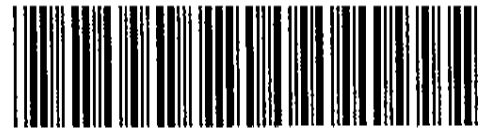


When recorded, return to:

Gordon E. Hunt, Esq.
Biskind, Hunt & Taylor
4201 North 24th Street, Suite 300
Phoenix, Arizona 85016



OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
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**AMENDED AND RESTATED
SUPPLEMENTAL DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR DC RANCH PARCEL 4.17**

THIS DOCUMENT CONTAINS IMPORTANT DISCLOSURES (IN SECTION 7 BELOW) CONCERNING ACCESS TO THE SUBJECT SUBDIVISION -- PROSPECTIVE PURCHASERS OF LOTS WITHIN THE SUBJECT SUBDIVISION SHOULD READ THIS DOCUMENT CAREFULLY

This Amended and Restated Supplemental Declaration of Covenants, Conditions and Restrictions for DC Ranch Parcel 4.17 ("Amended Supplemental Declaration") is made effective this 17th day of June, 2002, by DC RANCH L.L.C., an Arizona limited liability company ("Declarant").

A. Declarant is the developer of the master planned community located in the City of Scottsdale, Maricopa County, Arizona, commonly known as DC Ranch (the "Development"); and

B. Declarant executed the DC Ranch Community Council Amended and Restated Declaration of Covenants and Easements and recorded said document in the official records of Maricopa County, Arizona on July 16, 1999, as Document No. 99-0673268 (the "Council Declaration"); and

C. Declarant executed the Amended and Restated Declaration of Covenants, Conditions and Restrictions for the Ranch and recorded said document in the official records of Maricopa County, Arizona on July 16, 1999, as Document No. 99-0673267 (the "Ranch Declaration"); and

D. The Council Declaration and the Ranch Declaration each contemplates that supplemental declarations for parcels located within the Development will be executed and Recorded periodically as the development of the Development proceeds; and

E. Declarant executed the Supplemental Declaration of Covenants, Conditions and Restrictions for DC Ranch Parcel 4.17 and recorded said document in the official records of

Maricopa County, Arizona on October 16, 2000, as Document No. 2000-0793403 (the "Original Supplemental Declaration"); and

F. Declarant wishes by this instrument to amend and restate the Original Supplemental Declaration in its entirety, such that the Original Supplemental Declaration is superseded in its entirety by this Amended Supplemental Declaration.

NOW, THEREFORE, Declarant hereby declares that the Tract shall be held, sold and conveyed subject to the following restrictions, covenants, conditions, terms and provisions:

1. **Amendment and Restatement.** This Amended Supplemental Declaration amends and restates the Original Supplemental Declaration in its entirety, such that the Original Supplemental Declaration is superseded in its entirety by this Amended Supplemental Declaration.

2. **Land Use Classification.** The Land Use Classification (as such term is used in Exhibit "C" to the Council Declaration) for the real property within the Tract shall be single-family residential, and construction on such real property shall be limited to single-family dwelling units and related common elements. Notwithstanding the foregoing, however, Declarant reserves to itself, and its successors and assigns (including without limitation any homebuilder in whose favor Declarant executes, acknowledges and records an assignment of rights), the right to construct and install within the Tract one or more temporary construction trailers and other improvements used in connection with the construction and sale of single-family dwellings within the Tract; provided that all such improvements shall be removed from the Tract or (in the case of a model home) converted to a single-family dwelling unit promptly after the completion of all applicable construction and sale activity.

3. **Calculation of Units.** The Tract has been subdivided into five (5) residential lots (collectively, the "Lots", and each, individually, a "Lot") pursuant to the subdivision plat for the Tract recorded of even date herewith in the official records of Maricopa County, Arizona (the "Plat"). Accordingly, for purposes of Exhibit "C" to the Council Declaration and Exhibit "D" to the Ranch Declaration, there shall be five (5) Units in the Tract. If Declarant duly amends the subdivision plat for the Tract, such that the number of Lots in the Tract is greater or less than five (5), then Declarant may, without obtaining the consent of any owner of any such lot or any portion of the Tract, amend this Amended Supplemental Declaration to correctly specify the total number of Lots within the Tract.

4. **Assessments.**

a. **Neighborhood Assessments for Planning Unit IV.** The Lots, together with certain other property within the Development located north of Thompson Peak Parkway and accessed from Thompson Peak Parkway by private streets, have been or will be designated by the Ranch Association as a Neighborhood (referred to in this instrument as the "Planning Unit IV Neighborhood"), and will be subject to one or more Neighborhood Assessments levied by the Ranch Association with respect to certain relevant Neighborhood Expenses, including without limitation

expenses associated with the private streets within the Planning Unit IV Neighborhood, the guardhouses located on Desert Camp Drive, and open space areas, pocket parks and other recreational facilities located within the Planning Unit IV Neighborhood. The amount of the foregoing levy will be established by the Ranch Association in accordance with the terms of the Ranch Declaration.

b. Neighborhood Assessments for Parcel 4.17. The Lots have been or will be designated by the Ranch Association as a separate Neighborhood (referred to in this instrument as the "Parcel 4.17 Neighborhood"), and will be subject to one or more separate Neighborhood Assessments levied by the Ranch Association with respect to certain relevant Neighborhood Expenses, including without limitation expenses associated with the maintenance and repair of all or a portion of the emergency access road serving the Parcel 4.17 Neighborhood, which, pursuant to City of Scottsdale stipulation, will be constructed to provide access to the subdivision during flood events that may render the "normal" access route through Cross Canyon Drive impassable. The amount of the foregoing levy will be established by the Ranch Association in accordance with the terms of the Ranch Declaration.

5. Commencement of Assessments. Without limiting the provisions of Paragraph 4 above, the Lots are subject to all assessments, fees and other charges duly imposed pursuant to the Council Declaration and all assessments, fees and other charges duly imposed pursuant to the Ranch Declaration. The obligation to pay assessments, fees and other charges under the Council Declaration and assessments, fees and other charges under the Ranch Declaration shall commence as to all Lots effective as of the recording of this Amended Supplemental Declaration in the official records of Maricopa County, Arizona.

6. Intentionally Omitted.

7. Access Disclosures. Declarant hereby discloses (i) a separate access road (the "Emergency Access Road") will provide access to the Tract during flood events that may render impassable the "normal" access route through Cross Canyon Way; (ii) the Emergency Access Road will run generally from a point on Thompson Peak Parkway east of the Reata Pass Wash, through the Tract, to a point on Cross Canyon Way located within the Tract; (iii) until the Emergency Access Road is completed, the City of Scottsdale will not issue a certificate of occupancy for any dwelling on any Lot within the Tract, pursuant to the stipulations of approval for the Plat; (iv) Declarant shall be solely responsible for the installation of the Emergency Access Road; and (v) at such time (if ever) as a bridge or other permanent improvement is completed that permits access across Reata Pass Wash at Cross Canyon Way during flood events, the Emergency Access Road will no longer be required and will be abandoned, but construction of such a bridge or other permanent improvement is not guaranteed and may never be undertaken.

8. Building Envelopes. The construction of single-family dwellings within the Lots shall be subject to various approval requirements of the Covenant Commission, as set forth in The Covenant and in the Community Design Book adopted by the Covenant Commission with respect to residential construction and all rules, regulations, and design standards and guidelines adopted by

the Covenant Commission with respect to the Tract from time to time. Such requirements include, among other things, the requirement that any construction plans submitted to the Covenant Commission include a depiction of a construction envelope on the Lot, the location and dimensions of which shall be subject to Covenant Commission review and approval. All construction activities on the Lot shall conform to the requirements pertaining to such construction envelopes set forth in the Construction Guidelines adopted by the Covenant Commission. Approval by the Covenant Commission of construction plans for any such Lot shall include the requirement that the owner of the Lot grant to the Covenant Commission an easement for preservation of natural open space (using a form to be provided by the Covenant Commission) over all areas within the Lot and outside of such construction envelope. No construction of any improvements shall be permitted in any such areas. The Lot owner shall be responsible for maintenance of all improvements, landscaping and natural open space areas within the Lot in accordance with the Community-Wide Standard applicable to the Development and all other requirements of the Governing Documents; provided that Declarant hereby reserves to itself and the Community Council and the Ranch Association (or the agent or contractor of any of them) the right to enter upon such areas to perform such maintenance if the Lot owner fails to do so.

9. **Maintenance Easement.** With respect to each and every Lot (each a "Golf Lot") in the Tract that shares a common boundary with the private golf course located adjacent to the Tract (the "Golf Course"), Declarant hereby reserves to itself and its successors and assigns, and hereby grants to the Community Council and its successors and assigns, and to the owner of the Golf Course, an easement over that area (the "Golf Lot Transition Area") within each Golf Lot that lies between the boundary of the Golf Course and the lot perimeter wall located on such Golf Lot (the "Golf Lot Perimeter Wall"), for purposes of access over, upon and across such Golf Lot Transition Area as reasonably necessary to inspect and maintain such Golf Lot Transition Area, and to inspect, maintain and repair the exterior of such Golf Lot Perimeter Wall, in accordance with the maintenance requirements imposed on the owner of such Golf Lot under the Council Declaration, the Ranch Declaration, the Covenant, Paragraph 8 above, any and all other applicable private governance standards, and the standards imposed by law.

10. **Maintenance of Streetscape Areas.** Any area that is located within a private street tract as shown on the Plat but outside of the private street improvements built within such private street tract, including any landscaping improvements located in such area (a "Streetscape Area"), shall be maintained by the owner of the adjacent Lot or Area of Common Responsibility (as applicable) to the Community-Wide Standard and any and all other standards required for maintenance of such Lot or Area of Common Responsibility. If a Lot owner shall fail to meet its maintenance obligations under this Paragraph 10, the Ranch Association shall have the right to perform such maintenance on behalf of such owner and to enter upon such owner's Lot to the extent reasonably necessary do so.

11. **Lighting of Paths and Trails.** Declarant reserves to itself and its successors and assigns the right to install, remove, maintain, replace and repair lighting fixtures, related electrical lines and other related facilities, within the area designated on the Plat as Tract "A", for the purpose of facilitating pedestrian use of private and public trails located within such area. The design and

location of such fixtures, lines and related facilities shall be as determined by The Covenant Commission, consistent with the Community Design Book, and The Covenant Commission shall determine from time to time the days and hours of the day on which such lighting fixtures shall be operated.

12. **Revegetation.** Declarant reserves to itself and its successor and assigns an easement over, upon and across those portions of the Lots on which the natural vegetation is disturbed by the construction or installation of street improvements or other infrastructure improvements, for purposes of access as may be necessary (a) to revegetate such areas with native plants in accordance with the Environmental Design Study for DC Ranch Planning Units II and IV approved by the City of Scottsdale in Zoning Case No. 54-ZN-89#2, (b) for purposes of installing, constructing, maintaining, replacing and repairing such irrigation controllers, backflow prevention devices, water lines, irrigation lines and other facilities, as needed in connection with such revegetation, and (c) to maintain all revegetated plants, to the extent, if any, Declarant deems such maintenance appropriate in connection with such revegetation.

13. **Photography of Homes.** Each Person acquiring title to a Lot, by the acceptance of a deed or other instrument evidencing such title, hereby consents to having the exterior of any residence constructed on such Lot photographed by professional photographers contracted by Declarant, and agrees that such photographs may be used by Declarant in advertising and marketing materials and also may be used to demonstrate design guideline principles applicable to structures constructed at the Development. All such photographs and all such uses shall be at no cost to such Lot owner and such Lot owner shall allow such uses free of charge and without compensation to such Lot owner. All uses shall be implemented in a professional and tasteful, first-class manner. Each photography session, if any, shall be conducted at a mutually convenient time and date as agreed between the Lot owner and Declarant. The photography crew shall have the right to enter onto the Lot on the day of the photography session to conduct its work. Any damage caused by such crew shall be the responsibility of Declarant who shall promptly cause any such damage to be repaired, entirely at its cost, and with minimal inconvenience to the Lot owner.

14. **Enforcement.** The Community Council may recover from any Lot owner who fails to maintain its Lot or any portion thereof or any adjacent Streetscape Area as required by any of Paragraphs 8, 9 or 10 above any and all costs incurred by the Community Council in performing such maintenance on the owner's behalf pursuant to any of said Paragraphs 8, 9 or 10. In addition, without limiting any other rights or remedies available to the Community Council, in all cases of an owner's failure to maintain as required by any of Paragraphs 8, 9 or 10, the Community Council may impose a Specific Assessment under the Council Declaration against the owner's property within the Development in the amount of such costs or damages, which assessment shall be immediately due and payable upon delivery of notice of such assessment to the owner. All or any portion of the foregoing rights of the Community Council may be delegated to the Association pursuant to Section 6.10 of the Council Declaration (provided that any Specific Assessment levied by the Association in accordance with this paragraph shall be levied pursuant to the Ranch Declaration).

15. **Interpretation.** This Amended Supplemental Declaration shall run with the land within the Tract, shall be binding on all parties having or acquiring any right, title or interest in the Tract or any part thereof, and their respective heirs, successors and assigns, and shall be enforceable in accordance with and as a part of the Council Declaration and the Ranch Declaration.

16. **Incorporation of Declarations.** The Council Declaration and the Ranch Declaration each is expressly incorporated herein and made a part hereof by this reference. Unless otherwise defined herein, every capitalized term and expression used herein shall have the same meaning as set forth for such terms and expressions in the Council Declaration and the Ranch Declaration, as applicable. In the event of any conflict between the terms of the Council Declaration or the Ranch Declaration and the terms of this Amended Supplemental Declaration, the terms of the Council Declaration or the Ranch Declaration, as applicable, shall control.

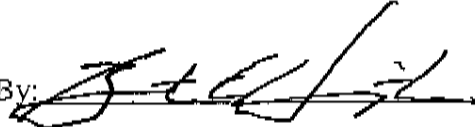
17. **Amendment.** This Supplemental Tract Declaration may be amended in the same manner as the Ranch Declaration may be amended in accordance with the provisions of the Ranch Declaration.

IN WITNESS WHEREOF, Declarant has executed the foregoing instrument as of the date first set forth above.

DC RANCH L.L.C., an Arizona limited liability company

By: DMB PROPERTY VENTURES LIMITED PARTNERSHIP, a Delaware limited partnership, Administrative Member

By: DMB GP, INC., an Arizona corporation, its General Partner

By: 

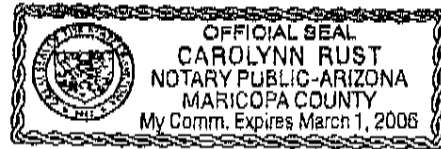
Its: VP

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 17th day of June, 2002, by Brent E. Herrington, the Vice President, of DMB GP, INC., an Arizona corporation, in its capacity as General Partner of DMB PROPERTY VENTURES LIMITED PARTNERSHIP, a Delaware limited partnership, in its capacity as Administrative Member of DC RANCH L.L.C., an Arizona limited liability company, for and on behalf thereof.

Carolynn Rust
Notary Public

My Commission Expires:
03/01/06



CONSENT TO AND JOINDER IN AMENDED SUPPLEMENTAL DECLARATION

As evidenced by their signatures below, BARTON W. LABELLE and SARAH B. LABELLE, husband and wife as community property with right of survivorship, the owner of Lot 627 Parcel 4.17 in DC Ranch Planning Unit 4, according to the subdivision plat recorded in Book 545 of Maps, Page 7, records of Maricopa County, Arizona, consent to and join in the foregoing Amended Supplemental Declaration.

[Handwritten signature of Barton W. Labelle]

BARTON W. LABELLE, husband of SARAH B. LABELLE

[Handwritten signature of Sarah B. Labelle]

SARAH B. LABELLE, wife of BARTON W. LABELLE

STATE OF ~~ARIZONA~~ ^{Michigan})
) ss.
County of ~~Maricopa~~ ^{Bay})

The foregoing instrument was acknowledged before me this 17 day of ~~June~~ ^{July}, 2002, by BARTON W. LABELLE, husband of SARAH B. LABELLE.

[Handwritten signature of Sandra E. Van Dol]
Notary Public

My Commission Expires:
12/31/03

STATE OF ~~ARIZONA~~ ^{Michigan})
) ss.
County of ~~Maricopa~~ ^{Bay})

The foregoing instrument was acknowledged before me this 17 day of ~~June~~ ^{July}, 2002, by SARAH B. LABELLE, wife of BARTON W. LABELLE.

[Handwritten signature of Sandra E. Van Dol]
Notary Public

My Commission Expires:
12/31/03