

LAWYERS TITLE OF ARIZONA, INC.

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Fimbrezr

When recorded, return to:

Biskind, Hunt & Taylor, P.L.C.
11201 North Tatum Boulevard
Suite 330
Phoenix, Arizona 85028
Attention: Gordon E. Hunt, Esq.

1265180

2/7

**SUPPLEMENTAL DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR DC RANCH PARCELS 1.9 AND 1.10
AND SUPPLEMENT TO THE COVENANT,
INCLUDING AIRPORT NOTIFICATION**

This Supplemental Declaration of Covenants, Conditions and Restrictions for DC Ranch Parcels 1.9 and 1.10 and Supplement to The Covenant, Including Airport Notification ("**Supplemental Declaration**") is made effective this 20th day of July, 2004, 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 Covenant at DC Ranch and recorded said document in the official records of Maricopa County, Arizona on December 13, 1996, as Document No. 96-0868789, and re-recorded said document on May 5, 1997, as Document No. 97-0298843, and amended said document pursuant to the First Amendment to The Covenant at DC Ranch, recorded on July 16, 1999 as Document No. 99-0673266 (as amended, the "**Covenant**"); and

D. The Council Declaration 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. The Covenant contemplates that additional land may be made subject to The Covenant in any manner, including by recordation of a Supplement to the Covenant; and

F. Declarant wishes to cause that portion of the Development described on Exhibit "A" attached hereto (the "Tract") to become subject to the Council Declaration and the Covenant, and to be developed in accordance with certain supplemental covenants, conditions and restrictions as set forth herein.

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. **Annexation.** Pursuant to Section 14.2 of the Council Declaration and Section 2.1 of the Covenant, Declarant hereby declares that the Tract is and shall be subject to the terms and provisions of the Council Declaration and the Covenant, respectively.

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 multi-family residential, and construction on such real property shall be limited to multi-family dwelling units and related common elements. Notwithstanding the foregoing, however, Declarant reserves to itself, and its successors and assigns (including without limitation any builder 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 sales trailers, temporary construction trailers, and other improvements used in connection with the construction and leasing of residential apartment units within the Tract and to use portions of the Tract for materials storage in connection with the construction and leasing of residential apartment units within the Tract; provided that all such improvements and materials; shall be removed from the Tract promptly after the completion of all applicable construction and sale activity.

3. **Calculation of Units.** For purposes of Exhibit "C" to the Council Declaration, until the earlier of March 31, 2006 or the issuance of a certificate of occupancy for one or more apartment-type dwelling unit(s) that is located in a building in the Tract (at which time Two Hundred Two (202) Equivalent Units shall be allocated to the Tract), there shall be one Equivalent Unit allocated to the Tract for each apartment-type dwelling unit that is located in a building in the Tract for which a certificate of occupancy has been issued.

4. **Commencement of Assessments.** The Tract is subject to all assessments, fees and other charges duly imposed pursuant to the Council Declaration. The obligation to pay assessments, fees and other charges under the Council Declaration shall commence as to the entire Tract effective as of the earlier of March 31, 2006 or the issuance of a certificate of occupancy for one or more apartment-type dwelling unit(s) that is located in a building in the Tract.

5. **Construction and Maintenance Requirements.** The construction of, and all modifications to, any and all improvements within the Tract (including landscaping) 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 other rules, regulations, and design standards and guidelines adopted by the Covenant Commission with respect to the Tract from time to time. The owner of the Tract shall be responsible for maintenance of all improvements, landscaping

and natural open space areas (if any) within the Tract in accordance with the Community-Wide Standard applicable to the Development, all other requirements of the Governing Documents, and all other standards imposed by law; provided that Declarant hereby reserves to itself and the Community Council (or its agent or contractor) the right to enter upon such areas to perform such maintenance if the Tract owner fails to do so.

6. **Enforcement.** The Community Council may recover from the owner of the Tract if it fails to repair or maintain the Tract or any improvements, landscaping or natural open space areas within the Tract as required by Paragraph 5 above, any and all costs incurred by the Community Council in performing such repair or maintenance on the owner's behalf pursuant to said Paragraph 5. In addition, without limiting any other rights or remedies available to the Community Council, 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.

7. **Airport.** Each successive owner of the Tract, by taking title to the Tract, acknowledges (for itself and its successors and assigns) that: (a) the Tract is in close proximity to the Scottsdale Airport flight path and is located 1 mile or less from the Scottsdale Airport (the "Airport"), which is currently located generally between Frank Lloyd Wright Boulevard on the north, Pima Road on the east, Thunderbird Road on the south and Scottsdale Road on the west; (b) as of the date hereof, the Airport is operated as a general aviation reliever/commercial service airport for Scottsdale and North Phoenix, used generally for single engine and twin engine airplanes, corporate jets, helicopters and scheduled service turbo prop and jet aircraft; (c) aircraft taking off from and landing at the Airport may fly over the Tract and adjacent properties at altitudes which will vary with meteorological conditions, aircraft type, aircraft performance and pilot proficiency; (d) at the date hereof, the majority of aircraft takeoffs and landings occur daily between 6:00 a.m. and 11:00 p.m., but the Airport is open twenty-four (24) hours each day, so takeoffs and landings may occur at any hour of the day or night; (e) at the date hereof, the number of takeoffs and landings at the Airport average approximately 850 each day, but that number will vary and may increase with time if the number of its operations increases; (f) flights over the Tract or adjacent properties by aircraft taking off from or landing at the Airport may generate noise, the volume, pitch, amount and frequency of occurrence of which will vary depending on a number of factors, including without limitation the altitudes at which the aircraft fly, wind direction and other meteorological conditions and aircraft number and type, and may be affected by future changes in Airport activity; (g) as of the date hereof, management of the Airport has policies in place intended to help reduce or minimize aircraft noise and its influence on owners and occupants of properties in the vicinity of the Airport, but those policies may change over time and in addition other aspects of such policies (including, without limitation, those intended to promote safety) may be given preference over policies relating to limiting noise; and (h) such Tract owner (for such Tract owner and such Tract owner's family members, other occupants, successors and assigns) hereby accepts and assumes any and all risks, burdens and inconvenience caused by or associated with the Airport and its operations (including, without limitation, noise caused by or associated with aircraft flying over the subdivision, tract and adjacent properties), and agrees not to assert or make and hereby waives and releases any claim relating to or arising out of any of the foregoing against (i) the City of Scottsdale, its

officials, directors, commissioners, representatives, agents, servants and employees, (ii) DC Ranch Association, Inc. or DC Ranch Community Council, Inc., (iii) DC Ranch L.L.C., its direct and indirect owners, their respective directors, officers, partners, agents, employees, managers, trustees, and any successors or assigns of any of the foregoing.

8. **Interpretation.** This 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.

9. **Incorporation of Council Declaration.** The Council Declaration 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. In the event of any conflict between the terms of the Council Declaration and the terms of this Supplemental Declaration, the terms of the Council Declaration shall control.

10. **Amendment.** This Supplemental Declaration may be amended in the same manner as the Council Declaration may be amended in accordance with the provisions of the Council 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

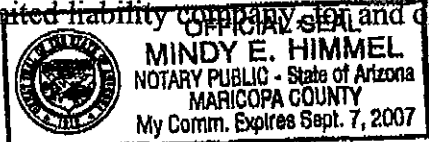
By: DMB GP, INC., an Arizona corporation,
General Partner

By: *[Signature]*
Its: *Vice Pres*

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 20th day of July, 2004, by 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, and on behalf thereof.

Andie Bell



Mindy E. Himmel
Notary Public

My Commission Expires:

Sept. 7, 2007

Exhibit A

June 17, 2004
WP #042183.80

PARCEL DESCRIPTION
Desert Parks Vista at DC Ranch

A parcel of land lying within Section 31, Township 4 North, Range 5 East, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Commencing at the southeast corner of the northeast quarter of the southeast quarter of said Section 31, a ½-inch rebar, from which the east quarter corner of said section, a G.L.O. brass cap bears North 00°02'54" West (basis of bearing), a distance of 1321.03 feet;
THENCE along the south line of the north half of said southeast quarter, South 89°58'20" West, a distance of 1350.40 feet, to the southwest corner of 94th Street as shown on Sheet 4 of 4 on the Map of Dedication for DC Ranch 94th Street Infrastructure Planning Unit 1 (M.O.D. 1), recorded in Book 657, page 13, Maricopa County Records (M.C.R.) and the **POINT OF BEGINNING**;
THENCE continuing along said south line, South 89°58'20" West, a distance of 805.03 feet;
THENCE leaving said south line, North 00°01'40" West, a distance of 226.82 feet;
THENCE North 20°09'38" East, a distance of 128.46 feet;
THENCE North 15°54'31" East, a distance of 85.75 feet;
THENCE North 74°05'29" West, a distance of 55.50 feet;
THENCE North 04°00'04" West, a distance of 196.13 feet;
THENCE North 30°03'56" East, a distance of 92.65 feet;
THENCE North 15°12'12" East, a distance of 86.12 feet, to the south right-of-way line of Palo Brea Band as shown on Sheet 5 of 5 on the Map of Dedication for DC Ranch Loop Road Infrastructure Planning Unit 1 (M.O.D. 2), recorded in Book 657, page 14, M.C.R.;
THENCE along said south right-of-way line, South 74°47'48" East, a distance of 173.02 feet, to the beginning of a curve;
THENCE easterly along said curve, having a radius of 1002.00 feet, concave northerly, through a central angle of 14°00'54", a distance of 245.10 feet, to a point of intersection with a non-tangent line;
THENCE South 80°52'25" East, a distance of 152.30 feet;
THENCE North 89°58'28" East, a distance of 150.79 feet, to a point on the west right-of-way line of said 94th Street and the beginning of a curve;
THENCE leaving said south right-of-way line, along said west right-of-way line, southeasterly along said curve, having a radius of 25.00 feet, concave southwesterly, through a central angle of 90°00'00", a distance of 39.27 feet, to the curve's end;

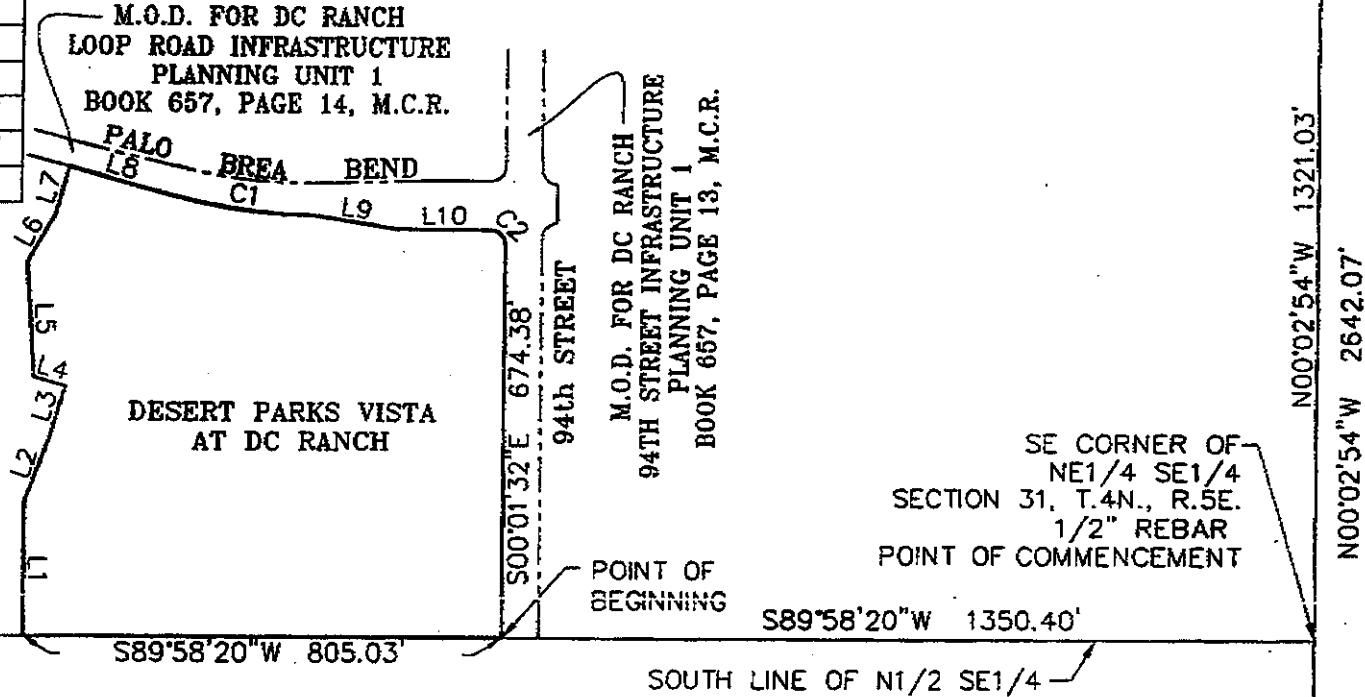
LINE TABLE		
LINE	BEARING	DISTANCE
L1	N00°01'40"W	226.82'
L2	N20°09'38"E	128.46'
L3	N15°54'31"E	85.75'
L4	N74°05'29"W	55.50'
L5	N04°00'04"W	196.18'
L6	N30°03'56"E	92.65'
L7	N15°12'12"E	86.12'
L8	S74°47'48"E	173.02'
L9	S80°52'25"E	152.30'
L10	N89°58'28"E	150.79'

CURVE TABLE			
CURVE	DELTA	RADIUS	ARC
C1	14°00'54"	1002.00'	245.10'
C2	90°00'00"	25.00'	39.27'

E 1/4 CORNER OF SECTION 31, T.4N., R.5E. G.L.O. BRASS CAP

M.O.D. FOR DC RANCH LOOP ROAD INFRASTRUCTURE PLANNING UNIT 1 BOOK 657, PAGE 14, M.C.R.

M.O.D. FOR DC RANCH 94TH STREET INFRASTRUCTURE PLANNING UNIT 1 BOOK 657, PAGE 13, M.C.R.



SE CORNER OF NE1/4 SE1/4 SECTION 31, T.4N., R.5E. 1/2" REBAR POINT OF COMMENCEMENT

SE CORNER OF SECTION 31, T.4N., R.5E. PK NAIL WITH TAG LS# 27239

Exhibit A/Page 3



WOOD/PATEL
 2051 West Northern
 Phoenix, AZ 85021
 Phone: (602) 335-8500
 Fax: (602) 335-8580

EXHIBIT "A"
 DESERT PARKS VISTA AT DC RANCH
 06-17-04
 WP#042183.80

NOT TO SCALE
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