining operation of any nature shall be permitted on the property. No derrick or other structure designed or used in boring for oil or natural gas shall be erected, placed or permitted upon any part of the property, nor shall any oil, natural gas, petroleum, asphaltum or hydrocarbon products or minerals of any kind be produced or extracted there from.
- B. No lot owner may drill a well on its property without the expressed written consent of the Water Improvement District for the subdivision.

2.06 EASEMENTS

In addition to the easements granted in the Plat, the Association is authorized and empowered to grant upon, across or under real property owned or controlled by the Association such permits, licenses, easements, dedications, and right-of-way for:

- A. Electricity, natural gas, telephone, water lines, underground conduits, storm drains, television cable and other similar public or private utility purposes.
- B. Roadways, or;
- C. Other purposes as may be reasonably necessary and appropriate for the orderly maintenance, preservation and enjoyment of the Common Areas or for preservation of the health, safety, convenience and welfare of the Owners and Members;
- D. Provided, however, that any damage to a Lot resulting from such grant shall be required by the Association at its expense.
- E. No access points shall be allowed on Highway 180. A one-foot no access easement shall be provided along the common boundary of all lots fronting on the Highway 180 right-of-way.

- F. Maintenance, taxes and expenses of entrance features and fencing, which the HOA will be responsible.

ARTICLE III

HOMEOWNERS ASSOCIATION, DUES AND VOTING REGULATIONS

Section 3.01: Nature of Association. All rights, duties, and obligations described herein shall be vested in the Declarant until (a) such time as ninety percent (90%) of the lots in the subdivision have been sold or (2) until Declarant shall, in writing, voluntarily transfer control to the Association, whichever comes first. At such time, control shall thereafter be vested in the Association. The Association shall have all rights and powers prescribed by law, provided that all acts shall be consistent with the provisions of this Declaration and shall be necessary, desirable, or convenient for effectuating the purposes set forth herein. A copy of the Declaration, Bylaws, and Articles of Incorporation shall be available for inspection at the office of the Association by any Owner or Mortgagee during reasonable business hours.

Section 3.02: Organization. The Board and such officers shall conduct the affairs of the Association as the Board may elect or appoint in accordance with the Articles and the Bylaws. Except as expressly provided otherwise in this Declaration, any action required to be taken by the Association and any approval required from the Association may be taken or given by the Board.

Section 3.03: Association Rules. By a majority vote of the Board, the Association may, from time to time, adopt, amend and repeal nondiscriminatory Association Rules not inconsistent with this Declaration, the Articles or Bylaws, as the Board deems necessary or convenient to carry out the intents and purposes of the Declaration and the duties of the Board including Association Rules establishing charges for services and copies provided by the Association pursuant to this Declaration.

Section 3.04. Each Owner shall automatically become a Member of the Association; provided, however, that:

- (a) Membership shall be appurtenant to each Lot and run with the title thereto. Such Membership shall commence upon becoming an Owner and automatically terminate when he ceases to be an Owner; and upon the transfer of his ownership interest to the Owner succeeding to such ownership interest shall likewise automatically succeed to such membership in the Association.
- (b) If there is more than one Owner of any Lot, all of the Owners of such Lot shall designate one person to be the Member.

- (c) If one person owns more than one Lot, the memberships appurtenant to such Lots shall be deemed to have been combined into one membership for purposes of the use and enjoyment of the facilities of the Association, but the owner shall be entitled to one vote, and shall pay all assessments hereinafter provided, for each Lot owner.
- (d) Classes of Members: The Association shall have one class of voting membership; All members shall be all Lot owners, including the Declarant until such time as control is transferred to the Association. Each member shall be entitled to one (1) vote for each Lot owned. The Association shall have one class of voting membership. Each member shall be entitled to one (1) vote for each Lot owned.
- (e) The Association may, in addition to the other remedies hereinafter provided, suspend any Member or limit his voting rights for failure to pay dues and assessments or any violation of the Articles, Bylaws or Rules and Regulations of the Association.

Section 3.05

- (a) Each Owner of any Lot, other than the Developer, by acceptance of a deed therefore or by execution, as a buyer, of a contract to purchase a Lot, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay the Association annual assessments for maintenance and upkeep and special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided, the annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on each Lot.
- (b) The assessments levied by the Association shall be used exclusively for the purpose of maintaining common area improvements, as well as promoting the recreation, health, safety and welfare of the residents in the Subdivision and the Development and the services and facilities located thereon.
- (c) Until January 2006, the maximum annual assessment shall be \$900.00 per lot. From and after January 1, 2006, the maximum annual assessment may be increased effective January 1 of each year by the Board without a vote of the members by an amount not to exceed twenty percent (20%) of the maximum annual assessment for the previous calendar year up to a maximum of \$1,200.00; provided, however, that such limitations may be exceeded at any time with the assent of two-thirds (2/3) of the Lot owning Members who are voting in person or by proxy at a

- meeting duly called for this purpose after not less than thirty (30) days' written notice to all such Members.
- (d) In addition to the annual assessments authorized above, the Association may levy in any assessment year a special assessment applicable to that year only for the purpose of defraying in whole or in part the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement including the necessary fixtures and personal property related thereto; provided, however, that any such assessment shall have the assent of two-thirds (2/3) of the Lot owning Members who are voting in person or by proxy at a meeting duly called for this purpose after not less than thirty (30) days' written notice to all such Members.
 - (e) Both annual and special assessments must be fixed at a rate uniform for all lots and may be collected on a monthly, quarterly, semi-annual or annual basis, as may be determined by the Association.
 - (f) The annual assessments provided for herein shall commence as to each Lot on the first day of the month following the conveyance thereof to an Owner. The first assessment shall be adjusted according to the number of months remaining in the calendar year. The Board shall fix the amount of the annual assessments against each Lot at least thirty (30) days in advance of each annual assessment period and notify the Members within a reasonable time thereafter. The Association shall, upon demand at any time from any interested person, furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. The Board for the issuance of these certificates may make a reasonable charge. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.
 - (g) Any assessments, which are not paid when due, shall be delinquent. Each member of the Association shall pay to the Association within thirty (30) days of receipt of an invoice setting forth the amount of the assessment. In the event any invoice is not paid within thirty (30) days from the date the same is deposited in the United States mail addressed to the Member at his address as shown on the records of the Association, the amount of such invoice shall be and become a lien upon said Lot when Association causes to be filed on the office of the County Recorder of Coconino County an affidavit of non-payment of such invoice and mails a copy of same by certified mail, return receipt requested, to such Member at his address as shown on the records of the Association. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the highest legal rate per annum, and the

Association may bring an action at law against the Owner obligated to pay the same, or foreclose the lien against the Lot pursuant to Arizona law pertaining to foreclosure of realty mortgages.

- (h) Subordination of the Lien to Mortgages: The lien for all such assessments shall be junior and subordinate to the lien of any purchase money or construction mortgage made in good faith and for value. In other words, the Homeowners Association does not have first lien rights on said Lot, and would take a second position to any lending institution carrying a first mortgage on the property.
- (i) Until ninety (90%) of the lots have been sold, all lots owned by the Declarant shall be exempt from the assessments created in this Section 2.
- (j) The Association shall not be obligated to spend in any year all of the sums received by it in such year (whether by way of annual or special assessments, fees or otherwise) and may carry forward as surplus any balances remaining (rather than apply such surplus to reduction of the annual assessment in future years) in such amounts as the Board, in its discretion, may determine to be desirable for the greater financial security of the Association.
- (k) 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 become due prior to such or transfer. No sale or transfer shall relieve such lot owner from liability for any assessments thereafter becoming due or from the lien thereof.
- (l) Conveyance of common areas at such time as improvements have been completed on the Common Area, and the Association has been formed and, in the Developer's reasonable opinion, is able to operate and maintain the Common Areas, but in no event later than the Transition Date, the Developer shall cause title to the Common Areas to be conveyed to the Association, without further consideration therefore, by special warranty deed free and clear of all financing encumbrances. All the Association's assets will be collateralized so the Association has clear ownership and full control of assets.

ARTICLE IV

ARCHITECTURAL REVIEW COMMITTEE

Section 4.01. Organization, Power of Appointment and Removal of Architectural Design Review Committee Members.

An Architectural Review Committee is hereby established to perform the functions set forth in this Declaration with respect to architectural control and other controls contained in this Declaration. The Architectural Review Committee shall be the Declarant until such time as ninety (90%) of the lots have been sold, at which time the Board will appoint an Architectural Review Committee upon the following terms and conditions:

- (a) Committee Composition The Architectural Review Committee shall consist of three (3) members with a minimum of 1 member present to achieve a quorum. None such members shall be required to be an architect or to meet any other particular qualifications for membership. In the event one or two of the regular members are absent or disabled, the remaining Architectural Review Committee member or members, even though less than a quorum, may, but are not required to, designate either or both if the alternate members to act as substitutes and such alternates shall then assume the full authority or regular members of that meeting. The consulting architect shall have no voting rights on the Architectural Review Committee, and the management company will orchestrate the architecture review after all the Lots are sold, the members of the Architectural Review Committee shall serve without compensation.
- (b) Initial Members. The Board shall appoint the initial members and alternates of the Architectural Review Committee.
- (c) Terms of Office. The term of office for each Architectural Review Committee member shall be two (2) years or until the appointment of a successor. Any new member appointed to replace a member who has resigned or been removed shall serve such member's unexpired term. Any member who has resigned, been removed or whose term has expired may be reappointed if such member accepts reappointment.
- (d) Appointment and Removal. The right to appoint and remove members of the Architectural Review Committee at any time so long as Declarant owns a single Lot shall be and is hereby vested solely in the Declarant or its nominee. Notwithstanding the foregoing, the Declarant may at any time relinquish the right to appoint and remove members of the Architectural Review Committee. Upon such early relinquishment by Declarant if its right to appoint the members of the Architectural Review Committee and after the Declarant owns no Lots, the right to appoint and remove regular members of the Architectural Review Committee at any time shall be and is hereby vested solely in the Owners by majority vote; provided, however, that no regular member may be removed from the Architectural Review Committee except by the vote or written consent of fifty one (51%) of all the Owners. The regular members shall have the right to appoint up to two (2) alternate members of the Architectural Review Committee. Such appointees must be Owners at the time of such appointment and shall serve until such time as the regular members designate. Exercise of the right of appointment and removal if regular members, as set forth herein, shall be evidenced by the recordation of a

declaration identifying each new regular member appointed to the Architectural Review Committee and each regular member replaced or removed therefrom and shall not be effective until a notice setting forth the name and address of the person or persons appointed or removed is signed by the owners of more than fifty (50%) of Lots and recorded.

- (e) Resignations. Any regular or alternate member of the Architectural Review Committee may at any time resign from the Architectural Review Committee by recording a notice of their resignation.

Section 4.02. Duties. It shall be the right and duty of the Architectural Review Committee to consider and act upon any and all proposals or plans submitted to it pursuant to the terms hereof, to adopt Architectural Review Committee Rules, and to carry out all other duties imposed upon it by this Declaration. Without in any way limiting the generality of the foregoing provisions of this Section, the Architectural Review Committee or any member thereof may, but is not required to consult with or hear the view of any Owner with respect to any plans, drawings, specifications or other proposals submitted to the Architectural Review Committee.

Section 4.03. Meetings. The Architectural Review Committee shall meet from time to time as necessary to perform its duties hereafter, shall appoint a committee chairman, and shall prepare Minutes of Meetings. The vote of any two members at a meeting shall constitute the act of the Architectural Review Committee unless the unanimous decision of the Architectural Review Committee is otherwise required.

Section 4.04. Architectural Review Committee Rules. The Architectural Review Committee may, from time to time, adopt, amend and repeal rules and regulations. The Architectural Review Committee shall interpret and implement this Declaration by setting forth the standards and procedures for design review and the guidelines for architectural design, landscaping, color schemes exterior window coverings, exterior finishes and materials and similar features which are recommended or required for use within the Property.

Section 4.05. Waiver. The approval by the Architectural Review Committee of any plans, drawings or specifications for any work done or proposed, or of any other matter requiring the approval of the Architectural Review Committee under this Declaration, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval.

Section 4.06. Time for Approval. Subject to the other provisions contained herein, in the event the Architectural Review Committee fails to approve or disapprove any design and location within forty (40) days after said plans and specifications have been submitted to it, approval will not be required and the Owner will have been deemed to have complied with this Article.

Section 4.07. Processing Fee. With respect to any requests made to the Architectural Review Committee to review any plans, drawings or specifications for any work done or proposed, the Architectural Review Committee may establish processing fees for such requests or actions. The payment of such fees shall be condition precedent to any Architectural Review Committee action on such request or other item, and the non-payment of such fees shall be deemed to toll the time for approval of such items set forth in Section 4.06 of this Article.

Section 4.08. Liability. Neither the Architectural Review Committee nor any member thereof nor the Association nor the Declarant shall be liable to any Owner, or to any other party, for any damage, loss or prejudice suffered or claimed on account of; (a) the approval or disapproval of any plans, drawings or specifications, whether or not defective; (b) the construction or performance of any work, whether or not pursuant to approved plans, drawing and specifications; (c) the development of any Lot, or; (d) the execution and filing of any estoppel certificate, whether or not the facts therein are correct; provided, however, that with respect to the liability of a member, such member has acted in good faith on the basis of such information as may be possessed by him. Without in any way limiting the generally of the foregoing provisions of this section, the Architectural Review Committee, or any member thereof, may, but is not required to, consult with or hear the views of the Declarant or any Owner with respect to any plans, drawings, specifications, or any other proposal submitted to the Architectural Review Committee.

ARTICLE V

GENERAL PROVISIONS

Section 5.01. Term. The covenants, conditions and restrictions of this Declaration shall remain in full force and effect for a period of twenty (20) years from the date this Declaration is recorded. Thereafter, they shall be deemed to have been renewed and automatically extended for successive periods of ten (10) years each.

Section 5.02. Amendments. This Declaration may be amended by an instrument in writing, signed by Owners representing sixty-seven percent (67%) of the Lots and approved by Declarant as long as Declarant owns any Lots. Any amendment that does not apply equally to all lots within the subdivision must be approved by one hundred percent (100%) of the owners. All amendments shall be effective upon recordation with the Coconino County Recorder.

- A. Developer's rights to Amend notwithstanding any other provisions of this Section, until the transition Date, the Developer reserves the right to amend this Declaration without the approval of the Board

or the Members, provided, however, that no such amendment shall have the effect of changing the plat of an Owner's Lot without the consent of the Owner, and provided, further, that after the conveyance of the first Lot to an Owner, the Developer may not amend the following provisions of this Declaration without the approval of the Members as provided in Section 19.1, Section 3, and 18.5.

Section 5.03. Enforcement and Non-waiver

- A. Enforcement. Except as otherwise provided herein, the Declarant the Association or any Owner shall have the right to enforce, by any proceeding at law; all covenants, conditions and restrictions. Failure to enforce any of these restrictions, rights, regenerations, limitations, covenants and conditions contained herein shall not, in any event, be constructed or held to be waiver thereof or a consent to any further or succeeding breach or violation. Upon the breach of any of said covenants or restrictions, anyone owing or having interest in the lands covered by these restrictive covenants may bring an appropriate action in the proper court to enforce or restrain said violation or to compel compliance with the said covenants or restrictions herein contained or to collect damages on account thereof; provided, however, that a violation of these restrictive covenants, or any one or more of them, shall not affect the lien of any mortgage now of record, or which hereafter may be placed of record, upon said lots, or any part thereof, but provided further that these restrictive covenants shall, without limitation, apply to any lots acquired through foreclosure or any deed in lieu of foreclosure of any said mortgage. In the event legal action is brought to enforce any of the covenants or conditions set forth herein, the prevailing party in such action shall be entitled to recover its costs and attorney's fees. The use of any one or more of the remedies provided for in this paragraph shall not defeat the lien of a purchase money or construction mortgage or deed of trust made in good faith and for value.
- B. Prerequisite to Litigation. In the event of a dispute between an Owner, the Association or Declarant, the complainant, as a condition precedent to instituting legal action, must first serve notice in writing on respondent advising them of the alleged grievance, the results desired, and a date and time convenient for a meeting; the respondent shall have a minimum of fifteen (15) days and a maximum of thirty (30) days from receipt of said notice in which to schedule a meeting for the purpose of arriving at a settlement of the controversy with the complainant.

- C. Managing Agent. All powers, duties and rights of the Association, or the Board, as provided by law and herein, may be delegated to a managing agent under a management agreement; provided, however, that no such delegation shall relieve the Association of its obligation to perform any such delegated duty. Any agreement for professional management, or any other contract providing for services of the Developer or any other party, shall not exceed a term of three years, which term may be renewed by agreement of the parties for successive one-year periods, and shall further provide for termination by either party with or without cause and without payment if a termination fee upon ninety (90) days' written notice.

Section 5.04. Construction

- A. Interpretation. The provisions of this Declaration shall be liberally constructed to effectuate the purpose of creating a uniform plan for the development and operation of the subdivision. This Declaration shall be construed and governed by the laws of the State of Arizona. The subdivision shall be subject to any and all rights and privileges which the County of Coconino, or the State of Arizona may have acquired through dedication or the filing or recording of maps or plats of said property, as authorized by law, and provided further that no conditions, restrictions or privileges or acts performed shall be in conflict with any Coconino County Zoning Ordinance or law.
- B. Restrictions Severable. Each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity of any provision thereof shall not affect the validity or enforceability of any other provision.
- C. Rules Against Perpetuities. In the event the provisions hereunder are declared void by a court of proper jurisdiction by reason of the period of time herein stated for which the same shall be effective, then, in the event, said periods of time shall be reduced to a period of time which shall not violate the rules against perpetuities as set forth in the laws of the State of Arizona.
- D. Singular Includes Plural. Unless the context requires a contrary construction, the singular shall include the plural, and the plural the singular; and the masculine shall include the feminine or neuter, and the feminine the masculine or neuter.
- E. Captions. All captions and titles used in this Declaration are intended solely for convenience or reference purposes only and in

no way define, limit or describe the true intent and meaning of the provisions hereof.

Section 5.05. Delivery of Notices

Any written notice required by this Declaration may be delivered either personally or by mail. If by mail, it shall be deemed to have been delivered five (5) days after it has been deposited in the United States mail, postage prepaid, addressed as follows: if to an Owner, to the address of the Owner within the subdivisions.

Section 5.06. Binding Effect

By acceptance of a deed or acquiring any ownership interest in any of the Property affected by this Declaration, each person, their heirs, personal representatives, successors and assigns, binds themselves, and their heirs, personal representatives, successors an assigns to all of the covenants, conditions and restrictions imposed by this Declaration. In addition, each such person by doing thereby acknowledges that this Declaration sets forth a general scheme for the Property and hereby evidences their intent that all of the covenants, conditions and restrictions contained herein shall run with the land and be binding on all future Owners. Furthermore, each such person acknowledges that this Declaration shall be mutually beneficial, and enforceable by future Owners.

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

AZNORTH DEVELOPMENT, INC.

STATE OF ARIZONA)
)
) SS.
County of Coconino)

By [Signature]
Tom Brewster, President/Owner

The foregoing Declaration of Covenants, Conditions and Restrictions for Majestic view ranch, was acknowledged before me this 1TH day of May, 2005, by [Signature] Tom Brewster

My Commission Expires:

[Signature]
Notary Public

