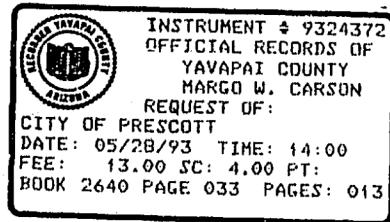
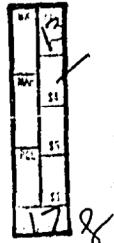


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CAPTION HEADING: DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR LONGVIEW ESTATES SUBDIVISION
UNIT FOUR

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
LONGVIEW ESTATES SUBDIVISION
UNIT FOUR

This Declaration ("Declaration") is made this 26th day of May, 1993, by First American Title Insurance Agency of Yavapai, Inc., an Arizona corporation, as Trustee under that certain Trust Agreement #4403, and not personally as to Lots 1 through 96 of the Longview Estates Subdivision, Unit Four, according to the plat recorded in the Office of the Yavapai County Recorder in Book 20, at Page 11-12 with reference to the following facts and circumstances:

A. The Declarant is the fee owner of Lots 1 through 96, Longview Estates Subdivision, Unit Four. The Declarant desires to establish covenants, conditions and restrictions upon the subdivision, and each and every portion thereof, which will constitute a general scheme for the management of the subdivision, and for the use, occupancy and enjoyment thereof, all for the purposes of enhancing and protecting the value, desirability and attractiveness of the subdivision and enhancing the quality of life within the subdivision.

B. Therefore, Declarant hereby declares that all of the properties described above shall be held, sold, conveyed, hypothecated, encumbered, leased, rented, occupied and improved, subject to the following easements, restrictions, covenants and conditions, all of which are declared and agreed to be in furtherance of a general plan for the protection, maintenance, improvement and development of this subdivision and for the protection and enhancement of the value, desirability and attractiveness of the subdivision. All provisions of this Declaration are hereby imposed as equitable servitudes upon the subdivision. All of the easements, restrictions, covenants and conditions, set forth in this Declaration shall run with the land and shall be binding on and for the benefit of the subdivision and all persons having or acquiring any right, title or interest in the subdivision or any part thereof, their heirs, successors and assigns.

ARTICLE I

DEFINITIONS OF TERMS

Whenever used in the Declaration, the following terms shall have the following meanings:

(a) "Association" shall mean the Longview Estates Subdivision, Unit Four, Inc., an Arizona non-profit corporation, its successors and assigns.

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(b) "Declarant" shall mean First American Title Insurance Agency of Yavapai, Inc., an Arizona corporation, its successors and assigns, if such successors and assigns hold title to all, or any portion of, the subdivision.

(c) "Member" shall mean every person or entity who holds a membership in the association through ownership of a lot, in accordance with the provisions of this Declaration.

(d) "Owner" shall mean each person and entity holding a record ownership interest in a lot, including the Declarant. The term "owner" shall not include persons or entities who hold an interest in the lot merely as security for the performance of an obligation.

(e) "Lot" shall mean each parcel shown upon any recorded subdivision map of the subdivision.

(f) "Subdivision" shall mean Lots 1 through 96 of Longview Estates Subdivision, Unit Four, as shown on the map or plat thereof on file in the office of the Yavapai County Recorder.

(g) "Subdivision Interest" shall mean the ownership interest held by an "owner", as defined above.

(h) "Committee" shall mean the Architectural Control Committee as described hereinafter.

ARTICLE II

USE RESTRICTIONS

1. Residential Use. Lots shall be used for single family residential purposes only, provided, however, that for a period of five (5) years from and after the date of recordation of this Declaration or the date by which all lots have been sold by Declarant, whichever occurs first, lots owned by Declarant may be used by Declarant or its designees as models, sales offices and construction offices for the purpose of developing, improving and selling lots in the subdivision. Nothing in this Declaration shall prevent an owner from leasing or renting his lot, provided, however, any lessee or renter thereof shall abide by and be subject to all provisions of this Declaration.

2. Commercial Use. No gainful occupation, profession, trade or other non-residential use shall be conducted on any lot within the subdivision that requires the visitation of clientele or agents, or the storage of products or machinery, or which creates undue noise or odor. Absolutely no signs shall be

allowed denoting a business at a house or subdivision lot. No activity shall be allowed that will be a nuisance or distraction from the general residential subdivision scheme.

3. Owner's Maintenance of Individual Lots. Each owner shall be responsible for the maintenance and repair of all the improvements to his lot, including any residential structure, parking facilities and landscaping thereon. Each owner shall maintain the exterior paint or other finish on any improvement constructed on his lot in good condition and repair.

4. Houses. All residences shall be standard single family housing structures with permanent foundations and a minimum floor area on the main level, (including walls and partitions) of 1,800 square feet for living purposes, not including garage, porches, roof overhangs, or out-buildings, or other unattached structures. Not more than one single family dwelling unit or house shall be constructed on each lot. Each house shall have not less than a two car garage. Houses built on lots with a grade variance of no more than 7% grade from side to side or front to rear, shall not exceed a height limit of 28 feet from the highest grade of the lot. "Upslope" lots of greater than 7% grade from front to rear shall not have a height greater than 28 feet measured from the grade of the lot at the set-back line. Houses built on downslope lots with a grade variance greater than 7% shall not exceed a height of 18 feet from the highest grade of the lot at the set-back line.

5. Animals. No animals, birds, foul, poultry or livestock, other than a reasonable number of domestic dogs, cats, fish and birds in cages shall be maintained on any lot and then only if they are kept therein solely as domestic pets and not for commercial purposes. No animals shall be allowed to become a nuisance. No structure for the care, housing or confinement of any animal shall be maintained so as to be visible from a neighboring lot or street. No owner shall permit its dog or animal to create unsanitary conditions anywhere in the development. When such conditions are created, the owner shall be assessed no less than \$100.00 as determined by the Association for clean-up expenses and other such satisfaction as permitted by law and this Declaration.

6. Antennae, Towers and Other Such Devices. No antennae, tower, dish or other devices for transmission or reception of television or radio signals or any other form of electromagnetic radiation shall be erected, used or maintained outdoors on any of the lots whether attached to a building or structure or otherwise. No lines, wires or other devices for the communication or transmission of electric current or power, including telephone, televisions, and radio signals, shall be erected, placed or maintained where visible. No provision hereof

shall be deemed to forbid the erection of temporary power or telephone structures incident to the construction of buildings or structures approved by the Architectural Control Committee.

7. Architectural Control Committee Approval. No improvements, exterior painting, landscaping or decorative alterations, repairs, excavation or other work which may in any way alter the exterior appearance of the improvements located on lots shall be commenced, erected, maintained, made or done without the prior written approval of the Architectural Control Committee, and upon such approval, said improvements must be completed within the time periods established by the Architectural Control Committee.

8. Temporary Structures. No mobile home or trailer shall be located on any lot for any period of time or any purpose, including, but not limited to, as a residence.

9. Maintenance of Mobile Homes, Boats, Trailers and other Vehicles. No mobile home, boat, trailer of any kind, truck with camper shell, truck camper, recreational vehicle or tent or similar structure shall be kept, placed, maintained, constructed, reconstructed or repaired, nor shall any motor vehicle be constructed, reconstructed or repaired, on any portion of the lot unless said vehicle is screened from the street and neighbors by a garage, fence, or other type of enclosure acceptable to the Architectural Control Committee. No such vehicle shall be parked on the street or in driveways. Driveways leading to the homes are to be used only for passenger vehicle parking and for no other purpose.

10. Offensive Conduct, Nuisances. No noxious or offensive activities, including, without limitation, the repair of automobiles or other motorized vehicles, shall be carried on, upon or within the subdivision or any lot contained therein, nor shall anything be done thereon which may be or become an annoyance or nuisance to the residents of the subdivision, or which shall in any way interfere with the quiet enjoyment of the lot. Any noise, speed, or the revving of engines or speeding up and down the road shall constitute a violation of this covenant. The Association in its sole discretion shall have the right to determine the existence of any nuisance. No exterior speakers, horns, whistles, bells or other sound devices, except security devices used exclusively for security purposes, shall be located, used or placed on any lot.

11. Trash Disposal. No garbage or trash shall be placed or kept on any lot except in covered containers of a type, size and style which have been approved by this Association. In

no event shall such containers be maintained so as to be visible from the neighboring property except to make the same available for collection, and then only the shortest time reasonably necessary to effect such collection.

12. Outside Drying and Laundering. No exterior clotheslines shall be erected or maintained and there shall be no exterior drying or laundering of clothes on balconies, patios, porches, or other areas.

13. Signs. No signs or billboards or other advertising shall be directed, placed or permitted to remain on any of the lots unless written approval is first obtained from the Architectural Control Committee, except such signs as may be used by the Declarant or its designees for the purpose of developing, selling and improving lots within the subdivision. In no event shall any such sign exceed 1.5 square feet in size. All signs must be "generic" in style.

14. Lot Division. No lot in the subdivision shall be further subdivided or separated into smaller lots.

15. Window Coverings. Tin foil, newspapers or other materials, other than window draperies or custom window coverings, pertaining to the ownership, occupation or use of any lot is hereby declared to be a violation of this Declaration and subject to any and all of the enforcement procedures set forth herein.

16. Construction of Dwelling Units. All dwelling units constructed within the subdivision shall be built under the license and auspices of a general contractor. All construction of the dwelling unit must be completed within nine months of commencement of construction thereof. No garage, or other building or trailer shall be erected or placed on any lot for the purpose of temporary living quarters.

17. Driveways. All driveways must be constructed with an "all weather surface" as specified by the City of Prescott building code and a culvert must be placed where the driveway crosses any drainage easement.

18. Solar Collector Plates and Devices. Solar collector plates and other visible solar devices must be screened from present or future public view in an installation approved by the Architectural Control Committee to avoid reflecting to neighboring properties. Reflective skylights exposed to present or future public view will not be permitted, but normally flat, bronze-tinted or similar skylights which are non-reflective may

be permitted by the Committee.

19. Windmills and Similar Machinery. Windmills and similar machinery shall not be permitted within the subdivision unless by approval by the Architectural Control Committee.

20. Electric Post Lights. At the time of construction of improvements, all lot owners shall be required to construct and maintain a functioning automatic post light of suitable design, approximately six feet in height in a suitable location on the street boundary of their lot. Such lights shall be on during all hours of darkness and will have sufficient wattage as determined by the Architectural Control Committee.

21. Off-Street Parking. Lot owners shall be responsible for providing adequate off-street parking spaces and for seeing that, insofar as possible, the moving traffic street lanes adjacent to their lots are kept free of parked vehicles. The Association shall have the authority to have improperly parked vehicles removed at the owner's expense.

22. Drainage. Each owner agrees for himself, his heirs, assigns, vendees and successors in interest, that he will either (a) refrain from interference with the established drainage pattern over his lot from the adjoining or other lots in the subdivision, or (b) subject to the approval of the Architectural Control Committee, make adequate provision for proper drainage from any such lot or lots. If a lot owner shall fail to construct and maintain proper drainage, the Association may do so at the owner's expense. For purposes hereof, established drainage is defined as the drainage pattern established at the time of the overall grading of the subdivision is completed. All drainage plans for lots shall be approved by the Architectural Control Committee and insofar as possible no runoff shall be allowed to flow onto a neighbor's property.

ARTICLE III.

HOMEOWNERS' ASSOCIATION

1. Association. Each owner shall automatically become a member of the Longview Estates Subdivision, Unit Four, Homeowners' Association, Inc., an Arizona non-profit corporation, on its formation. Each owner shall remain a member of the Association until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically cease. Individuals who jointly own a single lot shall together be considered a single member of the Association.

for purposes of this Declaration, although they shall be jointly and severally liable for compliance with the terms of this Declaration.

2. Formation. The Association shall establish by-laws, regulations, and assessments for the owners and members at its first meeting, which shall be held no sooner than six months after lots in the subdivision have been sold, exchanged or conveyed by Declarant.

3. Duties and Powers of the Association.

- A. Enforcement. The Association shall be authorized to prosecute in any proceeding at law or equity any violation or attempted violation of the Declaration, including, and without limitation, the right to seek injunctive or other equitable relief or to recover damages or both. In any litigation or other proceeding arising out of this Declaration, all costs and reasonable attorney's fees may be made a part of the judgment of the Court. Nothing contained herein shall be construed to limit the rights and remedies to which any owner is entitled as the result of a breach of any provision of this Declaration.
- B. Maintenance. The Association, acting pursuant to its By-Laws, shall take all actions necessary for the preservation and protection of all subdivision roads, which have not been accepted for dedication by the City of Prescott and any greenbelt area specifically denominated as such on the plat for the subdivision. Such preservation and protection shall include all items of maintenance required for such properties. The decision of the Association to incur expenses for maintenance shall be approved by a majority of the members of the Association or by the governing Board of the Association to the extent permitted under the Association's organization documents.
- C. Assessment. The Association acting pursuant to the powers conferred upon it by this Article shall have the right to levy special assessments with respect to the enforcement of the covenants, conditions and restrictions of this Declaration and the maintenance activities described above. Said assessments shall be imposed in the following manner:

1. Special Assessment. Should the Association incur expenses to enforce compliance with the Declaration or seek damages for breach of the same, whether by suit or otherwise, such expenses may be assessed by the Association against the lot owner or lot owners against whom the enforcement is sought with a special assessment. In the event the Association employs an attorney or attorneys for collection of any special assessment, whether by suit or otherwise, or to enforce compliance with or specific performance of the terms and conditions of this Declaration, or for any other purpose in connection therewith, each lot owner agrees to pay reasonable attorney's fees and costs thereby incurred in addition to any other amounts due or any other relief or remedy obtained against the lot owner or member. The amount of each special assessment shall be a separate, distinct and personal debt and obligation of the lot owner against whom the same has been assessed. In the event of a default in the payment of any such special assessment when due, in which case the special assessment shall be deemed delinquent, and in addition to any other remedies herein or by law provided, the Association may enforce each such obligation in any manner provided by law or in equity, or without any limitation of the foregoing, by any of the procedures provided herein. The amount of any special assessment assessed to a lot owner, together with interest at the highest legal rate permitted under the laws of the State of Arizona, and costs, including reasonable attorney's fees, shall become a lien upon the lot assessed. To evidence any such lien, the Association may prepare and cause to be recorded in the office of the County Recorder of Yavapai County, a written notice of lien setting forth the amount of the special assessment, the due date thereof, the amount thereof remaining unpaid and the name of the lot owner and a description of his lot. No such notice of lien shall be so recorded until a delinquency occurs in the payment of this special assessment. Such lien shall be superior to all other liens and encumbrances, recorded or unrecorded, except for a valid tax and special assessment lien on the lot in

favor of any governmental or other validly constituted tax authority, and the lien of any bona fide first mortgage or deed of trust thereon which is recorded in the official records of the County Recorder of Yavapai County, Arizona. The Association may foreclose any special assessment lien against a lot owner in accordance with then prevailing Arizona law relating to the foreclosure of realty mortgages.

D. Relinquishment. The Association shall not relinquish responsibility for maintenance unless (i) title to such property passes to a duly constituted governmental authority or (ii) all members give their written approval of such relinquishment.

ARTICLE IV.

ANNEXATION

Declarant proposes to develop additional adjacent properties and reserves the right to expand this Declaration to include the future owners of any and all additional property so developed. Declarant, by reference to this Declaration, can include these future owners for full participation in all benefits and responsibilities conferred herein.

ARTICLE V.

ARCHITECTURAL CONTROL

1. Architectural Restrictions. No building, fence, wall or other structure shall be commenced, erected or maintained upon any lot, nor shall any exterior addition, change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same have been submitted to and approved in writing as to harmony of the external design and location in relation to surrounding structures and topography by the Architectural Control Committee. In the event such Architectural Control Committee fails to approve or disapprove the plans and specifications within thirty days of submittal of such plans and specifications, the Architectural Control Committee shall be

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deemed to have approved such plans and specifications pursuant to this Section 1.

2. Appointment of Architectural Control Committee. Declarant shall form an Architectural Control Committee of not less than three members consisting of one architect, one engineer and the general manager of the developer for the subdivision. The Committee shall have the powers and duties as set forth in Section 1 of this Article. Said committee members shall serve until resignation or removal. Thereafter, the governing Board of the Association shall have the power to appoint the members of the Architectural Control Committee.

ARTICLE VI.

TERM OF DECLARATION; PERPETUITIES; RUNNING COVENANTS

1. Term of Declaration. This Declaration shall run with the land and shall continue in full force and effect for a period of twenty (20) years from the date this Declaration is recorded, after which time they shall automatically extend for successive periods of ten (10) years, unless amended or terminated as provided hereinafter. This Declaration may be amended or terminated during the first twenty (20) year period by an instrument signed by the Declarant and three-fourths of the lot owners other than the Declarant and thereafter by an instrument signed by three-fourths of the lot owners. Any such amendment or termination shall be recorded in order to be effective.

2. Rule Against Perpetuities. In no event shall the vesting of any interest in real or personal property or the suspension or the alienation of any interest in real property occur under the provisions of this Declaration later than twenty-one (21) years following the death of the following persons: Warner Owen; Barbara Owen and the living children of Warner and Barbara Owen.

ARTICLE VII.

ENFORCEMENT

1. Rescission, Termination or Breach. No rescission or termination or breach of this Declaration shall entitle any party or owner to cancel, rescind, or otherwise terminate this Declaration or excuse the performance of such party's or owner's

obligation hereunder; provided, however, that this limitation shall not effect in any manner any other rights or remedies which the party's or owner's may have by reason of any such breach.

2. Right of Enforcement. The Declarant, any owner, the Architectural Control Committee or the Association shall have the right, but not the obligation, to enforce by proceedings at law or in equity, all restrictions, covenants, conditions, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration or any amendments thereto, including the right to prevent the violation of any such restrictions, covenants, conditions or reservations and the right to recover damages or other penalties for such violations.

3. No Waiver. No waiver of any default by any party to this Declaration shall be implied from any omission by any party to take any action in respect of such default if such default continues or is repeated. The failure by any party to enforce any provision of this Declaration shall not be deemed a waiver of the right to do so thereafter.

ARTICLE VII.

MISCELLANEOUS

1. Construction. The provisions of this Declaration shall be liberally construed to effectuate its purposes. The provisions hereof shall be deemed independent and severable and the invalidity or partial invalidity or enforceability of any one provision, or portion thereof, shall not effect the invalidity or enforceability of the remainder. The various headings are for convenience only and shall not effect the meaning or interpretation of this Declaration.

2. Attorney's Fees. In any action brought to declare the rights granted herein or to enforce any of the terms hereof, the prevailing party shall be entitled to an award of reasonable attorney's fees in an amount determined by the Court, together with all costs of prosecution.

3. Successors and Assigns. This document shall bind and inure to the benefit of the respective heirs, personal representatives, successors and assigns of the parties hereto.

4. Notice. Any notice sent to any owner or to Declarant under the provisions hereof shall be deemed to have been received when mailed with proper postage pre-paid to the

last known address of such owner or Declarant, or in the case of hand delivery, upon delivery to such last known address.

5. Amendment. This Declaration may be amended only by an affirmative vote of three-fourths of the lot owners within the subdivision. Any such amendment shall be by written instrument duly executed under notary by all parties whose approval is required by this subsection and recorded in the office of the Yavapai County Recorder.

IN WITNESS WHEREOF the Declarant has executed this instrument as of the date first above written.

First American Title Insurance Agency of Yavapai, Inc., as Trustee under Trust #4403, and not personally

By Roger A. Yedinak
Roger A. Yedinak, Trust
Officer

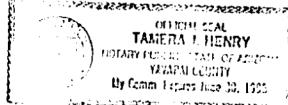
STATE OF ARIZONA)
) ss.
County of Yavapai)

This instrument was acknowledged before me this 26th day of May, 1993, by Roger A. Yedinak, who acknowledged himself to be the Trust Officer of First American Title Insurance Agency of Yavapai, Inc., and that he being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as such officer.

Tamara J. Henry
Notary Public

My commission expires:

6-30-95



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