

When recorded, return to:

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

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**AMENDED AND RESTATED
SUPPLEMENTAL DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR DC RANCH PARCEL T7,
SUPPLEMENT TO THE COVENANT,
AND AIRPORT NOTIFICATION**

This Amended and Restated Supplemental Declaration of Covenants, Conditions and Restrictions for DC Ranch Parcel T7, Supplement to The Covenant, and Airport Notification ("**Amended Supplemental Declaration**") is made effective this 30th day of March, 2005, 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. 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

E. 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

F. 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

G. Declarant executed a Supplemental Declaration of Covenants, Conditions and Restrictions for DC Ranch Parcel T7, Supplement to The Covenant, and Airport Notification ("**Original Supplemental Declaration**") and recorded said document in the official records of Maricopa County, Arizona, on February 7, 2005 as Document No. 20050156458;

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and restate the Original Supplemental Declaration in its entirety, such that the Original Supplemental Declaration is superseded in its entirety by this Amended Supplemental Declaration.

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

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and restates the Original Supplemental Declaration in its entirety, such that the Original Supplemental Declaration is superseded in its entirety by this Amended Supplemental Declaration.

2. **Annexation.** Pursuant to Section 15.2 of the Council Declaration, Section 9.1 of the Ranch 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, the Ranch Declaration and the Covenant, respectively.

3. **Land Use Classification.** The Land Use Classification (as such term is used in Exhibit "C" to the Council Declaration and Exhibit "D" to the Ranch 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 sales trailers, temporary construction trailers, model homes (and related parking areas), and other improvements used in connection with the construction and sale of single-family dwellings within the Tract and to use portions of the Tract for materials storage in connection with the construction and sale of single-family dwellings within the Tract; provided that all such improvements and materials shall be removed from the Tract or (in the case of a model home) converted to a single-family dwelling unit promptly after the completion of all applicable construction and sale activity.

4. **Calculation of Units.** The Tract has been subdivided into one hundred twenty-three (123) 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 one hundred twenty-three

(123) Units in the Tract. If Declarant duly amends the Plat, such that the number of Lots in the Tract is greater or less than one hundred twenty-three (123), then Declarant may, without obtaining the consent of any owner of any such lot or any portion of the Tract, amend this Amended Supplemental Declaration to correctly specify the total number of Lots within, and Units attributable to, the Tract.

5. **Neighborhoods.**

a. **Neighborhood Assessments for Parcel T7.** The Lots may be designated by the Ranch Association as a separate Neighborhood (referred to in this instrument as the “Parcel T7 Neighborhood”), and may be subject to one or more separate Neighborhood Assessments levied by the Ranch Association with respect to certain relevant Neighborhood Expenses, including without limitation expenses associated with private streets within the Tract, the guardhouse at the Thompson Peak Parkway entrance to the Tract, and the access gate at the Union Hills Drive entrance to the Tract. The amount of the foregoing levy will be established by the Ranch Association in accordance with the terms of the Ranch Declaration.

b. **Specific Assessment.** In addition to all other Assessments, the Ranch Association shall impose a Specific Assessment against each Lot within the Tract, pursuant to Section 8.5(a) of the Ranch Declaration, to recover from such owner of each Lot a proportionate share of the costs incurred by the Ranch Association in providing the following services to each Lot in the Tract: periodic removal of weeds and debris from each Lot in the Tract, in each case until such time as the owner of a Lot commences construction on such Lot.

c. **Voting Neighborhood.** Notwithstanding any designation of the Tract as the Parcel T7 Neighborhood for purposes of allocating Neighborhood Assessments as set forth in Paragraph 5(a) 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.

6. **Commencement of Assessments.** Without limiting the provisions of Paragraph 5 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 date of the recording of this Amended Supplemental Declaration in the official records of Maricopa County, Arizona.

7. **Construction and Maintenance Requirements.** The construction of, and all modifications to, any and all improvements within the Lots (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, the DC Ranch/Silverleaf – Parcel T7 – Design Details, and all other rules, regulations, and design standards and guidelines adopted by the Covenant Commission with respect to the Tract from time to time. Each Lot owner shall be responsible for

(a) maintenance of all improvements, landscaping and natural open space areas (if any) within the Lot 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, (b) maintenance of such Lot in a neat and clean condition, free of weeds, debris, storage items, vehicles and equipment, in a neatly graded condition and covered with decomposed granite or other material approved by the Covenant Commission, until such time as the owner of a Lot commences construction on such Lot (it being understood that the Ranch Association shall provide periodic weed and debris clearing services to each Lot until such time as the owner of a Lot commences construction on such Lot, and that the Ranch Association shall recover the cost of such services through a Specific Assessment as set forth in Paragraph 5(b) above), and (c) compliance with all city, state and federal regulations governing the discharge of storm water from such Lot and the treatment of any standing water on such Lot to prevent the propagation of mosquitoes. 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 and compliance if the Lot owner fails to do so. Acceptance by the Community Council or the Ranch Association (as applicable) of improvements to be constructed in areas outside of the Lots shall be subject to compliance with the requirements of the Community Design Book and the Construction Guidelines and subject to the improvements' compliance with the requirements of The Covenant.

8. Maintenance of Streetscape Areas.

a. General. 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 common area tract (as applicable) in accordance with the Community-Wide Standard applicable to the Development, all other requirements of the Governing Documents, and all other standards imposed by applicable law, except that the Street Trees (as defined in Paragraph 8(b) below) and sidewalks running parallel to adjacent streets shall be maintained by Declarant or the Ranch Association as provided in Paragraph 8(b) below. The determination as to which Lot or common area tract is adjacent to a particular Streetscape Area shall be made by reference to the prolongation of the relevant Lot boundaries and/or common area tract boundaries. 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.

b. Street Trees. Declarant intends to install (or to cause homebuilders or other third parties to install) trees and irrigation facilities serving such trees in the areas located between the outside edge of the private street improvements and the sidewalks located along the perimeter of the Lots. Some of such trees and facilities may be within the boundaries of the Lots and some may be in the adjacent Streetscape Areas. Notwithstanding anything to the contrary in this Amended Supplemental Declaration, Declarant shall maintain and irrigate all such trees (the "**Street Trees**") until such time as the Ranch Association assumes responsibility for their maintenance and irrigation in accordance with applicable subdivision landscape turnover

processes. So long as Declarant is responsible to perform such maintenance and irrigation, Declarant shall pay for all costs incurred in connection with such maintenance and irrigation; once the Ranch Association assumes responsibility for such maintenance and irrigation, the Ranch Association shall pay such costs, which it shall recover through a Neighborhood Assessment levied against all Lots in Parcel T7 Neighborhood. Declarant hereby reserves to itself (and to any homebuilder or other third party it may designate) and hereby grants to the Association a perpetual, non-exclusive easement over each of the Lots for purposes of such access as may be reasonably necessary for the installation, maintenance and irrigation contemplated by this paragraph

9. **Boundary Walls and Common Yard Walls.** For purposes of this Amended Supplemental Declaration, the term “**Boundary Wall**” shall mean a landscape wall constructed on, or immediately adjacent to, the common boundary of an Area of Common Responsibility and a Lot, and the term “**Common Yard Wall**” shall mean a landscape wall constructed on, or immediately adjacent to, the common boundary of two Lots. Where a Lot owner shares common boundaries with more than one neighboring Lot, the Common Yard Wall along each common boundary shall be treated independently from the Common Yard Wall(s) along the other common boundary(ies), for purposes of this Paragraph 9. The rights and duties of Lot owners and the Ranch Association with respect to Boundary Walls and Common Yard Walls shall be as follows:

a. **Installation; Costs.**

i. Each Lot owner whose Lot borders a common area tract shall be responsible for constructing the Boundary Wall along such border, at such owner’s sole cost and expense, in accordance with the design standards adopted by the Covenant Commission, such installation to be completed no later than the issuance of a certificate of occupancy for the residence constructed on such Lot. Notwithstanding the foregoing, if the Covenant Commission approves a landscape design for a Lot that does not include a Boundary Wall along one or more boundaries of the Lot, then the owner of the Lot shall not be required to install a Boundary Wall along such boundary.

ii. As between two Lot owners who share a common boundary, the first owner to commence construction of a residence on such owner’s Lot (the “**Installing Owner**”) shall be responsible for installation of the Common Yard Wall along such boundary (if and only if the landscape design for such Lot approved by the Covenant Commission includes a Common Yard Wall along such boundary), in accordance with the design standards adopted by the Covenant Commission, such installation to be completed no later than the issuance of a certificate of occupancy for such residence (with the understanding that the foregoing requirement will mean, in some cases, that multiple owners will have responsibility with respect to the construction of the multiple Common Yard Walls surrounding a given Lot). The other Lot owner sharing such common boundary (the “**Non-Installing Owner**”) shall reimburse the Installing Owner the Wall Reimbursement Amount (as defined below), within thirty (30) days after the earlier to occur of (A) the issuance of a certificate of occupancy for the residence of the

Non-Installing Owner, or (B) the first date on which such residence is occupied. For purposes of this Paragraph 9(a)(ii), “commencing construction” of a residence shall be deemed to occur upon the pouring of the foundation for such residence. If the Non-Installing Owner shall fail to timely reimburse the Installing Owner for the Wall Reimbursement Amount as required under this subparagraph “ii”, then such Wall Reimbursement Amount thereafter shall bear interest at the applicable legal rate and the Installing Owner shall have the right (without limiting any other rights or remedies available to such owner at law or in equity) to record a lien against the Lot owned by the Non-Installing Owner, which lien shall reflect the Non-Installing Owner’s obligation to reimburse the Installing Owner the Wall Reimbursement Amount, and shall state that the Non-Installing Owner has no right to sell the Lot without causing the Wall Reimbursement Amount to be paid to the Installing Owner concurrently with any such sale. Upon recordation of such lien, the obligation of the Non-Installing Owner to pay the Wall Reimbursement Amount shall be a charge on the Lot owned by such Non-Installing Owner and shall be a continuing servitude and lien upon such Lot which lien shall be for the benefit of, and be enforceable by, the Installing Owner. The Installing Owner may foreclose such lien at any time after recordation, in accordance with the then-prevailing Arizona law relating to the foreclosure of realty mortgages.

iii. For purposes of this Paragraph 9(a), the term “**Wall Reimbursement Amount**” means an amount equal to one-half (1/2) of the product obtained by multiplying (A) the length of the Common Yard Wall in question (provided that to the extent that such length exceeds the requirements of the applicable Covenant Commission guidelines, such excess length shall be disregarded, with the intent that the owner electing to exceed such requirements shall be solely responsible for the additional costs incurred), by (B) the estimated linear foot cost (as most recently determined by the Association before the issuance of the certificate of occupancy for the residence of the Installing Owner) for the installation of a Common Yard Wall meeting the applicable Covenant Commission design standards, which estimated linear foot cost shall be deemed equal to the average of at least three (3) competitive bids secured by the Association, and which estimated linear foot cost shall determine the Wall Reimbursement Amount regardless of the actual linear foot cost to construct the Common Yard Wall in question. Such competitive bids will be updated from time to time (not less often than annually) by the Association, at least until the date that is five (5) years after the recording of this Amended Supplemental Declaration; thereafter, the last such set of competitive bids thereafter shall determine the Wall Reimbursement Amount. In all events, the Wall Reimbursement Amount shall include any interest accrued in accordance with the terms of the foregoing subparagraph “ii”.

iv. Where a Lot owner does not install a Common Yard Wall along a boundary of such Lot because the landscape design approved by the Covenant Commission for such Lot did not include a Common Yard Wall along such boundary, the adjoining owner is not thereby precluded from installing a Common Yard Wall along such boundary, but the cost of such installation shall be paid entirely by such adjoining Lot owner, with no right of reimbursement under this Paragraph 9(a).

v. Nothing in this Paragraph 9(a) shall preclude the owners of two adjoining Lots from making a different agreement as to which of them will install the Common Yard Wall along their common boundary, or as to their obligations with respect to the costs of such Common Yard Wall, but any such agreement shall not supersede the foregoing requirement that installation of the Common Yard Wall must be completed no later than the issuance of a certificate of occupancy for the residence constructed on the Lot owned by the owner that would be defined as the "Installing Owner" pursuant to the foregoing.

vi. The provisions of this Paragraph 9(a) do not apply to any modification of a Common Yard Wall made after the issuance of a certificate of occupancy for the residence of the applicable Installing Owner.

vii. The provisions of this Paragraph 9(a) do not apply to any Boundary Wall along the rear Lot boundary of Lots 3601, 3622, 3632 through 3638, inclusive, 3647 through 3651, inclusive, 3669 through 3683, inclusive, 3719, 3720, 3722, and 3723; the Boundary Walls along such rear Lot boundaries shall be installed by Declarant.

b. Maintenance and Repair.

i. The Ranch Association and the Lot owner who have a Boundary Wall on or adjacent to their common boundary shall both equally have the right to use such Boundary Wall, provided that such use by one such party does not interfere with the use and enjoyment of such Boundary Wall by the other, and two Lot owners who have a Common Yard Wall on or adjacent to their common boundary shall both equally have the right to use such Common Yard Wall, provided that such use by one such party does not interfere with the use and enjoyment of such Common Yard Wall by the other;

ii. If any Boundary Wall or Common Yard Wall is damaged or destroyed through the act of an adjacent Lot owner or any of such owner's tenants, invitees, agents, guests or family members (whether or not such act is negligent or otherwise culpable), it shall be the obligation of such Lot owner to rebuild and repair the Boundary Wall or Common Yard Wall without cost to the Ranch Association or the other Lot owner (as applicable); provided that any liability imposed on a Lot owner hereunder shall not limit or prejudice the right of the Lot owner to pursue any available legal remedies against the person(s) causing such damage or destruction;

iii. If any Boundary Wall or Common Yard Wall is damaged or destroyed through the act of the Ranch Association or any of its agents or contractors (whether or not such act is negligent or otherwise culpable), it shall be the obligation of the Ranch Association to rebuild and repair the Boundary Wall or Common Yard Wall (including restoration of any affected landscaping) without cost to the adjacent Lot owner(s); provided that any liability imposed on the Ranch Association hereunder shall

not limit or prejudice the right of the Ranch Association to pursue any available legal remedies against the person(s) causing such damage or destruction;

iv. If any Boundary Wall or Common Yard Wall is destroyed or damaged (including by deterioration from ordinary wear and tear), other than by the act of an adjacent Lot owner or any of such owner's tenants, invitees, agents, contractors, guests or family members, it shall be the joint obligation of the Lot owner and the Ranch Association (in the case of a Boundary Wall), or the two Lot owners (in the case of a Common Yard Wall), to rebuild and repair such wall (including restoration of any affected landscaping) to its pre-existing condition at their joint expense, such expense to be divided equally between them; provided, however, that if such damage or destruction is limited to the surface of a Boundary Wall or Common Yard Wall, then the obligation to repair such damage or destruction shall be the sole responsibility of the owner of the adjacent property toward which such surface faces, at such owner's sole expense;

c. Other Provisions.

i. In connection with any installation, construction, repair or replacement of a Boundary Wall or Common Wall in accordance with this Paragraph 9, each adjacent Lot owner (or the Ranch Association, if applicable) shall have the right to enter upon the adjacent Lot or Area of Common Responsibility as may be reasonably necessary in order to carry out such installation, construction, repair or replacement (including restoration of any affected landscaping);

ii. Notwithstanding anything to the contrary herein contained, there shall be no modification of any Boundary Wall or impairment of the structural integrity of any Boundary Wall without the prior consent of the Ranch Association and the Covenant Commission, and there shall be no modification of any Common Yard Wall or impairment of the structural integrity of any Common Yard Wall without the prior consent of the owners of both adjacent Lots and the Covenant Commission;

iii. Anything in the foregoing to the contrary notwithstanding, the Ranch Association shall have no responsibility for the maintenance, repair or replacement of any Boundary Wall pursuant to this Paragraph 9 unless and until it has approved the construction of such Boundary Wall and accepted in writing maintenance responsibility (to the extent provided herein) for such Boundary Wall, in accordance with applicable Ranch Association turnover processes;

iv. If a Lot owner shall fail to meet its installation, maintenance or repair obligations under this Paragraph 9, the Ranch Association shall have the right (but not the obligation) to perform such installation, maintenance or repair on behalf of such owner and to enter upon such owner's Lot to the extent reasonably necessary do so, and the Ranch Association shall have the right (along with any and all other rights and remedies available to it) to recover from such Lot owner all costs incurred by the Ranch Association in connection with such installation, maintenance or repair;

v. If a portion of a Boundary Wall (in its original location as approved by the Ranch Association and Covenant Commission, or as it may be relocated with the approval of the Ranch Association and the Covenant Commission) encroaches onto a Lot or encroaches onto an Area of Common Responsibility, and if such encroachment does not at any point exceed three (3) feet from the relevant Lot boundary, then, for so long as such encroachment continues, (a) the owner of the property onto which the Boundary Wall encroaches (the “**Burdened Property**”) shall be deemed to have granted an easement of access and enjoyment to the owner of the adjacent Lot or Area of Common Responsibility (the “**Benefited Property**”) over that portion of the Burdened Property lying on the same side of the Boundary Wall as the Benefited Property (the “Easement Area”), and (b) the owner of the Benefited Property shall be responsible for maintenance of the Easement Area in accordance with all maintenance standards applicable to the adjacent portion of the Benefited Property, whether such maintenance standards are imposed pursuant to the Community Council Governing Documents, the Ranch Governing Documents, or any other governing law or agreement; and

vi. The right of any Lot owner to payment or contribution from the Ranch Association or from any other Lot owner under this Paragraph 9 shall be appurtenant to the land and shall pass to such Lot owner’s successors in title.

vii. Notwithstanding anything to the contrary set forth in this Amended Supplemental Declaration, (A) any wall constructed along the common boundary between Lots 3637 and 3638 shall not be treated as a Common Yard Wall but shall be treated as a Boundary Wall, as if the water line easement premises lying adjacent to such wall (within Lot 3638) were an Area of Common Responsibility, and (B) any wall constructed along the southern boundary of such water line easement premises also shall be treated as if it were a Boundary Wall.

10. **Pedestrian Lighting.** 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 areas designated on the Plat as Tracts “C” through “F”, inclusive, and within any and all other areas designated on the Plat as “Private Trail Easement” or “PVT.TR.E.”, or as “Sidewalk Easement” or “S.W.E.”, for the purpose of facilitating pedestrian use of private paths and private trails located within such tracts and other areas. 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. Any such lighting is provided solely for convenience and is not intended to assure either the safety or security of any individual who elects to utilize any such path or trail.

11. **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 and 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.

12. **Adjacent Land Uses.**

a. **General.** Declarant hereby gives notice that the Tract is located adjacent to (a) the Reata Wash, to the west, (b) Copper Ridge Elementary School (K-8), including lighted ball fields, to the north, (c) land subject to an option held by the Scottsdale Unified School District, on which Declarant understands the District would build a high school if the option is exercised, (d) a parcel under development with a health club, to the southeast, (e) a vacant parcel that is currently intended for development with retail, commercial, restaurant and/or office uses, to the east, (f) a vacant parcel that is currently intended for development with a community center for the Development, to the south, and (g) vacant parcels that are currently intended for residential development, to the east and south. Each Lot owner, by taking title to a Lot acknowledges that Declarant makes no warranties or representations whatsoever that any land now owned or hereafter acquired by Declarant is or will be committed to or developed for a particular (or any) use, or if that land is once used for a particular use, that such use will continue in effect, and that Declarant reserves the right to change the uses, densities and zoning of any property in the Development which Declarant owns without the consent of any Lot owner.

b. **Airport.** Each Lot owner, by taking title to a Lot, acknowledges (for such Lot owner and such Lot owner's family members, other occupants, successors and assigns) that: (a) the Tract is in close proximity to the Scottsdale Airport flight path and is located 2 miles 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 (including military aircraft from time to time); (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 Lot owner (for such Lot owner and such Lot 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 any claim and hereby waives and releases any claim arising out of or relating to 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.

13. **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, Boundary Wall, Common Yard Wall, or any portion thereof, as required by any of Paragraphs 7, 8 or 9 above, any and all costs incurred by the Community Council in performing such repair or maintenance on the owner's behalf pursuant to any of said Paragraphs 7, 8 or 9, as applicable. 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. All or any portion of the foregoing rights of the Community Council may be delegated to the Ranch Association pursuant to Section 6.10 of the Council Declaration (provided that any Specific Assessment levied by the Ranch Association in accordance with this paragraph shall be levied pursuant to the Ranch Declaration).

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

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

16. **Amendment.** This Amended Supplemental 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, General Partner

By: 

Its: VP

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 30th day of March, 2005, by NICK TARATSAS the VICE PRESIDENT, of DMB GP, INC., an Arizona corporation, in its capacity as General Partner of DMB PROPERTY VENTURES LIMITED PARTNERSHIP, a Delaware limited partnership, in its capacity as Administrative Member of DC RANCH L.L.C., an Arizona limited liability company, for and on behalf thereof.

Vanessa Muir
Notary Public

My Commission Expires:

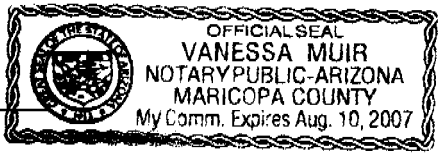


Exhibit "A"

Legal Description

Lots 3601 through 3723, inclusive, and Tracts "A", and "C" through "Q", inclusive, of DC RANCH PARCEL T7, a subdivision according to the plat recorded in Book 724 of Maps, Page 48, records of Maricopa County, Arizona.