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KRISTI BLAIR,
COUNTY RECORDER



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INDEX TO DECLARATION OF COVENANTS CONDITIONS AND RESTRICTIONS

FOR SUN VALLEY AIRPORT TRACT 4043, MOHAVE COUNTY, ARIZONA
THE PURPOSE OF THIS COVER PAGE IS TO EXPLAIN THAT THESE
CC&R'S, AS ORIGINALLY RECORDED IN MOHAVE COUNTY, ARIZONA, ON
SEPTEMBER 29, 1986, IN BOOK 1251 PAGES 400-471, HAVE BEEN
REVISED BY AMENDMENT 1 AS APPROVED BY THE MEMBERSHIP.
AMENDMENT 1 IS NOW ATTACHED TO THESE CC&R'S AND RECORDED
AS AN OFFICIAL REVISION.

THIS COVER PAGE IN ITSELF, DOES NOT ALTER OR REVISE ANY
PORTION OF THESE CC&R'S. IT IS ONLY MEANT TO DREW ATTENTION
TO AMENDMENT 1 WHICH DOCUMENTS THE DETAILS OF THIS REVISION

*James J. O'Leary
Folder*

FEE # 86-40433

INDEX



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TO
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FOR
SUN VALLEY AIRPORT
TRACT 4043, MOHAVE COUNTY, ARIZONA

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MOHAVE COUNTY ARIZONA
OFFICE OF THE COUNTY RECORDER
1000 W. WASHINGTON ST.
PRESTON, ARIZONA 86305
(928) 938-1234



CERTIFICATION OF COPY
STATE OF ARIZONA)
) SS
COUNTY OF MOHAVE)

I, the undersigned, do hereby certify that
this is a true, full and correct copy of the
original instrument now on record in this
office.

IN WITNESS WHEREOF, I have hereunto
set my hand and affixed the seal of my
office in Kingman, Arizona this

29th day of May, A.D. 2018

By Leona P. Hargis

(SEAL) Deputy Recorder



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10-24-85
02-19-86 Revised

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

SUN VALLEY AIRPORTTRACT 4043, MOHAVE COUNTY, ARIZONA

This Declaration made and entered into this 16th day of June, 1986, by MOHAVE SUN VALLEY, INC., hereinafter designated the "Declarant" which holds the lands hereinafter referred to as the "Property" as per the plat thereof recorded on the 29 day of Sept., 1986, at Fee No. 8640431, and more fully described in the attached Exhibit A; and,

WHEREAS, the Declarant intends to sell, dispose, or convey, from time to time, all or a portion of the lots in said property, Tract 4043-A ("TRACT"), above described and to enter into an agreement for the use, operation and maintenance an airport landing field and appurtenant taxiways and easements as set forth herein; and desires to subject the property to certain covenants, conditions, restrictions, reservations, easements, and rights-of-way, liens, charges, and fees, hereinafter set forth, each and all of which is and are for the benefit of each lot contained in said property and for each owner thereof, and further which inure to the benefit of, and pass with, each lot contained in said property and tract, and shall apply and bind the successors in ownership thereof; and,

WHEREAS, the Declarant has caused to be prepared and filed contemporaneous herewith for record a plat of survey creating the SUN VALLEY AIRPORT SUBDIVISION, Tract 4043-A, which contains the

above-described property and which Subdivision Survey Plat is recorded in the Recorder's Office of Mohave County, Arizona, at Fee # 86-40431 on the 29 day of Sept., 1986; which Survey Plat and all its contents are incorporated herein by special reference and are hereinafter referred to as the "Plat"; and,

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That Declarant hereby certifies and declares that it is established and does hereby establish a general plan for the protection, maintenance, development and improvement of the property in said tract, that said conditions are as follows:

I. DEFINITIONS

1. "Airfield" shall mean the aircraft landing strip Parcel "A" of the plat, and taxiways associated therewith as located on the attached Exhibit 2.

2. "Association" shall refer to MOHAVE SUN VALLEY PROPERTY OWNERS ASSOCIATION, INC., whose membership shall include each owner of a lot, and whose function shall be to serve as a counsel of co-owners. The Association shall be a non-profit corporation, under the laws of the State of Arizona, and shall be so incorporated prior to the conveyance of the first lot Declarant.

3. "Association Rules" shall mean and refer to the rules and regulations adopted by the Association pursuant to this Declaration and in furtherance of the Bylaws.

4. "Assessments" shall mean the fee against Owners to defray the common expenses, as well as miscellaneous special assessments, special assessments for capital improvements, and special-assessments for purposes of restoration and reconstruction in the event of casualty, all as provided in this Declaration.

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5. "Board" shall mean the Board of Directors of the Association, elected pursuant to the Bylaws and serving as the governing body of the Association.

6. "Bylaws" shall mean the Bylaws adopted by the Association for the purpose of regulating the affairs of the Association, as the same may be amended from time to time.

7. "Common Expense" shall mean the actual and estimated costs for:

a. Maintenance, management, operation, repair and replacement of the common elements maintained by the Association;

b. Deficiencies arising by reason of unpaid assessments;

c. Use and other fees for the Aircraft Landing Field as determined by the Association or are provided for herein;

d. Management and administration of the Association, including, but not limited to, compensation paid to managers, accountants, attorney's and employees;

e. Utilities other than separately metered utilities for each lot;

f. Insurance and bonds, and the premiums therefore, required by this Declaration, or any additional insurance and bonds, and the premiums therefore, obtained by the Board, in its discretion;

g. The establishment of reasonable reserves as the Board shall deem appropriate in its discretion;

h. Other miscellaneous charges incurred by the Association or the Board, pursuant to this declaration, the Bylaws, or Association Rules.

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8. "Common Elements" shall mean the entire subdivision property, including but not limited to all public utility easements, all drainage easements, all private roadways and roadway easements, taxiways, and all joint use taxiways and vehicle access ways, but excluding the areas dedicated to the public on the plat and excluding the lots and excluding the airfield itself, Parcel "A".

9. "Lot" shall mean and refer an individually identified numbered lot as identified as such on the Plat of the Subdivision, and all structures located thereon, excluding Parcel "A".

10. "Declarant" shall mean MOHAVE SUN VALLEY, INC., its successors and assigns.

11. "Declaration" shall mean this Declaration, including all exhibits attached hereto, which are incorporated herein by reference, and any and all amendments and supplements hereto.

12. "Owners" shall mean the person or persons who are vested with record title to a lot according to the records of Mohave County, Arizona; however, owners shall not include a person who owns an interest in a lot merely as security for performance of an obligation. Declarant shall be considered the record owner of any lot prior to its initial conveyance by Declarant.

13. "Plat" shall mean the Plat survey of the property submitted to Mohave County, for Mohave Sun Valley Airport Tract 4043-A, and showing thereon the Lots, each of which is identified by a number. The original Plat is to be recorded in the records

of Mohave County, contemporaneous with the recording of this Declaration.

14. "Person" shall mean a natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

15. "Property" shall mean the entire subdivision, as set forth on the Plat for Tract 4043-A.

16. "Restrictions" shall mean the covenants, conditions, assessments, easements, liens and restrictions set forth in this Declaration.

17. "Supplementary Declaration" shall mean and refer to any supplementary declaration of covenants, conditions and restrictions, or similar instrument, which extends the provisions of the Declaration to all or any portion within any additional property, and contains such complementary or amended provisions for such additional property as are herein required by this Declaration.

II. CREATION OF COMMON ELEMENTS

1. SUBMISSION: Declarant hereby declares and decrees that the property and all of the Lots shall be subject to the Restrictions, which shall constitute covenants and conditions running with the land, and shall be binding upon and inure to the benefit of Declarant, the Association, and each owner, including the respective successors and assigns, creating a condominium per A.R.S. §33-1201 et. seq.

2. FORM OF CONVEYANCING: Any deed, lease, mortgage, deed of trust, or other similar instrument conveying or encumbering

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title to a lot shall describe the interest and estate involved substantially as follows: (see the attached Exhibit 1).

3. TRANSFER OF TITLE TO COMMON ELEMENTS: Declarant agrees that it shall, on or prior to the first conveyance of a Lot, complete and convey to the Association, title to the Common Elements of Tract 4043-A, and Declarant further agrees that it will discharge all liens and encumbrances on said common elements, on or before the sale and closing of the first Lot in said Tract, except for those items of Exhibit B.

4. DEDICATION:

a) Common Elements: Declarant, in recording the Plat of the property has designated certain areas as Common Elements, intended for use by the Owners in Tract 4043-A for roadways, easements, taxiways, and other related activities. The designated common elements, easements, roadway, and taxiway areas are not dedicated thereby for use by the general public, but are dedicated to the common use and enjoyment of the owners in MOHAVE SUN VALLEY PROPERTY OWNERS ASSOCIATION, INC., as more fully provided for in this Declaration. Additionally, all of the areas identified as common elements, or for utilization as roadways, taxiways, easements or which constitute private vehicle access ways, shall be, and hereby are established as public utility easements; additional easements for public utility purposes may be provided as necessary to accommodate other utilities as necessary, and may adjoin the private vehicle access ways, all as determined reasonable and appropriate by the Declarant or

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Association. Declarant hereby covenants and warrants to record dedication in substantially similar form to this paragraph as a notation on the face of the Plat of the project.

b) Airfield Parcel: Declarant hereby designates that portion of the property identified as Parcel A on the Plat for use as a private airfield and associated structures and improvements. The airfield is dedicated for the benefit, use and enjoyment of the owners, Declarant and their respective guests, invitees, and assignees, and not for the use, benefit, or enjoyment of the general public; however, Declarant reserves the right to allow others than the owners to use the airfield upon such terms and conditions as Declarant deems appropriate; Further, upon obtaining the required approvals and authorizations from Mohave County, the State of Arizona, the Federal Aviation Administration Declarant may extend the benefit use and enjoyment of Parcel A to the general public so long as such use does not unreasonably interfere with the use and enjoyment of the owners. Declarant hereby covenants to record a dedication in substantially similar form to this paragraph as a notation on the face of the Plat.

5. OWNER'S EASEMENTS OF ENJOYMENT: Every owner shall have a right and easement of enjoyment in and to the roadway easements, and private vehicle access ways, which shall be appurtenant to and shall pass with the title to every Lot. The Owner's right and easement of use and enjoyment concerning the

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taxiway easements shall be limited as set forth in this Declaration Article III and VIII.

6. LIMITATION EASEMENTS RIGHTS OF ENJOYMENT: The owner's rights of enjoyment in Parcel A and Common Elements is limited by the right of the County of Mohave, and any other governmental and quasi governmental body having jurisdiction over the property to have access to, and have a right of ingress and egress over and across any street, roadway, private vehicle access way, parkway area, walkway, taxiway, drainage easement, or open space contained within the property for purposes providing police and fire protection, and providing any other governmental and municipal service; furthermore, that in the case of public nuisance, or emergency, any emergency vehicle or personnel, may enter the property to abate the nuisance, or respond to the emergency.

7. OWNERS RIGHTS IN AIRFIELD: Owners rights of use and enjoyment to the airfield Parcel "A" as set forth in Article III and IX below.

III. MAINTENANCE OF COMMON ELEMENTS

RULE MAKING AUTHORITY

1. Authority: The Association shall maintain the common elements including roadway easements, the private vehicle access ways, the drainage easements, the public utility easements, and the taxiway easements, throughout the life of this declaration. Airfield maintenance is set forth in Article IX below.

2. Regulations: To fulfill the above purposes, the

Association may levy an appropriate assessment against the lot owners as set forth in paragraph V et. seq. below, and adopt such rules and regulations as are necessary and appropriate, including, but not limited to the following:

a) Regulations requiring that signs be posted and maintained to separate motor vehicle uses of the common areas from aircraft use areas of the common elements;

b) Regulations to prevent and prohibit pedestrian use of the taxiway areas of the common elements;

c) Regulations to prevent and prohibit the presence of minor children without the presence of a parent or guardian upon the common area.

d) Regulations requiring all owners, members of their households, and guests to deliver to the Association such waivers, indemnifications, and save-harmless agreements regarding the use of the common elements as the Association deems appropriate.

e) Rules and Regulations to provide and enforce a "no-propeller" rule, for the joint use taxiway/vehicle access areas of the common elements to assure that no moving propeller, turbine blade, or rotor is activated in such joint use areas while Pedestrians are present or within 100 feet of any aircraft.

f) Regulations establishing and maintaining control over access to the subdivision, such as a guard station, at the entrance to the subdivision, for the purposes of furtherance of the Rules and Regulations of the Association.

3. Enforcement by Mohave County: Mohave County, or any other governmental and quasi governmental body shall have the power to enforce the maintenance provisions of this Declaration for and on behalf of the property owner's association if the property owners association fails to do so; it shall have the right to recover all costs incurred by said governmental entity in a shared, pro-rated basis, by all lots, collected as assessment along with property taxes regularly and duly assessed against such lots. To the extent necessary to aid in collection of these amounts by Mohave County, it may deem such amounts as special assessments of the Association and collect said amounts in the same manner as a special assessment.

4. Non-Avoidance: An individual lot owner cannot, and shall not avoid liability and responsibility for his prorata share of the expenses for the maintenance of the Common Elements or Airfield by renouncing his rights in the Common Elements, Airfield, or his right to the utilization thereof, except as provided for by law, and as adjudicated in a Court of competent jurisdiction.

ARTICLE IV

OWNERS ASSOCIATION

1. Association: "Association" shall refer to the MOHAVE SUN VALLEY PROPERTY OWNERS ASSOCIATION, INC., whose membership shall include each owner of a lot in the subdivision. The Association shall be incorporated under the name of MOHAVE SUN VALLEY PROPERTY OWNERS ASSOCIATION, INC., as an Arizona

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Non-Profit Corporation, prior to the conveyance of a lot by the Declarant. The Association will be formed to serve as a governing body for all owners and make provision for the enforcement of these codes, covenants and restrictions. The Association shall make provisions for assessments, payments, acquisition of insurance, disposition of insurance proceeds and other matters as provided by this Declaration, the Articles of the Corporation, the Bylaws, and the laws of the State of Arizona. The Association shall not be deemed to be conducting a business of any kind, and all funds received by the Association shall be held and applied by it for the benefit of the Owners.

2. Membership: Each owner shall be a member of the Association so long as he shall be an owner of a lot in the subdivision. Such membership shall automatically terminate when he ceases to be an owner of a lot in the subdivision, and upon the transfer of such ownership interest, the new owners succeeding to such ownership interest shall likewise succeed to membership in the Association.

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

a) Class A members shall be all of the owners other than the Declarant. Class A members shall be entitled to one (1) vote for each lot owned. When more than one (1) person owns an interest in a lot, each such person shall be a member of the Association, but the vote for such lot shall be exercised as the co-owners themselves determine, but in no event shall more than

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one vote be cast with respect to any lot. The Association shall not be required to recognize the vote of any such co-owner, except upon written assent of all such co-owners delivered to the Association.

b) The Class B member shall be the Declarant. The Declarant shall be entitled to four (4) votes for each lot which it owns, provided however, the Class B membership shall cease and be converted into Class A membership not later than the tenth (10th) anniversary of the conveyance of the first (1st) lot to an owner by Declarant.

4. Board of Directors: The governing body of the Association shall be by the Board of Directors, elected pursuant to the By-laws. The initial Board shall consist of three (3) members: Stephan Valihora, Alvin Holt, and Edward Capcik. Except as otherwise provided in this Declaration, the Bylaws, or Association Rules, the Board may act in all instances on behalf of the Association. Except for Board Members designated by the Declarant, each director shall be an owner or the spouse of an owner of a lot in the Subdivision. The Board shall act to adopt Bylaws and Association Rules. The Bylaws and Association Rules shall be adopted and amended by a majority of the voting power of the Board. The Board may not act on behalf of the Association to amend or terminate this Declaration, or to elect members of the Board, except in filling vacancies in its membership for an unexpired portion of any term. The owners, acting by a majority of the voting power of the Association, may reject and veto any

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act of the Board, provided such veto is exercised within thirty (30) days after Board action.

5. Annual Meeting: The first meeting of the Association shall be held not later than 120 days after the first conveyance of a lot in the subdivision from Declarant to an Owner is recorded in the Official Records of Mohave County. Thereafter, the annual meetings shall be held as provided in the Bylaws.

ARTICLE V

COVENANT FOR ASSESSMENTS

1. Creation of Lien: Each owner by acceptance of a Deed or other instrument creating in such owner the interest required to be deemed an Owner, whether or not it shall be so expressed in any such deed or instrument is deemed to covenant and agree to pay such assessments to be fixed, established and collected from time-to-time as provided in this declaration or as established by the Bylaws of the Association. The assessments, together with interest thereon, late charges, attorney's fees, court costs, and other costs of collection as herein provided, shall be a continuing lien upon the owner's property against which such assessment is made. Each such assessment shall also be the personal obligation of the owner of each lot, together with such interest, late charges, costs and attorneys fees as have thereon accrued. The personal obligation for assessments shall not pass to the successor and title of an Owner unless expressly assumed by such successor.

2. Purpose and Regular Assessment: The assessments levied

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pursuant to this Article shall be used exclusively for the purposes of promoting the health, safety and welfare of the owners, the maintenance, use, care, preservation and protection of the common element(s) set forth above ~~and the airfield, taxiways, structures and improvements located upon the airfield.~~

^{Lined out portion deleted by Amendment 1}
An annual assessment shall be levied pursuant to this subsection on a prorata basis payable monthly as against each lot and owner as set forth above for each owner's proportionate share of the expense of maintaining, using, repairing, improving, preserving and protecting the common elements ~~and the airfield, taxiways, structures and improvements located upon the airfield.~~

^{Lined out portion deleted by Amendment 1}
~~structures and improvements located upon the airfield.~~ The proportion shall be a fraction of the total expenses, the numerator which is one (1) and the denominator of which is equal to the total number of lots subject to this Declaration. This assessment shall be deemed the regular assessment, and shall be levied by the Board of Directors of the Association. The Board shall adjust and amend the amount of this assessment from time to time, as it is deemed appropriate by the Board of Directors. The initial assessment for this purpose shall be \$10 per month per lot. Nothing herein shall limit the power of the Board to levy this regular assessment for the purpose of creating a reserve for the provision of future maintenance, care, preservation and protection of the Common Elements ~~on airfield~~ as set forth above.

3. Airfield Assessments: The Board shall also levy a Special Assessment pursuant to this Article to be used solely for the purpose of promoting the maintenance, care, preservation and

protection of the airfield, taxiways, structures, and improvements located upon the airfield and/or for payment of the contract fee established in Article IX. ~~The initial such assessment shall not be more than \$20 (twenty) per month per aircraft owner.~~ ^{Lined out portion deleted by Amendment 1} The Contract fee may only be increased as provided in Article IX hereof.

4. Annual Estimate of Assessments: Not later than thirty (30) days prior to the beginning of each budget year, the Board shall distribute to each owner, a pro-forma operating statement or budget for the upcoming budget year, which shall estimate the total regular and special assessments to be incurred for the budget year. The Board shall at that time adopt the Budget and determine the amount of the assessments to be paid by each owner. Each owner shall thereafter pay to the Association his regular and special assessments in equally monthly installments on the first day of each month, unless otherwise provided by the Board. In the event that the Board determines that the estimate of total expenses for the current year is, or will become, inadequate to meet all expenses for any reason, it shall then immediately determine the appropriate amount of such inadequacy, and issue a supplemental estimate of the common expenses, and determine the revised amount of the regular and special assessments against each owner, and the date or dates when said amount shall be due. Written notice of the annual assessments shall be sent to every owner subject thereto.

5. Capital Improvement Assessments: In addition to

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regular assessments, and the special assessment set forth herein, the Board may levy in any budget year a capital improvements assessments applicable only to that year, for the purpose of defraying, in whole or in part, the cost of any construction or replacement of a described capital improvement, including necessary fixtures and personal property related thereto. Provided however, that any such assessment shall have the consent of two-thirds (2/3) of the vote of each class of members who are voting in person, or by proxy at a meeting of the Association duly called for this purpose. All amounts collected as Capital Improvements Assessments may only be used for capital improvements and shall be deposited by the Board in a separate bank account to be held in trust for such purposes, and said funds shall not be co-mingled with other funds of the Association. The assessments established in this subsection may also be utilized in the event of a partial or total destruction of the common elements, of the airfield, taxiways, or structures or improvements incident to the operation of the airfield.

6. Uniform Assessments: All assessments (other than special assessments) shall be fixed at a prorata amount for each lot owner.

7. Special Assessments: Additional special assessments may be levied by the Board against an owner to reimburse the Association for:

a. Costs incurred in bringing an owner into compliance with the provisions of this Declaration, the Bylaws or

Association rule;

b. Any other fee or charge designated as a special assessment by this Declaration, Bylaws, or the Association Rules, or so designated by a two-thirds (2/3) vote of each class of members of the Association;

c. Attorney's fees, interests and other costs of collection as provided in this Declaration;

d. Further, in the event the Association undertakes to provide materials, services, or any additional benefit to an individual owner, or his lot, which can be accepted or not by the individual lot owner, such owner, in accepting such materials, services, or benefit, agrees or covenants that the fees, costs, and charges thereof shall be a special assessment assessable against that individual owner and his lot, and shall not be assessed against all the lots or owners on a prorata basis.

8. Date of Commencement of Assessments: Regular and other assessments as to the lots within the property, shall commence to all such lots on the first day of the month, following the conveyance of the first lot by the Declarant to an owner.

9. Reduction or Abatement of Assessments: In the event the amount budgeted to meet Association expenses for a particular budget year proves to be excessive in light of the actual expenses, the Board, in its discretion, may either reduce the amount of assessments, or may abate collection of regular, or special, assessments as it deems appropriate. All assessments shall be payable in the amount specified by the assessment and no

offsets against such amount shall be permitted for any reason, including, without limitation:

a. A claim that the Association is not properly exercising its duties and powers;

b. That the owner has made, or elects to make, no use of the common elements, taxiways, airfield, and associated facilities.

10. Homestead Waiver: Each owner, to the extent permitted by law, does hereby waive, to the extent of any liens created pursuant to this Declaration, whether such liens are now in existence or created at any time in the future, the benefit of any homestead or exemption laws within the State of Arizona now in effect, or in effect from time to time hereafter.

11. Tax Collection from Lot Owners by Mohave County
Authorized: It is recognized that under this Declaration, the Association will own the Common Elements, and it will be obligated to pay property taxes to Mohave County and other appropriate government bodies. It is recognized that each owner of a lot as a member of the Association and as part of his monthly assessment, may be required to pay his prorata share of such taxes. However, notwithstanding anything to the contrary contained in this Declaration, Mohave County, or any other appropriate government agency, shall be, and is, authorized to collect such pro-rata share of taxes directly from each owner, by inclusion of said share with the tax levied on each owner's lot. This power is in addition to the power granted above for Mohave

County to assess costs incurred by Mohave County in the same manner as an assessment against individual lot owners. Further, the Association may require the lot owners to pay a special assessment, on a prorata basis for property taxes incurred by the Association.

ARTICLE VI

RECONSTRUCTION

1. In the event of any partial or total destruction of the Common Elements, air field or the associated improvements thereon, MOHAVE SUN VALLEY PROPERTY OWNERS ASSOCIATION, INC., shall promptly take the following action:

(a) The Association shall ascertain the cost of reconstruction by obtaining fixed price bids from at least two reputable contractors, licensed to engage in general contracting in the State of Arizona, including the obligation to obtain performance and lien payment bonds.

(b) The Association, shall determine the amount of insurance proceeds, if any, payable by contacting the appropriate representative of the insurer or the Declarant.

(c) If the Association, in good faith, determines that none of the bids submitted reasonably reflect the anticipated reconstruction costs, the Association shall continue to attempt to obtain additional bids which they determine reasonably reflect such costs. However, if such determination cannot be made within ninety (90) days after the date of such destruction, the Association shall immediately notify the affected owners, and set

the meeting pursuant to the terms of this Article.

(d) As soon thereafter as practicable, the Association shall call a meeting of the owners of the lots of the subdivision by mailing a notice of such meeting to each such owner. Such meeting shall be held not less than fourteen (14) days and not more than (21) days after the date of such notice. Unless the owners, by a vote of such meeting, or by the written consent, of not less than eighty percent (80%) of the owners, based upon one vote for each lot in the subdivision, determine not to proceed with reconstruction of the Common Elements, airfield or improvements thereon, reconstruction must take place and the Association shall levy a special assessment against each owner at such time and in such amount as the Association shall determine is necessary to cover the costs of reconstruction in excess of the insurance proceeds and available reserves. In the event reconstruction does not take place the airfield shall become subject to Article IX, paragraph 1, and the common elements may be reconstructed by Mohave County or other government authority and paid for pursuant to Article II, paragraph 3.

2. If reconstruction is undertaken pursuant to the terms above, then all insurance proceeds, together with such amounts from available reserves and assessments as are needed to complete the cost of reconstruction, shall be paid directly to a bank or savings and loan association located in Mohave County, Arizona, that is federally insured. Such proceeds shall be held and administered by an insurance trustee, subject to the provisions

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of an insurance trust agreement, which shall be consistent with the provisions of this declaration. Disbursement of such funds shall only be made upon the signatures of two members of the Association. As soon as practicable, after notification of funding of such bank accounts, the Association shall enter into a contract with a licensed contractor, or contractors, or shall ratify and approve a contract between Declarant and such a contractor, for the repair of the damaged property, according to the original plans and specifications of said improvements, or, of a quality and kind substantially equivalent to the original construction of said improvements. A contract with such licensed contractor shall provide for payment of a specified sum for performance and execution of the work, and shall have provisions for periodic disbursement of funds, which shall be consistent with procedures when followed by prudent lending institution doing business in Mohave County, Arizona. Such periodic disbursements of funds shall be for specific dollar amounts, and shall not be paid until the Contractor who is engaged, shall furnish, before the commencement of construction, a full performance and lien payment bond written by a good and responsible corporate surety. Further, a licensed architect or engineer shall be employed to supervise the repairs and reconstruction, and to insure that all work, services, and supplies are in conformity with the requirement of the construction contract.

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ARTICLE VII

NON-PAYMENT OF ASSESSMENTS

1. Any assessment made herein which is not paid when due is delinquent. Whenever an assessment is delinquent, the Association may, at its option, invoke any or all of the sanctions provided for herein:

a. If any assessment is not paid within fifteen (15) days after it becomes due and payable, the owner of the lot so assessed shall be obligated to pay the late charge in the amount of not less than twenty-five dollars (\$25.00).

b. If any assessment is not paid within thirty (30) days after it become due and payable interest thereon shall begin to accrue at the rate of eighteen percent (18%) per annum until paid.

c. The Association may bring an action to recover a delinquent assessment either personally against the owner, or to foreclose an assessment lien against the real property of the owner. All costs and attorney's fees incurred in the collection of said assessment lien shall be added to the amount in delinquency, plus interest and/or late charges as are appropriate.

d. No action shall be brought to foreclose the assessment lien any time less than thirty (30) days after the date that a certified letter of demand is deposited in United States Mail, postage prepaid, addressed to the owner.

e. Any foreclosure of the assessment lien provided for in this section is to be conducted in accordance with applicable provisions relating to the foreclosure of realty

mortgages in the State of Arizona.

2. The airfield operator and/or the Association shall also suspend for the entire period during which any assessment remains delinquent and unpaid the obligated owners right to use the airfield.

ARTICLE VIII

EASEMENTS

1. PUBLIC UTILITY EASEMENTS:

Public Utility Easement exists in all of the areas identified as Common Elements, or for utilization as roadways, taxiways, easements, vehicle access ways or joint uses for such purposes, as set forth on the Plat, and shall be, and hereby are established as public utility easements; additional easements for public utility purposes may be provided as necessary to accommodate other utilities as needed, and may adjoin the public utility easements established above, all as determined to be reasonable and appropriate by the Declarant or the Association. Within these easements, no structure, planting, or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction or flow of drainage channels in these easements.

2. TAXIWAY EASEMENTS:

a) Exhibit "2" attached hereto and incorporated herein by reference, describes and designates certain areas as taxiway easements. Declarant hereby declares that an easement does exist

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for use as a taxiway as designated in the said Exhibit "2". It is further declared that the taxiway easement lying over and across the subdivision property, and adjacent to the lots is for the mutual use and benefit of the owners of said lots, Declarant, MOHAVE SUN VALLEY, INC., its successors or assigns, and shall be under the terms and conditions below, for a period of a minimum of thirty (30) years from the date of this declaration, to be extended and renewed for successive periods co-terminous with the life of this Declaration.

b) All taxiway easements so designated shall at all times be kept free and clear of dogs, cats, household pets, machines of every nature and description, and any and all items which might and could serve as obstructions or hazards or which might or could interfere with the use of the taxiways by aircraft. Habitual violations of the regulations set forth in this paragraph or Paragraph III.2 shall be deemed a nuisance and violation of the terms of these codes, covenants and restrictions.

c) No fence shall be built, constructed or maintained, nor shall any other obstruction be constructed, built or maintained on or across the taxiway easements. In the event there should ever be required fencing, at any time whatsoever in the future, isolating the lots from the taxiways, imposed by the Federal Government, the State of Arizona, or any political or administrative subdivisions thereof, such fences shall be installed and paid for, and maintained by the Association by way

of a special assessment.

ARTICLE IX

AIRFIELD ACCESS AND AVAILABILITY, MAINTENANCE & FEES

1. The Declarant hereby confirms that it is, or is about to, enter into an agreement with MOHAVE VALLEY AIR RANCHES, INC., (operator) or its successors, as operators of a private aircraft landing field known as "SUN VALLEY AIRPORT", identified as Parcel A on the plat; wherein the Declarant on behalf of each individual lot owner, and the Association, has established the right to use said landing field in accordance with, and subject to certain conditions and restrictions more particularly set forth as follows:

a. The owners of the lots of the property and their guests shall have the right to use the landing field and taxiway easements as provided in this Declaration, and such owner or owners use shall be limited to two (2) civil aircraft either owned or leased by such owner or owners. Declarant it successors and assigns, shall have the right to grant permission to such owner or owners for additional aircraft and such other persons as it may, in its sole discretion, elect to allow to use the landing field;

b. Declarant shall have the right to deny the use of the landing field and taxiways to any owner or user:

(1) Who is in default of the payment of any fee or assessment set forth herein;

(2) Who uses said taxiways and landing field or

his aircraft in an unsafe or negligent manner;

(3) Who fails to maintain the required insurance coverage as hereinafter set forth in these declarations; or,

(4) Who in general violates public field and taxiway rules applicable to all users of said landing field and taxiways.

c. Cancellation of any user privileges pursuant to subparagraph (b) above shall not affect the user privileges of any other or subsequent owner.

d. Each owner or user prior to using the landing field and taxiways shall deposit with Declarant a certificate of insurance certifying that such person has in force aircraft personal injury and property damage for the operation of civil aircraft owned by such person in the minimum amount of \$100,000 for one person, \$500,000 for one accident involving liability, and \$100,000 property damage; such insurance minimums subject to periodic review and revision by Declarant at its sole discretion. In addition, proof of aircraft ownership must be on record with Declarant.

e. Each owner or user of the landing field and taxiways, by the action of using the same, agrees forthwith to indemnify and hold the Operator, the Association and Declarant harmless from and against all liability for injuries to person or damage to property caused by such person's negligence in the use of the landing field or taxiways provided, however, that such persons shall not be liable for any injury or damage caused by

the negligence of MOHAVE VALLEY AIR RANCHES, INC., the Association, Declarant or their agents or employees.

f. The housing and storage of civil aircraft of owner and guests shall be on the premises of such owner and no unhangered derelict airplanes shall be permitted on such premises. The operator may, however, permit hangered or unhangered aircraft tie-downs within Parcel "A" at the operator's discretion.

g. The operator shall have the right to adopt and enforce reasonable rules and regulations with respect to the use of the landing field or taxiways, provided that such rules and regulations shall be consistent with safety, and regulations and ordinances of the Federal Aviation Administration or other Federal or State regulatory agency, with respect to civil aircraft operations in landing fields or taxiways.

~~h. The Association shall, on behalf of each owner or his lessee, as the case may be, as a condition precedent to and for the use of the landing field and taxiways shall pay for the benefit of the owners to the Operator or Declarant, as the case may be, a use fee of \$30,00 per month per aircraft owner. Such fees shall not be increased for a period of three (3) years from and after the recording of these Declarations, and are enforceable as a special assessment of the Association. After the expiration of said period, the maximum monthly use fee that can be established will be the average of the outside monthly tie-down fees charged by the two (2) nearest commercial general~~

Lined out portion deleted by Amendment 1

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Lined out portion deleted by Amendment 1. See Amendment 1 for added wording.

~~aviation airports with runways comparable to those at "SUN VALLEY AIRPORT", i.e., such as, but not limited to, Bullhead City Airport and Kingman Airport.~~ In the event "SUN VALLEY AIRPORT" is annexed to any municipality or other governmental entity, then in addition to the above formula, the use fee may be increased in sufficient amount to distribute, prorata, among all owners with airport privileges, any increase to SUN VALLEY AIRPORT, the Operator, MOHAVE SUN VALLEY, INC., the Association, or their successors, as the case may be, in general taxes or special assessments resulting from such annexation.

i. (1) Declarant or the Operator agree to operate, maintain and keep the landing field in good repair. Maintenance and overall safety operations shall be the responsibility of (Declarant/Tenant), who shall keep, repair, and maintain the airfield, and all associated structures and improvements in a safe, useable and serviceable manner and condition. All maintenance and safety operations shall be in accord with standard and customarily accepted practices and procedures for airfield maintenance, repair, upkeep, and safety operations, as established by either Mohave County, the State of Arizona, the Federal Aviation Administration, and such additional requirements as are determined to be fairly and reasonably necessary and applicable to the maintenance, repair, and safe operation of SUN VALLEY AIRPORT, in the sole discretion and judgment of MOHAVE SUN VALLEY, INC. All such repairs, upkeep and maintenance shall be of the kind and quality equivalent to the original work and

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condition of the airfield, or sufficient to preserve the airfield and associated structures and improvements in like condition or in a condition as substantially similar thereto as is reasonably practical. Lined out portion deleted by Amendment 1.
See Amendment 1 for revised wording.

(2) To achieve the above purposes and aims, ~~the Twenty Dollar (\$20.00) per month, per aircraft owner fee, set forth above, is to be assessed by the Association for the benefit of the owners, and paid to the operator or declarant as the case may be. Provided, however, that in the event that Mohave County, the State of Arizona, or the Federal Aviation Administration should determine that the airfield is being inadequately or improperly maintained, or is unsafe, then, in that event, the Association may make such additional special assessments as are necessary to repair, maintain, or safely operate the airfield. Such assessments shall be levied as a special assessment by the Association. In the event that the Association should fail or refuse to make such assessment, Mohave County, the State of Arizona, or the Federal Aviation Administration may have the power to enforce the provisions for a special assessment on behalf of such governmental agency, and collect the same as part of the real property taxes assessed and levied against the lots of the owners.~~

(3) Provided, however, that in the alternative to the provisions of the paragraph immediately preceding, that upon an affirmative vote of eighty (80%) of the Class B Members of the Association, that no such additional special assessments for the

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repair, upkeep, maintenance and safe operation of the airfield shall be made. The provisions for the meeting and vote of the Association to make such a determination shall be done in a manner substantially similar to the procedure for a vote of the members of the Association in reference to reconstruction provisions set forth in Article VI.

(4) In the event that the Association should determine by a vote of the members to not impose the special assessment necessary to maintain, repair, or safely operate the airfield, such a decision shall automatically terminate the reservation and dedication of Parcel A on the Plat for private airfield uses and extinguish the rights to the use, benefit and enjoyment thereof in the owners. The Declarant may thereafter replat, rededicate, and commit Parcel A to such use or uses as the Declarant sees fit, without any further consent, acknowledgement, ratification, or approval of the owners, or the Association.

j. Declarant shall have the right to cancel the rights of users of said landing field or taxiways as provided for herein upon or after the happening of any of the following events:

(1) The failure or refusal of the United States Government, or any political or administrative subdivision thereof, including the Federal Aviation Administration; or the State of Arizona or any political or administrative subdivision thereof to permit Declarant and/or the Operator and operate a

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private aircraft, landing field or taxiways;

(2) The issuance by any court judicial or administrative body of competent jurisdiction of any order, decree, judgment or injunction in any way preventing or restraining the use of the landing field or taxiways.

(3) Failure or refusal to reconstruct, repair, or rebuild following a partial or total destruction of the airfield as set forth in the provisions for the Association to undertake reconstruction under Article VI.

(4) Failure or refusal to make the special assessment required for upkeep, maintenance or safe operation of the airfield as provided under this Article.

(5) In the event Declarant activates any of the provisions of this paragraph (j), such a decision shall automatically terminate the reservation and dedication of Parcel A on the Plat for private airfield uses, and extinguish the rights to the use, benefit and enjoyment thereof in the owners, the Declarant may thereafter replat, rededicate, and commit Parcel A to such use or uses as the Declarant sees fit, without any further consent, acknowledgement, ratification, or approval of the owners, or the Association.

k. The Declarant or operator shall have the right to reserve the right to take any action it considers necessary and expedient to protect the approach zone and the side slope to the landing field, including but not limited to any actions required decreed or established by Mohave County, the State of Arizona or

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by the Federal government, including prohibiting any obstructions; and shall have reserved the right to prevent the owners of any lots from erecting or permitting the erection of any building or other structure which would limit the usefulness of the landing field or taxiways or constitute a hazard to civil aircraft using said landing field or taxiways.

1. (1) Declarant or the Operator shall obtain insurance provided for in this Subsection commencing not later than the date a lot is conveyed to a person other than Declarant.

(2) Declarant or the Operator shall obtain a master or blanket policy of property insurance on the entire airfield, and associated structures, facilities, and improvements, insuring said property against loss or damage by fire or other hazards covered by the standard or extended coverage endorsement, and against loss or damage, by sprinkler leakage, by vandalism, by malicious mischief, by windstorm, by water and flood damage, and by the operation of aircraft, for debris removal, and for costs of demolition. Such master policy shall be in a total amount of insurance equal to 100% of the current replacement costs, and may be inclusive of site preparation, excavations, foundations, and other items reasonable and proper to be included in an airfield property policy. Such master policy of insurance shall contain an agreed amount endorsement, or its equivalent, if available, or an Inflation-Guard Endorsement together with such endorsements as may be satisfactory to any party holding a security interest

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against such property.

(3) The Operator shall obtain comprehensive general liability insurance insuring agents and employees of said Corporation, the declarant, the owners and occupants, respective family members, guests and invitees of owners and occupant of the lots in this subdivision, as the case may be, against liability incident to the ownership or use of the air field. The limits of such insurance shall not be less than ONE MILLION DOLLARS (\$1,000,000.00), covering all claims for death of or injury to any one person and/or property damage in any single occurrence.

(4) Any insurer that has issued an insurance policy to the Operator or Declarant under this subsection shall also issue a proof of such Insurance, upon request, to any owner, or the declarant.

ARTICLE X

COMMITTEE OF ARCHITECTURE

1. Creation: The Association shall appoint a Committee of Architecture, hereinafter sometimes called "Committee," consisting of three (3) persons. The Association shall have the further power to fill vacancies on the Committee.

2. Initial Members: Architectural review and control shall be vested in the initial Architecture Committee composed of Stephan Valihora, Alvin Holt and Edward Capcik, until such time as ninety percent (90%) of the lots in Tract 4043-A have been sold by Declarant. At such time the Association may appoint three members to serve as the Committee. The initial address of

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said Committee shall be: 7320 Jackson Drive, San Diego, California. Any and all vacancies until such time as the Association appoints the Committee shall be filled by designation of Declarant.

3. Approval Fees: No building, porch, fence, patio, ramada, awning or other structure shall be erected, altered, added to, placed upon or permitted to remain upon the lots in Tract 4043-A or, as herein provided, or any part of any such lot, until and unless the plan showing floor areas, external designs and the ground location of the intended structure, along with a plot plan and a fee in the amount of TEN DOLLARS (\$10.00) have been first delivered to and approved in writing by the Committee of Architecture.

4. Purpose: It shall be the general purpose of this Committee to provide for maintenance of a high standard of architecture and construction in such manner as to enhance the aesthetic properties and structural soundness of the developed subdivision.

5. Power: The Committee shall be guided by, and, except when in their sole discretion good planning would dictate to the contrary, controlled by this Declaration. Notwithstanding any other provisions of this Declaration, it shall remain the prerogative within the jurisdiction of the Committee to review applications and grant approvals for exceptions or variances to this Declaration. Variations from these requirements and in general other forms of deviations from these restrictions imposed

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by this Declaration may be made when and only when such exceptions, variances and deviations do not in any way detract from the appearance of the premises, and are not in any way detrimental to the public welfare or to the property of other persons located within the tract, all in the sole opinion of the Committee.

6. Rules: Said Committee, in order to carry out its duties, may adopt reasonable rules and regulations for the conduct of its proceedings and may fix the time and place for its regular meetings and for such extraordinary meetings as may be necessary, and shall keep written minutes of its meetings, which shall be open for inspection to any lot owner upon request. Said Committee shall by a majority vote elect one of its members as chairman and one of its members as secretary and the duties of such chairman and secretary appertain to such offices. Any and all rules or regulations adopted by said Committee regulating its procedure may be changed by said Committee from time to time by a majority vote and none of said rules or regulations shall be deemed to be any part or portion of this Declaration of the conditions herein contained. The Committee shall determine whether the conditions contained in this Declaration are being complied with.

ARTICLE XI

GENERAL USE RESTRICTIONS

1. R-1: -All lots, are hereby designated as single-family residence lots, and shall be improved, used and occupied in

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accordance with the conditions set forth in Mohave County Planning Ordinance and Zoning Regulations as set forth in Classification R-1, said Planning Ordinance and Zoning Regulations being specifically incorporated herein by reference; provided however that no mobile home, manufactured house or travel trailer may be located upon such lots.

2. Airfield: The owners of such lots are hereby granted access to and the right to utilize the airport landing field, all according to the terms and conditions set forth herein.

3. Single Family: All of the lots shall be known and described as single-family residential lots. No building or structure intended for or adapted to business purposes, and no apartment house, double house, lodging house, hospital, sanitorium, doctors office, or other multiple family dwellings shall be erected, placed, permitted or maintained on said property or any part thereof.

4. Completion Date: All structures or buildings must be completed within twelve (12) months from the commencement of construction.

5. No Temporary Buildings: All structures or buildings erected shall be of new construction and shall have concrete foundations, footings or floorings, no unpainted metal siding or roofs will be permitted. No temporary building may be moved or constructed on any lot in said subdivision, except for temporary structures placed on said lot during and for the period of actual construction; said temporary building to be removed upon the

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completion of said structure.

6. Hangers: Hangers for the storage of aircraft may be constructed out of metal, and will be permitted at the rear of residential lots. Any hanger structure facing the street, or which may be viewed from the front lot line, (and the design of the residential portion of the structure or building) shall conform to the specifications set forth in the Architectural Design Section set forth below.

7. Site: No residence shall be erected upon said lots which shall have less than thirteen hundred (1,300) square feet of enclosed ground floor space including storage, but exclusive of any portion thereof used for a hanger, garage, carport, or outside porch.

8. Height: The maximum building height is twenty-five (25) feet from the surface of the lot where graded or leveled for a structure to the peak of the highest project except television or radio antennas, for the following lots:

Lots 1 through 37, Block 1;
Lots 1 through 5, Block 2;
Lots 1 through 19, Block 3;
Lots 1 through 9, Block 4;
Lots 1 through 2, Block 5;

All other lots in the subdivision are restricted to a maximum building height of fifteen (15) feet.

9. Exteriors: The exterior portions of all buildings shall be painted or stained immediately upon completion or shall have color mixed in the final structural application, so that all such materials shall have a finished appearance.

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10. Plumbing: Residences shall have complete and approved plumbing installations before occupancy. Such plumbing shall conform to the requirements of the Uniform Plumbing Code as published by the Western Plumbing Association, current addition, as a guide to sound plumbing practices.

11. Sanitation: None of said lots shall be used for residential purposes prior to the installation thereon of water flush toilets, and all bathroom, toilets, or sanitary conveniences shall be inside the building permitted hereunder. Further, all bathrooms, toilets, or sanitary conveniences shall be connected to underground disposal facilities which meet state sanitary requirements and standards.

12. Construction Yard:

A. In any building project, during construction and sixty (60) days thereafter, the property involved may be used for the storage of materials used in the construction of the individual buildings in project and for the contractor's temporary offices, including chemical toilets. Said construction period shall not exceed one hundred twenty (120) days, unless specifically approved by the Committee of Architecture.

B. The storage of supplies, equipment, tools, landscaping instruments, household effects, machinery or machinery parts, empty or filled containers, boxes or bags, trash, materials or other items that shall in appearance detract from the aesthetic values of the property, shall be so placed and stored to be concealed from view from the public right of way

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line on regular collection days for a period not to exceed twelve (12) hours, prior to pick up. Under no circumstances will an owner be permitted to burn trash on his property. This also includes household trash and garbage.

13. Camping: No construction shed, basement, garage, tent or other structure shall be used at any time as a residence or commercial building, either temporarily or permanently. No camping shall be permitted on any lots in said subdivision.

14. Water Flow: Under no circumstances shall any owner of any lot or parcel of land be permitted to deliberately alter topographic conditions of his lot or parcel of land in any way that would permit additional quantities of water from any source, other than what nature originally intended, to flow from his property onto any adjoining property or public right of way.

15. Subdivision: No lot or parcel of land shall be further subdivided except where divided to increase the size of an adjoining lot. Each parcel or lot so created must meet all requirements of the original parcel or lot and/or County Sanitary Requirements.

16. Fences and Setbacks:

A. No fences, wall, hedge, or shrub planting over two (2) feet above the roadways shall be placed or permitted to remain on or within the required 20-foot setback from the street property line; no fences, wall, hedge, or shrub planting over two (2) feet above the roadways shall be placed or permitted to remain on or within the required 20-foot setback on any corner lot or within

the triangular area formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street lines.

B. No trees, plants, shrubs or foliage shall be planted, kept or maintained in such a manner as, in the opinion of the Committee or Architecture, to create a serious potential hazard or nuisance to other residents of the area.

C. Fences, walls, hedges or shrubs, not exceeding six (6) feet in height, may be erected or planted up to property lines, except setbacks adjacent to streets, as set forth above.

D. In all other cases, Mohave County Planning & Zoning Ordinances will prevail.

17. Trash: All garbage or trash containers, oil tanks, bottled gas tanks and other facilities must be located in such a manner as to not create an objectionable or unsightly condition.

18. Animals: No animals, livestock, birds, or poultry of any kind shall be raised, bred, or kept on any of said lots; provided, however, that personal pets such as dogs, cats, or other household pets may be kept, but shall be kept fenced or leashed at all times, and provided further, that they shall be kept in such a manner as to not create a public nuisance.

19. Weeds and Growth: No weeds, underbrush, unsightly growth, refuse piles, junk piles, or other unsightly objects shall be permitted to be placed or to remain upon said lots; and in the event of any owner not complying with the above provisions, then Declarant or its successors or assigns, shall

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have the right to enter upon said land and remove the offending object at the expense of the owner, who shall repay the same upon demand, and such entry shall not be deemed a trespass.

20. Billboards: No billboard, sign board, or advertising of any kind shall be erected on any lot, except those signs approved by the Architectural Committee.

21. Noxious Activities: No noxious or offensive activities shall be carried on upon any lot, nor shall anything be done thereon which may be or may become any annoyance or nuisance to the neighborhood.

22. Boats and Trailers: Boats, boat trailers, camping trailers or any other sporting or camping equipment shall not be stored or permanently parked on the front yard setbacks or the side yard setbacks adjacent to streets.

23. Hanger Size: If hangers are to be constructed on any lot, they shall be attached to the real property and no larger than 2500 square feet in area or 40,000 cubic feet in volume. No hanger, garage, trailer, tent, barn or any such living or storage facility may be built or used as temporary living or storage quarters prior to the building of a residence. No commercial operations of any kind will be allowed on lots, but may be conducted on Parcel "A".

ARTICLE XII

INSURANCE

1. Authority to Purchase. Commencing not later than the date the first lot on the property is conveyed to the person

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other than Declarant, the Board shall have the authority to and shall obtain insurance provided for in this Article.

2. a) Comprehensive Public Liability Insurance. The Board shall obtain comprehensive general liability insurance insuring the Association, the Declarant, the agents and employees of the Association and the Declarant, the Owners and Occupants and the respective family members, guests and invitees of the Owners and Occupants, against liability incident to the ownership or use of the Common Elements. The limits of such insurance shall not be less than \$1,000,000.00 covering all claims for death of or injury to any one person and/or property damage in any single occurrence. The Board shall use its best efforts to obtain a Severability of Interest Endorsement or equivalent coverage which would preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or another Owner or Occupant. Such insurance shall also include protection against water damage liability, liability for aircraft use and operations, liability for nonowned and hired automobiles and aircraft, and liability for the property of others. Such insurance must provide that, despite any provisions giving the carrier the right to elect to restore damage in lieu of a cash settlement, such option shall not be exercisable without the approval of the Association. The Board shall adjust the amount of the insurance carried under this Section from time to time.

b) Property Insurance: The Board shall obtain property insurance on common elements assuring against all risks

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direct physical loss commonly insured against, or as determined by the Board of Directors, as against fire and extended coverage perils. The total amount of insurance after the application of any deductible shall be not less than eighty (80%) of the actual cash value of the insured property at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations and other items normally excluded from such property policies. Such insurance shall provide that each owner is an insured person under the policy with respect to liability arising out of any interest in the common elements or membership in the Association; the insurer shall waive its right to subrogation under the policy against any owner or members of his household; no act or admission by any owner, unless acting within the scope his authority on behalf of the association, will void the policy or be a condition to recovery under the policy; if, at the time of loss under the policy there is other insurance in the name of the owner covering the same property covered by the policy the Associations policy shall provide primary insurance. Any loss covered by the property policy shall be adjusted with the Association but the insurance proceeds for that loss may be paid to an insurance trustee designated for that purpose, or otherwise to the Association, and not to any Mortgagee or Beneficiary under a Deed of Trust. Proceeds from such insurance shall be disbursed first to the repair or restoration of the damaged property, the owners and lienholders are not entitled to receive payment for the proceeds unless there

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is a surplus of such proceeds after the property has been repaired or restored, or the Declaration is terminated; provided however, that such repair or restoration shall not occur if the Declaration is terminated, repair or replacement would be illegal under applicable law, or eighty (80%) percent of the owners vote not to rebuild as set forth in Article VI hereof.

3. Workmen's Compensation Insurance. The Board shall purchase and maintain in effect workmen's compensation insurance for all employees of the Association to the extent that such insurance is required by law.

4. Fidelity Insurance. The Board shall obtain fidelity coverage against dishonest acts on the part of directors, officer, employees or volunteers who handle or who are responsible for handling the funds of the Association. Such fidelity bonds shall name the Association as obligee and shall be written in an amount equal to one hundred fifty percent (150%) of the estimated current annual Common Expenses of the Association, including reserves, and shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

5. Premiums. Premiums upon insurance policies purchased by the Board on behalf of the Association shall be paid by the Association as part of the Common Expenses.

6. Policy Provisions

a) Any insurer that has issued an insurance policy to

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the Association under this Article shall also issue a certificate or memoranda of insurance to the Association and, upon request, to any Owner or Lender.

b) The named insured under any policy of insurance shall be the Association, or its authorized representative, including any trustee with which the Association may enter into any Insurance Trust Agreement, or any successor trustee, each of which shall be referred to as the "Insurance Trustee" who shall have exclusive authority to negotiate losses under the policies.

c) Insurance coverage may not be brought into contribution with insurance purchased by the Owners.

d) Coverage must not be limited by (i) any act or neglect by Owners or Occupants which is not within control of the Association; or (ii) any failure of the Association to comply with any warranty or condition regarding any portion of the Property over which the Association has no control.

e) Coverage may not be cancelled or substantially modified (including cancellation for nonpayment of premiums) without at least thirty (30) days prior written notice to the Association and all Lenders, and to any Owner to whom a certificate has been issued.

7. Supplemental Insurance. The Board may obtain such other policies of insurance in the name of the association as the Board deems appropriate to protect the Association and Owners.

8. Annual Insurance Report Not later than sixty (60) days prior to the beginning of each fiscal year,

the Board shall obtain a written report by a reputable independent insurance broker or consultant setting forth the existing insurance obtained pursuant to this Article and stating whether, in the opinion of such broker or consultant, the insurance complies with the requirements of this Article. Such report shall also set forth recommendations regarding current policy provisions and for additional insurance reasonably required for the protection of the Owners and Lenders in light of the insurance then available and the prevailing practice with respect to other similar projects. The Board shall be fully protected in relying on the written report furnished pursuant to this Section provided reasonable care and prudence were exercised in selecting such independent insurance broker or consultant.

- 9. Insurance Obtained by Owners. An Owner shall be permitted to insure his property against loss by fire, or other casualty, and shall carry liability insurance covering his individual liability for damage to persons or property occurring from the Owner's ownership or use of the Common Elements. All such policies carried by an Owner shall contain waivers of subrogation of claims against the Association, the Board, other Owners or occupants, the Declarant, and the agents and employees of each of the foregoing. All such policies carried by an owner shall not adversely affect or diminish any the coverage under any insurance obtained by the Association and that Owner shall deposit a duplicate copy or certificate of any such other policy

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with the Board.

ARTICLE XIII

EMINENT DOMAIN

1. Taking of the Common Elements. If all or a portion of the Common Element is taken by eminent domain, or sold under threat thereof, the Board shall, as soon as practicable cause the award to be utilized for the purpose of repairing or restoring the Common Element so taken, and the portion of the award not used for restoration shall be divided among the Owners in proportion to their responsibility for payment of the Common expense before the taking, set for in Article V.

2. Priority. Nothing contained in this Article shall entitle an Owner to priority over any Lender under a lien encumbering his lot as to any portion of any condemnation award allocated to such Lot.

3. Taking of the Lots.

a) If a lot is acquired by eminent domain, or if a part of a lot is acquired, thereby leaving the owner with a remnant which may not practically or lawfully utilized for the purposes permitted by this Declaration, the award must compensate the owner for his lot and any interest in the common elements regardless of whether any common elements are acquired. Upon acquisition the lots interest in the common element, and responsibility for payment of the common expensed are automatically reallocated to the remaining units in proportion to the respective interest in the lots before taking, in accordance

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with the fractional formula set forth in Article V. Any remnant of a lot remaining after a part of a lot is taken under this paragraph becomes a common element.

b) Except as provided in Paragraph (a) above, if part of a lot is acquired by eminent domain the award must compensate the owner for any reduction in value and interest in the common elements regardless of whether common elements are acquired. Further, the lot's responsibility for proportionate payment of common expense shall not be reduced in proportion to the reduction in size of the lot, but shall continue on the basis specified in Paragraph V above.

ARTICLE XIV

RIGHTS OF LENDERS

1. Notice of Lenders. "Lender" shall mean a person or entity holding a first mortgage or Deed of Trust on a lot. A Lender shall not be entitled to receive any notice which this Declaration requires the Association to deliver to Lenders unless and until such Lender, or its mortgage servicing contractor, has delivered to the Board a written notice stating that such Lender is the holder of a lien encumbering a lot within the Property. Notwithstanding the foregoing, if any right of a Lender under this Declaration is conditioned on a specific written request to the Association, in addition to having delivered the notice provided in this Section a Lender must also make such request in writing delivered to the Association. Except as provided in this Section, a Lender's rights pursuant to this Declaration,

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including, without limitation, the priority of any mortgage lien over the lien of Assessments levied by the Association hereunder shall not be affected by the failure to deliver a notice or request to the Board.

2. Priority of Lenders. No breach of the Restrictions herein contained, shall affect, impair, defeat or render invalid the lien or charge of any Lender made in good faith and for value encumbering any lot, but all of said Restrictions shall be binding upon and effective against any Owner whose title to a lot is derived through foreclosure or trustee's sale, or otherwise.

3. Relationship with Assessment Liens.

a) The lien provided for in ARTICLE V for the payment of Assessments shall be subordinate to the lien of any Lender which was recorded prior to the date any such Assessment becomes due.

b) If any lot which is subject to a monetary lien created by this Declaration is also subject to the lien of a Lender, then: (i) the foreclosure of any lien created by this Declaration shall not operate to affect or impair the prior recorded lien of such Lender as set forth in subparagraph (a) above; and (ii) the foreclosure of the lien of a Lender or the sale under a power of sale included in a mortgage or deed of trust shall not operate to affect or impair the lien hereof, except that any Person who obtains an interest thereafter shall take title free of any lien created by this Declaration or any

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personal obligation for said fees as shall have accrued up to the time of any foreclosure, but subject to the lien hereof for all said fees that shall accrue subsequent to such foreclosure and assessments.

c) Without limiting the provisions of subsection (b) of this Section, any Lender who obtains title to a lot by reason of any foreclosure, or deed or assignment in lieu of foreclosure, or any Person other than the owner who obtains title at a private or judicial foreclosure sale, shall take title to such lot free of any lien or claim for unpaid Assessments against such lot which accrued prior to the time such Lender or purchaser takes title to such lot, except for liens or claims for a share of such Assessments resulting from a pro rata reallocation of such Assessments to all lots within the Property.

d) Nothing in this Section shall be construed as releasing any Person from his personal obligation to pay for any Assessments levied pursuant to this Declaration during the period such Person is an Owner.

4. Required Lender Approval. Except upon the prior written approval of all Lenders, neither the Association nor the Board shall be entitled by action or inaction to do any of the following:

a) Abandon or terminate by any act or omission the legal status of the Property as established by this Declaration, except for abandonment or termination provided by law and/or this Declaration in the case of substantial destruction or other

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casualty or in the case of a taking by eminent domain; or as provided in this Declaration for the rededication, replatting and reservation to new uses of the airfield Parcel "A" by the Declarant.

b) Amend a material provision of this Declaration or the Bylaws or the Articles.

5. Other Rights of Lenders. Any Lender shall, upon written request to the Association, be entitled:

a) To inspect the books and records of the Association during normal business hours;

b) To receive any annual financial statement of the Association within ninety (90) days following the end of the Association's fiscal year;

c) To receive written notice of all annual and special meetings of the Association or of the Board, and Lenders shall further be entitled to designate a representative to attend all such meetings in order to, among other things, draw attention to violations of this Declaration which have not been corrected or made the subject to remedial action by the Association; provided, however, nothing contained in this Section shall give a Lender the right to call a meeting of the Board or the Association for any purpose or to vote at such meeting; and

d) To receive written notification from the Association of any default in the performance of the obligations imposed by this Declaration, Bylaws or Association

Rules by Owner whose lot is encumbered by a Lender, which default has not been cured within thirty (30) days; provided, however, the Association shall only be obligated to provide such notice to Lenders who have delivered a written request therefor to the Association specifying the lot to which such request relates.

6. Notice of Destruction or Taking. In the event any of the Common Elements are damaged or are made the subject to any condemnation proceedings or are otherwise sought to be acquired by a condemning authority, the Board shall promptly notify any Lender affected by such destruction, taking or threatened taking.

ARTICLE XV

LIMITATIONS UPON AND SEVERANCE

1. The elements of a lot and other rights appurtenant to the ownership of a lot, including exclusive easements over the Common Elements, if any, are inseparable, and each Owner agrees that he shall not, while this Declaration is in effect, make any conveyance of less than an entire lot and such appurtenances. Any conveyance or attempt at conveyance made in contravention of this Section shall be void.

ARTICLE XVI

ANNEXATION OF ADDITIONAL LAND

1. Declarant may expand the Property subject to this Declaration by the annexation of additional land. The annexation of such land shall become effective upon the recordation in the Office of the County Recorder of Mohave County, Arizona, or a Supplementary Declaration which:

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- a) describes the land to be annexed;
- b) declares that the annexed land is to be held, sold, conveyed, encumbered, leased, occupied and improved as part of the Property subject to the Declaration; and,
- c) sets forth such additional limitations, restrictions, covenants and conditions as are applicable to the annexed land.

When such annexation becomes applicable to the annexed land, and when such annexation becomes effective, the annexed land shall become part of the Property. Such annexation may be accomplished in one or more annexations without limitation as to size or location within the land described in Exhibit C.

2. Supplementary Declaration. The annexation authorized under the foregoing section shall be made by filing or recording a Supplementary Declaration of Covenants, Conditions and Restrictions or similar instrument, with respect to the additional property which shall extend the plan of this Declaration to such property.

Such Supplementary Declaration contemplated above may contain such complementary additions and modifications of the Covenants, conditions and restrictions contained in this Declaration as may be necessary reflect the different character, if any, of the added property and as are not inconsistent with the plan of this Declaration.

The recordation of such Supplementary Declaration shall

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constitute and effectuate the annexation of the said real property described therein, making said real property subject to this Declaration and subject to the functions, powers and jurisdiction of the Association, and thereafter all of the owners of lots on said real property shall automatically be members of the Association.

3. Expansion of Definitions. In the event the Property is expanded, the definitions used in this Declaration automatically shall be expanded to encompass and refer to the Property as so expanded, e.g., "Property" shall mean the real property described in this Declaration plus any additional area, property added by a Supplementary Declaration or by Supplementary Declarations, and reference to this Declaration shall mean this Declaration as so supplemented.

ARTICLE XVII

GENERAL PROVISIONS

1. These conditions shall run with the land and shall be binding upon all parties and all persons claiming under them until December 31, 2016, at which time, said Conditions and Covenants shall be automatically extended for successive periods of ten (10) years, unless by vote of the owners of a majority of the lots in said Tract, it is agreed to change Conditions in whole or in part; provided however, that from the date of this declaration, up until the first lot described herein has been sold and conveyed to a buyer, these conditions may be amended by Declarant; thereafter, these conditions may only be amended by

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concurrence of the declarant and owners of 90% of the then existing individually held lots. No amendment of any kind may occur without the approval of Mohave County.

2. Quorum Requirements: The meeting provided for in this Declaration shall only be held if owners, or proxies, representing the owners of seventy-five percent (75%) of all of the lots of the subdivision are present. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half of the required quorum at the proceeding meeting. No such subsequent meeting shall be held more than sixty (60) days following the proceeding meeting.

3. Conflicting Restrictions: In the event that any of the provisions of this Declaration in each area of Land Use Regulations conflict with any other of the sections therein, the more restrictive of the two shall govern.

4. Savings Clause: Invalidation of any one of the restrictions, covenants or conditions above by judgment or court order shall in no way affect any of the other provisions hereof, which shall remain in full force and effect.

5. Perpetuities: Provided further, that should the provisions hereunder be declared void by a Court of competent jurisdiction by reason of the period of time herein stated for which the same shall be effective, then in the event, said terms shall be reduced to a period of time which shall not violate the rule against Perpetuities as set forth in the laws of the State

of Arizona.

6. Enforcement: The Association or any Owner shall have the right to enforce, by proceedings at law or in equity, all Restrictions and other provisions now or hereafter imposed by this Declaration, or any amendments thereto, including the right to prevent the violation of any such Restrictions, and the right to recover damages and other sums for such violation. The Association or any Owner shall also have the right to enforce by proceedings at law or in equity the provisions of the Bylaws and Association Rules and any any respective amendments thereto.

7. No Waiver: Failure by the Association or by any Owner to enforce any Restriction or provision herein contained in the Bylaws or Association Rules, in any certain instance or on any particular occasion shall not be deemed a waiver of such right of enforcement as to any such future breach of the same or any other Restriction or provision.

8. Cumulative Remedies: All rights, options and remedies of Declarant, the Association, the Owners or the Lenders under this Declaration are cumulative, and no one of them shall be exclusive of any other, and Declarant, the Association, the Owners and the Lenders shall have the right to pursue any one or all of such rights, options and remedies or any other remedy or relief which may be provided at law or equity, whether or not stated in this Declaration.

9. Gender and Number: Whenever the context of this Declaration requires, the singular shall include the plural, and

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vice versa, and the masculine shall include the feminine and the neuter, and vice versa.

10. Nuisance. The result of every act or omission whereby any provision or Restriction contained in this Declaration or any provision contained in the Bylaws or Association Rules is violated in whole or in part is hereby declared to be and shall constitute a nuisance, and every remedy allowed at law or in equity against a nuisance, either public or private, shall be applicable with respect to the abatement thereof and may be exercised by the Association or any Owner. Such remedy shall be deemed cumulative to all other remedies set forth in this Declaration and shall not be deemed exclusive.

11. Attorney's Fees. In the event any action is instituted to enforce any of the provisions contained in this Declaration, the Bylaws, or Association Rules, the party prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment reasonable attorneys' fees and costs of suit.

12. Notices. Any notice to be given to an Owner, a Lender, or the Association under the provisions of this Declaration shall be in writing and shall be delivered as follows:

a) Notice to an Owner shall be delivered personally or placed in the first class United States mail, postage prepaid, to the most recent address furnished by such Owner in writing to the Board for the purpose of giving notice, or if no such address shall have been furnished, then to the street address of such

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Owner's Unit. Any notice so deposited in the mail shall be deemed delivered seventy-two (72) hours after such deposit. In the case of Co-Owners, any such notice may be delivered or sent to any one of the Co-Owners on behalf of all Co-Owners and shall be deemed delivered to all such Co-Owners.

b) Notice to a Lender shall be delivered by first class United States mail, postage prepaid, to the most recent address furnished by such Lender in writing to the Board for the purpose of notice or, if no such address shall have been furnished, to any office of the Lender in Mohave County, Arizona, or if no such office is located in Mohave County, to any office of such Lender. Any notice so deposited in the mail shall be deemed delivered seventy-two (72) hours after such deposit.

c) The declaration of an officer or authorized agent of the Association declaring under penalty of perjury that a notice has been mailed to any Owner or Owners, or to any Lender or Lenders, to the address or addresses for the giving of notice pursuant to this Section, shall be deemed conclusive proof of such mailing.

d) Notice to the Association shall be delivered by registered or certified United States mail, postage prepaid, addressed as follows:

President

MOHAVE SUN VALLEY PROPERTY

OWNERS ASSOCIATION, INC.

P.O. Box 250

Bullhead City, Arizona 86430

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or at such other address provided in writing to the Association, by Declarant. Any notice so deposited in the mail shall be deemed delivered upon the date of receipt.

13. Effect of Declaration. This Declaration is made for the purposes set forth in the recitals in this Declaration and Declarant makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, or as to the compliance of any of these provisions with public laws, ordinances, regulations and the like applicable thereto. Declarant shall have no liability whatsoever if any of the provisions of this Declaration, the Bylaws or Association Rules are determined to be unenforceable in whole or in part or under certain circumstances.

14. Personal Covenant. To the extent the acceptance of a conveyance of a lot creates a personal covenant between the Owner of such Unit and Declarant, other Owners or the Association, such personal covenant shall terminate and be of no further force or effect from and after the date when a Person ceases to be an Owner except to the extent this Declaration provides for personal liability with respect to the Assessments incurred during the period a Person is an Owner.

15. Nonliability of Officials. To the fullest extent permitted by law, neither the Board nor any officer of the Association shall be liable to any Owner or the Association for any damage, loss, or prejudice suffered or claimed on account of any decision, approval or disapproval, course of action, act,

omission, error, or negligence if such Board member or officer acted in good faith within the scope of his or their duties.

16. Use of Funds Collected by the Association. All funds collected by the Association, including Assessments and contributions to the Association paid by Owners, if any, shall be held by the Association in a fiduciary capacity to be expended in their entirety for nonprofit purposes of the Association in managing, maintaining, caring for, and preserving the Common Elements and for other permitted purposes as set forth in this Declaration. No part of said funds shall inure to the benefit of any Owner (other than as a result of the Association managing, maintaining, caring for, and preserving the Common Elements and other than as a result of expenditures made for other permitted purposes as set forth in this Declaration).

17. Notification of Sale and Transfer Fee. Concurrently with the consummation of the sale or other transfer of any lot, or within fourteen (14) days after the date of such transfer, the transferor shall notify the Association in writing of such transfer and shall accompany such written notice with a nonrefundable transfer fee set by the Association to cover Association documentation and processing. The written notice shall set forth the name of the transferee and his transferor, the street address of the lot purchased or acquired by the transferee, the transferee's mailing address, the date of the sale or transfer, and the name and address of the transferee's Lender, if any. Prior to the receipt of such written notice, all

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notices required or permitted to be given by the Association to the Owner shall be deemed to be duly made or given to the transferee if duly and timely made and given to the transferee's predecessor in interest. The transfer fee shall be the personal obligation of the new Owner and shall be secured by the lien in Section V hereof. Notwithstanding the other provisions hereof, this Section shall not apply to a Lender who becomes an Owner by a foreclosure proceeding or any deed of assignment in lieu of foreclosure.

18. Conflicting Documents. In the case of any conflict between this Declaration and the Bylaws, or Association Rules, this Declaration shall control.

IN WITNESS WHEREOF, the Declarant has executed or caused to be executed these presents on the 16th day of June, 1984.

MOHAVE SUN VALLEY, INC.

Stephen M. Valihora

Its President

Attested:

[Signature]

Its Secretary

STATE OF Arizona)
County of Mohave) ss.

On this the 16th day of June, 1984, before me the undersigned, a Notary Public, personally appeared Stephen M. Valihora, who acknowledged himself to be the

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President of MOHAVE SUN VALLEY, INC., and that he as such officer, being authorized so to do, executed the foregoing instrument for the purpose therein contained by signing the name of the corporation, by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Harold R. Russell, Jr. Sullivan
Notary Public

My commission expires:
10/16/86

(seal)



STATE OF ARIZONA)
) ss.
County of Mohave)

On this the 16th day of June, 1986, before me the undersigned, a Notary Public, personally appeared Alvin E. Holt, who acknowledged himself to be the Secretary of MOHAVE SUN VALLEY, INC., and that he as such officer, being authorized so to do, executed the foregoing instrument for the purpose therein contained by signing the name of the corporation, by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Harold R. Russell, Jr. Sullivan
Notary Public

My Commission Expires:
10/16/86

(seal)



EXHIBIT "C"

Annexable Property

All property within the following described parcels:

(1) East half of the Northeast quarter and East half of the Southeast quarter, Section 25, Township 19N, Range 22W, Gila and Salt River Base and Meridian, and

(2) West half of the Southeast quarter of Section 25, Township 19N, Range 22W, Gila and Salt River Base and Meridian.

Excepting therefrom North half of Northwest quarter of Northwest quarter of Southeast quarter; and

Southwest quarter of Northwest quarter of Northwest quarter of Southeast quarter;

being approximately 232.5 acres, more or less.

EXHIBIT A

(Legal Description)

Tract 4043-A Sun Valley Airport recorded at fee number 86-40431
On the 29 day of Sept. '86 in the official records of Mohave
County being a portion of the east 590 feet of Section 25,
Township 19 North, Range 22 West, Gila and Salt River Baso and
Meridian, Mohave County, Arizona, consisting of lots # _____
through _____, and Parcel "A", as noted on said plat;
common elements consisting of private roadways, taxiways,
casements, and joint use vehicle accessway -- taxi areas are as
noted on the face of the plat, and as dedicated and reserved
thereon; subject to current taxes and other assessments by reason
of inclusion of the property within the Mohave Valley Irrigation
and Drainage District, the Fort Mohave Volunteer Fire Company
District, all rights of way for road, transmission lines, canals,
laterals and ditches; subject to all reservations and patents,
all easements right of way, encumbrances, liens, conveyance,
conditions, restrictions, obligations, and liabilities as may
appear of record including all current taxes and other
assessments; Grantor reserves all oil gas mineral rights
together with right of ingress and egress to prospect for, mine
and withdraw same.

EXHIBIT B

ITEMS RESERVED AND EXCLUDED FROM THE CONVEYANCE
OF THE COMMON ELEMENTS

Subject to: Current taxes and other assessments and by reason of inclusion of the property within the Mohave Valley Irrigation and Drainage District, The Fort Mohave Mesa Volunteer Fire Company District, all rights of way for road, transmission lines, canals, laterals and ditches; subject to all reservations and patents, all easements, rights of way, encumbrances, liens, conveyance, conditions, restrictions, obligations, and liabilities as may appear of record; Grantor reserves all oil, gas and mineral rights together with right of ingress and egress to prospect for, mine and withdraw same.

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ATTACHMENT 1

FORM OF DEED FOR CONVEYANCING

Form of deed for conveyancing shall be in a form substantially similar to the following:

Lot Number _____ contained within Mohave Sun Valley Airport Tract 4043A as the same as identified on the plat recorded in the office of the Mohave County Recorder, at fee number _____ on the _____ date of _____, and in the Declaration of Covenants, Conditions and Restrictions recorded in book _____ at pages _____ and as amended there after, on the official records of Mohave County Arizona.

Together with a right and easement of use and enjoyment in and to the common areas, described as and as provided for in the declaration.

The title to any lot bounded or abutting a common element shall not be extended upon such common element and the fee title of such common element is reserved to the grantor to be conveyed to the Mohave Sun Valley Property Owners Association, Inc. for the common enjoyment of all the residents in Mohave Sun Valley Airport.

Subject to all of the provisions of the Declaration, current taxes and other assessments, reservations in patents and all easements, rights of way, encumbrances, liens, covenants, conditions, restrictions, obligations and liabilities as may appear of record; Grantor reserves all oil, gas and mineral rights together with a right of ingress and egress to prospect for, mine and withdraw same.

3-4-86 -
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ATTACHMENT 2

DESCRIPTION OF THE TAXIWAY/VEHICLE ACCESSWAY/JOINT USE AREAS

All areas identified as private streets, taxiways, or for air field access purposes on the plat of Mohave Sun Valley Airport, Tract 4043-A as recorded at Fee Number 40431 on the 29 day of Sept., 1986, according to the dedication and reservation set forth on the face thereof.

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AMENDMENT 1 – Airfield Assessment

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR SUN VALLEY AIRPORT TRACT 4043, MOHAVE COUNTY, ARIZONA

Summary: This amendment revises the procedure for determining the amount of the Airfield Assessment and also clarifies that the Regular Assessment is not to be used for any Airfield purposes.

Areas of CC&Rs Affected: (new wording is in Bold italic font)

Article V, Paragraph 2, Purpose and Regular Assessment. Revise the 1st and 2nd sentences by deleting the portion that reads, “and the airfield, taxiways, structures and improvements located upon the airfield”. Revise the last sentence by deleting the portion that reads, “or Airfield”.

Article V, Paragraph 3, Airfield Assessments. Delete the 2nd sentence which reads, “The initial such assessment shall not be more than \$20 (twenty) per month per aircraft owner”.

Article IX, Paragraph 1.h. Delete the 1st and 2nd sentences and replace with, ***“The Association shall, on behalf of each owner or lessee, as the case may be, pay for the benefit of the owners to the Operator or Airfield Owner, as the case may be, a fee of \$22.50 per month per lot, for the year 2019, 2020, and 2021. Such fees are enforceable as a special assessment of the Association.”***

Delete the 3rd sentence and replace with, ***“Beginning with the year 2022, the fee may change, but it may never increase (or decrease) more than 5% per year over the previous year, provided, however, that the maximum monthly fee can never be more than 50% of the average outside monthly tie-down fee for single engine aircraft charged by the six (6) nearest public use, general aviation airports, such as, but not limited to, Laughlin/Bullhead, Eagle, Needles, Lake Havasu, Kingman, and Parker. In addition, prior to 2029, the fee cannot exceed \$25 per month, and if the fee should ever decrease, it may never be less than \$22.50 per month per lot.”***

Article IX, Paragraph 1.i (2). Revise the 1st sentence to delete the portion that reads, “the Twenty Dollars (\$20.00) per month, per aircraft owner fee” and replace it with, ***“the fee per lot”***.

AMENDMENT 1 – Airfield Assessment

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR SUN VALLEY AIRPORT
TRACT 4043, MOHAVE COUNTY, ARIZONA**

Amendment 1 was approved by the majority of the lot owners and the Airfield owner by votes cast by the March 30, 2018 deadline. As a result, Amendment 1 is now attached to this Declaration and revises the affected portions of the Declaration as noted. All other portions of the Declaration are not affected by this Amendment 1.

IN WITNESS WHEREOF, the undersigned has executed, or caused to be executed, this document on the 30th day of August, 2018.

MOHAVE SUN VALLEY PROPERTY OWNERS ASSOCIATION, INC.

Stanley D. Gatewood
Its President

[Signature]
Its Vice President

CORRIGAN NAVIGATIONAL STRATEGIES LLC dba SUN VALLEY AIRPORT

[Signature]
Its Member/Manager

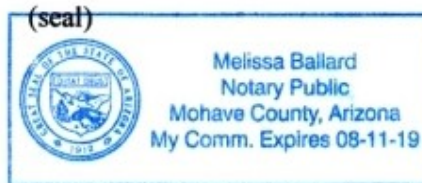
STATE OF ARIZONA)
) ss.
County of Mohave

On this the 30th day of August, 2018, before me the undersigned, a Notary Public, personally appeared Stanley D. Gatewood, who acknowledged himself to be the President of Mohave Sun Valley Property Owners Association, Inc., and that he as such officer, being authorized so to do, executed the foregoing instrument for the purpose therein contained by signing the name of the corporation, by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[Signature]
Notary Public

My Commission expires: 08/11/2019



AMENDMENT 1 – Airfield Assessment (continued)

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR SUN VALLEY AIRPORT
TRACT 4043, MOHAVE COUNTY, ARIZONA**

STATE OF ARIZONA)
) ss.
County of Mohave

On this the 30th day of August, 2018, before me the undersigned, a Notary Public, personally appeared Sandra Patten, who acknowledged herself to be the Vice President of Mohave Sun Valley Property Owners Association, Inc., and that she as such officer, being authorized so to do, executed the foregoing instrument for the purpose therein contained by signing the name of the corporation, by herself as such officer.

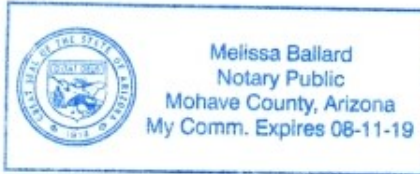
IN WITNESS WHEREOF, I hereunto set my hand and official seal

Melissa Ballard
Notary Public

My Commission expires:

08/11/2019

(seal)



STATE OF ARIZONA)
) ss.
County of Mohave

On this the 30th day of August, 2018, before me the undersigned, a Notary Public, personally appeared James Lambert, who acknowledged himself to be the Member/Manager of Corrigan Navigational Strategies LLC dba Sun Valley Airport and that he as such officer, being authorized so to do, executed the foregoing instrument for the purpose therein contained by signing the name of the corporation, by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal

Melissa Ballard
Notary Public

My Commission expires:

08/11/2019

(seal)

