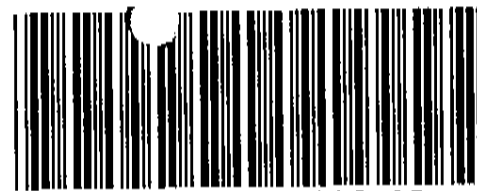


When recorded, return to:

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



OFFICIAL RECORDS OF  
MARICOPA COUNTY RECORDER  
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**THIS DOCUMENT CONTAINS IMPORTANT DISCLOSURES (IN SECTION 13 BELOW) CONCERNING A PUBLIC TRAIL LOCATED WITHIN THE DESERT PARK LOCATED ADJACENT TO THE SUBJECT SUBDIVISION – PROSPECTIVE PURCHASERS OF LOTS WITHIN THE SUBJECT SUBDIVISION SHOULD READ THIS DOCUMENT CAREFULLY**

**SUPPLEMENTAL DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR DC RANCH PARCEL 6.3/6.4/6.5**

This Supplemental Declaration of Covenants, Conditions and Restrictions for DC Ranch Parcel 6.3/6.4/6.5 (“**Supplemental Declaration**”) is made effective this 22<sup>nd</sup> day of January, 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 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 Ranch Declaration, and to be developed in accordance with certain supplemental covenants, conditions and restrictions as set forth herein.

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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 15.2 of the Council Declaration and Section 9.1 of the Ranch Declaration, Declarant hereby declares that the Tract is and shall be subject to the terms and provisions of the Council Declaration and the Ranch 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 promptly after the completion of all applicable construction and sale activity.

3. **Calculation of Units.** The Tract has been subdivided into thirty-four (34) 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 thirty-four (34) Units in the Tract. If Declarant duly amends the Plat, such that the number of Lots in the Tract is greater or less than thirty-four (34), then Declarant may, without obtaining the consent of any owner of any such lot or any portion of the Tract, amend this Supplemental Declaration to correctly specify the total number of Lots within the Tract.

4. **Neighborhoods.**

a. **Neighborhood Assessments for Planning Unit VI.** The Lots, together with certain other property within the Development located east 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 VI 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 some or all of the private streets within the Planning Unit VI Neighborhood, guardhouses located on Windgate Pass Drive, and some or all of the open space areas, parks and other recreational facilities located within the Planning Unit VI 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 6.3/6.4/6.5.** The Lots may be designated by the Ranch Association as a separate Neighborhood (referred to in this instrument as the "**Parcel 6.3/6.4/6.5 Neighborhood**"), and may be subject to one or more separate Neighborhood Assessments levied by the Ranch Association with respect to certain relevant

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Neighborhood Expenses. The amount of the foregoing levy will be established by the Ranch Association in accordance with the terms of the Ranch Declaration.

c. Golf Neighborhood. The Tract is hereby designated as a "Golf Neighborhood" for purposes of Section 11.8 of the Ranch Declaration.

d. Voting Neighborhood. Notwithstanding any designation of the Tract as the Parcel 6.3/6.4/6.5 Neighborhood or as a portion of the Planning Unit VI Neighborhood, for purposes of allocating Neighborhood Assessments as set forth in Paragraphs 4(a) and 4(b) above, Declarant reserves the right to separately designate all or any portion of the Tract as a Neighborhood or as part of a larger Neighborhood for purposes of electing Voting Members pursuant to Section 6.4 of the Ranch Declaration, and for all related purposes.

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 Supplemental Declaration in the official records of Maricopa County, Arizona.

6. 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 and Design and Construction Manual adopted by the Covenant Commission with respect to residential construction. 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.

7. 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

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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 6 above, any and all other applicable private governance standards, and the standards imposed by law.

8. **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 8, 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.

9. **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" and within those areas designated on the Plat as "Private Trail Easement" or "PVT.TR.E.", for the purpose of facilitating pedestrian use of private 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.

10. **Revegetation.** Declarant reserves to itself and its successors 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 III, V & VI, 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.

11. **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

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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.

12. **Petroglyphs.** Declarant discloses that petroglyphs have been found at archeological sites located within the Tract. Two types of petroglyphs have been found: (a) petroglyph boulders, which are small to medium sized individual boulders, many of which are transportable ("**Petroglyph Boulders**") and (b) petroglyph panels, which are multiple images pecked into larger bedrock outcrops and are permanent features of the natural landscape which cannot be moved or built upon ("**Petroglyph Panels**"). Petroglyph Boulders and Petroglyph Panels are collectively referred to herein as "**Petroglyphs**". It is the opinion of Declarant that the presence of Petroglyphs within the Tract, as important and unique prehistoric features on the desert landscape, should be viewed as an asset to the Lots and not a detriment. It is the desire of Declarant to preserve and protect the Petroglyphs for the benefit of the Lots, individually, and the Development, as a whole. Accordingly, Petroglyphs shall not be removed from or relocated within any Lot except in accordance with Declarant's Petroglyph Preservation Plan, the terms and conditions of which are hereby incorporated herein by this reference. A copy of Declarant's Petroglyph Preservation Plan is on file with, and may be obtained from, Declarant or the Community Council.

13. **Desert Park Public Trail.** Declarant discloses that pursuant to the stipulations for approval of the Plat issued by the City of Scottsdale (the "Stipulations"), which Stipulations are binding upon all Lot owners, prior to the issuance of any certificates of occupancy for any single-family dwelling constructed on any of Lots 1504 through 1510, inclusive, and 1524 through 1527, inclusive, Declarant is required to satisfy each of the following requirements, as more fully set forth in the Stipulations: (a) dedication to the City of Scottsdale and recordation in the official records of Maricopa County, Arizona of a public trail easement or tract within the "Desert Park" that is located adjacent to and south of the Tract, (b) completion of construction of a public trail running from Thompson Peak Parkway to the easterly point of the Tract (the "**Public Trail**"), and (c) installation of signage for the Public Trail such that the Public Trail is designated as a "Public Trail".

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 6, 7 or 8 above and all costs incurred by the Community Council in performing such maintenance on the owner's behalf pursuant to any of said Paragraphs 6, 7 or 8 above. 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 6, 7 or 8 above, 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

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(provided that any Specific Assessment levied by the Association in accordance with this Paragraph 14 shall be levied pursuant to the Ranch Declaration).

15. **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 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 Supplemental Declaration, the terms of the Council Declaration or the Ranch Declaration, as applicable, shall control.

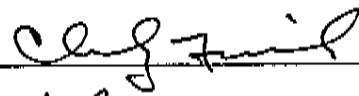
17. **Amendment.** This Supplemental Tract Declaration may be amended in the same manner as the Ranch Declaration may be amended in accordance with the provisions of the Ranch Declaration.

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

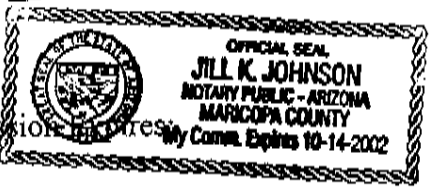
By: 

Its: V.P.

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STATE OF ARIZONA )  
 ) ss.  
County of Maricopa

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of January, 2002, by Charles F. Fiedler the V.P., 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.

My Commission Expires 

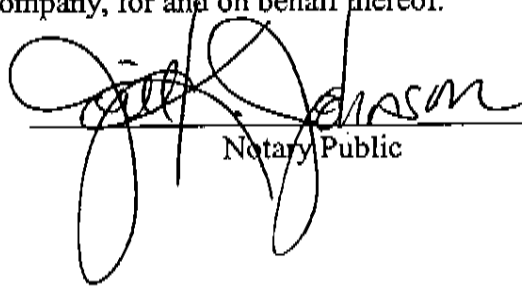
  
Notary Public

Exhibit "A"

Legal Description

Lots 1501 through 1534, inclusive, and Tract "A", of DC RANCH PARCEL 6.3/6.4/6.5, a subdivision according to the plat recorded in Book 583 of Maps, Page 7, records of Maricopa County, Arizona.