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KEITH POLETIS, County Recorder		
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86-254470

MASTER DECLARATION OF COVENANTS, CONDITIONS AND  
RESTRICTIONS FOR LOS PORTONES

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THIS DECLARATION, made as of the date hereinafter set forth by Johnes-Spector Company, an Arizona general partnership, P-W Scottsdale Venture, an Arizona joint venture, Pinnacle Peak & Miller Investment Limited Partnership, an Arizona limited partnership, and Pinnacle Peak Investors Limited Partnership, an Arizona limited partnership (hereinafter collectively referred to as "Declarants").

W I T N E S S E T H:

WHEREAS, Declarants are the sole owners of certain parcels of real property situated in the City of Scottsdale, County of Maricopa, State of Arizona which, in the aggregate comprise the real property described on Exhibit "A" attached hereto and incorporated herein by reference (hereinafter referred to as the "Property"); and

WHEREAS, Declarants further desire to establish for their own benefit and for the mutual benefit of all future owners or occupants of the Property or any part thereof, certain easements and rights in, over and upon said Property and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof; and

WHEREAS, Declarants desire and intend that the lot owners, mortgagees, beneficiaries and trustees under trust deeds, occupants and all other persons hereafter acquiring any interest in the Property shall at all times enjoy the benefits of, and shall hold their interests subject to, the rights, easements, privileges and restrictions hereinafter set forth, all of which shall run with the land and be binding upon the Property and all parties having or acquiring any right, title or interest in or to the Property, or any part thereof, and shall inure to the benefit of each owner thereof, and all of which are declared to be in furtherance of a plan to promote and protect the cooperative use, conduct and maintenance of the Property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness thereof.

NOW, THEREFORE, Declarants, as the sole owners of the Property and for the purposes hereinafter set forth, declare as follows:

1. Definitions. As used herein, unless the context otherwise requires, the following terms shall have the following definitions:

1.1 "Alameda Road Drainage Easement" means the easement established for drainage purposes adjacent to Alameda Road and more fully described on Exhibit "C" attached hereto.

1.10 "Lot" means each of the numbered parcels of real property within any recorded Plat, including any condominium unit together with the undivided interest in the common elements of such condominium appurtenant to such unit, within Los Portones, together with all improvements constructed or to be constructed thereon and appurtenances thereto.

1.11 "Majority" or "Majority of Owners" means the Owners holding more than fifty percent (50%) of the votes entitled to be cast with respect to the affairs of the Association.

1.12 "Miller Road Drainage Easement" means the easement established for drainage purposes adjacent to Miller Road as more fully described on Exhibit "C" attached hereto.

1.13 "Mortgage" means any recorded, filed or otherwise perfected instrument given in good faith and for valuable consideration which is not a fraudulent conveyance under Arizona law as security for the performance of an obligation, including without limitation a deed of trust, but does not mean any instrument creating or evidencing solely a security interest arising under the Uniform Commercial Code. "Mortgagee" means a person secured by a Mortgage, including a trustee and beneficiary under a deed of trust and "Mortgagor" means the party executing a Mortgage. "First Mortgage" means a Mortgage which is the first and most senior of all Mortgages upon the same property.

1.14 "Occupant" means a person or persons, other than an Owner, in rightful possession of a Lot.

1.15 "Owner" means the record owner, whether one or more persons or entities, of the fee simple title, whether or not subject to any Mortgage, to any Lot or Parcel, including a purchaser under an agreement for sale within the meaning of A.R.S. §33-741, but does not mean those having such interest merely as security for the performance of an obligation. In the case of Lots or Parcels, the legal title to which is vested of record in a trustee pursuant to Arizona Revised Statutes §§33-801, et seq., the trustor shall be deemed to be the Owner thereof.

1.16 "Parcel" means each of the numbered parcels of real property shown on the Plat of Los Portones which are planned to be sold to other Persons for the further development and subdivision into lots, tracts or condominium units and undivided interests and the sale or lease thereof.

1.17 "Parcel Map of Los Portones" means the site plan prepared by Brooks, Hersey & Associates, Inc. dated July, 1985 and bearing job number 206-02-FP-06, a reduced copy of which is attached hereto as Exhibit "B".

1.18 "Parcel Plat" means any recorded subdivision plat, including that of a condominium, whether residential or commercial, created by an Owner of a Parcel pursuant to the development, subdivision and sale or lease of such Parcel.

1.19 "Person" means a natural individual, corporation, partnership, trustee or other entity capable of holding title to real property.

1.20 "Property" means all of the real property described on Exhibit "A" attached hereto, sometimes herein referred to as "Los Portones".

1.21 "Record" or "Recording" means the record or the act of recording, in the office of the County Recorder of Maricopa County, Arizona.

1.22 "Scenic Corridor Easement" means the easement established for scenic corridor purposes adjacent to the Scottsdale Road right of way as generally shown on Exhibit "B" attached hereto.

1.23 "Subassociation" means any nonprofit property owners association formed by a Parcel Owner in connection with the development, subdivision and sale or lease of such Parcel for the purpose of ownership and maintenance of common areas or common elements contained within the boundaries of such Parcel which exclusively benefit the Owners of the Lots into which such Parcel has been subdivided.

1.24 "Vista Corridor and Channel Easement" means the easement established for drainage channel purposes as more fully described on Exhibit "C" attached hereto.

2. Association. The Association has been, or will be formed to serve as the governing body for all of the Owners for the protection, improvement, alteration, expansion, augmentation, disposal, divestment, redescription, maintenance, repair, replacement, administration and operation of the Common Areas, the assessment of expenses, payment of losses, disposition of hazard insurance proceeds received by the Association, and other matters as provided in the Constituent Documents. The Association shall not be deemed to be conducting a business of any kind, and all funds received by the Association shall be held and applied by it for the Owners in accordance with the provisions of the Constituent Documents. Each Owner shall be a Member of the Association as soon and so long as he shall be an Owner. Such membership shall automatically terminate when an Owner ceases for any reason to be an Owner, and the new Owner shall likewise automatically succeed to such membership in the Association. Membership in the Association shall not be transferred, pledged or alienated in any way, except upon the sale of the Lot or Parcel to which it is appurtenant (and then only to

the purchaser involved in such sale) or by intestate succession, testamentary disposition, foreclosure of a Mortgage of record or other legal process transferring fee simple title to such Lot or Parcel (and then only to the Person to whom such fee simple title is transferred). Any attempt to make a prohibited transfer of a membership will be void and will not be recognized by or reflected upon the books and records of the Association. In the event an Owner should fail or refuse to transfer the membership registered in his name upon the sale of such Owner's Lot or Parcel to the purchaser of such Lot or Parcel, the Association shall have the right to enter a transfer upon the books of the Association and issue a new membership to the purchaser, and thereupon the old membership outstanding in the name of the seller shall be null and void as though the same had been surrendered.

2.1 Classes of Membership; Voting Rights of Classes.  
The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners in the Property, with the exception of the Declarants and shall be entitled to one vote for each Lot owned or, in the case of an Owner of a Parcel which has not been subdivided into Lots, one vote for each 5,445 square feet of land area contained within the boundaries of such Parcel. In the event the total square footage of land area contained within the boundaries of any Parcel cannot be divided evenly by 5,445, no additional vote or fraction thereof shall be assigned to the fractional remainder. The votes entitled to be cast by the Owner of any Parcel zoned for commercial use shall be determined based upon the square footage of land area contained within such Parcel. When more than one person holds an interest in any Lot or Parcel, all such persons shall be members. The voting for such Lot or Parcel shall be exercised as such persons among themselves determine, or, in the absence of such determination, as determined by the Board, but in no event shall more than one vote be cast with respect to any Lot or more than one vote be cast with respect to each 5,445 square feet of land area contained within the boundaries of any Parcel. If any Owner or Owners cast a vote representing a certain Lot or Parcel, it will thereafter be conclusively presumed for all purposes that such Owner or Owners were acting with the authority and consent of all other Owners of the same Lot or Parcel.

Class B. The Class B members shall be the Declarants and shall be entitled to three (3) votes for each Lot or for each 5,445 square feet

of land area contained within the boundaries of any Parcel owned by Declarants within the boundaries of the Property. The total votes which the Declarants shall be entitled to cast may be cast in such proportion on any matter as Declarants may determine. Each Class B membership shall cease and be converted to Class A membership, without further act or deed, upon the happening of any of the following events:

(a) Upon the conveyance by Declarants of any particular Lot or Parcel to an Owner, other than in connection with an assignment by any Declarant of all or substantially all of its rights under this Declaration (including a pledge or assignment by any Declarant to any lender as security), with respect to the particular Lot or Parcel so sold or otherwise disposed of; or

(b) With respect to all remaining Class B memberships, upon the first to occur of the following:

(i) Upon the expiration of one hundred twenty (120) days following the first date when the total votes entitled to be cast by the Class A membership equal or exceed the total votes entitled to be cast by the Class B membership, or

(ii) Ten (10) years after the conveyance of the first Lot or Parcel to an Owner other than the Declarants.

If any lender to whom any Declarant has assigned, or hereafter assigns, as security all or substantially all of its rights under this Declaration succeeds to the interest of such Declarant by virtue of said assignment, the Class B memberships formerly held by such Declarant shall not be terminated thereby, and such lender shall hold the Class B memberships on the same terms as such were held by such Declarant pursuant hereto.

2.2 Qualifications of Directors. Each director shall be an Owner or the spouse of an Owner (or if an Owner is a corporation, partnership or trust, a director may be an officer, partner or trustee or beneficiary of such Owner).

If a director shall cease to meet such qualifications during his term, he will thereupon cease to be a director, and his place on the Board shall be deemed vacant. The requirements of this subparagraph shall not apply to directors elected as a result of any of the votes cast by the Class B member.

2.3 Board's Determination Binding. Subject to the right of any Owner to institute an action at law or in equity pursuant to the provisions of paragraph 17 hereof, in the event of any dispute or disagreement between any Owners relating to the Property, or any question of interpretation or application of the provisions of the Constituent Documents, the determination thereof by the Board shall be final and binding on each and all of such Owners.

2.4 Additional Provisions in Articles of Incorporation and Bylaws of the Association. The Articles and Bylaws may contain any provision not inconsistent with law or with this Declaration relating to the conduct of the affairs of the Association and the rights and powers of its directors, officers, employees, agents and members.

3. Use of Common Areas. There shall be appurtenant to each Lot or Parcel in Los Portones a nonexclusive right and easement to use the Common Areas in common with all other persons entitled to use the Common Areas as may be required for the purposes of access, ingress and egress to and from, and the use, occupancy and enjoyment of the Common Areas, Lots and Parcels for their intended purposes as provided herein. Such right and easement shall extend to each Occupant and the agents, servants, tenants, family members and invitees of such Occupant or the Owner of each Lot or Parcel in the Property. Such right and easement shall be subject to such limitations, restrictions, rules and regulations as may from time to time be promulgated by the Board, and shall be subject to and governed by the provisions of the Constituent Documents. The right of the Association is hereby specifically reserved to dedicate and convey to, to create easements in favor of, or otherwise transfer to any governmental subdivision, including but not limited to the City of Scottsdale, all or any portion of the Common Areas, to the extent of the Association's interest in such Common Areas, without the consent of the Members or any Mortgagee. The Board shall have authority to charge reasonable fees, lease, convey easements or grant concessions consistent with the overall character and use of the Property with respect to parts of the Common Areas and to change the character, description and use thereof, subject to the provisions of the Constituent Documents. Any funds received by the Association from fees, leases, concessions or other sources shall be held and used for the benefit of the members of the Association pursuant to such rules, resolutions or regulations as the Board may adopt or prescribe. Notwithstanding anything contained herein to the

contrary, Declarants shall be entitled to nonexclusive access to and occupancy of all or any portion of the Common Areas until such time as all Lots or Parcels have been conveyed to Owners other than Declarants.

4. Liability of Association. Neither the Association nor the Board shall assume any liability of any kind or nature with respect to any vehicles moving within or parked upon any portion of the Common Areas. Any person operating or parking any vehicles within the boundaries of the Common Areas shall do so entirely at such person's own risk and shall indemnify and hold both the Association and the Board harmless from and against any and all claims, demands, actions, causes of action and proceedings arising out of the presence of any such vehicle within the boundaries of the Common Areas.

5. Mortgages. No Owner shall have the right or authority to make or create or cause to be made or created any Mortgage, other lien or security interest, which encumbers or purports to encumber any portion of the Common Areas, including, but not limited to any portion of the Scenic Corridor, the Vista Corridor and Channel, the Miller Road Drainage Easement and the Alameda Road Drainage Easement.

6. Insurance Requirements Generally. With respect to the Common Areas, the Association shall obtain and maintain in full force and effect at all times certain casualty, liability and other insurance as hereinafter provided. All such insurance shall be obtained, to the extent possible, from responsible companies duly authorized to transact insurance business in the State of Arizona with no less than a Class VI financial category rating in Best's Key Rating Guide (or any comparable rating in any comparable publication). All such insurance, to the extent possible, shall name the Association or its authorized representative or trustee as the insured. The Board shall review all such insurance at least annually and shall increase the amounts thereof as it deems necessary or appropriate. To the extent possible, such insurance shall:

(1) Provide for a waiver of subrogation by the insurer as to claims against the Association, its directors, officers, employees and agents and against each Mortgagee of all or any part of the Common Areas and any other person for whom the Association or Mortgagee may be responsible and shall provide for recognition of any authorized representative or trustee of the Association, if applicable;

(2) Provide that any "no other insurance" clause in the insurance policy shall exclude any



policies of insurance maintained by any Mortgagee of all or any part of the Common Areas and that the insurance policy shall not be brought into contribution with insurance maintained by a Mortgagee of all or any part of the Common Areas;

(3) Provide that the policy of insurance shall not be terminated, cancelled or substantially modified without at least thirty (30) days prior written notice to the Association;

(4) Contain, if available, an "agreed amount" and "inflation guard endorsement;"

(5) Contain a "severability of interest endorsement" which shall preclude the insurer from denying the claim of the Association due to the negligent acts of the Association or any Owner(s).

Under no circumstances shall any policies of insurance be obtained where (i) under the terms of the insurance carrier's charter, bylaws or policy, contributions or assessments may be made against the Association or any Mortgagee; or (ii) under the terms of the insurance carrier's charter, bylaws or policy, loss payments are contingent upon action by the insurance carrier's board of directors, policy holders or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent any Mortgagee from collecting insurance proceeds.

Such public liability and property damage insurance may provide for coverage of any cross liability claims of Owners against the Association or other Owners and of the Association against Owners without right of subrogation. Any insurance policy may contain such deductible provisions as the Association deems consistent with good business practice.

The cost and expense of all insurance obtained by the Association, except other insurance obtained at the request of and specifically benefiting any particular Owner, shall be a Common Expense.

6.1 Casualty Insurance. The Association shall obtain and maintain a master policy or policies of casualty insurance covering the Common Areas and all improvements, including any personal property situated upon the Common Areas, insuring against loss or damage by fire and such other hazards as are covered under standard extended coverage policies, for not less than one hundred percent (100%) of the replacement cost of the Common Areas and all improvements (exclusive of the land, foundations, excavations and other items normally excluded from coverage), as determined

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on an annual basis by an appraisal made in accordance with the rules and regulations of the Board of Underwriters or like board or body recognized and accepted by the insurance company or companies writing such insurance.

6.2 Public Liability and Property Damage Insurance. The Association shall obtain and maintain comprehensive public liability and property damage insurance covering liability for bodily injury, including death, and liability for property damage occurring in, upon or about the Common Areas. The Association shall be insured with respect to such liability arising out of the ownership, maintenance, repair or operation of the Common Areas. The limits of liability for such coverage shall not be less than One Million Dollars (\$1,000,000.00) for each occurrence with respect to bodily injury and property damage.

6.3 Workmen's Compensation and Employer's Liability Insurance. The Association shall obtain and maintain workmen's compensation and employer's liability insurance as may be necessary to comply with applicable law.

6.4 Fidelity Bonds. The Association shall obtain and maintain bonds covering all persons or entities which handle funds of the Association including, without limitation, any professional manager employed by the Association and any of such professional manager's employees, in amounts not less than the maximum funds that will at any time be in the possession of the Association or any professional manager employed by the Association or, the total estimated Common Expense for a three (3) month period, whichever is greater. With the exception of a fidelity bond obtained by a professional manager covering such professional manager's employees, all fidelity bonds shall name the Association as an obligee. In addition, all such bonds shall provide that the same shall not be terminated, cancelled or substantially modified without at least thirty (30) days prior written notice to the Association and all first Mortgagees.

6.5 Receipt and Application of Insurance Proceeds. Except in a case where a Mortgagee or any other person shall have the legal right to receive insurance proceeds directly, all insurance proceeds and recoveries under policies maintained by the Association shall be paid to and received by an independent financial institution or title company selected by the Association authorized to act as escrow agent for the benefit of the Association, the Declarants, all Owners and all Mortgagees of any Lot or Parcel or all or any part of the Property as their respective interests may appear. Subject to the rights of any Mortgagee, the Association shall have the right, acting alone, to adjust or settle any claim by it under any insurance maintained by it. Such funds shall be disbursed by said escrow agent in accordance with the following priorities, subject to such

evidence of application as such escrow agent shall require, and shall be applied by the Association as follows: first, to the Association for the purposes provided in paragraph 7 hereof; and the balance, if any, to the Owners or persons whom the Association determines are legally or equitably entitled thereto. Notwithstanding any provision contained herein to the contrary, the rights of and lien priority of any First Mortgagee shall not be affected by any loss, damage or destruction and shall continue in any insurance proceeds payable with respect to the Lot or Parcel subject to such Mortgage in accordance with the provisions of such Mortgage.

6.6 Other Insurance by the Association. The Association shall also have the power and authority to obtain and maintain other and additional insurance coverage, including but not limited to casualty insurance covering personal property of the Association, and fidelity bonds or insurance covering employees and agents of the Association.

7. Destruction, Condemnation and Restoration of the Common Areas. In the event of damage or destruction to or the condemnation of any portion of the Common Areas restoration of the Common Areas shall be undertaken by the Association without a vote of the Owners. Such restoration shall be performed substantially in accordance with this Declaration and the original plans and specifications for the Common Areas unless other action is approved by Owners of Lots or Parcels to which sixty seven percent (67%) of the votes entitled to be cast with respect to the affairs of the Association are appurtenant.

8. Maintenance, Repairs and Replacements, Right of Access. The Association shall furnish and be responsible for, as a Common Expense, all of the maintenance, repairs and replacements to the Common Areas including, but not limited to any improvements constructed within the Vista Corridor and Channel by Declarants. If, due to the willful or negligent act of an Owner or a member of his family or guest or other occupant or visitor of such Owner, or other person for whom such Owner may be responsible, damage shall be caused to the Common Areas or any structure(s) erected thereon by others or maintenance, repairs or replacements shall be required which would otherwise be a Common Expense (as hereinafter defined), then such Owner, if liable for such damage under local law, upon receipt of a statement from the Board shall pay for such damage and for such maintenance, repairs or replacements as may be determined by the Board. The amount payable for such maintenance, repairs or replacements, together with interest at a rate four percent (4%) per annum in excess of the prime rate of interest announced by The Valley National Bank of Arizona, as the same may fluctuate on a daily basis, from the date such amount is due, costs and attorneys' fees, shall be

secured by a lien against such Owner's Lot as provided in paragraph 26.1 hereof. An authorized representative of the Board, or of the manager or managing agent employed by the Association, and all contractors and repairmen employed or engaged by the Association or such manager or managing agent, shall be entitled to access at any time to each of the Lots or Parcels as may be required in connection with maintenance, repairs or replacements of or to the Common Areas or any equipment, facilities or fixtures affecting or serving the Common Areas.

9. Alterations, Additions or Improvements. No alterations of any Common Areas or any additions or improvements thereto shall be made by any Owner, except the Declarants, without the prior written approval of the Board. No construction of any type whatsoever, other than that initially constructed by Declarants shall be permitted in the Vista Corridor and Channel.

10. Encroachment Easement. If any portion of the Common Areas or any improvement constructed thereon shall actually encroach upon any Lot or Parcel, or if any improvement constructed upon any Lot or Parcel shall actually encroach upon any portion of the Common Areas, whether such encroachment results from the initial construction or from subsequent repair, reconstruction, settlement or shifting, there shall be deemed to be mutual easements in favor of the Association as owner of the Common Areas and the respective Lot or Parcel Owners involved to the extent of such encroachment so long as the same shall exist provided, however, that such easement shall not result from any alteration, addition or improvement made by an Owner, except the Declarants, without the prior written approval of the Board. The Association shall at all times have the right to maintain any Common Areas now existing or hereafter constructed, regardless of any encroachment now or hereafter existing of any such Common Areas on any Lot or Parcel.

11. Purchase of Lot or Parcel by Association. Upon the consent or approval of a majority of Owners present and voting at a general or special meeting of the members of the Association or in such other manner as may be deemed by the Board to be necessary or expedient, the Board shall have the power and authority to bid for and purchase any Lot or Parcel at a sale pursuant to a mortgage foreclosure, trustee's sale under a trust deed, or a foreclosure of any lien for assessments provided for in this Declaration, or at a sale pursuant to an order or direction of a court, or other involuntary sale, and the Board shall have the power and authority to finance such purchase of a Lot or Parcel by Mortgage, special assessment or any other financing arrangement that the Board may deem necessary or expedient.

12. Use and Occupancy Restrictions. No Lot or other portion of the Property shall be used other than as permitted under the Zoning Ordinance of the City of Scottsdale, as the same may be amended from time to time.

All preliminary plats and final plats prepared by a Parcel Owner pursuant to a plan of subdivision and/or development of such Parcel shall be approved by the Board which approval shall not unreasonably be withheld. Such approval shall be evidenced in writing by the Association on such site plan or plat. Any declaration of covenants, conditions and restrictions, declaration of condominium and any other subassociation documents, including, but not limited to articles of incorporation, bylaws and subassociation rules and regulations and any amendments to such documents (collectively "the Subassociation Documents") shall be approved in writing by the Board prior to recording, filing or implementing such document. All such Subassociation Documents shall specifically incorporate therein this Declaration, the Articles and the Bylaws of the Association.

The Common Areas shall be used only for ingress, egress, recreation, channel corridor, drainage, open area and for such other purposes as may be determined by the Board. The use, maintenance and operation of the Common Areas shall not be obstructed, damaged or unreasonably interfered with by any Owner. No obstructions or structure of any type whatsoever shall be permitted within the Vista Corridor and Channel and no Owner or Occupant shall cause or permit any obstruction which could impede or redirect drainage water flow within the Vista Corridor and Channel.

No Owner shall keep or maintain any thing or shall permit any condition to exist upon his Lot or Parcel or cause any other condition on the Property which impairs any easement or right of any other Owner or otherwise impairs or interferes with the use and enjoyment by other Owners of the Common Areas.

If the Board determines that any motor vehicles other than construction vehicles being used in connection with construction activities on the Property are creating loud or annoying noises by virtue of their operation upon the Property, or is unsightly or detracts from the overall character of the Property, such determination shall be conclusive and final that the operation of such vehicle is a nuisance, and said operation, upon notice by the Board to the owner or operator thereof, shall be immediately prohibited within the boundaries of the Property.

Except as initially installed by Declarants, no spotlights, flood lights or other high intensity lighting shall be placed or utilized upon any Lot or Parcel or any

structure erected thereon which in any manner will allow light to be directed or reflected on the Common Areas, any adjoining Lot or Parcel, or any part thereof without the prior written consent of the Board. Any such installation of lighting shall also comply in all respects with any applicable ordinances, rules and regulations of the City of Scottsdale.

The Association may modify the foregoing restrictions or otherwise restrict and regulate the use of the Common Areas by reasonable rules and regulations of general application adopted by the Board from time to time.

13. Architectural Control. No building, fence, wall, antenna, tower, awning, sign or other structure of any kind or character shall be constructed, erected, placed or maintained upon the Property, no exterior addition, change or alteration shall be made thereto or therein, including without limitation to any exterior wall or entryway, whether or not part of any Lot or Parcel, which is visible from any other Lot or Parcel or the Common Areas, and no additions to, changes in, or alterations of visible landscaping shall be made, until plans and specifications showing the nature, kind, color, shape, height, materials, location and other physical attributes of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Architectural Committee appointed by the Board which approval shall not unreasonably be denied. The approval rights of the Architectural Committee shall not restrict the right of an owner to develop a parcel to the maximum density permitted under the City of Scottsdale Zoning Ordinance; provided, however, all proposed construction upon any Parcel shall comply with the density requirements of the zoning ordinances applicable to the development of such Parcel. All proposed construction upon any Parcel zoned for commercial use shall be further subject to approval of the Architectural Committee of any entry way, perimeter wall, fence or landscaping for conformity and harmony with neighboring residential areas within Los Portones which approval shall not unreasonably be denied. In the event the Architectural Committee fails to approve or disapprove such proposal at its next regular meeting occurring more than thirty (30) days after proper plans and specifications have been received by it, such approval will not be required, and this paragraph will be deemed to have been fully complied with. Any such addition, change or alteration must also comply with any applicable code of the City of Scottsdale, including the procurement of valid building permits, where required. Any such proposal submitted pursuant to this paragraph shall be delivered to the principal place of business of the Association. Notwithstanding anything contained herein to the contrary, Declarants shall have the right, but not the obligation, to

represent at least one member of the Architectural Committee until all improvements upon all Lots and all commercial Parcels have been completed.

14. Exemption of Declarants from Restrictions. Notwithstanding anything contained in this Declaration to the contrary, none of the restrictions contained in this Declaration shall be construed or deemed to limit or prohibit any act of the Declarants, their employees, agents, and subcontractors, or parties designated by them in connection with any construction, completion, sale or leasing of any portion of Los Portones.

15. Public Dedication. Nothing contained in this Declaration shall be deemed to constitute a dedication for public use or to create any rights in the general public. Nothing contained in this Declaration shall be construed as creating an obligation on the part of the City of Scottsdale or any other governmental authority having jurisdiction over the Property and the Common Areas to maintain, repair or replace any portion of the Property, the Common Areas or the appurtenances thereto.

16. Copy of Declaration to New Members. The Board shall give each new Owner of a Lot or Parcel a copy of this Declaration and any and all amendments hereto within sixty (60) days written notice of the conveyance of a Lot or Parcel to such new Owner. However, the failure of the Board to provide such copy shall not relieve the new Owner from complying with this Declaration nor waive any of the rights, conditions or restrictions stated herein or create any liability on the part of the Association, the Board or their agents.

17. Remedies. In the event that any Owner or the Association shall fail to comply with the provisions of the Constituent Documents or the rules and regulations of the Association, the Association or any Owner shall have each and all of the rights and remedies provided for in the Constituent Documents or said rules and regulations, or which may be available at law or in equity and may prosecute any action or other proceedings against such Owner or the Association for enforcement of such provisions or foreclosure of its lien and the appointment of a receiver for the Lot or Parcel, or damages, or injunctive relief, or specific performance, or judgment for payment of money and collection thereof or to sell the same as hereinafter provided, or any combination of such remedies or any other and further relief which may be available at law or in equity, all without notice and without regard to the value of such Lot or Parcel or the solvency of such Owner. The proceeds of any rental or sale shall first be applied to discharge court costs, other litigation costs, including without limitation reasonable attorneys' fees, and all other expenses of the

proceeding and sale. The remainder of such proceeds shall be applied first to the payment of any unpaid assessments or other charges and the satisfaction of any other damages, and any balance shall be held by the Association for the payment of any future assessments or other charges. Upon the confirmation of the sale, the purchaser of such Lot or Parcel shall be entitled to a deed to the Lot or Parcel and to immediate possession of the Lot or Parcel and may apply to the court for a writ of possession for the purpose of acquiring such possession. The purchaser at any such sale shall take the Lot or Parcel sold subject to this Declaration. All expenses of the Association in connection with any such action or proceeding, including court costs and reasonable attorneys' fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at a rate of four percent (4%) per annum in excess of the prime rate of interest announced by The Valley National Bank of Arizona, as the same may fluctuate on a daily basis from the date incurred, costs and reasonable attorneys' fees, until paid, shall be secured by a lien against the Lot or Parcel of such defaulting Owner as provided in paragraph 26.1 hereof.

In addition to the remedies granted to the Association pursuant to this paragraph 17, in the event that any Owner or the Association shall fail to comply with the provisions of the Constituent Documents or the rules and regulations of the Association, any Owner shall have each and all of the rights and remedies provided for in the Constituent Documents or said rules and regulations or which may be available at law or in equity and may prosecute any action or other proceeding against such Owner or the Association for the enforcement of such provisions, injunctive relief or specific performance.

Notwithstanding any provision of this Declaration to the contrary, any breach of any of the covenants, conditions, restrictions, reservations and servitudes provided for in this Declaration, or any right of reentry by reason thereof, shall not defeat or adversely affect the lien and/or rights of any Mortgagee except as herein expressly provided and each and all of such covenants, conditions, restrictions, reservations and servitudes shall be binding upon and effective against any lessee under any lease or against any Owner of any Lot or Parcel whose title thereto is acquired by foreclosure, trustee's sale, deed in lieu of foreclosure or otherwise.

18. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless sooner revoked in the manner provided herein. The provi-



sions of this Declaration may be changed, modified or amended by an instrument in writing setting forth such change, modification or amendment, signed by Owners holding not less than seventy five percent (75%) of the votes relative to the affairs of the association.

Notwithstanding anything contained herein to the contrary, if this Declaration, the Articles or the Bylaws require the consent or agreement of the Owners holding a specified percentage of the votes relative to the affairs of the association and/or any other persons having any interest in the Property for any such amendment or for any action specified in this Declaration, then any instrument so amending this Declaration or any provision hereof or providing for such action shall be signed by the Owners holding not less than such specified percentage. Any such change, modification or amendment accomplished under any of the provisions of this paragraph 18 shall be effective upon recording of the instrument providing therefor signed and acknowledged as provided herein.

19. Notices. Notices provided for in the Constituent Documents shall be in writing and shall be mailed postage prepaid if to the Association or the Board addressed to the address to which payments of assessments are then sent and if to an Owner addressed to the street address of such Owner's Lot or Parcel. The Association or the Board may designate a different address or addresses to which notices shall be sent from time to time by giving written notice of such change of address to all Owners. Any Owner may also designate a different address to which notices shall be sent by giving written notice of his change of address to the Association. Notices shall be deemed delivered five (5) days after being deposited properly addressed in the United States mail, postage prepaid, or when delivered in person.

Upon written request to the Board, which written request specifies an address to which notices may be sent, any Mortgagee shall be given a copy of all notices permitted or required by this Declaration to be given to the Owner or Owners of the Lot or Parcel subject to the Mortgage held by such Mortgagee.

20. Severability. If any provision of the Constituent Documents or the rules and regulations of the Association, or any section, clause, sentence, phrase or word, or the application thereof in any circumstance, is held invalid by a court of competent jurisdiction, the validity of the remainder of the Constituent Documents or the rules and regulations of the Association, and the application of any such provision, section, sentence, clause, phrase or word in any other circumstances shall not be affected thereby, and the remainder of the Constituent Documents or the rules and regulations, shall remain in full force and effect as if

such invalid part were never included therein, and such invalid part shall be promptly amended as herein provided or reformed by such court so as to implement the intent thereof to the maximum extent permitted by law.

21. Perpetuities and Restraints on Alienation. If any of the easements, privileges, covenants, interests or rights created by this Declaration would otherwise be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue until twenty-one (21) years after the death of the survivor of the now living descendants of the President of the United States, Ronald W. Reagan, or the Governor of Arizona, Bruce E. Babbitt.

22. Rights and Obligations. Each grantee of the Declarants, by the acceptance of a deed of conveyance, each purchaser under any agreement of sale within the meaning of A.R.S. §33-741, by execution of such agreement for sale and each Mortgagee by the acceptance of any instrument conveying any interest in the Property as security for the performance of an obligation, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration. All rights, benefits and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed, shall be deemed and taken to be covenants running with the land and equitable servitudes and shall be binding upon and shall inure to the benefit of any grantee, purchaser or any person having at any time any interest or estate in the Property in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance, purchase contract or other instrument of transfer, and each such grantee shall be entitled to bring, and shall be subject to, an action for the recovery of damages, or for injunctive relief, or both, resulting from any breach of any such provisions.

23. Waiver. Any right or remedy provided for in this Declaration shall not be deemed to have been waived by any act or omission, including without limitation any acceptance of payment or partial performance or any forbearance, except by an instrument in writing specifying such right or remedy and executed by the person against whom enforcement of such waiver is sought.

24. Professional Management Agreement. Any agreement for professional management of the Property and the Common Areas or any contract providing for services to be performed by any of the Declarants for the Association shall provide for termination by the Association with or without cause and without payment of a termination fee or penalty on thirty (30) days written notice, and no such contract or agreement

shall be of a duration in excess of one (1) year, renewable by agreement of the parties for successive one (1) year periods.

25. Common Areas Owned by the Association. Declarant shall convey to the Association fee simple title to Los Portones Drive for the benefit of the Association and the Owner of Lots or Parcels within the boundaries of the Property. There is hereby reserved for the benefit of the Association and the Owners of Lots or Parcels within the boundaries of the Property the Vista Corridor and Channel Easement, the Scenic Corridor Easement, the Miller Road Drainage Easement and the Alameda Road Drainage Easement. Each Parcel Plat for any Parcel affected by the Scenic Corridor Easement shall specifically describe the boundaries of the Scenic Corridor Easement by metes and bounds and shall state the Scenic Corridor Easement is for the benefit of the Association and the Owners of Lots or Parcels within the boundaries of the Property. All Owners shall have the nonexclusive right to use any or all of the Common Areas owned by the Association in accordance with the rules and regulations promulgated by the Association. The Association shall own, operate, manage, maintain, repair, rebuild and restore all of the Common Areas for the benefit of the Association and the benefit of the Lot and Parcel Owners. The Association shall have the authority to charge reasonable fees, lease, convey easements and grant concessions relative to portions of the Common Areas consistent with the overall character and use of the Property. Subject to the approval of Owners holding not less than fifty one percent (51%) of the votes relative to the affairs of the Association, the Association shall be entitled to encumber the Common Areas or any portion thereof for the purpose of securing repayment of a loan or loans to finance the repair, rebuilding and restoration of the Common Areas and the improvements located thereon.

26. Common Area Maintenance Expenses. Each Lot or Parcel shall be subject to an assessment for, and each Owner further agrees to pay a proportionate share of the expenses of the administration and operation of the Common Areas, including by way of illustration, but not of limitation, real property taxes and assessments levied against the Common Areas, premiums for insurance for the Common Areas, the cost of maintenance and repair of the Common Areas, reasonable reserves for contingencies, replacements or other proper purposes, all as determined by the Board (collectively "Common Expenses"). The Association shall maintain a reasonable reserve for taxes and assessments levied against the Common Areas, repair and replacement of the Common Areas and the appurtenances thereto. The basis for computing the proportionate share of the Common Expenses payable by each Owner with respect to each Parcel shall be determined by the decimal equivalent of a fraction, the numerator of which

shall be 5,445 square feet and the denominator of which shall be equal to the total number of square feet of land area contained within the boundaries of the Property, which decimal equivalent is equal to .000933114 and shall hereinafter be referred to as an "Assessment Unit". The dollar equivalent of an Assessment Unit shall be determined by multiplying .000933114 times the total amount of Common Expenses for the current fiscal year. The number of Assessment Units attributable to each Parcel shall be determined by dividing the total number of square feet of land area contained within the boundaries of the Parcel by 5,445 square feet. The proportionate share of the Common Expenses payable with respect to such Parcel is then determined by multiplying the number of Assessment Units attributable to such Parcel times the dollar equivalent for an Assessment Unit as computed hereinabove. In the case of a Parcel which has been subdivided into Lots, the total assessment allocable to such Parcel shall be allocated uniformly among each of the Lots according to a fraction, the numerator of which is one and the denominator of which is equal to the total number of Lots into which such Parcel has been subdivided. If a portion of a Parcel is subdivided during any assessment period and the remainder of the Parcel remains unsubdivided, the Owner of such Parcel may determine the allocation of assessments between subdivided and unsubdivided portions of such Parcel in accordance with the allocation formulas set forth herein.

26.1 Payment of Common Expenses. Payment of the Common Expenses, including any prepayment thereof required by any contract for the sale of a Lot or Parcel, shall be in such amounts, at such times and in such manner as may be provided in the Articles and Bylaws or as determined by the Board. Assessments for the Common Expenses shall commence upon the first day of the first month immediately following the conveyance of the first Parcel to an Owner other than Declarants. If any Owner shall fail or refuse to make any such payment of Common Expenses when due, the Association, in its sole and absolute discretion, may suspend the voting rights and right to the use of Common Areas by an Owner for any period during which any assessment against his Lot or Parcel remains unpaid. If any Owner shall fail or refuse to make any such payment of Common Expenses when due, the amount thereof, together with interest thereon at a rate four percent (4%) per annum in excess of the prime rate of interest as announced by The Valley National Bank of Arizona, as the same may fluctuate on a daily basis, from the due date of such payment, a reasonable late charge not exceeding twenty five percent (25%) of the amount of such payment as determined by the Board, costs and reasonable attorneys' fees, shall constitute a lien on such Owner's Lot or Parcel and on any rents or proceeds therefrom and shall also be the personal obligation of the Owner of the Lot or Parcel at the time the assessment became due provided,

however, that such personal obligation shall not pass to such Owner's successors in title unless assumed by them. Such lien may, but shall not be required to be, evidenced by a notice executed by a member of the Board or any authorized agent of the Board setting forth the amount of the assessment and the legal description of the Lot or Parcel subject to the lien. Such lien shall be subordinate to the lien of a recorded First Mortgage against the applicable Lot or Parcel, acquired in good faith and for value, except for the amount of the unpaid Assessments and other charges which accrue from and after the date on which the First Mortgagee acquires title to or comes into possession of the applicable Lot or Parcel, and any lien for unpaid assessments and other charges prior to such date shall upon such date automatically terminate and be extinguished and such First Mortgagee shall not be liable for such unpaid assessments and other charges, provided, however, that the extinguishment of such lien shall not in any way affect the personal obligation of the Owner of the Lot or Parcel at the time the payment giving rise to such lien became due. Any such assessments that are extinguished pursuant to the foregoing provision shall be reallocated and assessed against all Lots and Parcels as a Common Expense. Any person acquiring an interest in any Lot or Parcel shall, upon giving written notice to the Board, be entitled to a statement from the Association setting forth the amount of unpaid assessments and other charges, if any, and no lien shall attach to such Lot or Parcel in excess of the amount set forth in such statement, except for assessments and other charges which accrue or become due after the date thereof. The lien provided for in this paragraph may be foreclosed by the Association in any manner provided or permitted for the foreclosure of real property mortgages or deeds of trust in the State of Arizona.

26.2 Maximum Assessment for Common Expenses. Until commencement of the first fiscal year of the Association immediately following the conveyance of the first Parcel to an Owner other than Declarants, the maximum monthly payment for such Common Expenses payable by each Owner other than Declarants shall be Fifty Dollars (\$50.00) per Assessment Unit, or if a Parcel has been further subdivided by a Parcel Plat, per Lot. Upon the commencement of the first fiscal year immediately following the conveyance of the first Parcel to an Owner other than Declarants and at the commencement of each and every fiscal year thereafter, the Board shall increase the maximum monthly payment for such Common Area expenses for such fiscal year by twelve percent (12%) of the amount assessed for the immediately preceding year. Notwithstanding anything contained herein to the contrary, from and after the commencement of the first fiscal year immediately following the conveyance of the first Parcel to an Owner other than Declarants, the maximum monthly assessment may be increased above that established

by said twelve percent (12%) increase provided that such increase shall have the assent of sixty seven percent (67%) of each Class of Members who are voting in person or by proxy at a meeting called for such purpose. The provisions of this paragraph 26 shall be deemed to be covenants running with the land and shall be binding upon each Owner and shall inure to the benefit of any person having any interest in the Property.

26.3 Special Assessments. In addition to the annual assessments for Common Expenses, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement in the Common Areas including fixtures and personal property related thereto, provided that any such assessment shall have the assent of Owners holding sixty seven percent (67%) of the votes relative to the affairs of the Association.

26.4 Notice and Quorum For Any Action Authorized Under Paragraph 26.2 and 26.3. Written notice of any meeting called for the purpose of taking any action authorized under paragraphs 26.2 or 26.3 shall be sent to all Owners not less than ten (10) days nor more than fifty (50) days in advance of the meeting. At the first such meeting called, Owners holding sixty percent (60%) of the votes relative to the affairs of the Association shall constitute a quorum. In the event there are not enough Owners present or represented by proxy at the first meeting to constitute a quorum, a subsequent meeting or meetings may be called subject to the same notice requirement, and the required quorum at each subsequent meeting shall be one half (1/2) of the required quorum at the immediately preceding meeting. No subsequent meeting shall be held more than sixty (60) days following the immediately preceding meeting.


27. The Rawhide Declaration and the Los Portones Reciprocal Easement Agreement. It is hereby acknowledged that a portion of the Property has been previously subjected to that certain First Amended and Restated Declaration of Covenants, Conditions and Restrictions (a/k/a "The Rawhide Declaration") dated December 20, 1985 and recorded January 16, 1986, as document number 86-024566 of the records of the County Recorder of Maricopa County, Arizona ("the Rawhide Declaration"), a copy of which is attached hereto as Exhibit "D" and incorporated herein by reference, and that the entire Property has been subjected to that certain Reciprocal Easement Agreement dated January 14, 1986 and recorded January 16, 1986, as document number 86-024575, of the records of the County Recorder of Maricopa County, Arizona ("the Los Portones Reciprocal Easement Agreement"), a copy of which is attached hereto as Exhibit "E" and incorporated herein by reference. This Declaration and all

of the covenants, conditions and restrictions contained herein shall in all respects be subject and inferior to the Los Portones Reciprocal Easement Agreement and the Rawhide Declaration with respect to those portions of the Property encumbered by the Rawhide Declaration, provided, however, it is hereby acknowledged that upon recordation of this Declaration, the maintenance of the roadway, the utilities, the Drainage Channel and the Vista Corridor, as provided in paragraph 5 of the Los Portones Reciprocal Easement Agreement, shall become the obligation of the Association as provided in paragraph 8 of this Declaration and the cost thereof shall become a Common Expense as provided in paragraph 26 of this Declaration and to the extent there is any conflict between any provision of the Los Portones Reciprocal Easement Agreement and any provision of this Declaration that such provision of this Declaration shall supersede and prevail over such conflicting provision in the Los Portones Reciprocal Easement Agreement.

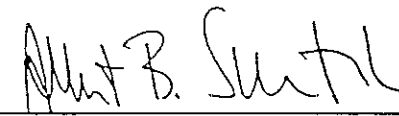
IN WITNESS WHEREOF, the Declarants have executed this instrument as of this 21<sup>st</sup> day of May, 1986.

JOHNES-SPECTOR COMPANY, an Arizona  
general partnership

BY: JOHNES DEVELOPMENT COMPANY,  
an Arizona corporation, Its  
General Partner


By   
Richard L. Johnes  
Its President

BY: SPECTOR DEVELOPMENT CORPORA-  
TION, an Arizona corporation,  
Its General Partner

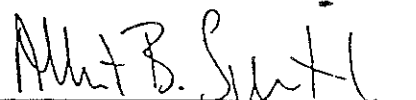
By   
Albert B. Spector, Jr.  
Its President

PINNACLE PEAK & MILLER INVESTMENT LIMITED PARTNERSHIP, an Arizona limited partnership

BY: JOHNES DEVELOPMENT COMPANY, an Arizona corporation, Its General Partner

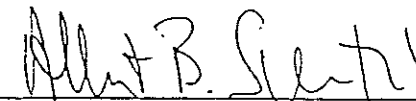
By   
Richard L. Johnes  
Its President

BY: SPECTOR DEVELOPMENT CORPORATION, an Arizona corporation, Its General Partner

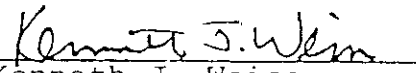
By   
Albert B. Spector, Jr.  
Its President

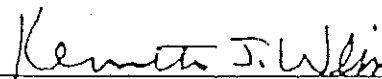
P-W SCOTTSDALE VENTURE, an Arizona Joint Venture

BY: PARK HOMES COMPANY, an Arizona corporation, Its General Partner

By   
Albert B. Spector, Jr.  
Its President

BY: KENNETH J. WEISS CORPORATION, INC., an Arizona corporation, Its General Partner

By   
Kenneth J. Weiss  
Its President

By   
Kenneth J. Weiss, Individually  
Its General Partner




86 264470

PINNACLE PEAK INVESTORS LIMITED  
PARTNERSHIP, an Arizona limited  
partnership

BY: JOHNES-SPECTOR COMPANY, an  
Arizona general partnership,  
Its General Partner

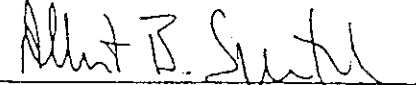
BY: JOHNES DEVELOPMENT  
COMPANY, an Arizona  
corporation, Its  
General Partner

By

  
Richard V. Johnes  
Its President

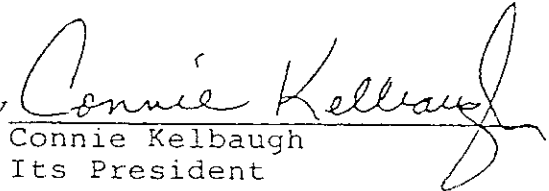
BY: SPECTOR DEVELOPMENT  
CORPORATION, an Arizona  
corporation, Its General  
Partner

By

  
Albert B. Spector, Jr.  
Its President

BY: FIRST FINANCIAL CAPITAL CORP-  
ORATION, an Arizona corpora-  
tion, Its General Partner

By

  
Connie Kelbaugh  
Its President

STATE OF ARIZONA        )  
                                  ) ss.  
County of Maricopa    )

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of May, 1986 by RICHARD L. JOHNES, the President of JOHNES DEVELOPMENT COMPANY, an Arizona corporation, General Partner of JOHNES-SPECTOR COMPANY, an Arizona general partnership, on behalf of such partnership.

Sylvia Jean Pierce-Binette  
Notary Public

My Commission Expires:  
September 10, 1988

STATE OF ARIZONA        )  
                                  ) ss.  
County of Maricopa    )

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of May, 1986 by ALBERT B. SPECTOR, JR., the President of SPECTOR DEVELOPMENT CORPORATION, an Arizona corporation, General Partner of JOHNES-SPECTOR COMPANY, an Arizona general partnership, on behalf of such partnership.

Sylvia Jean Pierce-Binette  
Notary Public

My Commission Expires:  
My Commission Expires Sept. 10, 1988

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of May, 1986 by RICHARD L. JOHNES, the President of JOHNES DEVELOPMENT COMPANY, an Arizona corporation, General Partner of JOHNES-SPECTOR COMPANY, an Arizona general partnership, General Partner of PINNACLE PEAK & MILLER INVESTMENT LIMITED PARTNERSHIP, an Arizona limited partnership, on behalf of such partnership.

Luliva Jean Pierce-Bennett  
Notary Public

My Commission Expires:

My Commission Expires Sept. 10, 1983

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of May, 1986 by ALBERT B. SPECTOR, JR., the President of SPECTOR DEVELOPMENT CORPORATION, an Arizona corporation, General Partner of JOHNES-SPECTOR COMPANY, an Arizona general partnership, General Partner of PINNACLE PEAK & MILLER INVESTMENT LIMITED PARTNERSHIP, an Arizona limited partnership, on behalf of such partnership.

Luliva Jean Pierce-Bennett  
Notary Public

My Commission Expires:

My Commission Expires Sept. 10, 1983

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of May, 1986 by ALBERT B. SPECTOR, JR., the President of PARK HOMES COMPANY, an Arizona corporation, General Partner of P-W SCOTTSDALE VENTURE, an Arizona joint venture, on behalf of such joint venture.

Sylvia Jean Price-Bennett  
Notary Public

My Commission Expires:  
My Commission Expires Sept. 10, 1988

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of May, 1986 by KENNETH J. WEISS, the President of KENNETH J. WEISS CORPORATION, INC., an Arizona corporation, General Partner of P-W SCOTTSDALE VENTURE, an Arizona joint venture, on behalf of such joint venture.

Sylvia Jean Price-Bennett  
Notary Public

My Commission Expires:  
My Commission Expires Sept. 10, 1988

86 264470

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of May, 1986 by KENNETH J. WEISS, individually, General Partner of P-W SCOTTSDALE VENTURE, an Arizona joint venture, on behalf of such joint venture.

Sylvia Jean Price-Bonette  
Notary Public

My Commission Expires:

Sept. 10, 1993

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of May, 1986 by RICHARD L. JOHNES, the President of JOHNES DEVELOPMENT COMPANY, an Arizona corporation, General Partner of JOHNES-SPECTOR COMPANY, an Arizona general partnership, General Partner of PINNACLE PEAK INVESTORS LIMITED PARTNERSHIP, an Arizona limited partnership, on behalf of such partnership.

Sylvia Jean Price-Bonette  
Notary Public

My Commission Expires:

My Commission Expires Sept 10, 1993

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of May, 1986 by ALBERT B. SPECTOR, JR., the President of SPECTOR DEVELOPMENT CORPORATION, an Arizona corporation, General Partner of JOHNES-SPECTOR COMPANY, an Arizona general partnership, General Partner of PINNACLE PEAK INVESTORS LIMITED PARTNERSHIP, an Arizona limited partnership, on behalf of such partnership.

Julia Jean Pierce - Simell  
Notary Public

My Commission Expires:  
My Commission Expires Sept. 10, 1988

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 21 day of May, 1986 by CONNIE KELBAUGH, the President of FIRST FINANCIAL CAPITAL CORPORATION, an Arizona corporation, General Partner of PINNACLE PEAK INVESTORS LIMITED PARTNERSHIP, an Arizona limited partnership, on behalf of such partnership.

Ronda R Beckerley  
Notary Public

My Commission Expires:  
My Commission Expires May 20, 1989



BROOKS, HERSEY & ASSOCIATES, INC.  
ENGINEERS SURVEYORS

86 264470

LEGAL DESCRIPTION  
PARCEL ONE  
LOS PORTONES

That part of the Southwest quarter (SW $\frac{1}{4}$ ) of Section 11, Township 4 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

Commencing at the Southwest corner of said Southwest quarter;  
thence North 00° 01' 07" West along the West line of said Southwest quarter, 1980.79 feet to the TRUE POINT OF BEGINNING;  
thence continuing North 00° 01' 07" West along said West line, 660.00 feet to the Northwest corner of said Southwest quarter;  
thence South 89° 59' 14" East along the North line of said Southwest quarter, 1107.66 feet;  
thence South 00° 01' 02" East, 604.31 feet to a point in a non-tangent curve, concave Southerly, the center of said curve bears South 06° 13' 41" West, 450.00 feet;  
thence Westerly along the arc of said curve through a central angle of 11° 59' 48", 94.22 feet to a point of tangency;  
thence South 84° 13' 53" West along said tangent, 503.63 feet to the beginning of a tangent curve, concave Northerly, said curve having a radius of 1000.00 feet;  
thence Westerly along the arc of said curve through a central angle of 05° 45' 00", 100.36 feet to a point of tangency;  
thence South 89° 58' 53" West along said tangent, 412.32 feet to the TRUE POINT OF BEGINNING.

Except the North 90.00 feet of the West 105.00 feet of said Southwest quarter.





DKS, HERSEY & ASSOCIATES, INC.  
ENGINEERS/SURVEYORS

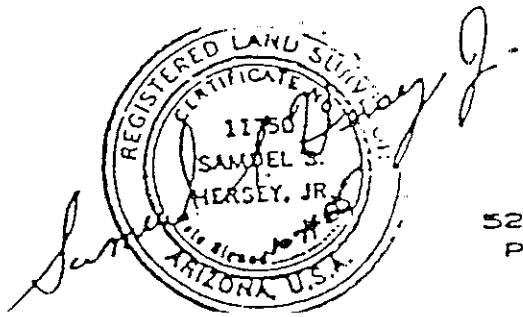
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LEGAL DESCRIPTION

PARCEL NO. 2

That part of the Southwest quarter of Section 11, Township 4 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

- COMMENCING at the Southwest corner of said Southwest quarter;
- thence North 00 degrees 01 minutes 07 seconds West along the West line of said Southwest quarter, 2640.79 feet to the Northwest corner of said Southwest quarter;
- thence South 89 degrees 59 minutes 14 seconds East along the North line of said Southwest quarter, 1107.66 feet to the TRUE POINT OF BEGINNING;
- thence continuing South 89 degrees 59 minutes 14 seconds East along said North line, 1536.16 feet to the Northeast corner of said Southwest quarter;
- thence South 00 degrees 00 minutes 09 seconds West along the East line of said Southwest quarter, 385.00 feet;
- thence South 34 degrees 00 minutes 09 seconds West, 1140.00 feet;
- thence South 21 degrees 45 minutes 09 seconds West, 462.04 feet;
- thence North 58 degrees 31 minutes 07 seconds West, 161.53 feet to the beginning of a tangent curve, concave Northeasterly, said curve having a radius of 450.00 feet;
- thence Northwesterly along the arc of said curve through a central angle of 67 degrees 30 minutes 00 seconds, 530.14 feet to a point of tangency;
- thence North 08 degrees 58 minutes 53 seconds East along said tangent, 100.51 feet to the beginning of a tangent curve, concave Southwesterly, said curve having a radius of 450.00 feet;
- thence Northwesterly along the arc of said curve through a central angle of 92 degrees 45 minutes 12 seconds, 728.48 feet;
- thence North 00 degrees 01 minutes 02 seconds West, 604.31 feet to the TRUE POINT OF BEGINNING;
- EXCEPT the North 103.25 feet of the East 63.25 feet of the West 1414.83 feet of said Southwest quarter.







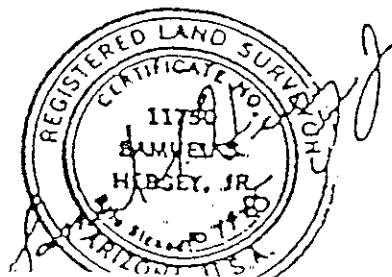
LEGAL DESCRIPTION

PARCEL NO. 3

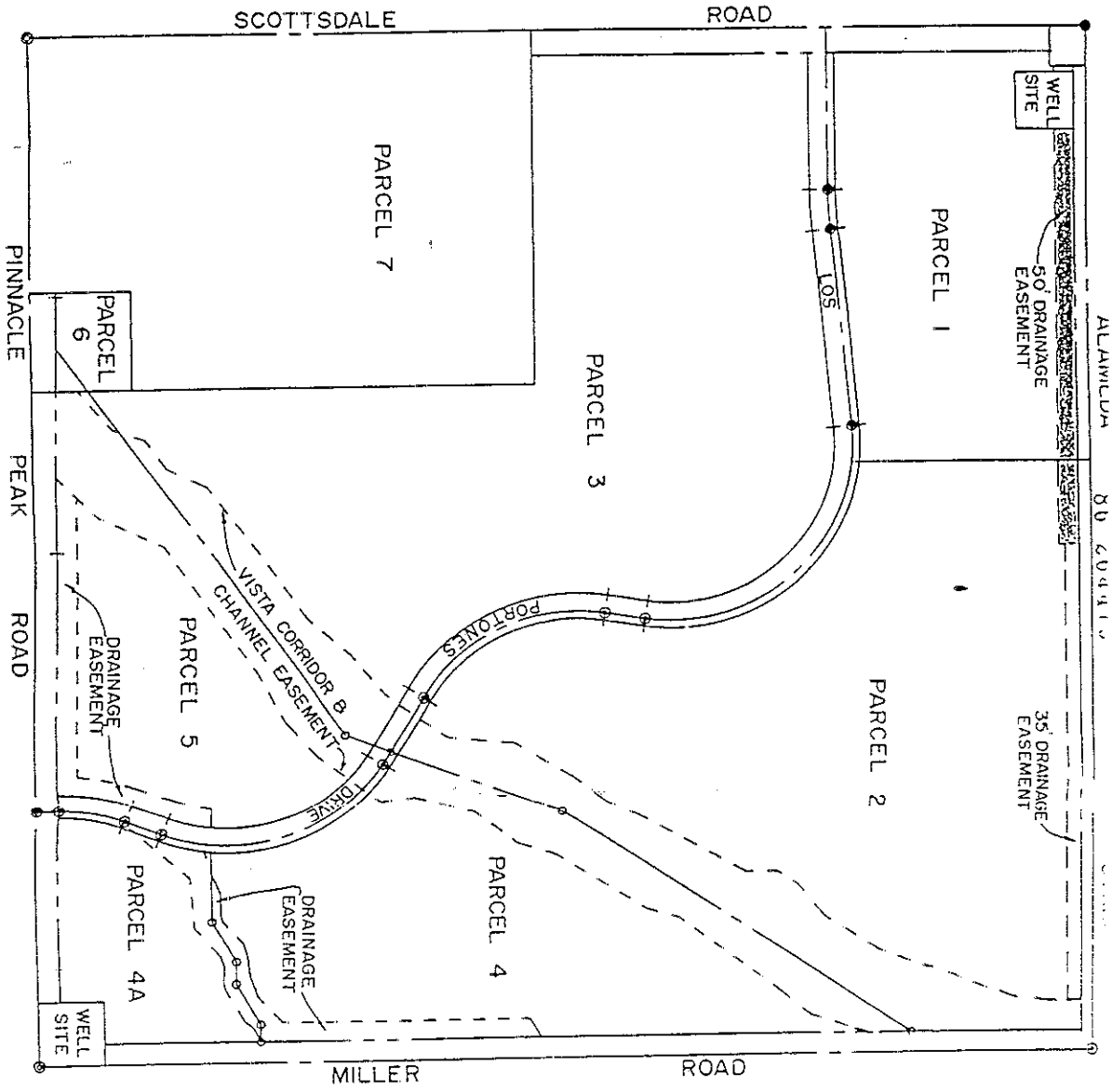
That part of the Southwest quarter of Section 11, Township 4 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Southwest corner of said Southwest quarter;  
thence North 00 degrees 01 minutes 07 seconds West along the West line of said Southwest quarter, 1250.52 feet to the TRUE POINT OF BEGINNING;  
thence South 89 degrees 59 minutes 18 seconds East, 900.03 feet;  
thence South 00 degrees 01 minutes 02 seconds East, 1170.65 feet;  
thence North 54 degrees 47 minutes 28 seconds East, 1087.65 feet;  
thence North 21 degrees 45 minutes 09 seconds East, 122.96 feet;  
thence North 58 degrees 31 minutes 07 seconds West, 161.53 feet to the beginning of a tangent curve, concave Northeasterly, said curve having a radius of 450.00 feet;  
thence Northwesterly along the arc of said curve, through a central angle of 67 degrees 30 minutes 00 seconds, 530.14 feet to a point of tangency;  
thence North 08 degrees 58 minutes 53 seconds East along said tangent, 100.51 feet to the beginning of a tangent curve, concave Southwesterly said curve having a radius of 450.00 feet;  
thence Northwesterly along the arc of said curve through a central angle of 104 degrees 45 minutes 00 seconds, 822.70 feet to a point of tangency;  
thence South 84 degrees 13 minutes 53 seconds West, along said tangent, 503.63 feet to the beginning of a tangent curve, concave Northerly, said curve having a radius of 1000.00 feet;  
thence Westerly along the arc of said curve through a central angle of 05 degrees 45 minutes 00 seconds, 100.36 feet to a point of tangency;  
thence South 89 degrees 58 minutes 53 seconds West along said tangent, 412.32 feet to a point on the West line of said Southwest quarter from which point the Northwest corner of said Southwest quarter bears North 00 degrees 01 minutes 07 seconds West, 660.00 feet;  
thence South 00 degrees 01 minutes 07 seconds East along said West line, 730.27 feet to the TRUE POINT OF BEGINNING.

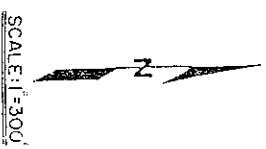
EXHIBIT A  
Page 3 of 5



5246 South 40th Street  
Phoenix, Arizona 85040  
(602) 437-3733



86 264173



LOS PORTONES  
EASEMENT EASERS



**BROOKS, HERSEY & ASSOCIATES, INC.**  
ENGINEERS/SURVEYORS

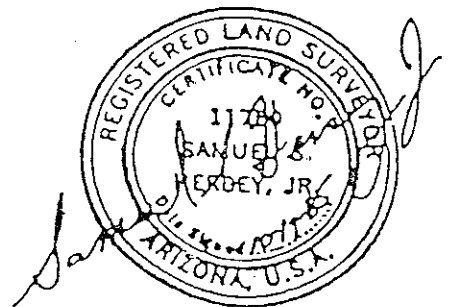
86 264470

LEGAL DESCRIPTION

PARCEL NO. 4

That part of the Southwest quarter of Section 11, Township 4 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Southwest corner of said Southwest quarter;  
 thence South 89 degrees 59 minutes 18 seconds East along the South line of said Southwest quarter, 1982.85 feet to the TRUE POINT OF BEGINNING;  
 thence continuing South 89 degrees 59 minutes 18 seconds East, 411.30 feet;  
 thence North 00 degrees 00 minutes 09 seconds East, 263.70 feet;  
 thence South 89 degrees 59 minutes 18 seconds East, 248.70 feet to the East line of said Southwest quarter;  
 thence North 00 degrees 00 minutes 09 seconds East along the East line of said Southwest quarter, 1992.04 feet;  
 thence South 34 degrees 00 minutes 09 seconds West, 1140.00 feet;  
 thence South 21 degrees 45 minutes 09 seconds West, 462.04 feet;  
 thence South 58 degrees 31 minutes 07 seconds East, 38.46 feet to the beginning of a tangent curve, concave Southwesterly, said curve having a radius of 450.00 feet;  
 thence Southeasterly along the arc of said curve through a central angle of 80 degrees 00 minutes 00 seconds, 628.32 feet to a point of tangency;  
 thence South 21 degrees 28 minutes 55 seconds West, 100.00 feet along said tangent to the beginning of a tangent curve, concave Easterly, said curve having a radius of 450.00 feet;  
 thence Southerly along the arc of said curve through a central angle of 21 degrees 28 minutes 11 seconds, 168.62 feet to a point of tangency;  
 thence South 00 degrees 00 minutes 42 seconds West, 55.00 feet to the TRUE POINT OF BEGINNING.



5246 South 40th Street  
Phoenix, Arizona 85040  
(602) 437-3733

LEGAL DESCRIPTION  
EASEMENT FOR  
VISTA CORRIDOR AND CHANNEL  
ACROSS THE SOUTHWEST QUARTER OF  
SECTION 11, TOWNSHIP 4 NORTH,  
RANGE 4 EAST OF THE GILA AND  
SALT RIVER BASE AND MERIDIAN,  
MARICOPA COUNTY, ARIZONA

86 264470

An irregular strip of land varying in width, but no less than 180.00 feet at its narrowest, running Northeasterly from the Northerly right-of-way line of Pinnacle Peak Road to the right-of-way lines at the Southwest corner of Alameda Road and Miller Road. The boundary of this easement being described as follows:

Commencing at the Southwest corner of said Southwest quarter of Section 11;

thence South 89° 59' 18" East along the South line of said Southwest quarter of Section 11, said South line also being the centerline of Pinnacle Peak Road, a distance of 900.0 feet;

thence North 00° 01' 02" West, departing said South line, a distance of 64.86 feet to a point on the Northerly right-of-way line of Pinnacle Peak Road and being the TRUE POINT OF BEGINNING;

thence North 00° 01' 02" East, 53.59 feet;  
thence North 50° 20' 24" East, 133.50 feet;  
thence North 18° 27' 51" East, 84.40 feet;  
thence North 54° 47' 28" East, 92.00 feet;  
thence North 26° 10' 50" East, 112.77 feet;  
thence North 54° 47' 28" East, 415.00 feet;  
thence North 41° 25' 00" East, 146.99 feet;  
thence North 49° 16' 23" East, 125.80 feet;  
thence North 35° 21' 44" East, 195.49 feet;  
thence North 05° 48' 26" East, 167.44 feet;  
thence North 32° 21' 07" East, 173.97 feet;  
thence North 40° 35' 12" East, 111.75 feet;  
thence North 25° 57' 35" East, 92.91 feet;  
thence North 29° 59' 06" East, 299.74 feet;  
thence North 00° 30' 22" West, 77.67 feet;  
thence North 34° 00' 09" East, 62.00 feet;  
thence North 52° 05' 47" East, 106.25 feet;  
thence North 32° 56' 30" East, 162.03 feet;  
thence North 20° 35' 35" East, 351.50 feet;  
thence North 08° 35' 57" East, 86.99 feet;  
thence North 00° 00' 09" East, 98.00 feet to a point on the Southerly right-of-way line of Alameda Road;

thence South 89° 59' 14" East along said Southerly right-of-way line 58.00 feet to the beginning of a curve concave to the Southwest and having a radius of 15.00 feet;

thence Southeasterly, Southerly along said curve through a central angle of 89° 59' 23" an arc distance of 23.56 feet to a point of tangency on the Westerly right-of-way of Miller Road;

thence South 00° 00' 09" West along said Westerly right-of-way line of Miller Road, 529.67 feet;

thence South 18° 56' 58" West, 152.22 feet;

thence South 39° 23' 31" West, 106.47 feet;

thence South 37° 25' 29" West, 301.54 feet;

thence South 16° 36' 33" West, 86.98 feet;

thence South 32° 56' 16" West, 269.05 feet;

thence South 17° 22' 32" West, 99.39 feet;

thence South 38° 43' 56" West, 136.97 feet;

thence South 15° 49' 16" West, 154.83 feet;

thence South 07° 10' 26" East, 86.83 feet;

thence South 38° 58' 41" West, 208.00 feet;

thence South 49° 56' 50" West, 118.42 feet;

thence South 60° 37' 33" West, 137.71 feet;

thence South 54° 47' 28" West, 394.00 feet;

thence South 25° 40' 30" West, 180.85 feet;

thence South 46° 41' 53" West, 146.46 feet to a point on the Northerly right-of-way line of Pinnacle Peak Road:

thence North 89° 07' 13" West, along said Northerly right-of-way line of Pinnacle Peak Road 221.48 feet to the TRUE POINT OF BEGINNING.

The boundary of said easement encompassing 13.5604 Acres more or less.

86 264470

LEGAL DESCRIPTION  
EASEMENT FOR  
PRIVATE ACCESSWAY, EMERGENCY AND  
SERVICE VEHICLE ACCESS, AND  
PUBLIC UTILITIES ACROSS THE  
SOUTHWEST QUARTER OF SECTION 11,  
TOWNSHIP 4 NORTH, RANGE 4 EAST  
BASE AND MERIDIAN, MARICOPA  
COUNTY, ARIZONA

A strip of land 64.00 feet in width lying 19.00 feet Northerly, Northeasterly and Easterly and 45.00 feet Southerly, Southwesterly and Westerly of the following described line:

Commencing at the Northwest corner of said Southwest quarter of Section 11;

thence South  $00^{\circ} 01' 07''$  East, along the West line of said Southwest quarter of Section 11, said West line also being the centerline of Scottsdale Road, a distance of 660.00 feet to the TRUE POINT OF BEGINNING;

thence departing said West line North  $89^{\circ} 58' 53''$  East, 412.32 feet to the beginning of a curve concave to the North and having a radius of 1000.00 feet;

thence Easterly along said curve through a central angle of  $05^{\circ} 45' 00''$  an arc distance of 100.36 feet;

thence North  $84^{\circ} 13' 53''$  East, 503.63 feet to the beginning of a curve concave to the Southwest and having a radius of 450.00 feet;

thence Easterly, Southeasterly, Southerly along said curve through a central angle of  $104^{\circ} 45' 00''$  an arc distance of 822.70 feet;

thence South  $08^{\circ} 58' 53''$  West, 100.51 feet to the beginning of a curve concave to the Northeast and having a radius of 450.00 feet;

thence Southerly, Southeasterly along said curve through a central angle of  $67^{\circ} 30' 00''$  an arc distance of 530.14 feet;

thence South  $58^{\circ} 31' 07''$  East, 199.99 feet to the beginning of a curve concave to the West and having a radius of 450.00 feet;

thence Southeasterly, Southerly along said curve through a central angle of  $80^{\circ} 00' 00''$  an arc distance of 628.32 feet;

thence South  $21^{\circ} 28' 53''$  West, 100.00 feet to the beginning of a curve concave to the East and having a radius of 450.00 feet;

thence Southerly along said curve through a central angle of  $21^{\circ} 28' 11''$  an arc distance of 168.62 feet;

86 264470

thence South  $00^{\circ} 00' 42''$  West, 55.00 feet to the point of terminus on the South line of said Southwest quarter of Section 11, said South line also being the centerline of Pinnacle Peak Road.

The side lines of said 64 foot easement to be extended or shortened to meet at angle points and to begin at the Easterly right-of-way line of Scottsdale Road and to terminate at the Northerly right-of-way line of Pinnacle Peak Road.



86 264470

JOKS, HERSEY & ASSOCIATES, INC.  
ENGINEERS/SURVEYORS

Job No. 206-04-IM-05  
April 21, 1986  
M.J.O'N.

LEGAL DESCRIPTION  
LOS PORTONES  
DRAINAGE EASEMENT  
THRU PARCELS 1 & 2

An easement for drainage purposes over that portion of the Southwest one-quarter (SW 1/4) of Section 11, Township 4 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

The South 50 feet of the North 80 feet of the West 1323.02 feet of the said Southwest one-quarter (SW 1/4).

Except the West 105 feet thereof. And except the East 148 feet of the West 263 feet thereof.

The herein described Parcel contains 53,501 square feet, 1.23 acres more or less.

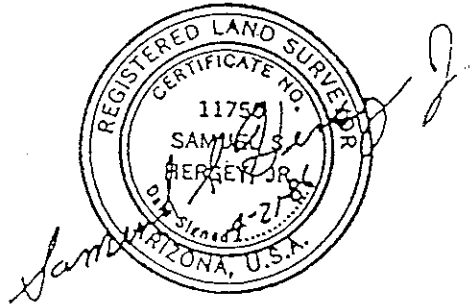


EXHIBIT C





OXS, HERSEY & ASSOCIATES, INC.  
ENGINEERS/SURVEYORS

86 264470

Job No. 206-04-IM-05  
April 21, 1986  
M. J. O.

LEGAL DESCRIPTION  
LOS PORTONES  
DRAINAGE EASEMENT  
THRU PARCEL 2

An easement for drainage purposes over that portion of the Southwest one-quarter (SW 1/4) of Section 11, Township 4 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

The South 35 feet of the North 65 feet of the East 1320 feet of the said Southwest one-quarter (SW 1/4).

Except the East 128.00 feet thereof.

The herein described easement contains 41,720 square feet, 0.96 acres more or less.

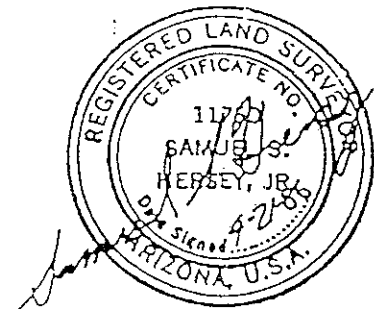
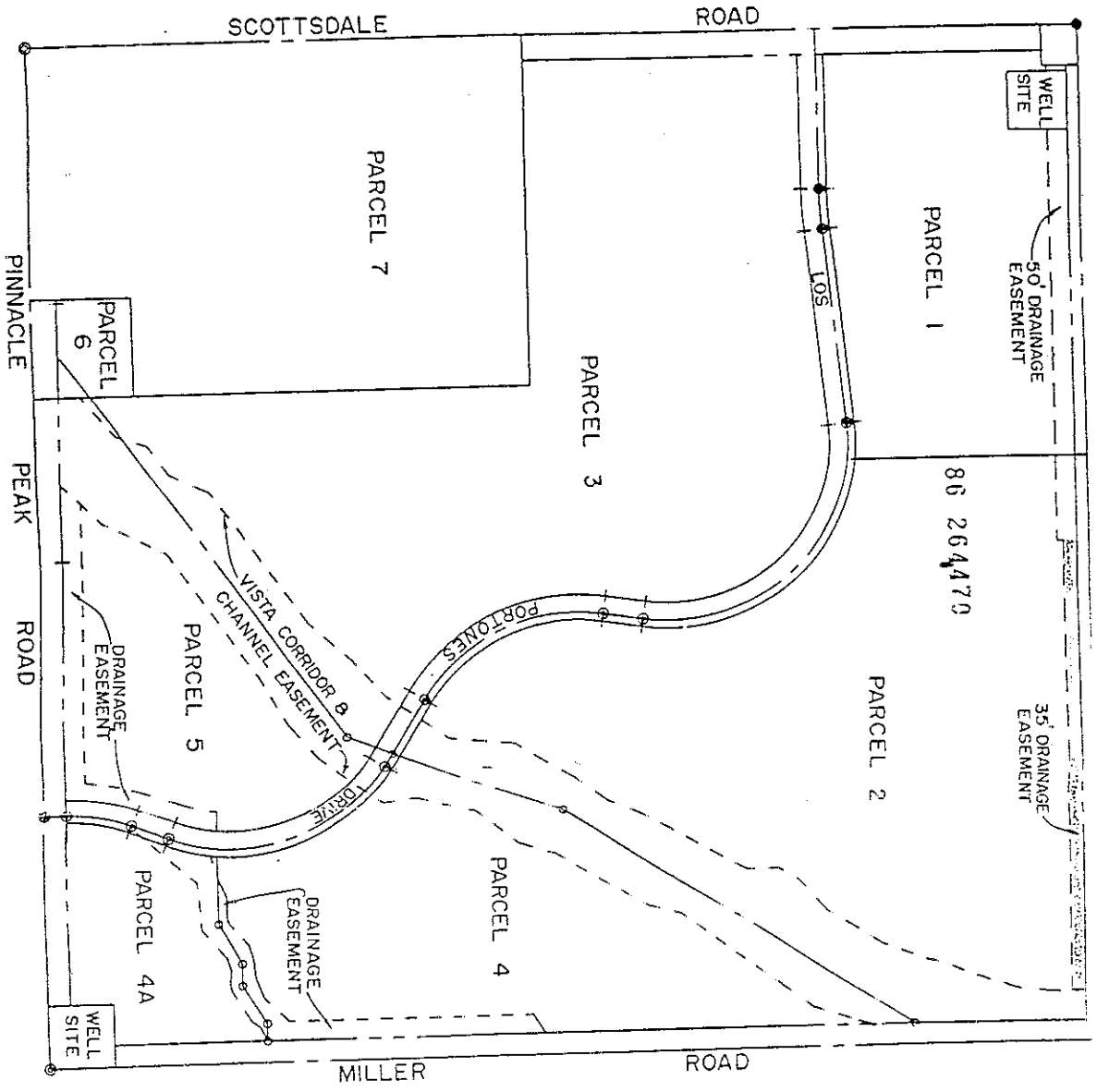
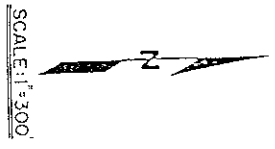


EXHIBIT "C"

5246 South 40th Street  
Phoenix Arizona 85040  
(602) 437-3733



86 264470



LOS PORTONES  
EASEMENT - ADJUT



JOKS, HERSEY & ASSOCIATES, INC.  
ENGINEERS/SURVEYORS

86 264470

Job No. 206-04-IM-05  
April 21, 1986  
M. J. O'N.

LEGAL DESCRIPTION  
LOS PORTONES  
DRAINAGE EASEMENT  
THRU PARCELS 4 & 4A

An easement for drainage purposes over that portion of the Southwest one-quarter (SW 1/4) of Section 11, Township 4 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

Commencing at the South one-quarter corner of said Section 11;

thence North 00° 00' 09" East, along the East Line of said Southwest one-quarter (SW 1/4), 552.00 feet;

thence North 89° 59' 51" West, 55.00 feet to THE POINT OF BEGINNING said point being on the West right-of-way line of Miller Road;

thence North 00° 00' 09" East, along the said West right-of-way line, 700.00 feet;

thence leaving said right-of-way line, South 60° 00' 09" West, 57.74 feet;

thence South 00° 00' 09" West, 50 feet Westerly from and parallel with said West right-of-way line, 617.07 feet;

thence South 46° 48' 34" West, 89.05 feet;

thence South 70° 07' 29" West, 56.89 feet;

thence South 84° 05' 56" West, 36.69 feet;

thence South 78° 30' 07" West, 15.82 feet;

thence South 73° 08' 02" West, 30.81 feet;

thence South 48° 20' 06" West, 76.58 feet;

thence South 75° 00' 04" West, 13.46 feet;

thence South 89° 29' 33" West, 57.98 feet;

thence South 69° 51' 58" West, 31.95 feet;

thence South 65° 13' 38" West, 14.32 feet;

thence South 73° 04' 30" West, 72.90 feet to the

beginning of a non-tangent curve concave Westerly having a radius of 469.00 feet and a radial bearing of North 82° 32' 26" West;

thence Southerly along said curve through a central angle of 24° 06' 58", an arc distance of 197.40 feet;

thence North 42° 14' 19" East, 201.14 feet;

thence North 85° 59' 51" East, 130.84 feet;

thence North 49° 03' 58" East, 96.86 feet;

thence North 71° 18' 36" East, 30.59 feet;

thence South 86° 29' 20" East, 39.57 feet;

thence North 75° 00' 04" East, 16.05 feet;

thence North 59° 23' 49" East, 95.01 feet;

thence North 38° 11' 55" East, 26.93 feet;

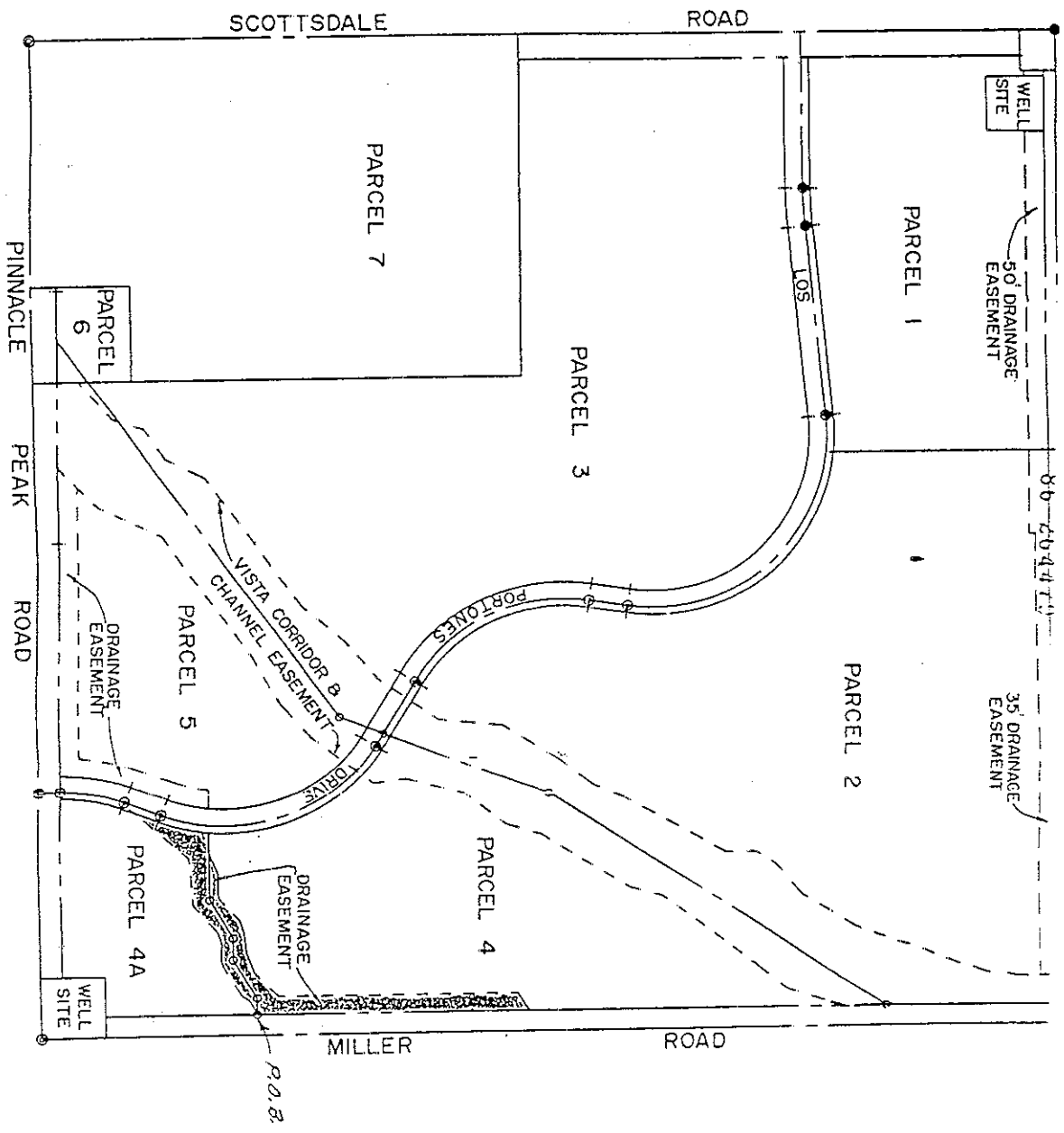
thence North 63° 40' 23" East, 39.05 feet to THE POINT

OF BEGINNING.

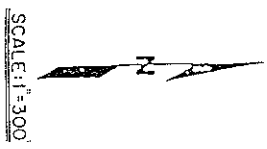
The herein described easement contains 70.089



5246 South 40th Street  
Phoenix, Arizona 85040



86 204475



LOS FORBONES  
EASEMENT EXHIBIT



JKS, HERSEY & ASSOCIATES, INC.  
ENGINEERS/SURVEYORS

86 264470

Job No. 206-04-IM-08  
November 4, 1985  
J.S.

LEGAL DESCRIPTION  
LOS PORTONES  
DRAINAGE EASEMENT  
TRRU PARCEL 5

An easement for drainage purposes over that portion of the South one-half (S½) of Section 11, Township 4 North, Range 4 East, G & SRB & M in Maricopa County, Arizona described as follows:

Commencing at the Southwest (SW) corner of said Section 11;  
thence South 89° 59' 18" East, 1320.00 feet;  
thence North 00° 00' 42" East, 55.00 feet to the TRUE

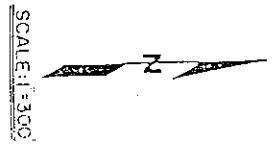
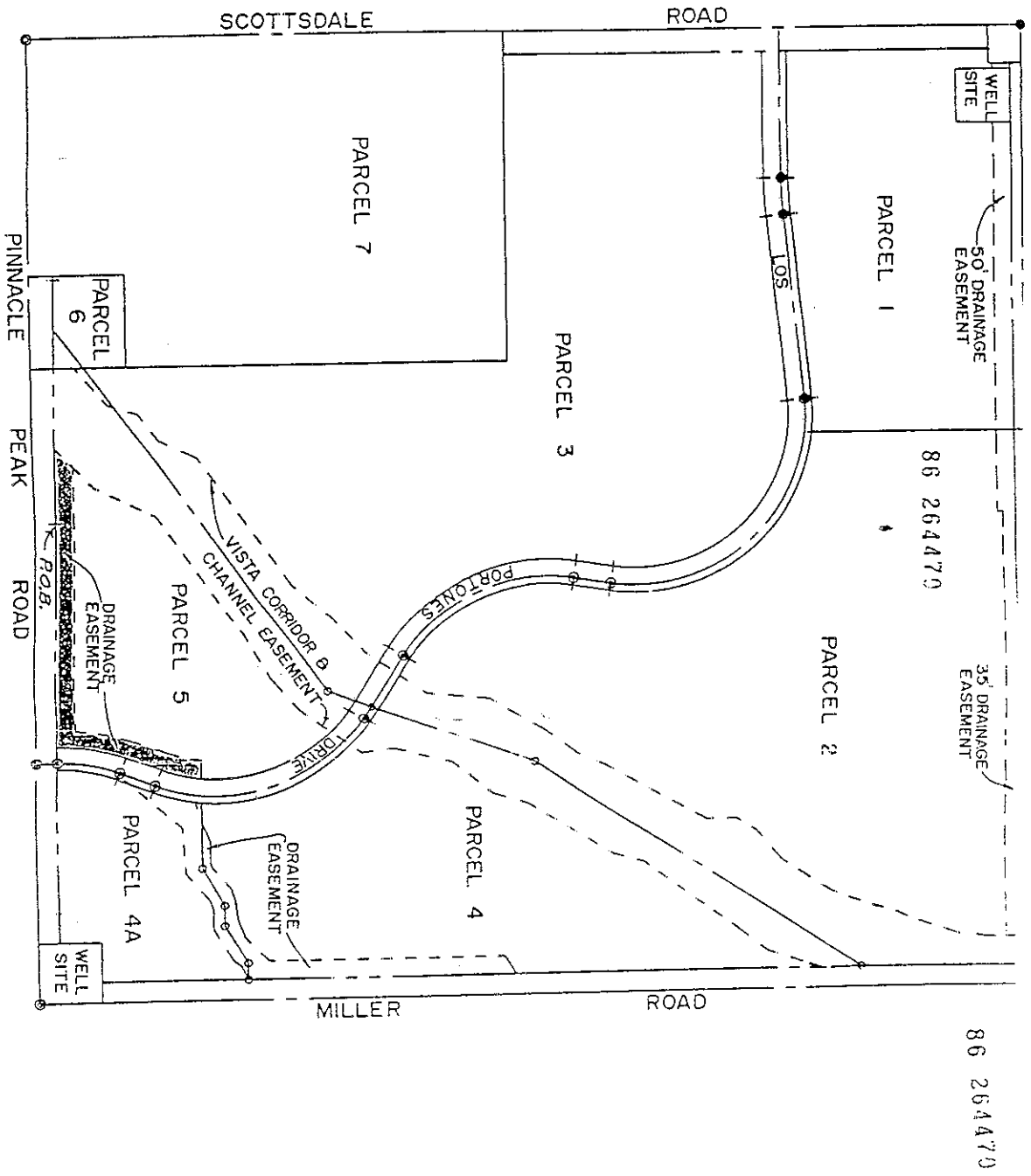
POINT OF BEGINNING;

thence North 89° 07' 13" West, 198.60 feet;  
thence North 46° 41' 53" East, 71.73 feet;  
thence South 89° 07' 13" East, 146.40 feet;  
thence South 89° 59' 18" East, 570.15 feet to the inter-  
section of a non-tangent curve concave to the East having  
a radial bearing of South 84° 43' 28" East and a radius of  
545.00 feet;  
thence Northerly along said curve through a central angle  
of 16° 12' 21" an arc distance of 154.15 feet to the point of  
tangency;  
thence North 21° 28' 53" East, 100.00 feet to the begin-  
ning of a curve concave to the West, having a radius of 355.00  
feet;  
thence Northerly along said curve through a central angle  
of 14° 15' 18", an arc distance of 88.32 feet;  
thence on a non-tangent line South 89° 59' 51" East, 50.35  
feet to the intersection of a non-tangent curve concave to the  
West having a radial bearing of North 83° 40' 10" West and a  
radius of 405.00 feet;  
thence Southerly along said curve through a central angle  
of 15° 09' 03", an arc distance of 107.09 feet to the point of  
tangency;  
thence South 21° 28' 53" West, 100.00 feet to the begin-  
ning of a curve concave to the East having a radius of 495.00  
feet;  
thence Southerly along said curve through a central angle of  
21° 28' 11" an arc distance of 185.49 feet;  
thence on an extension of a radial line of the previously  
described curve North 89° 59' 18" West, 617.85 feet to the TRUE  
POINT OF BEGINNING.

The herein described easement contains, 1.3013 acres, more or  
less.



5246 South 40th Street  
Phoenix, Arizona 85040  
(602) 437-3733



LOS PORTONES  
EASEMENT

114

When Recorded Return To:  
John M. Randolph, Esq.  
Mohr, Hockett, Pederson,  
Blakley, Randolph & Haga, P.C.  
3807 North 7th Street  
Phoenix, Arizona 85014

RECORDED IN OFFICIAL RECORDS		
OF MARICOPA COUNTY, ARIZONA		
SEP 19 1986 -4 99		
KEITH POLETIS, County Recorder		
FEE	2600 PGS 15	PD
1		

MOD PSIR (DF)

FIRST AMENDMENT TO MASTER DECLARATION **86 509894**  
 OF  
 COVENANTS, CONDITIONS AND RESTRICTIONS  
 FOR LOS PORTONES

DATED: September 16, 1986

RECITALS:

WHEREAS, Johnes-Spector Company, an Arizona general partnership, P-W Scottsdale Venture, an Arizona joint venture, Pinnacle Peak & Miller Investment Limited Partnership, an Arizona limited partnership, and Pinnacle Peak Investors Limited Partnership, an Arizona limited partnership (hereinafter collectively referred to as "Declarants") have heretofore subdivided that certain real property described on Exhibit "A" attached hereto and incorporated herein by reference ("the property") and in connection therewith has subjected the property to a master declaration of covenants, conditions and restrictions recorded May 29, 1986 at Document Number 86-264470 of the records of the County Recorder of Maricopa County, Arizona ("the master declaration"); and

WHEREAS, Declarant, as owner holding more than seventy five percent (75%) of the votes relative to the affairs of the association, desires to amend said master declaration;

NOW, THEREFORE, in consideration of the foregoing and the covenants, conditions and restrictions hereinafter contained, the master declaration is amended as follows:

1. All terms contained herein shall have the same meaning as such terms have for purposes of the master declaration and all definitions contained in the master declaration are expressly incorporated herein by reference.

2. The first page of the legal description entitled "Los Portones Drainage Easement Thru Parcels 4 & 4A" contained in Exhibit "C" to the master declaration is hereby deleted in its entirety and the first page of said legal description attached hereto as Exhibit "B" and incorporated herein by reference is substituted in lieu thereof.

86 500894

3. All of the provisions of this amendment shall be deemed to be covenants running with the land and equitable servitudes and shall be binding upon and shall inure to the benefit of any grantee, purchaser or any other person having at a time any interest or estate in the property which is subject to the master declaration.

4. Except as amended hereby, the master declaration shall remain unmodified and in full force and effect. In the event of any conflict between any provision of the master declaration and any provision or provisions of this agreement, the provisions of this amendment shall be deemed to supercede such conflicting provision of the master declaration.

IN WITNESS WHEREOF, the Declarants have executed this instrument as of this 16th day of September, 1986.

JOHNES-SPECTOR COMPANY, an Arizona general partnership

BY: JOHNES DEVELOPMENT COMPANY, an Arizona corporation, Its General Partner

By [Signature]  
Richard L. Johnes  
Its President

BY: SPECTOR DEVELOPMENT CORPORATION, an Arizona corporation, Its General Partner

By [Signature]  
Albert B. Spector, Jr.  
Its President

PINNACLE PEAK & MILLER INVESTMENT LIMITED PARTNERSHIP, an Arizona limited partnership

BY: JOHNES DEVELOPMENT COMPANY, an Arizona corporation, Its General Partner

By [Signature]  
Richard L. Johnes  
Its President



86 509894

BY: SPECTOR DEVELOPMENT CORPORATION, an Arizona corporation,  
Its General Partner

By Albert B. Spector, Jr.  
Albert B. Spector, Jr.  
Its President

P-W SCOTTSDALE VENTURE, an Arizona  
Joint Venture

BY: PARK HOMES COMPANY, an Arizona  
corporation, Its General  
Partner

By Albert B. Spector, Jr.  
Albert B. Spector, Jr.  
Its President

BY: KENNETH J. WEISS CORPORATION,  
INC., an Arizona corporation,  
Its General Partner

By Kenneth J. Weiss  
Kenneth J. Weiss  
Its President


By Kenneth J. Weiss  
Kenneth J. Weiss, Individually  
Its General Partner

86 509891

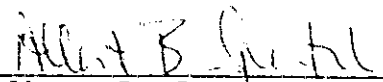
PINNACLE PEAK INVESTORS LIMITED  
PARTNERSHIP, an Arizona limited  
partnership

BY: JOHNES-SPECTOR COMPANY, an  
Arizona general partnership,  
Its General Partner

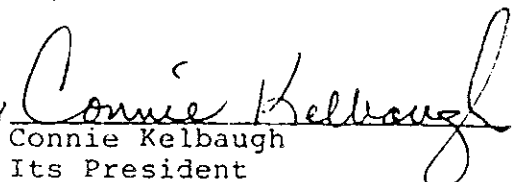
BY: JOHNES DEVELOPMENT  
COMPANY, an Arizona  
corporation, Its  
General Partner

By   
Richard L. Johnes  
Its President

~~BY:~~ SPECTOR DEVELOPMENT  
CORPORATION, an Arizona  
corporation, Its General  
Partner

By   
Albert B. Spector, Jr.  
Its President

BY: FIRST FINANCIAL CAPITAL CORP-  
ORATION, an Arizona corpora-  
tion, Its General Partner

By   
Connie Kelbaugh  
Its President

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of February, 1986 by RICHARD L. JOHNES, the President of JOHNES DEVELOPMENT COMPANY, an Arizona corporation, General Partner of JOHNES-SPECTOR COMPANY, an Arizona general partnership, on behalf of such partnership.

Delores Ann Paine Runkle  
Notary Public

My Commission Expires:  
\_\_\_\_\_

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of February, 1986 by ALBERT B. SPECTOR, JR., the President of SPECTOR DEVELOPMENT CORPORATION, an Arizona corporation, General Partner of JOHNES-SPECTOR COMPANY, an Arizona general partnership, on behalf of such partnership.

Delores Ann Paine Runkle  
Notary Public

My Commission Expires:  
\_\_\_\_\_

STATE OF ARIZONA )  
County of Maricopa )

) ss.

86 509894

The foregoing instrument was acknowledged before me this 12<sup>th</sup> day of January, 1986 by RICHARD L. JOHNES, the President of JOHNES DEVELOPMENT COMPANY, an Arizona corporation, General Partner of JOHNES-SPECTOR COMPANY, an Arizona general partnership, General Partner of PINNACLE PEAK & MILLER INVESTMENT LIMITED PARTNERSHIP, an Arizona limited partnership, on behalf of such partnership.

Richard L. Johnes  
Notary Public

My Commission Expires:

STATE OF ARIZONA )  
County of Maricopa )

) ss.

The foregoing instrument was acknowledged before me this 12<sup>th</sup> day of January, 1986 by ALBERT B. SPECTOR, JR., the President of SPECTOR DEVELOPMENT CORPORATION, an Arizona corporation, General Partner of JOHNES-SPECTOR COMPANY, an Arizona general partnership, General Partner of PINNACLE PEAK & MILLER INVESTMENT LIMITED PARTNERSHIP, an Arizona limited partnership, on behalf of such partnership.

Albert B. Spector, Jr.  
Notary Public

My Commission Expires:

86 509894

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 21st day of September, 1986 by ALBERT B. SPECTOR, JR., the President of PARK HOMES COMPANY, an Arizona corporation, General Partner of P-W SCOTTSDALE VENTURE, an Arizona joint venture, on behalf of such joint venture.

William L. ...  
Notary Public

My Commission Expires:  
Sept. 10, 1989

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 21st day of September, 1986 by KENNETH J. WEISS, the President of KENNETH J. WEISS CORPORATION, INC., an Arizona corporation, General Partner of P-W SCOTTSDALE VENTURE, an Arizona joint venture, on behalf of such joint venture.

William L. ...  
Notary Public

My Commission Expires:  
Sept. 10, 1989

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 12th day of September 1986 by KENNETH J. WEISS, individually, General Partner of P-W SCOTTSDALE VENTURE, an Arizona joint venture, on behalf of such joint venture.

[Signature]  
Notary Public

My Commission Expires:  
My Commission Expires Sept. 10, 1991

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 12th day of September 1986 by RICHARD L. JOHNES, the President of JOHNES DEVELOPMENT COMPANY, an Arizona corporation, General Partner of JOHNES-SPECTOR COMPANY, an Arizona general partnership, General Partner of PINNACLE PEAK INVESTORS LIMITED PARTNERSHIP, an Arizona limited partnership, on behalf of such partnership.

[Signature]  
Notary Public

My Commission Expires:  
My Commission Expires Sept. 10, 1991

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 12<sup>th</sup> day of October, 1986 by ALBERT B. SPECTOR, JR., the President of SPECTOR DEVELOPMENT CORPORATION, an Arizona corporation, General Partner of JOHNES-SPECTOR COMPANY, an Arizona general partnership, General Partner of PINNACLE PEAK INVESTORS LIMITED PARTNERSHIP, an Arizona limited partnership, on behalf of such partnership.

Albert B. Spector - Jr.  
Notary Public

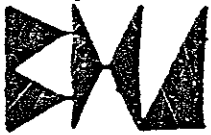
My Commission Expires:  
Sept. 10, 1988

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 16<sup>th</sup> day of Sept., 1986 by CONNIE KELBAUGH, the President of FIRST FINANCIAL CAPITAL CORPORATION, an Arizona corporation, General Partner of PINNACLE PEAK INVESTORS LIMITED PARTNERSHIP, an Arizona limited partnership, on behalf of such partnership.

Connie K. Kelbaugh  
Notary Public

My Commission Expires:  
April 2, 1989



**BROOKS, HERSEY & ASSOCIATES, INC.**  
ENGINEERS SURVEYORS

86 509894

**LEGAL DESCRIPTION  
PARCEL ONE-  
LOS FORTONES**

That part of the Southwest quarter (SW<sub>1</sub>) of Section 11, Township 4 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

Commencing at the Southwest corner of said Southwest quarter;  
thence North 00° 01' 07" West along the West line of said Southwest quarter, 1980.79 feet to the TRUE POINT OF BEGINNING;  
thence continuing North 00° 01' 07" West along said West line, 660.00 feet to the Northwest corner of said Southwest quarter;  
thence South 89° 59' 14" East along the North line of said Southwest quarter, 1107.66 feet;  
thence South 00° 01' 02" East, 604.31 feet to a point in a non-tangent curve, concave Southerly, the center of said curve bears South 06° 13' 41" West, 450.00 feet;  
thence Westerly along the arc of said curve through a central angle of 11° 59' 48", 94.22 feet to a point of tangency;  
thence South 84° 13' 53" West along said tangent, 503.63 feet to the beginning of a tangent curve, concave Northerly, said curve having a radius of 1000.00 feet;  
thence Westerly along the arc of said curve through a central angle of 05° 45' 00", 100.36 feet to a point of tangency;  
thence South 85° 58' 53" West along said tangent, 412.32 feet to the TRUE POINT OF BEGINNING.

Except the North 90.00 feet of the West 105.00 feet of said Southwest quarter.





LEGAL DESCRIPTION

PARCEL NO. 2

That part of the Southwest quarter of Section 11, Township 4 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Southwest corner of said Southwest quarter;  
thence North 00 degrees 01 minutes 07 seconds West along the West line of said Southwest quarter, 2640.79 feet to the Northwest corner of said Southwest quarter;  
thence South 89 degrees 59 minutes 14 seconds East along the North line of said Southwest quarter, 1107.66 feet to the TRUE POINT OF BEGINNING;  
thence continuing South 89 degrees 59 minutes 14 seconds East along said North line, 1536.16 feet to the Northeast corner of said Southwest quarter;  
thence South 00 degrees 00 minutes 09 seconds West along the East line of said Southwest quarter, 385.00 feet;  
thence South 34 degrees 00 minutes 09 seconds West, 1140.00 feet;  
thence South 21 degrees 45 minutes 09 seconds West, 462.04 feet;  
thence North 58 degrees 31 minutes 07 seconds West, 161.53 feet to the beginning of a tangent curve, concave Northeasterly, said curve having a radius of 450.00 feet;  
thence Northwesterly along the arc of said curve through a central angle of 67 degrees 30 minutes 00 seconds, 530.14 feet to a point of tangency;  
thence North 08 degrees 58 minutes 53 seconds East along said tangent, 100.51 feet to the beginning of a tangent curve, concave Southwesterly, said curve having a radius of 450.00 feet;  
thence Northwesterly along the arc of said curve through a central angle of 92 degrees 45 minutes 12 seconds, 728.48 feet;  
thence North 00 degrees 01 minutes 02 seconds West, 604.31 feet to the TRUE POINT OF BEGINNING;  
EXCEPT the North 103.25 feet of the East 63.25 feet of the West 1414.83 feet of said Southwest quarter.



LEGAL DESCRIPTION

PARCEL NO. 3

That part of the Southwest quarter of Section 11, Township 4 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Southwest corner of said Southwest quarter; thence North 00 degrees 01 minutes 07 seconds West along the West line of said Southwest quarter, 1250.52 feet to the TRUE POINT OF BEGINNING;

thence South 89 degrees 59 minutes 18 seconds East, 900.03 feet; thence South 00 degrees 01 minutes 02 seconds East, 1110.65 feet; thence North 54 degrees 47 minutes 28 seconds East, 1087.65 feet; thence North 21 degrees 45 minutes 09 seconds East, 122.96 feet; thence North 58 degrees 31 minutes 07 seconds West, 161.53 feet to the beginning of a tangent curve, concave Northeasterly, said curve having a radius of 450.00 feet;

thence Northwesterly along the arc of said curve, through a central angle of 67 degrees 30 minutes 00 seconds, 530.14 feet to a point of tangency;

thence North 08 degrees 58 minutes 53 seconds East along said tangent, 100.51 feet to the beginning of a tangent curve, concave Southwesterly said curve having a radius of 450.00 feet;

thence Northwesterly along the arc of said curve through a central angle of 104 degrees 45 minutes 00 seconds, 822.70 feet to a point of tangency;

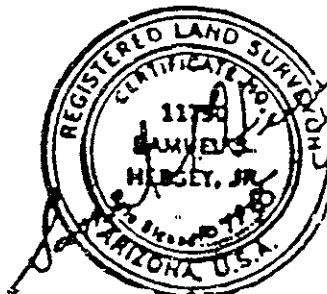
thence South 84 degrees 13 minutes 53 seconds West, along said tangent, 503.63 feet to the beginning of a tangent curve, concave Northerly, said curve having a radius of 1000.00 feet;

thence Westerly along the arc of said curve through a central angle of 65 degrees 45 minutes 00 seconds, 100.36 feet to a point of tangency;

thence South 89 degrees 58 minutes 53 seconds West along said tangent, 412.32 feet to a point on the West line of said Southwest quarter from which point the Northwest corner of said Southwest quarter bears North 00 degrees 01 minutes 07 seconds West, 660.00 feet;

thence South 00 degrees 01 minutes 07 seconds East along said West line, 730.27 feet to the TRUE POINT OF BEGINNING.

EXHIBIT A  
Page 3 of 5



5246 South 40th Street  
Phoenix Arizona 85040  
(602) 437-3733

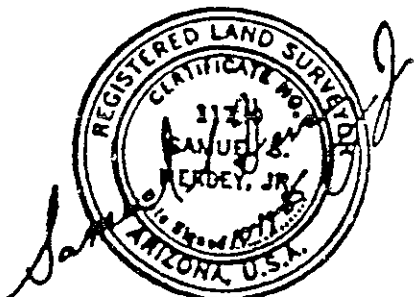
86 509894

LEGAL DESCRIPTION

PARCEL NO. 4

That part of the Southwest quarter of Section 11, Township 4 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Southwest corner of said Southwest quarter;  
thence South 89 degrees 59 minutes 18 seconds East along the South line of said Southwest quarter, 1982.85 feet to the TRUE POINT OF BEGINNING;  
thence continuing South 89 degrees 59 minutes 18 seconds East, 411.30 feet;  
thence North 00 degrees 00 minutes 09 seconds East, 263.70 feet;  
thence South 89 degrees 59 minutes 18 seconds East, 248.70 feet to the East line of said Southwest quarter;  
thence North 00 degrees 00 minutes 09 seconds East along the East line of said Southwest quarter, 1992.04 feet;  
thence South 34 degrees 00 minutes 09 seconds West, 1140.00 feet;  
thence South 21 degrees 45 minutes 09 seconds West, 462.04 feet;  
thence South 58 degrees 31 minutes 07 seconds East, 38.46 feet to the beginning of a tangent curve, concave Southwesterly, said curve having a radius of 450.00 feet;  
thence Southeasterly along the arc of said curve through a central angle of 80 degrees 00 minutes 00 seconds, 628.32 feet to a point of tangency;  
thence South 21 degrees 28 minutes 55 seconds West, 100.00 feet along said tangent to the beginning of a tangent curve, concave Easterly, said curve having a radius of 450.00 feet;  
thence Southerly along the arc of said curve through a central angle of 21 degrees 28 minutes 11 seconds, 168.62 feet to a point of tangency;  
thence South 00 degrees 00 minutes 42 seconds West, 55.00 feet to the TRUE POINT OF BEGINNING.



5246 South 40th Street  
Phoenix, Arizona 85040  
(602) 437-3733

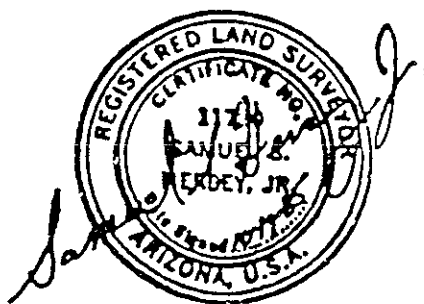
86 509894

LEGAL DESCRIPTION

PARCEL NO. 4

That part of the Southwest quarter of Section 11, Township 4 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Southwest corner of said Southwest quarter;  
thence South 89 degrees 59 minutes 18 seconds East along the South line of said Southwest quarter, 1982.85 feet to the TRUE POINT OF BEGINNING;  
thence continuing South 89 degrees 59 minutes 18 seconds East, 411.30 feet;  
thence North 00 degrees 00 minutes 09 seconds East, 263.70 feet;  
thence South 89 degrees 59 minutes 18 seconds East, 248.70 feet to the East line of said Southwest quarter;  
thence North 00 degrees 00 minutes 09 seconds East along the East line of said Southwest quarter, 1992.04 feet;  
thence South 34 degrees 00 minutes 09 seconds West, 1140.00 feet;  
thence South 21 degrees 45 minutes 09 seconds West, 462.04 feet;  
thence South 58 degrees 31 minutes 07 seconds East, 38.46 feet to the beginning of a tangent curve, concave Southwesterly, said curve having a radius of 450.00 feet;  
thence Southeasterly along the arc of said curve through a central angle of 80 degrees 00 minutes 00 seconds, 628.32 feet to a point of tangency;  
thence South 21 degrees 28 minutes 55 seconds West, 100.00 feet along said tangent to the beginning of a tangent curve, concave Easterly, said curve having a radius of 450.00 feet;  
thence Southerly along the arc of said curve through a central angle of 21 degrees 28 minutes 11 seconds, 168.62 feet to a point of tangency;  
thence South 00 degrees 00 minutes 42 seconds West, 55.00 feet to the TRUE POINT OF BEGINNING.



5246 South 40th Street  
Phoenix, Arizona 85040  
(602) 437-3733



BROOKS, HERSEY & ASSOCIATES, INC.  
ENGINEERS/SURVEYORS

86 50989

LEGAL DESCRIPTION  
PARCEL FIVE  
LOS PORTONES

That part of the Southwest one-quarter (SW 1) of Section 11, T4N, R4E, of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

Commencing at the Southwest corner of said Southwest quarter (SW1);  
thence along the South line of the said Section 11 South 89° 59' 18" East, 900.00 feet to the TRUE POINT OF BEGINNING;  
thence North 00° 01' 02" West, 139.87 feet;  
thence North 54° 47' 28" East, 1087.64 feet;  
thence North 21° 45' 09" East, 122.96 feet;  
thence South 58° 31' 07" East, 38.46 feet to the beginning of a tangent curve, concave Southwesterly, said curve having a radius of 450.00 feet;  
thence Southeasterly along the arc of said curve through a central angle of 80° 00' 00" a distance of 628.32 feet to a point of tangency;  
thence South 21° 28' 53" West, 100.00 feet to the beginning of a tangent curve, concave to the East, said curve having a radius of 450.00 feet;  
thence Southwesterly along the arc of said curve, through a central angle of 21° 28' 11", a distance of 168.62 feet to a point of tangency;  
thence south 00° 00' 42" West, 55.00 feet to a point on the South line of said Section 11;  
thence along said South line North 89° 59' 18" West, 1,082.85 feet to the TRUE POINT OF BEGINNING.



EXHIBIT A  
Page 5 of 5

6246 South 40th Street



**BROOKS, HERSEY & ASSOCIATES, INC.**  
ENGINEERS & SURVEYORS

Job No. 206-09-FP-04  
Sept. 2., 1986  
M.J.O'N.

86 509894

LEGAL DESCRIPTION  
LOS PORTONES  
DRAINAGE EASEMENT  
THRU PARCELS 4 & 4A

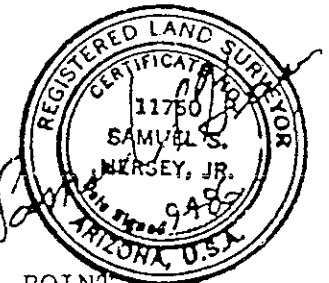
An easement for drainage purposes over that portion of the Southwest one-quarter (SW  $\frac{1}{4}$ ) of Section 11, Township 4 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

Commencing at the South one-quarter corner of said Section 11;

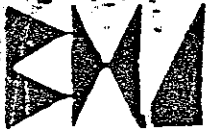
- thence North 00° 00' 09" East, along the East line of said Southwest one-quarter (SW  $\frac{1}{4}$ ), 552.00 feet;
- thence North 89° 59' 51" West, 55.00 feet to THE POINT OF BEGINNING said point being on the West right-of-way line of Miller Road;
- thence North 00° 00' 09" East, along the said West right-of-way line, 700.00 feet;
- thence leaving said right-of-way line, South 60° 00' 09" West 44.74 feet;
- thence South 03° 52' 15" West, 166.88 feet;
- thence South 00° 00' 09" West, 50 feet Westerly from and parallel with said West right-of-way line, 457.07 feet;
- thence South 46° 48' 34" West, 89.05 feet;
- thence South 70° 07' 29" West, 56.89 feet;
- thence South 84° 05' 56" West, 36.69 feet;
- thence South 78° 30' 07" West, 15.82 feet;
- thence South 73° 08' 02" West, 30.81 feet;
- thence South 48° 20' 06" West, 76.58 feet;
- thence South 75° 00' 04" West, 13.46 feet;
- thence South 89° 29' 33" West, 57.98 feet;
- thence South 69° 51' 58" West, 31.95 feet;
- thence South 65° 13' 38" West, 14.32 feet;
- thence South 73° 04' 30" West, 72.90 feet to the beginning of a non-tangent curve concave Westerly having a radius of 469.00 feet and a radial bearing of North 82° 32' 26" West;
- thence Southerly along said curve through a central angle of 24° 16' 58", an arc distance of 197.40 feet;
- thence North 42° 14' 19" East, 201.14 feet;
- thence North 85° 59' 51" East, 130.84 feet;
- thence North 49° 03' 58" East, 96.86 feet;
- thence North 71° 18' 36" East, 30.59 feet;
- thence South 86° 29' 20" East, 39.57 feet;
- thence North 75° 00' 04" East, 16.05 feet;
- thence North 59° 23' 49" East, 95.01 feet;
- thence North 38° 11' 55" East, 26.93 feet;
- thence North 63° 40' 23" East, 39.05 feet to THE POINT

OF BEGINNING.

The herein described easement contains 69,188 square feet, 1.59 acres more or less.



5246 South 40th Street,  
Phoenix, Arizona 85040  
**EX-111** 602-137-3733



**BROOKS, HERSEY & ASSOCIATES, INC.**  
ENGINEERS/SURVEYORS

86 509891

**LEGAL DESCRIPTION  
PARCEL FIVE  
LOS PORTONES**

That part of the Southwest one-quarter (SW 1) of Section 11, T4N, R4E, of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

Commencing at the Southwest corner of said Southwest quarter (SW1);  
thence along the South line of the said Section 11 South 89° 59' 18" East, 900.00 feet to the TRUE POINT OF BEGINNING;  
thence North 00° 01' 02" West, 139.87 feet;  
thence North 54° 47' 28" East, 1087.64 feet;  
thence North 21° 45' 09" East, 122.96 feet;  
thence South 58° 31' 07" East, 38.46 feet to the beginning of a tangent curve, concave Southwesterly, said curve having a radius of 450.00 feet;  
thence Southeasterly along the arc of said curve through a central angle of 80° 00' 00" a distance of 628.32 feet to a point of tangency;  
thence South 21° 28' 53" West, 100.00 feet to the beginning of a tangent curve, concave to the East, said curve having a radius of 450.00 feet;  
- thence Southwesterly along the arc of said curve, through a central angle of 21° 28' 11", a distance of 168.62 feet to a point of tangency;  
thence south 00° 00' 42" West, 55.00 feet to a point on the South line of said Section 11;  
thence along said South line North 89° 59' 18" West, 1,082.85 feet to the TRUE POINT OF BEGINNING.



EXHIBIT A  
Page 5 of 5

5246 South 40th Street



**BROOKS, HERSEY & ASSOCIATES, INC.**  
ENGINEERS & SURVEYORS

Job No. 206-09-FP-04  
Sept. 2., 1986  
M. J. O'N.

86 50989.1

LEGAL DESCRIPTION  
LOS PORTONES  
DRAINAGE EASEMENT  
THRU PARCELS 4 & 4A

An easement for drainage purposes over that portion of the Southwest one-quarter (SW  $\frac{1}{4}$ ) of Section 11, Township 4 North, Range 4 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

Commencing at the South one-quarter corner of said Section 11;

thence North 00° 00' 09" East, along the East line of said Southwest one-quarter (SW  $\frac{1}{4}$ ), 552.00 feet;

thence North 89° 59' 51" West, 55.00 feet to THE POINT OF BEGINNING said point being on the West right-of-way line of Miller Road;

thence North 00° 00' 09" East, along the said West right-of-way line, 700.00 feet;

thence leaving said right-of-way line, South 60° 00' 09" West 44.74 feet;

thence South 03° 52' 15" West, 166.88 feet;

thence South 00° 00' 09" West, 50 feet Westerly from and parallel with said West right-of-way line, 457.07 feet;

thence South 46° 48' 34" West, 89.05 feet;

thence South 70° 07' 29" West, 56.89 feet;

thence South 84° 05' 56" West, 36.69 feet;

thence South 78° 30' 07" West, 15.82 feet;

thence South 73° 08' 02" West, 30.81 feet;

thence South 48° 20' 06" West, 76.58 feet;

thence South 75° 00' 04" West, 13.46 feet;

thence South 89° 29' 33" West, 57.98 feet;

thence South 69° 51' 58" West, 31.95 feet;

thence South 65° 13' 38" West, 14.32 feet;

thence South 73° 04' 30" West, 72.90 feet to the

beginning of a non-tangent curve concave Westerly, having a radius of 469.00 feet and a radial bearing of North 82° 32' 26" West;

thence Southerly along said curve through a central angle of 24° 06' 58", an arc distance of 197.40 feet;

thence North 42° 14' 19" East, 201.14 feet;

thence North 85° 59' 51" East, 130.84 feet;

thence North 49° 03' 58" East, 96.86 feet;

thence North 71° 18' 36" East, 30.59 feet;

thence South 86° 29' 20" East, 39.57 feet;

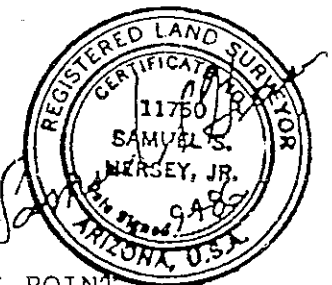
thence North 75° 00' 04" East, 16.05 feet;

thence North 59° 23' 49" East, 95.01 feet;

thence North 38° 11' 55" East, 26.93 feet;

thence North 63° 40' 23" East, 39.05 feet to THE POINT

OF BEGINNING.



The herein described easement contains 69,188 square feet, 1.59 acres more or less.

5245 South 40th Street  
Phoenix, Arizona 85040  
**EX-111** 15021177-9738



3300 North Central Ave.  
Suite 2400  
Phoenix, Arizona 85012

Telephone: (602) 264-8800  
Facsimile: (602) 264-8853

Direct  
Telephone: 0

March 27, 1992

Ms. Laura Ziff  
Associated Asset Management  
1300 East Missouri  
Suite E-100  
Phoenix, Arizona 85014

*Conelly*

Re: Los Portones

Dear Ms. Ziff:

Enclosed please find the Second Amendment to the Los Portones Master Declaration which has been executed on behalf of Standard Chartered Bank.

If I can be of any further assistance, please do not hesitate to call.

Very truly yours,

*Liz Elwell*

Liz Elwell  
Assistant Vice President

SECOND AMENDMENT TO THE MASTER  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
LOS PORTONES

THIS Second Amendment of the Master Declaration of Covenants, Conditions, Restrictions for Los Portones (hereinafter termed the "Declaration") is made pursuant to Paragraph 18 of the Master Declaration of Covenants, Conditions, and Restrictions on the date hereinafter set forth by the Property Owners ("Property Owners") constituting no less than seventy-five percent (75%) of the votes, as described on the attached Exhibits "A" and "B", relative to the affairs of the Association.

R E C I T A L S:

WHEREAS, there is attached as Exhibit "A", a listing of the Property Owners owning in fee all of the properties within Los Portones. Such Exhibit describes the location within Los Portones, the number of acres or lots, and the number of votes entitled to be cast;

WHEREAS, the Property Owners of the Real Property, as described on Exhibit "B" attached hereto and by reference made a part hereof, constitute no less than seventy-five (75%) of the votes relative to the affairs of the Association;

WHEREAS, Johnes-Spector Company, an Arizona general partnership; P-W Scottsdale Venture, an Arizona joint venture; Pinnacle Peak & Miller Investment Limited Partnership, an Arizona limited partnership; and Pinnacle Peak Investors Limited Partnership, an Arizona limited partnership, as Declarant ("Declarant") caused to be recorded the Master Declaration of Covenants, Conditions, and Restrictions for Los Portones (the "Master Declaration") in official records of Maricopa County, Arizona, May 29, 1986 as Document 86-264470; and the First Amendment (the "First Amendment") to Master Declaration of Covenants, Conditions and Restrictions for Los Portones as recorded in the official records of Maricopa County, Arizona, September 19, 1986 as Document 86-509894;

WHEREAS, the Property Owners wish to amend certain parts of the Master Declaration and the First Amendment by this Second Amendment to the Master Declaration of Covenants, Conditions, Restrictions (hereinafter collectively called "Covenants") hereinafter set forth; and

NOW, THEREFORE, in consideration of the foregoing and the Covenants, Conditions and Restrictions hereinafter contained, the Master Declaration and the First Amendment are amended as follows:

A. All terms contained herein shall have the same meaning as such terms have for purposes of the Master Declaration, as amended, and all definitions contained in the Master Declaration, as amended, are expressly incorporated herein by reference.

B. Paragraph 1.9 "Improvement" should be deleted in its entirety and replaced by the following:

1.9 "Improvement" means the buildings, roads, driveways, parking areas, fences, walls, hedges, plantings, planted trees, shrubs and all other structures or landscaping improvements of every kind and nature whatsoever and berms, levees and other drainage and erosion control devices."

C. Paragraph 8 "Maintenance, Repairs and Replacements, Right of Access", the word "improvements" shall be changed to read "Improvements".

D. Paragraph 9 "Alterations, Additions or Improvements" the word "improvements" shall be changed to read "Improvements".

E. Paragraph 10 "Encroachment Easement", the word "improvements" shall be changed to read "Improvements".

F. Paragraph 11 "Purchase of Lot or Parcel by Association" is deleted in its entirety.

G. Paragraph 26.1 "Common Area Maintenance Expenses" states that an Assessment Unit is equivalent to .0009933114. This percent equated to 133.96 acres. An Assessment Unit shall be changed to be equivalent to .0011086475, and is based on 113.18 acres.

H. Paragraph 26.2 "Maximum Assessment for Common Expenses" shall be deleted in its entirety and replaced by the following:

26.2 "Maximum Annual Assessment For Common Expenses". Until January 1, 1994, the maximum assessment shall be Two Dollars and 50/100 (\$2.50) per Assessment Unit per month.

1. From and after January 1, 1994, the Maximum Annual Assessment per Assessment Unit shall be increased effective January 1 of each year without a vote of the Membership in conformance with the rise, if any, of the Consumer Price Index as hereinafter defined. The Maximum Annual Assessment for each such period shall be computed by reference to the statistics published in the Monthly Labor Review by the United States Department of Labor, Bureau of Labor Statistics, designated "Consumer Price Index--U.S. City Average for Urban Wage Earners and Clerical Workers, 1967 Equals 100, All Items", hereinafter called "Consumer Price Index". For purposes of identification, the Consumer Price Index for June 1980 was 247.8. If the Bureau of Labor Statistics shall change the method of determining the Consumer Price Index, the formula for determining the Maximum Annual Assessment shall be altered or amended, if possible, so as to continue the base period and base figure, but in the event it shall be impossible to do so, or in the event the Bureau of Labor Statistics shall cease to publish the said statistical information and such information is not available from any other source, public or private, then and in any such events a new formula for determining the Maximum Annual Assessment shall be adopted by the Board.

2. From and after January 1, 1994, the Maximum Annual Assessment per Assessment Unit may be increased above the amount set forth in Paragraph 1 above by a vote of two-thirds (2/3) of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose.
3. The Board of Directors may fix the Annual Assessment at an amount not in excess of the maximum.

I. Paragraph 26.3 "Special Assessments" shall be deleted in its entirety and replaced by the following:

26.3 "Special Assessments". In addition to the Annual Assessments authorized above, the Association may levy, in any Assessment Period, one or more Special Assessments applicable to that period only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of improvements upon the Common Areas, including fixtures and personal property related thereto, any

- 017252

unanticipated expenses of the Association or any shortfall in the Association funds.

J. Paragraph 18 "Amendment" shall be deleted in its entirety and replaced by the following:

18. "Amendment". The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless sooner revoked in the manner provided herein. The provisions of this Declaration may be changed, modified or amended by an instrument in writing setting forth such change, modification or amendment, signed by Owners holding not less than seventy-five percent (75%) of the votes relative to the affairs of the Association; provided, however, that any such change, modification or amendment having a non-uniform affect on one or more, but less than all Owners, shall require an instrument in writing setting forth such non-uniform change, modification or amendment, signed by Owners holding not less than one hundred percent (100%) of the votes relative to the affairs of the Association. As used in this paragraph, a non-uniform change, modification or amendment would be such a change, modification or amendment having a financial impact or imposing obligations or liabilities on an Owner with respect to a Lot or Parcel disproportionate to the proportionate share of Common Expenses payable by such affected Owner with respect to such Lot or Parcel in accordance with this Declaration.

K. All of the provisions of this Amendment shall be deemed to be covenants running with the land and equitable servitudes and shall be binding upon and shall inure to the benefit of any grantee, purchaser, or any other person having at a time any interest or estate in the property which is subject to the Declaration.

L. Except as amended hereby, the Declaration shall remain unmodified and in full force and effect. In the event of any conflict between any provision of the Declaration and any provision or provisions of this Second Amendment, the provisions of this Second Amendment shall be deemed to supercede such conflicting provision of the Declaration.

IN WITNESS WHEREOF, the Property Owners have executed this instrument as of the 7th day of January, 1992.

PROPERTY OWNERS:

DEL WEBB'S COVENTRY HOMES  
CONSTRUCTION CO.

By: Joseph Cantale

DMB PINNACLE PEAK LIMITED  
PARTNERSHIP

by DMB its general partner

By: Michael A. O'Neil - its exec. v.p.

FIRST STAR METROPOLITAN BANK AND  
TRUST

By: James Kane

H G S CORPORATION

By: Gregory D. Stanford

STANDARD CHARTERED BANK

By: [Signature]

BEST ASSET MANAGEMENT SERVICES,  
IN ITS CAPACITY AS ASSET  
MANAGEMENT CONTRACTOR FOR THE  
RESOLUTION TRUST CORPORATION, AS  
RECEIVER FOR SECURITY SAVINGS &  
LOAN ASSOCIATION, an Arizona  
corporation

By: [Signature]

STATE OF ARIZONA )  
                          ) ss.  
County of Maricopa )

On this 11th day of January, 1992, before me, the undersigned Notary Public, personally appeared Joseph Contadino, who acknowledged himself to be the President of Del Webb's Coventry Homes Construction Co., and that he as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, by himself as President

[Signature]  
Notary Public

My Commission Expires:

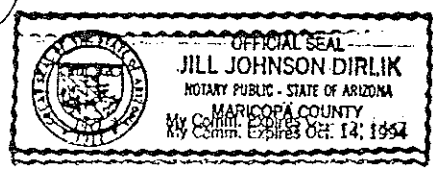


STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

On this 23<sup>rd</sup> day of January, 1992, before me, the undersigned Notary Public, personally appeared Michael Dabell, who acknowledged himself to be the Exec. V. P. of DMB Pinnacle Peak Ltd. Partnership, and that he, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, by himself as Exec. V. P.

Jill Johnson Dirlak  
Notary Public

My Commission Expires:  
Oct. 14, 1994



STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

On this 23 day of January, 1992, before me, the undersigned Notary Public, personally appeared James Kane, who acknowledged himself to be the Vice President of First Star Metropolitan Bank & Trust, and that he, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, by himself as \_\_\_\_\_

Betty Tompkins  
Notary Public

My Commission Expires:  
5-31-94



STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

On this 24<sup>th</sup> day of January, 1992, before me, the undersigned Notary Public, personally appeared Gregory Dean Stanford, who acknowledged himself to be the Secretary of H-G-S Corporation, and that he as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, by himself as \_\_\_\_\_.

Kelly Tompkins  
Notary Public

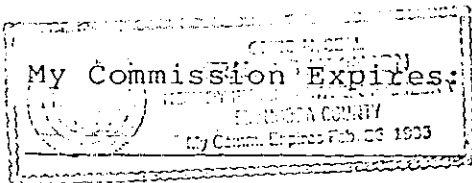
My Commission Expires:

5-31-94

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

On this 23 day of January, 1992, before me, the undersigned Notary Public, personally appeared M. A. Shields, who acknowledged himself to be the Authorized Rep. of Standard Chartered Bank, and that he as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, by himself as Authorized Rep.

Frances Atkinson  
Notary Public



STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

On this 23<sup>rd</sup> day of January, 1992, before me, the undersigned Notary Public, personally appeared Sandra Barnett, who acknowledged himself to be the Dir. Of Operations of Best Asset Management Services, in its capacity as Asset Management Contractor for the Resolution Trust Corporation, as Receiver for Security Savings & Loan Association, an Arizona corporation, and that he as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, by himself as

[Signature]  
Notary Public

My Commission Expires:

Dec. 4, 1994

EXHIBIT "A"

PROPERTY INCLUDED IN LOS PORTONES  
 MASTER ASSOCIATION  
 AS OF JANUARY 1, 1992

~~Under the terms of the Declaration of Covenants, Conditions and Restrictions, the Board of Directors of the Master Association shall have the authority to hire a professional firm to perform the duties of a property manager.~~  
~~Best Asset Management Service~~

Calculation of Votes:				Number	Total
Management Contractor for the (S.F. Divided by 5,445 S.F.)				of Votes	Votes
Reported for Security Savings					
Unsubdivided Parcels					
DHB Pinnacle Peak Limited Partnership	484,823 s.f.	(A)	89		
Pinnacle Pinnacle Peak Investments Ltd. Partnership	175,111 s.f.	(A)	32		
Best Asset Management Services	1,168,973 s.f. x 3	(B)	642		
First Star Metropolitan Bank & Trust	601,564 s.f. x 3	(B)	330		1,093

Subdivided Parcel - No. 2

(Talara)

Del Webb's Coventry Homes Construction Co.	Subdivided Lots	(A)	104		104
--	-----------------	-----	-----	--	-----

Subdivided Parcel - No. 3

(Pinnacle Peak Village)

HGS Corporation	Subdivided Lots	(A)	40		
Individual Homeowners	Subdivided Lots	(A)	19		59

Subdivided Parcel - No. 4

(Los Portones Parcel 4)

Standard Chartered Bank	Subdivided Lots (95 x 3)	(B)	285		
Individual Homeowners	Subdivided Lots	(A)	8		293

TOTAL VOTES ELIGIBLE TO BE CAST: 1,549  
=====

REQUIRED VOTES TO EFFECT CHANGE (75%): 1,162  
=====

EXHIBIT "B"

PROPERTY OWNERS EXECUTING  
SECOND AMENDMENT TO THE  
MASTER DECLARATION OF CC&R'S

	Calculation of Votes (S.F. Divided by 5,445 S.F.)	Class	Number of Votes
<b>Unsubdivided Parcels</b>			
DMB Pinnacle Peak Limited Partnership	484,823 s.f.	(A)	89
Best Asset Management Services	1,166,973 s.f. x 3	(B)	642
First Star Metropolitan Bank & Trust	601,564 s.f. x 3	(B)	330
<b>Subdivided Parcel - No. 2</b>			
(Talara)			
Del Webb's Coventry Homes Construction Co.	Subdivided Lots	(A)	104
<b>Subdivided Parcel - No. 3</b>			
(Pinnacle Peak Village)			
HGS Corporation	Subdivided Lots	(A)	40
<b>Subdivided Parcel - No. 4</b>			
(Los Portones Parcel 4)			
Standard Chartered Bank	Subdivided Lots (95 x 3)	(B)	285
TOTAL VOTES CAST:			1,490 =====
REQUIRED VOTES TO EFFECT CHANGE (75% x 1,549 votes)			1,162 =====

**SECOND AMENDMENT TO THE MASTER  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
LOS PORTONES**

THIS Second Amendment of the Master Declaration of Covenants, Conditions, Restrictions for Los Portones (hereinafter termed the "Declaration") is made pursuant to Paragraph 18 of the Master Declaration of Covenants, Conditions, and Restrictions on the date hereinafter set forth by the Property Owners ("Property Owners") constituting no less than seventy-five percent (75%) of the votes, as described on the attached Exhibits "A" and "B", relative to the affairs of the Association.

**R E C I T A L S :**

WHEREAS, there is attached as Exhibit "A", a listing of the Property Owners owning in fee all of the properties within Los Portones. Such Exhibit describes the location within Los Portones, the number of acres or lots, and the number of votes entitled to be cast;

WHEREAS, the Property Owners of the Real Property, as described on Exhibit "B" attached hereto and by reference made a part hereof, constitute no less than seventy-five (75%) of the votes relative to the affairs of the Association;

WHEREAS, Johnes-Spector Company, an Arizona general partnership; P-W Scottsdale Venture, an Arizona joint venture; Pinnacle Peak & Miller- Investment Limited Partnership, an Arizona limited partnership; and Pinnacle Peak Investors Limited Partnership, an Arizona limited partnership, as Declarant ("Declarant") caused to be recorded the Master Declaration of Covenants, Conditions, and Restrictions for Los Portones (the "Master Declaration") in official records of Maricopa County, Arizona, May 29, 1986 as Document 86-264470; and the First Amendment (the "First Amendment") to Master Declaration of Covenants, Conditions and Restrictions for Los Portones as recorded in the official records of Maricopa County, Arizona, September 19, 1986 as Document 86-509894;

WHEREAS, the Property Owners wish to amend certain parts of the Master Declaration and the First Amendment by this Second Amendment to the Master Declaration of Covenants, Conditions, Restrictions (hereinafter collectively called "Covenants") hereinafter set forth; and

NOW, THEREFORE, in consideration of the foregoing and the Covenants, Conditions and Restrictions hereinafter contained, the Master Declaration and the First Amendment are amended as follows:

A. All terms contained herein shall have the same meaning as such terms have for purposes of the Master Declaration, as amended, and all definitions contained in the Master Declaration, as amended, are expressly incorporated herein by reference.

B. Paragraph 1.9 "Improvement" should be deleted in its entirety and replaced by the following:

1.9 "Improvement" means the buildings, roads, driveways, parking areas, fences, walls, hedges, plantings, planted trees, shrubs and all other structures or landscaping improvements of every kind and nature whatsoever and berms, levees and other drainage and erosion control devices."

C. Paragraph 8 "Maintenance, Repairs and Replacements, Right of Access", the word "improvements" shall be changed to read "Improvements".

D. Paragraph 9 "Alterations, Additions or Improvements" the word "improvements" shall be changed to read "Improvements".

E. Paragraph 10 "Encroachment Easement", the word "improvements" shall be changed to read "Improvements".

F. Paragraph 11 "Purchase of Lot or Parcel by Association" is deleted in its entirety.

G. Paragraph 26.1 "Common Area Maintenance Expenses" states that an Assessment Unit is equivalent to .0009933114. This percent equated to 133.96 acres. An Assessment Unit shall be changed to be equivalent to .0011086475, and is based on 113.18 acres.

H. Paragraph 26.2 "Maximum Assessment for Common Expenses" shall be deleted in its entirety and replaced by the following:

26.2 "Maximum Annual Assessment For Common Expenses". Until January 1, 1994, the maximum assessment shall be Two Dollars and 50/100 (\$2.50) per Assessment Unit per month.

1. From and after January 1, 1994, the Maximum Annual Assessment per Assessment Unit shall be increased effective January 1 of each year without a vote of the Membership in conformance with the rise, if any, of the Consumer Price Index as hereinafter defined. The Maximum Annual Assessment for each such period shall be computed by reference to the statistics published in the Monthly Labor Review by the United States Department of Labor, Bureau of Labor Statistics, designated "Consumer Price Index--U.S. City Average for Urban Wage Earners and Clerical Workers, 1967 Equals 100, All Items", hereinafter called "Consumer Price Index". For purposes of identification, the Consumer Price Index for June 1980 was 247.8. If the Bureau of Labor Statistics shall change the method of determining the Consumer Price Index, the formula for determining the Maximum Annual Assessment shall be altered or amended, if possible, so as to continue the base period and base figure, but in the event it shall be impossible to do so, or in the event the Bureau of Labor Statistics shall cease to publish the said statistical information and such information is not available from any other source, public or private, then and in any such events a new formula for determining the Maximum Annual Assessment shall be adopted by the Board.
  2. From and after January 1, 1994, the Maximum Annual Assessment per Assessment Unit may be increased above the amount set forth in Paragraph 1 above by a vote of two-thirds (2/3) of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose.
  3. The Board of Directors may fix the Annual Assessment at an amount not in excess of the maximum.
- I. Paragraph 26.3 "Special Assessments" shall be deleted in its entirety and replaced by the following:
- 26.3 "Special Assessments". In addition to the Annual Assessments authorized above, the Association may levy, in any Assessment Period, one or more Special Assessments applicable to that period only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of improvements upon the Common Areas, including fixtures and personal property related thereto, any

unanticipated expenses of the Association or any shortfall in the Association funds.

J. All of the provisions of this Amendment shall be deemed to be covenants running with the land and equitable servitudes and shall be binding upon and shall inure to the benefit of any grantee, purchaser, or any other person having at a time any interest or estate in the property which is subject to the Declaration.

K. Except as amended hereby, the Declaration shall remain unmodified and in full force and effect. In the event of any conflict between any provision of the Declaration and any provision or provisions of this Second Amendment, the provisions of this Second Amendment shall be deemed to supercede such conflicting provision of the Declaration.

IN WITNESS WHEREOF, the Property Owners have executed this instrument as of the 7th day of January, 1992.

PROPERTY OWNERS:

BEST ASSET MANAGEMENT SERVICES,  
IN ITS CAPACITY AS ASSET  
MANAGEMENT CONTRACTOR FOR THE  
RESOLUTION TRUST CORPORATION, AS  
RECEIVER FOR SECURITY SAVINGS &  
LOAN ASSOCIATION, an Arizona  
corporation

By: \_\_\_\_\_

DEL WEBB'S COVENTRY HOMES  
CONSTRUCTION CO., INC.

By: \_\_\_\_\_



DMB PINNACLE PEAK LIMITED  
PARTNERSHIP

By: \_\_\_\_\_

FIRST STAR METROPOLITAN BANK AND  
TRUST

By: \_\_\_\_\_

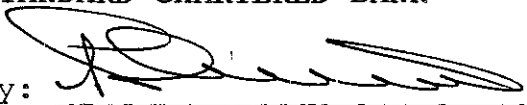
H G S CORPORATION

By: \_\_\_\_\_

PINNACLE PEAK INVESTMENTS. LTD.  
PARTNERSHIP

By: \_\_\_\_\_

STANDARD CHARTERED BANK

By:  \_\_\_\_\_

STATE OF ARIZONA            )  
                                  ) ss.  
County of Maricopa        )

On this \_\_\_\_\_ day of \_\_\_\_\_, 1992, before me, the undersigned Notary Public, personally appeared \_\_\_\_\_, who acknowledged himself to be the \_\_\_\_\_ of Best Asset Management Services, in its capacity as Asset Management Contractor for the Resolution Trust Corporation, as Receiver for Security Savings & Loan Association, an Arizona corporation, and that he as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, by himself as \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_

STATE OF ARIZONA            )  
                                  ) ss.  
County of Maricopa        )

On this \_\_\_\_\_ day of \_\_\_\_\_, 1992, before me, the undersigned Notary Public, personally appeared \_\_\_\_\_, who acknowledged himself to be the \_\_\_\_\_ of Del Webb's Coventry Homes Construction Co., Inc., and that he as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, by himself as \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_

STATE OF ARIZONA            )  
                                  ) ss.  
County of Maricopa         )

On this \_\_\_\_\_ day of \_\_\_\_\_, 1992, before me, the undersigned Notary Public, personally appeared \_\_\_\_\_, who acknowledged himself to be the \_\_\_\_\_ of DMB Pinnacle Peak Ltd. Partnership, and that he as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, by himself as \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_

STATE OF ARIZONA            )  
                                  ) ss.  
County of Maricopa         )

On this \_\_\_\_\_ day of \_\_\_\_\_, 1992, before me, the undersigned Notary Public, personally appeared \_\_\_\_\_, who acknowledged himself to be the \_\_\_\_\_ of First Star Metropolitan Bank & Trust, and that he as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, by himself as \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_

STATE OF ARIZONA            )  
                                  ) ss.  
County of Maricopa         )

On this \_\_\_\_\_ day of \_\_\_\_\_, 1992, before me, the undersigned Notary Public, personally appeared \_\_\_\_\_, who acknowledged himself to be the \_\_\_\_\_ of H G S Corporation, and that he as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, by himself as \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_

STATE OF ARIZONA            )  
                                  ) ss.  
County of Maricopa         )

On this \_\_\_\_\_ day of \_\_\_\_\_, 1992, before me, the undersigned Notary Public, personally appeared \_\_\_\_\_, who acknowledged himself to be the \_\_\_\_\_ of Pinnacle Peak Inv. Ltd. Partnership, and that he as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, by himself as \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_

STATE OF ARIZONA            )  
  ) ss.  
County of Maricopa        )

On this 26th day of MARCH, 1992, before me, the undersigned Notary Public, personally appeared M.A. Shields, who acknowledged himself to be the Authorized Representative of Standard Chartered Bank, and that he as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, by himself as Authorized Representative

Elizabeth Elwell  
Notary Public

My Commission Expires:

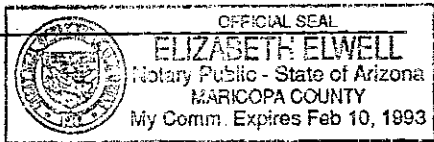


EXHIBIT "A"

PROPERTY INCLUDED IN LOS PORTONES  
 MASTER ASSOCIATION  
 AS OF DECEMBER 1, 1991

	Calculation of Votes (S.F. Divided by 5,445 S.F.)	Class	Number of Votes	Total Votes
-----				
Unsubdivided Parcels				
-----				
DMB Pinnacle Peak Limited Partnership	536,223 s.f.	(A)	98	
Del Webb's Coventry Homes	1,589,547 s.f.	(A)	291	
Pinnacle Peak Investments Limited Partnership	189,529 s.f.	(A)	34	
Best Asset Management Services	1,274,957 s.f. x 3	(B)	702	
First Star Metropolitan Bank & Trust	585,533 s.f. x 3	(B)	321	1446
			---	
Subdivided Parcel - No. 3				
-----				
(Pinnacle Peak Village)				
HGS Corporation	Subdivided Lots	(A)	40	
Individual Homeowners	Subdivided Lots	(A)	19	59
			---	
Subdivided Parcel - No. 4				
-----				
(Los Portones Parcel 4)				
Standard Chartered Bank	Subdivided Lots (95 x 3)	(B)	285	
Individual Homeowners	Subdivided Lots	(A)	8	293
			---	---
TOTAL VOTES ELIGIBLE TO BE CAST:				1798
				====
REQUIRED VOTES TO EFFECT CHANGE (75%):				1349
				====

EXHIBIT "B"

PROPERTY OWNERS EXECUTING  
SECOND AMENDMENT TO THE  
MASTER DECLARATION OF CC&R'S

	Calculation of Votes (S.F. Divided by 5,445 S.F.)	Class	Number of Votes
Unsubdivided Parcels			
DMB Pinnacle Peak Limited Partnership	536,223 s.f.	(A)	98
Del Webb's Coventry Homes	1,589,547 s.f.	(A)	291
Pinnacle Peak Investments Limited Partnership	189,529 s.f.	(A)	34
Best Asset Management Services	1,274,957 s.f. x 3	(B)	702
First Star Metropolitan Bank & Trust	585,533 s.f. x 3	(B)	321
Subdivided Parcel - No. 3			
(Pinnacle Peak Village)			
HGS Corporation	Subdivided Lots	(A)	40
Subdivided Parcel - No. 4			
(Los Portones Parcel 4)			
Standard Chartered Bank	Subdivided Lots (95 x 3)	(B)	285
TOTAL VOTES CAST:			1771
			====
REQUIRED VOTES TO EFFECT CHANGE (75%):			1349
			====