

Courtesy Recording- No Title Liability
When Recorded Return To:

Cravath Whole Life Communities, LLC
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Scottsdale, AZ 85255

SECOND AMENDMENT TO THE
SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS AND EASEMENTS
FOR
VENTURA RANCH

THIS SECOND AMENDMENT TO THE SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR VENTURA RANCH (the "Second Amendment to the Second Amended and Restated Declaration") is made effective as of the date of its recording in the Official Records of Yavapai County, Arizona.

RECITALS

A. On September 28, 2016, Cravath Whole Life Communities, LLC, an Arizona limited liability company (the "Declarant") recorded that certain Declaration of Covenants, Conditions, Restrictions and Easements for Ventura Ranch dated September 23, 2016, in the office of the Yavapai County Recorder, as Instrument No. 2016-0048692 with respect to the real property in Yavapai County described therein (the "Property").

B. On July 3, 2017, the Declarant recorded that certain Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements for Ventura Ranch dated June 2017 (the "First Amended and Restated Declaration"), in the office of the Yavapai County Recorder, as Instrument No. 2017-0033830.

C. On July 17, 2019, the Declarant recorded that certain Second Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements for Ventura Ranch dated July 2019 (the "Second Amended and Restated Declaration"), in the office of the Yavapai County Recorder, as Instrument No. 2019-0036197.

D. On January 21, 2020, the Declarant recorded that certain First Amendment to Second Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements for Ventura Ranch (the "First Amendment to Second Amended and Restated Declaration"), in the office of the Yavapai County Recorder, as Instrument No. 2020-0003483. The Second Amended and Restated Declaration as amended by the First Amendment to Second Amended and Restated Declaration is hereinafter referred to as the "Declaration."

E. Pursuant to Section 13.1 and 13.2 of the Second Amended and Restated Declaration, until the termination of the Class B membership, the Declarant may amend the Second Amended and Restated Declaration for any reason without obtaining the approval or consent of any Owner or any First Mortgagee (in each case as defined in the Second Amended and Restated Declaration).

F. As of the date of the recording of this Second Amendment to the Second Amended and Restated Declaration the Class B membership of the Declarant has not terminated.

NOW, THEREFORE, the Declarant hereby amends the Declaration as follows:

1. Section 1.49 of Article 1 of the Declaration is hereby amended in its entirety to provide as follows:

1.49 "Project Documents" means this Declaration, any and all Additional CC&Rs, all Record of Surveys, all Plats, the Articles, the Bylaws, the Rules and Regulations and the Development Standards.

2. Section 1.56 of Article 1 of the Declaration is hereby amended in its entirety to provide as follows:

1.56 "Record of Survey" means Amended Amended Record of Survey of Ventura Ranch recorded by the Declarant in the office of the Yavapai County Recorder, as Instrument No. 2017-0009041-1, and any other record of survey or subdivision plat Recorded by the Declarant against all or any part of the Property, and all amendments, supplements and corrections thereto.

3. ARTICLE 1 of the Declaration is hereby amended to add the following new definitions:

1.70 "Private Parcel Roads" has the meaning given that term in Section 3.1.1.2 of this Declaration.

1.71 "Plats" means (i) the Final Plat of Ventura Ranch Homesites – Phase I Recorded by the Declarant in the office of the Yavapai County Recorder, as Instrument No. 2020-0060846-1, and (ii) the Final Plat of Ventura Ranch Homesites – Phase II Recorded by the Declarant in the office of the Yavapai County Recorder, as Instrument No. 2020-0060847-1, and any other plat Recorded by the Declarant against all or any part of the Property, and all amendments, supplements and corrections thereto.

4. Section 3.1 of Article 3 of the Declaration is hereby amended in its entirety to provide as follows:

3.1 Division of Parcels; Private Roads on Parcels. Each Owner of a Parcel may hereafter divide such Owner's Parcel into smaller portions; provided, however, that the Owner shall divide such Parcel in a manner consistent with the applicable laws and regulations of Arizona and Yavapai County regarding such splits, including the minimum size allowed under the then existing zoning of the Parcels. The creation or establishment of easements and/or Common Areas, as herein provided, shall not be considered a further division of the Property or the creation of a Parcel for purposes hereof. Any division of Parcels shall provide for all necessary roadway, utility and trail easements. Any additional roadway created by an Owner on their Parcel (each a "Private Parcel Road") shall meet the roadway development standards and naming requirements provided for in THIS Declaration and in the Development Standards and shall be constructed and maintained by the Owner of the Parcel and the Owner's successors and assigns at their sole cost.

5. Section 3.1 of Article 3 of the Declaration is hereby amended to add a new subsection numbered 3.1.1 and titled "Private Parcel Road Connections to the Private Loop Road" which shall provide as follows:

3.1.1 Private Parcel Road Connections to the Private Loop Road.

3.1.1.1 The intersection or other connection of a Private Parcel Road with the Private Loop Road shall be constructed in accordance with the roadway development standards set forth in the Development Standards.

3.1.1.2 Without the prior written approval of the Architectural Review Committee, Parcels 4, 5, 7 and 8 (each, an "Original Parcel") may each have no more than two (2) ingress and egress intersections or other connections from the Original Parcel to the Private Loop Road. Prior to the submission to the Yavapai County Planning and Zoning Department of site plans and a subdivision plat or a survey for a split of one of the Original Parcels, the Owner thereof shall submit to the Architectural Committee such site plans and subdivision plat or survey for review of the proposed easements and roads to be constructed on such Original Parcel in connection with the split thereof (each a "Private Parcel Road"). Such site plans and subdivision plat or survey shall include, without limitation, the depiction and the description of the locations and dimensions of the proposed Private Parcel Roads thereon and the proposed ingress and egress intersections or other connections thereof to the Private Loop Road. The Private Parcel Roads must be configured on the Original Parcel so as to enable all Parcels created by the first split thereof and by subsequent splits thereof to access the Private Loop Road through not more than two (2) ingress and egress intersections or other connections from the Private Parcel Roads initially or thereafter created

on such Original Parcel except as otherwise approved in writing by the Architectural Committee.

3.1.1.3 If an Original Parcel has been divided prior to the date of the recording of this Second Amendment, unless otherwise approved in writing by the Architectural Committee, the Owners of the resulting Parcels will be required to configure such resulting Parcels so as to avoid exceeding the maximum of two (2) ingress and egress intersections or other connections to the Private Loop Road from the Private Parcel Roads on such Original Parcel.

3.1.1.4 For the purposes of this Section 3.1.1, any driveway from a Parcel that borders the Private Loop Road to the Private Loop Road shall be constitute a Private Parcel Road from the Original Parcel in which such Parcel is located and shall constitute one of the two (2) permitted ingress and egress intersections or other connections from such Original Parcel

3.1.1.5 If the Owner of a Parcel wishes to create a Private Parcel Road that intersects with the Private Loop Road and which if constructed would result in a violation of the two (2) ingress and egress intersections or other connections from such Original Parcel maximum, the Owner shall submit an application to the Architectural Committee requesting its approval of such additional ingress and egress intersection or other connection. Such request shall include such information as required by the Architectural Committee, including without limitation, a traffic and drainage study, the locations of access points and expected turning movements, plans for proposed drainage improvements and roadway connection point improvements.

3.1.1.6 No Private Parcel Road may connect to a Private Lot Road.

3.1.1.7 The intersection or other connection of a Private Parcel Road to the Private Loop Road and the related drainage and other improvements shall be constructed and maintained by the Owner(s) of the Parcel or Parcels using such Private Parcel Road and such Owners' successors and assigns at their sole cost and shall be shared by such Owners in the manner from time to time determined appropriate by them.

6. The title of Section 3.3 of Article 3 of the Declaration is hereby amended to be "No Division or Combination of Lots."

7. The second sentence of Section 3.5 of Article 3 is hereby amended to add a new subpart lettered (n) which shall provide as follows:

and (n) the Owner of the Parcel or Lot shall not be entitled to add additional parking areas thereon for vehicles involved in the carrying out of the permitted trade or business or for the vehicles of the customers thereof.

8. Section 3.6 of Article 3 of the Declaration is hereby amended in its entirety to provide as follows:

3.6 Fencing. No Owner shall erect or construct any perimeter or other fencing on any portion of his Parcel or his Lot except as set forth in the Development Standards and submitted to and approved by the Architectural Committee. The length of the fencing, if any, to be removed from along a Private Loop Road to allow for the construction by an Owner of a Private Parcel Road on the Owner's Parcel that will intersect the Private Loop Road must be approved by the Architectural Committee prior to the removal thereof. The Owner constructing the Private Parcel Road on the Owner's Parcel shall at such Owner's sole cost install fencing approved by the Architectural Committee on both sides of the

Private Parcel Road at the locations where it intersects the Private Loop Road for a distance of seventy-five feet (75'). The location of the intersection of the Private Parcel Road intersecting the Private Loop Road must be approved by the Architectural Committee prior to the removal of the fence and the commencement of the construction of the Private Parcel Road on the Owner's Parcel. The Owner of any Parcel that is located along a perimeter boundary of the Property shall maintain the existing barb-wire fence located on such Parcel along the perimeter boundary of the Property in order to prevent cattle or other livestock from entering onto the Owner's Parcel from the adjoining property; provided, that the Owner may replace such barb-wire fence with the prior approval of the Architectural Committee. The Owner of any Parcel who has horses on the Owner's Parcel shall erect, maintain and replace fencing along the perimeter boundaries of such Parcel as required to prevent such horses from leaving the Owner's Parcel; provided that any such fencing shall require the prior written approval of the Architectural Committee

9. Subpart (i)(a) of the second sentence of Section 3.11.1 of Article 3 of the Declaration is hereby amended in its entirety to provide as follows:

(a) such Recreational Vehicle must be parked in a location on such Owner's Parcel or Lot behind the rear wall of the Dwelling Unit on the Parcel or Lot, as approved by the Architectural Committee, but in any case, not in the setback portion of the Owner's Parcel or Lot and at least one hundred fifteen feet (115') from any adjacent roadway.

10. Section 3.11 of Article 3 of the Declaration is hereby amended to add a new section numbered 3.11.8 which shall provide as follows:

3.11.8 No tractor, large commercial equipment, semi-truck or trailer or commercial processing equipment such as grinders, loaders, dozers or any other similar equipment, vehicle or apparatus (herein called "Tractors and Equipment") is permitted to be parked or stored on a Parcel or a Lot except in a garage or other approved structure, in any case, so as not to be Visible from Neighboring Property and may not be parked or stored in or upon the Common Area, the Private Lot Roads, the Private Parcel Roads or the Private Loop Road. The Architectural Committee will determine from time to time, in its sole and absolute discretion, what constitutes a "Tractor and Equipment." No item of Tractor or Equipment shall be deemed to constitute a Recreational Vehicle or be permitted to be parked in the manner allowed for Recreational Vehicles. Tractors and Equipment may be used from time to time for maintenance, repair or landscaping of a Lot or a Parcel.

11. Section 3.11.3 of Article 3 of the Declaration is hereby amended in its entirety to provide as follows:

3.11.3 No vehicle of any type may be stored or parked in or upon the Common Area, the Private Lot Roads, the Private Parcel Roads or the Private Loop Road.

12. Section 3.18 of Article 3 of the Declaration is hereby amended to add the following thereto:

Garbage cans must be placed in a garage or other building or kept behind a screen or other enclosure as set forth in the Development Standards such that they are Not Visible from Neighboring Property except when placed out for collection.

13. Section 3.18 of Article 3 of the Declaration is hereby amended to add a new subsection numbered Section 3.18.1 and titled "Construction Trash" which shall provide as follows:

3.18.1 Construction Trash. Trash and waste materials caused by, related to or arising from a construction project on a Lot or Parcel must be kept in refuse containers on such Lot or Parcel which prevent the trash from littering the Lot or Parcel or any other property in the Project. Such refuse containers shall be emptied on a regular as-needed basis to avoid overflow and littering. The Owner of the Lot or Parcel and the builder of the construction project shall be responsible for the clean-up and fines, if any, imposed pursuant to provisions of the Development Standards.

14. Section 3.28 of Article 3 of the Declaration is hereby amended in its entirety to provide as follows:

3.28 Site Built Homes Required; Minimum Dwelling Unit Size. All Dwelling Units must be site built homes. Without the prior written approval of the Architectural Committee, only a one (1) single-family Dwelling Unit may be constructed on a Parcel or a Lot. No modular homes, trailers, mobile homes, pre-built homes or structures shall be allowed on a Lot or Parcel. Pre-built auxiliary buildings are allowed only with the prior written approval of the Architectural Committee. No Dwelling Unit shall hereafter be constructed on any Owner's Parcel or Lot shall contain less than 2,000 net livable square feet, and the ground level story of a Dwelling Unit comprised of two or more stories shall contain not less than 1,400 net livable square feet; except nothing herein shall prohibit the construction of a guest house of no more than 1,500 net livable square feet on a Lot or Parcel, so long as such guest house is located in the same building envelope of the Lot or Parcel as the main Dwelling Unit and complies with the Development Guidelines restrictions pertaining to grouping or orientation of structures upon Lots and Parcels. A guest house will be included in determining the number of structures on a Lot or Parcel which may not exceed the limitations set forth in the Development Standards. The term "net livable square feet" means the total square footage of the interior and enclosed living area of a Dwelling Unit, excluding any garages, covered patios, balconies, porches, or carports.

15. Section 3.31 of Article 3 of the Declaration is hereby amended in its entirety to provide as follows:

3.31 Set-Back Lines. No Owner shall erect, construct, maintain, permit or allow any fence or other Improvement within easements or setbacks as provided for on the Record of Survey or on the Plats, as the case may be.

16. Section 3.35 of Article 3 of the Declaration is hereby amended in its entirety to provide as follows:

3.35 Restrictions on Installation and Use of Lakes and Ponds. No lake, pond or other body of water may be allowed, constructed or created on a Lot or Parcel and no areas on a Lot or Parcel may be excavated such that a lake, pond or other body of water forms passively. No drainage or retention area on a Lot or Parcel may be used for recreational purposes. No swimming or wading (except for an emergency) shall be permitted in lakes, ponds or fountain areas located on Common Areas. Boats and other watercraft shall not be permitted in Common Area lakes or ponds except for watercraft used by the Association for maintenance purposes. There shall be no dumping of any trash or other materials in the Common Area lakes or ponds, and no Owner, Occupant or other person is permitted to introduce any living species into the Common Area lakes or ponds. The Common Area lakes and ponds also shall be subject to any additional Rules and Regulations deemed appropriate by the Board.

17. Section 3.36 of Article 3 of the Declaration is hereby amended in its entirety to provide as follows:

3.36 Road Names. Proposed road names for all Private Parcel Roads to be constructed by an Owner on the Owner's Parcel must be approved by the Architectural Committee prior to submittal to the County or other jurisdiction for the approval thereof. If a road name is submitted to the Yavapai County, and subsequently approved thereby without the prior express written consent or approval of the road name by the Architectural Committee, such name may not be used for the Private Parcel Road absent approval of the name by the Architectural Committee.

18. Section 3.43.1 of Article 3 of the Declaration is hereby amended in its entirety to provide as follows:

3.43.1 Applicable to Lots and Parcels. Notwithstanding anything to the contrary contained in this Section 3.43, the restrictions on water use set forth in this Section 3.43 are to apply uniformly to all Lots and all Parcels. Therefore, wherever the word "Lot" or the word "Lots" is used in the following subsections of this Section 3.43, solely for the purposes of this Section 3.43, the term "Lot" is hereby amended to "Lot or Parcel" and the term "Lots" is hereby amended to "Lots or Parcels" or to "Lots and Parcels," as the context requires.

19. Article 3 of the Declaration is hereby amended to add a new section numbered Section 3.44 and titled "Large Fields" which shall provide as follows:

3.44 Large Fields. Large dirt fields graded to facilitate horse tracks, large horse arenas, or for any other purpose are prohibited without the prior written approval of the Architectural Committee. Small horse arenas or corrals are permitted on Parcels and Lots provided such arena or corral complies with the provisions of the Development Standards applicable thereto. No portion of a Parcel or a Lot may be used for the purpose of planting, installing or maintaining grass without the prior approval of the Architectural Committee. Use of any portion of a Lot or a Parcel for the raising of crops or other plants for commercial sale is prohibited. The restrictions in this Section 3.44 shall not prohibit Parcel or Lot Owners from planting a garden for personal use in accordance with the Development Standards.

20. Article 3 is hereby amended to add a new section numbered Section 3.45 and titled "Limitations on Usage of Certain Tracts" which shall provide as follows:

3.45 Limitations on Usage of Certain Tracts. Tract B as shown on the Plats is for the use of the Owners and Occupants of the Lots and the Parcels and their guests. Tracts A, C, D, E and F as shown on the Plats are for the exclusive use of the Owners and Occupants of the Lots and their guests and the Owners and Occupants of the Parcels and their guests are not entitled to use such Tracts A, C, D, E and F. The Owners of the Parcels shall not be responsible for the costs of maintaining Tracts A, C, D, E and F.

21. Article 3 of the Declaration is hereby amended to add a new section numbered Section 3.46 and titled "Usage of Recreational Easements Prohibited" which shall provide as follows:

3.46 Usage of Recreational Easements Prohibited. The Record of Survey calls out a Recreational Easement located along the boundary between Parcel 3 and Parcel 4 and a Recreational Easement located along the boundary between Parcel 9 and 10. The Owners and Occupants of the Lots and the Parcels and their guests shall not be entitled to use such Recreational Easements for recreational purposes or for any other purpose, except as designated on a subsequent Plat or Record of

Survey and then any such usage shall be subject to Rules and Regulations adopted by the Board of Directors of the Association.

22. Article 3 of the Declaration is hereby amended to add a new section numbered Section 3.47 and titled "Low Density Variances" which shall provide as follows:

3.47 Low-Density Variances. Subject to the following conditions, prior to the division of Parcel 4, the Owner of Parcel 4 may apply to the Board for variances to one or more of the usage restrictions set forth in the Project Documents in relation to the development of Parcel 4 as a "low-density Parcel" whereby a maximum of one single-family Dwelling Unit per seven (7) acres of the Parcel will be allowed on the Parcel. In the event prior to the termination of the Class membership the Board receives such an application from the Owner of Parcel 4, the Board and the Architectural Committee may, but shall not be obligated to, grant variances from one or more of the usage restrictions in this Declaration and in the Development Standards as they deem reasonable to allow for such "low density" development of Parcel 4. In the event the Board and the Architectural Committee grant any such variances, the grants of the variances shall be strictly contingent upon the Parcel Owner's compliance with the conditions of such grants, and the variances shall terminate upon any violation of any such conditions. The right of the Owner of Parcel 4 to apply for such "low density" development variances shall terminate as of the earlier if (i) the date of the subdivision or other split of Parcel 4 or (ii) the date of the termination of the Class B membership.

23. Article 3 of the Declaration is hereby amended to add a new section numbered Section 3.48 and titled "Flagpoles" which shall provide as follows:

3.48 Flagpoles. One (1) flagpole may be placed on a Lot or Parcel per Dwelling Unit on such Lot or Parcel. Such flagpole must not be located within the setbacks for such Lot or Parcel as set forth in the applicable Plats or the Record of Survey, as the case may be. The flagpole cannot exceed (i) twenty feet (20') in height as measured from the finished ground level of such Lot or Parcel or (ii) the height of the roof of the Dwelling Unit, whichever is less. Dwelling Unit-mounted flagpoles are also permitted; provided that each Dwelling Unit may have either a ground mounted flagpole or a house-mounted flagpole, not both. The Board shall be entitled to adopt rules regarding the installation and maintenance of flagpoles.

24. Article 3 of the Declaration is hereby amended to add a new section numbered Section 3.49 and titled "Flags" which shall provide as follows:

3.49 Flags. Only the following flags may be displayed by a Member on the front yard or the backyard the Member's Lot or Parcel: (i) the American Flag or an official or replica of a flag of the United States army, navy, air force, marine corps or coast guard if the flag is displayed in a manner consistent with the Federal Flag Code (Public Law 94-344, 90 Stat.810, 4 United States Code §§ 4-10), (ii) the POW/MIA flag, (iii) the Arizona state flag, (iv) an Arizona Indian nations flag; and (v) the Gadsden flag. No more than two (2) of such permitted flags may be flown at one time and no other flags are permitted. The American Flag must be the 50-star version as it currently accepted as the national flag. The size of the flag itself shall not exceed dimensions of 3' in height by 5' in length. The Architectural Committee, at its sole and absolute discretion, may determine if a flag is being flown improperly and request that it be removed, repaired, replaced or otherwise corrected according to issued guidance. The Association shall adopt reasonable rules and regulations regarding the placement and manner of display of such permitted flags.

25. Article 3 of the Declaration is hereby amended to add a new section numbered Section 3.51 and titled "Making Improvement near or on Existing Drainage Structures" which shall provide as follows:

3.51 Making Improvement near or on Existing Drainage Structures. Except with the prior written consent of the Architectural Committee, no proposed improvements to a Lot or Parcel may alter or impact existing drainage infrastructure in the Project such as culverts, crossings, ditches, weirs, check dams or any other similar structure. Private Parcel Roads plans must connect with the Private Loop Road in a manner such that they do not disturb the existing drainage system and approved culverted drainage must be installed per specifications set and approved by the Architectural Committee. The Architectural Committee shall be entitled to require that the Owner-applicant provides to the Architectural Committee at such Owner's sole cost a drainage study indicating the impact of the proposed improvement or connection on the existing Project drainage system. In the event it is determined by the Architectural Committee that the proposed construction may impact the existing Project drainage system, the Architectural Committee shall have the right to require the Owner-applicant to deposit with the Association additional damage deposit monies as determined appropriate by the Architectural Committee.

26. Article 3 of the Declaration is hereby amended to add a new section numbered Section 3.52 and titled "Prohibited Use of Drainage Infrastructure" which shall provide as follows:

3.52 Prohibited Use of Drainage Infrastructure. Lot and Parcel Owners must complete drainage reports prior to building a Dwelling Unit on their Lot or Parcel in accordance with Yavapai County regulations. Such drainage improvement plans cannot divert or use the improved Project drainage system including culverts, crossings, ditches, weirs, check dams or any other similar structure to facilitate drainage of their Lot or Parcel in lieu of retention or in lieu of conveying flows as they were naturally conveyed. Any Lot or Parcel development drainage plans and improvements must convey incoming flows at or below current volumes and flow rates and must retain any runoff created through the introduction of impermeable surfaces upon the Lot or Parcel as a result of the improvements thereto.

27. Article 3 of the Declaration is hereby amended to add a new section numbered Section 3.53 and titled "Detached Storage Units and Garages" which shall provide as follows:

3.53 Detached Storage Units and Garages. Only one (1) storage building with large access doors, such as a Recreational Vehicles garage, a workshop with garage stalls or other similar structure is permitted per Parcel or Lot. The size, location and design of this structure shall be as restricted by the Development Standards or as expressly approved by the Architectural Committee upon application for such a structure. No structures designed for use as (i) a large gymnasium, (ii) a warehouse, (iii) a multiple Recreational Vehicle storage facility, (iv) a grain, feed or animal storage facility, (v) a large free-standing workshop, (vi) a clubhouse, (vii) a meeting room, (viii) a lodge or any other structure designed to store large quantities of items or materials, to accommodate large meetings or to constitute an element of a multi-Dwelling Unit complex on a Parcel are permitted without the approval of the Architectural Committee.

28. Article 3 of the Declaration is hereby amended to add a new section numbered Section 3.54 and titled "Off-Road Tracks" which shall provide as follows:

3.54 Off-Road Tracks. The construction and maintenance on a Lot or Parcel of any off-road track, jump, course or other facility for use by any vehicle or by any motorized (whether electric or gas powered) two-wheel, three-wheel or four-wheel (quads) vehicles, including, without limitation, motorcycles, motor scooters, mopeds, trail bikes, minibikes, all-terrain-vehicles, including ATV/UTVs and quads is prohibited.

29. The following sentence is hereby added to the end of Section 4.2 of Article 4 of the Declaration:

The easements established in this Section 4.2 shall be as shown on the Plats (such easement area together with all Improvements thereon being herein called the "Private Lot Roads Easements").

30. The first sentence of Section 5.7.7 of Article 5 of the Declaration is hereby amended to in its entirety to provide as follows:

The Architectural Committee shall have the right to charge construction deposits, compliance deposits, impact fees and damage deposits regarding any Improvement or Modification pursuant to this Section 5.7, as well as reasonable fees for reviewing requests for approval of any Improvement or Modification pursuant to this Section 5.7, which deposits and fees shall be payable at the time the application for approval is submitted to the Architectural Committee.

31. Section 5.17 of Article 5 of the Declaration is hereby amended to add a new section numbered Section 5.7.14 which shall provide as follows:

5.7.14 Before construction begins, the Owner shall deposit with the Association, the sum of \$2,000.00, in cash (or such other sum as is set uniformly for all Lots and Parcels by the Board) to be held in a non-interest bearing account, as security for the compliance by the Owner and his contractors and their agents with this Declaration, the Development Standards and the other Project Documents and to be used by the Association, as necessary, through the completion of the construction and landscaping approved for such Lot or Parcel, for purposes of collecting fines and assuring the preservation of the Common Areas, including without limitation, the Private Loop Road, as well as other matters as set forth in the Development Standards and the Rules and Regulations, as deemed by the Board to be appropriate for the preservation and wellbeing of the Project. . The deposit must be provided to the Architectural Committee before construction begins and subject to the provisions of A.R.S. § 33-1817(B) must remain in effect until completion of the Dwelling Unit or other Improvement, and release by the Architectural Committee after a final inspection has been completed and the Improvement approved, and until a copy of the Certificate of Occupancy from Yavapai County is provided to the Architectural Committee. This deposit, to the extent not used for the purposes set forth herein shall be returned to the Owner within thirty (30) days of final inspection and approval by the Architectural Committee.

32. Section 9.5.2.1 of Article 9 of the Declaration is hereby amended to in its entirety to provide as follows:

9.5.2.1 Base Annual Assessment. Each fiscal year, the Board shall establish the amount of the base per acre Annual Assessment for such year (the "Base Per Acre Annual Assessment") based upon the annual budget for such fiscal year for the Common Expenses excepting only the Common Expenses associated with (i) the maintenance, repair and replacement of the Private Lot Roads and all Improvements associated therewith, (ii) the landscaping improvement easements shown on the Plats, and (iii) the maintenance, repair and

replacement of the Parks and the other Common Areas located in the Private Lot Property, including, without limitation, Tracts C, D, E and F as shown on the Plats. The Base Annual Assessment for each Parcel and Lot shall be equal to the Base Per Acre Annual Assessment times the number of acres (rounded to the nearest whole acre) contained in the Parcel or Lot.

33. Section 9.5.2.2 of Article 9 of the Declaration is hereby amended to in its entirety to provide as follows:

9.5.2.2 Lot Supplemental Annual Assessment. Each fiscal year, the Board shall establish the amount of the per acre Lot supplemental Annual Assessment for such year (the "Lot Per Acre Supplemental Annual Assessment") based upon the annual budget for such fiscal year for the Common Expenses associated with (i) the maintenance, repair and replacement of the Private Lot Roads and all Improvements associated therewith, (ii) the landscaping improvement easements shown on the Plats, and (iii) the maintenance, repair and replacement of the Parks and the other Common Areas located in the Private Lot Property, including, without limitation, Tracts C, D, E and F as shown on the Plats. The Lot Supplemental Annual Assessments for each Lot shall be equal to the Lot Per Acre Supplemental Annual Assessment times the number of acres (rounded to the nearest whole acre) contained in the Lot.

34. Section 11.1 of Article 11 of the Declaration is hereby amended to add the following thereto:

11.1.1 In the event of any default by any Owner under the provisions of the Project Documents, the Association, or its successors or assigns, may enforce the Project Documents in any manner provided for in the Project Documents or by law or in equity, including, but not limited to:

- (a) Imposing reasonable monetary penalties after notice and an opportunity to be heard is given to the Owner or other violator. An Owner shall be responsible for payment of any fine levied or imposed against a lessee or other occupant of the Owner's Lot or Parcel or by any invitee of the Owner or any lessee or other occupant;
- (b) Suspending an Owner's right to vote;
- (c) Suspending any person's right to use any facilities within the Common Areas; provided, however, nothing herein shall authorize the Board to limit ingress or egress by an Owner or lessee or other occupant to or from a Lot or Parcel;
- (d) Suspending any services provided by the Association to a Owner or the Owner's Lot or Parcel if the Owner is more than fifteen days delinquent in paying any assessment or other charge owed to the Association;
- (e) Exercising self-help or taking action to abate any violation of the Project Documents provided, however, that judicial proceedings must be instituted before any items of construction can be altered or demolished;
- (f) Requiring a Owner, at the Owner's expense, to remove any Improvement installed or constructed in such Owner's Lot or Parcel in violation of this Declaration and to restore the Lot or Parcel to its previous condition and, upon failure of the Owner to do so, the Board or its designee shall have the right, but not the obligation, to enter the Lot or Parcel, remove the violation and restore the

Lot or Parcel to substantially the same condition as previously existed and any such action shall not be deemed a trespass and all costs incurred by the Association shall be paid to the Association by the Owner upon demand by the Association;

(g) Without liability to an person, prohibiting any contractor, subcontractor, agent, employee or other invitee of a Owner who fails to comply with the terms and provisions of the Project Documents from continuing or performing any further activities on the Property;

(h) Towing vehicles which are parked in violation of this Declaration or the Association Rules and Regulations;

(i) Filing a suit at law or in equity to enjoin a violation of the Project Documents, to compel compliance with the Project Documents, to recover monetary penalties or money damages or to obtain such other relief as to which the Association may be entitled; and

(j) At the option of the Board, recording a written Notice of Violation of any restriction or provision of the Project Documents. The Notice shall be executed and acknowledged by an officer of the Association and shall contain substantially the following information: (i) the legal description of the Lot or Parcel against which the notice is being recorded; (ii) a brief description of the nature of the violation; and (iii) a statement of the specific steps which must be taken by the Owner to cure the violation. Recordation of a Notice of Violation shall serve as a notice to the Owner and to any subsequent purchaser of the Lot or Parcel that there is a violation of the provisions of the Project Documents.

The Association shall not be obligated to take any enforcement action if the Board of Directors determines, in its sole discretion, that because of the strength of possible defenses, the time and expense of litigation or other enforcement action, the likelihood of a result favorable to the Association, or other facts deemed relevant by the Board of Directors, enforcement action would not be appropriate or in the best interests of the Association.

35. Article 13 of the Declaration is hereby amended in its entirety to provide as follows:

ARTICLE 13
AMENDMENT

13.1 Amendment to Declaration, Plats and Record of Survey. Amendments to this Declaration and to the Record of Survey and the Plats shall be made by an instrument in writing which sets forth the entire amendment. Subject to the following, any proposed amendment must be approved in writing by not less than seventy-five percent (75%) of all of the Owners. In all events, the amendment when adopted shall state that the amendment was properly adopted, shall be acknowledged before a notary public, and shall be promptly Recorded with the County Recorder. Amendments once properly adopted shall be effective upon Recording with the County Recorder. Notwithstanding the above, until termination of the Class B membership, the Declarant must approve any amendment to the Declaration, to the Plats or to the Record of Survey in writing, and the Declarant may amend this Declaration, the Plats and the Record of Survey for any reason without obtaining the approval or consent of the Association, any Owner or any First Mortgagee.

13.2 Effect of Amendment. It is specifically covenanted and agreed that any amendment to this Declaration, to the Plats or to the Record of Survey properly adopted will be completely effective to amend any and all of the covenants, conditions and restrictions, liens, assessments, easements, privileges and rights contained herein which may be affected and any or all clauses of this Declaration, the Plats or the Record of Survey, unless otherwise specifically provided in the amendment itself.

36. Except as specifically modified by this Second Amendment to the Second Amended and Restated Declaration, the Declaration shall remain in full force and effect in accordance with its terms. In the event of any conflict or inconsistency between the terms of this Second Amendment to the Second Amended and Restated Declaration and the Declaration, the terms of this Second Amendment to the Second Amended and Restated Declaration shall control.

IN WITNESS WHEREOF, the undersigned Declarant, Cravath Whole Life Communities, LLC, has executed this Second Amendment to Second Amended and Restated Declaration.

[SIGNATURE ON THE FOLLOWING PAGE]

EXHIBIT A

The Property

Being all that portion according to the Amended Amended Record of Survey of Ventura Ranch, recording # 2017-0009041-1 of Land Surveys in Yavapai County Recorder's Office and located in a Portion of Section 17 in Township 15 North, Range 1 East of the Gila and Salt River Base and Meridian, Yavapai County, Arizona described as follows:

Parcel 1, Parcel 2, Parcel 3, Parcel 4, Parcel 5, Parcel 6, Parcel 7, Parcel 8, Parcel 9, Parcel 10, Parcel 11, Parcel 12, Parcel 14 and Parcel 15