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**DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR
RANCHO EL DORADO**

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS ("the Declaration") is made this 17th day of October, 2000, by PECAN VALLEY INVESTMENTS, L.L.C., an Arizona limited liability company ("Pecan Valley") and CHI CONSTRUCTION COMPANY, an Arizona corporation ("CHI") (collectively, "Declarants" and individually, "Declarant").

RECITALS

A. Pecan Valley is the owner of, and holds good and marketable title to, certain real property located in Pinal County, Arizona, which is more particularly described in Exhibit A attached hereto and incorporated herein (the "Property" or the "Project"), which consists of real property that has been or will be subdivided into residential lots and additional real property that will be utilized either as a commercial golf course or for other commercial purposes.

B. CHI intends to acquire a portion of the Property and develop it for residential use.

C. Declarants have determined that the construction, maintenance and operation of a golf course and certain related facilities within a portion of the Property may be beneficial as an amenity for the Project.

D. To pursue the possible construction, maintenance and operation of a golf course, Pecan Valley shall transfer title to the portion of the Property more specifically described on Exhibit B attached hereto and incorporated herein by this reference (the "Golf Course" as defined below) to Rancho El Dorado Golf Course, L.L.C., an Arizona limited liability company (the "Golf Course Owner"), at such time as the Golf Course will be developed, maintained and operated as and for a golf course and related purposes in accordance with the provisions of this Declaration.

E. Declarants desire that a nonprofit corporation, the Rancho El Dorado Homeowners Association, be formed for the purpose of the efficient preservation of the values

and amenities of the Property and to which will be delegated certain powers of administering and maintaining the Common Area, enforcing this Declaration, and collecting and disbursing the assessments created herein.

F. Declarants desire and intend that the Property shall be held, sold and conveyed, subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Property and shall be binding on and for the benefit of all parties having or acquiring any right, title or interest in the Property or any part thereof, their heirs, successors or assigns, and shall inure to the benefit of each owner thereof and their heirs, representatives, successors and assigns.

G. In order to protect and enhance the value and desirability of the Golf Course (if the Golf Course is developed) and the remainder of the Property, the Golf Course, if and once developed, shall be held, used, maintained, sold and conveyed subject to this Declaration and all of the express covenants, conditions, restrictions and easements set forth herein, all of which are to be construed as restrictive covenants running with the title to the Golf Course and every part thereof and for the mutual benefit of the Golf Course Owner, the Declarants, and all Owners (as hereinafter defined) of the remainder of the Property.

NOW, THEREFORE, DECLARANTS hereby declare that the foregoing recitals are incorporated into the general provisions of this Declaration to the same extent as if they had been set out at length therein and constitute a substantive part thereof, and further declare, covenant and agree as follows:

ARTICLE 1 DEFINITIONS

- 1.1 "Additional Properties" shall mean properties added in accordance with Article 11 hereof.
- 1.2 "Architectural Committee" shall mean the committee created pursuant to Article 7 hereof.
- 1.3 "Architectural Committee Rules" shall mean the rules, if any, adopted by the Architectural Committee.
- 1.4 "Articles" shall mean the Articles of Incorporation of the Association, as such may be amended from time to time.
- 1.5 "Association" shall be synonymous with "Master Association" and shall mean and refer to the RANCHO EL DORADO HOMEOWNERS ASSOCIATION, an Arizona non-profit corporation, its successors and assigns.
- 1.6 "Board" shall mean the Board of Directors of the Association.
- 1.7 "Builder" shall mean an Owner of two or more Lots which is in the business of constructing homes and which intends to construct homes for resale on the Lots it owns.

1.8 “Bylaws” shall mean the Bylaws of the Association, as such may be amended from time to time.

1.9 “Common Area” and “Common Areas” shall mean all areas (including the improvements thereon) owned, leased or otherwise placed under the control or jurisdiction of the Association for the common use and enjoyment of Owners and/or residents of the Property. The Common Areas may include, but are not necessarily limited to, man-made lakes; park spaces; and certain open spaces, washes, and the like. The Owners, tenants or other users of the Golf Course, commercial parcels and retail sites shall have no right to use or enjoy the Common Area, except as provided in Section 8.1 below. It is specifically acknowledged that Declarants anticipate that Pinal County intends to own one or more public parks (which are expected to include one or more man-made lakes) in the immediate vicinity of the Property and that the County intends to contract with the Association (at no cost to the County) for the maintenance of such public parks or lakes and that, to the extent permitted by law, such public parks or lakes may be deemed by the Association to constitute a part of the Common Area for maintenance, regulation and similar purposes. Without limiting the foregoing, the Common Area to be owned by the Association at the time of the conveyance of the first Lot is described as follows:

Tracts A through K, inclusive; Tracts N through Z, inclusive; Tracts AA through CC, inclusive; Tracts MM, OO, PP, QQ, SS and TT, *PARCEL MAP FOR RANCHO EL DORADO, A PLANNED AREA DEVELOPMENT*, recorded in Cabinet C, Slide 172, in the office of the County Recorder of Pinal County, Arizona.

1.10 “Declarants” shall be Pecan Valley Investments, L.L.C., an Arizona limited liability company, and CHI Construction Company, an Arizona corporation, or either of them, and their respective successors and assigns from time to time, as such successors and assigns are specifically identified and empowered by a written assignment (or other similar operative document) recorded in Pinal County, Arizona.

1.11 “Declaration” shall mean the covenants, conditions, restrictions and easements set forth in this document, as such may be amended from time to time.

1.12 “Golf Course” shall mean that certain real property described on the attached Exhibit B, which is incorporated herein by this reference, and such Additional Properties as are brought within the scheme of this Declaration for possible development as golf course property. “Golf Course” shall also include clubhouses and related facilities which may be constructed, and all appurtenances thereto, including maintenance and other buildings, and vehicles and equipment associated herewith.

1.13 “Golf Course Operator” shall mean any person or entity which operates the Golf Course, which may either be Declarants themselves, the Golf Course Owner, any lessee of the Golf Course which operates the Golf Course, or any manager or operator of the Golf Course pursuant to a contract therefor with Declarants, the Golf Course Owner, or a lessee of the Golf Course. While a Golf Course Operator may discharge Declarant’s obligations and exercise Declarant’s rights hereunder as Declarant’s agent, all such obligations and rights shall continue to solely burden and

belong to Declarants for purposes of this Declaration, despite any contract between Declarants and the Golf Course Operator.

1.14 "Golf Course Owner" shall mean Rancho El Dorado Golf Course, L.L.C., an Arizona limited liability company, and its heirs, successors and assigns from time to time. The term "Golf Course Owner" shall have the same meaning with respect to the Golf Course as the defined term "Owner" has with respect to Lots. Hereafter, the Golf Course Owner, from time to time, shall be the then owner of the Golf Course. In the event the entire Golf Course is, at any time, not owned by one person or entity, all such owners of all or any portion of the Golf Course shall collectively be the Golf Course Owner. Upon conveyance of fee title to the Golf Course or any portion thereof or interest therein, the then owner(s) of the Golf Course shall automatically succeed as to all rights and responsibilities of the Golf Course Owner without the necessity for any further action or documents of any parties.

1.15 "Lot" shall mean any numbered parcel of real property shown upon any recorded plat of the Property, or any part thereof, together with any improvements constructed thereon, with the exception of the areas designated as lettered tracts and areas dedicated to the public. Each Lot shall be a separate freehold estate. The term "Lot" shall specifically include any parcel of real property proposed or intended to be shown upon any future recorded plat of the Property, or any part thereof. The term "Lot" shall specifically exclude the Golf Course.

1.16 "Member(s)" shall mean any person, corporation, partnership, joint venture or other legal entity that is a member of the Association.

1.17 "Owner(s)" shall mean the record owner, whether one or more persons or entities, of equitable or beneficial title in fee simple (or legal title if the same have merged) of any Lot. Notwithstanding the foregoing, if the record owner (other than Declarant) has granted to an individual or entity (an "optionee") the right to purchase a Lot, such optionee, for purposes of this Declaration and for so long as the optionee's right to purchase the Lot remains effective, shall be considered the "Owner" of such Lot and shall be entitled to exercise the rights of an "Owner" in respect thereto; provided, however, that the existence of an optionee, or the exercise (or failure to exercise) of any right by an optionee, shall not terminate, modify or diminish any remedy provided in this Declaration against the legal "Owner" of such Lot. "Owner" shall include the purchaser under a recorded agreement for sale of any Lot. The foregoing does not include persons or entities who hold an interest in any Lot merely as security for the performance of an obligation. Except as stated otherwise herein, "Owner" shall not include a lessee or tenant of a Lot. "Owner" shall include a Declarant or Builder so long as such Declarant or Builder owns any Lot within the Property. The owners of the Golf Course, commercial parcels and retail sites are not Owners for purposes of this definition and this Declaration.

1.18 "Parcel" shall mean any one and "Parcels" shall mean any two or more of parcels of real property designated as Parcels 2A, 2B, 3 through 7, inclusive, and 11 through 13, inclusive, *PARCEL MAP FOR RANCHO EL DORADO, A PLANNED AREA DEVELOPMENT*, recorded in Cabinet C, Slide 172, in the office of the County Recorder of Pinal County, Arizona.

1.19 "Plat" shall mean a map of a subdivision prepared in accordance with Section 312 of the Pinal County Subdivision Regulations and Requirements and Minimum Standards for Subdivision Paving, as Amended October 19, 1981.

1.20 "Project" shall mean "Rancho El Dorado" consisting of Phase I, as more particularly described on the attached Exhibit A; Phase IIA, as more particularly described on the attached Exhibit C; Phase IIB, as more particularly described on the attached Exhibit D; any and all Additional Properties; the Golf Course; a water plant site; two school sites, certain commercial parcels; certain apartment sites, certain retail sites, a man-made lake, certain park spaces, and certain open spaces, washes, and the like.

1.21 "Property" or "Properties" shall mean the real property described in Recital A above which is subject to this Declaration, and any personal property appurtenant thereto, and any Additional Properties added thereto, along with any personal property appurtenant thereto.

1.22 "Rules" shall mean the rules and regulations adopted by the Board, if any, as such may be amended from time to time, as further described in Section 4.4.

1.23 "Subsidiary Association" shall mean an Arizona nonprofit corporation, its successors and assigns, established for the purpose of administering and enforcing the provisions of any Subsidiary Declaration.

1.24 "Subsidiary Declaration" or "Tract Declaration" shall mean any declaration of covenants, conditions and restrictions recorded after the recording of this Declaration with respect to any Parcel of the Property by a Declarant or any Builder and meeting the requirements for such Subsidiary Declaration contained herein. All Subsidiary Declarations shall in all cases be consistent with and subordinate to this Declaration.

1.25 "Visible from Neighboring Property" shall mean, with respect to any given object, visible to a person six feet tall, standing on any part of neighboring property at an elevation no greater than ground level where the object is located (assuming the ground level where the person is standing is at the same height as the ground level where the object is located).

ARTICLE 2 PROPERTY RIGHTS

2.1 Owners' Easements of Enjoyment. Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational or storage facilities or areas situated upon the Common Area;

(b) the right of the Association to suspend the voting rights and right to use of the Common Area by an Owner for any period during which any assessment against his Lot remains unpaid;

(c) the right of the Association to suspend the right to use the Common Area for a period not to exceed sixty (60) days for any infraction of the Association Rules and consecutive sixty (60) day periods for so long as the infraction continues;

(d) the right of the Association to limit the number of guests of members using the Common Areas;

(e) the right of the Association to change and regulate the use of Common Areas in accordance with Section 4.7;

(f) the right of the Association to change the size, shape or location of the Common Areas, to exchange the Common Areas for other property or interests which become Common Areas, and to abandon, dedicate or otherwise transfer Common Areas in accordance with Section 4.8 hereof; and

(g) the right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Areas and facilities, and in aid thereof, to mortgage said property in accordance with Section 8.2(e) hereof. The rights of such mortgagee in said property shall be subordinate to the rights of the Owners hereunder.

2.2 Delegation of Use. Any Owner may delegate, in accordance with and subject to any restrictions contained in the Bylaws, his right of enjoyment to the Common Area and improvements thereon to his tenants, or occupants of his Lot, or guests.

2.3 Owners' Easement of Enjoyment Limitations.

(a) An Owner's right and easement of enjoyment in and to the Common Area shall not be conveyed, transferred, alienated or encumbered separate and apart from an Owner's Lot and such right and easement of enjoyment in and to the Common Area shall be deemed to be conveyed, transferred, alienated or encumbered upon the sale of any Owner's Lot, notwithstanding that the description in the instrument of conveyance, transfer, alienation or encumbrance may not refer to the Common Area.

(b) Except as authorized by Section 2.1(f), Common Area shall remain undivided and no action for partition or division of any part thereof shall be permitted.

(c) Each Owner, his tenant, the occupant of his Lot, and his guests may use the Common Area in common with the Owners, invitees, tenants, and occupants of the other Lots in accordance with the purposes for which it is intended without hindering or encroaching upon the lawful right of such others and in accordance with the Association Rules established by the Board.

2.4 Title to Common Area. Each Declarant covenants that it will convey fee simple title to the Common Area otherwise owned by it to the Association, free of all encumbrances except current real and personal property taxes and other easements, conditions, reservations and restrictions then of record. The conveyance shall be made to the Association by both of the Declarants prior to the conveyance of the first Lot from any Declarant to any purchaser.

ARTICLE 3
PROPERTY SUBJECT TO THIS DECLARATION

3.1 General Declaration. Because it is intended that the Property as presently subdivided shall be sold and conveyed to purchasers subject to this Declaration, the Declarants hereby declare that the Property is and shall be held, conveyed, hypothecated, encumbered, leased, occupied, built upon or otherwise used, improved or transferred in whole or in part, subject to this Declaration, as amended from time to time; provided, however, property which is not part of a Lot and which is dedicated or transferred to a public authority or utility pursuant to Section 4.8 shall not be subject to this Declaration while owned by the public authority or utility. This Declaration is declared and agreed to be in furtherance of a general plan for the subdivision, improvement and sale of the Property and is established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Property. This Declaration shall run with all of the Property for all purposes and shall be binding upon and inure to the benefit of the Declarants, the Association, all Owners, Members and their respective successors in interest.

3.2 The Golf Course Property. The Golf Course is and shall be held, conveyed, hypothecated, encumbered, leased, occupied, built upon or otherwise used, improved or transferred in whole or in part, subject to this Declaration only for the limited purposes of vesting the Golf Course, the Golf Course Owner and the Golf Course Operator with the easements and rights created herein for the benefit of the Golf Course, its Owner and Operator, and enforcing the specific covenants and obligations placed upon the Golf Course, the Golf Course Owner and the Golf Course Operator by this Declaration, and none others.

ARTICLE 4
THE ASSOCIATION

4.1 The Association. The Association shall be an Arizona non-profit corporation charged with the duties and invested with the powers prescribed by law and set forth in the Articles, Bylaws, and this Declaration. Neither the Articles nor Bylaws shall, for any reason, be amended or otherwise modified or interpreted so as to be inconsistent with this Declaration.

4.2 The Board of Directors and Officers. The affairs of the Association shall be conducted by a Board of Directors and such officers as the Board may elect or appoint, in accordance with the Articles and the Bylaws.

4.3 Powers and Duties of the Association. The Association shall have such rights, duties and powers as set forth herein and in the Articles and Bylaws.

4.4 Rules. By action of the Board, the Association may, from time to time and subject to the provisions of this Declaration, adopt, amend, and repeal rules and regulations to be known as the "Rules". The Rules may restrict and govern the use of the Property; provided, however, the Rules may not discriminate among Owners and shall not be inconsistent with this Declaration, the Articles or Bylaws. A copy of the Rules, as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner. The Rules shall have the same force and effect as if they were set forth herein and were a part of the Declaration and may be recorded.

4.5 Variations. The Board may, at its option and in extenuating circumstances, grant variances from the restrictions set forth in this Declaration, any Tract Declaration, or any Supplementary Declaration if the Board determines in its discretion that (i) either (a) a restriction will create an unreasonable hardship or burden on an Owner or other permitted user of property, or (b) that a change of circumstances since the recordation of this Declaration has rendered such restriction obsolete, and (ii) that the activity permitted under the variance will not have any substantial adverse effect on the Owners and is consistent with the high quality of life intended for residents and Owners of Rancho El Dorado.

4.6 Personal Liability. The Articles shall specify such limitations on the personal liability of members of the Board as shall be applicable.

4.7 Procedure for Change of Use of Common Area. Upon (a) adoption of a resolution by the Board stating that the then current use of a specified part of the Common Area is no longer in the best interests of the Owners and Members, and (b) the approval of such resolution by a majority of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for such purpose, the Board shall have the power and right to change the use thereof (and in connection therewith to take whatever actions are required to accommodate the new use), provided such new use: (i) also shall be for the common benefit of the Owners and Members, and (ii) shall be consistent with any recorded tract declaration, deed restrictions or zoning regulations. Alternatively, the Board upon satisfaction of Subsection (a) above may, in lieu of calling a meeting, notify in writing all Members of the proposed transaction and of their right to object thereto and, if no more than ten percent (10%) of the Class A Memberships (as discussed herein) eligible to vote object in writing within thirty (30) days after receipt of such notice, the proposed transaction shall be deemed approved by the Members and a meeting of the Members shall not be necessary.

4.8 Procedure for Transfers of Common Area. Subject to the restriction set out in Section 12.10 below, the Association shall have the right to dedicate or transfer all or any part of the Common Area to any public authority or utility (i) if the transfer or dedication does not have a substantial adverse effect on the enjoyment of the Common Areas by the Members or the Owners, or (ii) if required by a recorded subdivision plat, a zoning stipulation or an agreement with Pinal County, effective prior to the date hereof. Except as authorized in (i) or (ii) above, no such dedication or transfer shall be effective without the approval of a majority of the vote of each class of Members, voting in person or by proxy at a meeting called for such purpose. Subject to compliance with applicable law, including, without limitation, zoning requirements of Pinal County, the Association shall have the right to change the size, shape or location of the Common Areas, to exchange the Common Areas for other property or interests which become Common Areas, and to abandon or otherwise transfer Common Areas (to a non-public authority) upon (1) the adoption of a resolution by the Board stating that ownership and/or use of the relevant Common Area is no longer in the best interests of the Owners and Members, and that the change desired shall be for their benefit and shall not substantially adversely affect them, (2) the approval of such resolution by a majority of the votes of each class of Members, voting in person or by proxy, at a meeting called for such purpose, and (3) the approval of the Federal Housing Administration or Veterans Administration as may be required pursuant to Section 12.10 below. Alternatively, the Board upon satisfaction of Subsection (1) above may, in lieu of calling a meeting pursuant to Subsection (2) above, notify in writing all Members of the proposed transaction and of their right to object thereto and, if no more than ten percent (10%) of the Class A Members eligible to vote object in writing

within thirty (30) days after receipt of such notice, the proposed transaction shall be deemed approved by the Members and a meeting of the Members shall not be necessary.

4.9 Water. Declarants acknowledge and disclose that it is expected and intended that all water necessary (subject to the limitations set forth in Subsection (b) below) for the Association to irrigate the landscaping located or to be located on any part of the Common Area (including without limitation any parks or lakes for which the Association has maintenance responsibility), shall be provided by the Santa Cruz Water Company (the "Water Company").

(a) If for any reason the Association and the Declarants receive a joint water bill from the Water Company, the Association shall reimburse the Declarants for a pro rata share of (i) the charges for such water from the Water Company, equal to the total charge for a Water Company billing period for all such water provided to or for the benefit of the Association and (ii) all utility costs incurred by Declarants for receipt and delivery of such water within the Project (exclusive of any special delivery systems or requirements of the Golf Course) multiplied by a fraction, the numerator of which is the amount of water utilized by the Association and the denominator of which is the amount of water in total subject to such billing. A sub-meter has been or will be installed for purposes of determining the Association's water usage. The Association will pay its pro rata share to Declarants within twenty (20) days of receipt of the Water Company's invoice and the Declarants' allocation thereof. If the Association fails to do so, the overdue amount shall bear interest at the rate of eighteen percent (18%) per annum from the due date until paid. Declarants shall have all rights and remedies available at law or in equity to enforce collection of all such amounts, and the prevailing party in any litigation related thereto shall be entitled to recover all costs and reasonable attorneys' fees incurred or in connection therewith. Furthermore, if the Association fails to pay any amount due under this section within thirty (30) days from its receipt of the water or delivery services described above with respect to such amount, the Water Company may at its option cease providing water under this provision until all amounts payable hereunder have been paid by the Association to Declarants or the Water Company, as appropriate.

4.10 Residential Walls, Commercial Parcels and Retail Sites. Subject to the provisions of Section 8.1(x)(8) below, the Association shall maintain, repair and replace (i) all walls dividing properties of residential use from properties with non-residential uses, (ii) perimeter walls of the Project, and (iii) walls that are adjacent to collector roads, arterial roads, or open space maintained by the Master Association, and the costs thereof will be paid through assessments. The Association is hereby granted any and all easements necessary to perform such work from time to time.

4.11 Association Not Responsible for Golf Course, Commercial Parcels and Retail Sites. Except for the specific improvements described herein, the Association shall have no obligation to maintain, repair, or otherwise care for the Golf Course, commercial parcels and retail sites.

4.12 Subsidiary Associations. If any Subsidiary Association is to be formed by any Builder within the Property, the Subsidiary Declaration, the Articles of Incorporation, the Bylaws and all other governing documents for such Subsidiary Association shall not be effective unless approved by the Board, such approval not to be unreasonably withheld. The governing documents of any Subsidiary Association shall specify that such association and the rights of its members are subject and subordinate to this Declaration, the Articles and Bylaws of the Master Association and the Rancho El Dorado Rules.

ARTICLE 5
MEMBERSHIP AND VOTING RIGHTS

5.1 Membership. Every Owner of a Lot which is subject to assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. Tenants shall not have any voting or membership rights in the Association by virtue of their occupancy of any Lot or house thereon. Declarants shall be Members of the Association for so long as Declarants hold a Class B Membership pursuant to Section 5.2 below.

5.2 Voting Rights. The Association shall have two (2) classes of voting membership:

Class A. Class A Members shall be all Owners but, so long as any Class B memberships are outstanding in the Property, shall not include the Declarants. Each such Owner shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as such Owners among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B Members shall be the Declarants. Each Declarant shall be entitled to three (3) votes for each Lot owned. Each Class B Member may cast its votes in such proportions as it may determine (i.e., cumulative voting shall be allowed). The Class B memberships shall cease and be converted to Class A memberships on the happening of either the following events, whichever first occurs:

- (a) When the total votes outstanding in the Class A membership within the Project equal or exceed the total votes outstanding in the Class B membership within the Project, or
- (b) The 30th day of September, 2010.

ARTICLE 6
COVENANT FOR MAINTENANCE ASSESSMENTS

6.1 Creation of the Lien and Personal Obligation of Assessments. Each Declarant covenants for each Lot (including, by definition, any proposed Lot), and each Owner of any Lot by acceptance of a deed therefor (whether or not it shall be so expressed in such deed) is deemed to covenant and agree to pay to the Association: (1) annual assessments (2) special assessments for capital improvements, and (3) cable communication assessments, such assessments to be established and collected as hereinafter provided. A Lot owned by the Association, pursuant to Section 6.11 or otherwise, shall not be subject to assessment.

The annual and special assessments, together with interest costs and reasonable attorneys' fees, shall be a charge on the Lot and shall be a continuing lien thereon as well as the personal obligation of the person who was the Lot Owner at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to the Lot Owner's successors in title, unless expressly assumed.

Notwithstanding anything to the contrary contained herein, the Golf Course, the commercial parcels and retail sites shall never be subject to or have any liability for assessments or charges or the expenses of the Association.

6.2 Purpose of Assessments. In order to promote civic and social betterment for the common good of the Members of the Association, the assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents and Owners of the Property and for the improvement and maintenance of the Common Area, which shall be deemed to include all public parks, lakes and other such amenities as are maintained by the Association. Notwithstanding any contrary provision of this Declaration, Pinal County will not be responsible for maintenance of any Common Areas.

6.3 Maximum Annual Assessment. Until December 31, 2001, the maximum annual assessment shall be Three Hundred Twelve and 00/100 Dollars (\$312.00) per Lot. The annual assessment shall be payable monthly in advance.

(a) From and after January 1, 2002, the maximum annual assessment shall automatically increase effective January 1 of each year without a vote of the members by an amount which is equal to the greater of: (i) five percent (5%) of the maximum assessment for the previous year; or (ii) a percentage equal to the average rate of change of the Consumer Price Index (the "CPI") for the most recent past twelve (12) months. For the purposes hereof, CPI shall mean the Monthly Labor Review by the United States Department of Labor Statistics, designated "Consumer Price Index--U.S. City Average for Urban Wage Earners and Clerical Workers, 1982-84 Equals 100, All Items", or the replacement thereof. The maximum annual assessment automatically increases each year even if the actual assessment does not increase.

(b) In addition to Section 6.3(a) above, the maximum annual assessment during each fiscal year of the Association shall be automatically increased by the amounts of any increases in water or other utility charges or any increases to insurance rates charged to the Association.

(c) From and after January 1, 2005, the maximum annual assessment may be increased above the amount indicated in (a) above by a vote of two-thirds of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

(d) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

6.4 Special Assessment for Cable Service. In addition to the annual assessments authorized above, the Association may levy in any assessment year a special assessment applicable to that year (and the same shall be charged and collected on a monthly, quarterly or yearly basis as determined by the Board) for the exclusive purpose of defraying, in whole or in part, the cost of providing cable communication service to the Project. Each Owner acknowledges that the Project is intended to have cable communication availability and that the supplier has agreed to provide access to such service provided that each Lot is included in the service plan. In addition, such services can be delivered at a savings if each Lot is included in the service plan. Each Owner therefore acknowledges and agrees that each Lot shall be subject to an assessment in addition to and apart from the annual and other special assessments for the purpose of paying each Lot's pro rata

share of basic cable service provided to the Project. The assessment authorized and provided for herein shall apply only to such service as is considered "basic" and any additional services that constitute "upgrades" or "enhanced" services shall be subscribed for and paid by each Owner on an individual basis.

6.5 Special Assessment for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year a special assessment applicable to that year for the exclusive purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto; provided, however, that any such assessments shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for such purpose.

6.6 Notice and Quorum for any Action Authorized Under Sections 6.3, 6.4 and 6.5. Written notice of any meeting called for the purpose of taking any action authorized under Sections 6.3, 6.4 and 6.5 shall be sent to all Members not less than fifteen (15) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast thirty percent (30%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

6.7 Uniform Rate of Assessment. The annual assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly or quarterly basis, as designated by the Board.

6.8 Reduced Assessments; Deficiency Assessments. Declarants and Builders shall pay annual assessments with respect to Lots owned by Declarants and Builders, respectively, which are twenty-five percent (25%) of the annual assessments payable by other Owners (except for those assessments made in respect of cable communication services, which shall be paid by the Declarants and Builders in full without reduction), provided that the Declarants and Builders shall pay or contribute to the Master Association cash as may be necessary to make up any budget shortfalls of the Master Association resulting from the reduced assessment paid by the Declarants and Builders on a proportionate basis within fifteen (15) days of request based upon the number of Lots owned by each Declarant and Builder, as of the end of the period for which the Deficiency has been calculated (hereinafter referred to as "Deficiency Assessments"). In no event, however, shall any Declarant or Builder be required to pay Deficiency Assessments for a period which when added to the reduced annual assessment (or pro rata portion thereof) paid for such period exceeds the annual assessments or pro rata portion thereof that would be payable by an Owner other than a Declarant or Builder. [As an example of the effect of the foregoing, if the annual assessment per Lot was \$240.00, the reduced annual assessment was consequently \$60.00, and there was a shortfall in the first quarter of such year, the maximum Deficiency Assessment for the first quarter will be Forty-five Dollars (\$45.00), calculated by taking the pro rata full annual assessment (\$60.00) and subtracting the pro rata reduced annual assessment (15.00).]

6.9 Date of Commencement of Annual Assessments: Due Date. The annual assessments provided for herein shall commence as of the date of conveyance of the first Lot. The

first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as to the matters described therein.

6.10 Special Builder Obligations. In addition to the annual and special assessments provided for above, each Builder shall have the following additional monetary obligations, which shall be deemed to be assessments hereunder and subject to the same remedies and means of enforcement as any annual or special assessment:

(a) Road Fee: Each Builder shall pay the “roadway improvement fee” of \$950.00 for each home that the Builder constructs within the Property at the time a building permit is obtained for the construction of each such home. The roadway improvement fee shall be paid into the Road Fee Escrow Account established by the Declarants for such purpose.

(b) Infrastructure Fee: Each Builder shall pay the “infrastructure charge” of \$4,250.00 for each home that the Builder constructs within the Property. All such infrastructure charges relating to homes built within Phase I of the Project shall be paid at the time a building permit is obtained for the construction of each such home and shall be payable to Infrastructure & Development Solutions, Inc., an Arizona corporation. All such infrastructure charges relating to homes built within subsequent Phases of the Project shall be paid either (i) in advance at the close of escrow whereby a Builder acquires title to any Parcel or Lot, or (ii) at such other time as determined by Infrastructure & Development Solutions, Inc. in its sole discretion, and shall be paid into an Infrastructure Improvement Account to be established by the Declarants for such purpose.

6.11 Effect of Non-Payment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum or such lower rate that is equivalent to the maximum rate allowed by law. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

(a) Enforcement by Suit. The Board may cause a suit at law to be commenced and maintained in the name of the Association against an Owner to enforce each such assessment obligation. Any judgment rendered in any such action shall include the amount of the delinquency together with interest thereon at the rate of eighteen percent (18%) per annum or such lower rate that is equivalent to the maximum rate allowed by law, from the date of delinquency, court costs, and reasonable attorneys’ fees in such amount as the court may adjudge against the delinquent Owner.

(b) Enforcement by Lien. There is hereby created a claim of lien on each and every Lot within the Property to secure payment to the Association of any and all assessments levied against any and all Owners of Lots covered by the Declaration, together with interest thereon at the rate of eighteen percent (18%) per annum or such lower rate that is equivalent to the maximum rate allowed by law, and all costs of collection which may be paid or incurred by the

Association in connection therewith, including reasonable attorneys' fees. At any time after the occurrence of any default in the payment of any such assessment, the Association, or any authorized representative may, but shall not be required to, make a written demand for payment to the defaulting Owner on behalf of the Association. Said demand shall state the date and amount of the delinquency. Each default shall constitute a separate basis for a demand or claim of lien or a lien, but any number of defaults may be included within a single demand or claim of lien. If such delinquency is not paid within ten (10) days after delivery of such demand, or even without such a written demand being made, the Association may elect to foreclose such claim of lien on behalf of the Association.

Any such lien may be foreclosed by appropriate action in court in the manner provided by law for the foreclosure of a realty mortgage (or, if permitted, by the exercise of a power of sale in the manner provided by law under a trust deed), as set forth by the laws of the State of Arizona, as the same may be changed or amended. The lien provided for herein shall be in favor of the Association and shall be for the benefit of all other Lot Owners. The Association shall have the power to bid in at any foreclosure or trustee's sale and to purchase, acquire, hold, lease, mortgage, and convey any such Lot. In the event of such foreclosure or trustee's sale, reasonable attorneys' fees, court costs, trustee's fees, title search fees, interest and all other costs and expenses shall be allowed to the extent permitted by law. Each Owner, by becoming an Owner of a Lot, hereby expressly waives any objection to the enforcement and foreclosure of this lien in this manner.

6.12 Subordination of the Lien to First Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the purchaser of any Lot at a sale or transfer of such Lot pursuant to mortgage foreclosure, foreclosure or trustee's sale, or any proceeding in lieu thereof, shall be exempt from the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability or any assessments thereafter becoming due or from the lien thereof, and nothing contained herein shall be deemed to exempt the prior Owner from any assessments which became due prior to such foreclosure or trustee's sale or proceeding in lieu thereof.

ARTICLE 7 ARCHITECTURAL CONTROL

7.1 Organization, Power of Appointment and Removal of Members. There shall be an Architectural Committee, organized as follows:

(a) Committee Composition. The Architectural Committee shall consist of three (3) or five (5) regular members (but in either case, an odd number) as the Board determines and elects from time to time, and two (2) alternate members. None of such members shall be required to be an architect or to meet any other particular qualifications for membership. A member need not be, but may be, a member of the Board or an officer of the Association.

(b) Alternate Members. In the event of the absence or disability of one (1) or two (2) regular members of said Committee, the remaining regular member or members, even though less than a quorum, may designate either or both of the alternate members, if any, to act as

substitutes for the absent or disabled regular member or members for the duration of such absence or disability, who shall thereupon become “regular” members during such term of designation.

(c) Terms of Office. Members of the Architectural Committee shall serve until they resign, are removed, or are replaced.

(d) Appointment and Removal. The right to appoint and remove all regular and alternate members of the Architectural Committee at any time is hereby vested solely in the Board; provided, however, that no member may be removed from the Architectural Committee by the Board except by the vote or written consent of fifty-one percent (51%) of all regular (or alternates sitting as regular) Board members.

(e) Vacancies. Vacancies on the Architectural Committee, however caused, shall be filled by the Board.

7.2 Duties. It shall be the duty of the Architectural Committee to consider and act upon any and all proposals or plans submitted to it pursuant to the terms hereof, to adopt Architectural Committee Rules and procedures for appeal to the Board of Directors, and to carry out all other duties imposed upon it by this Declaration. In doing so, the Committee may appoint and designate, by a majority vote of the Committee, a representative (who need not be a Lot Owner) who shall have the authority to exercise those rights and powers and who shall have those duties and liabilities, on behalf of the Architectural Committee, until the Architectural Committee, by a majority vote, shall revoke his appointment and designation.

7.3 Meetings and Compensation. The Architectural Committee shall meet from time to time as necessary to perform its duties hereunder. Subject to Section 7.1(b), the vote or written consent of a majority of the regular members, at a meeting or otherwise, shall constitute the act of the Architectural Committee, unless the unanimous decision of the Architectural Committee is otherwise required by this Declaration. The Architectural Committee shall keep and maintain a written record of all actions taken by it at such meetings or otherwise. Members of the Architectural Committee shall not be entitled to compensation for their services.

7.4 Architectural Committee Rules. The Architectural Committee may, from time to time and in its sole and absolute discretion, adopt, amend and repeal, by unanimous vote or written consent, rules and regulations, to be known as “Architectural Committee Rules”. Such Architectural Committee Rules shall interpret and implement this Declaration by setting forth the standards and procedures for Architectural Committee review and the guidelines for architectural design, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features which are recommended for use within the Property. Notwithstanding any contrary provision of this Declaration: (a) the Architectural Committee’s approval rights with respect to residences constructed by a Declarant shall extend only to the approval of exterior materials and color, and (b) the Architectural Committee Rules shall be imposed and enforced in a reasonable and consistent manner with regard to Declarants.

7.5 Waiver. The approval by the Architectural Committee of any plans, drawings or specifications for any work done or proposed, or for any other matter requiring the approval of the Architectural Committee under this Declaration, shall not be deemed to constitute a waiver of any

right to withhold approval of any similar plan, drawing specification or matter subsequently submitted for approval.

7.6 Time for Approval. In the event the Architectural Committee fails to approve or disapprove the plans and specifications, such will be deemed approved within thirty (30) days after their submission.

7.7 Liability. Neither the Architectural Committee nor any member thereof shall be liable to the Association, any Owner, or to any other party, and the Association hereby indemnifies and holds harmless the Architectural Committee and all members thereof, for, from and against any and all damage, loss or prejudice suffered or claimed on account of (a) the approval or disapproval of any plans, drawings, or specifications, or similar documents whether or not defective, (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications, (c) the overall development of the Property, or (d) the execution and filing of any estoppel certificate, whether or not the facts therein are correct; provided, however, that with respect to the liability of a member, such member has acted in good faith on the basis of such information as may be possessed by such member, and without willful or intentional misconduct, as would be applicable under local law, and except for those circumstances under which a member of the Board would have liability under Section 4.6 without in any way limiting the generality of any of the foregoing provisions of this section, the Architectural Committee, or any member thereof, may, but is not required to, consult with or listen to the views of the Association or any Owner with respect to any proposal submitted to the Architectural Committee.

ARTICLE 8 USE RESTRICTIONS

8.1 Permitted Uses and Restrictions – Residential. The permitted uses, easements, and restrictions for all Property covered by this Declaration shall be as follows:

(a) Single Family Residential Use. All Lots shall be used, improved and devoted exclusively to single family residential use. Except as provided by Section 8.1(m), no gainful occupation, profession, trade or other non-residential use shall be conducted thereon. Nothing herein shall be deemed to prevent the leasing of any Lot with the improvements thereon to a single family from time to time by the Owner thereof, subject to all of the provisions of the Declaration. Leasing of Lots must be for thirty (30) days or longer and the lease agreement must provide that the tenant will abide by this Declaration. No structure whatever shall be erected, placed or permitted to remain on any Lot without the express written approval of the Architectural Committee; provided, however, the Architectural Committee will consider requests for construction of a detached garage, gazebo, guest quarters and other such structures. However, written approval by the Architectural Committee of such structures is essential to construction of such structures and such structures must comply with the guidelines established for such structures either in this Declaration or in any rules established by the Architectural Committee and/or Pinal County. Lots owned or leased by a Declarant or Builder, or their designee or assignee, may be used as model homes and for sales and construction offices for the purpose of enabling the Declarant, Builder, or a designee or assignee to sell Lots within the Property until such time as all of the Lots owned by the Declarant, Builder, or designee or assignee have been sold or leased to purchasers or tenants.

(b) Satellite Dishes and Antennas. All television antennae, including satellite dishes, installed upon any of the Lots shall be subject to approval by the Architectural Committee, shall (unless otherwise specifically permitted by the Architectural Committee) conform to federal regulatory guidelines and standards and shall be located in the most unobtrusive location possible while still receiving a quality signal. Such satellite dishes or antennae may be placed upon Lots if (i) the satellite dish is less than thirty-nine (39) inches in diameter; (ii) the antenna is less than thirty-nine (39) inches in diameter or diagonal measurement and is designed to receive video programming services via wireless cable. Such satellite dishes or antennae may be mounted on masts to reach the height needed to establish line-of-sight contact with the transmitter but shall not exceed twelve (12) feet above the roof line. Provided, however, the Architectural Committee may prevent installation of the foregoing devices upon said Lots or restrict the location of such installation if (a) such installation would violate a legitimate safety rule; (b) such installation would take place in an area protectable as an historical area; or (c) such installation could reasonably be made elsewhere without the signal being impaired. All dishes that are Visible from Neighboring Property, streets, the Common Area or the Golf Course Property are to be painted to match the body color of the house. All other antennae not specifically conforming to the federal regulatory guidelines (such as those used to receive signals from multichannel multipoint distribution services and television broadcast stations) shall be reviewed and considered by the Architectural Committee on a case-by-case basis. All dishes and antennae are to be submitted to the Architectural Committee with a diagram showing the location and size of the device prior to the installation or construction thereof.

(c) Solar Collectors. Solar collectors and related equipment may not be installed on roofs of houses but may be located elsewhere on the Lots not visible from other Lots, the Common Area, adjacent streets or the Golf Course. An Owner must obtain the prior written approval from the Committee pursuant to Article 7 prior to installing the same. The Association, through the Committee, may from time to time adopt guidelines concerning the types of solar collectors and related equipment which may be installed on the Property and acceptable means of installation therefor.

(d) Utility Service. All lines, wire, or other devices for the communication or transmission of electric current or power, including telephone, television, and radio signals, shall be contained in conduits or cables installed and maintained underground or concealed in, under, or on buildings or other structures approved by the Architectural Committee. Temporary power or telephone structures incident to construction activities approved by the Architectural Committee are permitted.

(e) Improvements and Alterations. No improvements, alterations, repairs, excavation or other work which in any way alters the exterior appearance of the Property or the improvements located thereon from its natural or improved state existing on the date such Property was first conveyed by a Declarant to a homebuyer shall be made without the prior approval of the Architectural Committee, except as otherwise expressly provided in this Declaration. No building, fence, wall, or other structure shall be erected, maintained, improved, altered, made or done (including choice of exterior color scheme and building materials) without the prior written approval of the Architectural Committee or any subcommittee thereof. Pursuant to its rule making power, the Architectural Committee shall establish a procedure for the

preparation, submission and determination of applications for any such alteration or improvement. The Architectural Committee shall have the right, in its sole discretion, to refuse to approve any plans, specification or grading plans, which are not suitable or desirable, for aesthetic or other reasons, and in so passing upon such plans, specifications and grading plans, and without any limitation of the foregoing, it shall have the right to take into consideration the suitability of the proposed building or other structure, and of the materials of which it is to be built, the site upon which it is proposed to erect the same, the harmony thereof with the surroundings and the effect of the building or other structure as planned, on the outlook from adjacent or neighboring Property. No changes or deviations in or from such plans and specifications once approved shall be made without the prior written approval of the Architectural Committee.

(f) Maintenance of Lawns and Plantings. All yards visible from the street shall have acceptable landscaping installed within a reasonable period of time not to exceed one hundred eighty (180) days from the close of escrow to the first homebuyer as to a specific Lot. Lots shall be maintained by their Owners free of weeds and debris; lawns shall be neatly mowed and trimmed; bushes shall be trimmed; and dead plants, trees, or grass shall be removed and replaced.

No owner or occupant of any Lot, nor any of their employees, agents or contractors shall (a) deposit or place lawn or landscaping clippings, leaves, branches or other materials or debris on any part of the Golf Course or Common Area, or (b) backwash swimming pools or spas onto any part of the Golf Course or Common Area, or otherwise cause or allow swimming pool or spa water to be released onto any part of the Golf Course or Common Area.

(g) Landscaping on Lots; No Change of Drainage Affecting Golf Course or Parks. Unless installed by the Declarants, the (a) front yard landscaping on each Lot, and (b) the rear yard landscaping on those Lots which are adjacent to the Golf Course or any Common Area must be installed and substantially completed in an attractive manner by the Owner within three (3) months from the close of escrow to the first homebuyer as to a specific Lot, based upon plans therefor approved in advance by the Architectural Committee pursuant to Article 7. The landscape plans submitted to the Architectural Committee must include proposed changes in grade to be accomplished as part of the landscaping development. Landscaping at all times must be maintained by each Owner in a neat and attractive manner and any alterations or modifications made to the original landscaping of a Lot as originally installed shall be approved in advance by the Architectural Committee. Furthermore, each Owner must maintain, repair and restore any and all grades, slopes, retaining walls and drainage structures (collectively, "Lot Improvements") as installed by Declarants on a Lot or which have been approved by the Committee. If any Owner does not (i) install and complete approved landscaping within the three (3) month period described above, (ii) maintain his landscaping in a neat and attractive manner, or (iii) maintain all Lot Improvements on a Lot, the Declarants or the Committee, after giving the Owner fifteen (15) days' written notice to cure any such default, shall have the right to cause the necessary landscaping work or Lot Improvement to be done and the Owner in default shall be responsible for the cost thereof. Additionally, the party expending funds for such work shall have a lien on the defaulting Owner's Lot for the funds expended together with interest thereon at the rate of eighteen percent (18%) per annum, or such lower rate that is equivalent to

the maximum rate allowed by law, until paid. In addition to the foregoing, any party may utilize remedies available under Section 8.1, for such Owner's default.

(h) Repair of Buildings. No improvement upon any Property shall be permitted to fall into disrepair, and each such improvement shall at all times be kept in good condition and repair and adequately painted or otherwise finished. The Owner shall keep the roof, exterior walls, doors and windows and other improvements visible from other Lots, and/or the Common Area, and/or the Golf Course in good condition by promptly replacing broken roof tiles or windows, periodically repairing stucco cracks and painting, and similar matters. In the event a house is totally or substantially destroyed, the house need not be rebuilt but the Owner shall, within three (3) months, remove all destroyed or damaged improvements and restore the Lot to its condition prior to the construction of the house.

(i) Trash Containers and Collection. No garbage or trash shall be placed or kept on any Property except in covered sanitary containers. In no event shall such containers be maintained so as to be Visible from Neighboring Property except to make same available for collection, and then, only for the shortest time reasonably necessary to effect such collection. All rubbish, trash, or garbage shall be removed from the Lots and shall not be allowed to accumulate thereon. No incinerators shall be kept or maintained on any Lot. Garbage cans, clothesline, woodpiles and areas for the storage of equipment and unsightly items shall be kept screened by adequate fencing or other aesthetically pleasing materials acceptable to the Committee so as to conceal same from the view of adjacent Lots and streets, the Common Area and the Golf Course. Notwithstanding the foregoing language addressing the use or visibility of covered containers, such provisions shall not apply to "construction bins" used by a Builder or Builders during periods of construction by such Builder or Builders.

(j) Overhangs. No tree, shrub, or planting of any kind on any Property shall be allowed to overhang or otherwise to encroach upon any Common Area from ground level to a height of twelve (12) feet, without the prior approval of the Architectural Committee.

(k) Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated or maintained upon the Property except usual and customary equipment and machinery used in connection with the use, maintenance or construction of permitted improvements, and except that which any Declarant or the Association may require for the operation and maintenance of the Common Area. Slides, playground equipment, basketball poles and hoops, outdoor decks, gazebos and other such equipment or structures shall be allowed provided they are approved by the Architectural Committee.

(l) Restriction on Further Subdivision. No Lot shall be further subdivided or separated into smaller lots or parcels by any Owner, and no portion less than all of any such Lot, shall be conveyed or transferred by any Owner, without the prior written approval of the Board. No Lot may be converted into a condominium or cooperative or other similar type of entity without the prior written approval of the Board. No further covenants, conditions, restrictions or easements shall be recorded against any Lot without the written consent of the Board being evidenced on the recorded instrument containing such restrictions and without such approval such restrictions shall be null and void. No applications for rezoning, variances, or use permits shall be filed without the

written approval of the Board and then only if such proposed use is in compliance with this Declaration.

(m) Restrictions on Commercial Uses of Lots. No trade or business of any kind may be conducted in or from any Lot except that an Owner may conduct a business activity within a single-family house located on a Lot so long as (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the dwelling unit on the Lot; (b) the business activity conforms to all applicable zoning ordinances or requirements for the Property; (c) the business activity does not involve persons coming on to the Lot or the door-to-door solicitation of Owners; (d) the business activity is consistent with the residential character of the Property and does not constitute a nuisance or a hazardous or offensive use or threaten security or safety of any portion of the Property or other Owners; and (e) the business actually conducted on a Lot does not involve any on-site employees other than family members residing on the Lot; all as may be determined from time to time in the sole discretion of the Architectural Committee. Further and notwithstanding any other permitted use, no business activity conducted in or from any Lot shall include any use or business which the Golf Course Owner or the Golf Course Operator may conduct consistent with the golf course nature of such property, including the retail sale of food, beverages, golf course equipment or related materials.

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

(n) Signs. No sign of any nature (other than a name and address sign, not exceeding 9" x 30" in size) shall be permitted on any Lot; provided, however, that one (1) sign of not more than five (5) square feet may be temporarily erected or placed on a Lot for the purpose of advertising the Lot for sale or rent; and provided further a Declarant or its designee or assignee, and any Builder, may erect any marketing and construction signs on Lots owned by them during the period of construction. Any construction or marketing signs erected during construction periods by a Declarant or Builder shall be deemed to be temporary in nature and shall be removed immediately after completion of such construction. Approval of the design, color scheme, location and building materials of any permanent signage identifying a neighborhood or subdivision (such as that which might be incorporated into a perimeter wall, entry feature or fence) must be obtained from the Architectural Committee prior to the construction of any such signage. These restrictions shall not apply to the Association in furtherance of its powers and purposes herein set forth.

(o) Utility Easements. There is hereby created a blanket easement upon, across, over and under the Common Area for ingress, egress, installation, replacing, repairing and maintaining all utility and service lines and systems, including, but not limited to, water, sewer, gas, telephone, electricity, television cable or communication lines and systems, etc. By virtue of this easement, it shall be expressly permissible for the providing utility or service company to install and maintain facilities and equipment, and to affix and maintain wires, circuits and conduits on, in and under roofs and exterior walls. Notwithstanding anything to the contrary contained in this paragraph, no sewers, electrical lines, water lines, or other utilities or service lines may be installed

or relocated except as initially developed and approved by a developer or thereafter approved by the Board. This easement shall in no way affect any other recorded easements. This easement shall be limited to improvements as originally constructed and no common utility shall be permitted to pass over any improvements on the Lots and no connection line shall be permitted to pass over any improvement on the Lot other than the one it serves.

The Golf Course Owner and the Golf Course Operator shall cooperate with the Declarants and the Association in connection with the location or relocation of utility lines and facilities that provide service to other parts of the Project all as more specifically set out in Subsection (nn) below.

(p) Project Construction Easements. There is hereby created a blanket encroachment easement upon, across, over and under the Common Area, all Lots, all Project Parcels and the Golf Course for inadvertent encroachments of one foot or less in width resulting from the construction or installation of Project improvements, including, without limitation, utility and service lines and systems, water, sewer, gas, telephone, electricity, television cable or communication lines and systems, Project walls, curbs, etc. By virtue of this easement, it shall be expressly permissible for the Declarants, their agents, and any providing utility or service company to install improvements of a temporary or permanent nature inadvertently in such easement areas. This easement shall in no way affect any other recorded easements.

(q) Animals. No animal or fowl, other than a reasonable number of generally recognized house or yard pets, shall be (i) maintained on any Lot covered by this Declaration and then only if they are kept, bred or raised thereon solely as domestic pets and not for commercial purposes; or (ii) be permitted to make an unreasonable amount of noise, or create a nuisance. No structure for the care, housing or confinement of any animal or fowl, shall be maintained so as to be Visible from Neighboring Property, the Common Area or the Golf Course. All animals shall be kept under reasonable control at all times and in accordance with applicable laws and any rules and regulations adopted by the Association, and shall be restrained by fence or leash from roaming in or through the Common Area or the Golf Course. No Owner (or his tenant, or any of their respective family members, guests or invitees) shall go upon the Golf Course with any pet or other animal for any purpose.

(r) Temporary Buildings and Occupancy. No temporary building, structure or vehicle of any kind shall be used as a residence, either temporary or permanent. Builders may locate construction trailers and sales trailers of a temporary nature on one or more of their Lots during construction periods. Temporary buildings or structures used during construction periods shall be removed immediately after completion of such construction.

(s) Trailers, Boats, Aircraft, and Motor Vehicles. No motor vehicle classified by manufacturer rating as exceeding one (1) ton, mobile home, trailer, camper shell, boat, boat trailer or hang glider or other similar equipment or vehicle may be parked, stored, maintained, constructed, reconstructed, or repaired on any Lot, street, Common Area or the Golf Course, Visible from Neighboring Property within the Property or visible from the Common Area or the Golf Course; provided, however, the provisions of this section do not preclude the parking in garages or on driveways of (i) pickup trucks of not more than one (1) ton capacity (with or without camper shells) provided the height of such pickup truck and camper shall not exceed seven (7) feet, or (ii) mini motor homes or other recreational vehicles which do not exceed seven (7) feet in height or

eighteen (18) feet in length, if those vehicles described in (i) and (ii) are used on a regular and recurring basis for basic transportation. No automobile, motorcycle, motor bike, motorized hang glider, or other motor vehicle shall be constructed, reconstructed or repaired on any Lot, street, or Common Area within the Property or the Golf Course and no inoperable vehicle may be stored or parked so as to be Visible from Neighboring Property or visible from the Common Area or the Golf Course, except in the event of an emergency.

(t) Nuisances/Construction Activities. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to a Lot and no odors or loud noises shall be permitted to arise or emit therefrom, so as to create a nuisance, render any such Property or any portion thereof or activity thereon unsanitary, unsightly, offensive or detrimental to the Lot or person in the vicinity thereof. Without limiting the generality of any of the foregoing provisions, no speakers, horns, whistles, bells or other sound devices, except security devices used exclusively for security purposes, shall be located, used, or placed on any such Property so as to be audible from other Lots, the Common Area or the Golf Course. No motorcycles or motor driven vehicles (except lawn maintenance equipment) shall be operated on any walkways or sidewalks within the Property. The Board in its sole discretion shall have the right to determine the existence of any violation of this section and its determination shall be final and enforceable as provided herein. Normal construction activities shall not be considered a nuisance or otherwise prohibited by this Declaration, but Lots shall be kept in a neat and tidy condition during construction periods. Supplies or building materials and construction equipment shall be stored only in such areas and in such manner as may be approved by the Architectural Committee or a Declarant.

(u) Clothes Drying Facilities. Outside clotheslines or other outside facilities for drying or airing clothes shall not be erected, placed or maintained on any Lot unless they are erected, placed and maintained exclusively within a fenced service yard or otherwise not Visible from Neighboring Property or visible from the Golf Course or the Common Area.

(v) Mineral Exploration. No Property shall be used in any manner to explore for or to remove any water, oil or other hydrocarbons, minerals of any kind, gravel, earth, or any earth substance of any kind.

(w) Diseases and Insects. No Owner or resident shall permit any thing or condition to exist upon the Property which shall induce, breed or harbor infectious plant diseases or noxious insects.

(x) Party Walls and Fences. The rights and duties of Owners with respect to party walls or party fences shall be as follows:

(1) Owners of contiguous Lots who have a party wall or party fence shall both equally have the right to use such wall or fence, provided that such use does not interfere with the use and enjoyment thereof by the other Owner.

(2) In the event that any party wall or party fence is damaged or destroyed through the act of an Owner, his agents, guests, or family members, it shall be the obligation of such Owner to rebuild and repair the party wall or party

fence without cost to the other adjoining Lot Owner or Owners. Any dispute over an Owner's liability shall be resolved as provided in Subsection (5) below.

(3) In the event any party wall or party fence is destroyed or damaged (including deterioration from ordinary wear and tear and lapse of time), other than by the act of an adjoining Owner, his agents, guests or family members, it shall be the joint obligation of all Owners whose Lots adjoin such wall or fence to rebuild and repair such wall or fence, such expense to be divided among the Owners in accordance with frontage of their Lot on the party wall or party fence.

(4) Notwithstanding anything to the contrary herein contained, there shall be no impairment of the structural integrity of any party wall or party fence without the prior written consent of the Board.

(5) In the event of a dispute between Owners with respect to the construction, repair or rebuilding of a party wall or party fence or the sharing of the cost thereof, such adjoining Owners shall submit the dispute to the Board, the decision of which shall be final and enforceable.

(6) Each Owner shall permit the Owners of adjoining Lots, or their representatives, when reasonably required, to enter his Lot for the purpose of repairing or maintaining a party wall or fence or for the purpose of performing installations, alterations or repairs to the Property of such adjoining Owners, provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Owner. In case of an emergency, such right of entry shall be immediate. An adjoining Owner making entry pursuant to the terms of this paragraph shall not be deemed guilty of trespass by reason of such entry.

(7) Surfaces of party walls or party fences which are generally accessible or viewable from only the adjoining Property may be planted against, painted, maintained and used by the adjoining Owners. If such surfaces are viewable from public streets or the Common Area, the color scheme shall not be changed without the written consent of the Architectural Committee.

(8) Any Lot which has a wall adjacent to the Common Area and which wall separates the Lot from the Common Area shall be considered to have a party wall with the Association and the provisions of this Section 8.1(x) apply as though the Common Area were an adjacent Lot.

(9) The Owners of Lots with a wall adjacent to a residential street (a non-collector or non-arterial street), or adjoining property, other than Lots or Common Area within the Property, shall be solely responsible for repair and maintenance of such walls, and if repair is necessary, the repaired wall must match the size, color, and texture of the existing adjacent walls within the Property.

(10) Fences between any adjoining Lot and the Golf Course shall be painted, maintained and repaired at the sole cost of the Owner of the adjoining Lot, except for damage done or caused by the Golf Course Operator or Declarants, or

their agents, employees or contractors, for which the Golf Course Operator and/or Declarants will be solely responsible. The Owner of the adjacent Lot shall be solely responsible to paint, maintain, repair and/or replace the fence as necessary due to rust damage from landscaping watering on the Lot and/or Golf Course or golf ball damage.

(11) Any Builder who constructs a common boundary wall between his Lots and the Lots of another Builder shall be entitled to pro rata reimbursement for the costs thereof from the adjoining Builder or Builders. The Builder which constructs the common boundary wall shall provide written notice of the costs of the construction of the boundary wall along with reasonable documentation supporting the costs and a statement for the amount due from the adjoining Builder or Builders for reimbursement. If the adjoining Builder or Builders dispute the amount asserted due to the Builder which constructed the common boundary wall, the adjoining Builder or Builders shall provide written notice on or before ten (10) days from the date of the written notice from the Builder which constructed the common boundary wall providing reasonable detail of the nature of the dispute to the Builder which constructed the common boundary wall and to the Board. The Board shall decide the dispute and its decision shall be final and enforceable.

(y) Drainage Easement. There is hereby created a blanket easement for drainage of surface water runoff on, over and across the Common Area. No Owner shall obstruct, divert, alter or interfere with any portion of the drainage established for the Property. Each Owner shall at his own expense maintain the drainageways and channels on his Lot in proper condition free from obstruction. The Golf Course Owner or the Golf Course Operator shall not, without the prior written approval of Declarants (which will not be unreasonably withheld or delayed) make any changes to the Golf Course that would impede or interfere with the drainage from the Property as originally designed, unless (i) such change is necessary because of engineering, terrain, drainage, easements and/or governmental requirements, (ii) such change is not a substantial deviation from the original plans and specifications for the Golf Course or landscaping, and (iii) the Golf Course Owner will provide, at the Golf Course Owner's expense, such improvements, retention basins, etc., as shall be reasonably necessary to assure that any such change does not adversely impact the drainage originally established for the Property.

(z) Agricultural Spray Easement. In accordance with the Stipulations of Understanding for the Pinal County Planning and Zoning Case No. PZ-030-97, notice is hereby given that the Property is located in the vicinity of or adjacent to other properties that have a long history of agricultural use and that much of the adjacent property will continue to be used for farming and other agricultural uses for the foreseeable future. Each Owner hereby acknowledges and agrees that his Lot shall be held and conveyed subject to the Stipulations of Understanding for the Pinal County Planning and Zoning Case No. PZ-030-97, and further acknowledges and consents to the fact that the operators of the farms in the vicinity of the Property will from time to time be applying insecticides, fertilizers and other farm chemicals in the vicinity of the Property.

(aa) Parking. It is the intent of the Declarants to eliminate on-street parking as much as possible. Vehicles of all Owners, residents, guests and invitees are to be kept in garages,

carports, residential driveways and other parking areas designated by the Association. No vehicle which is Visible from Neighboring Property may be parked on gravel, grass, landscaped or other non-concrete areas of a Lot, within five (5) feet of any side Lot line. Limited, short-term on-street parking will be permitted solely for the following purposes: (i) loading and unloading of non-commercial items for use on the Lot; (ii) for temporary visits by guests or invitees of an Owner that do not involve overnight parking; or (iii) for temporary parking of the Owner's vehicles for special events that do not involve overnight parking and that do not occur on a frequent or repetitive basis. The Board may remove, or cause to be removed, any unauthorized vehicle at the expense of the owner thereof in any manner consistent with applicable law.

(bb) Right of Entry. During reasonable hours and upon reasonable notice to the Owner or resident of a Lot, any Member or authorized representative of the Architectural Committee or the Board shall have the right to enter upon and inspect any Lot or improvements thereon, except for the interior portions of any completed improvements, to determine if the improvements are in compliance with this Declaration. Any such persons shall not be deemed guilty of trespass by reason of such entry.

(cc) Health, Safety and Welfare. In the event uses, activities and facilities are deemed by the Board to be a nuisance or to adversely affect the health, safety or welfare of Owners or residents, the Board may make rules restricting or regulating their presence as part of the Rules or may direct the Architectural Committee to make rules governing their presence on Lots as part of the Architectural Committee Rules.

(dd) Declarant's Exemption. Nothing contained in this Declaration shall be construed to prevent the erection or maintenance by a Declarant or Builder (or a duly authorized agent of either of them) of improvements or signs necessary or convenient to the development or sale of Lots within the Property.

(ee) Golf Carts. No Owner or tenant or any of their respective family members, guests or invitees shall operate or use any golf cart on the Golf Course, for the purpose of playing golf or otherwise, except for golf carts owned by Golf Course Owner and/or the Golf Course Operator and rented or the use of which is otherwise obtained in connection with the authorized playing of rounds of golf on the Golf Course.

(ff) Assumption of Risk for Golf Ball Damage. Certain Lots are located adjacent to or in the vicinity of the Golf Course. All present and future Owners of Lots adjacent to or in the vicinity of the Golf Course are hereby put on notice that ERRANT GOLF BALLS WILL LEAVE THE GOLF COURSE PROPERTY AND COME UPON PROPERTY ADJACENT TO OR IN THE VICINITY OF THE GOLF COURSE PROPERTY; THAT SUCH ERRANT GOLF BALLS MAY STRIKE PERSONS, IMPROVEMENTS AND/OR PROPERTY AND DO INJURY OR DAMAGE THERETO; AND THAT BY OWNING AND/OR OCCUPYING A LOT ADJACENT TO OR IN THE VICINITY OF THE GOLF COURSE, THE OWNER AND/OR OCCUPANT ASSUMES ALL RISKS WITH RESPECT TO SUCH ERRANT GOLF BALLS. Further, each Owner of a Lot adjacent to or in the vicinity of the Golf Course acknowledges and agrees that regular course play and tournaments may be held on the Golf Course which may result in noise or other nuisances or hazards to persons and properties on such Lot as a result of normal golf course operations or as a result of other golf course-related

activities. Each such Owner covenants for itself, its successors and assigns and for such Owner's lessees, agents, invitees, and guests that it has been put on notice of such matters and that it assumes all risks associated with being located adjacent to or in the vicinity of the Golf Course. The foregoing notice, covenants and agreements shall be deemed incorporated into each deed or other instrument of conveyance by which Owners of Lots adjacent to or in the vicinity of the Golf Course acquire fee title to their Lot, as if fully set forth therein.

Such Lot Owners hereby assume personally and for such Owner's tenants, and their respective guests, family members and invitees, all risks associated with owning or occupying Lots immediately adjacent to the Golf Course, including, without limitation, the possibility of personal injury or property damage as a result of the flight of golf balls, the noise and other effects associated with the play of golf and the use, operation and maintenance of the Golf Course, and all other usual activities associated with the existence, operation, maintenance, improvement and use of the Golf Course. Each Owner agrees to release, indemnify, and hold harmless the Declarants and the Golf Course Owner (including successive owners of the Golf Course), any Golf Course Operator, and the Association and each of their respective owners, officers, directors, partners, agents, employees, contractors, invitees, guests, and members from and against any and all claims, damages, liabilities, and losses arising from personal injury, property damage or other injury or damage sustained by such Owner, any tenant of Owner, or any of their respective family members, invitees, guests, visitors, or other persons using or occupying any Lot, Common Areas or any other Project land adjoining the Golf Course and from all other claims, damages, liabilities and losses relating to the effects upon such persons or upon such Owner's property of the activities conducted on the Golf Course, including the flight of golf balls over and onto any Lot.

Golf Course Owner, as owners of the Golf Course, hereby reserve an easement across all Lots, Common Areas, and any other Project land adjoining the Golf Course, and the air space above all such property, for the following purposes: (i) the flight, entry, landing, and resting on, around or over such property of golf balls, and (ii) maintenance of the Golf Course. The easements reserved hereunder shall run with and burden the Lots, Common Areas, and any other Project land adjoining the Golf Course and shall benefit the Golf Course. The foregoing covenants of all Owners shall be binding on all successor Owners, and shall inure to the benefit of the Declarants, the Golf Course Owner (including the successive owners of the Golf Course) and any Golf Course Operator.

(gg) Restrictions on Lots Adjacent to Golf Course. The following additional restrictions apply to Lots adjacent to the Golf Course:

(1) The boundaries of all Lots adjacent to the Golf Course shall be fenced by the Owner, solely at the Owner's expense, with a green tubular steel fence of such color and design as has been approved by the Architectural Committee, for the purpose of preserving and protecting views of the Golf Course from all adjoining property and views of all adjoining land from the Golf Course. Owners of lots adjacent to the Golf Course, prior to installing or modifying fences or walls, shall obtain written approval for such construction or changes from the Architectural Committee. Further, no fence other than an approved green tubular steel fence shall be installed or constructed immediately adjacent to the boundary between a Lot and the Golf Course without the prior written approval of the Golf Course Owner. Except as provided herein, no wall, fence or landscape barrier shall be installed on

the Golf Course or on any Lot adjacent to the Golf Course at or in the immediate vicinity of the perimeter thereof except with the written approval of Declarants in their discretion, not to be unreasonably withheld.

(2) The Owner(s) of a Lot adjacent to the Golf Course shall be solely responsible for maintaining the fences required under Subsection (1) above concerning that Lot and all improvements within the Lot visible from the Golf Course in a neat, clean and attractive manner consistent with the Golf Course and the Project; provided, however, that the Board may elect to have the Association maintain such fences from time to time and for so long a time as the Board determines in its sole discretion. If the maintenance of the fences adjacent to the Golf Course are maintained by the Association, then each Owner of a Lot adjacent to the Golf Course shall promptly and fully reimburse the Association an amount equal to such Owner's pro rata share of all maintenance costs incurred by the Association in regard thereto.

(3) Each Owner is hereby granted a temporary easement and right to enter on the Golf Course for purposes of initially constructing and thereafter maintaining the fence required pursuant to this Section 8.1(gg); provided, however, that each adjoining Owner shall first notify the Golf Course Owner of any intended entry and activity and shall coordinate the time and scope of such entry and activity to minimize disruption of play on the Golf Course and allow for adequate safety measures to be taken.

(4) The Golf Course Owner shall have the right to enforce the foregoing provisions with respect to Golf Course Lots in any manner allowed by applicable law, including, without limitation, by lien right or other remedy or procedure permitted herein, in addition to all other enforcement provisions and rights for Declarants and the Association in this Declaration.

(hh) Minor Alterations by Builder. The Owner of an adjacent Lot who is a Builder may, with the consent of the Declarants and with the prior approval of the Golf Course Owner (which consent of Declarants and approval of the Golf Course Owner shall not in either instance be unreasonably withheld or delayed), enter upon contiguous portions of the Golf Course located at or in the vicinity of the periphery thereof and make minor alterations in the terrain, grade or elevations thereof in order to promote a more harmonious transition from such Golf Course to such adjoining Lot. Prior to such entry, such adjoining Owner/Builder shall submit plans and specifications to the Declarants and Golf Course Owner, showing the proposed minor alterations and each of Declarants and Golf Course Owner shall have ten (10) days from receipt of such plans and specifications to reasonably approve or disapprove such plans and specifications, and Declarants or Golf Course Owner's failure to disapprove such plans and specifications within said ten (10) days (with written reasons and proposed acceptable changes) shall be deemed approval by the party so failing to disapprove. Notwithstanding any consent of the Declarants or approval of the Golf Course Owner, in no event shall any such adjoining Owner/Builder, in making such minor adjustments, injure, impede or jeopardize any utilities or any easements as hereinafter provided, diminish in any material respect the playing characteristics or visual amenity of the Golf Course, or disrupt play on the Golf Course. Any

such adjoining Owner/Builder shall immediately repair or restore any damage caused to the Golf Course by such entry or alterations and shall be solely responsible for all costs and expenses incurred as a result thereto and no mechanic's or materialman's lien shall attach to the Golf Course unless expressly authorized by the Golf Course Owner. Notwithstanding anything to the contrary contained in this Section 8.1(hh), this Section 8.1(hh) applies only to Owners who are also Builders.

(ii) Substantial Compliance With Golf Course and Landscape Plans. From and after the date hereof, no development or improvement shall be made, constructed or installed upon any previously undeveloped portion of the Golf Course, including without limitation, excavation, grading, drainage, water, retention areas, lakes or other water features, landscaping, cart or pedestrian traffic paths, roadways or parking areas, fencing, signage, lighting or structures of any kind, except (i) as herein expressly permitted, (ii) in substantial accordance with Golf Course and landscape plans and specifications used for the initial construction of the Golf Course and appurtenant landscaping, or (iii) such changes to the Golf Course and landscape plans as have been approved in writing by Declarants. Without limiting the foregoing, no change of any kind shall be made in the topography, physical configuration or layout thereof, including, without limitation elevations or contours, excavation, grading, drainage, water retention areas, lakes or other water features, fences, location and design of hazards, landscaping, cart or pedestrian traffic paths, roadways, parking areas, lighting, signage, buildings or structures or other improvements of any kind unless (a) such change is necessary because of engineering, terrain, drainage, easements and/or governmental requirements, and is not a substantial deviation from plans and specifications previously approved by Declarants, and (b) such change receives the prior written approval of Declarants, which will not be unreasonably withheld or delayed.

(jj) Corrective Measures to Assure Safety. In the event that the Golf Course Owner at any time determines that the design of the Golf Course fails to meet reasonable safety standards or is otherwise unreasonably hazardous to those using the Golf Course or any adjoining Lots, the Golf Course Owner shall have the right to notify Declarants and propose to Declarants, in writing, design changes within the Golf Course which will attempt to correct any such problem, and Declarants shall not unreasonably withhold or delay their consent to any such changes within the Golf Course. However, nothing contained herein shall be deemed to require Declarants to provide additional land to Golf Course Owner in order to correct or alleviate any such problem; nor shall Golf Course Owner request Declarants to exchange land no longer owned by Declarants in order to correct or alleviate any such problem. Further, nothing herein shall be deemed to give Declarants any control over the safety or adequacy of the design, engineering or construction of the Golf Course or to impose any obligation, liability or responsibility for the safety of any portion thereof.

(kk) Use of Golf Course, Commercial Parcels and Retail Sites.

(1) Activities and uses permitted on the Golf Course shall include all activities generally associated with the operation and maintenance of a Golf Course including without limitation the maintenance of a parking area, equipment shed, golf cart storage building, driving range, putting green, golf shop and clubhouse. In addition, the Golf Course Owner and/or the Golf Course Operator may permit other community and recreational activities on the Golf Course, including, but not limited

to, tournaments, banquets, picnics, charitable events, meetings, weddings or social gatherings, provided that the Golf Course continues to be improved, operated and maintained as a Golf Course with minimal interruptions due to such uses and activities. No other or additional use may be made of the Golf Course except through an amendment to this Declaration. The use restrictions applicable to the Golf Course shall be construed so as to qualify such land to be valued as a Golf Course by the county assessor in accordance with Arizona Revised Statutes § 42-13152 as it may hereafter be amended and any regulations or guidelines promulgated thereunder. Neither membership in the Association nor ownership or occupancy of any land within the Project shall confer any ownership in or right to use the Golf Course. The Golf Course Owner may light or modify lighting for the Golf Course, provided only "down lighting" or "surface lighting" thereof in a manner approved by the Architectural Committee shall be permitted.

(2) The Golf Course Property and Parking Area shall be constructed, operated and maintained in substantial conformity with all laws, ordinances, regulations and other governmental requirements of any kind, including those pertaining to the quality of the environment (air, water and soil) or the presence, use or discharge of any hazardous substance therein, zoning and other land use requirements, building, fire, public health and safety or other similar codes. The Golf Course Owner is required hereunder to take all steps to ensure that the Golf Course and its facilities are designed to satisfy all applicable governmental requirements for the storage and use of treated effluent on the Golf Course (taking into consideration that the Golf Course may eventually be bordered by residential and other properties), as such requirements exist as of the date of completion of the Golf Course.

(3) The contemplated Golf Course, if developed and constructed, shall be constructed in two stages. Following completion of the initial construction of each stage of the Golf Course, all portions of the Golf Course shall thereafter at all times by Golf Course Owner be kept neat, clean, well maintained and in a state of good condition and repair consistent with the standard application to similar public golf courses in Pinal County and Maricopa County in the State of Arizona. The Golf Course and its clubhouse and related facilities shall be constructed and maintained in accordance with a standard comparable to the clubhouse at Kokopelli Golf Club, Mesa, Arizona, and otherwise compatible with architecture of the Rancho El Dorado community. Without limiting the foregoing, all grassy areas shall be neatly mowed, all trees, bushes and shrubbery shall be pruned and trimmed, dead or diseased plant materials shall be replaced promptly, all lakes or other water features shall be kept properly filled and maintained and shall not be allowed to become stagnant, the golf course greens shall be overseeded seasonally for year-around play (or grass varieties which grow year-around shall be used), all driveways, golf cart and pedestrian traffic paths, and parking areas shall be paved and such pavement shall be maintained in good condition and repair, all golf cart and pedestrian traffic paths shall be clearly delineated and maintained in good condition and repair reasonably free of weeds and debris, and all structures shall be free from peeling paint or other signs of disrepair or neglect.

(4) Following completion of the initial construction of the Golf Course contemplated herein, the Golf Course shall thereafter be used and operated by the Golf Course Owner continuously as a golf course and for the accessory uses permitted herein, except for (i) temporary interruptions necessitated by reseeding or other normal maintenance requirements, (ii) restoration, renovation or permitted alteration of the golf course, or (iii) other interruptions necessitated by circumstances beyond the reasonable control of the Golf Course Owner, including flood, earthquake, fire, labor disturbance, riot or public insurrection, war, unavoidable shortages or other similar reasons, but in any such event described in (i), (ii) or (iii), only if and for so long as such Golf Course Owner shall promptly and diligently make every reasonable effort to recommence normal operations as expeditiously as is possible under the circumstances. The Golf Course shall be operated (including, without limitation, its days and hours of operation) in accordance with a standard comparable to the Kokopelli Golf Club, Mesa, Arizona. Notwithstanding the foregoing, from time to time, the Golf Course Owner may close the Golf Course for a day or a series of days (not to exceed, however, a total of fifteen (15) consecutive or nonconsecutive days within any calendar month) solely for the purpose of allowing special golf events to be held by business, civic or charitable groups on such day or days.

(5) Nothing in this Section 8.1(kk) or elsewhere in this Declaration shall create any affirmative obligation of Declarants, the Golf Course Owner or any Golf Course Operator to operate a golf course on the Golf Course property if it is economically unfeasible to do so; provided, however, that even if a golf course is not being operated, the Golf Course Owner shall maintain, repair and replace as reasonably necessary all landscaping (and all watering systems serving the landscaping) and improvements on the Golf Course visible from any Lot, Common Area tract or street in a neat, orderly and good condition that will not detract from the appearance or attractiveness of the Project (the "Minimum Maintenance"). If the Golf Course Owner fails to perform any minimum maintenance, the Board may notify the Golf Course Owner thereof and if the Golf Course Owner fails to perform the required minimum maintenance within twenty (20) days from such notice (or if the required minimum maintenance will reasonably require more than twenty (20) days to be completed, if the Golf Course Owner does not commence such work within such twenty (20) days and diligently proceed with completion thereof), the Association may (but shall not be required to) perform the minimum maintenance, as well as any minimum maintenance required thereafter unless the Golf Course Owner has notified the Association of its willingness and ability to perform such future minimum maintenance and provided reasonable evidence to the Association of such ability. The Association shall not perform any work not reasonably required to maintain the landscaping and improvements on the Golf Course visible from any Lot, Common Area tract or street in a neat, orderly and good condition such that it will not detract from the appearance or attractiveness of the Project. The Association shall perform any such work at a cost representing a reasonably competitive price in the marketplace. All such costs incurred by the Association, plus interest thereon at the rate of eighteen percent (18%) per annum from the date paid until the date reimbursed, shall be payable by the Golf Course Owner upon

demand, and shall be secured by a lien upon the Golf Course, which shall be prior to all other liens except real estate taxes and assessments, and which may be foreclosed in the same manner as a real property mortgage under Arizona law. Before beginning any such minimum maintenance, the Association or its contractor shall have liability insurance with minimum coverage of at least \$1,000,000.00 combined single limits coverage, and workmen's compensation insurance as required by law, and such liability insurance shall include Declarants and the Golf Course Owner as an additional insured as evidenced by a Certificate of Insurance. The Association shall indemnify and hold Declarants and the Golf Course Owner harmless from and against any and all liability, losses, claims, causes of action, expenses or attorneys' fees incurred or sustained by Declarants or the Golf Course Owner as a result of the activities of the Association and its agents, employees and contractors on the Golf Course under this section.

(6) The commercial parcels and retail sites may be utilized for any purpose consistent with the uses authorized by Pinal County or other governmental authorities having jurisdiction applicable thereto.

(7) The provisions of Sections 8.1(f), (h) and (i) above shall apply to the Golf Course, the commercial parcels and retail sites, but otherwise no restrictions or covenants in this Article 8 related to Lots shall apply thereto.

(ll) Golf Course Easements. In addition to the easement rights granted in Section 8.1(o), (p), (y) and (z) above, the parties acknowledge that the Golf Course, the Golf Course Owner or any Golf Course Operator, may require easement or license rights over or concerning portions of the Common Area for the operation, maintenance and/or repair of the Golf Course. The Association, by action of the Board, shall grant easements and licenses from time to time over or concerning portions of the Common Area to the Golf Course Owner (for its benefit and the benefit of the Golf Course Operator and their respective employees, agents and contractors), provided:

(1) The Board determines that such easement(s) or license(s) are reasonably necessary for the appropriate operation, maintenance and/or repair of the Golf Course consistent with this Declaration.

(2) The Board determines that such easement(s) or license(s) and the use thereof will not materially and adversely affect the Association, Owners, Lots or the Common Area.

(3) The Board imposes such reasonable conditions, limitations, and restrictions as it deems necessary or appropriate to protect and ensure the interests of the Association, Owners, Lots and the Common Area.

(mm) Easements for the Construction and Maintenance of Restrooms and Service Facilities on the Golf Course. As of the recordation of this Declaration, no restrooms for the Golf Course have been constructed outside of the clubhouse, but restrooms or other service facilities may be hereafter be constructed by the Golf Course Owner and/or the Golf Course Operator on the Golf Course. The Association, by action of the Board, shall grant access and utility easements over the

Common Area to the Golf Course Owner (for its use and the use of the Golf Course Operator) as reasonably necessary for access to construct and maintain, and for utilities to serve such restroom and/or service facilities, subject to such reasonable conditions, limitations and restrictions as the Board deems reasonably necessary for the protection of the Common Area, including but not limited to, insurance requirements, requirements for the restoration of any improvements or landscaping damaged by the Golf Course Owner and/or Golf Course Operator, safety requirements and reasonable noise limitations.

(nn) Right of Easement Over Golf Course.

(1) Declarants shall grant and establish, for the benefit of all the Property, such non-exclusive easements over, under, across and upon the Golf Course, as may be necessary for the installation, enlargement, expansion extension, maintenance, repair and replacement of all public utilities, including, without limitation, water, sewer, electricity, gas, telephone and cable television services or other services increasing the value, amenity or utility of the Property (whether or not generally considered to be a "public utility" or subject to regulation as a "public service corporation") as installed by or with the approval of the Declarants or by the providing utility with the consent of the Declarants in accordance with the provisions of this Declaration.

(2) Upon the request of Declarants, the Golf Course Owner shall grant and convey such other and further easements upon, across, over and under the Golf Course Property for drainage and water retention and for the installation of all public utilities and public utility-related purposes as set forth in Section 1 immediately preceding this Section, as may be reasonably required for future development of all or any part of the Property and shall execute and deliver all necessary or appropriate documents or instruments evidencing same; provided, however, that nothing contained herein shall obligate the Golf Course Owner to grant any easement that will substantively alter the Golf Course design, result in additional costs to the Golf Course Owner, or that may be reasonably relocated to a more appropriate and less intrusive location.

(3) The easements and rights created and granted herein are for the benefit of Declarants, the subsequent Owner or Owners from time to time of the fee title to all of the Property or any Parcel, the providing utilities and the agents, employees, contractors, licensees and invitees thereof.

(4) Except as hereinafter provided, any person or entity entitled to the benefit of the easements granted in Sections 1 and 2 hereof shall notify the Golf Course Owner in writing at least fourteen (14) days in advance of any scheduled installation, enlargement, expansion, extension, replacement or maintenance authorized hereby which may temporarily interfere with or interrupt the use of the Golf Course as a golf course. No such advance notice shall be required in those instances where a delay in replacing or maintaining an already installed utility would likely result in damage to either the utility or the Golf Course or deprive persons of utility service. Any person utilizing this provision shall perform work

in a manner reasonably intended to minimize any interference with the operation of the Golf Course. In the event that any person or entity exercising its rights under this provision shall enter the Golf Course, cut the surface of the Golf Course and thereby interfere with the regular operation of the Golf Course to such an extent that play on the Golf Course is interrupted, the person or entity causing such interruption of Golf Course operations shall be liable to Golf Course Owner for any lost revenues suffered by the Golf Course Owner as a consequence of such interruption.

(5) Any person or entity exercising the rights of access granted herein shall at its own expense perform any installation, replacement or maintenance or other work authorized hereby expeditiously, continuously and diligently, and immediately following and as a part of any such work, shall replace, repair and restore the Golf Course as nearly as possible to its pre-existing condition. Such replacement, reparation, and restoration shall include but not be limited to patching any damaged paved areas, recontouring any altered terrain, replacing any damaged or destroyed trees, bushes and shrubbery, repairing or replacing any affected underground installation or facilities and resodding any damaged or destroyed grassy areas.

(6) Neither Declarant, the Golf Course Owner nor any person claiming by, through or under any of them shall (i) deny a providing utility access to any utilities installed pursuant hereto, (ii) cause or permit any obstruction or impediment to be erected or placed on the Golf Course which would unreasonably interfere with the right of use and enjoyment of any then-existing utility service for its intended purposes, or (iii) cause damage to or destruction of any of the installed utilities, normal wear and tear excepted.

(7) The Declarant and/or the Golf Course Owner shall have the right to relocate the utilities to another area of the Golf Course so long as (i) all costs resulting from such relocation, including engineering fees, legal fees and costs of construction or reconstruction of all improvements affected thereby, shall be paid in full by the party or parties requesting such relocation, (ii) such relocation is done in accordance with all reasonable requirements of the providing utility and does not result in any material interruption of service and (iii) such relocation neither interferes with the use of the Golf Course as a golf course nor impairs the use or development of the remainder of the Property to any greater extent than would have been the case if the utilities had been left in their original locations.

(8) Upon the request of Declarants and/or the providing utility, the Golf Course Owner shall execute such documents or instruments requested by Declarants and/or the providing utility as may be necessary or appropriate to further evidence and confirm the easements declared, established and granted hereby in a form duly acknowledged and otherwise suitable for recording in the Official Records of Pinal County, Arizona.

(oo) Risks Associated with Golf Course Lake and Common Area Waters. Each Owner purchasing a Lot acknowledges that (a) there are a number of unfenced lakes or other bodies of water on or associated with the Golf Course (“Golf Course Lakes”); (b) there are a number of other water bodies throughout the Project such as lakes and washes (“Common Area Waters”); and (c) there is an inherent and unavoidable potential danger and hazard represented by purchasing a Lot in the vicinity of the Golf Course Lakes or Common Area Waters and conducting activities in the close proximity to such lakes and waters. Each Owner, his tenants, and their respective family members, guests and other invitees are assuming the various risks involved in living and/or coming upon the Project in the vicinity of the Golf Course Lakes and the Common Area Waters. Each Owner and tenant shall be solely responsible to ensure the safety of their respective family members, guests and/or other invitees and pets or other domestic animals with respect to the Golf Course Lakes and Common Area Waters, including the safety of all persons present at the Project with the actual or implied permission or consent of any such person. Without limitation, this shall include the safety of small children or non-swimmers in the vicinity of the Golf Course Lakes and Common Area Waters, and the prevention of unauthorized use of the Golf Course Lakes and Common Area Waters by persons present with the actual or implied consent of the Owner or tenant. Neither Declarants, the Golf Course Owner, any Golf Course Operator, nor the Association will employ or otherwise have available lifeguards, monitors, supervisors, or other persons to monitor or supervise the Golf Course Lakes or Common Area Waters, or the safety of any persons, and no actions or omissions by the Declarants, the Golf Course Owner, any Golf Course Operator, or the Association shall create any responsibility or obligation of Declarants, the Golf Course Owner, any Golf Course Operator, the Association, or any of their respective officers, directors, partners, shareholders, members, employees or agents to monitor or supervise these matters. Each Owner, his tenants, and their respective family members, guests and other invitees are hereby specifically warned and each is deemed to hereby acknowledge that the Golf Course Lakes and Common Area Waters may contain effluent water and that no swimming is permitted in any Golf Course Lake or Common Area Water.

8.2 Permitted Uses and Restrictions - Common Area. The permitted uses and restrictions for the Common Area shall be as follows:

(a) Permitted Uses.

(1) Except as otherwise provided herein, the Common Area shall be used in general for the exclusive benefit of the Owners, for the furnishing of services and facilities for which the same are reasonably intended and for the enjoyment to be derived from such reasonable and proper use, without hindering the exercise of or encroaching upon the right of any other Owner to utilize the Common Area, provided that no unlawful use shall be permitted.

(b) Restricted Uses.

(1) The Common Area shall not be used by Owners for storage of supplies, material or personal property of any kind.

(2) Except as otherwise provided herein, no activity shall be carried on, nor condition maintained, by any Owner upon the Common Area which spoils the appearance of the Property or hinders or encroaches upon the right of any other Owner to utilize the Common Area as reasonably intended.

(c) Maintenance by Association. The Association has the right and may, at any time, as to any Common Area conveyed, leased, or transferred to it, or otherwise placed under its jurisdiction, in the discretion of the Board, without any approval of the Owners being required:

(1) Maintain the plantings on all Common Areas. For this purpose, Declarants and the Association shall have the right, at any time, to plant, replace, maintain and cultivate landscaping, shrubs, trees, and plantings on any Common Area and on such easements over an Owner's Lot as may have been granted to the Declarants or the Association, regardless of whether any Owner or the Association is responsible hereunder for maintenance of such areas. No Owner shall remove, alter, injure or interfere in any way with any landscaping, irrigation lines, sprinkler heads, shrubs, trees, grass or plantings placed upon any Common Area without the prior written consent of the Declarants or the Association. The Declarants and the Association shall have the right to enter upon or cross over any Lot, at any reasonable time, for the purpose of planting, replacing, maintaining or cultivating such landscaping, shrubs, trees, grass or plantings and shall not be liable for trespass for so doing.

(2) Reconstruct, repair, replace or refinish any improvement or portion thereof upon the Common Area or the above-described easement areas (to the extent that such work is not the responsibility of any governmental entity or utility);

(3) Construct, reconstruct, repair, replace or refinish any road improvement or surface upon any portion of such area used as a road, street, walk, and parking area (to the extent that such work is not done by a governmental entity or utility, if any such entity is responsible for the maintenance and upkeep of such area);

(4) Replace injured and diseased trees or other vegetation in any such area, and plant trees, shrubs and ground cover to the extent that the Board deems necessary or advisable;

(5) Place and maintain upon the Common Area such signs, markers and lights as the Board may deem appropriate for the proper identification, use and regulation thereof, subject to the approval of the Architectural Committee;

(6) Remove all papers, debris, filth and refuse from the Common Area and wash or sweep paved areas as required; clean and relamp lighting fixtures as needed;

(7) Repaint striping, markers, directional signs, and similar identification or safety devices as necessary;

(8) Pay all real and personal taxes and assessments on the Common Area;

(9) Pay all electrical, water, gas and other utility charges or fees for services furnished to the Common Area;

(10) Pay for and keep in force at the Association's expense, adequate insurance against liability incurred as a result of death or injury to persons or damage to property on the Common Area. Such insurance shall be with companies acceptable to the Association in amounts and with adequate limits of liability desired by the Owners or required of the Owners pursuant to any other recorded document affecting the Property, such insurance to name the Association or the Owners or both as named insureds;

(11) Do all such other and further acts which the Board deems necessary to preserve and protect the Common Area and the beauty thereof, in accordance with the general purposes specified in this Declaration;

(12) The Board shall be the sole judge as to the appropriate maintenance within the Common Area; and

(13) Nothing herein shall be construed so as to preclude the Association from delegating its powers set forth above to a project manager or agent or to other persons, firms or corporations.

(d) Damage or Destruction of Common Area by Owners. In the event any Common Area is damaged or destroyed by an Owner or any of his guests, tenants, licensees, or agents, such Owner does hereby authorize the Association to repair said damaged area, and the Association shall so repair said damaged area in a good workmanlike manner in conformance with the original plans and specifications of the area involved, or as the area may have been modified or altered subsequently by the Association, in the discretion of the Association. The amount necessary for such repairs shall, to the extent required under local law, be paid by said Owner, to the Association and the Association may enforce collection of same in the same manner as provided elsewhere in this Declaration for collection and enforcement of assessments, including Section 9.3 hereof.

(e) Mortgage or Conveyance of Common Area. The Common Area shall not be mortgaged or conveyed without the prior consent of Owners representing not less than two-thirds (2/3) of the authorized votes of each class of Members.

8.3 Tract Declarations. Either a Declarant or any Builder may subject its Parcel or Parcels within the Project to such additional restrictions and covenants as such Declarant or Builder deems beneficial or necessary provided that any Subsidiary or Tract Declaration shall not be effective unless approved by the Board, such approval not to be unreasonably withheld. Any Subsidiary or Tract Declaration shall specify that such document and the rights or requirements created thereby are subject and subordinate to this Declaration, the Articles and Bylaws of the Master Association and the Rancho El Dorado Rules.

ARTICLE 9
INSURANCE

9.1 Public Liability Insurance. The Association shall obtain and continue in effect comprehensive public liability insurance insuring the Association, the Declarants, the Golf Course Operator, the agents and employees of each and the Owners and their respective family members, guests and invitees against any liability incident to the ownership or use of the Common Area, including, if obtainable, a cross-liability endorsement insuring each insured against liability to each other insured and a "severability of interest" endorsement precluding the insurer from denying coverage to one Owner because of the negligence of other Owners, other insureds or the Association.

9.2 Scope of Coverage. Commencing not later than the time of the first conveyance of a Lot to a person other than a Declarant, the Association shall maintain adequate insurance for the Common Areas, including liability in an amount not less than one million dollars (\$1,000,000), as well as directors and officers liability. Each Owner shall be responsible for coverage on his Lot and any improvements thereon.

9.3 Certificates of Insurance. An insurer that has issued an insurance policy under this Article shall issue certificates or a memorandum of insurance to the Association and, upon request, to any Owner, mortgagee or beneficiary under a deed of trust. Any insurance obtained pursuant to this Article may not be canceled until thirty (30) days after notice of the proposed cancellation has been mailed to the Association, each Owner, and each mortgagee or beneficiary under deed of trust to whom certificates of insurance have been issued.

9.4 Repair and Replacement of Damaged or Destroyed Property. Any portion of the Common Area damaged or destroyed shall be repaired or replaced promptly by the Association unless (a) repair or replacement would be illegal under any state or local health or safety statute or ordinance, or (b) Owners owning at least eighty percent (80%) of the Lots vote not to rebuild. The cost of repair or replacement in excess of insurance proceeds and reserves shall be paid by the Association. If the proceeds attributable to the damaged Common Area shall be used to restore the damaged area to a condition which is not in violation of any state or local health or safety statute or ordinance, then the remainder of the proceeds shall be distributed to the Owners on the basis of an equal share for each Lot.

ARTICLE 10
ALTERNATIVE DISPUTE RESOLUTION

10.1 Alternative Method for Resolving Disputes. Declarant, the Association, its officers, and directors, all Owners, Builders and Members or other parties subject to this Declaration (each a "Bound Party") agree to encourage the amicable resolution of disputes involving any Bound Party without the emotional and financial costs of litigation. Accordingly, each Bound Party covenants and agrees to submit those claims, grievances or disputes described in Section 10.2 (collectively, "Claims") to the procedures set forth in Section 10.3.

10.2 Claims. Unless specifically exempted below, all Claims arising out of or relating to the interpretation, application or enforcement of this Declaration, or the rights, obligations and duties of any Bound Party under this Declaration or relating to the design or construction of improvements on the Property shall be subject to the provisions of Section 10.3. Notwithstanding the foregoing sentence, unless all parties thereto otherwise agree, the following shall not be Claims and shall not be subject to the provisions of Section 10.3 (collectively "Claims Exempt from Dispute Resolution"):

(a) any suit or action by the Association against any Bound Party for delinquent assessments or to enforce the provisions of Article 6 (Covenant for Maintenance Assessments) or to enforce any restriction, law or regulation relating to public safety or health;

(b) any suit by the Association or Declarant to obtain a temporary restraining order or injunction (or equivalent emergency equitable relief) and such other ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to act under and enforce the provisions of Article 7 (Architectural Control) and Article 8 (Use Restrictions);

(c) any suit between or among Owners, which does not include Declarant or the Association as a party, if such suit asserts a Claim which would constitute a cause of action independent of this Declaration;

(d) any suit brought by the Golf Course Owner or Golf Course Operator for the purpose of enforcing any Golf Course easement or other restriction established by the Declaration for the benefit of the Golf Course, the Golf Course Owner or Golf Course Operator;

(e) any suit brought by the Owner of a commercial parcel or retail site for the purpose of enforcing any easement or other restriction established by the Declaration for the benefit of such commercial parcel or retail site;

(f) any suit in which any indispensable party is not a Bound Party; and

(g) any suit as to which any applicable statute of limitations has expired or would expire within 180 days of giving the Notice required by Section 10.3.

10.3 Mandatory Procedures.

(a) Notice. Any Bound Party initiating a Claim ("Claimant") against any other Bound Party ("Respondent") (the Claimant and the Respondent referred to herein being individually referred to as a "Party," or collectively referred to as the "Parties") shall notify each Respondent in writing (the "Notice"), stating plainly and concisely:

(i) the nature of the Claim, including the persons involved and Respondent's role in the Claim;

(ii) the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);

(iii) the proposed remedy; and

(iv) the fact that Claimant will meet with Respondent to discuss in good faith ways to resolve the Claim.

(b) Negotiation and Mediation.

(i) The Parties shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in negotiation.

(ii) If the Parties do not resolve the Claim within 30 days after the date of the Notice (or within such other period as may be agreed upon by the Parties) ("Termination of Negotiations"), Claimant shall have an additional 30 days to submit the Claim to mediation under the auspices of an independent mediation service designated by the Association, or, if the Parties otherwise agree, to an independent agency providing dispute resolution services with substantial experience with comparable disputes.

(iii) If Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to any person other than the Claimant.

(iv) Any settlement of the Claim through mediation shall be documented in writing by the mediator and signed by the Parties. If the Parties do not settle the Claim within 30 days after submission of the matter to the mediation, or within such other time as determined by the mediator or agreed to by the Parties, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation"). The Termination of Mediation notice shall set forth that the Parties are at an impasse and the date that mediation was terminated.

(v) Each Party shall bear its own costs of the mediation, including attorneys' fees, and each Party shall share equally all charges rendered by the mediator. If the Parties agree to a resolution of any Claim through negotiation or mediation in accordance with this Section 10.3 and any Party thereafter fails to abide by the terms of such agreement, then any other Party may file suit or initiate administrative proceedings to enforce such agreement without the need to again comply with the procedures set forth in this Section 10.3. In such event, the Party taking action to enforce the agreement shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement, including, without limitation, attorneys' fees and court costs.

(c) Termination of Mediation. Upon Termination of Mediation, Claimant shall thereafter be entitled to submit the matter to binding arbitration. Any arbitration proceeding will (i) proceed in Phoenix, Arizona; (ii) be governed by the Federal Arbitration Act (Title 9 of the United States Code); and (iii) be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA"). Any arbitration proceeding will be before a single arbitrator. The parties shall use reasonable efforts to agree upon a single arbitrator within ten (10) days after written notice from one party to the other requesting arbitration. If the parties are unable to agree upon an arbitrator within such ten (10) day period, at any time thereafter either party may require that the arbitrator be selected according to the Commercial Arbitration Rules of the AAA. The arbitrator will be a neutral attorney who practices in the area of commercial real estate or business law. The arbitrator will determine whether or not an issue is arbitrable and will give effect to the statutes of limitation in determining any Claim. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. In any arbitration proceeding, the arbitrator will decide (by documents only or with a hearing at the arbitrator's discretion) any pre-hearing motions which are similar to motions to dismiss for failure to state a claim or motions for summary adjudication. In any arbitration proceeding, discovery will be permitted and will be governed by the Arizona Rules of Civil Procedure. All discovery must be completed no later than 20 days before the hearing date and within 180 days of the commencement of arbitration proceedings. Any requests for an extension of the discovery periods, or any discovery disputes, will be subject to final determination by the arbitrator upon a showing that the request for discovery is essential for the party's presentation and that no alternative means for obtaining information is available. The arbitrator shall award costs and expenses of the arbitration proceeding in accordance with the provisions of this Declaration. The laws of the State of Arizona shall apply in any arbitration proceeding, without regard to its conflict of laws rules.

10.4 Member Approval of Association Claims and Actions. Notwithstanding anything contained herein to the contrary and in addition to any requirements prescribed by law, the Association may not submit a Claim against Declarant or an affiliate of Declarant to binding arbitration upon Termination of Mediation, and (if the provisions of Section 10.3 do not apply) may not file any action against Declarant or an affiliate of Declarant arising out of or related to the design, construction, condition or sale of any part of the Property or any improvements thereon, until all of the following have occurred:

(a) In advance of the meeting described in Subsection 10.4(b) below, the Board has provided full disclosure in writing to all Members of all material information relating to the Claim or action. The material information shall include, without limitation, a statement that describes the manner in which the action will be funded and a statement describing any demands, notices, offers to settle or responses to offers to settle made either by the Association or the Declarant or its affiliate, if applicable.

(b) The Association has held a duly called meeting of its Members and the Board, at which a majority of the Class A Members, voting in person or by proxy, authorize the submittal of the Claim to arbitration or the filing of the action, as applicable.

(c) The Board has authorized the submittal of the Claim to arbitration or the filing of the action, as applicable.

10.5 Waiver. Each Declarant, the Association and every Owner, by accepting a deed for the Association property or a Lot, as the case may be, agrees to have any dispute resolved according to the provisions of this Article 10 and waives their respective rights to pursue any dispute in any manner other than as provided in this Article 10. Such parties acknowledge that by agreeing to resolve all disputes as provided in this Article 10, they are giving up their respective rights to have such disputes tried before a court or jury.

ARTICLE 11 SUBJECTING ADDITIONAL LANDS TO THE DECLARATION

11.1. Additions in Accordance with General Plan of Development. Either Declarant or the Golf Course Owner, their heirs and assigns, shall have the right to bring within the scheme of this Declaration Additional Properties in future stages of the development without the consent of the Owners within ten (10) years of the date of this Declaration. This provision is intended to be permissive in nature, and any such planned development shall not bind a Declarant or the Golf Course Owner, their heirs and assigns, to make the proposed additions in any subsequent development.

The additions authorized under this and the succeeding subparagraph, shall be made by recording a Supplementary Declaration of Covenants, Conditions Restrictions and Easements with respect to the Additional Property which shall extend the scheme of covenants and restrictions of this Declaration to such property.

Such Supplementary Declaration may contain such complementary additions and modifications to the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the scheme of the master plan. In no event, however, shall such Supplementary Declaration revoke, modify or add to the covenants established by this Declaration within the existing Property.

ARTICLE 12 GENERAL PROVISIONS

12.1 The Declaration. By acceptance of a deed or by acquiring any ownership interest in any portion of the Property, each Owner, his heirs, representatives, successors, transferees and assigns, binds himself, his heirs, representatives, successors, transferees and assigns, to restrictions, covenants, conditions, rules and regulations now or hereafter imposed by this Declaration and any amendments thereof. In addition, each such Owner by so doing hereby acknowledges that this Declaration sets forth a general scheme for the improvement and development of the Property and thereby evidences his interest that all the restrictions, conditions, covenants, rules and regulations contained herein shall run with the land and be binding on all subsequent and future Owners, grantees, purchasers, assignees, and transferees thereof. Furthermore, each such Owner fully understands and acknowledges that this Declaration shall be mutually beneficial, prohibitive and enforceable by the various future Owners.

12.2 Enforcement; Remedies. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so

thereafter. Declarants, the Golf Course Owner or the Golf Course Operator shall have the right to enforce any provisions which are intended to benefit the Golf Course or the owner(s) thereof in any manner permitted by applicable law, including, without limitation, by any remedy or procedure provided for in this Declaration. The owner(s) of commercial parcels and retail sites shall have the right to enforce any provisions of this Declaration which are intended to benefit the commercial parcels or retail sites or the owner(s) thereof.

Subject to the terms of Article 10 above, remedies shall include but not be limited to damages, injunctive relief and/or any and all other rights or remedies pursuant to law or equity and the prevailing party shall be entitled to collect all costs incurred and reasonable attorneys' fees sustained in commencing and/or defending and maintaining such lawsuit. Notwithstanding the foregoing, an Owner's liability for damage to the Common Area or Lots (including improvements thereon) of other Owners by reason of the acts of the Owner, the Owner's tenants, and their respective family members, guests, invitees or licensees shall be limited to that imposed under applicable Arizona statutory, case and other law. Any breach of these covenants, conditions and restrictions, or any remedy by reason thereof, shall not defeat nor affect the lien of any mortgage or deed of trust made in good faith and for value upon the Lot in question and the breach of any of these covenants, conditions, and restrictions may be enjoined, abated or remedied by appropriate proceedings, notwithstanding the lien or existence of any such mortgage or deed of trust.

12.3 Declarants' Disclaimer of Representations. Anything to the contrary in this Declaration notwithstanding, and except as otherwise expressly set forth on a recorded plat or other instrument recorded in the office of the Pinal County Recorder, Declarants make no warranties or representations whatsoever that the plans presently envisioned for the development of Rancho El Dorado, or any part thereof, including but not limited to the Golf Course, can or will be carried out, or that any land now owned or hereafter acquired by any Declarant is or will be subjected to this Declaration, or that any such land (whether or not it has been subjected to this Declaration) is or will be committed to or developed for a particular (or any) use, or that if such land is once used for a particular use, such use will continue in effect.

Declarants further disclaim any liability to all Builders, Owners and all third parties as a result of the failure to construct any of the improvements presently envisioned and as described in any master plan, conceptual master plan, design plans, engineering drawings or plans, renderings, models, marketing materials of any kind, concept drawings, elevations, plans, drawings, or documents of any kind, in the plans for development of Rancho El Dorado, or any part thereof, including but not limited to the Golf Course and all other amenities.

12.4 Assignment of Declarant's Rights. Declarants, or either of them, and their respective successors and assigns from time to time, shall have the right to assign all or any part of the Declarants' rights and powers under the terms of this Declaration to such successors and assigns as are specifically identified and empowered by a written assignment (or other similar operative document). Such assignment shall become effective upon recordation of such assignment in the Office of the County Recorder of Pinal County, Arizona.

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

12.6 Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be extended for successive periods of ten (10) years. This Declaration may be amended during the first thirty (30) year period by an instrument signed by Owners representing not less than seventy-five percent (75%) of the authorized votes of each class of Membership, and thereafter by an instrument signed by Owners representing not less than two-thirds (2/3) of the authorized votes of each class of Members; except that the Declarants, acting jointly, may amend the Declaration as may be requested by the Federal Housing Administration, the Veterans Administration, the Federal Home Loan Mortgage Company, or the Federal National Mortgage Association, or any government agency which requests such amendment as a condition of approving the Declaration or any federally-chartered lending institution which requests such amendment as a condition to lending funds upon the security of any Lot, or as may be appropriate in the event of any such requested amendment that deletes, diminishes or alters the Declarant's control of the Association and its activities, to permit the Declarants to adopt other and different control provisions. Any amendment must be recorded.

No provisions of this Declaration which is for the benefit of the Golf Course or the owner(s) thereof (i.e., Declarants) may be amended without the prior written consent of Declarants, and their heirs, successors and assigns as the owner(s) of the Golf Course. Further, this Declaration may not be amended to impose any further or additional obligations on the Golf Course and/or commercial parcels and retail sites or the owners thereof, without the prior written consent of the owners thereof.

12.7 Notices. Notices provided for in these covenants, conditions, and restrictions shall be in writing and shall be addressed to the last known address of the Lot Owner in the files of the Rancho El Dorado Homeowners Association. Notices shall be deemed delivered when mailed by United States First Class, Registered or Certified Mail addressed to the Lot Owner at such address or when delivered in person to such Owner.

12.8 Condemnation. Upon receipt of notice of intention or notice of proceedings whereby all or any part of the Property is to be taken by any governmental body by exercise of the power of condemnation or eminent domain, all Owners and first mortgagees shall be immediately notified by the Association thereof. The Association shall represent the Owners in any condemnation or eminent domain proceeding for acquisition of any part of the Common Area of the Property, and every Owner appoints the Association his/her attorney-in-fact for this purpose. The entire award made as compensation for such taking of Common Area, including but not limited to any amount awarded as severance damages, or the entire amount received and paid in anticipation and settlement for such taking, after deducting therefrom, in each case, reasonable and necessary costs and expenses, including but not limited to attorneys' fees, appraisers' fees and court costs (which net amount shall hereinafter be referred to as the "Award"), shall be paid to the Association as trustee for the use and benefit of any Owners and their first mortgagees as their interests may appear. The Association shall, as soon as it is practicable, cause the Award to be utilized for the purpose of repairing and restoring the Property, including, if the Association deems it necessary or desirable, the replacement of any improvements so taken or conveyed.

In the event of any taking of all or a part of any Lot in the Property by eminent domain, the Owner of such Lot shall be entitled to receive the award for such taking, and after acceptance thereof the Lot Owner and all of Lot Owners' mortgagees shall be divested of all interest in the

Property if such Owner no longer has the right to occupy a dwelling on such Owners' Lot as a result of such taking. The remaining Owners shall decide by majority vote whether to rebuild or repair the Property or take other action. The remaining portion of the Property shall be resurveyed, if necessary, and the Declaration shall be amended to reflect such taking. In the event of a taking by eminent domain of more than one Lot at the same time, the Association shall participate in the negotiations and shall propose the method of division of the proceeds of condemnation where Lots are not valued separately by the condemning authority or by the court. The Association should give careful consideration of the allocation of common interests in the Common Area in determining how to divide lump sum proceeds of condemnation. In the event any Lot Owner disagrees with the proposed allocation, such Lot Owner may have the matter submitted to arbitration under the rules of the American Arbitration Association.

12.9 Waiver; Remedies Cumulative. No failure or delay on the part of any person in exercising any right, power or privilege hereunder and no course of dealing between or among the persons subject hereto shall operate as a waiver of any provision hereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other right, power or privilege. The rights and remedies herein expressly provided are cumulative and not exclusive of any rights or remedies which any person subject hereto would otherwise have. No notice to or demand upon any person in any case shall entitle such person to any other or further notice or demand in similar or other circumstances or constitute a waiver of rights to any other or further action in any circumstances.

12.10 Topical Heading. The marginal or topical headings of the paragraphs contained in this Declaration are for convenience only and do not define, limit or construe the contents of the paragraphs of this Declaration.

12.11 Prior Approvals. If this Declaration has previously been approved by the Federal Housing Administration or the Veterans Administration, then as long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties (which is otherwise governed by Article 11 of this Declaration), dedication of Common Area and abandonment of Common Area (which are otherwise governed by Section 4.8 of this Declaration), modification of common area (which is otherwise governed by Section 4.8 of this Declaration), and the amendment of this Declaration (which is otherwise governed by Section 12.5 of this Declaration).

Further, no abandonment or modification of any Common Area constituting a public lake or public park, or any change in the Association's obligation to maintain or service such public lake or park shall occur without first obtaining approval thereof by the county manager or Board of Supervisors, as appropriate, of Pinal County.

IN WITNESS WHEREOF, the undersigned, as Declarants, have caused their corporate names to be signed and their corporate seals to be affixed by the undersigned officers thereunto duly authorized this 17th day of October, 2000.

CHI CONSTRUCTION COMPANY, an Arizona corporation

By: *Robert Colt*

Its: Vice President

PECAN VALLEY INVESTMENTS, L.L.C., an Arizona limited liability company

By: El Dorado Pecan, L.L.C.,
an Arizona limited liability company
Its: Member

By: El Dorado Partners, L.L.C.,
an Arizona limited liability company
Its: Member

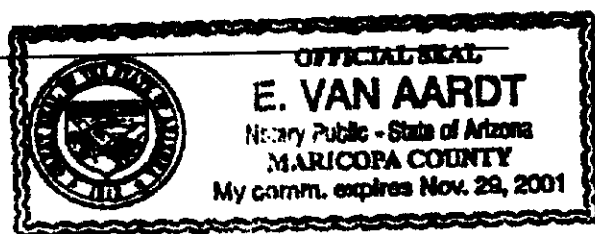
By: *K.M. Ingram*
Its: Member

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 17 day of October, 2000, by ROBERT E. COLTIN, the VICE PRESIDENT of CHI Construction Company, an Arizona corporation, on behalf of the corporation.

E. Van Aardt
Notary Public

My Commission Expires:



STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 16th day of October, 2000, by K. M. Ingram, as Member of El Dorado Partners, L.L.C., an Arizona limited liability company, Member of El Dorado Pecan, L.L.C., an Arizona limited liability company, Member of Pecan Valley Investments, L.L.C., an Arizona limited liability company, on behalf of the company.

Philip A. Simon
Notary Public

My Commission Expires:

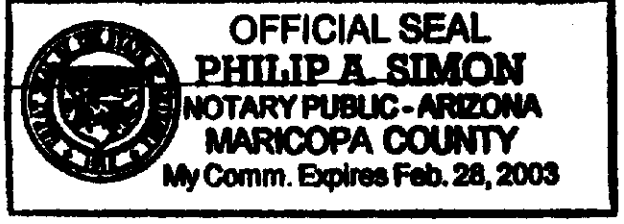


EXHIBIT "A"
PHASE I LEGAL DESCRIPTION
RANCHO EL DORADO
PINAL COUNTY, ARIZONA

PORTIONS OF SECTION 14 AND SECTION 15, TOWNSHIP 4 SOUTH, RANGE 3 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 15;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 1298.22 FEET ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 15 TO THE POINT OF BEGINNING, SAID POINT LYING ON THE EASTERLY RIGHT-OF-WAY LINE OF STATE ROUTE 347 AS SHOWN ON ARIZONA DEPARTMENT OF TRANSPORTATION PLANS RS-347-(15)P;
THENCE CONTINUE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 1337.43 FEET TO THE SOUTH QUARTER CORNER OF SECTION 15;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2636.25 FEET TO THE SOUTHEAST CORNER OF SECTION 15, ALSO BEING THE SOUTHWEST CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 06 MINUTES 33 SECONDS EAST, 1367.85 FEET ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 14;
THENCE NORTH 2 DEGREES 53 MINUTES 27 SECONDS WEST, 50.00 FEET;
THENCE SOUTH 87 DEGREES 06 MINUTES 33 SECONDS WEST, 50.00 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 70.00 FEET;
THENCE NORTHWESTERLY 104.50 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 85 DEGREES 31 MINUTES 51 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 700.00 FEET;
THENCE NORTHWESTERLY 178.83 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 14 DEGREES 38 MINUTES 16 SECONDS;
THENCE NORTH 21 DEGREES 59 MINUTES 52 SECONDS WEST, 110.31 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHEAST, FROM WHICH THE RADIUS POINT BEARS NORTH 67 DEGREES 38 MINUTES 14 SECONDS EAST A DISTANCE OF 1507.72 FEET;
THENCE NORTHWESTERLY 183.07 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 6 DEGREES 57 MINUTES 24 SECONDS;
THENCE NORTH 15 DEGREES 24 MINUTES 22 SECONDS WEST, 199.96 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEAST, HAVING A RADIUS OF 75.00 FEET;
THENCE NORTHEASTERLY 119.08 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 58 MINUTES 20 SECONDS;
THENCE ON A NON-TANGENT LINE NORTH 7 DEGREES 38 MINUTES 54 SECONDS WEST, 1151.86 FEET;
THENCE NORTH 65 DEGREES 03 MINUTES 52 SECONDS WEST, 288.19 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 50.00 FEET;
THENCE NORTHWESTERLY 56.78 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 65 DEGREES 03 MINUTES 52 SECONDS;

THENCE NORTH, 308.97 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 89 DEGREES 54 MINUTES 16 SECONDS EAST A DISTANCE OF 50.09 FEET;
THENCE NORTHEASTERLY 75.88 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 86 DEGREES 48 MINUTES 30 SECONDS;
THENCE ON A NON-TANGENT LINE NORTH 86 DEGREES 56 MINUTES 34 SECONDS EAST, 551.59 FEET;
THENCE NORTH 3 DEGREES 03 MINUTES 25 SECONDS WEST, 94.06 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 950.00 FEET;
THENCE NORTHWESTERLY 217.84 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 13 DEGREES 08 MINUTES 19 SECONDS;
THENCE ON A NON-TANGENT LINE SOUTH 86 DEGREES 56 MINUTES 34 SECONDS WEST, 358.31 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 100.00 FEET;
THENCE NORTHWESTERLY 133.47 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 76 DEGREES 28 MINUTES 23 SECONDS;
THENCE NORTH 16 DEGREES 35 MINUTES 03 SECONDS WEST, 98.82 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 1650.00 FEET;
THENCE NORTHWESTERLY 597.73 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 20 DEGREES 45 MINUTES 21 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 100.00 FEET;
THENCE NORTHEASTERLY 157.49 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 14 MINUTES 05 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 3870.00 FEET;
THENCE EASTERLY 203.72 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 3 DEGREES 00 MINUTES 58 SECONDS TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 81 DEGREES 23 MINUTES 15 SECONDS EAST A DISTANCE OF 1350.00 FEET;
THENCE NORTHEASTERLY 132.54 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 5 DEGREES 37 MINUTES 30 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 15.00 FEET;
THENCE NORTHEASTERLY 23.73 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 38 MINUTES 38 SECONDS;
THENCE SOUTH 75 DEGREES 07 MINUTES 08 SECONDS EAST, 109.92 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 75 DEGREES 07 MINUTES 08 SECONDS EAST A DISTANCE OF 1225.00 FEET;
THENCE NORTHEASTERLY 27.61 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 1 DEGREE 17 MINUTES 29 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 425.00 FEET;
THENCE NORTHEASTERLY 202.38 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 27 DEGREES 17 MINUTES 01 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 25.00 FEET;

THENCE NORTHEASTERLY 22.01 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 50 DEGREES 26 MINUTES 44 SECONDS TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHERLY, FROM WHICH THE RADIUS POINT BEARS NORTH 2 DEGREES 50 MINUTES 52 SECONDS WEST A DISTANCE OF 3490.00 FEET;
THENCE WESTERLY 411.98 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 6 DEGREES 45 MINUTES 49 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 100.00 FEET;
THENCE NORTHWESTERLY 150.17 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 86 DEGREES 02 MINUTES 25 SECONDS;
THENCE NORTH 0 DEGREES 02 MINUTES 39 SECONDS WEST, 374.25 FEET;
THENCE NORTH 47 DEGREES 12 MINUTES 42 SECONDS EAST, 62.26 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEAST, HAVING A RADIUS OF 90.00 FEET;
THENCE NORTHEASTERLY 73.88 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 47 DEGREES 01 MINUTES 55 SECONDS;
THENCE ON A NON-TANGENT LINE NORTH 0 DEGREES 15 MINUTES 31 SECONDS EAST, 100.25 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHEAST, FROM WHICH THE RADIUS POINT BEARS NORTH 4 DEGREES 23 MINUTES 02 SECONDS EAST A DISTANCE OF 40.00 FEET;
THENCE NORTHWESTERLY 30.12 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 43 DEGREES 08 MINUTES 38 SECONDS;
THENCE NORTH 42 DEGREES 28 MINUTES 20 SECONDS WEST, 80.32 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 40.00 FEET;
THENCE NORTHWESTERLY 30.21 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 43 DEGREES 16 MINUTES 34 SECONDS;
THENCE NORTH 0 DEGREES 48 MINUTES 14 SECONDS EAST, 502.21 FEET TO A POINT ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 14;
THENCE SOUTH 86 DEGREES 37 MINUTES 13 SECONDS WEST, 742.64 FEET ALONG THE NORTH LINE OF SECTION 14 TO THE NORTHWEST CORNER OF SECTION 14, ALSO BEING THE NORTHEAST CORNER OF SECTION 15;
THENCE NORTH 88 DEGREES 17 MINUTES 45 SECONDS WEST, 1607.18 FEET ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 15 TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF STATE ROUTE 347 AS SHOWN ON THE ARIZONA DEPARTMENT OF TRANSPORTATION PLANS RS-347-(15)P;
THENCE SOUTH 23 DEGREES 45 MINUTES 58 SECONDS WEST, 1438.99 FEET ALONG SAID EASTERLY RIGHT-OF-WAY LINE;
THENCE NORTH 66 DEGREES 14 MINUTES 02 SECONDS WEST, 35.00 FEET ALONG SAID EASTERLY RIGHT OF WAY LINE;
THENCE SOUTH 23 DEGREES 45 MINUTES 58 SECONDS WEST, 4395.17 FEET ALONG SAID EASTERLY RIGHT-OF-WAY LINE TO THE POINT OF BEGINNING.

CONTAINING 450.296 ACRES, MORE OR LESS, AND BEING SUBJECT TO EASEMENTS OF RECORD.

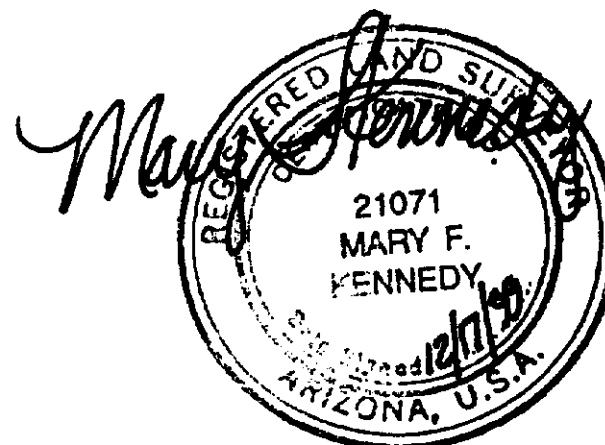


EXHIBIT "B"

Tracts II, JJ, and KK, *PARCEL MAP FOR RANCHO EL DORADO, A PLANNED AREA DEVELOPMENT*, recorded in Cabinet C, Slide 172, in the office of the County Recorder of Pinal County, Arizona.

EXHIBIT "C"
LEGAL DESCRIPTION
PHASE IIA AT RANCHO EL DORADO
PINAL COUNTY, ARIZONA

A PORTION OF SECTION 14, TOWNSHIP 4 SOUTH, RANGE 3 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 15;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2635.66 FEET TO THE SOUTH QUARTER CORNER OF SECTION 15;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2636.25 FEET TO THE SOUTHEAST CORNER OF SECTION 15, ALSO BEING THE SOUTHWEST CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 06 MINUTES 33 SECONDS EAST, 1367.85 FEET ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 14 TO THE POINT OF BEGINNING;
THENCE NORTH 2 DEGREES 53 MINUTES 27 SECONDS WEST, 50.00 FEET;
THENCE SOUTH 87 DEGREES 06 MINUTES 33 SECONDS WEST, 50.00 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 70.00 FEET;
THENCE NORTHWESTERLY 104.50 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 85 DEGREES 31 MINUTES 51 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 700.00 FEET;
THENCE NORTHWESTERLY 178.83 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 14 DEGREES 38 MINUTES 16 SECONDS;
THENCE NORTH 21 DEGREES 59 MINUTES 52 SECONDS WEST, 110.31 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHEAST, FROM WHICH THE RADIUS POINT BEARS NORTH 67 DEGREES 38 MINUTES 14 SECONDS EAST A DISTANCE OF 1507.72 FEET;
THENCE NORTHWESTERLY 183.07 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 6 DEGREES 57 MINUTES 24 SECONDS;
THENCE NORTH 15 DEGREES 24 MINUTES 22 SECONDS WEST, 199.96 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEAST, HAVING A RADIUS OF 75.00 FEET;
THENCE NORTHEASTERLY 119.08 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 58 MINUTES 20 SECONDS;
THENCE ON A NON-TANGENT LINE NORTH 7 DEGREES 38 MINUTES 54 SECONDS WEST, 1151.86 FEET;
THENCE NORTH 65 DEGREES 03 MINUTES 52 SECONDS WEST, 288.19 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 50.00 FEET;
THENCE NORTHWESTERLY 56.78 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 65 DEGREES 03 MINUTES 52 SECONDS;
THENCE NORTH, 308.97 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 89 DEGREES 54 MINUTES 16 SECONDS EAST A DISTANCE OF 50.09 FEET;

THENCE NORTHEASTERLY 75.88 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 86 DEGREES 48 MINUTES 30 SECONDS; THENCE ON A NON-TANGENT LINE NORTH 86 DEGREES 56 MINUTES 34 SECONDS EAST, 551.59 FEET; THENCE NORTH 3 DEGREES 03 MINUTES 25 SECONDS WEST, 94.06 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 950.00 FEET; THENCE NORTHWESTERLY 217.84 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 13 DEGREES 08 MINUTES 19 SECONDS; THENCE ON A NON-TANGENT LINE SOUTH 86 DEGREES 56 MINUTES 34 SECONDS WEST, 358.31 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 100.00 FEET; THENCE NORTHWESTERLY 133.47 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 76 DEGREES 28 MINUTES 23 SECONDS; THENCE NORTH 15 DEGREES 35 MINUTES 03 SECONDS WEST, 98.82 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 1650.00 FEET; THENCE NORTHWESTERLY 597.73 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 23 DEGREES 45 MINUTES 21 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 100.00 FEET; THENCE NORTHEASTERLY 157.49 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 14 MINUTES 05 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 3870.00 FEET; THENCE EASTERLY 203.72 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 3 DEGREES 00 MINUTES 58 SECONDS TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 81 DEGREES 23 MINUTES 15 SECONDS EAST A DISTANCE OF 1350.00 FEET; THENCE NORTHEASTERLY 132.54 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 5 DEGREES 37 MINUTES 30 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 15.00 FEET; THENCE NORTHEASTERLY 23.73 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 38 MINUTES 38 SECONDS; THENCE SOUTH 75 DEGREES 07 MINUTES 08 SECONDS EAST, 109.92 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 75 DEGREES 07 MINUTES 08 SECONDS EAST A DISTANCE OF 1225.00 FEET; THENCE NORTHEASTERLY 27.61 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 1 DEGREE 17 MINUTES 29 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 425.00 FEET; THENCE NORTHEASTERLY 202.38 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 27 DEGREES 17 MINUTES 01 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 25.00 FEET; THENCE NORTHEASTERLY 22.01 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 50 DEGREES 26 MINUTES 44 SECONDS TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHERLY, FROM

WHICH THE RADIUS POINT BEARS NORTH 2 DEGREES 50 MINUTES 52 SECONDS WEST A DISTANCE OF 3490.00 FEET;
 THENCE WESTERLY 411.98 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 6 DEGREES 45 MINUTES 49 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 100.00 FEET;
 THENCE NORTHWESTERLY 150.17 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 86 DEGREES 02 MINUTES 25 SECONDS;
 THENCE NORTH 0 DEGREES 02 MINUTES 39 SECONDS WEST, 374.25 FEET;
 THENCE NORTH 47 DEGREES 12 MINUTES 42 SECONDS EAST, 62.26 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEAST, HAVING A RADIUS OF 90.00 FEET;
 THENCE NORTHEASTERLY 73.88 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 47 DEGREES 01 MINUTES 55 SECONDS;
 THENCE ON A NON-TANGENT LINE NORTH 0 DEGREES 15 MINUTES 31 SECONDS EAST, 100.25 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHEAST, FROM WHICH THE RADIUS POINT BEARS NORTH 4 DEGREES 23 MINUTES 02 SECONDS EAST A DISTANCE OF 40.00 FEET;
 THENCE NORTHWESTERLY 30.12 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 43 DEGREES 08 MINUTES 38 SECONDS;
 THENCE NORTH 42 DEGREES 28 MINUTES 20 SECONDS WEST, 80.32 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 40.00 FEET;
 THENCE NORTHWESTERLY 30.21 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 43 DEGREES 16 MINUTES 34 SECONDS;
 THENCE NORTH 0 DEGREES 48 MINUTES 14 SECONDS EAST, 502.21 FEET TO A POINT ON THE NORTH LINE OF SECTION 14;
 THENCE NORTH 86 DEGREES 37 MINUTES 1 SECONDS EAST, 1902.47 FEET ALONG THE NORTH LINE OF SECTION 14 TO THE NORTH QUARTER CORNER OF SECTION 14;
 THENCE NORTH 86 DEGREES 36 MINUTES 22 SECONDS EAST, 610.15 FEET ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 14;
 THENCE SOUTH 0 DEGREES 08 MINUTES 24 SECONDS EAST, 470.59 FEET;
 THENCE SOUTH 9 DEGREES 00 MINUTES 16 SECONDS EAST, 153.94 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 30.00 FEET;
 THENCE SOUTHEASTERLY 47.76 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 91 DEGREES 12 MINUTES 38 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 1450.00 FEET;
 THENCE NORTHEASTERLY 170.45 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 6 DEGREES 44 MINUTES 06 SECONDS;
 THENCE NORTH 73 DEGREES 03 MINUTES 00 SECONDS EAST, 146.93 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEAST, HAVING A RADIUS OF 1300.00 FEET;
 THENCE NORTHEASTERLY 372.65 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 16 DEGREES 25 MINUTES 26 SECONDS;
 THENCE ON A NON-TANGENT LINE SOUTH 0 DEGREES 31 MINUTES 34 SECONDS EAST, 100.00 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE

SOUTHWEST, FROM WHICH THE RADIUS POINT BEARS SOUTH 0 DEGREES 31 MINUTES 34 SECONDS EAST A DISTANCE OF 25.00 FEET;
THENCE SOUTHEASTERLY 39.65 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 51 MINUTES 44 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 509.03 FEET;
THENCE SOUTHWESTERLY 576.47 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 64 DEGREES 53 MINUTES 15 SECONDS TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 24 DEGREES 44 MINUTES 53 SECONDS EAST A DISTANCE OF 839.30 FEET;
THENCE SOUTHWESTERLY 1002.04 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 64 DEGREES 33 MINUTES 34 SECONDS;
THENCE ON A NON-TANGENT LINE SOUTH 0 DEGREES 43 MINUTES 15 SECONDS WEST, 672.74 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 760.00 FEET;
THENCE SOUTHWESTERLY 348.51 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 26 DEGREES 16 MINUTES 27 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 440.00 FEET;
THENCE SOUTHWESTERLY 130.93 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 17 DEGREES 02 MINUTES 59 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 15.00 FEET;
THENCE SOUTHWESTERLY 23.07 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 88 DEGREES 06 MINUTES 39 SECONDS;
THENCE NORTH 81 DEGREES 56 MINUTES 38 SECONDS WEST, 95.25 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE EASTERLY, FROM WHICH THE RADIUS POINT BEARS SOUTH 81 DEGREES 56 MINUTES 38 SECONDS EAST A DISTANCE OF 550.00 FEET;
THENCE SOUTHERLY 115.18 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 11 DEGREES 59 MINUTES 56 SECONDS;
THENCE ON A NON-TANGENT LINE NORTH 86 DEGREES 03 MINUTES 26 SECONDS EAST, 95.25 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 15.00 FEET;
THENCE SOUTHEASTERLY 23.07 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 88 DEGREES 06 MINUTES 39 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 440.00 FEET;
THENCE SOUTHEASTERLY 151.78 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 19 DEGREES 45 MINUTES 51 SECONDS;
THENCE SOUTH 25 DEGREES 35 MINUTES 46 SECONDS EAST, 176.46 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 785.00 FEET;
THENCE SOUTHEASTERLY 248.00 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 18 DEGREES 06 MINUTES 03 SECONDS;
THENCE SOUTH 7 DEGREES 29 MINUTES 43 SECONDS EAST, 209.20 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 15.00 FEET;
THENCE SOUTHWESTERLY 23.56 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS;
THENCE SOUTH 82 DEGREES 30 MINUTES 17 SECONDS WEST, 95.00 FEET;

THENCE SOUTH 7 DEGREES 29 MINUTES 42 SECONDS EAST, 40.00 FEET;
THENCE NORTH 82 DEGREES 30 MINUTES 17 SECONDS EAST, 95.00 FEET TO THE
BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 15.00
FEET;
THENCE SOUTHEASTERLY 23.56 FEET ALONG THE ARC OF SAID CURVE TO THE
RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS;
THENCE SOUTH 7 DEGREES 29 MINUTES 43 SECONDS EAST, 276.60 FEET TO THE
BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 25.00
FEET;
THENCE SOUTHWESTERLY 44.00 FEET ALONG THE ARC OF SAID CURVE TO THE
RIGHT THROUGH A CENTRAL ANGLE OF 100 DEGREES 50 MINUTES 21 SECONDS;
THENCE ON A NON-TANGENT LINE SOUTH 3 DEGREES 20 MINUTES 38 SECONDS
WEST, 100.00 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE
SOUTHERLY, FROM WHICH THE RADIUS POINT BEARS SOUTH 3 DEGREES 20
MINUTES 38 SECONDS WEST A DISTANCE OF 1450.00 FEET;
THENCE WESTERLY 309.17 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT
THROUGH A CENTRAL ANGLE OF 12 DEGREES 13 MINUTES 01 SECONDS;
THENCE ON A NON-TANGENT LINE SOUTH 9 DEGREES 30 MINUTES 10 SECONDS
EAST, 881.84 FEET;
THENCE SOUTH 2 DEGREES 33 MINUTES 48 SECONDS EAST, 60.00 FEET TO A POINT
ON THE SOUTH LINE OF SECTION 14;
THENCE SOUTH 87 DEGREES 26 MINUTES 12 SECONDS WEST, 474.58 FEET ALONG
THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 14 TO THE SOUTH
QUARTER CORNER OF SECTION 14;
THENCE SOUTH 87 DEGREES 06 MINUTES 33 SECONDS WEST, 1305.00 FEET ALONG
THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 14 TO THE POINT OF
BEGINNING.

CONTAINING 288.245 ACRES, MORE OR LESS, AND BEING SUBJECT TO EASEMENTS
OF RECORD.



EXHIBIT "D"
LEGAL DESCRIPTION
PHASE IIB AT RANCHO EL DORADO
PINAL COUNTY, ARIZONA

A PORTION OF SECTIONS 13 AND 14, TOWNSHIP 4 SOUTH, RANGE 3 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 15;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2635.66 FEET TO THE SOUTH QUARTER CORNER OF SECTION 15;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2636.25 FEET TO THE SOUTHEAST CORNER OF SECTION 15, ALSO BEING THE SOUTHWEST CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 06 MINUTES 33 SECONDS EAST, 2672.84 FEET TO THE SOUTH QUARTER CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 26 MINUTES 12 SECONDS EAST, 474.58 FEET ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 14 TO THE POINT OF BEGINNING;
THENCE CONTINUE NORTH 87 DEGREES 26 MINUTES 12 SECONDS EAST, 2165.25 FEET TO THE SOUTHEAST CORNER OF SECTION 14, ALSO BEING THE SOUTHWEST CORNER OF SECTION 13;
THENCE SOUTH 89 DEGREES 52 MINUTES 42 SECONDS EAST, 87.44 FEET ALONG THE SOUTH LINE OF SECTION 13 TO THE CENTERLINE OF THAT 100 FEET WIDE TRANSMISSION LINE EASEMENT GRANTED TO THE UNITED STATES OF AMERICA IN DOCKET 1337 PAGE 870, RECORDS OF PINAL COUNTY, ARIZONA;
THENCE NORTH 0 DEGREES 16 MINUTES 32 SECONDS EAST, 5272.81 FEET ALONG THE CENTERLINE OF SAID TRANSMISSION LINE EASEMENT;
THENCE NORTH 0 DEGREES 03 MINUTES 51 SECONDS EAST, 53.41 FEET ALONG THE CENTER LINE OF SAID TRANSMISSION LINE EASEMENT TO A POINT ON THE NORTH LINE OF SECTION 13;
THENCE SOUTH 89 DEGREES 49 MINUTES 17 SECONDS WEST, 122.45 FEET ALONG THE NORTH LINE OF SECTION 13 TO THE NORTHWEST CORNER OF SECTION 13, ALSO BEING THE NORTHEAST CORNER OF SECTION 14;
THENCE SOUTH 86 DEGREES 36 MINUTES 22 SECONDS WEST, 2035.01 FEET ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 14;
THENCE SOUTH 0 DEGREES 08 MINUTES 24 SECONDS EAST, 470.69 FEET;
THENCE SOUTH 9 DEGREES 00 MINUTES 16 SECONDS EAST, 153.94 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 30.00 FEET;
THENCE SOUTHEASTERLY 47.76 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 91 DEGREES 12 MINUTES 38 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 1450.00 FEET;
THENCE NORTHEASTERLY 170.45 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 6 DEGREES 44 MINUTES 06 SECONDS;

THENCE NORTH 73 DEGREES 03 MINUTES 00 SECONDS EAST, 146.93 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEAST, HAVING A RADIUS OF 1300.00 FEET;
THENCE NORTHEASTERLY 372.65 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 16 DEGREES 25 MINUTES 26 SECONDS;
THENCE ON A NON-TANGENT LINE SOUTH 0 DEGREES 31 MINUTES 34 SECONDS EAST, 100.00 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHWEST, FROM WHICH THE RADIUS POINT BEARS SOUTH 0 DEGREES 31 MINUTES 34 SECONDS EAST A DISTANCE OF 25.00 FEET;
THENCE SOUTHEASTERLY 39.65 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 51 MINUTES 44 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 509.03 FEET;
THENCE SOUTHWESTERLY 576.47 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 64 DEGREES 53 MINUTES 15 SECONDS TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 24 DEGREES 44 MINUTES 53 SECONDS EAST A DISTANCE OF 889.50 FEET;
THENCE SOUTHWESTERLY 1002.04 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 64 DEGREES 33 MINUTES 34 SECONDS;
THENCE ON A NON-TANGENT LINE SOUTH 10 DEGREES 43 MINUTES 15 SECONDS WEST, 672.74 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 760.00 FEET;
THENCE SOUTHWESTERLY 348.51 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 26 DEGREES 16 MINUTES 27 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 440.00 FEET;
THENCE SOUTHWESTERLY 130.93 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 17 DEGREES 02 MINUTES 59 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 15.00 FEET;
THENCE SOUTHWESTERLY 23.07 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 88 DEGREES 06 MINUTES 39 SECONDS;
THENCE NORTH 81 DEGREES 56 MINUTES 38 SECONDS WEST, 95.25 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE EASTERLY, FROM WHICH THE RADIUS POINT BEARS SOUTH 81 DEGREES 56 MINUTES 38 SECONDS EAST A DISTANCE OF 550.00 FEET;
THENCE SOUTHERLY 115.18 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 11 DEGREES 59 MINUTES 56 SECONDS;
THENCE ON A NON-TANGENT LINE NORTH 86 DEGREES 03 MINUTES 26 SECONDS EAST, 95.25 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 15.00 FEET;
THENCE SOUTHEASTERLY 23.07 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 88 DEGREES 06 MINUTES 39 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 440.00 FEET;
THENCE SOUTHEASTERLY 151.78 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 19 DEGREES 45 MINUTES 51 SECONDS;
THENCE SOUTH 25 DEGREES 35 MINUTES 46 SECONDS EAST, 176.46 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 785.00 FEET;

THENCE SOUTHEASTERLY 248.00 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 18 DEGREES 06 MINUTES 03 SECONDS; THENCE SOUTH 7 DEGREES 29 MINUTES 43 SECONDS EAST, 209.20 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 15.00 FEET;

THENCE SOUTHWESTERLY 23.56 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS; THENCE SOUTH 82 DEGREES 30 MINUTES 17 SECONDS WEST, 95.00 FEET; THENCE SOUTH 7 DEGREES 29 MINUTES 42 SECONDS EAST, 40.00 FEET; THENCE NORTH 82 DEGREES 30 MINUTES 17 SECONDS EAST, 95.00 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 15.00 FEET;

THENCE SOUTHEASTERLY 23.56 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS; THENCE SOUTH 7 DEGREES 29 MINUTES 43 SECONDS EAST, 276.60 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 25.00 FEET;

THENCE SOUTHWESTERLY 44.00 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 100 DEGREES 50 MINUTES 21 SECONDS; THENCE ON A NON-TANGENT LINE SOUTH 3 DEGREES 20 MINUTES 38 SECONDS WEST, 100.00 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHERLY, FROM WHICH THE RADIUS POINT BEARS SOUTH 3 DEGREES 20 MINUTES 38 SECONDS WEST A DISTANCE OF 1450.00 FEET;

THENCE WESTERLY 309.17 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 12 DEGREES 13 MINUTES 01 SECONDS;

THENCE ON A NON-TANGENT LINE SOUTH 9 DEGREES 30 MINUTES 10 SECONDS EAST, 881.84 FEET;

THENCE SOUTH 2 DEGREES 33 MINUTES 48 SECONDS EAST, 60.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 259.117 ACRES, MORE OR LESS, AND BEING SUBJECT TO EASEMENTS OF RECORD.



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OFFICIAL RECORDS OF
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LAURA DEAN-LYTLE

DATE: 11/06/01 TIME: 1604
FEE : 17.00
PAGES: 6
FEE NO: 2001-051187A

**FIRST AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR
RANCHO EL DORADO**

THIS FIRST AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR RANCHO EL DORADO (the "First Amendment") is made as of October 19, 2001, by PECAN VALLEY INVESTMENTS, L.L.C., an Arizona limited liability company ("Pecan Valley"), and CHI CONSTRUCTION COMPANY, an Arizona corporation ("CHI") (collectively, "Declarants" and individually, "Declarant").

RECITALS

A. In conjunction with Standard Pacific Homes of Arizona, Inc., a Delaware corporation ("Standard Pacific"), Engle Homes/Arizona, Inc., a Florida corporation ("Engle"), Hacienda Builders, Inc., an Arizona corporation ("Hacienda"), and Shea Homes Limited Partnership, a California limited partnership ("Shea"), Declarants are the developers and Owners (as such term is defined in the Declaration which is hereinafter defined) of certain real property located in the County of Pinal, State of Arizona, as more particularly described herein.

B. Declarants previously declared, covenanted, and agreed to the *Declaration of Covenants, Conditions, Restrictions and Easements for Rancho El Dorado* (the "Declaration") for the real property (as such property is referenced by the metes and bounds legal description outlined in Exhibits A, B, C, and D, inclusive, of the Declaration), and on October 19, 2000,

caused said Declaration to be recorded in the Official Records of Pinal County, Arizona at Recording Fee Number 2000-043483B.

C. The real property described in Exhibits A, B, C, and D, inclusive, of the Declaration has since been subdivided into various plats, whose legal descriptions are attached to this First Amendment as Exhibit A.

D. Except as otherwise expressly provided in the Declaration, Article XII, Section 12.6, of the Declaration provides for the amendment of the Declaration during the first thirty (30) year period by an instrument signed by Owners representing not less than seventy-five percent (75%) of the authorized votes of each class of membership in the Rancho El Dorado Homeowners Association (the "Association").

E. The Association has Class A and Class B memberships.

F. By virtue of their ownership interest in the Property, Engle, Standard Pacific, Hacienda, and Shea currently hold greater than seventy-five percent (75%) of the authorized votes of Class A memberships eligible to be cast. By virtue of their ownership interest in the Property, Declarants currently hold greater than seventy-five percent (75%) of the authorized votes of Class B memberships eligible to be cast.

G. In conjunction with the foregoing recitals and with the acknowledgement and approval of Engle, Standard Pacific, Hacienda, and Shea, Declarants desire to amend the Declaration.

NOW, THEREFORE, Declarants hereby declare, covenant and agree as follows:

1. A new section numbered 4.13 shall be added to the Declaration and shall read in its entirety as follows:

4.13 Sanitation and Refuse Collection. The Association shall have the right, at its sole and absolute discretion and from time to time, to negotiate and execute one or more contracts with a sanitation provider (or providers) of its choice, for the collection and removal of garbage, trash, recycling materials, and other refuse within the Property and Project. Notwithstanding anything to the contrary herein, by virtue of each Owner's membership in the Association, each Owner of a Lot shall be obligated to use the sanitation provider(s) selected by the Association for the collection and removal of garbage, trash, recycling materials, and refuse from such Owner's Lot. Unless otherwise directed by the Association, each Owner

shall contract directly with the selected sanitation provider(s) for its services and shall pay the cost of such services directly to the sanitation provider(s).

2. This First Amendment shall be effective upon the date of recordation hereof and shall continue in full force and effect during the term of the Declaration and any extension thereof.

3. All other provisions of the Declaration shall remain in full force and effect without modification.

IN WITNESS WHEREOF, the undersigned have caused their names to be signed as of the day and year first above written.

DECLARANTS:

PECAN VALLEY INVESTMENTS,
an Arizona limited liability company

By: El Dorado Pecan, L.L.C., an Arizona
limited liability company
Its: Member

By: El Dorado Partners, L.L.C., an
Arizona limited liability company,
Its: Member

By: K.M. Ingram
Its: MEMBER

CHI CONSTRUCTION COMPANY,
an Arizona corporation

By: [Signature]
Its: Vice President

ACKNOWLEDGED AND APPROVED:

STANDARD PACIFIC OF ARIZONA,
INC., a Delaware corporation

By: [Signature]
Its: President

HACIENDA BUILDERS, INC.,
an Arizona corporation

By: [Signature]
Its: President

ENGLE HOMES/ARIZONA, INC.,
a Florida corporation

By: [Signature]
Its: Asst. Sec.

SHEA HOMES LIMITED PARTNERSHIP
a California limited partnership

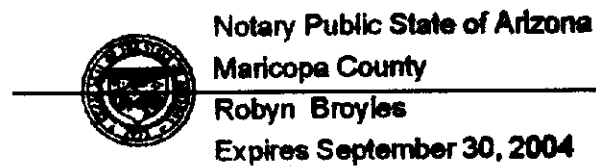
By: [Signature]
Its: Director

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me on October 29, 2001, by K.M. Ingram, as Member of El Dorado Partners, L.L.C., an Arizona limited liability company, Member of El Dorado Pecan, L.L.C., an Arizona limited liability company, Member of PECAN VALLEY INVESTMENTS, L.L.C., an Arizona limited liability company, on behalf of the company.

Robyn Broyles
Notary Public

My Commission Expires:



STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me on October 30, 2001, by Robert E. Coltin, as Vice President of CHI CONSTRUCTION COMPANY, an Arizona corporation, on behalf of the corporation.

E. Van Hardt
Notary Public



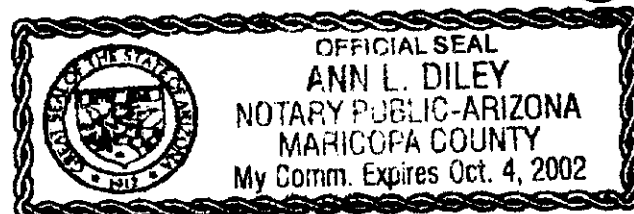
STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me on October 31, 2001, by Carl Molac, as President of STANDARAD PACIFIC OF ARIZONA, INC., a Delaware corporation, on behalf of the corporation.

Ann L. Diley
Notary Public

My Commission Expires:

10-4-02



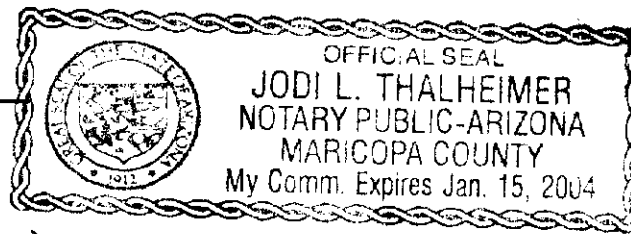
STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me on October 31, 2001, by Karen Murray, as Asst. Secretary of ENGLE HOMES/ARIZONA, INC., a Florida corporation, on behalf of the corporation.

Jodi L. Thalheimer
Notary Public

My Commission Expires:

1/15/04



STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me on October 31, 2001, by David Cohen, as President of HACIENDA BUILDERS, INC., an Arizona corporation, on behalf of the corporation.

Jennifer L. Nuss
Notary Public nee: Jennifer L. Foote

My Commission Expires:

April 25, 2005



STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me on ~~October~~ ^{November} 2, 2001, by Brad Hare, as Director of SHEA HOMES LIMITED PARTNERSHIP, a California limited partnership, on behalf of the partnership.

Janelle M. Navarro
Notary Public

My Commission Expires:

July 24, 2004

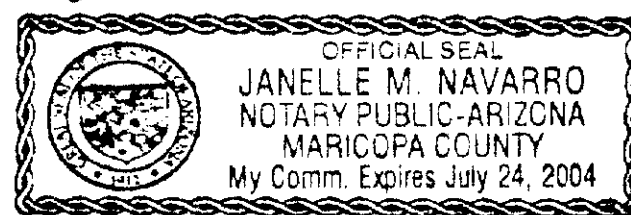


Exhibit A

Lots 1 through 184 inclusive, of Final Plat of Parcel 2A, of Rancho El Dorado, according to the plat of record in the Office of the County Recorder of Pinal County, Arizona, recorded in Cabinet C, Slide 184.

Lots 1 through 161 inclusive, of Final Plat of Parcel 2B, of Rancho El Dorado, according to the plat of record in the Office of the County Recorder of Pinal County, Arizona, recorded in Cabinet C, Slide 178.

Lots 1 through 195 inclusive, of Final Plat of Parcel 3, of Rancho El Dorado, according to the plat of record in the Office of the County Recorder of Pinal County, Arizona, recorded in Cabinet C, Slide 181.

Lots 1 through 67 inclusive, of Final Plat of Parcel 4, of Rancho El Dorado, according to the plat of record in the Office of the County Recorder of Pinal County, Arizona, recorded in Cabinet C, Slide 183.

Lots 1 through 170 inclusive, of Final Plat of Parcel 5, of Rancho El Dorado, according to the plat of record in the Office of the County Recorder of Pinal County, Arizona, recorded in Cabinet C, Slide 179.

Lots 1 through 94 inclusive, of Final Plat of Parcel 6, of Rancho El Dorado, according to the plat of record in the Office of the County Recorder of Pinal County, Arizona, recorded in Cabinet C, Slide 180.

Lots 1 through 70 inclusive, of Final Plat of Parcel 7, of Rancho El Dorado, according to the plat of record in the Office of the County Recorder of Pinal County, Arizona, recorded in Cabinet C, Slide 187.

Lots 1 through 57 inclusive, of Final Plat of Parcel 11, of Rancho El Dorado, according to the plat of record in the Office of the County Recorder of Pinal County, Arizona, recorded in Cabinet C, Slide 182.

Lots 1 through 108 inclusive, of Final Plat of Parcel 12, of Rancho El Dorado, according to the plat of record in the Office of the County Recorder of Pinal County, Arizona, recorded in Cabinet C, Slide 185.


Lots 1 through 56 inclusive, of Final Plat of Parcel 13, of Rancho El Dorado, according to the plat of record in the Office of the County Recorder of Pinal County, Arizona, recorded in Cabinet C, Slide 186.

10

First American Title

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**OFFICIAL RECORDS OF
PINAL COUNTY RECORDER**

LAURA DEAN-LYTLE

DATE: 01/17/02 TIME: 1344
 FEE : 19.00
 PAGES: 10
 FEE NO: 2002-002456

**SUPPLEMENTARY DECLARATION OF COVENANTS,
 CONDITIONS, RESTRICTIONS AND EASEMENTS
 FOR
 RANCHO EL DORADO**

THIS SUPPLEMENTARY DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR RANCHO EL DORADO (this "Supplementary Declaration") is made by PECAN VALLEY INVESTMENTS, L.L.C., an Arizona limited liability company ("Pecan Valley") and CHI CONSTRUCTION COMPANY, an Arizona corporation ("CHI") (collectively, the "Declarants" and individually, a "Declarant").

RECITALS

A. Pecan Valley and CHI are the "Declarants" under that certain *Declaration of Covenants, Conditions, Restrictions and Easements for Rancho El Dorado* dated October 17, 2000, and recorded on October 19, 2000, as Fee No. 2000-043483B, in the Official Records of Pinal County, Arizona (the "Declaration").

B. The Declaration was amended by that certain *First Amendment to Declaration of Covenants, Conditions, Restrictions and Easements for Rancho El Dorado* (the "First Amendment") on October 19, 2000, said First Amendment being recorded in the Official Records of Pinal County, Arizona, on November 6, 2001, as Fee No. 2001-051187A.

C. Article 11 of the Declaration provides that the Declarant shall have the right to bring within the scheme of the Declaration "Additional Property" by recording a Supplementary Declaration of Covenants, Conditions, Restrictions and Easements extending the terms of the Declaration to such Additional Property.

D. Declarants desire to record this Supplementary Declaration for the purpose of subjecting the Additional Property (described herein) to the scheme of covenants, conditions, restrictions and easements of the Declaration, as subsequently amended.

DECLARATION

NOW, THEREFORE, Declarant hereby declares, covenants and agrees as follows:

1. Definitions. All capitalized terms used in this Supplementary Declaration shall have the meanings assigned to those terms in the Declaration, unless otherwise defined herein.

2. Additional Property. The real property described in Exhibit A attached hereto is hereby designated as "Additional Property" under the Declaration, and all the conditions, covenants, restrictions, and easements set forth in the Declaration are hereby extended to such Additional Property, and all of such Additional Property is hereby subjected to and shall be held, sold and conveyed subject to the conditions, covenants, restrictions, and easements of the Declaration as amended, which shall run with the Additional Property and be binding on all parties having any right, title or interest in the Additional Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

3. Creation of Common Area, Golf Course, Parcels, and Lots Within Additional Properties. The Additional Property shall be treated as Common Area, Golf Course, residential Parcels, streets, Lots, school sites and additional or similar uses and shall be held, conveyed, hypothecated, encumbered, leased, occupied, built upon or otherwise

used, improved or transferred in whole or in part, only in accordance with such final plats, Subsidiary Declarations or Tract Declarations that shall be recorded from time to time against the Additional Property.

4. Membership Class for Supplementary Additional Property Owners. The Owners of the Additional Property are hereby designated as Class A Members in accordance with Section 5.2 of the Declaration; provided however, that this designation shall not apply to the Declarants, which shall retain their Class B Membership in regard to all Lots owned by Declarants.

5. Full Force and Effect. Except as set forth in this Supplementary Declaration, the Declaration shall remain unchanged and in full force and effect.

6. IN WITNESS WHEREOF, the undersigned have caused their names to be signed as of the day and year first above written.

DECLARANTS:

PECAN VALLEY INVESTMENTS,
an Arizona limited liability company

By: El Dorado Pecan, L.L.C., an Arizona
limited liability company
Its: Member

By: El Dorado Partners, L.L.C., an
Arizona limited liability company
Its: Member


By: Kim Sugar
Its: MEMBER.

CHI CONSTRUCTION COMPANY,
an Arizona corporation

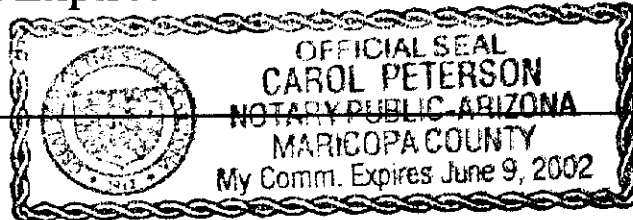
By: [Signature]
Its: Vice President

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me on January 15, 2002, by K M Ingram, as Member of El Dorado Partners, L.L.C., an Arizona limited liability company, Member of El Dorado Pecan, L.L.C., an Arizona limited liability company, Member of PECAN VALLEY INVESTMENTS, L.L.C., an Arizona limited liability company, on behalf of the company.


Notary Public

My Commission Expires:



STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me on January 15, 2002, by Robert Colton, as Vice Pres. of CHI CONSTRUCTION COMPANY, an Arizona corporation, on behalf of the corporation.


Notary Public

My Commission Expires:



Exhibit A
[Additional Property]

**PHASE IIA LEGAL DESCRIPTION
RANCHO EL DORADO
PINAL COUNTY, ARIZONA**

A PORTION OF SECTION 14, TOWNSHIP 4 SOUTH, RANGE 3 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 15;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2635.66 FEET TO THE SOUTH QUARTER CORNER OF SECTION 15;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2636.25 FEET TO THE SOUTHEAST CORNER OF SECTION 15, ALSO BEING THE SOUTHWEST CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 06 MINUTES 33 SECONDS EAST, 1367.85 FEET ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 14 TO THE POINT OF BEGINNING;
THENCE NORTH 2 DEGREES 53 MINUTES 27 SECONDS WEST, 50.00 FEET;
THENCE SOUTH 87 DEGREES 06 MINUTES 33 SECONDS WEST, 50.00 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 70.00 FEET;
THENCE NORTHWESTERLY 104.50 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 85 DEGREES 31 MINUTES 51 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 700.00 FEET;
THENCE NORTHWESTERLY 178.83 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 14 DEGREES 38 MINUTES 16 SECONDS;
THENCE NORTH 21 DEGREES 59 MINUTES 52 SECONDS WEST, 110.31 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHEAST, FROM WHICH THE RADIUS POINT BEARS NORTH 67 DEGREES 38 MINUTES 14 SECONDS EAST A DISTANCE OF 1507.72 FEET;
THENCE NORTHWESTERLY 183.07 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 6 DEGREES 57 MINUTES 24 SECONDS;
THENCE NORTH 15 DEGREES 24 MINUTES 22 SECONDS WEST, 199.96 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEAST, HAVING A RADIUS OF 75.00 FEET;
THENCE NORTHEASTERLY 119.08 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 58 MINUTES 20 SECONDS;
THENCE ON A NON-TANGENT LINE NORTH 7 DEGREES 38 MINUTES 54 SECONDS WEST, 1151.86 FEET;
THENCE NORTH 65 DEGREES 03 MINUTES 52 SECONDS WEST, 288.19 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 50.00 FEET;
THENCE NORTHWESTERLY 56.78 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 65 DEGREES 03 MINUTES 52 SECONDS;
THENCE NORTH, 308.97 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 89 DEGREES 54 MINUTES 16 SECONDS EAST A DISTANCE OF 50.09 FEET;

THENCE NORTHEASTERLY 75.88 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 86 DEGREES 48 MINUTES 30 SECONDS; THENCE ON A NON-TANGENT LINE NORTH 86 DEGREES 56 MINUTES 34 SECONDS EAST, 551.59 FEET;

THENCE NORTH 3 DEGREES 03 MINUTES 25 SECONDS WEST, 94.06 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 950.00 FEET;

THENCE NORTHWESTERLY 217.84 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 13 DEGREES 08 MINUTES 19 SECONDS; THENCE ON A NON-TANGENT LINE SOUTH 86 DEGREES 56 MINUTES 34 SECONDS WEST, 358.31 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 100.00 FEET;

THENCE NORTHWESTERLY 133.47 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 76 DEGREES 28 MINUTES 23 SECONDS; THENCE NORTH 16 DEGREES 35 MINUTES 03 SECONDS WEST, 98.82 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 1650.00 FEET;

THENCE NORTHWESTERLY 597.73 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 20 DEGREES 45 MINUTES 21 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 100.00 FEET;

THENCE NORTHEASTERLY 157.49 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 14 MINUTES 05 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 3870.00 FEET;

THENCE EASTERLY 203.72 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 3 DEGREES 00 MINUTES 58 SECONDS TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 81 DEGREES 23 MINUTES 15 SECONDS EAST A DISTANCE OF 1350.00 FEET;

THENCE NORTHEASTERLY 132.54 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 5 DEGREES 37 MINUTES 30 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 15.00 FEET;

THENCE NORTHEASTERLY 23.73 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 38 MINUTES 38 SECONDS; THENCE SOUTH 75 DEGREES 07 MINUTES 08 SECONDS EAST, 109.92 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 75 DEGREES 07 MINUTES 08 SECONDS EAST A DISTANCE OF 1225.00 FEET;

THENCE NORTHEASTERLY 27.61 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 1 DEGREE 17 MINUTES 29 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 425.00 FEET;

THENCE NORTHEASTERLY 202.38 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 27 DEGREES 17 MINUTES 01 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 25.00 FEET;

THENCE NORTHEASTERLY 22.01 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 50 DEGREES 26 MINUTES 44 SECONDS TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHERLY, FROM

WHICH THE RADIUS POINT BEARS NORTH 2 DEGREES 50 MINUTES 52 SECONDS WEST A DISTANCE OF 3490.00 FEET;
 THENCE WESTERLY 411.98 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 6 DEGREES 45 MINUTES 49 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 100.00 FEET;
 THENCE NORTHWESTERLY 150.17 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 86 DEGREES 02 MINUTES 25 SECONDS;
 THENCE NORTH 0 DEGREES 02 MINUTES 39 SECONDS WEST, 374.25 FEET;
 THENCE NORTH 47 DEGREES 12 MINUTES 42 SECONDS EAST, 62.26 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEAST, HAVING A RADIUS OF 90.00 FEET;
 THENCE NORTHEASTERLY 73.88 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 47 DEGREES 01 MINUTES 55 SECONDS;
 THENCE ON A NON-TANGENT LINE NORTH 0 DEGREES 15 MINUTES 31 SECONDS EAST, 100.25 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHEAST, FROM WHICH THE RADIUS POINT BEARS NORTH 4 DEGREES 23 MINUTES 02 SECONDS EAST A DISTANCE OF 40.00 FEET;
 THENCE NORTHWESTERLY 30.12 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 43 DEGREES 08 MINUTES 38 SECONDS;
 THENCE NORTH 42 DEGREES 28 MINUTES 20 SECONDS WEST, 80.32 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 40.00 FEET;
 THENCE NORTHWESTERLY 30.21 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 43 DEGREES 16 MINUTES 34 SECONDS;
 THENCE NORTH 0 DEGREES 48 MINUTES 14 SECONDS EAST, 502.21 FEET TO A POINT ON THE NORTH LINE OF SECTION 14;
 THENCE NORTH 86 DEGREES 37 MINUTES 1 SECONDS EAST, 1902.47 FEET ALONG THE NORTH LINE OF SECTION 14 TO THE NORTH QUARTER CORNER OF SECTION 14;
 THENCE NORTH 86 DEGREES 36 MINUTES 22 SECONDS EAST, 610.15 FEET ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 14;
 THENCE SOUTH 0 DEGREES 08 MINUTES 24 SECONDS EAST, 470.69 FEET;
 THENCE SOUTH 9 DEGREES 00 MINUTES 16 SECONDS EAST, 153.94 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 30.00 FEET;
 THENCE SOUTHEASTERLY 47.76 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 91 DEGREES 12 MINUTES 38 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 1450.00 FEET;
 THENCE NORTHEASTERLY 170.45 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 6 DEGREES 44 MINUTES 06 SECONDS;
 THENCE NORTH 73 DEGREES 03 MINUTES 00 SECONDS EAST, 146.93 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEAST, HAVING A RADIUS OF 1300.00 FEET;
 THENCE NORTHEASTERLY 372.65 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 16 DEGREES 25 MINUTES 26 SECONDS;
 THENCE ON A NON-TANGENT LINE SOUTH 0 DEGREES 31 MINUTES 34 SECONDS EAST, 100.00 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE

SOUTHWEST, FROM WHICH THE RADIUS POINT BEARS SOUTH 0 DEGREES 31 MINUTES 34 SECONDS EAST A DISTANCE OF 25.00 FEET;
THENCE SOUTHEASTERLY 39.65 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 51 MINUTES 44 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 509.03 FEET;
THENCE SOUTHWESTERLY 576.47 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 64 DEGREES 53 MINUTES 15 SECONDS TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 24 DEGREES 44 MINUTES 53 SECONDS EAST A DISTANCE OF 889.30 FEET;
THENCE SOUTHWESTERLY 1002.04 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 64 DEGREES 33 MINUTES 34 SECONDS;
THENCE ON A NON-TANGENT LINE SOUTH 0 DEGREES 43 MINUTES 15 SECONDS WEST, 672.74 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 760.00 FEET;
THENCE SOUTHWESTERLY 348.51 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 26 DEGREES 16 MINUTES 27 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 440.00 FEET;
THENCE SOUTHWESTERLY 130.93 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 17 DEGREES 02 MINUTES 59 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 15.00 FEET;
THENCE SOUTHWESTERLY 23.07 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 88 DEGREES 06 MINUTES 39 SECONDS;
THENCE NORTH 81 DEGREES 56 MINUTES 38 SECONDS WEST, 95.25 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE EASTERLY, FROM WHICH THE RADIUS POINT BEARS SOUTH 81 DEGREES 56 MINUTES 38 SECONDS EAST A DISTANCE OF 550.00 FEET;
THENCE SOUTHERLY 115.18 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 11 DEGREES 59 MINUTES 56 SECONDS;
THENCE ON A NON-TANGENT LINE NORTH 86 DEGREES 03 MINUTES 26 SECONDS EAST, 95.25 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 15.00 FEET;
THENCE SOUTHEASTERLY 23.07 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 88 DEGREES 06 MINUTES 39 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 440.00 FEET;
THENCE SOUTHEASTERLY 151.78 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 19 DEGREES 45 MINUTES 51 SECONDS;
THENCE SOUTH 25 DEGREES 35 MINUTES 46 SECONDS EAST, 176.46 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 785.00 FEET;
THENCE SOUTHEASTERLY 248.00 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 18 DEGREES 06 MINUTES 03 SECONDS;
THENCE SOUTH 7 DEGREES 29 MINUTES 43 SECONDS EAST, 209.20 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 15.00 FEET;
THENCE SOUTHWESTERLY 23.56 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS;
THENCE SOUTH 82 DEGREES 30 MINUTES 17 SECONDS WEST, 95.00 FEET;

THENCE SOUTH 7 DEGREES 29 MINUTES 42 SECONDS EAST, 40.00 FEET;
THENCE NORTH 82 DEGREES 30 MINUTES 17 SECONDS EAST, 95.00 FEET TO THE
BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 15.00
FEET;
THENCE SOUTHEASTERLY 23.56 FEET ALONG THE ARC OF SAID CURVE TO THE
RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS;
THENCE SOUTH 7 DEGREES 29 MINUTES 43 SECONDS EAST, 276.60 FEET TO THE
BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 25.00
FEET;
THENCE SOUTHWESTERLY 44.00 FEET ALONG THE ARC OF SAID CURVE TO THE
RIGHT THROUGH A CENTRAL ANGLE OF 100 DEGREES 50 MINUTES 21 SECONDS;
THENCE ON A NON-TANGENT LINE SOUTH 3 DEGREES 20 MINUTES 38 SECONDS
WEST, 100.00 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE
SOUTHERLY, FROM WHICH THE RADIUS POINT BEARS SOUTH 3 DEGREES 20
MINUTES 38 SECONDS WEST A DISTANCE OF 1450.00 FEET;
THENCE WESTERLY 309.17 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT
THROUGH A CENTRAL ANGLE OF 12 DEGREES 13 MINUTES 01 SECONDS;
THENCE ON A NON-TANGENT LINE SOUTH 9 DEGREES 30 MINUTES 10 SECONDS
EAST, 881.84 FEET;
THENCE SOUTH 2 DEGREES 33 MINUTES 48 SECONDS EAST, 60.00 FEET TO A POINT
ON THE SOUTH LINE OF SECTION 14;
THENCE SOUTH 87 DEGREES 26 MINUTES 12 SECONDS WEST, 474.58 FEET ALONG
THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 14 TO THE SOUTH
QUARTER CORNER OF SECTION 14;
THENCE SOUTH 87 DEGREES 06 MINUTES 33 SECONDS WEST, 1305.00 FEET ALONG
THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 14 TO THE POINT OF
BEGINNING.

CONTAINING 288.245 ACRES, MORE OR LESS, AND BEING SUBJECT TO EASEMENTS
OF RECORD.



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When Recorded, Return to:

ROBERTS ROWLEY CHAPMAN, LTD.
63 East Main Street
Suite 501
Mesa, Arizona 85201-7423

DATE: 01/09/03 TIME: 1140
FEE : 32.00
PAGES: 23
FEE NO: 2003-001493

**SUPPLEMENTARY DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS AND EASEMENTS
FOR
RANCHO EL DORADO**

THIS SUPPLEMENTARY DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR RANCHO EL DORADO (this "Supplementary Declaration") is made by PECAN VALLEY INVESTMENTS, L.L.C., an Arizona limited liability company ("Pecan Valley") and CHI CONSTRUCTION COMPANY, an Arizona corporation ("CHI") (collectively, the "Declarants" and individually, a "Declarant").

RECITALS

A. Pecan Valley and CHI are the "Declarants" under that certain *Declaration of Covenants, Conditions, Restrictions and Easements for Rancho El Dorado* dated October 17, 2000, and recorded on October 19, 2002, as Fee No. 2000-043483B, in the Official Records of Pinal County, Arizona (the "Declaration").

B. The Declaration was amended by that certain *First Amendment to Declaration of Covenants, Conditions, Restrictions and Easements for Rancho El Dorado* (the "First Amendment") on October 19, 2000, said First Amendment being recorded in the Official Records of Pinal County, Arizona, on November 6, 2001, as Fee No. 2001-051187A.

C. Article 11 of the Declaration provides that the Declarant shall have the right to bring within the scheme of the Declaration "Additional Property" by recording a Supplementary

Declaration of Covenants, Conditions, Restrictions and Easements extending the terms of the Declaration of such Additional Property.

D. The Declarants executed that certain *Supplementary Declaration of Covenants, Conditions, Restrictions and Easements For Rancho El Dorado* on January 15, 2002 and recorded such instrument in the Official Records of Pinal County, Arizona, on January 17, 2002, as Fee No. 2002-002456, to subject the Phase IIA property (described as "Additional Property" therein) to the scheme of covenants, conditions, restrictions and easements of the Declaration, as subsequently amended.

E. Declarants now desire to record this Supplementary Declaration for the purpose of subjecting the Phase IIB property described herein as Additional Property to the scheme of covenants, conditions, restrictions and easements of the Declaration, as subsequently amended.

DECLARATION

NOW, THEREFORE, Declarant hereby declares, covenants and agrees as follows:

1. Definitions. All capitalized terms used in this Supplementary Declaration shall have the meanings assigned to those terms in the Declaration, unless otherwise defined herein.

2. Additional Property. The real property described in Exhibit A attached hereto is hereby designated as "Additional Property" under the Declaration, and all the conditions, covenants, restrictions, and easements set forth in the Declaration are hereby extended to such Additional Property, and all of such Additional Property is hereby subjected to and shall be held, sold and conveyed subject to the conditions, covenants, restrictions, and easements of the Declaration as amended, which shall run with the Additional Property and be binding on all parties having any right, title or interest in the Additional Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

3. Creation of Common Area, Golf Course, Parcels, and Lots Within Additional Properties. The Additional Property shall be treated as Common Area, Golf Course, residential Parcels, streets, Lots, school sites and additional or similar uses and shall be held, conveyed, hypothecated, encumbered, leased, occupied, built upon or otherwise used, improved

or transferred in whole or in part, only in accordance with such final plats, Subsidiary Declarations or Tract Declarations that shall be recorded from time to time against the Additional Property.

4. Membership Class for Supplementary Additional Property Owners. The Owners of the Additional Property are hereby designated as Class A Members in accordance with Section 5.2 of the Declaration; provided however, that this designation shall not apply to the Declarants, which shall retain their Class B Membership in regard to all Lots owned by Declarants.

5. Full Force and Effect. Except as set forth in this Supplementary Declaration, the Declaration shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the undersigned have caused their names to be signed as of the day and year first above written.

DECLARANTS:

PECAN VALLEY INVESTMENTS, an
Arizona limited liability company

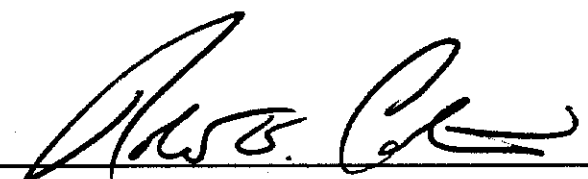
By: El Dorado Pecan, L.L.C., an Arizona
limited liability company
Its: Member

By: El Dorado Partners, L.L.C., an
Arizona limited liability company
Its: Member

By: 

Its: 

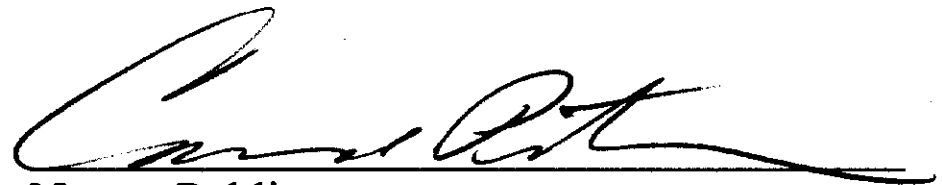
CHI CONSTRUCTION COMPANY, an
Arizona corporation

By: 

Its: Vice President

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me on January 8, 2003, by Mark E. Ortman, as Member of El Dorado Partners, L.L.C., an Arizona limited liability company, Member of El Dorado Pecan, L.L.C., an Arizona limited liability company, Member of PECAN VALLEY INVESTMENTS, L.L.C., an Arizona limited liability company, on behalf of the company.



Notary Public

My Commission Expires:



STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me on January 8, 2003, by Robert E. Coltin, as Vice President of CHI CONSTRUCTION COMPANY, an Arizona corporation, on behalf of the corporation.


Notary Public

My Commission Expires:

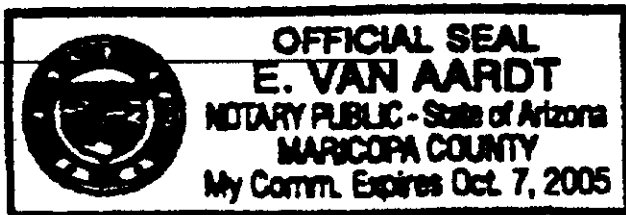


Exhibit A
[Additional Property]

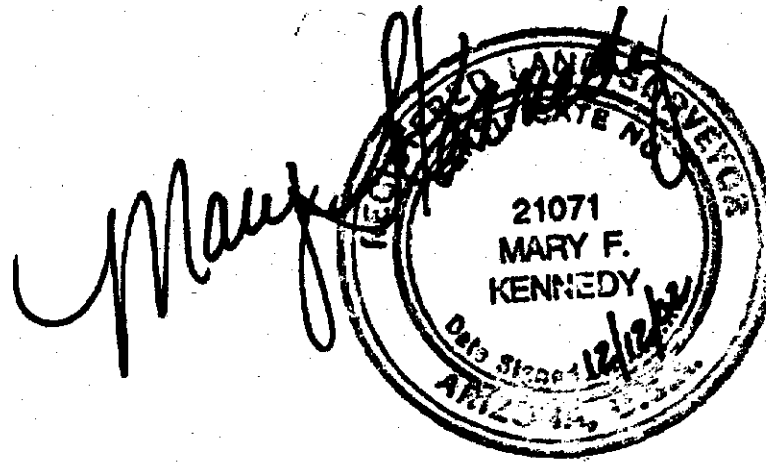
**LEGAL DESCRIPTION
PHASE II, PARCEL 9 AT RANCHO EL DORADO
PINAL COUNTY, ARIZONA**

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 14, TOWNSHIP 4 SOUTH, RANGE 3 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 15, TOWNSHIP 4 SOUTH, RANGE 3 EAST;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2635.66 FEET TO THE SOUTH QUARTER CORNER OF SECTION 15;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2636.25 FEET TO THE SOUTHEAST CORNER OF SECTION 15, ALSO BEING THE SOUTHWEST CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 06 MINUTES 33 SECONDS EAST, 2672.84 FEET TO THE SOUTH QUARTER CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 26 MINUTES 12 SECONDS EAST, 475.80 FEET ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 14;
THENCE NORTH 2 DEGREES 33 MINUTES 48 SECONDS WEST, 50.00 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 87 DEGREES 26 MINUTES 12 SECONDS EAST, 1087.86 FEET ALONG A LINE PARALLEL WITH AND 50.00 FEET NORTH OF, MEASURED AT RIGHT ANGLES TO, THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 14 TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 70.00 FEET;
THENCE NORTHEASTERLY 106.28 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 86 DEGREES 59 MINUTES 32 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 1073.50 FEET;
THENCE NORTHERLY 108.59 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 5 DEGREES 47 MINUTES 45 SECONDS;
THENCE NORTH 6 DEGREES 14 MINUTES 24 SECONDS EAST, 151.44 FEET TO THE BEGINNING OF A CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 1372.70 FEET;
THENCE NORTHERLY 487.04 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 20 DEGREES 19 MINUTES 43 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 70.00 FEET;
THENCE NORTHWESTERLY 110.72 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 90 DEGREES 37 MINUTES 45 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 1739.73 FEET;
THENCE WESTERLY 670.25 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 22 DEGREES 04 MINUTES 26 SECONDS;
THENCE NORTH 82 DEGREES 38 MINUTES 38 SECONDS WEST, 131.88 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 1450.00 FEET;
THENCE WESTERLY 410.71 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 16 DEGREES 13 MINUTES 45 SECONDS;

THENCE ON A NON-TANGENT LINE SOUTH 9 DEGREES 30 MINUTES 10 SECONDS EAST, 891.91 FEET TO THE POINT OF BEGINNING.

CONTAINING 24.333 ACRES, MORE OR LESS, AND BEING SUBJECT TO EASEMENTS OF RECORD.



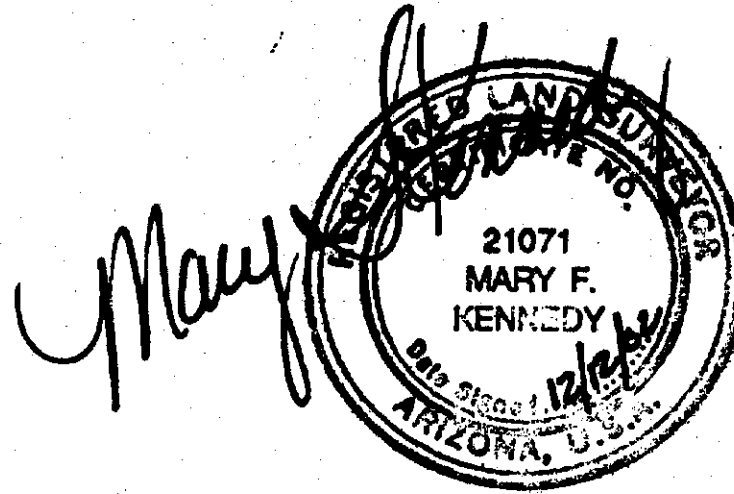
**LEGAL DESCRIPTION
PHASE II, PARCEL 23 AT RANCHO EL DORADO
PINAL COUNTY, ARIZONA**

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 14, AND THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 4 SOUTH, RANGE 3 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 15, TOWNSHIP 4 SOUTH, RANGE 3 EAST;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2635.66 FEET TO THE SOUTH QUARTER CORNER OF SECTION 15;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2636.25 FEET TO THE SOUTHEAST CORNER OF SECTION 15, ALSO BEING THE SOUTHWEST CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 06 MINUTES 33 SECONDS EAST, 2672.84 FEET TO THE SOUTH QUARTER CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 26 MINUTES 12 SECONDS EAST, 865.04 FEET ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 14;
THENCE NORTH 2 DEGREES 33 MINUTES 48 SECONDS WEST, 4646.59 FEET TO THE POINT OF BEGINNING, SAID POINT BEING THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHEAST, FROM WHICH THE RADIUS POINT BEARS NORTH 10 DEGREES 12 MINUTES 54 SECONDS WEST A DISTANCE OF 30.00 FEET;
THENCE NORTHWESTERLY 47.76 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 91 DEGREES 12 MINUTES 38 SECONDS;
THENCE NORTH 9 DEGREES 00 MINUTES 16 SECONDS WEST, 153.94 FEET;
THENCE NORTH 0 DEGREES 08 MINUTES 24 SECONDS WEST, 470.69 FEET TO A POINT ON THE NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 14;
THENCE NORTH 86 DEGREES 36 MINUTES 22 SECONDS EAST, 2035.01 FEET TO THE NORTHEAST QUARTER OF SECTION 14, ALSO BEING THE NORTHWEST CORNER OF SECTION 13;
THENCE NORTH 89 DEGREES 49 MINUTES 17 SECONDS EAST, 72.46 FEET ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 13 TO A POINT ON THE WEST LINE OF THAT TRANSMISSION LINE EASEMENT GRANTED TO THE UNITED STATES OF AMERICA IN DOCKET 1337 PAGE 870, PINAL COUNTY RECORDS;
THENCE SOUTH 0 DEGREES 04 MINUTES 17 SECONDS WEST, 58.11 FEET ALONG THE WEST LINE OF SAID TRANSMISSION LINE EASEMENT;
THENCE SOUTH 0 DEGREES 16 MINUTES 30 SECONDS WEST, 1256.41 FEET ALONG THE WEST LINE OF SAID TRANSMISSION LINE EASEMENT;
THENCE NORTH 89 DEGREES 43 MINUTES 27 SECONDS WEST, 137.17 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHWEST, FROM WHICH THE RADIUS POINT BEARS SOUTH 60 DEGREES 51 MINUTES 15 SECONDS WEST A DISTANCE OF 1255.00 FEET;
THENCE NORTHWESTERLY 888.21 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 40 DEGREES 33 MINUTES 01 SECONDS;

THENCE NORTH 69 DEGREES 41 MINUTES 46 SECONDS WEST, 110.46 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 1300.00 FEET;
THENCE WESTERLY 845.27 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 37 DEGREES 15 MINUTES 15 SECONDS;
THENCE SOUTH 73 DEGREES 03 MINUTES 00 SECONDS WEST, 146.93 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 1450.00 FEET;
THENCE SOUTHWESTERLY 170.45 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 6 DEGREES 44 MINUTES 06 SECONDS TO THE POINT OF BEGINNING.

CONTAINING 36.285 ACRES, MORE OR LESS, AND BEING SUBJECT TO EASEMENTS OF RECORD.



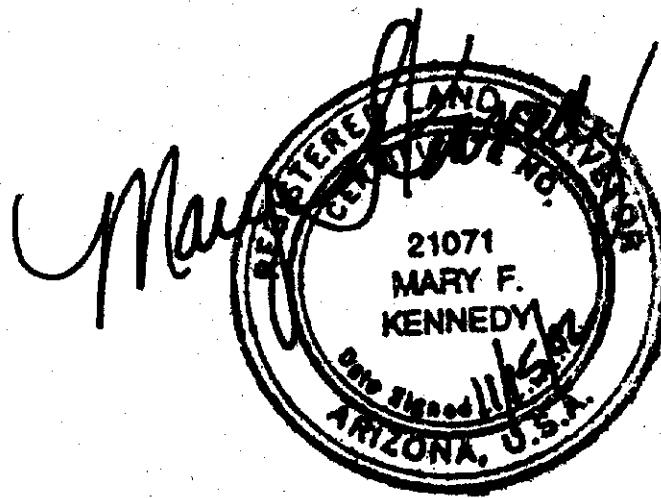
**LEGAL DESCRIPTION
PHASE II, PARCEL 25 AT RANCHO EL DORADO
PINAL COUNTY, ARIZONA**

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 14, TOWNSHIP 4 SOUTH, RANGE 3 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 15, TOWNSHIP 4 SOUTH, RANGE 3 EAST;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2635.66 FEET TO THE SOUTH QUARTER CORNER OF SECTION 15;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2636.25 FEET TO THE SOUTHEAST CORNER OF SECTION 15, ALSO BEING THE SOUTHWEST CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 06 MINUTES 33 SECONDS EAST, 2672.84 FEET TO THE SOUTH QUARTER CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 26 MINUTES 12 SECONDS EAST, 963.51 FEET ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 14;
THENCE NORTH 2 DEGREES 33 MINUTES 48 SECONDS WEST, 991.90 FEET TO THE POINT OF BEGINNING SAID POINT BEING THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHERLY, FROM WHICH THE RADIUS POINT BEARS NORTH 5 DEGREES 58 MINUTES 06 SECONDS EAST A DISTANCE OF 1639.73 FEET;
THENCE EASTERLY 233.68 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 8 DEGREES 09 MINUTES 55 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 20.00 FEET;
THENCE NORTHEASTERLY 31.52 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 90 DEGREES 17 MINUTES 51 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 4000.00 FEET;
THENCE NORTHEASTERLY 1291.72 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 18 DEGREES 30 MINUTES 09 SECONDS TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHWEST, FROM WHICH THE RADIUS POINT BEARS NORTH 82 DEGREES 56 MINUTES 01 SECONDS WEST A DISTANCE OF 18.03 FEET;
THENCE NORTHWESTERLY 22.63 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 71 DEGREES 54 MINUTES 09 SECONDS;
THENCE ON A NON-TANGENT LINE NORTH 73 DEGREES 46 MINUTES 41 SECONDS WEST, 95.03 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 73 DEGREES 46 MINUTES 41 SECONDS EAST A DISTANCE OF 4110.00 FEET;
THENCE NORTHEASTERLY 54.25 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 0 DEGREES 45 MINUTES 23 SECONDS;
THENCE ON A NON-TANGENT LINE NORTH 73 DEGREES 01 MINUTES 18 SECONDS WEST, 50.00 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 73 DEGREES 01 MINUTES 18 SECONDS EAST A DISTANCE OF 4160.00 FEET;
THENCE SOUTHWESTERLY 34.78 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 0 DEGREES 28 MINUTES 45 SECONDS;

THENCE ON A NON-TANGENT LINE NORTH 73 DEGREES 30 MINUTES 03 SECONDS WEST, 94.97 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEAST, HAVING A RADIUS OF 15.00 FEET;
THENCE SOUTHWESTERLY 23.61 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 90 DEGREES 12 MINUTES 07 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 4270.00 FEET;
THENCE SOUTHWESTERLY 1382.77 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 18 DEGREES 33 MINUTES 15 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 20.00 FEET;
THENCE SOUTHEASTERLY 28.54 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 81 DEGREES 46 MINUTES 29 SECONDS TO THE POINT OF BEGINNING.

CONTAINING 8.564 ACRES, MORE OR LESS, AND BEING SUBJECT TO EASEMENTS OF RECORD.



**LEGAL DESCRIPTION
PHASE II, PARCEL 26A AT RANCHO EL DORADO
PINAL COUNTY, ARIZONA**

THAT PORTION OF THE EAST HALF OF SECTION 14, TOWNSHIP 4 SOUTH, RANGE 3 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 15, TOWNSHIP 4 SOUTH, RANGE 3 EAST;

THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2635.66 FEET TO THE SOUTH QUARTER CORNER OF SECTION 15;

THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2636.25 FEET TO THE SOUTHEAST CORNER OF SECTION 15, ALSO BEING THE SOUTHWEST CORNER OF SECTION 14;

THENCE NORTH 87 DEGREES 06 MINUTES 33 SECONDS EAST, 2672.84 FEET TO THE SOUTH QUARTER CORNER OF SECTION 14;

THENCE NORTH 87 DEGREES 26 MINUTES 12 SECONDS EAST, 1296.04 FEET ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 14;

THENCE NORTH 2 DEGREES 33 MINUTES 48 SECONDS WEST, 2380.45 FEET TO THE POINT OF BEGINNING;

THENCE SOUTH 73 DEGREES 01 MINUTES 18 SECONDS EAST, 50.00 FEET;

THENCE SOUTH 78 DEGREES 05 MINUTES 29 SECONDS EAST, 110.37 FEET;

THENCE NORTH 67 DEGREES 48 MINUTES 31 SECONDS EAST, 40.50 FEET;

THENCE NORTH 0 DEGREES 13 MINUTES 08 SECONDS EAST, 281.60 FEET;

THENCE SOUTH 89 DEGREES 46 MINUTES 52 SECONDS EAST, 231.77 FEET;

THENCE NORTH 61 DEGREES 29 MINUTES 07 SECONDS EAST, 119.75 FEET;

THENCE NORTH 0 DEGREES 13 MINUTES 08 SECONDS EAST, 269.17 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 513.60 FEET;

THENCE NORTHWESTERLY 430.75 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 48 DEGREES 03 MINUTES 11 SECONDS;

THENCE ON A NON-TANGENT LINE NORTH 47 DEGREES 49 MINUTES 25 SECONDS WEST, 478.63 FEET;

THENCE NORTH 42 DEGREES 10 MINUTES 35 SECONDS EAST, 85.00 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 25.00 FEET;

THENCE EASTERLY 39.27 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS;

THENCE ON A NON-TANGENT LINE NORTH 42 DEGREES 10 MINUTES 35 SECONDS EAST, 11.00 FEET;

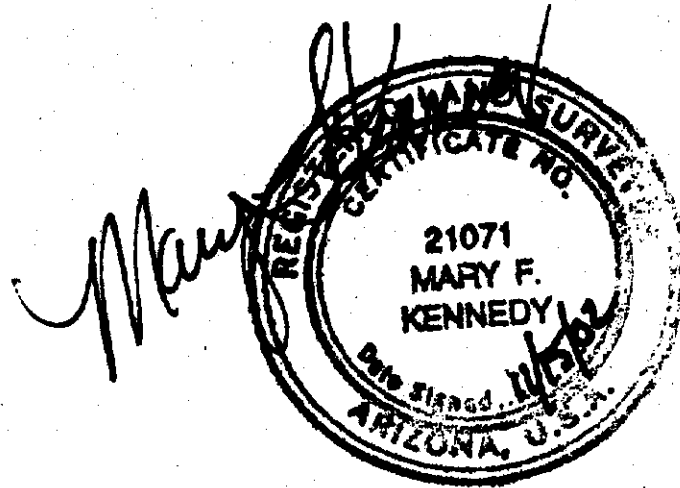
THENCE NORTH 47 DEGREES 49 MINUTES 25 SECONDS WEST, 14.00 FEET;

THENCE NORTH 34 DEGREES 58 MINUTES 59 SECONDS WEST, 50.26 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 17 DEGREES 34 MINUTES 02 SECONDS EAST A DISTANCE OF 44.00 FEET;

THENCE NORTHEASTERLY 11.04 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 14 DEGREES 22 MINUTES 29 SECONDS;

THENCE ON A NON-TANGENT LINE NORTH 3 DEGREES 11 MINUTES 32 SECONDS WEST, 11.00 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 3 DEGREES 11 MINUTES 32 SECONDS EAST A DISTANCE OF 55.00 FEET;
THENCE SOUTHWESTERLY 10.71 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 11 DEGREES 09 MINUTES 35 SECONDS;
THENCE ON A NON-TANGENT LINE NORTH 35 DEGREES 40 MINUTES 33 SECONDS WEST, 116.74 FEET;
THENCE SOUTH 42 DEGREES 10 MINUTES 35 SECONDS WEST, 251.25 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEAST, HAVING A RADIUS OF 562.39 FEET;
THENCE SOUTHWESTERLY 426.00 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 43 DEGREES 24 MINUTES 04 SECONDS;
THENCE SOUTH 1 DEGREES 13 MINUTES 29 SECONDS EAST, 787.93 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 94.65 FEET;
THENCE SOUTHEASTERLY 129.09 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 78 DEGREES 08 MINUTES 30 SECONDS;
THENCE ON A NON-TANGENT LINE SOUTH 76 DEGREES 55 MINUTES 36 SECONDS EAST, 228.70 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHWEST, FROM WHICH THE RADIUS POINT BEARS NORTH 74 DEGREES 11 MINUTES 50 SECONDS WEST A DISTANCE OF 625.00 FEET;
THENCE SOUTHWESTERLY 12.82 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 1 DEGREE 10 MINUTES 32 SECONDS TO THE POINT OF BEGINNING.

CONTAINING 20.009 ACRES, MORE OR LESS, AND BEING SUBJECT TO EASEMENTS OF RECORD.



**LEGAL DESCRIPTION
PHASE II, PARCEL 26B AT RANCHO EL DORADO
PINAL COUNTY, ARIZONA**

THAT PORTION OF THE EAST HALF OF SECTION 14, TOWNSHIP 4 SOUTH, RANGE 3 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 15, TOWNSHIP 4 SOUTH, RANGE 3 EAST;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2635.66 FEET TO THE SOUTH QUARTER CORNER OF SECTION 15;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2636.25 FEET TO THE SOUTHEAST CORNER OF SECTION 15, ALSO BEING THE SOUTHWEST CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 06 MINUTES 33 SECONDS EAST, 2672.84 FEET TO THE SOUTH QUARTER CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 26 MINUTES 12 SECONDS EAST, 1921.66 FEET ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 14;
THENCE NORTH 2 DEGREES 33 MINUTES 48 SECONDS WEST, 1572.72 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 80 DEGREES 22 MINUTES 42 SECONDS EAST, 145.00 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 15.00 FEET;
THENCE NORTHEASTERLY 23.56 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS;
THENCE NORTH 9 DEGREES 37 MINUTES 18 SECONDS WEST, 36.77 FEET TO THE BEGINNING OF A CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 864.99 FEET;
THENCE NORTHERLY 148.56 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 9 DEGREES 50 MINUTES 27 SECONDS;
THENCE NORTH 0 DEGREES 13 MINUTES 09 SECONDS EAST, 1137.22 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHWEST, FROM WHICH THE RADIUS POINT BEARS NORTH 89 DEGREES 47 MINUTES 21 SECONDS WEST A DISTANCE OF 783.81 FEET;
THENCE NORTHWESTERLY 657.12 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 48 DEGREES 02 MINUTES 04 SECONDS;
THENCE NORTH 47 DEGREES 49 MINUTES 25 SECONDS WEST, 538.63 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHERLY, FROM WHICH THE RADIUS POINT BEARS SOUTH 40 DEGREES 28 MINUTES 06 SECONDS WEST A DISTANCE OF 103.09 FEET;
THENCE WESTERLY 160.92 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 89 DEGREES 26 MINUTES 01 SECONDS;
THENCE ON A NON-TANGENT LINE SOUTH 35 DEGREES 40 MINUTES 33 SECONDS EAST, 116.74 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 14 DEGREES 21 MINUTES 08 SECONDS EAST A DISTANCE OF 55.00 FEET;
THENCE NORTHEASTERLY 10.71 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 11 DEGREES 09 MINUTES 35 SECONDS;

THENCE ON A NON-TANGENT LINE SOUTH 3 DEGREES 11 MINUTES 32 SECONDS EAST, 11.00 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 3 DEGREES 11 MINUTES 32 SECONDS EAST A DISTANCE OF 44.00 FEET;
THENCE SOUTHWESTERLY 11.04 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 14 DEGREES 22 MINUTES 29 SECONDS;
THENCE ON A NON-TANGENT LINE SOUTH 34 DEGREES 58 MINUTES 59 SECONDS EAST, 50.26 FEET;
THENCE SOUTH 47 DEGREES 49 MINUTES 25 SECONDS EAST, 14.00 FEET;
THENCE SOUTH 42 DEGREES 10 MINUTES 35 SECONDS WEST, 11.00 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHERLY, FROM WHICH THE RADIUS POINT BEARS SOUTH 42 DEGREES 10 MINUTES 35 SECONDS WEST A DISTANCE OF 25.00 FEET;
THENCE WESTERLY 39.27 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS;
THENCE SOUTH 42 DEGREES 10 MINUTES 35 SECONDS WEST, 85.00 FEET;
THENCE SOUTH 47 DEGREES 49 MINUTES 25 SECONDS EAST, 478.63 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHWEST, FROM WHICH THE RADIUS POINT BEARS SOUTH 42 DEGREES 09 MINUTES 57 SECONDS WEST A DISTANCE OF 513.60 FEET;
THENCE SOUTHEASTERLY 430.75 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 48 DEGREES 03 MINUTES 11 SECONDS;
THENCE SOUTH 0 DEGREES 13 MINUTES 08 SECONDS WEST, 269.17 FEET;
THENCE SOUTH 61 DEGREES 29 MINUTES 07 SECONDS WEST, 119.75 FEET;
THENCE NORTH 89 DEGREES 46 MINUTES 52 SECONDS WEST, 231.77 FEET;
THENCE SOUTH 0 DEGREES 13 MINUTES 08 SECONDS WEST, 281.60 FEET;
THENCE SOUTH 86 DEGREES 15 MINUTES 46 SECONDS EAST, 131.00 FEET;
THENCE SOUTH 1 DEGREES 53 MINUTES 45 SECONDS EAST, 569.56 FEET;
THENCE SOUTH 45 DEGREES 50 MINUTES 18 SECONDS EAST, 49.12 FEET;
THENCE SOUTH 89 DEGREES 46 MINUTES 52 SECONDS EAST, 262.94 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHEAST, FROM WHICH THE RADIUS POINT BEARS NORTH 85 DEGREES 36 MINUTES 23 SECONDS EAST A DISTANCE OF 1025.00 FEET;
THENCE SOUTHEASTERLY 93.53 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 5 DEGREES 13 MINUTES 41 SECONDS;
THENCE SOUTH 9 DEGREES 37 MINUTES 18 SECONDS EAST, 51.77 FEET TO THE POINT OF BEGINNING.

CONTAINING 19.755 ACRES, MORE OR LESS, AND BEING SUBJECT TO EASEMENTS OF RECORD.



**LEGAL DESCRIPTION
PHASE II, PARCEL 27 AT RANCHO EL DORADO
PINAL COUNTY, ARIZONA**

THAT PORTION OF THE EAST HALF OF SECTION 14, TOWNSHIP 4 SOUTH, RANGE 3 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 15, TOWNSHIP 4 SOUTH, RANGE 3 EAST;

THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2635.66 FEET TO THE SOUTH QUARTER CORNER OF SECTION 15;

THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2636.25 FEET TO THE SOUTHEAST CORNER OF SECTION 15, ALSO BEING THE SOUTHWEST CORNER OF SECTION 14;

THENCE NORTH 87 DEGREES 06 MINUTES 33 SECONDS EAST, 2672.84 FEET TO THE SOUTH QUARTER CORNER OF SECTION 14;

THENCE NORTH 87 DEGREES 26 MINUTES 12 SECONDS EAST, 1988.83 FEET ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 14;

THENCE NORTH 2 DEGREES 33 MINUTES 48 SECONDS WEST, 1167.31 FEET TO THE POINT OF BEGINNING, SAID POINT BEING THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHWEST, FROM WHICH THE RADIUS POINT BEARS NORTH 28 DEGREES 06 MINUTES 20 SECONDS WEST A DISTANCE OF 1522.20 FEET;

THENCE NORTHEASTERLY 462.18 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 17 DEGREES 23 MINUTES 47 SECONDS;

THENCE NORTH 44 DEGREES 29 MINUTES 53 SECONDS EAST, 150.00 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 700.00 FEET;

THENCE NORTHEASTERLY 540.34 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 44 DEGREES 13 MINUTES 39 SECONDS;

THENCE NORTH 0 DEGREES 16 MINUTES 14 SECONDS EAST, 1393.16 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 1155.00 FEET;

THENCE NORTHWESTERLY 1410.43 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 69 DEGREES 58 MINUTES 00 SECONDS;

THENCE NORTH 69 DEGREES 41 MINUTES 46 SECONDS WEST, 95.07 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEAST, HAVING A RADIUS OF 20.00 FEET;

THENCE SOUTHWESTERLY 31.06 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 88 DEGREES 59 MINUTES 36 SECONDS;

THENCE SOUTH 21 DEGREES 18 MINUTES 38 SECONDS WEST, 144.76 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 411.28 FEET;

THENCE SOUTHEASTERLY 533.94 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 74 DEGREES 22 MINUTES 59 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 615.00 FEET;

THENCE SOUTHEASTERLY 540.63 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 50 DEGREES 22 MINUTES 01 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 50.00 FEET;

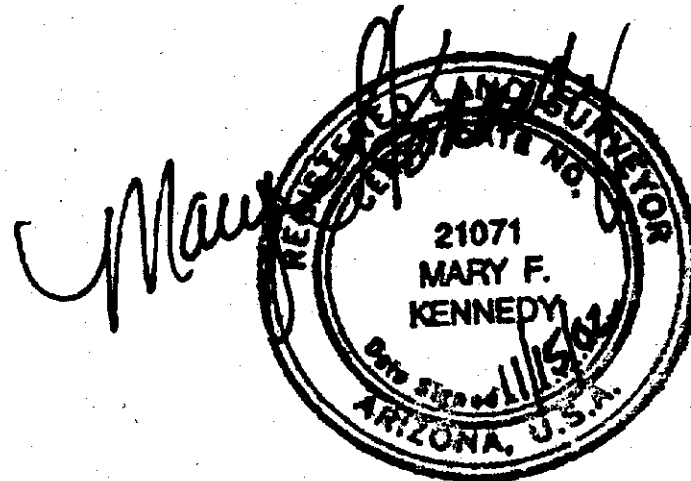
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THENCE SOUTHEASTERLY 76.01 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 87 DEGREES 06 MINUTES 17 SECONDS; THENCE SOUTH 89 DEGREES 48 MINUTES 36 SECONDS EAST, 70.62 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 150.00 FEET;
THENCE SOUTHEASTERLY 235.83 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 04 MINUTES 50 SECONDS; THENCE SOUTH 0 DEGREES 16 MINUTES 14 SECONDS WEST, 1227.78 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 430.00 FEET;
THENCE SOUTHWESTERLY 331.92 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 44 DEGREES 13 MINUTES 39 SECONDS; THENCE SOUTH 44 DEGREES 29 MINUTES 53 SECONDS WEST, 150.00 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 1252.20 FEET;
THENCE SOUTHWESTERLY 252.59 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 11 DEGREES 33 MINUTES 27 SECONDS; THENCE ON A NON-TANGENT LINE NORTH 9 DEGREES 37 MINUTES 18 SECONDS WEST, 107.97 FEET;
THENCE SOUTH 80 DEGREES 22 MINUTES 42 SECONDS WEST, 50.00 FEET;
THENCE SOUTH 9 DEGREES 37 MINUTES 18 SECONDS EAST, 175.11 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 653.13 FEET;
THENCE SOUTHEASTERLY 207.43 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 18 DEGREES 11 MINUTES 49 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 25.00 FEET; THENCE SOUTHWESTERLY 39.14 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 89 DEGREES 42 MINUTES 47 SECONDS TO THE POINT OF BEGINNING.

CONTAINING 29.251 ACRES, MORE OR LESS, AND BEING SUBJECT TO EASEMENTS OF RECORD.



**LEGAL DESCRIPTION
PHASE IIB GOLF COURSE PARCEL
RANCHO EL DORADO**

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 14, TOWNSHIP 4 SOUTH, RANGE 3 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 15, TOWNSHIP 4 SOUTH, RANGE 3 EAST;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2635.66 FEET TO THE SOUTH QUARTER CORNER OF SECTION 15;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2636.25 FEET TO THE SOUTHEAST CORNER OF SECTION 15, ALSO BEING THE SOUTHWEST CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 06 MINUTES 33 SECONDS EAST, 2672.84 FEET TO THE SOUTH QUARTER CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 26 MINUTES 12 SECONDS EAST, 1196.29 FEET ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 14;
THENCE NORTH 2 DEGREES 33 MINUTES 48 SECONDS WEST, 973.79 FEET TO THE POINT OF BEGINNING, SAID POINT LYING ON A NON-TANGENT CURVE, CONCAVE NORTHWEST, FROM WHICH THE RADIUS POINT BEARS NORTH 2 DEGREES 11 MINUTES 50 SECONDS WEST A DISTANCE OF 1639.75 FEET;
THENCE NORTHEASTERLY 696.36 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 24 DEGREES 19 MINUTES 55 SECONDS;
THENCE NORTH 63 DEGREES 28 MINUTES 14 SECONDS EAST, 85.33 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 1522.20 FEET;
THENCE NORTHEASTERLY 41.87 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 1 DEGREE 34 MINUTES 34 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 25.00 FEET;
THENCE NORTHEASTERLY 39.14 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 89 DEGREES 42 MINUTES 47 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 653.13 FEET;
THENCE NORTHWESTERLY 207.43 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 18 DEGREES 11 MINUTES 49 SECONDS;
THENCE NORTH 9 DEGREES 37 MINUTES 18 SECONDS WEST, 226.88 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 1025.00 FEET;
THENCE NORTHWESTERLY 93.53 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 5 DEGREES 13 MINUTES 41 SECONDS;
THENCE ON A NON-TANGENT LINE NORTH 89 DEGREES 46 MINUTES 52 SECONDS WEST, 262.94 FEET;
THENCE NORTH 45 DEGREES 50 MINUTES 18 SECONDS WEST, 49.12 FEET;
THENCE NORTH 1 DEGREE 53 MINUTES 45 SECONDS WEST, 569.56 FEET;
THENCE NORTH 86 DEGREES 15 MINUTES 46 SECONDS WEST, 131.00 FEET;
THENCE SOUTH 67 DEGREES 48 MINUTES 31 SECONDS WEST, 40.50 FEET;
THENCE NORTH 78 DEGREES 05 MINUTES 29 SECONDS WEST, 110.37 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH

THE RADIUS POINT BEARS SOUTH 73 DEGREES 01 MINUTES 18 SECONDS EAST A DISTANCE OF 4110.00 FEET;
THENCE SOUTHWESTERLY 54.25 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 0 DEGREES 45 MINUTES 23 SECONDS;
THENCE ON A NON-TANGENT LINE SOUTH 73 DEGREES 46 MINUTES 41 SECONDS EAST, 95.03 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHWEST, FROM WHICH THE RADIUS POINT BEARS SOUTH 25 DEGREES 09 MINUTES 49 SECONDS WEST A DISTANCE OF 18.03 FEET;
THENCE SOUTHEASTERLY 22.63 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 71 DEGREES 54 MINUTES 09 SECONDS TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 73 DEGREES 59 MINUTES 31 SECONDS EAST A DISTANCE OF 4000.00 FEET;
THENCE SOUTHWESTERLY 1291.72 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 18 DEGREES 30 MINUTES 09 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 20.00 FEET;
THENCE SOUTHWESTERLY 31.52 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 17 MINUTES 51 SECONDS TO THE POINT OF BEGINNING.

CONTAINING 14.980 ACRES, MORE OR LESS, AND BEING SUBJECT TO EASEMENTS OF RECORD.



**LEGAL DESCRIPTION
PHASE IIB GOLF COURSE PARCEL
RANCHO EL DORADO**

THAT PORTION OF THE EAST HALF OF SECTION 14, TOWNSHIP 4 SOUTH, RANGE 3 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 15, TOWNSHIP 4 SOUTH, RANGE 3 EAST;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2635.66 FEET TO THE SOUTH QUARTER CORNER OF SECTION 15;
THENCE NORTH 89 DEGREES 54 MINUTES 18 SECONDS EAST, 2636.25 FEET TO THE SOUTHEAST CORNER OF SECTION 15, ALSO BEING THE SOUTHWEST CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 06 MINUTES 33 SECONDS EAST, 2672.84 FEET TO THE SOUTH QUARTER CORNER OF SECTION 14;
THENCE NORTH 87 DEGREES 26 MINUTES 12 SECONDS EAST, 686.92 FEET ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 14;
THENCE NORTH 2 DEGREES 33 MINUTES 48 SECONDS WEST, 1035.93 FEET TO THE POINT OF BEGINNING, SAID POINT BEING THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHWEST, FROM WHICH THE RADIUS POINT BEARS SOUTH 3 DEGREES 20 MINUTES 38 SECONDS WEST A DISTANCE OF 1550.00 FEET;
THENCE SOUTHEASTERLY 108.54 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 4 DEGREES 00 MINUTES 44 SECONDS;
THENCE SOUTH 82 DEGREES 38 MINUTES 38 SECONDS EAST, 131.87 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 1639.73 FEET;
THENCE SOUTHEASTERLY 39.73 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 1 DEGREE 23 MINUTES 18 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 20.00 FEET;
THENCE NORTHWESTERLY 28.54 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 81 DEGREES 46 MINUTES 29 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 4270.00 FEET;
THENCE NORTHEASTERLY 1382.77 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 18 DEGREES 33 MINUTES 15 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 15.00 FEET;
THENCE NORTHEASTERLY 23.61 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 12 MINUTES 07 SECONDS;
THENCE SOUTH 73 DEGREES 30 MINUTES 03 SECONDS EAST, 94.97 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 73 DEGREES 30 MINUTES 03 SECONDS EAST A DISTANCE OF 4160.00 FEET;
THENCE NORTHEASTERLY 34.78 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 0 DEGREES 28 MINUTES 45 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 625.00 FEET;

THENCE NORTHEASTERLY 12.82 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 1 DEGREES 10 MINUTES 32 SECONDS; THENCE ON A NON-TANGENT LINE NORTH 76 DEGREES 55 MINUTES 36 SECONDS WEST, 228.70 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHEAST, FROM WHICH THE RADIUS POINT BEARS NORTH 10 DEGREES 38 MINUTES 01 SECONDS EAST A DISTANCE OF 94.65 FEET; THENCE NORTHWESTERLY 129.09 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 78 DEGREES 08 MINUTES 30 SECONDS; THENCE NORTH 1 DEGREES 13 MINUTES 29 SECONDS WEST, 787.93 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEAST, HAVING A RADIUS OF 562.39 FEET; THENCE NORTHEASTERLY 426.00 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 43 DEGREES 24 MINUTES 04 SECONDS; THENCE NORTH 42 DEGREES 10 MINUTES 35 SECONDS EAST, 251.25 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHERLY, FROM WHICH THE RADIUS POINT BEARS SOUTH 48 DEGREES 57 MINUTES 55 SECONDS EAST A DISTANCE OF 103.09 FEET; THENCE EASTERLY 160.92 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 89 DEGREES 26 MINUTES 01 SECONDS; THENCE ON A NON-TANGENT LINE SOUTH 47 DEGREES 49 MINUTES 25 SECONDS EAST, 538.63 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 783.81 FEET; THENCE SOUTHEASTERLY 657.12 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 48 DEGREES 02 MINUTES 04 SECONDS; THENCE ON A NON-TANGENT LINE SOUTH 0 DEGREES 13 MINUTES 09 SECONDS WEST, 1137.22 FEET TO THE BEGINNING OF A CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 864.99 FEET; THENCE SOUTHERLY 148.56 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 9 DEGREES 50 MINUTES 27 SECONDS; THENCE SOUTH 9 DEGREES 37 MINUTES 18 SECONDS EAST, 36.77 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 15.00 FEET; THENCE SOUTHWESTERLY 23.56 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS; THENCE SOUTH 80 DEGREES 22 MINUTES 42 SECONDS WEST, 95.00 FEET; THENCE SOUTH 9 DEGREES 37 MINUTES 18 SECONDS EAST, 107.97 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHWEST, FROM WHICH THE RADIUS POINT BEARS NORTH 33 DEGREES 56 MINUTES 40 SECONDS WEST A DISTANCE OF 1252.20 FEET; THENCE NORTHEASTERLY 252.59 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 11 DEGREES 33 MINUTES 27 SECONDS; THENCE NORTH 44 DEGREES 29 MINUTES 53 SECONDS EAST, 150.00 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 430.00 FEET; THENCE NORTHEASTERLY 331.92 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 44 DEGREES 13 MINUTES 39 SECONDS; THENCE NORTH 0 DEGREES 16 MINUTES 14 SECONDS EAST, 1227.78 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 150.00 FEET;

THENCE NORTHWESTERLY 235.83 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 90 DEGREES 04 MINUTES 50 SECONDS; THENCE NORTH 89 DEGREES 48 MINUTES 36 SECONDS WEST, 70.62 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEAST, HAVING A RADIUS OF 50.00 FEET;

THENCE NORTHWESTERLY 76.01 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 87 DEGREES 06 MINUTES 17 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 615.00 FEET; THENCE NORTHWESTERLY 540.63 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 50 DEGREES 22 MINUTES 01 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 411.28 FEET; THENCE NORTHWESTERLY 533.94 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 74 DEGREES 22 MINUTES 59 SECONDS; THENCE NORTH 21 DEGREES 18 MINUTES 38 SECONDS EAST, 144.76 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEAST, HAVING A RADIUS OF 20.00 FEET;

THENCE NORTHEASTERLY 31.06 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 88 DEGREES 59 MINUTES 36 SECONDS; THENCE NORTH 69 DEGREES 41 MINUTES 46 SECONDS WEST, 15.39 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 1200.00 FEET;

THENCE NORTHWESTERLY 436.27 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 20 DEGREES 49 MINUTES 48 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 25.00 FEET; THENCE SOUTHEASTERLY 39.65 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 51 MINUTES 44 SECONDS TO A POINT OF COMPOUND CURVATURE OF A CURVE HAVING A RADIUS OF 509.03 FEET;

THENCE SOUTHWESTERLY 576.47 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 64 DEGREES 53 MINUTES 15 SECONDS TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHEAST, FROM WHICH THE RADIUS POINT BEARS SOUTH 24 DEGREES 44 MINUTES 53 SECONDS EAST A DISTANCE OF 889.30 FEET;

THENCE SOUTHWESTERLY 1002.04 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 64 DEGREES 33 MINUTES 34 SECONDS; THENCE ON A NON-TANGENT LINE SOUTH 0 DEGREES 43 MINUTES 15 SECONDS WEST, 672.74 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 760.00 FEET;

THENCE SOUTHWESTERLY 348.51 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 26 DEGREES 16 MINUTES 27 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 440.00 FEET; THENCE SOUTHWESTERLY 130.93 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 17 DEGREES 02 MINUTES 59 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 15.00 FEET; THENCE SOUTHWESTERLY 23.07 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 88 DEGREES 06 MINUTES 39 SECONDS; THENCE NORTH 81 DEGREES 56 MINUTES 38 SECONDS WEST, 95.25 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE EASTERLY, FROM WHICH THE

RADIUS POINT BEARS SOUTH 81 DEGREES 56 MINUTES 38 SECONDS EAST A DISTANCE OF 550.00 FEET;
THENCE SOUTHERLY 115.18 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 11 DEGREES 59 MINUTES 56 SECONDS;
THENCE ON A NON-TANGENT LINE NORTH 86 DEGREES 03 MINUTES 26 SECONDS EAST, 95.25 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 15.00 FEET;
THENCE SOUTHEASTERLY 23.07 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 88 DEGREES 06 MINUTES 39 SECONDS TO A POINT OF REVERSE CURVATURE OF A CURVE HAVING A RADIUS OF 440.00 FEET;
THENCE SOUTHEASTERLY 151.78 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 19 DEGREES 45 MINUTES 51 SECONDS;
THENCE SOUTH 25 DEGREES 35 MINUTES 46 SECONDS EAST, 176.46 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 785.00 FEET;
THENCE SOUTHEASTERLY 248.00 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 18 DEGREES 06 MINUTES 03 SECONDS;
THENCE SOUTH 7 DEGREES 29 MINUTES 43 SECONDS EAST, 209.20 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 15.00 FEET;
THENCE SOUTHWESTERLY 23.56 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS;
THENCE SOUTH 82 DEGREES 30 MINUTES 17 SECONDS WEST, 95.00 FEET;
THENCE SOUTH 7 DEGREES 29 MINUTES 42 SECONDS EAST, 40.00 FEET;
THENCE NORTH 82 DEGREES 30 MINUTES 17 SECONDS EAST, 95.00 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHWEST, HAVING A RADIUS OF 15.00 FEET;
THENCE SOUTHEASTERLY 23.56 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS;
THENCE SOUTH 7 DEGREES 29 MINUTES 43 SECONDS EAST, 276.60 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHWEST, HAVING A RADIUS OF 25.00 FEET;
THENCE SOUTHWESTERLY 44.00 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 100 DEGREES 50 MINUTES 21 SECONDS TO THE POINT OF BEGINNING.

CONTAINING 55.734 ACRES, MORE OR LESS, AND BEING SUBJECT TO EASEMENTS OF RECORD.

