

When recorded mail to:

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**SECOND REVISED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
CANYON VISTA PROPERTIES HOMEOWNERS' ASSOCIATION, INC.**

KNOWN ALL MEN BY THESE PRESENTS:

This Second Revised and Restated Declaration is made and entered into this 27th day of September, 2006 by Canyon Vista Properties, LLC owner of Lots 1 through 56, hereinafter designated the "Declarant" which owns the Property hereinafter referred to and known as Canyon Vista Estates, County of Navajo, State of Arizona, as per plat thereof recorded on the 19th day of October, 2005 in Book 25, Pages 21, 22 and 23 ("Plat") in the Office of the Recorder of Navajo County and hereby declares:

I. PURPOSE OF THESE COVENANTS, CONDITIONS AND RESTRICTIONS.

The purpose of these covenants, conditions and restrictions is to assure the use of the real property for attractive residential, non-commercial purposes, for limited recreational use (as set-forth herein), and securing to each Owner the full benefit and enjoyments of his or her Lot.

II. DEFINITIONS.

As used herein, the following terms have the following meanings:

- A. The "Architectural Review Committee" means the committee provided for in Article V of this Declaration.
- B. The "Association" means the Canyon Vista Properties Homeowners Association, Inc. referred to in Article III of this Declaration.
- C. "Declaration" means this Declaration of Covenants, Conditions and Restrictions for Canyon Vista Estates.
- D. "Mobile or Manufactured Home" means a moveable or portable unit for residential purposes constructed to be towed on its own chassis and designed to be installed with or without a permanent foundation for human occupancy as a residence.
- E. "Modular Home" means a permanent residential structure manufactured elsewhere and moved onto a Lot for permanent installation.

- F. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of fee, equitable or beneficial title to any Lot. The foregoing definition does not include persons or entities who hold an interest in any Lot as security for the performance of an obligation.
- G. "Lot" means one of the Lots described in the Plat or any portion thereof.
- H. "Property" means roads, Common Areas and Lots, as reflected in the Plat or any part of such Lot(s).
- I. The term "Roads" shall include all interior roads as shown on the Plat and roads which serve the Property located on contiguous properties if utilized by the residents of Canyon Vista Estates and requested to do so by agreement. Road shall not include those roads maintained by any government or quasi-government agencies. The term "Roads" shall include not only driving surfaces but also all right-of-way, culverts, ditches, bridges, drainage facilities and drainage easements shown on Lots 22, 23, 30 and 50 . The term "Roads" shall not include the roads created by individual Lot Owners within the confines of their respective Lots.
- J. The term "Common Areas" shall be those Roads within Canyon Vista Estates, street signs, monument and monument signs, monument landscaping, perimeter fencing located at rear of lots 1 through 19 and lots 33 through 38, entrance areas and that portion of the Property located at the bottom of the canyon shown as Common Area on the Plat and any other tracts so identified on the Final Plat.

III. PROPERTY OWNERS ASSOCIATION.

- A. There is hereby created the Canyon Vista Properties Homeowners' Association, Inc. and any officers of Declarant are authorized to act as incorporators for the Canyon Vista Properties Homeowners' Association, Inc. ("Association"). The purpose of the Association is to:
 1. maintain and repair the Roads as defined in Article II.I and Common Areas defined in Article II.J above and which are not maintained by a government or quasi-governmental agency and to enhance the Roads and Common Areas which is in the best interest of the Lot Owner;
 2. to act as an Architectural Review Committee in accordance with the provisions of Article V of this Declaration; and
 3. to assure the use of the Property for attractive residential uses only and securing to each Lot Owner the full benefits and enjoyment of his or her Lot and home in furtherance of a common plan.
- B. The Association's Board of Directors shall be elected at the annual meeting and shall consist of 3 to 5 members. All actions taken by the Board of Directors shall be by majority vote and in the event a majority of the Board of Directors is not present either in person or by telephone, the meeting shall be adjourned to such time when a majority of the Board of Directors can be convened. Any member of

the board shall be subject to removal by a majority vote of the Board of Directors. Any vacancy shall be elected at a special meeting of the Lot Owners called pursuant to the By-laws of the Association or at the next annual meeting of the Association.

- C. Each and every Lot Owner, in accepting a deed or contract for any Lot, whether or not it shall be so expressed in such deed or contract, automatically becomes a member of the Association, and agrees to be bound by such rules and regulations as may from time to time be established by the Association. Membership shall be appurtenant and may not be separated from ownership of the Lot. The rights and obligations of an Owner and membership in the Association shall not be assigned, transferred, pledged, conveyed or alienated in any way, except upon transfer of ownership of such Lot, whether by intestate succession, testamentary disposition, foreclosure, or such other legal processes as now in effect or as may be hereafter established pursuant to the laws of the State of Arizona. The Association shall be operated and conducted on a strictly cooperative and nonprofit basis. The Association will be incorporated under Arizona law. Each Lot Owner as a member shall have such voting rights as set forth in this Declaration.
- D. In furtherance of its purposes, which are generally as set forth above, the Association shall provide necessary and appropriate action for the maintenance, repair, replacement and management of the functions referred to in Article III.A. and to provide for such additional construction projects as may be necessary or desirable to serve the Lot Owner(s).
- E. The Association at it's sole discretion shall have the power (and each Owner grants such authority) to dedicate in fee or by easement the Roads or any portions of the Roads or related facilities not already dedicated to the County or a municipality or an appropriately formed governmental district, upon such terms and conditions as the Association deems desirable, and in conjunction therewith and acceptance for maintenance by the governmental entity, the Association shall have the power and authority to adjust or eliminate assessments accordingly.
- F. Association shall buy such insurance or insurance polices it deems appropriate regarding general commercial liability, directors and officers' liability coverage, blanket property insurance, fidelity insurance and such other insurance as the board deems appropriate. All Lot owners acknowledge that the walking trail located at the rear portion of the Property may be maintained by the Association and may be open for the use and enjoyment of the public in accordance with any applicable rules, regulations and ordinances of Navajo County or other government entity.
- G. Each Lot Owner is obligated to pay:
 - 1. regular assessments for normal maintenance and repair and reserves, along with Association insurance and operating costs;

2. special assessments for unexpected expenses and for capital improvements with such assessments to be established by the Board of Directors of the Association.

Each Lot Owner shall be personally responsible for his or her share of assessments imposed by the Board of Directors of the Association. This personal obligation for delinquent assessments shall not pass to the Owner's successor in title, unless expressly assumed by such successor; however, the obligation to pay same shall be a continuing lien on the Lot.

- H. The Board of Directors of the Association shall, on an annual basis, make a determination as to the estimated costs of the repair, maintenance and replacement of the Common Area and other expenses in carrying out its duties, including any reserves necessary for future capital expenditures and maintenance. Assessments shall be charged to each Owner on a uniform per Lot basis with any allowed Lot divisions pro ratably charged. The assessments may be collected on a monthly, quarterly, or annual basis, or any combination of same as determined by the Board of Directors of the Association.
- I. Each Owner shall be responsible to pay the regular assessment commencing on the first day of the month following the date of recordation of the deed or purchase contract wherein the Owner acquired legal, beneficial or equitable title to the Lot. The Owner shall be responsible for comparable assessments on each Lot owned by said Owner. Regular assessments shall be set by the Board of Directors of the Association on an annual calendar year basis. The initial regular assessment shall be \$200.00 per year per Lot except for the year 2006 annual assessment shall be \$100.00 per Lot. The Board of Directors of the Association shall fix the amount of the regular assessment at least 30 days prior to the end of the calendar year. Written notice of the assessment shall be sent to every Owner and shall be due and payable 60 days after the date the notice of assessment is deposited in a U.S. mail receptacle, postage prepaid, and addressed to the Lot Owner as provided herein ("Delinquency Date").
- J. In addition to the regular assessment as set forth above, the Board of Directors of the Association may set special assessments in addition to the regular assessment if the Board of Directors of the Association determines that such is necessary to meet the primary purposes of the Association.
- K. All sums assessed by the Association chargeable to a Lot, but unpaid by the Delinquency Date shall become a Delinquent Assessment and bear interest at the rate of 18% per annum and shall constitute a lien ("Assessment Lien") on such Lot prior to all other liens excepting only ad valorem tax liens in favor of a governmental assessing unit or special assessment district. There shall be added to the amount of such Assessment Lien interest, recording fees, expenses and costs incurred in filing an Assessment Lien and in collecting the amounts due, including reasonable attorneys fees incurred in connection with such collection efforts, regardless of whether or not a legal suit is commenced. The Assessment Lien provided for in this Article shall be in favor of the Association and shall be

for the benefit of all other Lot Owners. With respect to any Delinquent Assessment, the Association is legally authorized and the Owners hereby are deemed to have granted the right and irrevocably given consent for the Association to record a Notice of Assessment Lien in the Office of the Navajo County Recorder, appropriately describing the Lot(s) and the amount of the Delinquent Assessments and other charges, to impose a lien of record against the Lot(s) for the amount specified herein. A copy of the Notice of Assessment Lien may be posted on the affected Lot(s). Upon payment of all amounts due thereon, the Association shall record an appropriate satisfaction and release of the Assessment Lien. The Association shall have the power to bid on the delinquent Lot at foreclosure sale, and acquire, hold, lease, encumber and convey same. A suit to recover a money judgment for Delinquent Assessments and charges shall be maintainable by the Association without foreclosing or waiving the Assessment Lien securing same.

- L. In the event the Association determines that any Lot Owner has not complied with the provisions of this Declaration, then the Association may, at its option, give written notice to the Owner of the conditions complained of. The Owner shall correct same or, if not readily correctable within fifteen days after notice from the Association, the Owner shall submit corrective plans proposing its remedy to the condition complained of within fifteen days after notice from the Association. The Association shall approve or disapprove any plans submitted by the Owner and set forth a reasonable time for correction of the condition complained of. In the event such condition is not corrected according to the approved plans, within the allotted time, the Association shall have the right to undertake to remedy such condition or violation complained of. The cost thereof, including reasonable attorneys fees, shall be deemed to be a Delinquent Assessment and shall be enforceable by the Association by Assessment Lien and foreclosure as provided in Article III.J. above. The Association is hereby granted the right of entry on the affected Lot to so correct the condition or violation complained of. Any cost expended by the Association to correct the condition or violation shall bear interest at the rate of 18% per annum from the date expended until paid.
- M. The total number of votes in the Association shall be on the basis of one (1) vote per Lot. Unless otherwise specifically provided herein, all Association matters shall be determined by a majority vote. If more than one party is the divided Owner of a Lot there must be a unanimous agreement among those who own an interest in the Lot as to how to cast the vote for the Lot owned, otherwise that vote shall not be counted.
- N. The Association shall have the power to adopt bylaws and to appoint its officers and directors, as well as promulgate reasonable rules and regulations relating to the matters within its purposes.
- O. Each party who acquires an interest in any Lot described herein agrees that such acquisition of interest in any Lot, does not, nor shall it exert, any right or claim against the Association, its Board of Directors or Architectural Review Committee for any breach or failure of the Association, its Board of Directors or

Architectural Review Committee to enforce all or part of the covenants, conditions and restrictions set forth herein, but shall look to the other Lot Owners acquiring an interest in said Lot or Lots, and/or the seller, its successors and assigns, for any performance or relief deemed equitable or necessary for enforcement of the covenants, conditions and restrictions contained herein.

P. Neither the Declarant, the Association, the Board, the Architectural Review Committee, nor any member or officer of the foregoing, shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other government requirements. Neither the Declarant, the Association, the Board, the Architectural Review Committee, nor any member or officer of any of the foregoing shall be held liable for any injury, damages, or loss arising out of the manner or quality of approved construction on or modifications to any Lot or structure located thereon. In all matters, the Board, the Architectural Review Committee, and their members and officers shall be defended and indemnified by the Association as provided in the Bylaws.

IV. EXPANSION.

Declarant reserves the right to comparably develop adjacent land and incorporate said adjacent land within this Declaration by specific reference thereto. Any such expansion to be included within this Declaration shall be subject to the terms and conditions of this Declaration, but may include reasonable variances.

V. ARCHITECTURAL REVIEW COMMITTEE.

A. The Board of Directors shall act as the Architectural Review Committee. At any time the Board of Directors may establish a separate Architectural Review Committee of not less than three (3) members by a vote of the majority of Board of Directors, at which time the individuals so elected shall serve as the Architectural Review Committee. The members of the Architectural Review Committee so designated shall serve at the pleasure of the Board of Directors. The Architectural Review Committee shall hire such professionals it deems appropriate to assist in its duties.

B. The goal of the Architectural Review Committee is to enhance the aesthetic value of the Property, therefore a variance consistent with the intent of this Declaration may be granted at the sole discretion of and opinion of the Architectural Review Committee.

C. No structure, addition, wall, or improvement of any nature or kind shall be placed, erected, constructed or maintained on any Lot, nor shall any construction commence on any Lot or Lots without the written consent of the Architectural Review Committee. There shall be submitted to the Architectural Review Committee a building application on the form provided therefore and acceptable to the Architectural Review Committee along with two sets of blueprints and specifications for any and all building and/or improvements. Plans must include

Lot plans, showing location of buildings, walls, fences, or any other structure along with types and schemes for roof and exterior colors. Plans shall include a description of all materials to be used and a perspective sketch showing the front and side elevation and construction details for foundation, sills, size and spacing of floor joists, framing, roof pitch, size and spacing of rafters, electrical wiring, flue construction, etc. All exterior additions, improvements, replacements, alterations or repainting subsequent to any previous approval shall be subject to the written consent of the Architectural Review Committee. The Architectural Review Committee shall have the power to approve detached residences for guests and caretakers.

- D. The Architectural Review Committee shall approve or disapprove plans, specifications and details within fifteen (15) business days of receipt of initial submission. In the event the Architectural Review Committee does not approve or disapprove within the specified time, then plans are deemed accepted.
- E. The Architectural Review Committee shall have the right to disapprove any plans, specifications, or details submitted to it in the event the same are not in accordance with all of the provisions of these Declarations; if the design, color, or any structure is not in harmony with the general surroundings of such Lot or with other buildings or structures of the Property; if the plans are incomplete or if in the event the Architectural Review Committee decides that the submitted plans and specifications shall be contrary to the interests, welfare, or rights of all or any part of the Property subject hereto, or the Owners thereof.
- F. The decision of the Architectural Review Committee shall be final and no Lot Owner or other party shall have recourse against the Board of Directors or the Architectural Review Committee for its refusal to approve any such plans and specifications.
- G. Neither the Board of Directors nor the Architectural Review Committee shall be in any way responsible for any structural work or defects or work done according to the plans and specifications submitted.
- H. The Board of Directors may, at their sole discretion, establish reasonable procedural rules, regulations, restrictions, architectural standards and design guidelines, which the Board of Directors may, from time to time in their sole discretion, amend, repeal or augment ("Design Guidelines"). The Design Guidelines are hereby incorporated herein and shall be deemed to be a part of this Declaration and shall be binding on all Owners. The Design Guidelines may include, among other things, restrictions and limitations relating to the architectural style, nature, kind, shape, height, materials, exterior colors, surface texture and location of any improvements on a Lot. All property lines shall be kept free and open, one to another, and no fences shall be permitted on any Lot, where, in the opinion of the Architectural Review Committee, said fences, walls, structures or other enclosures shall affect the keeping or character of the entire area.

VI. USE AND IMPROVEMENTS.

- A. All buildings erected on the Lots shall be of conventional on-site construction. Once the work of constructing any dwelling has commenced, the work shall be prosecuted diligently from commencement until completion which shall be a period of no more than one year.
- B. All Lots shall be in conformance as follows:
 1. Residential Use. Each Lot in the Properties shall be improved and used exclusively for Single Family Residential Use. Not more than one single family unit per Lot. No Lot or residence shall ever be used or caused, allowed or authorized in any way, directly or indirectly, to be used for any religious, institutional, commercial, manufacturing, industrial, mercantile, storing, vending or related purposes;

Any business, trade, garage sale, moving sale, rummage sale, or similar activity is prohibited, except that an Owner or occupant residing in a Lot may conduct one garage sale per year and may conduct business activities within the Lot, so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the lot; (b) the business activity conforms to all zoning requirements for the Properties; (c) the business activity does not involve regular visitation of the Lot by clients, customers, suppliers, or other business invitees, or door-to-door solicitation of residents of the Properties; and (d) the business activity is consistent with the residential character of the Properties and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Properties, as may be determined in the sole discretion of the Board.

The terms "business" and "trade" used in this provision shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis that involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (a) such activity is engaged in full or part-time; (b) such activity is intended or does generate a profit; or (c) a license is required.

2. Address Numbers. Each Lot shall have a street address, and numbers at least four inches in height shall be posted at each Lot such that they are visible from the street.
3. Lot Splits. No Lot shall be divided into smaller parcels.
4. Mobile Homes. No Mobile or Manufactured Homes will be allowed on any Lot. Modular Homes will not be allowed.

5. Alteration of Topography. Under no circumstances shall any Owner of any Lot be permitted to deliberately alter the topographic conditions of a Lot in any way that would permit additional quantities of water from any source other than what nature originally intended to flow from said Lot onto any adjoining Lot or right-of-way or redirect said flow.
6. Sanitary Facilities. All dwellings must have complete sanitary facilities, including lavatories, water closets, wash basin, tub or shower, and kitchen sink, and must be connected to sewage outlets and septic systems in conformity with state health requirements.
7. Storage Tanks. Water storage tanks, septic tanks, propane tanks, butane tanks, and in addition all pumps and pressure tanks must be concealed according to the standard set by the Architectural Review Committee within thirty (30) days from commencement of construction or occupancy, whichever first shall occur.
8. Dwelling Size. No dwelling shall contain less than 1500 square feet of living space, exclusive of any additions such as porches, decks, patios or any other appurtenances.
9. Off-street Parking. All Lots must provide space for off-street parking. Under no circumstances is street-parking permitted for continuous periods of time in excess of three (3) days.
10. Signs. No signs or billboards of any kind shall be displayed to the public view on any portion of the Properties except for: (a) signs as maybe required by legal proceedings; (b) not more than two (2) signs for each Lot with a total face area of each sign not to exceed six (6) square feet (excluding support post) or less; (c) such signs erected by the Declarant or desirable in connection with the development, sale, or operation of the Lots and improvements during the construction and sales period; (d) one (1) sign advertising the Lot for sale or for rent, which sign shall be a sign approved by the Board or Architectural Review Committee.
11. Motor and Recreational Vehicles and Parking. Except as otherwise regulated by statute, no mobile home, boat, jet ski, boat or jet ski trailer, motor home, recreational vehicle, all-terrain vehicle, off-highway vehicle, trailer, horse trailer, camper, camper shell, snowmobile, bus, truck or other motor vehicle classed by manufacturing rating as exceeding one (1) ton, vehicles designated for commercial purposes, or similar vehicles shall be parked, kept, placed, maintained, constructed, reconstructed, or repaired on any Lot or within the Project so as to be Visible From Neighboring Property; provided, however, that the provisions of this Article shall not apply to emergency vehicle repairs and provided, further, that any such items may, for a period not to exceed seventy-two (72) consecutive hours, be parked on driveways on Lots for the purpose of loading, unloading, and preparing such items for offsite usage. All other motor vehicles shall be

permitted to park only in garages or on driveways on Lots and may not park on any roadway without the written consent of the Board. Any vehicle parked in violation of this Declaration may be towed at the direction of the Board or its agent, and the recording of this Declaration shall constitute the legal notice of intent to tow as though the Declaration were posted in accordance with the applicable laws and ordinances. Any expense incurred by the Association in connection with the towing of any vehicle or equipment shall be paid to the Association upon demand by the owner of the vehicle or equipment. If the vehicle or equipment is owned by an Owner, any amounts payable to the Association shall be secured by the assessment lien, and the Association may enforce collection of such amounts in the same manner provided for in this Declaration for the collection of assessments. The Board may adopt additional parking restrictions, including the establishment of fines and assessments for their violation.

12. Antenna. No antenna, satellite dish or power generator shall be installed in a manner that will disturb the surrounding neighbors and/or Property. The placement of any antenna, satellite dish or power generator must have Architectural Review Committee approval before it is placed on the Lot. The Architectural Review Committee shall have the final decision on a dispute regarding a Lot Owner's antenna, satellite dish or power generator and what effect it has on the surrounding neighbors and/or be a visual detriment to the Lot.
13. Trash and Recycling Containers and Collection. No rubbish, trash, garbage, refuse, debris, or recyclable materials shall be placed or kept on any portion of any Lot except in covered containers of a type, size, and style which are approved by the Board. Refuse containers shall be kept clean, sanitary, and free of obnoxious odors. In no event shall such containers be maintained so as to be Visible From Neighboring Property except to make such containers available for collection and then only for the shortest period of time (not to exceed twenty-four [24] consecutive hours) reasonably necessary to affect such collection. All rubbish, trash, garbage, refuse, debris, and recyclable materials shall be promptly removed from the Lots and shall not be allowed to accumulate thereon. No incinerators shall be maintained or used and no rubbish, trash, garbage, refuse, or debris shall be burned by open fire or otherwise on any portion of any Lot.
14. Clotheslines. No clotheslines of any sort or other device for drying or airing of clothes shall be erected, placed, or maintained upon any Lot so as to be Visible From Neighboring Property or roadways.
15. Building Area. No building or structure shall be constructed on any Lot which covers more than twenty percent (20%) of the restricted Lot area.

16. Garages. No garage entrance or door shall face any Road contiguous to the Lot except those lots which face two Roads. In the case of any lot which faces two roads or where the parking of an oversized recreational vehicle cannot be reasonably accommodated in a garage not facing a Road, particular attention must be placed to the aesthetics of the garage door and surrounding area and shall be approved by the Architectural Review Committee.
17. Obnoxious and/or Offensive Activity. Any obnoxious or offensive activity shall be prohibited, if such activity in the sole determination of the Board, tends to cause embarrassment, discomfort, annoyance, or nuisance to Persons using the Common Area or to the occupants of other Lots.
18. Dwelling Height. No building or structure erected on a Lot shall exceed thirty (30) feet in height without the written approval of the Architectural Review Committee and by obtaining a variance from Navajo County. Dwelling units shall not have more than two stories.
19. Building Setback. No dwelling, building, fence or other improvement (except approved fences and entrance roads) shall be erected or placed on any Lot within any building set back. The building set back shall be 40 feet for front yards, 30 feet for back yards and 20 feet for side yards, unless approved in writing by the Architectural Review Committee. It is understood that the above set-back lines and all other use restrictions contained in this Declaration are in addition to zoning and other land use regulations adopted by governmental authorities and the more restrictive must be followed.
20. Guest House. Detached guest houses are allowed, but only when occupied by relatives of the Lot Owner and not for rental purposes.
21. Temporary Storage. No temporary house trailer, tent, garage or other outbuilding shall be placed, erected, or used for any permanent purpose without the written consent of the Architectural Review Committee and approval from Navajo County, as required. All buildings or devices used for storage during construction must be locked. Responsibility and maintenance shall be the Lot Owner's obligation. All temporary construction and storage buildings are to be removed not later than six (6) months from the date of commencement of construction.
22. Animals. (a) No household animals of any kind shall be raised, breed or kept in or about any Lot, dwelling unit, or any accessory building, or any part thereof, except usual and ordinary dogs, cats, fish, birds, and other usual and ordinary small household pets; provided, however, such pets are not kept, raised or breed for commercial purposes or in unreasonable quantities: "unreasonable quantities shall ordinarily mean no more than three (3) pets of a particular type per Lot, provided that the Architectural Review Committee may determine that a reasonable number in any

instances may be more or less, considering the adverse impact upon neighboring Lot Owners, the effects on the nature and character of the Property as a first class residential community, and the purposes outlined in Section III. No livestock or poultry are allowed. (b) Animals belonging to Lot Owners, occupants, or their guests, tenants, licensee or invitees, while within the Property must be kept within an enclosure or on a leash being held by a person capable of controlling the animal. Notwithstanding the provisions of this Section, no animal which constitutes a nuisance to the Property may be raised, breed or kept in or on any Lot, dwelling unit, garage or other accessory building, or any part thereof. Those pets that are permitted to roam free, or, in the sole discretion of the Board, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the occupants of other Lots shall be removed upon request of the Board. If the pet owner fails to honor such request, the Board may remove the pet. Dogs shall be kept on a leash or otherwise confined in a manner acceptable to the Board whenever outside the Unit and all owners of pets are expressly responsible for cleaning up after their pets. Pets shall be registered, licensed and inoculated as required by law.

23. Disrepair. Structures, fences, equipment or other items on the exterior portions of a Lot which have become rusty, dilapidated or otherwise fallen into disrepair are not permitted.
24. New Materials. All structures must use new material. No relocations are permitted without the consent of the Architectural Review Committee and Navajo County for such relocation.
25. Motorized Vehicles on Pathways and Trails. Operation of motorized vehicles on pathways or trails maintained by the Association is prohibited.
26. Motorized Scooters and Skateboards. No motorized scooters are permitted for operation or use on any of the traveled roadways or pathways and trails. The board may prohibit skateboards if they are found to be a nuisance.
27. Driveway Culverts. Each individual Lot Owner is required to install driveway culverts as required by the Architectural Review Committee, in accordance with the laws of Navajo County, Arizona as may now be in effect or hereafter be in effect.
28. Wildlife and Vegetation. Capturing, trapping or killing of wildlife within the Properties is prohibited, except in circumstances posing an imminent threat to the safety of persons using the Property. Also prohibited are any activities that materially disturb or destroy vegetation, wildlife, wetlands, or air quality within the Properties or which use excessive amounts of water or which result in unreasonable levels of sound or light pollution.

29. Telephone and Electric Line Burial. All telephone, cable, power and water lines installed on a Lot shall be buried.
30. Violation of Statutes, Ordinances, and Regulations. All construction within this subdivision must comply with all state and county regulations or requirements as are now in effect or hereafter in effect. No Lot shall be maintained or utilized in such a manner as to violate any applicable statute, ordinance, or regulation of the United States of America, the State of Arizona, County of Navajo, or any other municipality, governmental agency, or subdivision authority having jurisdiction over the Lots or the use or occupation thereof. However, the Board shall have no obligation to take enforcement action in the event of a violation.
31. Trees. No land grading, nor removal of live trees or other native growth shall be allowed without approval of the Architectural Review Committee.

VII. DISPUTE RESOLUTION AND LIMITATION ON LITIGATION

- A. Agreement to Avoid Litigation. The Declarant, the Association, its officers, directors, and committee members, all Persons subject to this Declaration, and any Person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "Bound Parties") agree to encourage the amicable resolution of disputes involving the Property, without the emotional and financial costs of litigation. Accordingly, each Bound Party covenants and agrees that specified claims, grievances or disputes described in this Article ("Claims") shall be resolved using alternative dispute resolution procedures in lieu of filing suit in any court.
- B. Claims. Unless specifically exempted below, all Claims arising out of or relating to the interpretation, application or enforcement of the Declaration, or the rights, obligations and duties of any Bound Party under the Declaration or relating to the design or construction of improvements on the Properties shall be subject to the provisions of Article C.

Notwithstanding the above, unless all parties thereto otherwise agree, the following shall not be Claims and shall not be subject to the provisions of Article C:

1. Any suit by the Association to enforce the provisions of Article III (Association Finances);
2. Any suit by the Association to obtain a temporary restraining order (or emergency equitable relief) and such other ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of Article VI (Use and Conduct) and Article V (Architectural Approval);

3. Any suit between Owners, which does not include Declarant or the Association as a party, if such suit asserts a Claim in that would constitute a cause of action independent of the Declaration;
4. Any suit in which any indispensable party is not a Bound Party; and
5. Any suit as to which any applicable statute of limitations would expire within one hundred eighty (180) days of giving the Notice required by Article A unless the Party or parties against whom the Claim is made agree to toll the statute of limitations as to such Claim for such period as may reasonably be necessary to comply with this Article.

With the consent of all parties thereto, any of the above may be submitted to the alternative dispute resolution procedures set forth in Article C.

C. Mandatory Procedures.

1. Notice. Any Bound Party having a Claim ("Claimant") against any other Bound Party ("Respondent") (collectively, the "Parties") shall notify each Respondent in writing and provide a copy of the notice to the Board (the "Notice"), stating plainly and concisely:
 - a. the nature of the Claim, including the Persons involved and Respondent's role in the Claim;
 - b. the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);
 - c. Claimant's proposed remedy; and
 - d. that Claimant will meet with Respondent to discuss in good faith ways to resolve the Claim.

2. Negotiation and Mediation.

- a. The Parties shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by copy of the Notice, the Board may appoint a representative to assist the Parties in negotiation.
- b. If the Parties do not resolve the Claim within thirty (30) days of the date of the Notice (or within such other period as may be agreed upon by the Parties) ("Termination of Negotiations"), Claimant shall have thirty (30) additional days to submit the Claim to such entity as is designated by the Association for mediating claims or, if the Parties otherwise agree, to an independent agency providing dispute resolution services in the Show Low, Arizona, area.

- c. If Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to any Person other than the Claimant.
- d. Any settlement of the Claim through mediation shall be documented in writing by the mediator and signed by the Parties. If the Parties do not settle the Claim within thirty (30) days after submission of the matter to the mediation, or within such time as determined by the mediator, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation"). The Termination of Mediation notice shall set forth that the Parties are at an impasse and the date that mediation was terminated.
- e. The Claimant shall thereafter be entitled to sue in any court of competent jurisdiction or to initiate proceedings before any appropriate administrative tribunal on the Claim. Each Party shall bear its own costs of the mediation, including attorneys fees, and each Party shall share equally all charges rendered by the mediator.

D. Enforcement of Resolution. If the Parties agree to a resolution of any Claim through negotiation or mediation in accordance with Article 1 and any Party thereafter fails to abide by the terms of such agreement, then any other Party may file suit or initiate administrative proceedings to enforce such agreement without the need to again comply with the procedures set forth in Article A. In such event, the Party taking action to enforce the agreement or Award shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement or Award, including, without limitation, attorneys fees and court costs.

VIII. GENERAL PROVISIONS.

- A. This Declaration may be modified, amended or terminated by a written vote of not less than seventy-five percent (75%) of the Lot Owners of Canyon Vista Estates. This Declaration may be amended to provide for the nonuniform application of designated provisions hereof. No amendment, modification or termination shall be effective until and unless a proper instrument shall be recorded in the office of the County Recorder of Navajo County, Arizona.
- B. If there shall be a violation or attempted violation of any of these restrictive covenants herein contained or any ordinances, rules or regulations promulgated by the United States, State of Arizona or Navajo County, Arizona under its zoning, health and general restrictions, then and in that event any Lot Owner may give the violator ten (10) days notice in writing to correct the violation. If it becomes necessary for any complaining party to employ an attorney in order to enforce these restrictions, then the reasonable fees and costs of such attorney shall be paid by the other party, providing the complaining party shall prevail.

- C. These covenants, restrictions, reservations and conditions shall run with the land and shall be binding upon all parties and all persons claiming under them for a period of twenty-five (25) years from the date hereof. Thereafter, they shall be deemed to have renewed for successive terms of ten (10) years, unless revoked or amended by an instrument in writing, executed and acknowledged by the then Owners of not less than seventy-five percent (75%) of the Lots on all of the Property then subject to these Declarations. Notwithstanding anything herein to the contrary, prior to the Declarant having sold a Lot, Declarant may make any reasonable, necessary or convenient amendments to these Declarations and said amendment shall supersede or add to the provisions set forth in these Declarations from and after the date the duly executed document setting forth such amendment is recorded in the Navajo County Recorder's Office.
- D. Should any of the provisions of these Declarations be declared void or invalid, or if any should not be enforced, such action shall in no way affect the validity of the remaining provisions, and such non-enforcement shall not constitute a waiver as to future enforcement of any or all such restrictions.
- E. The Association may, but shall not be obligated to maintain or support certain activities within the Property designed to promote the health, safety and welfare of Owners and occupants of any Lot. Notwithstanding anything contained in the Declaration or any other document governing or binding the Association, neither the Association, the Board, any officers of the Association, the management company of the Association, the Architectural Review Committee, the Declarant nor any successor Declarant shall be liable or responsible for, or in any manner a guarantor or insurer of, the health, safety or welfare of any Owner or occupant of any Lot or any tenant, guest or invitee of any Owner or occupant or for any property of any such Persons. Each Owner and occupant of a Lot and each tenant, guest and invitee of any Owner or occupant shall assume all risks associated with the use and enjoyment of the Property, including Common Areas, if any, and may be required to execute specific liability waivers from time to time as a condition of such use.

Neither the Association, the Board, any officers of the Association, the Association's management company, Architectural Review Committee, the Declarant, nor any successor Declarant shall be liable or responsible for any personal injury, illness or any other loss or damage caused by the presence or malfunction of utility lines, or utility sub-stations adjacent to, near, over, or on the Properties. Each Owner and occupant of a Lot and each tenant, guest, and invitee of any Owner, Declarant, or occupant shall assume all risk of personal injury, illness, or other loss or damage arising from the presence or malfunction of utility lines, utility sub-stations, and electromagnetic fields, and further acknowledges that the Association, the Board, the Officers of the Association, the management company of the Association, Architectural Review Committee, the Declarant or any successor Declarant have made no representations or warranties, nor has any Owner or occupant, or any tenant, guest, or invitee of any Owner, Declarant, or occupant relied upon any representations or warranties, expressed or implied, relative to the condition or impact of utility lines or utility sub-stations, or

electromagnetic fields.

No provision of the Declaration shall be interpreted as creating a duty of the Association, the Board, the officers of the Association, the management company of the Association, Architectural Review Committee, the Declarant nor any successor Declarant to protect or further the health, safety or welfare of any Person(s), even if the funds of the Association are used for such purpose.

Each Lot Owner (by virtue of his or her acceptance of title to his or her Lot) and each Other Person having an interest in or lien upon, or making any use of, any portion of the Properties (by virtue of accepting such interest in or lien upon, or making such any use) shall be bound by this Article and shall be deemed to have waived any and all rights, claims, demands and causes of action against the Association, the Board, the officers of the Association, the Association's management company, Architectural Review Committee, the Declarant and any successor Declarant arising from or connected with any matter for which the liability has been disclaimed.

- F. Nothing herein shall be construed as prohibiting Declarant from maintaining a mobile home sales office on any Lot, or engaging in activities which Declarant deems appropriate to its sales program, for so long as Declarant owns any unsold Lots.
- G. Any written notice or other documents relating to or required by these Declarations may be delivered either personally or by mail. If by mail, it shall be deemed to have been delivered forty-eight (48) hours after a copy of same has been deposited in the United States Mail, postage prepaid, addressed as follows: If to the Association, to a member of the Board of Directors of the Association; if to an Owner, to the address of his Lot or to any other address last furnished by the Owner to the Association; provided, however, that any such address may be changed at any time by the party concerned by delivering a written notice of change of address to the Association. Each Owner of a Lot shall file his correct mailing address with the Association, and shall promptly notify the Association in writing of any subsequent change of address.

IN WITNESS HEREOF Canyon Vista Properties, LLC, an Arizona limited liability company, has executed this Declaration of Covenants, Conditions and Restrictions by the undersigned this 2 of October, 2006.

DECLARANT:

Canyon Vista Properties, LLC

By: T. Michael Daggett, Managing Member

Vistara Homebuilders, LLC

By: T. Michael Daggett, Managing Member

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 2nd day of
October, 2006, by T. Michael Daggett, Managing Member of Canyon Vista Properties,
LLC and Vistara Homebuilders, LLC



Notary Public

