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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE COURT AT THE COMMONS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE COURT AT THE COMMONS ("Declaration") is made the 17 day of February 2006, by TRAVELERS CONSTRUCTION CO., L.C., a Profit Sharing Plan ("Declarant"), as owner of the real property located in the City of Mesa, County of Maricopa, State of Arizona, described in Exhibit A, which is attached hereto and incorporated herein by this reference ("Property").

RECITALS:

- A. The Property shall be subject to this Declaration and will be known as The Court at the Commons ("The Court").
- B. The Court is being developed as a master-planned office and commercial development. The design and development of The Court shall be subject to this Declaration for the purpose of enhancing, maintaining, protecting and improving the property values and amenities at The Court. It is assumed that the users of Buildings, parcels or Lots (as defined below) in The Court will be motivated to achieve the aforementioned through mutual cooperation and by enforcing the literal meaning and the spirit of this Declaration. This Declaration is designed to complement and supplement all applicable government and municipal regulations, and where conflicts occur, the most rigid requirements shall prevail.

THEREFORE, Declarant hereby declares that the Property shall be held, sold and conveyed subject to the following covenants, conditions, charges, liens, restrictions, easements and reservations (sometimes referred to collectively as "Restrictions"), all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property and amenities, and all of which are hereby declared to be for the benefit of the Property and the Owners thereof, their heirs, successors, grantees and assigns. These Restrictions shall run with the Property and shall be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, and shall inure to the benefit of each Owner thereof.

COVENANTS, CONDITIONS AND RESTRICTIONS:

ARTICLE 1

DEFINITIONS

Unless the context otherwise specifies, each term defined in this Article 1 shall, for all purposes of this Declaration, have the meaning given below.

- 1.1 <u>Annexed Property</u>. "Annexed Property" shall mean and refer to any and all real property (including all improvements thereon) which is annexed to the Property pursuant to this Declaration.
- 1.2 <u>Articles of Incorporation</u>. "Articles" shall mean the Articles of Incorporation of the Association, as they may from time to time be amended, which are or shall be filed with the Arizona Corporation Commission.
- 1.3 <u>Association</u>. "Association" shall mean and refer to an Arizona nonprofit corporation to be formed for the purposes of acting as the Association under this Declaration, and its successors and assigns.
- 1.4 <u>Association Architect</u>. "Association Architect" shall mean and refer to a licensed architect selected by the Board to review and approve elevations, plans and specifications for Improvements as provided in <u>Section 6.1.2</u> below.
 - 1.5 Board. "Board" shall mean and refer to the Board of Directors of the Association.
 - 1.6 Building. "Building" shall mean and refer to buildings located on the Property.
- 1.7 <u>Bylaws</u>. "Bylaws" shall mean the Bylaws of the Association, as they may from time to time be amended or supplemented.
- 1.8 <u>Court at the Commons.</u> "The Court" shall mean the Property and the Improvements situated thereon.
 - 1.9 City. "City" shall mean the City of Mesa, Maricopa County, Arizona.
- 1.10 <u>De-annexed Property</u>. "De-annexed Property" shall mean and refer to any and all real property (including all improvements thereon) that is de-annexed from the Property pursuant to <u>Section 2.5</u> below.
- 1.11 <u>Declarant</u>. "Declarant" shall mean Travelers Construction Co., L.C., a Profit Sharing Plan ("Travelers"), or a related company entity in which Travelers owns at least 50%, and, to the extent provided herein, its successors and assigns if such successors and assigns acquire or hold title

to any part or all of the Property and are expressly named as successor Declarant in a document executed by Travelers, or a successor Declarant other than Travelers, and recorded with the County Recorder for Maricopa County assigning the rights and duties of Declarant to such successor Declarant, with such successor Declarant accepting and assuming the assignment of such rights and duties. A successor Declarant shall also be deemed to include a Mortgagee under any Mortgage securing an obligation from a then existing Declarant encumbering all or any portion of the Property, which Mortgagee has acquired any such property by foreclosure, power of sale or deed in lieu of such foreclosure or sale.

- 1.12 <u>Declaration</u>. "Declaration" shall mean this Declaration of Covenants, Conditions and Restrictions for The Court at the Commons, as it may from time to time be amended or supplemented.
- 1.13 <u>Improvement Plans</u>. "Improvement Plans" shall mean and refer to the site plans, architectural plans, engineering plans, drainage plans, landscaping plans, utility plans and other plans and information prepared or caused to be prepared by the Declarant and approved by the City in connection with the construction of Improvements for The Court.
- 1.14 <u>Improvements</u>. "Improvements" shall include, without limitation, buildings, underground installations, slope and grade alterations, roads, curbs, gutters, storm drains, utilities, driveways, parking areas, fences, screening walls and barriers, retaining walls, stairs, decks, windbreaks, plantings, planted trees and shrubs, sidewalks, poles, signs, loading areas, docks and all other structures, land development or landscaping improvements of every type and kind, including, without limitation monument signs. This list is not intended to be an exhaustive list of all improvements, but merely a detailed list of examples of possible improvements.
- 1.15 <u>Landscape Installation Areas</u>. "Landscape Installation Areas" shall mean and refer to those portions of each Lot that are required to be landscaped by the Improvement Plans and the City. The Declarant and the Association shall be responsible for installing landscaping and irrigation on the Landscape Installation Areas on the Property in accordance with the provisions of this Declaration and the requirements of the City.
- 1.16 <u>Landscape Maintenance Areas</u>. "Landscape Maintenance Areas" shall mean and refer to those portions of the Property that are required to be landscaped by the Improvement Plans and the City. Landscape Maintenance Areas shall also include any additional areas within The Court the Board determines, in its sole and absolute discretion, to classify as Landscape Maintenance Areas. The Association shall be responsible for maintaining landscaping in the Landscape Maintenance Areas in accordance with the provisions of this Declaration. The water, maintenance and repair for the irrigation system as required under <u>Section 1.14</u> above shall be provided by the Association at the Association's Owner's expense. The Association shall operate a central irrigation system.
 - 1.17 Lessee. "Lessee" shall mean the owner of a leasehold interest in a part or all of a Lot.

- 1.18 <u>Licensee</u>. "Licensee" shall mean any person or entity having any right or rights in respect to a Lot or Lots pursuant to a license granted by the Owner of such Lot or Lots.
- 1.19 <u>Lot</u>. "Lot" shall mean and refer to each legal lot of The Court as shown on the Plat or included within any Annexed Property. If any of the Property, now or hereafter subject to this Declaration is split, resubdivided, or a line or boundary adjustment of one or more Lots, or merger of two or more Lots is completed, then each of the Lots thus created shall be deemed to be included within the definition of Lot.
- 1.20 <u>Member</u>. "Member" shall mean and refer to every person or entity who is a Member of the Association pursuant to Article 4 hereof.
- 1.21 <u>Mortgage</u>. "Mortgage" shall mean any duly recorded mortgage or deed of trust encumbering a Lot or any contract for sale under Section 33-741 et seq. of the Arizona Revised Statutes or any successor statute.
- 1.22 <u>Mortgagee</u>. "Mortgagee" shall mean a beneficiary under a deed of trust, a mortgagee under a mortgage or seller under any a contract for sale under Section 33-741 et seq. of the Arizona Revised Statutes or any successor statute.
- 1.23 Occupant. "Occupant" shall mean any person or entity who occupies a Building, Lot or part of a Building or Lot including, but not limited to, employees, associates, invitees, contractors, sub-contractors, guests and visitors.
- 1.24 Operating Account. "Operating Account" shall mean an account into which the Board shall deposit funds for maintenance and operation assessments.
- 1.25 Owner. "Owner" shall mean the legal or beneficial Owner of a part or all of a Lot, Building or Buildings, whether one or more Persons, whether or not subject to any Mortgage, including a purchaser under an agreement for sale within the meaning of A.R.S. § 33-741, but does not mean those having such interest merely as security for the performance of an obligation.
- 1.26 <u>Person</u>. "Person" means an individual, trust, corporation, partnership, limited liability company, or other entity of every kind and nature, including their respective heirs, personal or other legal representatives, successors and assigns.
- 1.27 <u>Plat</u>. "Plat" shall mean the subdivision plat of the Property recorded in Book 636 of Maps, Page 20 in the Records of the County Recorder of Maricopa, County, Arizona, and all amendments, replats and supplements as may be approved by the City from time to time.
- 1.28 <u>Private Drive Isle</u>. "Private Drive Isle" shall mean the area shown on the Plat within Tract A as an interior drive isle including, without limitation, those areas on the Plat subject to an easement for ingress and egress at the points of entry into The Court from The Commons Industrial Park at Falcon View Units 1, 2 and 3.

- 1.29 <u>Private Drive Isle and Parking Improvements</u>. "Private Drive Isle and Parking Improvements" shall mean all improvements located in the Private Drive Isle and the vehicle parking areas adjacent to the Private Drive Isle, including, without limitation, all pavement, streetlights and landscaping.
- 1.30 <u>Record, Recorded or Recordation</u>. "Record", "Recorded" or "Recordation" shall mean, with respect to any document, the recordation of said document in the Office of the County Recorder of Maricopa County, Arizona.
- 1.31 <u>Storm Drain System</u>. "Storm Drain System" shall mean and refer to those gutters and drainage facilities or drainage improvements designed and installed in connection with the installation of the Private Drive Isle and Parking Improvements which are intended to convey normal rainfall and/or storm waters from the Private Drive Isle and Parking Improvements into the designated storm water retention areas where the water is to be retained as shown and required by the Improvement Plans. The Storm Drain System shall also include any additional drainage improvements as may be required by the City or other applicable governmental authority.
- 1.32 <u>The Commons</u>. "The Commons" shall mean and refer to The Commons Industrial Park at Falcon View Units 1, 2 and 3.
- 1.33 <u>Tenant Improvements</u>. "Tenant Improvements" shall mean and refer to the interior demising walls, floorings, electrical systems, security systems, plumbing, window treatments and all other Improvements constructed within a Building.
- 1.34 <u>Turnover Date</u>. "Turnover Date" shall mean and refer to the date on which Declarant has conveyed 94% of the Lots subject to this Declaration, whether as of the date this Declaration is Recorded or as a result of annexation under Section 2.4 below.

ARTICLE 2

PROPERTY SUBJECT TO THIS DECLARATION

- 2.1 <u>Declaration</u>. Declarant hereby declares that The Court and every part thereof is and shall be owned (legally and beneficially), leased, or transferred, developed, improved, built upon or otherwise used, subject to this Declaration. This Declaration is declared and agreed to be in furtherance of an overall plan by Declarant and the City for the development, improvement, sale and use of The Court and is established for the purpose of enhancing and protecting the property value, desirability and attractiveness of The Court and every part thereof.
- 2.2 <u>Covenants Running With The Land</u>. Declarant hereby declares that The Court is now held, and shall hereafter be held, conveyed, leased, occupied, operated and used, subject to the easements, restrictions, conditions, covenants and agreements herein set forth, each and all of which

are for, and shall inure to, the benefit of and pass with each and every part, Lot of the Property and shall apply to and bind the heirs, successors and assigns of any Owner or Lessee thereof, and each of which shall constitute covenants running with the land between the respective Owners of such parts and Lots and create privity of contract and of estate between all grantees of any such part or Lot and the heirs, successors and assigns of each and all of them.

2.3 <u>Splits or Resubdivision of Lots</u>. No splits or resubdivision of any of the Lots contained in the description set forth in <u>Exhibit A</u> and shown on the Plat, shall be permitted without the consent of the Board in writing and the written approval of the City. If a split or resubdivision of one or more Lots is so approved, each of the Lots created as a result of the lot split or resubdivision, shall be subject and bound by this Declaration and existing laws and regulations of the City.

2.4 Annexation.

- 2.4.1 <u>Declarant's Power to Annex</u>. Declarant may at any time during the pendency of this Declaration add to this Declaration all or a portion of any land now or hereafter owned by Declarant that is located adjacent to the Property or located within The Commons Industrial Park at Falcon View Units 1, 2 or 3. Upon recordation of a notice of annexation of such real property containing at least the provisions set forth in <u>Section 2.4.2</u> below, the provisions of this Declaration specified in such notice shall apply to such Annexed Property in the same manner as if it were originally covered by this Declaration. Thereafter, to the extent this Declaration is made applicable thereto, the rights, powers and responsibilities of Declarant and the Owners, Lessees, Licensees and Occupants of parcels within such Annexed Property shall be the same as in the case of the land described in Exhibit A.
- 2.4.2 <u>Notice of Annexation of Land</u>. The notice of annexation of real property referred to in <u>Section 2.4.1</u> above shall contain at least the following provisions: (i) a reference to this Declaration stating the date of recording hereof and the recording number in the records of Maricopa County, Arizona, where this Declaration is recorded; (ii) a statement that the provisions of this Declaration, or some specified part thereof, shall apply to such Annexed Property; (iii) an exact description of such Annexed Property; and (iv) such other or different covenants, conditions, and restrictions as Declarant shall, in its discretion, specify to regulate and control the use, occupancy and improvement of such Annexed Property.

2.5 De-Annexation.

2.5.1 <u>Declarant's Power to De-Annex</u>. As long as Declarant owns any portion of the Property (original or annexed) and provided the portion of the Property Declarant intends to de-annex was previously annexed under <u>Sections 2.4.1 and 2.4.2</u> above, Declarant may from time to time remove or de-annex from this Declaration any portion of the Property previously annexed under <u>Sections 2.4.1 and 2.4.2</u> above ("De-annexed Property") with the consent of the Owner of the real property to be removed, but without needing the consent or approval of the Board, any other Owner or party. Upon recordation of a notice of de-annexation of such De-annexed Property containing at least the provisions set forth in <u>Section 2.5.2</u> below, such De-annexed

Property shall be released from all provisions of this Declaration and no longer be part of the Property, except: (i) the provisions of <u>Section 6.2.3.4</u> below (Common Walls) and such other provisions as are necessary to enforce <u>Section 6.2.3.4</u>; and (ii) continuing liability for assessments and other charges under this Declaration owing for periods prior to the recording date of the notice of de-annexation (collectively, "Surviving Provisions").

2.5.2 <u>Notice of De-annexation</u>. The notice of de-annexation of real property referred to in <u>Section 2.5.1</u> above shall contain at least the following provisions: (i) a reference to this Declaration stating the date of recording hereof and the recording number in the records of Maricopa County, Arizona, where this Declaration is recorded; (ii) a statement that the provisions of this Declaration shall no longer apply to such De-annexed Property, except as provided in <u>Section 2.5.2(i) and (ii)</u> above; (iii) an exact legal description of the De-annexed Property; and (iv) the consent of the Owner of the De-annexed Property.

ARTICLE 3

ASSOCIATION

- 3.1 <u>Organization</u>. The Association shall be a nonprofit corporation formed under Arizona laws regarding Nonprofit Corporations, charged with the duties and empowered with the rights set forth herein, in the Bylaws and in the Articles. Its affairs shall be governed by this Declaration, the Articles and the Bylaws. Until such time as the Association is formed, Declarant shall have and fulfill all rights, responsibilities and duties of the Association under this Declaration.
- 3.2 Powers. The Association shall have all the powers of a nonprofit corporation organized under the Arizona Revised Statutes concerning nonprofit corporations subject only to such limitations on the exercise of such powers as are set forth in the Articles, the Bylaws and this Declaration. It shall have the power to do any lawful thing that may be authorized, required or permitted to be done by the Association under this Declaration, the Articles and the Bylaws, and to do and perform any act that may be necessary or proper for or incidental to, the exercise of any of the express powers of the Association, including, without limitation, the following: (i) commence and maintain actions or restrain and enjoin any actual or threatened breach of this Declaration and enforce by mandatory injunction or otherwise all of the provisions of this Declaration; (ii) pay taxes, special assessments and other liabilities which are or would become a lien on the Property or any portion thereof; (iii) levy assessments and perfect and enforce liens as hereinafter provided; (iv) enter into contracts and perform the duties set forth herein, including, without limitation, maintenance and repair of the Landscape Maintenance Areas, Private Drive Isle and Parking Improvements and the Storm Drain System; (v) adopt, amend and repeal rules and regulations as it deems reasonable; (vi) enter onto the Lots to enforce the provisions of this Declaration in accordance with the provisions of Article 11; and (vii) borrow funds to pay costs of operation, secured by assessment revenues due for succeeding years or by assignment or pledge of rights against delinquent Owners; provided, however, that the majority vote of the Owners, including Declarant, shall be required to borrow in excess of ten thousand dollars (\$10,000.00). Such borrowing may be from Declarant should Declarant

determine to advance funds for which Declarant shall receive no more than the published Bank of America, or its successor bank, prime rate plus two percent as interest.

- 3.3 Personal Liability. To the greatest extent allowed by law, no Member of the Board, or of any committee of the Association, or any officer of the Association, or any manager, or Declarant, or any agent of Declarant, shall be personally liable to any Owner, or to any other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of any such person or entity if such person or entity has, on the basis of such information as may be possessed by him or it, acted in good faith without willful or intentional misconduct.
- Administration and Compliance. Except as to matters requiring the approval of Members as set forth in this Declaration, the Bylaws or the Articles, the affairs of The Court shall be administered by the Association, through its Board, officers and agents in accordance with the provisions of this Declaration and the Bylaws. If the Bylaws are in any way inconsistent with this Declaration, then this Declaration shall prevail and control. Each Owner, Lessee or Occupant of a Building or Lot shall comply with the provisions of this Declaration, the Bylaws and Rules and Regulations of the Association, as lawfully amended from time to time, and failure to so comply shall be grounds for: (i) an action for damages and/or injunctive relief; and (ii) such remedies, by legal proceedings or otherwise, as are available by reason of this Declaration or the Bylaws, each of which remedies shall be cumulative and in addition to any other available remedy.

ARTICLE 4

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

- 4.1 Membership. An Owner shall automatically, upon becoming the record Owner of a Lot, be a Member of the Association and shall remain a Member thereof until such time as its ownership ceases for any reason, at which time its membership in the Association shall automatically cease. Such membership shall be appurtenant to and pass with the ownership of such Lot. The membership shall not be transferred, pledged or alienated in any way, except that an Owner, upon giving written notice to the Association, may give to a Lessee of an entire Lot for a lease term in excess of five years, a power coupled with an interest to act as Owner's agent and proxy in all matters relating to the Association which power and proxy shall automatically terminate when the Lessee's tenancy ends for any reason. Any attempt to transfer a membership prohibited by this Section shall be void and shall not be reflected upon the Association's books and records. If the Owner of any Lot fails to transfer the membership appurtenant thereto upon any transfer, whether voluntary or involuntary, of the Lot, the Association shall have the right to record the transfer upon its books and thereupon the membership outstanding in the name of the prior Owner shall be null and void, but any agency and proxy given to a Lessee under a power coupled with an interest shall remain in affect through the period of the lease term and the Lessee's occupancy.
- 4.2 <u>Voting</u>. Each Owner shall have one vote for each Lot owned by such Owner. Whenever there is a vote to be made, pursuant to the terms of this Declaration, it shall be made in

accordance with the provisions of this <u>Section 4.2</u>. Anything in this Declaration to the contrary notwithstanding, Owners shall not be entitled to exercise any voting rights hereunder until the Turnover Date.

- 4.3 <u>Board of Directors</u>. The Board of the Association shall consist of three Directors and shall be appointed by Declarant upon the incorporation of the Association. Until such time as 94% of the Lots have been conveyed by Declarant to Owners, other than Declarant, Declarant shall have the sole right, in its absolute discretion, to appoint and remove Directors from the Board.
 - 4.4 Intentionally Omitted.
- 4.5 <u>Annual Membership Meetings</u>. Following the Turnover Date, the Association shall hold an annual meeting of the Members in accordance with the Bylaws of the Association.
- 4.6 <u>Control of the Association by Declarant</u>. Anything in this Declaration, the Articles, the Bylaws or any other document to the contrary notwithstanding, Declarant shall maintain absolute control over the Association, including appointment of the officers of the Association, the members of the Board and the members of the Architectural Committee until the Turnover Date. Until the Turnover Date, only Declarant will be entitled to cast any vote with respect to the election of the directors to the Board, removal of the directors or any other matter requiring the approval of the Members. Declarant may voluntarily (but shall not be required to) permit the Members to assume control of the Association.
- 4.7 Representation and Voting by the Board. The Court at the Commons is a resubdivision of lot 1 located in The Commons Industrial Park at Falcon View Unit 1. As such, The Court at the Commons and the Lots contained therein have certain rights, privileges and obligations, including voting rights, under the Amended and Restated Declaration of Covenants, Conditions and Restrictions For The Commons Industrial Park at Falcon View Unit 1 as Recorded on August 8, 1997, under recording number 97-056374. Anything in this Declaration, the Articles, the Bylaws or any other document to the contrary notwithstanding, the Board is entitled to exercise all such voting rights as a block vote for The Court as a Member(s) of The Commons. It is the intent of this Section 4.7, that the Board, in its exercising of the voting rights as a block, will be better able to further the rights, desires and agenda of The Court as a Member(s) of The Commons.

ARTICLE 5

RESERVATION OF EASEMENTS

5.1 <u>Easement for Private Drive Isle and Parking Improvements</u>. Fee title to the area on which the Private Drive Isle and Parking Improvements are located is held by the Association as Tract A, Tract B and Tract C. Declarant hereby reserves a non-exclusive perpetual easement over, under, above and across the Private Drive Isle and Parking Improvements for the benefit of Declarant, the Association, all Owners, Lessees, Licensees and Occupants for ingress and egress to the Lots.

- 5.2 <u>Easement for Maintenance of Private Road Improvements</u>. Declarant hereby reserves to Declarant, the Association or their duly authorized agents and representatives an easement over, under and across the Private Drive Isle and Parking Improvements for the purposes of repair, reconstruction, restoration and maintenance of the Private Drive Isle and Parking Improvements.
- 5.3 <u>Easements for Maintenance</u>. Declarant hereby reserves to Declarant, the Association or their duly authorized agents and representatives a non-exclusive easement for ingress and egress over the Lots for the purposes of repair, reconstruction, restoration, landscaping and maintaining the Private Drive Isle and Parking Improvements, Landscape Installation Areas, Landscape Maintenance Areas and the Storm Drain System and for other maintenance as required of or permitted to Declarant or the Association hereunder.
- 5.4 Avigation Easement. Each owner acknowledges and represents to the Declarant, the Association and all other Owners that they are aware that the Property lies under the flight path of aircraft utilizing Falcon Field Airport and each and every Owner does hereby give and grant to the City of Mesa an easement for avigation purposes over and across the Property in connection with flights above the surface to an infinite height above the same, which easement shall include, but not be limited to, the right of flight of aircraft over the land, together with its attendant noise, vibrations, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at, or taking off from, or operating on the Mesa Municipal Airport currently known as Falcon Field. Each Owner does further release and discharge the City of Mesa, for the use and benefit of the public and agencies of the City of Mesa, of and from all liability for any and all claims for damages of any kind to persons or property that may arise at any time in the future over or in connection with the Owner's Lot above to an infinite height above same, whether such damage shall originate from noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at, or taking off from, or operating at or on the Mesa Municipal Airport currently known as Falcon Field. This avigation easement shall be binding upon each owner and its heirs, assigns and successors in interest to the Property and it is further agreed that this avigation easement is a covenant running with the Property.

ARTICLE 6

REGULATION OF IMPROVEMENTS

- 6.1 Development Standards and Restrictions.
- 6.1.1 Construction Approval. Absolutely no construction or development may proceed on any Lot until all the procedures set forth in this Section 6 have been complied with and approval in writing from the Board or the Association Architect has been issued. As a condition to such approval, the Board may require that the Owner requesting approval pay a fee in an amount not to exceed \$500 for each set of plans to be reviewed, which fee shall include follow-up reviews of plan modifications made at the request of the Board or the Association Architect.

- 6.1.2 <u>Association Architect</u>. The Board may employ a licensed architect ("Association Architect") as the Board's designated representative for the purpose of giving the approvals required under this <u>Section 6</u>.
- 6.1.3 Construction of Improvements or Alterations. No improvement, alterations, repairs, landscaping, excavations or other work which in any way alters the natural land or the exterior appearance of any Lot or the Improvements located thereon from its natural or improved state existing on the date such property was first conveyed by Declarant to a third-party purchaser shall be made or done without the prior written approval of the Board or the Association Architect. No building, fence, wall or other structure shall be commenced, erected, maintained, improved, altered, made or done without the prior written approval of the Board or the Association Architect. All subsequent additions, changes or alterations to any building, fence, wall or other structure, including, without limitation, exterior color scheme, shall be subject to the prior written approval of the Board or the Association Architect. No changes or deviations in or from plans and specifications approved by the Board or the Association Architect shall be made without the prior written approval of the Board or the Association Architect.
- 6.1.4 <u>Types of Construction</u>. All buildings must be constructed of reinforced concrete masonry walls or such other material as approved in writing by the Board or the Association Architect.
- 6.1.5 <u>Exterior Design</u>. All Improvements shall be constructed in accordance with the Improvement Plans and the approval of the Board or the Association Architect.
- 6.1.6 <u>Approval of Plans</u>. Two sets of plans are to be submitted to the Board or the Association Architect for approval. One set will be returned with comments. Any additions or alterations to any portion of the approved plans shall be subject to review and re-approval. Moreover, at any time, unapproved additions or alterations are subject to corrections ordered by the Board or the Association Architect.
- 6.1.7 <u>Tenant Improvement Plan Review</u>. Submission of a Tenant Improvement plan will be required prior to the construction of any Tenant Improvement. The Tenant Improvement plan is to include:

Floor plan, materials detail, an explanation of intended use and other items required by the Board or the Association Architect.

6.1.8 <u>City Approvals and Requirements</u>. No construction shall be commenced or allowed within any Building or on any Lot unless all permits and approvals required by the City have been obtained and such construction complies with all provisions of the City's Building Code and with the restrictions set forth in this Declaration.

- 6.1.9 <u>Design Requirements</u>. Improvements shall be constructed to meet the following standards:
- 6.1.9.1 <u>Building Site Coverage</u>. Buildings must be constructed in accordance with the site coverage specifications as detailed in the Improvement Plans.
- 6.1.9.2 <u>Color Coordination</u>. Colors, materials and finishes are to be coordinated on all exterior elevations of the buildings to achieve total continuity of design.
- 6.1.9.3 Exterior Lighting. All exterior lighting on any Buildings and Lot shall comply with all standards, restrictions and requirements of the City and shall be subject to the approval of the Board or the Association Architect.
- 6.1.9.4 <u>Roof Mounted Equipment</u>. All roof-mounted equipment shall be subject to the approval of the Board or the Association Architect.
- 6.1.9.5 <u>Wall Mounted Equipment</u>. No mechanical equipment is to be exposed on the front or side wall surface of a building. Installation of all exterior mounted equipment shall be subject to the approval of the Board or the Association Architect.
- 6.1.9.6 <u>Miscellaneous Equipment</u>. Gutters and downspouts are to be painted to match the surface to which attached unless used as a major design element. Roof mounted ventilators are to be a maximum of two feet above point where attached and painted or prefinished with the color scheme of the building. Vents, louvers, flashings or other similar items are to be painted consistent with the color scheme of the building.
- 6.1.9.7 <u>Surface Water Retention</u>. Drainage and retention required for all improved Lots shall be designed per the requirements of the Improvement Plans and in accordance with the requirements of the ordinances of the City.
- 6.1.10 <u>Parking Requirements</u>. Parking for each Building and Lot shall be provided in accordance with the Improvement Plans and the construction of Private Drive Isle and Parking Improvements:
- 6.1.10.1 <u>Intent</u>. Adequate off-street parking shall be provided to accommodate all parking needs for the Buildings and Lots. The intent is to eliminate the need for any parking other than in a designated parking area as further set forth in <u>Section 6.2.6</u> below.
- 6.1.10.2 <u>Restrictions</u>. Parking areas and maneuvering areas for access thereto may only be located in areas approved by the Board or the Association Architect and the City.
- 6.1.10.3 <u>Surfacing</u>. All driveways and parking areas must be paved with concrete or hot asphalt paving. So-called "armor coat" topping will not be approved.

- 6.1.10.4 <u>Parking Shelter Structures</u>. Canopy or shade type open parking structures where permitted by applicable zoning and building codes may be installed in approved parking areas if approved by the Board in it sole and absolute discretion and such shelters shall be used only for The Court parking of company vehicles and employees' or visitors' vehicles.
- 6.1.11 <u>Setback Requirements</u>. All setbacks shall comply with the Plat and the requirements of the City and be in accordance with the approval obtained from the City's Design Review Board.
- 6.1.12 <u>Refuse Handling Requirements</u>. All refuse shall be accumulated in a container approved by the City and the Board or the Association Architect.
- 6.1.13 <u>Sidewalks</u>. Sidewalks shall be required as indicated on the Improvement Plans and where required by applicable zoning or building codes, in which case the sidewalks shall be installed according to municipal standards.
- 6.1.14 <u>Commencement of Construction</u>. Upon receipt of approval from the Board or the Association Architect for the construction or alteration of Improvements, the Owner shall, as soon as practicable, satisfy all conditions thereof and diligently proceed with the commencement and completion of all approved construction and alterations. In all cases work shall be commenced within such time as is prescribed by the Board or the Association Architect. If work is not commenced within that time, then the approval given by the Board or the Association Architect shall be deemed revoked unless the Board or the Association Architect, upon request made prior to the time established by the Board or the Association Architect, extends the time for commencing work.
- 6.1.15 Completion of Construction. After commencement of construction and alterations approved by the Board or the Association Architect, the work shall be diligently pursued so that the Building the Lot and the Improvements thereon shall not remain in a partly finished condition any longer than reasonably necessary for the completion thereof. With regard to excavation, and without limiting any other provision of this Declaration, no excavation shall be made on, and no sand, gravel, soil or other material shall be removed from the Lot, except in connection with the construction or alteration of Improvements. Upon completion of any such operations, exposed openings shall be backfilled and disturbed ground shall be graded, leveled and paved or landscaped in accordance with the approved plans. In any event, completion of construction or alteration of such Improvements shall be within one year after the commencement thereof, except for so long as completion is rendered impossible or would result in great hardship due to strikes, fires, national emergencies, natural calamities or other supervening forces beyond the control of the Owner or its agents. In the event the City issues a Certificate of Occupancy prior to installation of landscaping and without limiting any other provisions of this Declaration, landscaping shall be installed within 60 days of said certificate or completion of the Improvements, whichever occurs first.

6.2 Additional Provisions Regarding Improvements.

- 6.2.1 <u>Additional Limitations</u>. All limitations contained herein are supplemental to controls established by zoning, building, fire or other jurisdictional codes and regulations and the more restrictive shall apply.
- 6.2.2 <u>Fences</u>. Except as otherwise allowed in this Declaration or approved by the Board or the Association Architect, no fencing shall be allowed.

6.2.3 Common Walls.

- 6.2.3.1 Intended Use of Common Walls. The Declarant intends to construct Buildings on Lots that shall utilize common walls. The Owners of Improvements with common walls shall be subject to the limitations and restrictions set forth in this Article with respect to common walls. With respect to each such wall, each one of the adjoining Owners shall assume the obligations and be entitled to the benefits of the provisions in this Article, and to the extent not inconsistent herewith, the general rules of law regarding common walls.
- 6.2.3.2 <u>Damage by One of the Adjoining Owners</u>: If any common wall is damaged or destroyed through the act or acts of one adjoining Owner, or any of Owner's employees, tenants, licensees, agents or invitees (whether such act is willful, negligent, or accidental), such adjoining Owner shall forthwith proceed to rebuild or repair the same to as good a condition as formerly, without cost to the other adjoining Owner.
- 6.2.3.3 <u>Damage by Some Other Cause</u>. If any common wall is damaged or destroyed by some act or event other than that produced by one of the adjoining Owners, or any of Owner's employees, tenants, licensees, agents or invitees (including ordinary wear and tear and deterioration from lapse of time), then both adjoining Owners shall proceed forthwith to rebuild or repair the same to as good condition as formerly, at their joint and equal expense.
- 6.2.3.4 <u>Alterations</u>. Any Owner of a Building or Lot who proposes to modify or alter a common wall shall first obtain the written consent of the adjoining Owner and the Board, in addition to meeting the requirements of this Declaration and the City.

6.2.4 <u>Landscaping</u>.

- 6.2.4.1 <u>Required Areas</u>. Landscaping shall be installed in all landscaping areas as required by the Improvement Plans in accordance with the requirements of this Declaration and the City.
- 6.2.4.2 <u>Alteration and Repair of Private Drive Isle and Parking Improvements,</u> <u>Storm Drain System and Landscape Installation Areas</u>. If any act or condition caused by any Owner, Lessee, Licensee or Occupant results in damage to or destruction of any of the Private Drive Isle and

Parking Improvements, Storm Drain System or Landscape Installation Areas and in the further event such Owner, Lessee, Licensee or Occupant fails to repair or restore such improvements or landscaping within 30 days after written request by the Association, the Association may repair or restore such improvements and/or landscaping with materials of like size and kind as approved by the Association and shall charge such Owner, Lessee, Licensee or Occupant for the cost of such repair or restoration. Owners acting independent of the Association shall not be entitled to alter the Private Drive Isle and Parking Improvements, Storm Drain System or Landscape Installation Areas.

6.2.5 <u>Signs</u>. No sign, billboard, or other advertising shall be erected, placed or maintained on any Improvement without specific written approval by the Board. All signage shall conform to the City of Mesa Sign Ordinance and/or approved comprehensive sign plan.

6.2.6 Parking Areas.

- 6.2.6.1 <u>No Private Drive Isle Parking</u>. No parking shall be allowed on the Private Drive Isle. Paved off-street parking as required by this Declaration and rules of any applicable regulations of any governmental authority shall be provided for each Building and Lot to accommodate all parking needs for employees, visitors, business invitees and company vehicles.
- 6.2.6.2 <u>Assigned Parking</u>. Prior to the Turnover Date, in accordance with the requirements of the Improvement Plans and the City, Declarant shall record an Amendment to this Declaration which designates, reserves and assigns specific parking spaces and parking areas for the use of the various Buildings and Lots and their corresponding Owners. Such amendment shall further provide parking rules and provisions for their enforcement.
- 6.2.7 <u>Utility Lines and Antennas</u>. No utility lines or wires or other devices for the communication or transmission of electric current, power, or signals, including, without limitation, television, microwave or radio signals, shall be constructed, placed or maintained anywhere in or on any Building or Lot other than within buildings or structures unless the same shall be contained in conduits or cables constructed, placed or maintained underground or concealed in or under buildings or other structures. No antenna for the transmission or reception of telephone, television, microwave or radio signals shall be placed on any Building or other Improvement on any Lot unless the consent of the Board shall first have been obtained. Nothing contained herein shall be deemed to forbid the erection or use of temporary power or telephone facilities incidental to the construction or repair of Improvements on any Lot.
- 6.3 <u>Disclaimer</u>. The City of Mesa is not responsible for and will not accept maintenance of any private facilities, drive isles, streets, landscaped areas, etc. within this project.

ARTICLE 7

LAND CLASSIFICATION AND USES RESTRICTIONS

7.1 <u>Land Classification</u>. All land within The Court is zoned for commercial office uses and shall be restricted to such uses. If real property is annexed to The Court, its land use classification shall be established by the annexation declaration.

7.2 Restrictions on Use of Lots.

- 7.2.1 Permitted Uses. The Lots are restricted to and may only be used for the uses permitted by this Declaration and the City under the zoning currently in effect for such Lot as of the date of this Declaration. The Board may approve a commercial use not currently allowed by the City's zoning (provided such use is approved and permitted by the City), and such approval may be given or withheld in Board's sole and absolute discretion.
- 7.2.2 Specifically Prohibited Uses. No Lot shall be used for an activity or purpose considered by the Board, in its sole and absolute discretion, to be objectionable as an intrusion into the environment of sound, odor, visual effect or physical impact which in the Board's opinion will disturb or tend to disturb the other Owners, Lessees or Occupants in The Court or which is deemed to constitute a nuisance. Schools, day care centers and similar uses shall not be permitted.
- 7.2.3 <u>Indoor Use</u>. All business operation activities are to be confined within a building or buildings.
- 7.2.4 Exterior Equipment. Exterior equipment other, than climate controlling equipment, such as air conditioning equipment, shall not be generally allowed. The Board or its designated representative must approve in writing the installation and/or use of all exterior equipment.
- 7.2.5 <u>Animals</u>. No animals, birds, fowls, poultry or livestock shall be allowed or maintained on any Lot.
- 7.2.6 <u>Antennas</u>. No antenna or other device for the transmission or reception of television or radio signals or any other form of electromagnetic radiation shall be erected, used or maintained on any Lot outside of a building unless approved in writing by the Board or its designated representative.
- 7.2.7 <u>Utility Connections</u>. All utility connections, including, without limitation, all electrical and telephone connections, and installations of wires to buildings shall be made underground from the nearest available power or utility source. No transformer, electric, gas or other meter of any type or other apparatus shall be located on any power pole or hung on the outside of any building, but the same shall be placed on or below the surface of the Property and where placed on the surface shall be subject to the prior written approval of the Board or its designated representative.

- 7.2.8 <u>Residential Use Prohibited</u>. No Lot shall be used at any time for a residence either temporary or permanent unless approved by the City and the Board.
- 7.2.9 <u>Nuisances</u>. No Owner, Lessee, Licensee or Occupant shall cause smoke, soot, dust, fumes or odorous gasses to be emitted into the air beyond the Lot wherein such Owner, Lessee, Licensee or Occupant operates or exists. No rubbish or debris (including dirt piles and construction waste) of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot, and no odors shall be permitted to arise there from so as to render any Lot or portion thereof unsanitary, unsightly, offensive or detrimental to any property in the vicinity thereof or to the Occupants thereof after the initial occupancy or during the initial construction or operation of the Improvements. No use or operation shall be conducted in The Court which is deemed by the Board to be noxious, objectionable, unsightly or detrimental to others in any manner and due to any cause, such as, but not limited to: vibration; sound; electro-mechanical disturbances; electro-magnetic disturbances; radiation; air or water pollution; and dust or emission of odorous toxic and non-toxic matters.
- 7.2.10 <u>Noise</u>. All Owners, Lessees, Licensees or Occupants shall comply with applicable City codes pertaining to noise.
- 7.2.11 <u>Electromagnetic and Electromechanical</u>. No Owner, Lessee, Licensee or Occupant shall cause electromagnetic or electromechanical interference with normal radio or television reception beyond the Lot wherein such Owner, Lessee, Licensee or Occupant operates or exists.

7.3 <u>Maintenance</u>.

7.3.1 <u>General</u>. Notwithstanding the existence of any insurance covering an Owner, the Association, or both, against loss, damage and destruction, the Association and each Owner shall have the affirmative obligation for maintenance, repair and restoration as set forth in this Article.

7.3.2 Owner's Obligation for Maintenance and Repairs.

- 7.3.2.1 Maintenance and Repair of Buildings, Lots and Improvements. Except for those items to be maintained by the Association under Section 7.3.3 below, each Owner shall maintain its own Building, Lot and all Improvements located on such Lot, including, whether occupied or unoccupied, in such a manner as to prevent their becoming unsightly by reason of disrepair or other condition. No Building, Lot or Improvement in The Court shall be permitted by its Owner, Lessee or Licensee to fall into disrepair, and each such Building, Lot and Improvement shall at all times be kept in good condition and repair and adequately painted or finished and shall be maintained in accordance with all requirements of the City.
- 7.3.2.2 Shared Walls and Roofing. Each Owner shall construct and maintain their Buildings and Lots in such a manner that the structural integrity of the shared walls between, and roofs above, the Buildings shall be maintained. No Owner shall permit damage to occur to a

shared wall, attic or roof. No Owner shall grant access to any party through a shared wall, into a shared attic or onto a shared roof area of another Owner's Building without expressed permission.

- 7.3.2.3 <u>Lateral Support</u>. Each Owner shall maintain its Lot so as to prevent erosion on its Lot that would result in damage to that Lot or to any adjacent Lot. No Owner shall perform any excavation upon or around its Lot that will result in damage to any adjacent Lot.
- 7.3.3 Association's Obligation for Maintenance and Repairs. The Association shall maintain the Private Drive Isle and Parking Improvements, Storm Drain System and Landscape Maintenance Areas, in good condition and repair and pay all property taxes and assessments relating to any portion of The Court owned by the Association. The cost of the normal maintenance and the taxes and assessments for which the Association is responsible under this Section shall be assessed as part of the regular assessments in accordance with the provisions of Section 8.4, provided, however, that the cost of any maintenance, repair or replacement of the such improvements or areas that is not covered by insurance and which results from the negligence or willfulness of an Owner, Lessee, Licensee or an Occupant shall be an assessment, lien, and obligation of such Owner and shall be due and payable in all respects as provided in Section 8.6.
- 7.4 Damage and Destruction Affecting Buildings and Lots Duty to Rebuild. If all or any portion of a Building or Lot or any Improvement on any such Lot is damaged or destroyed by fire or other casualty, it shall be the duty of the Owner of such Lot to: rebuild, repair or reconstruct the Building and the Improvements thereon in a manner which will restore them to a condition and appearance approved by the City and the Board. The Owner of any Lot on which damaged Improvements are located shall be obligated to proceed with all diligence hereunder, and such Owner shall cause cleanup and/or reconstruction to commence within three months after the damage occurs and to be completed within nine months after damage occurs, unless prevented by causes beyond its reasonable control.
- 7.5 <u>Insurance Obligation of Owners</u>. Each Owner shall insure its Improvements against loss or damage by fire or by any other casualty under the standard form of extended endorsement now in use in the State of Arizona or under such other insurance as may be required by any Mortgagee of a First Mortgage encumbering its Lot. All such insurance shall be in an amount as near as practicable to the full replacement value of the building and appurtenant Improvements, without deduction for depreciation or coinsurance.
- 7.6 <u>Variances</u>. The Board, at its sole discretion, is hereby authorized and empowered to grant variances for commercial or retail uses within The Court and to further grant reasonable variances from the provisions of this Declaration, or any portion hereof, in order to overcome practical difficulties and to prevent unnecessary hardship in the application of the provisions contained herein. Provided, however, that the Owner seeking the variance has obtained all required governmental approvals and the variances do not materially injure any of the Lots or Improvements in The Court, and shall otherwise be subject to and conform with all applicable laws, ordinances, rules and regulations, including, without limitation, zoning regulations, of any governmental agency or political entity having jurisdiction over The Court. No variance granted pursuant to the authority

obligations of the Association at its sole cost and expense. The first regular assessment shall be adjusted according to the number of months remaining in the calendar year.

- 8.4.3 <u>Amount</u>. The Board shall establish the amount of the regular assessment for each fiscal year.
- 8.4.4 <u>Payment of Assessments</u>. Regular assessments shall be due and payable by the Owners to the Association in advance in four equal quarterly installments, on or before the first day of January, April, July and October of each calendar year, or in such other manner as the Board shall designate.

8.5 Special Assessments.

- 8.5.1 <u>Purpose</u>. Special assessments may be levied by the Board if the Board determines that the estimated total amount of funds necessary to defray the expenses of the Association for a given fiscal year is or will become inadequate to meet expenses due to; unanticipated delinquencies; costs of construction or unexpected repairs; replacements or reconstruction of the capital improvements in and to the Private Drive Isle and Parking Improvements; the Storm Drain System and the Landscape Maintenance Areas or if funds are otherwise required for any authorized activity of the Association.
- 8.5.2 <u>Amount</u>. The Board shall determine the approximate amount necessary to defray the expenses set forth in <u>Section 8.5.1</u> above, and, if the amount is approved by a majority vote of the Board, it shall become a special assessment. Provided the Board may, in its discretion, pro rate such Special Assessment over the remaining months of the fiscal year or levy the assessment immediately against each Lot.
- 8.5.3 <u>Time and Manner of Payment</u>. Special Assessments shall be due and payable within seven business days after a Member receives written notice from the Board specifying the amount of the special assessment, unless the Board specifies in such notice a later date for payment.
- 8.6 <u>Reimbursement Assessment</u>. The Board may levy a reimbursement assessment against any Owner who fails to comply with this Declaration, the Rules and Regulations in an amount equal to any moneys expended by the Association in performing its functions under this Declaration or in the imposition of a fine or penalty pursuant to this Declaration.

granted herein shall constitute a waiver of any provision of this Declaration as applied to any person or real property.

ARTICLE 8

FUNDS AND ASSESSMENTS

- 8.1 <u>Creation of Lien and Personal Obligation for Assessments</u>. Declarant, for each Lot owned within The Court, hereby covenants, and each Owner, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agrees to pay to the Association: (i) regular assessments as hereinafter described, (ii) special assessments to be established and collected as hereinafter provided; and (iii) such other assessments which the Board is authorized to levy pursuant to the provisions of this Declaration. The regular and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made, the lien to be effective upon recordation of a notice of delinquent assessments.
- 8.2 <u>Purpose of Assessments</u>. The assessments levied by the Association shall be used exclusively to enhance, maintain and protect the desirability, attractiveness and safety of The Court, and to pay any and all assessments resulting from The Court being a Member in The Commons, and for the improvement and maintenance of the Private Drive Isle and Parking Improvements, Storm Drain System and Landscape Maintenance Areas, and to reimburse the Association for the costs incurred in bringing an Owner into compliance with the Articles, Bylaws, Declaration and Rules and Regulations adopted by the Board.
- 8.3 <u>Funds</u>. The Association shall establish and maintain an operating fund ("Operating Account") into which the Board shall deposit all funds paid to the Association. All funds shall be held in trust by the Association for the use and benefit of its Members and shall only be used for and apply to the specific purposes for each assessment as hereinafter set forth.

8.4 Regular Assessments.

- 8.4.1 <u>Purpose</u>. Regular assessments shall be used exclusively for all expenses incurred by the Association for: (i) the administration, operation and maintenance of the Private Drive Isle and Parking Improvements, Storm Drain System and Landscape Maintenance Areas; (ii) payment of any and all assessments resulting from The Court being a Member in The Commons; and (iii) carrying out the duties and obligations required under this Declaration.
- 8.4.2 <u>Date of Commencement of Regular Assessments</u>. The regular assessments provided for in this <u>Article 8</u> shall commence as to all Lots on the first day of the month following the conveyance of the first Lot to an Owner; provided, however, that Declarant may, at its option, delay the start of regular assessments so long as Declarant performs all maintenance and other

8.7 <u>Capital Improvement Assessment.</u>

- 8.7.1 <u>Purpose</u>. Capital improvement assessments may be levied by the Association in any assessment year, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of construction of any Improvements deemed reasonably necessary by the Board for the benefit of The Court provided that any capital improvement assessment in excess of 5% of all assessments budgeted for that fiscal year shall require approval by vote or written consent of the Members of the Association, including Declarant, owning at least a majority of the Lots in The Court.
- 8.7.2 <u>Time and Manner of Payment</u>. Capital improvement assessments shall be due and payable by all Owners in such installments and during such period or periods as the Board shall designate for the payment thereof.
- 8.8 Rate of Assessment. All assessments (other than a special assessment levied against an Owner to bring the Owner or its Lot into compliance with this Declaration, Articles, Bylaws or rules and regulations of the Board) shall be fixed based upon the number of Lots owned by each Owner in relationship to the total Lots in The Court. In the event of resubdivision of any Lot or Lots, the assessment shall be reallocated to such resubdivided Lots based upon the assessment originally allocated to the Lot or Lots before resubdivision and amortized over the new Lots being resubdivided.
- 8.9 Estoppel Certificate. Upon the Board receiving a written request. The Board shall, in no less than 10 days, execute and deliver to the requesting party a written statement on behalf of the Association as to whether or not, a particular Owner is in default as to its Lot under the provisions of this Declaration. The statement shall further state the dates on which installments of assessments, regular or special, have been paid or are outstanding relative to such Lot. The statement shall further detail any interest or charges associated therewith. The requesting party may rely upon the written statements provided by the Board, but reliance on such a statement may not extend to any default not involving the payment of assessments of which the Board or the Association had no actual knowledge.

8.10 Collection of Assessments.

- 8.10.1 <u>Right to Enforce</u>. The right to collect and enforce assessments is vested in the Board acting for and on behalf of the Association. The Board or its authorized representative can enforce the obligations of the Owners to pay assessments provided for in this Declaration by commencement and maintenance of a lawsuit or other equitable remedy, or the Board may foreclose by judicial proceedings or through the exercise of the power of sale pursuant to <u>Section 8.10.2</u> below to enforce the lien rights. Suits to recover a money judgment for unpaid assessments, together with all other amounts described in this <u>Section 8.10.1</u> shall be maintainable without foreclosing or waiving the lien rights.
- 8.10.2 <u>Creation of Lien.</u> If there is a delinquency in the payment of any assessment or any other amount to be paid under this Agreement, any amounts that are delinquent shall bear interest at the rate of 18% per annum and a late charge of 15% on the outstanding balance and all costs that are incurred by the Board or its authorized representative in the collection of the amounts, including reasonable attorney's fees, and all such amounts shall be a lien against such Lot. The lien created pursuant to this Section shall not be foreclosed or enforced pursuant to a power of sale unless and until the Board or its authorized representative has delivered to the delinquent Owner or Owners, not less than 15 days before commencement of any proceedings to enforce such lien, a written notice of default and a demand for payment, and unless such delinquency has not been cured within such 15 day period.
- Notice of Default; Foreclosure. Upon the giving of notice and failure to cure, as provided in Section 8.10.2, the lien provided for in Section 8.10.2 may be foreclosed by the Association in any manner provided or permitted for the foreclosure of realty mortgages or deeds of trust in the State of Arizona. Pursuant to Arizona Revised Statues Section 33-725 et seq., or any successor statute, the Association may recover all unpaid assessments, damages and costs related to the sale of the Owner's property. In connection with any sale under Section 33-807 et seq. of the Arizona Revised Statutes, or any successor statute, the Board is authorized to appoint any person or entity permitted under Section 33-803 et seq. of such statute, or any successor statute, to act in such capacity as trustee for purposes of conducting the sale. On becoming delinquent in the payment of any assessments, or installments each delinquent Owner shall be deemed to have absolutely assigned all rent, issues and profits of its Lot to the Association and shall further be deemed to have consented to the appointment of a receiver (which appointment may, at the election of the Association, be enforced by the Association through specific performance). The Association, acting on behalf of the Owners, shall have the power to bid upon the Lot at a foreclosure sale and to acquire, hold, lease, mortgage and convey the Lot.
- 8.11 <u>No Offsets</u>. All assessments shall be payable in the amounts specified by the particular assessment and no offsets against such amount shall be permitted for any reasons, including, without limitation, a claim that the Association is not properly exercising its duties of maintenance, operation or enforcement.

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- 8.12 <u>Subordination of Lien to First Mortgages</u>. The lien of assessment herein shall *not* be subordinate and subject to the lien of any first Mortgage now or hereafter placed upon any Lot subject to assessment.
- 8.13 <u>Transfer of Property</u>. After transfer or sale of any Lot within The Court, the selling Owner or Owners shall notify the Association of the transfer of ownership by written notice.
- 8.14 <u>Failure to Fix Regular Assessments</u>. The omission by the Board to fix the regular assessments hereunder before the expiration of any year, for that or the next year, shall not be deemed either a waiver or modification in any respect of the provisions of this Declaration or a release of the Owner from the obligation to pay the assessments or any installment thereof for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a new assessment is fixed.
- 8.15 <u>Association Funds</u>. The assessments collected by the Association shall be properly deposited into a separate account with a bank selected by the Board, which account shall be designated as the Operating Account. Upon sale or transfer of any Lot by any Owner, the Owner's interest in such accounts shall be deemed automatically transferred to the successor transferee of such Owner. If the Board retains a professional management service, the Board may delegate the authority to deposit or withdraw funds to responsible representatives of the professional management agent so retained. Such professional management agent may additionally be authorized to establish a common trustee account for deposit of assessments as collected.

ARTICLE 9

DAMAGE OR DESTRUCTION OF THE COURT

- 9.1 <u>Bids and Insurance Proceeds</u>. As soon as practicable after the damage or destruction of all or any portion of the Private Drive Isle and Parking Improvements, the Landscape Maintenance Areas, the Storm Drain System or any other Improvements for which the Association is responsible to maintain, the Board shall: (i) obtain bids from at least three reputable contractors, licensed in the State of Arizona, which bids shall set forth in detail the work required to repair, reconstruct and restore such damaged or destroyed portions of the Private Drive Isle and Parking Improvements, the Landscape Maintenance Areas, the Storm Drain System or other Improvements for which the Association is responsible to maintain, to substantially the same condition as existed prior to such damage and the itemized cost of such work; and (ii) determine the amount of all insurance proceeds available to the Association for the purpose of effecting such repair, reconstruction and restoration.
- 9.2 <u>Sufficient Insurance Proceeds</u>. If upon such damage or destruction the insurance proceeds available to the Association are sufficient to effect the total repair, reconstruction and restoration of the damaged or destroyed portions of the Private Drive Isle and Parking Improvements, the Landscape Maintenance Areas, the Storm Drain System or other Improvements for which the Association is responsible to maintain, then the Association shall cause such to be repaired.

reconstructed and restored to substantially the same condition as the same existed prior to such damage or destruction.

9.3 <u>Insurance Proceeds Insufficient</u>. If upon such damage or destruction the proceeds of insurance available to the Association are insufficient to cover the cost of repair, reconstruction and restoration of the damaged or destroyed portions of the Private Drive Isle and Parking Improvements, the Landscape Maintenance Areas, the Storm Drain System or other Improvements, the Board shall then be authorized to specially assess all Lots in accordance with the terms of this Declaration for all additional funds needed to comply with the obligation of the Association to maintain the Private Drive Isle and Parking Improvements, the Landscape Maintenance Areas, the Storm Drain System or other Improvements in accordance with <u>Article 9</u> hereof.

ARTICLE 10

DURATION, MODIFICATION AND REPEAL

- 10.1 <u>Duration of Protective Covenants</u>. This Declaration shall continue and remain in full force and effect at all times with respect to The Court and each part thereof, now or hereafter made subject thereto (subject, however, to the right to amend and repeal as provided in <u>Section 10.2</u>) for a period commencing on the date of the recordation of this Declaration with the Office of the County Recorder of Maricopa County, Arizona, and ending on December 31, 2075; unless, within one (1) year prior to December 31, 2075, there shall be recorded an instrument extending the term of this Declaration signed by the Owners owning not less than 51% of the total Lots in The Court.
- Termination and Modification. This Declaration, or any provisions hereof, may be terminated, extended, modified or amended, at any time and from time to time during the term of this Declaration by the written consent of: (i) Declarant alone, until such time as Declarant no longer owns any portion of The Court; or (ii) a vote of Owners owning at least 51% of the Lots in The Court when Declarant no longer owns any portion of The Court. No such termination, extension, modification or amendment shall be effective until a written instrument setting forth the terms thereof is duly executed by Declarant alone until such time as a vote of the Owners is required under (ii) above at which time the execution of the Board shall be required and recorded in the official records of Maricopa County, Arizona. Notwithstanding the foregoing, any part of The Court which is subsequently conveyed or dedicated by Declarant or the Board for use as a public roadway or other public use may be conveyed or dedicated free and clear of this Declaration by execution and delivery of a deed by Declarant or the Board to the appropriate governmental body.
- 10.3 Rule Against Perpetuities. If any interest purported to be created by this Declaration is challenged under the rule against perpetuities or any related rule, the interest shall be construed as becoming void and of no effect as of the end of the applicable period of perpetuities computed from the date when the period of perpetuities starts to run on the challenged interest. The "lives in being" for computing the period of perpetuities shall be: (i) those which would be used in determining the validity of the challenged interest; plus (ii) those of the issue of the Board who are living at the time the period of perpetuities starts to run on the challenged interest.

ARTICLE 11

ENFORCEMENT

11.1 Enforcement by Board.

- 11.1.1 <u>Improvements and Unimproved Lots</u>. All Improvements and Lots shall be maintained in an attractive and well-kept condition and in accordance with the approved plans and specifications. If any such Improvement or Lot is not so maintained, the Board may notify the Owner or Lessee in writing by registered mail that such Improvement or Lot is not being properly maintained. If such maintenance is not effected by the Owner or Lessee within 30 days from the date upon which the Board sent such notice to the Owner or Lessee, the Board, or its designee, shall have the right to the extent permitted by applicable laws, to enter upon the Lot for the purpose of maintaining, restoring or repairing such Improvement or Lot. The costs incurred by the Board in restoring, maintaining or repairing such Improvement or Lot plus 25% allowance for overhead shall be borne by the Owner or Lessee and shall be paid on demand to the Board, or to such other person or entity designated by such Board.
- 11.1.2 <u>Remedies Upon Failure to Install Landscaping</u>. If the landscaping approved pursuant to <u>Section 6.2.4.1</u> above has not been installed within the period required under <u>Section 6.1.15</u>, the Board may notify the Owner or Lessee in writing that the landscaping is to be installed within 30 days from the date of such notice. If the landscaping has not been installed within such additional 30 day period, the Board or its designated agent shall have the right to the extent permitted by applicable laws, to enter upon the Lot for the purpose of installing the approved landscaping. The costs incurred by the Board installing such landscaping plus a 25% allowance for overhead shall be borne by the Owner or Lessee and shall be paid on demand to the Board, or to such other person or entity designated by such Board.

11.1.3 Fines.

- 11.1.3.1 <u>Board's Right to Assess Fines</u>. In addition to all other rights and remedies available under this Declaration, the Board at its discretion in determining the extent of the violation(s) and at its option, may assess a fine against an Owner of \$150.00 per day, or such other amount as the Board may deem appropriate, for each violation of the terms, provisions and restrictions of this Declaration with respect to the Lot owned by such Owner or any activity on such Lot, including, without limitation, any activity by any Lessee, Licensee or Occupant of all or any part of such Lot. Unless otherwise indicated in any notice of violation, a continuing violation shall be deemed to be a new offense every day until remedied. Such fine shall be due immediately upon its becoming final under Section 11.1.3.2 below.
- 11.1.3.2 <u>Notice and Hearing</u>. Prior to any fine under <u>Section 11.1.3.1</u> above becoming final, the Board shall provide the Owner to be fined with notice and an opportunity to be heard as provided below. The Board shall mail a copy of the amount of the fine to be assessed,

postage prepaid to the applicable Owner at the last address last appearing on the records of the Association for such Owner or any other manner described in Section 12.9 below, and shall allow such Owner to be heard at the next meeting of the Board or at such other time and place as the Board may specify in the notice. At such meeting the Board shall allow such Owner to present its reasons as to why the proposed fine should not be assessed and shall determine whether to assess the fine and such determination shall be conclusive and binding. Failure by such Owner to attend such meeting shall constitute a waiver of the right to a hearing by such Owner.

- 11.1.4 <u>Default Interest</u>. All amounts to be paid under this Declaration that are not paid when due shall bear interest at the rate of 18% per annum from the date due until paid in full.
- 11.1.5 <u>Liens</u>. Until paid, the costs including interest and attorney's fees incurred by the Board for the enforcement of this Declaration and/or: (i) the cost incurred for maintenance and overhead provided under <u>Section 11.1.1</u> above; and/or (ii) the cost incurred for landscaping and overhead provided under <u>Section 11.1.2</u> above; and/or (iii) fines provided for under <u>Section 11.1.3</u> above; and/or (iv) the default interest provided for under <u>Section 11.1.4</u> above, shall be a lien upon the real property of the Owner or upon the leasehold interest of the Lessee and the Improvements on such Lot which may be enforced by the Board or Declarant in the same manner provided in <u>Section 8.10</u> above for the enforcement of liens.

11.2 Abatement and Suit.

- 11.2.1 <u>Preventive Remedies</u>. Declarant and/or the Board may proceed at law or in equity to prevent the violation of this Declaration. Declarant and/or the Board or their duly authorized agents shall have the right, upon violation or breach of any restriction set forth herein, if such violation or breach continues for a period of 30 days after written notice thereof, to enter upon the Lot where such violation or breach exists, and summarily to remove at the expense of the Owner, Lessee or Occupant thereof, any structure, thing or condition that may be or exist thereon contrary to the intent and meaning of the provisions hereof.
- 11.2.2 <u>Declarant's and/or Board's Rights</u>. During reasonable hours, Declarant, or its authorized representative, shall have the right to enter upon and inspect any Lot and the Improvements thereon erected for the purpose of ascertaining whether or not the provisions of this Declaration have been or are being complied with, and shall not be deemed guilty of trespass by reason of such entry. Declarant and/or the Board, or their duly authorized agents, shall have the additional right at any time and from time to time following violation or breach of this Declaration to pursue a legal recourse against the person or persons who have violated or are attempting to violate any of the provisions of this Declaration, to enjoin or prevent them from doing so, to cause such violation to be remedied, and to recover damages for such violation.
- 11.2.3 Other Parties' Rights. After request upon Declarant and/or the Board to prevent any violation of this Declaration, and failure to act by Declarant or the Board, the City, any Owner or Lessee shall additionally have all enforcement rights provided for in this Declaration. In addition, any other party to whose benefit this Declaration inures shall have the right in the event of

violation or breach of this Declaration, to pursue a legal recourse against the person or persons who have violated or are attempting to violate this Declaration, to enjoin or prevent them from doing so or to cause such violation to be remedied.

- 11.2.4 <u>Cumulative Remedies</u>. The remedies hereby specified are cumulative, and this specification shall not be deemed to preclude any aggrieved persons resort to any other remedy at law, in equity or under any statute.
- 11.2.5 <u>Injunctive Relief.</u> Every Owner and Occupant of a Lot subject to these restrictions expressly agrees that any such violation or breach may be enjoined whether or not monetary damages may be provided or provable.
- 11.3 <u>Deemed to Constitute a Nuisance</u>. The result of every action or omission whereby the provisions of this Declaration are violated in whole or in part is hereby declared to constitute a nuisance, and every remedy allowed by law or equity against any Owner, Lessee, Licensee or Occupant shall be applicable in respect to every such result and may be exercised by Declarant, the Board or any Owner or Lessee to whose benefit this Declaration inures.
- 11.4 <u>Attorney's Fees</u>. In any legal or equitable proceeding to determine the rights of the parties to enforce or restrain the violation of this Declaration, the losing party or parties, as determined by the hearing officer or tribunal for this purpose, shall pay the reasonable attorney's fees, legal costs and expenses of the prevailing party or parties.
- 11.5 Failure to Enforce Not a Waiver of Rights. No delay or failure on the part of an aggrieved party to invoke any available remedy in respect to a violation of any of this Declaration shall be held to be a waiver by that party of (or an estoppel of that party to assert) any right available to him upon the recurrence or continuance of such violation or the occurrence of a different violation, nor shall there be construed upon Declarant or the Board, a duty to take any action to enforce the provisions of this Declaration.

ARTICLE 12

MISCELLANEOUS PROVISIONS

Assignment of Rights and Duties. Any and all of the rights, powers and reservations of Declarant herein contained may be assigned to any person, corporation or entity or to any association which will assume the duties of Declarant pertaining to the particular rights, powers and reservations assigned. Upon such assignment any such person, corporation or entity or the association, evidencing its consent in writing to accept such assignment and assume such duties, shall have, to the extent of such assignment, the same rights and powers and be subject to the same obligations and duties as are given to and assumed by Declarant herein, including its heirs, successors and assigns. Any assignment or appointment made under this Section shall be in recordable form and shall be recorded in the Office of the County Recorder of Maricopa County, Arizona. Notwithstanding any provision of this Declaration to the contrary, Declarant may, at any

time, relieve itself of its rights and obligations under this Declaration by filing in the Recorder's Office of Maricopa County, Arizona, a notice stating that Declarant has surrendered such rights and obligations and upon the recording of such notice, even if it is not specified therein, such powers and obligations shall immediately vest in the Association. If at any time Declarant ceases to exist and has not made such an assignment, the rights and obligations of Declarant shall automatically vest in the Association.

- Constructive Notice and Acceptance. The Owner, Lessee, Licensee or Occupant, by acceptance of a deed conveying title to any part of The Court, or the execution of a contract for the purchase thereof, or the acceptance of a lease or license thereof, or the taking possession thereof, whether from Declarant or a subsequent Owner or Lessee, shall accept such deed, contract, lease, license or possession upon and subject to each and all of the provisions of this Declaration and to the rights and powers of Declarant and its successors and assigns, and by such acceptance shall for itself, its heirs, personal representatives, successors and assigns covenant, consent and agree to and with Declarant, its successors and assigns, and to and with the other Owners and Lessees to keep, observe, comply with and perform the provisions of this Declaration whether or not any reference to this Declaration is contained in the instrument by which such person or entity acquired such real property. Every person or other entity who now or hereafter owns or acquires any right, title or interest in or to any portion of The Court is and shall be conclusively deemed to have consented and agreed to this Declaration, whether or not any reference to this Declaration is contained in the instrument by which such person or entity acquired an interest in such real property.
- 12.3 <u>Waiver</u>. Neither Declarant, the Board or any member thereof, nor their successors or assigns, nor Owner nor Lessee shall be liable to any other Owner, Lessee, Licensee or Occupant of any real property subject to this Declaration by reason of any mistake in judgment, negligence, nonfeasance, action or inaction in regard to the enforcement or failure to enforce the provisions of this Declaration or any part thereof. Every Owner, Lessee, Licensee or Occupant, by acquiring its interest in The Court agrees that he will not bring any action or suit against Declarant, its successors and assigns, the Board or any member thereof, or the Association or any member thereof, from time to time, to recover any such damages or to seek equitable relief. This <u>Section 12.3</u> shall not prevent the enforcement of any legal or equitable right of one Owner against another.
- Mutuality, Reciprocity, Runs With Land. This Declaration is made for the direct, mutual and reciprocal benefit of each and every Lot of The Court; shall create mutual, equitable servitudes upon each Lot of The Court in favor of every other Lot of The Court; shall create reciprocal rights and obligations between the respective Owners and privity of contract and estate between all grantees of real property in The Court, their heirs, successors and assigns; and shall, as to the Owner of each Lot of The Court, its heirs, successors and assigns, operate as covenants running with the land, for the benefit of all other Lots of The Court.
- 12.5 <u>Rights of Mortgages</u>. Unless otherwise expressly stated herein, no breach of this Declaration shall defeat or render invalid the lien of any Mortgage now or hereafter executed upon any part of The Court; provided, however, that if any portion of such real property is conveyed under a foreclosure or trustee's sale under any Mortgage or is conveyed in lieu of thereof, any purchaser at

such foreclosure or sale or any such grantee and its successors and assigns shall hold any and all real property, so purchased or acquired, subject to the provisions of this Declaration.

- 12.6 <u>Retained Rights; Waiver of Compliance</u>. Wherever it appears in this Declaration that Declarant has the right to waive compliance with certain provisions, the right to approve or deny certain matters or the right to exercise its discretion in various areas, these rights of Declarant are expressly reserved or retained by Declarant, and all of the provisions of this Declaration are subject to the retained and reserved rights of Declarant.
- 12.7 <u>Section Headings</u>. Section headings, where used herein, are inserted for convenience only and are not intended to be a part of this Declaration or in any way to define, limit or describe the scope and intent of the particular paragraphs to which they refer.
- 12.8 Severability. If any term or provision of this Declaration shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Declaration shall not be affected thereby, but such term or provision shall be reduced or otherwise modified by such court or authority only to the minimum extent necessary to make it valid and enforceable, and each term and provision of this Declaration shall be valid and enforceable to the fullest extent permitted by law. If any term or provision cannot be reduced or modified to make it reasonable and permit its enforcement, it shall be severed from this Declaration and the remaining terms shall be interpreted in such a way as to give maximum validity and enforceability to this Declaration. It being the intention of the parties hereto that if any provision of this Declaration is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.
- Notices. Any and all notices or other communication made pursuant hereto shall be in writing and shall be deemed properly delivered, given or served to Declarant: (i) when personally delivered against receipted copy; or (ii) four business days after being mailed by certified or registered mail, postage prepaid; in either case (i) or (ii) to Declarant at the following address: Travelers Construction Co., c/o The Reeb Group, Ltd., 128 N. Macdonald Street, Mesa, Arizona 85201. For the purpose of this Section, Declarant may change its address by recordation of a Notice of Change of Address in the Office of the County Recorder of Maricopa County, Arizona. A notice to any Owner shall be deemed duly delivered, given or served: (a) when personally delivered against receipted copy; or (b) four business days after mailing by certified or registered mail, postage prepaid; in either case (a) or (b), to the last known address of the Owner of the real property so owned, leased or occupied as reflected on the records of the Association, if then in existence.
- 12.10 <u>Gender and Number</u>. The singular, wherever used herein, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.
- 12.11 <u>Interpretation of the Covenants</u>. Except for judicial construction, the Association, by its Board, shall have the exclusive right to construe and interpret the provisions of this Declaration.

In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Association's construction or interpretation of the provisions of this Declaration shall be final, conclusive and binding as to all persons and property benefited or bound by the provisions of this Declaration.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

12.12 <u>Limitation on Declarant's Liability</u>. Notwithstanding anything to the contrary herein, Declarant (including without limitation any assignee of the interest of Declarant hereunder) shall have no personal liability to the Association, or to any Owner, Lessee, Licensee, Occupant or any other person, arising under, in connection with, or resulting from (including, without limitation, resulting from action or failure to act with respect to) this Declaration, except to the extent of Declarant's interest in the Property, and in the event of a judgment against Declarant, no execution or other action shall be sought or brought thereon against any other assets, nor be a lien upon such other assets, of the judgment debtor.

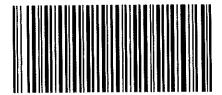
Declarant has executed this Declaration, the day and year first above written.

<u>DECLARANT</u> :	TRAVELERS CONSTRUCTION CO., a Profit Sharing Plan By: Fred J. Ash, Trustee
STATE OF ARIZONA)	1
County of Maricopa) ss	
The foregoing inst February , 2006, by Fred J. A Plan, an Arizona limited liability	rument was acknowledged before me this day of Ash as Trustee of Travelers Construction Co., a Profit Sharing company.
Motary Public	. Evenson
My commission expires:	DIANNE L. EVENSON Notary Public - Arizona Maricopa County My Comm. Expires Apr 25, 2009

EXHIBIT A

[Legal Description of The Court at the Commons]

THE COURT AT THE COMMONS, according to the plat of record in the office of the County Recorder of Maricopa County, Arizona, recorded in Book 636 of Maps, Page 20.



OFFICIAL RECORDS OF MARICOPA COUNTY RECORDER HELEN PURCELL 2011-0624205 07/27/11 02:04 PM 2 OF 2

PALUM80A

When recorded return to:

Mark Reeb
The Court at The Commons Industrial Park
At Falcon View Association
2812 N. Norwalk, Suite 105
Mesa, AZ 85215

SUPPLEMENTARY DECLARATION TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE COURT AT THE COMMONS

THIS SUPPLEMENTARY DECLARATION TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE COURT AT THE COMMONS (this "Supplementary Declaration") is made as of the day of the commons industrial park at falcon view association, an Arizona non-profit corporation (the "Board").

RECITALS

- A. This Supplementary Declaration relates to the Declaration of Covenants, Conditions and Restrictions for the Court at the Commons dated February 17, 2006, and recorded on February 27, 2006 at Recorder's No. 2006-0265031, Official Records of Maricopa County, Arizona (the "Declaration").
- B. The Declaration covers the property commonly known as the Court at the Commons, as more particularly described in the Declaration (the "Property").
- C. All initial capitalized terms used in this Supplementary Declaration shall have the meanings ascribed thereto in the Declaration, unless otherwise specifically defined herein.
- D. The Board desires and intends to supplement the Declaration pursuant to Section 10.2 thereof with the consent of the Owners as set forth on Exhibit A attached hereto as more particularly set forth in this Supplementary Declaration.

NOW, THEREFORE, the Declaration is hereby supplemented, amended and modified as follows:

AGREEMENT

1. <u>Additional Use Restrictions Applicable to Property</u>. Notwithstanding anything to the contrary contained in the Declaration or approved by the City, the Property shall not be

7242.0.532425.2 5/27/2011

used for any of the following purposes without the prior written consent of the Board, which consent may be withheld, delayed or conditioned in the sole and absolute discretion of the Board:

- (a) Medical marijuana dispensary or other business or operation related to medical marijuana;
- (b) Drug paraphernalia store or so-called "head" shop;
- (c) Massage parlor, adult bookstore (which shall include a store which sells or rents sexually-explicit videos, DVDs, audiotapes, films, devices, apparel and the like), "peep-show" store, or topless or strip club;
- (d) Off-track betting, gambling, gaming or check-cashing facility;
- (e) Any bar, tavern, restaurant or other establishment that derives more than fifty percent (50%) of its gross sales from the sale of wine, beer or other alcoholic beverages;
- (f) A so-called "secondhand" or surplus store, pawn shop, flea market, swap meet or junkyard; or
- (g) Animal-raising or storage or veterinary hospital.
- 2. <u>Rights of Successors</u>. This Supplemental Declaration shall run with the land and shall bind and inure to the benefit of the owners of the Property, their respective heirs, representatives, lessees, successors and assigns. The singular number includes the plural and the masculine gender includes the feminine and neuter.
- 3. <u>Headings</u>. The headings herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of this document nor in any way affect the terms and provisions hereof.
- 4. <u>Counterparts</u>. This Supplementary Declaration may be executed in one or more counterparts each of which in the aggregate shall constitute one and the same instrument.
- 5. <u>Governing Law.</u> This Supplementary Declaration shall be governed by and construed in accordance with the laws of the State of Arizona.
- 6. <u>No Other Effect on Declaration</u>. Except to the extent supplemented by the terms and conditions of this Supplementary Declaration, the Declaration shall remain in full force and effect.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, this Supplementary Declaration to Declaration of Covenants, Conditions and Restrictions for the Court at The Commons has been executed as of the day and year first written above.

BOARD OF DIRECTORS OF THE COMMONS INDUSTRIAL PARK AT FALCON VIEW ASSOCIATION, an Arizona non-profit corporation

	By G. Fer Name MARK ROOB Title President
STATE OF ARIZONA)	
County of Maricopa) ss.	
DIRECTORS OF THE COMMONS	was acknowledged before me this day of, acting as resident of the BOARD OF INDUSTRIAL PARK AT FALCON VIEW poration, on behalf of the Board and the Association. Notary Public
My commission expires:	
4-25-13	DIANNE L. EVENSON Notary Public - Arizona Maricopa County My Comm. Expires Apr 25, 2013

EXHIBIT A

Consent of Owners

[To be attached]

THE COURT AT THE COMMONS VOTE TO AMEND CC&RS - JULY 2011

LOT	SUPPORT	NO SUPPORT
1	X	
2	X	
3	X	
4	X	
5	X	
6	Х	
7	X	
8	X	
9	X	
10	X	****
11	Х	
12	X	
13	X	
14	X	
15	X	
16	X	
17	Х	
18	X	
19	X	
20	Х	
21	X	
22	X	
23	X	
24	X X X X X X X X X X X X X X X X X X X	
25	X	
26	Х	
27	Х	
28	X	
29	X	
30	Х	
31	Х	
32	X	