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Newtown CDC
2106 E Apache Boulevard
Suite 112
Tempe, AZ 85281

Declaration of
Covenants, Conditions, and Restrictions (CC&Rs)
for
La Victoria Townhomes

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS (CC&Rs)
FOR
La Victoria Townhomes

This Declaration of Covenants, Conditions, and Restrictions for La Victoria Townhomes (the "Declaration") is executed this 18th day of November, 2020, by Newtown Community Development Corporation, an Arizona non-profit corporation (the "Declarant").

1. RECITALS

A. Declarant is the owner of the real property located in the City of Tempe, Maricopa County, Arizona, described on Exhibit A (the "Project") attached hereto.

B. The Project shall generally be known as "La Victoria Townhomes ."

C. For the purpose of protecting the value, desirability, attractiveness and character of the Project, Declarant intends that the Project shall be held, sold, and conveyed subject to the provisions hereof, which shall run with all of the Project. This Declaration shall be binding on all parties having any right, title or interest in the Project, or any part thereof, and shall inure to the benefit of such parties and their successors and assigns.

D. Declarant has formed a nonprofit corporation for the purpose of benefiting the Project, the Owners, and the Residents, which nonprofit corporation (the "Association") will (i) lease, operate, manage and maintain any Common Areas in the Project, (ii) establish, levy, collect and disburse the Assessments and other charges imposed hereunder, and (iii) as the agent and representative of the Members of the Association and of the Owners, and the Residents of the Project, administer and enforce this Declaration and enforce the use and other restrictions imposed on various parts of the Project.

E. Newtown Community Development Corporation (Newtown CDC) is a non-profit corporation organized for charitable purposes including, but not limited to, the development and preservation of decent, affordable housing and home ownership opportunities for low and moderate income people in Arizona.

F. Newtown CDC owns the property and leases the common area and the lots in the La Victoria Townhomes to the Homeowners Association and Homeowners who own their homes on the Leasehold Lots. Newtown CDC, through a ground lease, conveys to these Homeowners membership in the La Victoria Townhomes and requires each Homeowner

to abide by the CC&Rs. The ground lease also retains for Newtown CDC the right to enforce the CC&Rs.

G. These CC&Rs are in effect as of the date of filing with the Maricopa County Recorder's office.

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

2. DEFINITIONS

The following words, phrases, or terms used in this Declaration shall have the following meanings:

A. **Assessment:** A Regular Assessment, Special Assessment, Enforcement Assessment, and Benefited Property Assessment.

B. **Additions**: Structures that require a building permit from the City of Tempe or other unit of government to construct.

C. **Adjoining Owner**: The Owner of any Lot that has along the rear or side yard of such Owner's Lot a portion of the Perimeter Wall as shown on the Improvement Plans.

D. **Ancillary Structures:** Structures that do not require a building permit from the City of Tempe to construct. Though not requiring a permit, Ancillary Structures should complement the aesthetic and environmental concerns expressed in the CC&Rs and must be constructed in accordance with all restrictions, including those on the Plat map for the La Victoria Townhomes Long Plat Subdivision.

E. **Areas of Association Responsibility**: (a) All of the Common Area; (b) the landscaping Improvements located within the Public Yards of Lots, or within a public or non-public right-of-way which the Association is obligated to maintain, repair, and replace pursuant to the terms of this Declaration, a Supplemental Declaration or other Recorded document executed by the Declarant or the Association; and (c) all land or right-of-way easements which are dedicated to a governmental entity and which the governmental entity requires the Association to maintain.

F. **Association:** The La Victoria Townhomes Homeowners Association, an Arizona nonprofit corporation made up of the entirety of Homeowners living in LA Victoria Townhomes. The legal documents from which La Victoria Townhomes Homeowners Association derives its existence and manages its affairs are the Bylaws, the La Victoria Townhomes

CC&Rs and the La Victoria Townhomes Homeowners Association Articles of Incorporation.

G. **Association Rules** or **Rules:** The rules adopted by the Board pursuant to Section 7(D).

H. **Board of Directors:** The La Victoria Townhomes Homeowners Association Board.

I. **Common Area:** Roads, parking lots, paths, drainage areas, detention basins, vegetative buffers, inter-lot areas, refuse enclosure, site lighting fixtures, the community garden, and any structures such as fences, or other buildings, land or improvements not leased or owned exclusively by any individual Homeowner.

J. **Common Building**: The shared building which includes the laundry facilities, kitchen, and other amenities.

K. **Declarant:** Newtown CDC, an Arizona nonprofit corporation, and any Person to whom it may expressly assign any or all its rights under this Declaration by a Recorded Instrument.

L. **Declaration:** This Declaration of Covenants, Conditions, and Restrictions for La Victoria Townhomes, as amended from time to time.

M. **Dwelling Unit:** Any building or portion of a building situated upon a Lot, designed and intended for use and occupancy as a residence.

N. **Homeowner; Owner**: (a) The individual or individuals who own or lease any lot within the La Victoria Townhomes Plat Subdivision, recorded in the office of the Recorder of Maricopa County, Arizona. There may be more than one Homeowner per Lot and all are encouraged to participate in meeting discussions, however, each Lot is entitled to one vote. (b) The record holder of legal title to the leasehold or fee-simple interest in any portion of the Project, but excluding those who hold such title merely as security for the performance of an obligation. In the case of any portion of the Project the leasehold or fee simple title to which is vested of Record in a seller under a valid and outstanding Agreement or Contract of Sale, as defined in the applicable Arizona statutes, legal title shall be deemed to be in the purchaser under such Agreement or Contract of Sale. In the

case of any portion of the Project the leasehold or fee simple title to which is vested of Record in a trustee pursuant to the applicable Arizona statutes, legal title shall be deemed to be in the Trustor. An Owner shall include any Person who holds record title to any portion of the Project in joint ownership with any other Person or who holds an undivided leasehold or fee interest in such Dwelling Unit.

O. **Improvement**: (a) A Dwelling Unit or other building; (b) a fence or wall; (c) a road, driveway or parking area; (d) a tree, plant, shrub, grass or other landscaping improvement of any type or kind; (e) statuary, fountain, artistic work, craft work, figurine or ornamentation of any type or kind; and (f) any other structure of any type, kind or nature.

P. **Improvement Plans:** Those plans for certain of the Improvements to the Project approved by the City of Tempe, in connection with the approval of the Plat and Planned Area Development, including any landscape plans approved therewith, as shown in Exhibit B, as may be amended and updated after project construction and through improvements over time.

Q. **Leasehold:** A platted residential lot in La Victoria Townhomes owned by Newtown CDC and leased to a Homeowner.

R. **Lot**: Any part of the Project designated as a residential "Lot" on any Plat Recorded with respect to any portion of the Project and, where the context indicates or requires, any Improvements constructed from time to time thereon.

S. **Member**: Any Person holding a Membership in the Association pursuant to this Declaration, as further set forth in Section 8(A).

T. **Membership:** A "Membership" in the Association and the rights granted to the Owners pursuant to Section 8 to participate in the Association.

U. **NEWTOWN CDC:** Newtown Community Development Corporation, an Arizona charitable non-profit corporation that is the owner and Lessor of the lots and the common lands in La Victoria Townhomes Plat Subdivision.

V. **Perimeter Walls:** The walls designated as such on the Improvement Plans.

W. **Person**: A natural person, corporation, partnership, limited liability company, trust or any other legal entity.

X. **Plat:** Any subdivision plat Recorded with respect to any portion of the Project.

Y. **Project or "La Victoria Townhomes :"** The real property legally described in Exhibits A attached hereto and incorporated herein, together with all Improvements constructed thereon from time to time.

Z. **Quorum:** The minimum number of members of a deliberative body necessary to conduct the business of the group, as defined in the Association Bylaws.

AA. **Recording, Recorded,** or **Recordation**: Placing an instrument of public record in the office of the County Recorder of Maricopa County, Arizona, and **Recorded** means having been so placed of public record.

BB. **Resident:** Any person living in a La Victoria Townhomes household.

CC. **Visible From Neighboring Property**: With respect to any given object, that such object is, or would be, visible to a natural person six feet (6') tall, standing on the same plane as the object being viewed at a distance of one hundred feet (100') or less from the nearest boundary of the property being viewed. The Board of Directors shall have the right to determine the meaning of the term "Visible From Neighboring Property" as applied on a case by case basis, and the determination of the Board of Directors shall be binding in that regard. The Board of Directors shall develop and maintain a policy for interpreting this definition.

3. MUTUAL AGREEMENTS

A. **HOMEOWNERS** agree to:

3.A.i. Abide by and enforce the La Victoria Townhomes CC&Rs in accordance with this document and the La Victoria Townhomes Homeowners Association By-laws.

3.A.ii. Take individual responsibility for, and join in the creation and maintenance of a mutually supportive and respectful La Victoria Townhomes Homeowners Association.

3.A.iii. Preserve and protect the property value and ecological health of La Victoria Townhomes through the enforcement of the CC&Rs.

3.A.iv. Participate in the discussions and decision-making processes regarding La Victoria Townhomes Association affairs by scheduling and attending Association meetings.

B. **NEWTOWN CDC** agrees to:

3.B.i. Collect, manage and maintain operating funds, as specified in the CC&Rs and Association By-laws, paid for by assessments, for the maintenance, repair and improvement of Common Areas in La Victoria Townhomes, including pavement, walkways, common room, and landscaping. The Association may use the operating funds in accordance with the Association's By-laws.

3.B.ii. Collect, manage, maintain and authorize the use of a Reserve Fund as specified in the Newtown ground lease or through a separate fee for the non-Leasehold lots, for the repair and replacement of infrastructure and utilities, such as the water lines after the master water meter, storm water drainage system, parking lot, road, and paths.

3.B.iii. Preserve and protect the property value and ecological health of La Victoria Townhomes.

3.B.iv. Enforce these CC&Rs if, in Newtown CDC's sole discretion, the Association or its members fails to do so.

4. Plan of Development

A. **Purpose and Binding Effect.**

4.A.i. Declarant intends by this Declaration to impose upon the Project covenants, conditions, restrictions and easements to create a general plan of development for the Project and to provide a flexible and reasonable procedure for the administration, maintenance, preservation, use, and enjoyment of the Project.

4.A.ii. The Declarant declares that all of the Project shall be held, sold, used, and conveyed subject to the Covenants which are for the purpose of protecting the value, desirability, and appearance of the Project. Declarant further declares that all of Covenants shall run with the Property and shall be binding upon and inure to the benefit of the Declarant and all Homeowners and Residents and all other Persons having or acquiring any right, title, or interest in the Project or any part thereof, their heirs, successors, successors in title, and assigns. Each Person who acquires any right, title, or interest in the Property, or any part thereof, agrees to abide by all of the provisions of the Project Documents. This Declaration shall be binding upon and shall be for the benefit of and enforceable by the Association.

B. **Further Subdivision, Project Restrictions, Rezoning and Timeshares**

4.B.i. Without the prior written approval of Newtown CDC, the Association, and the Declarant (so long as Declarant owns any portion of the Project), no Owner (other than the Declarant) shall do any of the following:

4.B.i.a. further subdivide a Lot or separate a Lot into smaller lots or parcels;

4.B.i.b. convey or transfer less than all of a Lot;

4.B.i.c. replat a Lot or combine a Lot with other Lots;

4.B.i.d. record covenants, conditions, restrictions or easements against any Lot;

4.B.i.e. file any application for zoning, rezoning, variances or use permits pertaining to any Lot with any governmental entity having jurisdiction; or

4.B.i.f. subject or use a Lot for any timesharing, cooperative, weekly, monthly or any other type of revolving or periodic occupancy by multiple homeowners, cooperators, licensees, lessees, occupants or timesharing participants.

5. Easements and Rights of Enjoyment in Common Areas

A. **Easements of Enjoyment.**

5.A.i. Declarant and every Homeowner and Resident of the Project shall have a right and easement of enjoyment in and to the Common Areas which shall be appurtenant to, and shall pass with, the title to every Dwelling Unit subject to the following provisions:

5.A.i.a. The right of the Association to charge reasonable admission and other special use fees for the use of the Common Areas or any facilities constructed thereon for special events according to rules adopted by the Association;

5.A.i.b. The right of the Association to suspend the voting rights, right to use of the facilities and other Common Areas by any Member, and any other rights incidental to Membership (including, but not limited to, the right to Board of Directors review and approval of proposed Improvements),

(i) for any period during which any Assessment against his Dwelling Unit remains delinquent,

(ii) for a period not to exceed sixty (60) days for any infraction of this Declaration or the Association Rules, and

(iii) for successive sixty (60) day periods if any such infraction is not corrected during any prior sixty (60) day suspension period, provided, however, that a Member's rights may only be suspended under procedures sufficient to comply with Arizona law;

5.A.i.c. The right of the Association to regulate the use of the Common Areas through the Association Rules and to prohibit or limit access to certain Common Areas, such as specified landscaped areas. The Association Rules shall be intended, in the absolute discretion of the Board, to enhance the preservation of the Common Areas for the safety and convenience of the users thereof, and otherwise shall serve to promote the best interests of the Homeowners and Residents;

5.A.i.d. The Common Areas shall not be sold or transferred separately from the HOA. Security interests, leases, easements, and licenses shall not be considered dedications or transfers for purposes of this Section. Dedications to public entities or utilities shall not require approval of the Members.

5.A.i.e. The right of the Association to change the use of the Common Areas in accordance with this Declaration;

5.A.i.f. Any Member may, in accordance with this Declaration and the Association Rules and the limitations therein contained, delegate his right of enjoyment in the Common Areas and facilities to the members of the Member's family, guests or Residents.

B. **Easements to Facilitate Development**

5.B.i. Declarant shall have a blanket easement over the Common Areas in order to construct Improvements thereon and in connection with the construction of Dwelling Units within the Project.

5.B.ii. The Declarant shall not exercise any of the rights or easements reserved by or granted pursuant to this Section in such a manner as to unreasonably interfere with the construction, development, or occupancy of any part of the Project.

5.B.iii. The rights and easements reserved by or granted pursuant to this Section shall continue so long as the Declarant owns any Lot. Declarant may make limited temporary assignments of their easement rights under this Declaration to any Person performing construction, installation, or maintenance on any portion of the Project.

5.B.iv. Utility Easements. A nonexclusive, perpetual blanket easement is hereby created over and through the Common Areas, and a limited, specific easement over and through those portions of the Project shown as public utility easement areas on any Plat is hereby created, for the purpose of:

5.B.iv.a. Installing, constructing, operating, maintaining, repairing or replacing equipment used to provide to any portion of the Project any utilities, including, without limitation, water, sewer, rainwater harvesting, drainage, electricity, telephone, data, and television service, whether public or private;

5.B.iv.b. Ingress and egress to install, construct, operate, maintain, repair and replace such equipment; and

5.B.iv.c. Exercising the rights under the easement.

Such easement is hereby granted to any Person providing such utilities or installing, constructing, maintaining, repairing, or replacing equipment related thereto. Any pipes, conduits, lines, wires, transformers, and any other apparatus necessary for the provision or metering of any utility may be installed or relocated only where permitted by the Declarant, where contemplated on any Plat or Improvement Plans, or where approved by resolution of the Board. Equipment used to provide or meter such utilities or services may be installed aboveground during periods of construction if approved by the Declarant. The Person providing the service, or installing a utility pursuant to this easement shall install, construct, maintain, repair or replace the equipment used to provide or meter utilities as promptly and expeditiously as possible, and shall restore the surface of the land and the improvements situated thereon to their original condition as soon as possible.

C. **Utilities**

5.C.i. City of Tempe supplies water to La Victoria Townhomes and is responsible for the master water meter(s). The property has two water services and two meters. The cost of water will be divided equally between the thirteen owners.

5.C.ii. City of Tempe provides sewer service to La Victoria Townhomes. The cost of sewer services will be divided equally between the thirteen owners.

5.C.iii. Arizona Public Service (APS) provides electric service to La Victoria Townhomes . Individual utility meters are located on the rear of the common building. The cost of electric service is charged individually.

5.C.iv. City of Tempe provides trash and recycling service to La Victoria Townhomes . The cost of trash and recycling service to the property will be shared equally by the nineteen owners. Trash service is provided in common receptacles, located in the parking area.

D. **Easement for Maintenance of Areas of Association Responsibility and Public Yards.**

5.D.i. The Association shall have an easement upon and over the Lots for the purpose of carrying out its powers and duties related to maintaining the Areas of Association Responsibility pursuant to this Declaration. The Association shall also have an easement upon and over the Lots for the purpose of carrying out its powers and duties related to maintaining the Public Yards for those areas for which such maintenance is mandated hereunder.

E. **Easements for Encroachments.**

5.E.i. If any Improvement constructed by or for Declarant on any Lot now or hereafter encroaches on any other portion of the Project by an amount of deviation permitted by customary construction tolerances, a perpetual easement is hereby granted to the extent of any such encroachment, and the owner of the encroaching Improvement shall also have an easement for the limited purpose of the maintenance and repair of the encroaching Improvement.

5.E.ii. To the extent the Perimeter Wall, encroaches on a Lot as shown on Improvement Plans, the Association shall have a perpetual easement for such encroachment.

5.E.iii. All owners grant and convey perpetual, non-exclusive, mutual easement for purposes of water, power, and communications distribution under, through, and across the areas on and between lots and the common areas and the maintenance thereof. Water, power, and communications distribution lines are identified in the project documents.

6. Permitted Uses, Restrictions and Obligations

A. Common Areas

6.A.i. All Homeowners, as members of the HOA, are responsible for maintenance and repair of the Common Areas, including, but not limited to, entry gates, landscaping, walkways, paths, parking areas, drives, the Common Building, gardening areas, and other facilities.

6.A.ii. The Common Building is available for use by Residents and their guests. The Board of Directors may adopt rules and regulations regarding the hours that the Common Building is available for use. Parents and/or guardians are responsible for the behavior and safety of their children and guests while using the Common Building. The Common Building may not be used as a residence or sleeping area.

6.A.iii. Use of any Common Area by a Resident for a social event or temporary business, such as a yard sale, shall require approval by the Board. The Board shall notify all Homeowners of the event. The Board of Directors may adopt rules and regulations regarding notification timelines and methods, as well as the frequency and length of events and temporary businesses.

6.A.iv. Common Areas may be used for utility construction or maintenance purposes in accordance with the restrictions identified on the La Victoria Townhomes Planned Area Development. The parties involved are responsible for restoring used areas to their prior condition.

6.A.v. Each Homeowner is responsible for weeding, watering, and otherwise maintaining the areas on and adjacent to his or her Lot. The Homeowner will remove weeds, and control the spread of invasive ground covers such as bermuda grass, nut grass, and other plants identified as Noxious Weeds or Non-Native Invasive Plants by the University of Arizona Cooperative Extension or similar organization.

6.A.vi. The original landscape design of the Common Areas will be preserved as much as possible. Approval of the Grounds and Garden Committee, as outlined in section 7(E), is required before any significant change, such as removal of trees or shrubs, occurs. Approval of the Grounds and Garden Committee is not

required if Homeowner wishes to add plants to their lot, replace plants that have died, prune shrubs or do minor tree trimming. However, only persons with the appropriate training are permitted to perform major tree pruning. Trees approved by the City of Tempe shall be maintained, and if damaged or die, shall be replaced per the plans.

B. **Vehicles and Parking**

A

B.i. No vehicle may be parked at La Victoria Townhomes for longer than fourteen (14)days unless it is licensed and in operating condition.

B.ii Boats, trailers or recreational vehicles that exceed the size of the parking space are prohibited.

B.iii Vehicle owners will keep vehicles in good repair and minimize engine idling to reduce noise and exhaust fumes.

B.iiii Guest parking spaces are intended for short-term use by guests or visitors only.

B.iiiii Per City of Tempe Code 19-92, parking is prohibited in the Fire Lane.

C. **Fencing**

6.C.i. All new or replacement fencing shall comply with the La Victoria Townhomes Fencing Policy which is posted at www.NewtownCDC.org.

6.C.ii. No invisible, electric, chain-link, or barbed-wire fencing is allowed.

6.C.iii. All fences shall be maintained in good condition and appearance. The Homeowner will repair any broken fencing within 30 days.

6.C.iv. The Homeowner will contact Arizona 811 (formerly Arizona Blue Stake, Inc.) at 811, 1-800-782-5348, (602) 659-7500, or Arizona811.com before installing any fence posts.

D. **Additions and Ancillary Structures**

6.D.i. No application for rezoning, variances, or use permits pertaining to any Lot shall be filed with any governmental authority by any Person unless the application has first been approved by Newtown CDC, the Board, and the Declarant (so long as Declarant owns any portion of the Project), and the proposed use otherwise complies with this Declaration.

6.D.ii. Homeowners are encouraged to be considerate of other Residents when designing and constructing Additions or Ancillary Structures. Prior to beginning any construction, Homeowners must notify all Homeowners about the project.

6.D.iii. All Additions and Ancillary Structures on any Lot, including accessory dwellings, sheds, and storage units, shall be the same as the home in at least two of the following aspects: roof pitch, color, siding material.

6.D.iv. A Homeowner may not change the paint color of any structure on his or her Lot without prior approval of the Board of Directors and the City of Tempe.

6.D.v. No Additions or Ancillary Structures shall exceed the height of the peak of the roof of the home.

6.D.vi. Homeowners are responsible for abiding by building codes and setback requirements as specified in the La Victoria Townhomes Planned Area

Development, for acquiring all permits applicable to new structures or occupied spaces/ and for following City regulations as to size and safety standards.

6.D.vii. All Additions attached to the home on any Leasehold Lot (Lots 1-13) must be approved in advance by Newtown CDC.

6.D.viii. Tarps may be used for up to 30 days during construction. Tarps may not be used as part of an Addition or Ancillary Structure.

E. **Repair of Building: Reconstruction**

6.E.i. No building or structure on any Lot shall be permitted to fall into disrepair and each such building and structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished. In the event any Dwelling Unit or other structure is totally or partially damaged or destroyed by fire, Act of God, or any other cause, the Owner shall commence the repair or reconstruction of the Dwelling Unit or other structure, subject to the approvals required, within six (6) months after occurrence of the damage or destruction, and shall complete such repair or reconstruction within twelve (12) months, unless the Owner is prevented from doing so by an Act of God or other event beyond the Owner's control, in which case the applicable time period shall be extended by the amount of time necessitated by such event. The provisions of this Section shall not apply to any portion of the Project owned by Declarant.

F. **Home Exteriors**

6.F.i. **Window Coverings.** In no event shall the interior or exterior of any windows be covered with reflective material, such as foil, or with paper, bed sheets, or other temporary coverings. The Board shall have the broadest authority to enact rules and regulations relating to window coverings.

6.F.ii. **Heating, Ventilating, and Air Conditioning Units.** No heating, air conditioning or evaporative cooling units or equipment shall be placed, constructed or maintained upon the Project, including, but not limited to, upon the roof or exterior walls of any structure on any part of the Project unless (a) where such unit or equipment is installed by the Declarant, such unit or equipment is in part not visible from neighboring property and from any common area, or (b) in all

other cases, such unit or equipment is attractively screened or concealed and is not visible from neighboring property, which means of screening or concealment shall (in either case (a) or (b)) be subject to the regulations and the prior written approval of the Board of Directors. The restrictions shall not apply to such Heating, Ventilating, and Air Conditioning Units to the extent installed by Declarant.

6.F.iii. **Solar Collection Panels or Devices.** Declarant recognizes the benefits to be gained by permitting the use of solar energy as an alternative source of electrical power for residential use. At the same time, Declarant desires to promote and preserve the attractive appearance of the Project and the improvements thereon, thereby protecting the value generally of the Project and the various portions thereof, and of the various Owners' respective investments therein. Therefore, subject to the restrictions of applicable law and prior written approval of the plans therefore by the Board of Directors, solar collecting panels and devices may be placed, constructed, or maintained upon any Lot within the Project (including upon the roof of any structure upon any Lot). The Board of Directors may adopt rules and regulations regarding the placement of solar energy devices in order to limit, to the extent possible, the visual impact of such solar collecting panels and devices when viewed by a Person six feet (6') tall standing at ground level on adjacent properties. The restrictions in this Section shall be subject to any limitations imposed by law and shall not apply to such solar energy improvements to the extent installed by Declarant.

6.F.iv. **Signs.** No signs whatsoever which are Visible From Neighboring Property shall be erected or maintained on any Lot except:

6.F.iv.a. Signs required by legal proceedings and signs that must be permitted by law;

6.F.iv.b. No more than two (2) identification signs for individual residences, each with a face area of seventy-two square inches (72") or less;

6.F.iv.c. Signs and notices erected or posted in connection with the provision of building security with a face area of seventy-two square inches (72") or less;

6.F.iv.d. A "For Sale" or 'For Lease" sign by any Owner so long as such signs are reasonable and customary in size for the area of the Project and are maintained in a neat and clean fashion;

6.F.iv.e. The Declarant and/or Newtown shall have the right and authority to permit and authorize the construction and/or installation of temporary signage necessary or convenient for the development and sale of any Lots within the Project, and;

6.F.iv.f. Such other signs (including, but not limited to, construction job identification signs and builder identification signs) which are in conformance with the applicable requirements of the City of Tempe or other applicable governmental agencies and which are permitted by the Design Guidelines or have been approved in advance and in writing by the Board of Directors as to size, color, design, message content, and location.

6.F.iv.g. The Association shall maintain and repair the common area and exterior of the properties. This would include normal wear and tear items. Anything deemed outside of normal wear and tear would be evaluated by the management company and the board of directors.

6.F.iv.h. The Association maintains the roofs for repairs and replacement under normal wear and tear conditions.

6.F.v. **Storage.** Large storage items such as outdoor furniture, bicycles, toys, tools, and lumber must be placed on one side of, or behind, the residence and out of neighbors' view as reasonably possible.

6.F.vi. Porches shall not be used for storage except when moving in or out of La Victoria Townhomes and in no event for longer than 30 days.

6.F.vii. No structure, planting or other material shall be placed or permitted to remain on any Lot if it may damage or interfere with the installation or maintenance of utilities, or if it may unreasonably change, obstruct or retard the direction or flow of drainage.

6.F.viii. **Lighting.** Because Lots are small and located close together, one Resident's indoor or outdoor lighting may affect other Residents. Under no circumstances shall indoor or outdoor lighting be directed at or toward another Lot. Residents will use curtains, shades or other window coverings to minimize any potential effect upon neighbors. Outdoor lighting shall be installed so that the beam shines directly down and are fully-shielded, as meets the City of Tempe ordinance and the Dark Sky lighting guide developed by the International Dark Sky Association. The Board of Directors may adopt rules and regulations regarding the use of holiday lights.

6.F.ix. **Utility Service.** Except as required to be permitted by law, no lines, wires, or other devices for the communication or transmission of electric current or power, including telephone, television, and radio signals, shall be erected, placed or maintained anywhere in or upon any Lot unless the same shall be contained in conduits or cables installed and maintained underground, except to the extent (if any) such underground or concealed placement may be prohibited by law, and except for such above-ground structures and/or media for transmission as may be originally constructed by the Declarant or any Builder or as may be otherwise approved by the Board of Directors. No provision hereof shall be deemed to forbid the erection of temporary power or telephone structures incident to the construction of buildings or structures.

6.F.x. **Trash and Recycling Containers and Collection.** No garbage or trash shall be placed or kept on any Lot. All rubbish, trash or garbage shall be promptly removed from all Lots or Dwelling Units and shall not be allowed to accumulate thereon. No outdoor incinerators shall be kept or maintained on any Lot or Dwelling Unit.

G. **Animals**

6.G.i. The Association understands that people love their pets. To facilitate harmony among all Residents, the Board of Directors may adopt rules and regulations regarding keeping of pets and animals, and post such policy at www.NewtownCDC.org.

6.G.ii. No house or yard pets shall be allowed to become a nuisance.

6.G.iii. No structure for the care, housing, or confinement of any house or yard pet shall be maintained so as to be Visible from Neighboring Property.

6.G.iv. Homeowners are responsible for any damage or annoyance their pets or their guests' pets cause to property, other Residents or the Association.

6.G.v. No animal prohibited by State, county, or city law will be permitted at La Victoria Townhomes

6.G.vi. **Service animals.** Service animals are animals that are individually trained to perform tasks for people with disabilities such as guiding people who are blind, alerting people who are deaf, pulling a wheelchair, alerting and protecting a person who is having a seizure, or performing other special duties. Documented service animals are welcome at La Victoria Townhomes, in compliance with the American with Disabilities Act and Arizona State Laws regarding discrimination. A service animal is not included in the count of a household's pets.

H. **Lot Landscaping**

6.H.i. Each Homeowner shall maintain the landscaping on his or her Lot. Plants classified as noxious weeds by the State of Arizona or Maricopa County must be removed.

A Homeowner may remove a living plant that was part of the original La Victoria Townhomes landscape design from his or her Lot only if the Homeowner replaces it with a plant from the approved landscape plan.

6.H.ii. If a Resident wishes to plant vegetation that may affect an adjacent Lot's access, views or sunlight, such as trees or shrubs that will grow to a height greater than six feet, prior approval by the Homeowner of the adjacent Lot is required.

6.H.iii. Work parties shall be periodically scheduled to care for the common landscape areas.

6.H.iv. Owners shall not allow any standing bodies of water to accumulate on their Lot, including, but not limited to, neglected spas, or water features, that could become breeding environments for mosquitos or other insects.

I. Storm Water Management / Drainage / Cross-Drainage

6.I.i. Storm drains / catch basins are located in specific areas to facilitate storm water drainage to the underground storm water storage area. Residents shall weed, remove debris, and otherwise keep clear storm drain catch basins, particularly during the monsoon season.

6.I.ii. Residents shall monitor, or cause to be monitored, the drywell, chamber system, rainwater tank, and all catch basins for sediment build-up, and remove sediment when it threatens to obstruct the drains.

6.I.iii. Residents will perform other maintenance and monitoring activities that may be necessary to ensure effective storm water management.

6.I.iv. No Owner or Resident or other Person shall interfere with the drainage established by the Declarant or any portion of the Project or on any area subject to a Use and Benefit Easement. No Owner or Resident or other Person shall obstruct, divert, alter or interfere in any way with the drainage of ground and surface water upon, across, or over any portion of the Lots, rights-of-way, Common Area(s) or other portions of the Project, including, but not limited to, construction or installation of any type of structure or the planting or placement of any vegetation that would cause such interference. Each Owner shall, at its own expense, maintain the drainage ways and channels on its Lot in proper condition free from obstruction.

6.I.v. The Association shall have the right, after ten (10) days' notice to an Owner, except in the case of emergency (in which case the Association shall have an immediate right of access), to repair or otherwise maintain the drainage way or channel on said Owner's Lot, which the Association, determines has not been maintained by the Owner in compliance with this provision. All costs and expenses, including, but not limited to, reasonable attorneys' fees and costs incurred by the Association, shall be borne by the Owner, and shall be paid to the Association upon demand, plus interest at an annual rate of twelve percent (12%) from ten (10) days after said demand until paid in full. Any sum not paid

by an Owner may be treated as an assessment, subject to lien, and collected in like manner as Assessments levied pursuant to this Declaration.

6.I.vi. All owners grant and convey perpetual, non-exclusive, mutual cross retention and drainage easement for purposes of storm water retention and drainage on, over, upon, under, through, and across the lots and the common areas and the maintenance thereof. Locations of storm water retention areas, lines, basins, grates, drains, pipes, and other drainage control tools are located in the project documents.

6.I.vii. For the purpose of this clause, "drainage" means the drainage that exists at the time the overall grading of the Lots, rights-of-way, and Common Area(s) were completed by the Declarant or any Builder in accordance with the Improvement Plans and/or the Development Plan.

BY ACCEPTING CONVEYANCE OF A LOT LOCATED ADJACENT TO OR DOWNSTREAM OF A DRAINAGE CHANNEL, RETENTION BASIN AND/OR ANY FLOOD RETARDING STRUCTURE, THE OWNER OF SUCH LOT HEREBY ACKNOWLEDGES THAT SUCH LOT IS LOCATED WITHIN THE POTENTIAL INUNDATION AREA FOR EMERGENCY DISCHARGE OF FLOOD WATERS AND HEREBY RELEASES AND DISCHARGES THE DECLARANT, THE ASSOCIATION, AND NEWTOWN CDC FROM ANY AND ALL CLAIMS RELATED TO FLOOD WATERS.

J. **Noise**

6.J.i. Noise control is important for the privacy, well-being and convenience of all Residents.

6.J.ii. Unless there is a different prior agreement among affected Homeowners, work in the nature of construction, repair, or landscaping that is accompanied by noise audible to other Residents shall take place only between the hours of 7:00 AM and 10:00 PM.

6.J.iii. No Resident or visitor may loudly play or use any musical instrument, radio, television or other sound-producing device between the hours of 10:00 PM and 7:00 AM, or otherwise violate the City of Tempe Noise Ordinance.

6.J.iv. No loud, noxious, or offensive activity shall be carried on or permitted on any Lot, nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to Persons or property in the vicinity of such Lot, or

which shall interfere with the quiet enjoyment of each of the Owners and Residents.

K. **Children**

6.K.i. Children shall be treated by all Residents with respect and positive support. It is understood that ultimate responsibility for children and for any damage that they cause to individuals or property lies with their parents, who will take action to resolve any issues that arise.

L. **Business Use**

6.L.i. Business use within a home must fall under the definition of a home occupation as specified in the County or City code. Such a business is permitted as long as it conforms to applicable City, County, State, and Federal regulations. In addition, the home occupation must not adversely impact neighbors, must properly dispose of waste products, and must not entail parking requirements that conflict with the CC&Rs.

6.L.ii. Business advertisements may not be displayed on the home's exterior.

M. **Prohibited Uses.**

6.M.i. No use which is offensive by reason of odor, fumes, dust, smoke, noise, glare, heat, sound, vibration, radiation or pollution, or which constitutes a nuisance or unreasonable source of annoyance, or which is hazardous by reason of risk of fire or explosion, or which is injurious to the reputation of any Owner, shall be permitted on any Lot or. No use which is in violation of the laws (after taking into account the application of any validly granted or adopted variance, exception, or special use ordinance or regulation) of the United States, the State of Arizona, Maricopa County, and/or the City of Tempe, or any other governmental entity having jurisdiction over the Project shall be conducted on any Lot.

6.M.ii. The covenants, conditions and restrictions set forth in this Declaration and the provisions requiring Owners and other persons to obtain the approval of the

Board or any Committee with respect to certain actions are independent of the obligation of the Owners and other persons to comply with all applicable laws, ordinances and regulations, and compliance with this Declarations shall not relieve an Owner or any other person from the obligation to also comply with all applicable laws, ordinances and regulations.

6.M.iii. Any violation of any state, municipal, or local law, ordinance or regulation pertaining to the ownership, occupation or use of any property within the Project is hereby declared to be a violation of this Declaration and subject to any or all of the enforcement procedures set forth herein.

N. **Health, Safety and Welfare.**

6.N.i. No Owner shall permit any thing or condition to exist upon any Lot or Dwelling Unit which shall induce, breed, or harbor infectious plant diseases, insects, or pests.

6.N.ii. In the event additional uses, activities, or facilities are deemed by the Board to be a nuisance or to adversely affect the health, safety, or welfare of Owners and Residents, the Board may make rules restricting or regulating their presence on the Lot as part of the Association Rules.

6.N.iii. No Lot, Dwelling Unit nor any facilities on any Lot, shall be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce, or process Hazardous Substances or solid waste, except in compliance with all applicable federal, state, and local laws or regulations. For purposes of this Section, "Hazardous Substances" shall be deemed to include pollutants or substances defined as "hazardous waste," "hazardous substances," "hazardous materials" or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA") as amended by the Superfund Amendments and Reauthorization Act of 1986 (PL 99-499), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Toxic Substance Control Act, 15 U.S.C. Section 2601, et seq., the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901 et seq., the Arizona Environmental Quality Act, Laws 1986, Chap 368, and in the rules or regulations adopted and guidelines promulgated pursuant to said laws.

O. **Mineral Exploration.**

6.O.i. No Lot or Dwelling Unit shall be used in any manner to explore for or to remove any water, oil or other hydrocarbons, minerals of any kind, gravel, earth or any earth substance of any kind.

7. Association

A. **Formation.** The Association shall be an Arizona nonprofit corporation. The Association shall have all of the common law and statutory powers conferred upon nonprofit corporations under Arizona law and all powers necessary or desirable: (a) to perform the Association's duties and obligations under the Project Documents or imposed by law; (b) to exercise the rights and powers of the Association set forth in the Project Documents; and (c) to foster and promote the common good and general welfare of the Project, the Owners and Residents, and the surrounding community. The Association may exercise any right or privilege given to the Association expressly in the Project Documents and every other right or privilege reasonably to be implied from the existence of any right or privilege given to the Association by the Project Documents or reasonably necessary to effectuate any such right or privilege.

B. **Board of Directors and Officers; Management.** The affairs of the Association shall be conducted by the Board elected in accordance with this Declaration and the Articles and Bylaws, and such officers as the Board may elect or appoint in accordance with the Articles and the Bylaws as the same may be amended from time to time. During the Declarant Control Period, the Directors of the Association shall be appointed by and may be removed solely by Declarant. After the Declarant Control Period, or at such earlier time as Declarant relinquishes its rights to appoint the Board, Directors shall be elected by the Members in accordance with the Bylaws which Bylaws shall provide for a Board of five (5) Directors. The Board may also appoint various committees and may appoint a manager who shall, subject to the direction of the Board, be responsible for the day-to-day operation of the Association. The Board shall determine the compensation to be paid to the manager or any other employee of the Association.

C. **Role of Association.** The role of the Association includes, but is not limited to, the following functions:

7.C.i. The operation and maintenance of all Areas of Association Responsibility;

7.C.ii. Appointment of individuals to serve on the various committees pursuant to the provisions of Section 7(E); and

7.C.iii. In the exercise of the Board's sole discretion, the enforcement of the Covenants contained in this Declaration.

D. **Association Rules.** By a vote of the Board, the Association may, from time to time and subject to the provisions of this Declaration, adopt, amend, and repeal rules and regulations, which shall apply to, restrict, and govern, the use of any Common Areas and the Lots by any Member or Resident, provided, however, that the Rules shall not be inconsistent with this Declaration, the Articles, or Bylaws of the Association. Upon adoption, the Rules shall have the same force and effect as if they were set forth in and were a part of this Declaration.

E. **Personal Liability**. No member the Board or of any committee of the Association, no officer of the Association, no Declarant, no builder, and no manager or other employee of the Association shall be personally liable to any Member, or to any other Person, including the Association, for any damage, loss, or prejudice suffered or claimed on account of any act, omission, error, or negligence of the Association, the Board, the manager, any representative or employee of the Association or any committee, committee member, or officer of the Association. The Board may enforce any such Rules as shall be properly adopted by imposing fines according to policies for such fines as may also be adopted by the Board.

8. Membership and Voting

A. **Membership.** Each Owner of a Dwelling Unit shall automatically be a Member of the Association. Each such Membership shall be appurtenant to and may not be separated from ownership of the Dwelling Unit to which the Membership is attributable, and joint ownership or ownership of undivided interests in any real property which establishes a Membership shall not cause there to be more Memberships than the number established for purposes of this Section 8.A. Each Member shall have one (1) Membership for each Dwelling Unit owned by such Owner within the Project as shown on any Plat.

B. **Right to Vote; Declarant's Retention of Class B Voting Rights.** No change in the ownership of a Membership shall be effective for voting purposes unless and until the Board is given actual written notice of such change and is provided with satisfactory proof thereof. The vote for each such Membership must be cast as a unit and fractional votes shall not be allowed. If a Membership is owned by more than one Person or entity and such Owners are unable to agree amongst themselves as to how their vote or votes shall be cast, they shall lose the right to vote on the matter in question. If any Member casts a vote representing a certain Membership, it will thereafter be conclusively presumed for all purposes that such Member was acting with the authority and consent of all other owners of the same Membership unless objection thereto is made at the time the vote is cast. In the event more than one vote is cast for a particular Membership, none of said votes shall be counted and all said votes shall be deemed void. The Association shall have two (2) classes of voting Members, as follows:

8.B.i. **Class A.** Class A Members shall be all Owners except Declarant. A Class A Member shall have one (1) vote for each Dwelling Unit owned by such Member; and

8.B.ii. **Class B.** Class B Members shall be the Declarant. The Class B Member shall have three (3) votes for each Dwelling Unit owned. The Class B Memberships shall automatically cease and be converted to Class A Memberships upon the happening of the first to occur of the following:

8.B.ii.a. The date upon which Declarant no longer owns any improvements on any of the lots of the Project, or

8.B.ii.b. The date that twenty (20) years after the date this Declaration is recorded.

C. **Newtown CDC right to veto any action by the Association.** Newtown CDC, while it retains underlying ownership of the land as steward, reserves the right to veto any and all actions by the membership, Association, or board. In the event that Newtown CDC vetoes an action, that action shall be deemed to be null and void. The waiver or failure of Newtown CDC to veto any action does not imply its approval or disapproval of that action only that it chooses not to veto that action at that time.

9. COVENANT FOR ASSESSMENTS AND CREATION OF LIEN

A. **Creation of Lien and Person Obligation of Assessments.** Each Owner, by becoming the Owner on an Assessable Lot, is deemed to covenant and agree to pay to the Association all Assessments, Collection Costs, and all other fees and costs which may become payable by the Owner to the Association under the Project Documents. All Assessments shall be established and collected as provided in this Declaration. Assessments hereunder shall commence only upon a Lot becoming an Assessable Lot as provided herein. Each Assessment, together with all interest thereon, shall also be the personal obligation of the Person who was the Owner of the Dwelling Unit at the time when the Assessment became due. No Owner shall be relieved of the obligation to pay any of the Assessments by abandoning or not using his, her or its Dwelling Unit or the Common Areas, or by leasing or otherwise transferring occupancy rights with respect to his, her or its Dwelling Unit. However, upon transfer by an Owner of fee title to such Owner's Dwelling Unit and Recording of a deed effecting transfer, such transferring Owner shall not be liable for any Assessments thereafter levied against such Dwelling Unit. The obligation to pay Assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of Assessments or set-off shall be claimed or allowed by reason of the alleged failure of the Association, the Board, Newtown CDC, or any Committee to take some action or perform some function required to be taken or performed under the Project Documents.

B. **Regular Assessments.** The Members shall adopt a budget of the estimated Association Expenses for each fiscal year, including any contribution to be made to a reserve fund, which budget shall serve as the basis for determining the Regular Assessments for the applicable fiscal year. The Regular Assessment shall be levied at a uniform amount for each Assessable Lot. Within a reasonable period prior to the meeting of the Association at which Members adopt the budget for the year in question, the Board shall deliver or mail to each Owner a copy of the proposed budget and a statement of the amount of Regular Assessments to be levied against such Owner's Lot for that year. The Regular Assessment and Budget must be approved by a majority of the votes of a quorum of the Members who are voting in person, or by absentee ballot, at a meeting of the association duly called for such purpose where quorum is present.

In the event the Members fails to adopt a budget for any fiscal year prior to commencement of such fiscal year, then until and unless such budget is adopted, the budget (and the amount of the assessments provided for therein) for the year immediately preceding shall remain in effect. Neither the budget nor any Regular Assessment levied pursuant thereto shall be required to be approved by the Owners.

If the Board determines that the funds budgeted for the fiscal year are, or will, become inadequate to meet all Association expenses for any reason, including, without limitation, nonpayment of the Regular Assessment, the Board may propose to the members to amend the budget and increase the Regular Assessment for that fiscal year and the revised Regular Assessment shall commence on the date designated by the Board.

C. **Special Assessments.** With the advice and consent of Newtown CDC, the Association may levy against each Assessable Lot a Special Assessment for any proper Association purpose, provided, however, that, such Special Assessment must be approved by at least two-thirds (2/3rds) of the votes of a quorum of the Members who are voting in Person or by absentee ballot at a meeting of the Association duly called for such purpose where quorum is present.

D. **Enforcement Assessment.** The Association may impose against an Owner as an Enforcement Assessment any of the following: (a) Collection Costs incurred by the Association in attempting to collect assessments or other amounts payable to the Association by the Owner; (b) costs (including attorneys' fees) incurred in bringing the Dwelling Unit into compliance with terms of the Project Documents; and (c) costs (including attorneys' fees) incurred as a consequence of the conduct of the Owner or Resident of the Dwelling Unit, including their families, invitees and guests. The Enforcement Assessment shall be automatically imposed against an Owner at such time as the Collection Cost or other amounts are incurred by the Association.

E. **Due Dates.** Assessments for each fiscal year shall be due and payable as determined by the Board. Assessments shall be deemed "paid" when actually received by the Association or by its designated manager or agent (but if any Assessments are paid by check and the bank or other institution upon which such check is drawn thereafter dishonors and refuses to pay such check, those Assessments shall not be deemed "paid" and shall remain due and payable with interest accruing from the date such Assessments were originally due).

F. **Maximum Annual Assessment.** The Regular Assessments shall not at any time exceed the "Maximum Annual Assessment." Unless a greater Maximum Annual Assessment is approved by majority of all Members of the Association, the Maximum Annual Assessment for any fiscal year shall be equal to the Regular Assessment levied in the immediately preceding fiscal year increased by ten percent (10%). Increases in Regular Assessments shall be subject to any limitations imposed by the applicable Arizona law.

G. **Effect of Nonpayment of Assessments; Remedies of Association.** The Association shall have a lien on each Lot for: (a) all Assessments levied against the Lot owners, and (b) any other amounts payable to the Association pursuant to the Project Documents, subject to A.R.S. § 33-1807, as amended from time to time.

Such lien shall be prior and superior to all other liens affecting the Lot in question, except (a) taxes, bonds, assessments and other levies which, by law, are superior thereto, and (b) the lien or charge of any First Mortgage made in good faith and for value. Such liens may be foreclosed in the manner provided by law for the foreclosure of mortgages. The sale or transfer of any Lot pursuant to a mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of the Assessments as to payments which became due prior to such sale or transfer, but shall not relieve such Lot from liability for any Assessments becoming due after such sale or transfer, or from the lien thereof. Recording of this Declaration constitutes record notice and perfection of the liens established hereby, and further Recordation of any claim of a lien for Assessments or other amounts hereunder shall not be required, whether to establish or perfect such lien or to fix the priority thereof, or otherwise (although the Board shall have the option to Record written notices of claims of lien in such circumstances as the Board may deem appropriate).

The Board may invoke any or all of the sanctions provided for herein or in this Declaration, or any other reasonable sanction, to compel payment of any Assessment (or installment thereof), or any other amount payable to the Association under the Project Documents, which is not paid when due (a "Delinquent Amount"). Such sanctions include, but are not limited to, the following:

(a) Interest and Late Fees. The Board may impose late fees for payment of any Delinquent Amount that is not made within fifteen (15) days of the due date, and interest in such amounts as it determines are appropriate from time to time, subject to any limitations stated herein or imposed by law which such amounts shall be secured by the aforementioned liens;

(b) Suspension of Rights. The Board may suspend for the entire period during which a Delinquent Amount remains unpaid the obligated Owner's voting rights, rights to use and enjoy the Common Areas, and other Membership rights as provided herein, in accordance with the procedures that conform to Arizona law;

(c) Collection of Delinquent Amount. The Board may institute an action at law for a money judgment or any other proceeding to recover the Delinquent Amount to the fullest extent permitted by law;

(d) Recording of a lien. Subject to applicable law, the Board may record a notice of lien covering the Delinquent Amount plus interest and accrued collection costs as provided in this Declaration. The Board may establish a fixed fee to reimburse the Association or its representative for the cost of recording the notice, processing the delinquency, and recording a notice of satisfaction of the lien; and

(e) Foreclosure of Lien. The Board may foreclose the Recorded lien against the Lot in accordance with then prevailing Arizona law relating to the foreclosure of realty mortgages (including the right to recover any deficiency).

It shall be the duty of every Owner to pay all Assessments and any other amount payable with respect to the Owner's Dwelling Unit in the manner provided herein. Such Assessments and other amounts, together with interest and costs of collection as provided for herein and in this Declaration, shall, until paid, be a charge and continuing servitude and lien upon the Dwelling Unit against which such Assessments and other amounts are made, provided, however, that such lien shall be subordinate to only those matters identified in this Declaration. The Association and the Board shall have the authority to exercise and enforce any and all rights and remedies provided for in this Declaration or the Bylaws, or otherwise available at law or in equity for the collection of all unpaid Assessments or other amounts payable to the Association, interest thereon, costs of collection thereof and reasonable collection agency fees and attorneys' fees.

The Association shall be entitled to maintain suit to recover a money judgment for unpaid Assessments and other amounts payable to the Association without a foreclosure of the lien for such Assessments, and the same shall not constitute a waiver of the lien for such Assessments or such other amounts payable to the Association.

H. **Effect of Nonpayment of Assessments; Remedies of Newtown CDC.** In the event any assessment or fines go unpaid to the Association, Newtown CDC reserves the right to place a lien on the property in question.

The lien shall be enforceable in the manner of Mechanics' and Materialmens' Liens, Section 33-1807, Arizona Revised Statutes.

I. **Reserves.** The Board shall establish reserves for the future periodic maintenance, repair, or replacement of the major components of the Areas of the Association Responsibility. The reserves may be funded from Regular Assessments, the Reserve Contribution Fee paid pursuant to Section 8.14 or any other revenue of the Association. All amounts designated as reserves shall be deposited by the Board of Directors in a separate bank account (the "Reserve Account") held by Newtown CDC for the purposes for which they are collected and are to be segregated from and not commingled with any other funds of the Association.

To assist the Board in determining the appropriate amount of reserves, the Board shall obtain a reserve study at least once every five years, which study shall at a minimum include (a) identification of the major components of the Project which the Association is obligated to repair, replace, restore, or maintain which, as of the date of the study, have a remaining useful life of less than thirty (30) years; (b) identification of the probable remaining useful life of the identified major components as of the date of the study; (c) an estimate of the cost of repair, replacement, restoration, or maintenance of the identified major components during and at the end of their useful life; (d) an estimate of the total annual contribution necessary to defray the cost to repair, replace, restore, or maintain the identified major components during and at the end of their useful life, after subtracting total reserve funds as of the date of the study.

J. **Reserve Contribution Fee.** To assist the Association in establishing adequate reserve funds to meet its capital expenses, each Person (other than the Declarant or Newtown CDC when exercising their right of first refusal) who purchases or obtains a Lot or Unit shall pay to the Association a sum not to exceed one-fourth (1/4th) of the then current Annual Regular Assessment for such Lot or Unit (the "Reserve Contribution Fee"). The Reserve Contribution Fee shall not, when combined with other similar fees, exceed the amounts allowed by law for such fees. Such payment shall become due at the close of escrow or immediately upon the transfer of title to the Lot or Unit, whichever occurs first, and shall be required upon each transfer of title to each Lot or Unit. Payments made pursuant to this Section shall be nonrefundable and shall not be considered as an advance payment of any other Assessments levied by the Association pursuant to this Declaration. The Board shall have the right, by an affirmative vote of the majority of the members of the Board, and based upon the Board's analysis of replacement and repair reserves to permanently or temporarily cease to assess the Reserve Contribution Fee, and having ceased to assess the Reserve Contribution Fee, the Board shall have the right to reinstate the assessment of such fee at any time thereafter, it being the intent that the Board shall have the right to begin or cease assessment of the Reserve Contribution Fee as the Board deems appropriate from time to time.

K. **Administrative Fee.** Each Person, other than Declarant or Newtown CDC when exercising their right of first refusal, who purchases or obtains a Lot or Unit from a Person shall pay to the Association, or the Association's managing agent, a transfer fee in such amount as is established from time to time by a written resolution of the Board. The transfer fee shall become due at the close of escrow or immediately upon the transfer of the Lot or Unit, whichever occurs first, and shall be required upon each transfer of title to each Lot or Unit. The transfer fee shall be used exclusively to cover administrative costs related to the transfer and shall not, when combined with other similar fees, exceed the amounts allowed by law for such fees.

10. USE OF FUNDS; BORROWING POWER

A. **Purposes for which Association's Funds May Be Used.** The Association shall apply all funds and property collected and received by it (including, without limitations, the Regular Assessments, Reduced Assessments, Special Assessments and Deficiency Assessments, fees, loan proceeds, surplus funds and all funds and property received by it from any other source) for the common good and benefit of the Project and the Members and Residents by devoting said funds and property, among other things, to the acquisition, construction, alteration, maintenance, provision, and operation, by any manner or method whatsoever, of any and all land, properties, improvements, facilities, services, projects, programs, studies and systems, within or without the Project, which may be necessary, desirable or beneficial to the general common interests of the Project, the Members and the Residents. The following are some, but not all, of the areas in which the Association may seek to aid, promote and provide for such common benefit: maintenance of landscaping on Common Areas and public right-of-way and drainage areas within or serving the Project, maintaining the Areas of Association Responsibility as provided in this Declaration, obtaining property and liability insurance, supplying utilities and other public services, providing for communication and transportation within and dissemination of information concerning the Project, obtaining legal and accounting services for the Association, indemnification of officers and directors of the Association, and generally protecting the health and safety of the Members and the Residents. The Association may also expend its funds for any purposes which any municipality may expend its funds under the laws of the State of Arizona or such municipality's charter.

B. **Borrowing Power.** The Association may borrow money in such amounts, at such rates, upon such terms and security, and for such period of time as is necessary or appropriate, provided, however, that no portion of the Common Areas shall be mortgaged or otherwise encumbered, nor shall the Association pledge future Assessments as collateral for a loan, without the approval of Newtown CDC and at least two-thirds (2/3) of the Members who are voting on the matter at a duly called meeting, and the

Declarant (so long as Declarant owns any portion of the Project). Notwithstanding anything contained in the foregoing to the contrary, if ingress and egress to any Owner's Lot is over or through any Common Areas which will be mortgaged or otherwise encumbered as provided in the foregoing, any such mortgage or encumbrance shall be subject to such Owner's right and easement for ingress and egress.

C. **Association's Rights in Spending Funds From Year to Year.** The Association shall not be obligated to spend in any year all the sums received by it in such year (whether by way of Assessments, fees, or otherwise), and may carry forward as surplus any balances remaining. The Association shall not be obligated to reduce the amount of the Regular Assessments in the succeeding year if a surplus exists from a prior year and the Association may carry forward from year to year such surplus as the Board in its discretion may determine to be desirable for the greater financial security of the Association and the accomplishment of its purposes.

11. INSURANCE

A. **Scope of Coverage.** The Association shall maintain, to the extent reasonably available, the following insurance coverage:

11.A.i. Comprehensive general liability insurance, including medical payments insurance, in an amount determined by the Board. Such insurance shall cover all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Areas of Association Responsibility and all other portions of the Project which the Association is obligated to maintain under this Declaration;

11.A.ii. Project insurance on all Areas of Association Responsibility insuring against all risk of direct physical loss, insured against in an amount equal to the maximum insurable replacement value of the Areas of Association Responsibility, as determined by the Board; provided, however, that the total amount of insurance after application of any deductibles shall not be less than one hundred percent (100%) of the current replacement cost of the insured property, exclusive land, excavations, foundations, and other items normally excluded from a property policy;

The insurance policies purchased by the Association shall, to the extent reasonably available, contain the following provisions:

a. Such other insurance as the Association shall determine from time to time to be appropriate to protect the Association or the Owners.

b. That there shall be no subrogation with respect to the Association, its agents, servants, and employees, with respect to Owners and members of their household;

c. No act or omission by any Owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or be a condition to recovery on the policy;

d. That the coverage afforded by such policy shall not be brought into contribution or proration with any insurance which may be purchased by Owners or their mortgagees or beneficiaries under deeds of trust;

e. A "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or the Owners; and

f. Statement of the name of the insured as the Association

B. **Insurance Obtained by Owners.** Each Owner shall be responsible for obtaining property insurance for his or her own benefit and at his or her own expense covering the Owner's Lot and all Improvements and personal property located thereon. Each Owner shall also be responsible for obtaining at his or her expense personal liability coverage for death, bodily injury or property damage arising out of the use, ownership or maintenance of the Owner's Lot and all improvements and personal property located thereon.

C. **Repair and Replacement of Damaged or Destroyed Property.** Any portions of the Area of Association Responsibility required by any governmental entity to be maintained by the Association which is damaged or destroyed shall be repaired or replaced promptly by the Association in accordance with the restrictions and requirements of such governmental entity. Any Area of Association Responsibility which is damaged or destroyed shall be repaired or replaced promptly by the Association unless (i) repair or replacement would be illegal under any state or local health or safety statute or ordinance, (ii) Members representing at least eighty percent (80%) of the total authorized votes in the Association vote not to rebuild, or (iii) the cost of repair or replacement is in excess of insurance proceeds and reserves and the Members do not approve a Special Assessment to fund the additional cost of repair or replacement. If all of the Areas of Association Responsibility are not repaired or replaced, insurance proceeds attributable to the damaged area shall be used to restore the damaged area to a condition which is not in violation of any state or local health or safety statute or ordinance and the remainder of the proceeds shall either (i) be retained by the Association as an additional capital reserve, or (ii) be used for payment of operating expenses of the Association.

D. **Assessment of Certain Costs of Maintenance and Repair of Areas of Association Responsibility.** In the event that the need for maintenance or repair of Common Areas and other areas maintained by the Association is caused through the act of any Owner or Resident, or any family, guest, tenant, or invitee of any Owner or Resident, the Association shall perform the needed maintenance or repairs and the cost of such maintenance or repairs shall be due within thirty (30) days of notice and shall be added to, and become a part of, the Assessment to which such Owner and the Owner's Lot is subject, and shall be secured by the Assessment Lien. Notwithstanding the foregoing, prior to submitting a bill for such costs, the Board shall cause a notice to be sent to Owner specifying the maintenance or repairs and Owner shall have the right to object to his responsibility. Following the Board's consideration of such objection, the Board may absolve Owner or demand that Owner pay the bill within the thirty (30) day period provided above. The decision of the board shall be final and binding.

E. **Improper Maintenance and Use of Lots.** In the event any portion of any Lot is so maintained as to present a public or private nuisance, or as to substantially detract from the appearance or quality of the surrounding Lots or other areas of the Project which are substantially affected thereby or related thereto, or in the event any portion of a Lot is being used in a manner which violates this Declaration, or in the event the Owner of any Lot or Unit is failing to perform any of its obligations under this Declaration or the Association Rules, the Association may give notice to the offending Owner of the particular condition or conditions that exist and inform the Owner that, unless corrective action is taken within thirty (30) days, the Association may cause such action to be taken at said Owner's cost. If at the expiration of said thirty (30) day period of time the requisite corrective action has not been taken, the Association shall be authorized and empowered to cause such action to be taken (either by undertaking such corrective actions or bringing suit to compel the offending Owner to undertake such corrective action) and the cost thereof, together with any attorney's fees expended by the Association in connection therewith, shall be added to, and become a part of, the Assessment to which the offending Owner and the Owner's Lot is subject, if any, and shall be secured by the Assessment Lien. The Association is hereby granted an easement to enter the Lot to perform such corrective action and, to the extent the Association or its agents or contractors enters the Owner's Lot to perform such corrective action, they shall not be deemed guilty of trespass. The Board may delegate any of its rights and responsibilities under this Section to a Committee appointed by the Board, or to its managing agent.

12. AMENDMENTS / CHANGES TO THE CC&Rs

A. Changes to the CC&Rs are very important and require the written approval of Newtown CDC and careful consideration by all Homeowners.

B. Until termination of the Declarant Control Period, Declarant may amend this Declaration for any purpose, and without the consent or approval of any Owners or Members, or any other Person. In addition to the foregoing, after termination of the Declarant Control Period, Declarant may of its own volition, and without the consent or approval of any Owners or Members, or any other Person, amend this Declaration for the following purposes: (a) to bring any provision hereof into compliance with applicable law; (b) to satisfy the requirements of any governmental agency pertaining to lending criteria, or established as conditions for acceptability or approval of mortgages, mortgage insurance, loan guarantees or other factors; or (c) to correct any error or ambiguity, or to further the intent or purposes hereof by expanding upon the existing provisions hereof. Any amendment during such time as Declarant owns any portion of the Project shall require the written approval of Declarant.

C. No further covenants, conditions, restrictions or easements ("Supplemental Declaration") shall be Recorded by any Owner, Resident, or other Person against any Lot without the provisions thereof having been first approved at a meeting where a quorum is present, by the approval of Members holding at least two-thirds of the votes in the association who are voting on the matter, and in writing by Newtown CDC. Any Supplemental Declaration which is Recorded without such approval being evidenced thereon shall be null and void, provided, however, that, without prior approval of the Board, the Declarant shall have the right to record a Supplemental Declaration against any portion of the Project owned by Declarant either prior to or simultaneously with the conveyance of any such portion of the Project to an Owner. 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 Declarant, its employees, agents and subcontractors, or parties designated by it in connection with the construction, completion, sale or leasing of Lots, Common Areas, or any other portion of the Project.

D. A Homeowner who wishes to request a change to the CC&Rs shall submit a written proposal to the Facilitator of the Board of Directors (''Facilitator'').

E. The Facilitator shall mail, email or hand-deliver the written proposal to all Homeowners and announce the date, time and location of an initial meeting to discuss the proposal. The meeting will be held within 30 days of the Facilitator's receipt of the proposal.

F. At the meeting, the proposal shall be discussed and considered or adoption or rejection. The Facilitator will facilitate the meeting and the Secretary of the Board of Directors will take minutes.

G. A second meeting, scheduled by the Facilitator, shall be held within 30 days of the initial meeting. During the meeting, the proposal may be formally adopted or rejected by a two-thirds (2/3) majority of the Members who are voting on the matter in an action without a meeting or at a meeting of the Association where a quorum is present.

H. If the proposal is approved by Newtown CDC and a two-thirds (2/3) majority of the Members, the amended CC&Rs will be recorded by the Maricopa County Recorder's office.

13. EXCEPTIONS TO THE CC&Rs

A. In an emergency, the Facilitator of the Board of Directors (''Facilitator'') may grant temporary approval of the exception until the Association meeting is convened. The temporary approval period shall be no longer than four weeks.

14. ENFORCEMENT OF THE CC&Rs AND CONFLICT RESOLUTION

A. Conflict exists in communities and is a normal part of community life. In addition, part of living in a community must include a commitment to continuing to participate in the Association during conflicts. With that in mind, Residents are encouraged to resolve disputes with their neighbors in good faith with respectful and direct communication.

14.A.i. Homeowners understand that any continuing, unresolved disagreement about compliance with the CC&Rs can detrimentally affect other Residents. In the event of a dispute, the following steps will be taken:

14.A.ii. The affected Homeowners will make reasonable attempts to resolve their differences amicably amongst themselves. No individual Homeowner, however, may grant exemption from the CC&Rs to any other Homeowner in lieu of the process outlined above. Homeowners are encouraged to communicate directly

and respectfully with each other, either verbally or in writing, and to refrain from drawing other, uninvolved persons into the dispute.

14.A.iii. If the affected Homeowners are not able to resolve their differences amongst themselves, then the Board of Directors will try to assist. Depending upon the nature of the dispute, the Board of Directors may initiate a mediation process and select two members of the Board of Directors to serve as mediators.

14.A.iv. Alternatively, the Board of Directors may call a special meeting in accordance with the Association Bylaws. At the Special meeting, Homeowners will discuss the dispute and through two-thirds (2/3) approval, determine whether and how the dispute can be resolved.

14.A.v. The Board of Directors will discuss the dispute, decide upon the appropriate resolution and enforce compliance with the CC&Rs as necessary. If the Board of Directors determines that a Homeowner is out of compliance with the CC&Rs, the Secretary of the Board of Directors ("Secretary") will draft a notice to the Homeowner for delivery by the Facilitator of the Board of Directors ("Facilitator"). The notice shall clearly state the background, analysis and rationale for the Board of Directors' decision, and the corrective actions, including timelines, to be taken by the Homeowner who is out of compliance. The notice shall further state the consequences for failure to comply, including possible fines. The Facilitator will deliver the notice to the Homeowner via Certified Mail, Return Receipt.

14.A.vi. If the Homeowner continues to be out of compliance beyond the stated timeline, the Facilitator will issue a second notice. The second notice will include a fine of $50.00 and will be delivered via Certified Mail, Return Receipt.

14.A.vii. If the Homeowner continues to be out of compliance 30 days after the second notice, the Facilitator will issue a third notice. The third notice will include a fine of $250.00 and will be delivered via Certified Mail, Return Receipt.

14.A.viii. If the Homeowner continues to be out of compliance 30 days after the third notice, the Facilitator will issue a fourth notice. The fourth notice will include a fine of $500.00 and will be delivered via Certified Mail, Return Receipt.

14.A.ix. All fines are due within 30 days of written notice.

14.A.x. Payment for fines will be deposited into the La Victoria Townhomes Operating Fund.

14.A.xi. Copies of all notices shall be provided to Newtown CDC, which will, in cases of continuing non-compliance and non-payment, add the amount of the fines to the Homeowner's Lease Fee.

14.A.xii. In the event the fines go unpaid, Newtown CDC reserves the right to place a lien on the property in question in accordance with the Newtown Ground Lease.

The lien shall be enforceable in the manner of Mechanics' and Materialmens' Liens, Section 33-1807, Arizona Revised Statutes.

14.A.xiii. If the above process fails to resolve the dispute and/or does not result in satisfactory compliance with the CC&Rs, then the Board of Directors may bring the matter to Newtown CDC or pursue arbitration. Arbitration shall occur in accordance with the rules for commercial arbitration of the American Arbitration Association (or a similar organization) in effect at the time such arbitration is initiated. The arbitrator(s), selected pursuant to such agreed upon rules, shall apply to the issues presented, to the extent not pre-empted by federal law, the laws: of the State of Arizona with regard to its conflicts of law provisions.

14.A.xiv. The decision and award of the arbitrator(s), including determination of amount of any damages suffered, shall be conclusive, final and binding on such arbitrating parties, their respective heirs, legal representatives, successors and assigns and not subject: to appeal except as provided under the laws of the State of Arizona relating to appeals of arbitration awards. The award and any judgment upon the award rendered by the arbitrator(s) may include an award to the prevailing party for arbitrator’s fees and reasonable attorneys' fees, fees for expert testimony, and for all other expenses of presenting its case, confirming the award, and any costs or reasonable attorneys' fees incurred in any appeal. In the worst case, non-compliance may result in a lien on the property or revocation of the Ground Lease.

14.A.xv. If a member of the Board of Directors become aware of a situation that potentially involves non-compliance with the CC&Rs, either through direct observation or a report from a Homeowner, the member will take the following steps.

14.A.xv.a. The Board of Directors will investigate the situation.

14.A.xv.b. If the Board of Directors find no evidence of non-compliance, they discuss their findings with the Homeowner who made the report.

14.A.xv.c. If the Board of Directors determines that a Resident is out of compliance with the CC&Rs, they will discuss their findings with the responsible Homeowner and request his or her cooperation in taking the necessary corrective actions.

14.A.xv.d. The enforcement and conflict resolution process will continue as described above.

14.A.xv.e. Regardless of any other language in this document, the Facilitator may take immediate action to enforce any CC&R provision if the violation presents an immediate threat to health or safety. If the Homeowner does not immediately stop or otherwise correct the violation after being asked to, said Homeowner shall be responsible for reimbursing the Association or Newtown CDC for its costs in correcting the violation plus any fines as outlined in this document.

14.A.xv.f. The Homeowner shall be liable for all the Association's and Newtown CDC's costs and attorney's fees involved in drafting, filing, enforcing, foreclosing and removing any lien imposed.

14.A.xvi. **Waiver.** The waiver of or failure to enforce any breach or violation of this Declaration will not be deemed a waiver or abandonment of any provision of the Declaration or a waiver of the right to enforce any subsequent breach or violation of the Declaration. The foregoing shall apply regardless of whether any Person affected by the Declaration (or having the right to enforce the Declaration) has or had knowledge of the breach or violation.

14.A.xvii. **Interpretation of the Covenants.** Except for judicial construction, the Association, by its Board, shall have the exclusive right to construe and interpret the provisions of the Project Documents. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Association's construction or interpretation of the provisions of the Project Documents shall be final, conclusive, and binding as to all Persons and property benefited or bound by the Project Documents.

15. Declarant's Exemption.

A. Nothing contained in this Declaration shall be construed to prevent the erection or maintenance by Declarant, or its duly authorized agents, of structures, Improvements or signs necessary or convenient to the development or sale of Lots within the Project and, in connection therewith, Declarant shall have the right and authority to permit and authorize Builder to construct and install temporary signage which is necessary or convenient to the development and sale of any Lots within the Project.

16. **Severability.** Any determination by any court of competent jurisdiction that any provision of this Declaration is invalid or unenforceable shall not affect the validity or enforceability of any of the other provisions hereof.

17. **Responsibility for Others.** Owners hereby acknowledge and agree that they are fully responsible for the actions and inactions of the Owner's family, Residents, guests, licensees, invitees, tenants, and pets. If an Owner's family, Resident, guest, licensee, invitee, tenant, or pet commits a violation of this Declaration, the Owner will be responsible in the same manner as if the Owner had committed such violation.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Declarant has executed these Declarations as of the date first written above.

DECLARANT:
Newtown CDC
an Arizona nonprofit corporation

By: _____
Stephanie Brewer, Executive Director

STATE OF ARIZONA)

) ss.

COUNTY OF MARICOPA)

Acknowledged before me this 18th day of November, 2020, by Stephanie Brewer, the Executive Director of Newtown CDC, on behalf of the company.

_____
Notary Public

My commission expires: _____

EXHIBIT "A"

Legal Description of Project

LOTS 1, INCLUSIVE, AND TRACT A, OF LA VICTORIA TOWNHOMES, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

LOTS 2, INCLUSIVE, AND TRACT A, OF LA VICTORIA TOWNHOMES , ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

LOTS 3, INCLUSIVE, AND TRACT A, OF LA VICTORIA TOWNHOMES, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

LOTS 4, INCLUSIVE, AND TRACT A, OF LA VICTORIA TOWNHOMES, ACCORDING TO THE PLAT OF RECORDIN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS,PAGE 32.

LOTS 5, INCLUSIVE, AND TRACT A, OF LA VICTORIA TOWNHOMES , ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

LOTS 6, INCLUSIVE, AND TRACT A, OF LA VICTORIA TOWNHOMES, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

LOTS 7, INCLUSIVE, AND TRACT A, OF LA VICTORIA TOWNHOMES, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

LOTS 8, INCLUSIVE, AND TRACT A, OF LA VICTORIA TOWNHOMES, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

LOTS 9, INCLUSIVE, AND TRACT A, OF LA VICTORIA TOWNHOMES, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

LOTS 10, INCLUSIVE, AND TRACT A, OF LA VICTORIA TOWNHOMES , ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

LOTS 11, INCLUSIVE, AND TRACT A, OF LA VICTORIA TOWNHOMES , ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

LOTS 12, INCLUSIVE, AND TRACT A, OF , LA VICTORIA TOWNHOMES ,ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

LOTS 13, INCLUSIVE, AND TRACT A, OF , LA VICTORIA TOWNHOMES ,ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

LOTS 14, INCLUSIVE, AND TRACT A, OF TEMPE MICRO ESTATES, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1503 OF MAPS, PAGE 48.

LOTS 15, INCLUSIVE, AND TRACT A, OF , LA VICTORIA TOWNHOMES ,ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

LOTS 16, INCLUSIVE, AND TRACT A, OF , LA VICTORIA TOWNHOMES ,ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

LOTS 17, INCLUSIVE, AND TRACT A, OF , LA VICTORIA TOWNHOMES ,ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

LOTS 18, INCLUSIVE, AND TRACT A, OF , LA VICTORIA TOWNHOMES ,ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

LOTS 19, INCLUSIVE, AND TRACT A, OF , LA VICTORIA TOWNHOMES ,ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

TRACT A, OF TEMPE MICRO ESTATES, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA RECORDED IN BOOK 1800 OF MAPS, PAGE 32.

EXHIBIT "B"

Project Site Plan

Project On Site Utility Plan