

mining operations of any kind shall be permitted upon the surface of the Property, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be installed upon the surface of the Property or within five hundred (500) feet below the surface of the Property. No derrick or other structure designed for use in boring for water, oil or natural gas shall be erected, maintained or permitted upon the Property.

Section 8.13. Animals. No animals, reptiles, rodents, birds, fish, livestock or poultry shall be kept in any Condominium Unit or elsewhere within the Property except that orderly domestic dogs (not exceeding 50 pounds in weight) cats, fish, and domestic birds inside bird cages may be kept as household pets within any Condominium Unit. No animals may be kept, bred or raised therein for commercial purposes, or in unreasonable quantities. As used in this Declaration, "unreasonable quantities" shall be deemed to limit the total number of all pets to two (2) adult pets per Condominium Unit, excepting fish and domestic birds inside bird cages. (Adult is defined as being more than four [4] months old.) Unless otherwise permitted by the Board, dogs must be carried or be on leashes and accompanied by an adult except when confined within the Condominium Units. Pets cannot be kept or leashed on balconies, patios or courtyards or otherwise leashed to any stationary object on the common areas. No animal is permitted in or on any community facilities. The owners of pets shall be obligated to remove all excrement of their pets from landscaping and other exterior portions of the Common Elements. The Association shall have the right to specify from time to time special areas in which pets must be exercised. Further, the Association shall have the right to prohibit maintenance of any animal which constitutes, in the sole and exclusive opinion of the Board, a nuisance to any other Owner. Each person bringing or keeping a pet upon the Property shall be absolutely liable to each and all other Owners, their family members, guests, invitees, for any damage to persons or property caused by any pet brought upon or kept upon the Property by such persons or

by members of his family, his guests or invitees. All pets shall be photographed and registered with the Board and shall otherwise be licensed and inoculated as required by law. The Board may establish reasonable fees for registration of pets not to exceed the additional costs incurred by the Association resulting from the presence of such pets.

Section 8.14 Leases. Any agreement for the leasing or rental of a Condominium Unit (hereinafter in this Section referred to as a "lease") shall provide that the terms of such lease shall be subject in all respects to the provisions of this Declaration, the Bylaws and the Association Rules. Said lease shall further provide that any failure by the Occupant thereunder to comply with the terms of the foregoing documents shall be a default under the lease. All leases shall be in writing. With the exception of a Lender in possession of a Condominium Unit following a default in a first mortgage or first deed of trust, a foreclosure proceeding, or any deed or other arrangement in lieu of foreclosure, no Owner shall be permitted to lease his Condominium Unit for transient or hotel purposes, which shall be defined as rental for any period of less than thirty (30) days. No Owner may lease less than his entire Condominium Unit. Any Owner who shall lease his Condominium Unit shall be responsible for assuring compliance by the Occupant with this Declaration, the Bylaws and the Association Rules. Failure by an Owner to take legal action, including the institution of forcible entry and detainer proceeding against his Occupant who is in violation of this Declaration, the Bylaws or the Association Rules within ten (10) days after receipt of written demand so to do from the Board, shall entitle the Association, through the Board, to take any and all such action including the institution of proceedings in forcible entry and detainer on behalf of such Owner against his Occupant. Any expenses incurred by the Association, including attorneys' fees and costs of suit, shall be repaid to it by such Owner. Failure by such Owner to make such repayment within ten (10) days after receipt of a written demand therefor shall

entitle the Board to levy a special Assessment against such Owner and his Condominium Unit for all such expenses incurred by the Association. In the event such special Assessment is not paid within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof.

Section 8.15: Rules and Regulations. The Association, acting through the Board, shall have the power to make and adopt reasonable Association Rules with respect to activities which may be conducted on any part of the Property. The Board's determination as to whether a particular activity being conducted or to be conducted violates or will violate such Association Rules shall be conclusive unless, at a regular or special meeting of the Association, Owners representing a majority of the voting power of the Association vote to the contrary.

IX

INSURANCE

Section 9.01. Authority to Purchase. Commencing not later than the date a Condominium Unit is conveyed to a Person other than Declarant, the Board shall have the authority to obtain and shall obtain the insurance provided for in this Article.

Section 9.02. Hazard Insurance. The Board shall obtain a master or blanket policy of property insurance on the entire Property including the Condominium Units and the Common Elements (excluding land, additions, improvements and decorations made in the Condominium Units by the Owners and Occupants) insuring the Property against loss or damage by fire and other hazards covered by the standard extended coverage endorsement, and against loss or damage by sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, and water damage. Such master policy of property insurance shall be in a total amount of insurance equal to 100% of the current replacement cost, exclusive of land, excavations, foundations and other items normally excluded from such property policies. Such

master policy of property insurance shall contain an Agreed Amount Endorsement or its equivalent, if available, or an Inflation Guard Endorsement, together with such endorsements as may be satisfactory to any Lender. Each hazard insurance policy must be written by an insurance carrier classified in financial category of Class VI or better, as designated by Best's Key Rating Guide. If more than one Lender exists, such policy and endorsements shall meet the highest maximum standards of all such Lenders.

Section 9.03. Comprehensive Public Liability Insurance. The Board shall obtain comprehensive general liability insurance insuring the Association, the Declarant, the agents and employees of the Association and the Declarant, the Owners and Occupants and the respective family members, guests and invitees of the Owners and Occupants, against liability incident to the ownership or use of the Common Elements. The limits of such insurance shall not be less than \$1,000,000.00 covering all claims for death of or injury to any one person and/or property damage in any single occurrence. Such insurance shall contain a Severability of Interest Endorsement or equivalent coverage which would preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or another Owner or Occupant. Such insurance shall also include protection against water damage liability, liability for nonowned and hired automobiles, and liability for the property of others. Such insurance must provide that, despite any provisions giving the carrier the right to elect to restore damage in lieu of a cash settlement, such option shall not be exercisable without the approval of the Association. The Board shall adjust the amount of the insurance carried under this Section from time to time.

Section 9.04. Workmen's Compensation Insurance. The Board shall purchase and maintain in effect workmen's compensation insurance for all employees of the Association to the extent that such insurance is required by law.

Section 9.05. Fidelity Insurance. The Board shall obtain fidelity coverage against dishonest acts on the part of directors, officers, employees or volunteers who handle or who are responsible for handling the funds of the Association. Such fidelity bonds shall name the Association as obligee and shall be written in an amount equal to one hundred fifty percent (150%) of the estimated current annual Common Expenses of the Association, including reserves, and shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

Section 9.06. Premiums. Premiums upon insurance policies purchased by the Board on behalf of the Association shall be paid by the Association as part of the Common Expenses.

Section 9.07. Policy Provisions.

(a) Any insurer that has issued an insurance policy to the Association under this Article shall also issue a certificate or memoranda of insurance to the Association and, upon request, to any Owner or Lender.

(b) The named insured under any policy of insurance shall be the Association, as trustee for the Owners, or its authorized representative, including any trustee with which the Association may enter into any Insurance Trust Agreement, or any successor trustee, each of which shall be referred to as the "Insurance Trustee" who shall have exclusive authority to negotiate losses under the policies. Each Owner hereby appoints the Association, or any Insurance Trustee, as attorney-in-fact for the purpose of purchasing and maintaining insurance required by this Article, and adjustment of all losses related thereto, including: the collection and appropriate disposition of all insurance proceeds, the negotiation of all losses and execution of releases of liability, the execution of all documents and the performance of all other acts necessary to administer such insurance. The Association shall receive, hold, or otherwise properly dispose of any proceeds of insurance in trust for the Owners and their Lenders, as their interests may appear. This

power-of-attorney is coupled with an interest, shall be irrevocable, and shall be binding on any heirs, personal representatives, successors or assigns of an Owner.

(c) The Association's insurance shall contain the "Special Condominium Endorsement" or its equivalent. Insurance coverage may not be brought into contribution with insurance purchased by the Owners.

(d) Coverage must not be limited by (i) any act or neglect by Owners or Occupants which is not within control of the Association; or (ii) any failure of the Association to comply with any warranty or condition regarding any portion of the Property over which the Association has no control.

(e) Coverage may not be cancelled or substantially modified (including cancellation for nonpayment of premiums) without at least ten (10) days prior written notice to the Association and all Lenders, and to any Owner to whom a certificate has been issued.

(f) All policies must contain a waiver of subrogation by the insurer as to any and all claims against the Association, Owners, Occupants and their respective agents and employees, and any defenses based on co-insurance or on invalidity arising from acts of the insured.

Section 9.08. Supplemental Insurance. The Board may obtain such other policies of insurance in the name of the Association as the Board deems appropriate to protect the Association and Owners, including, without limitation, errors and omissions insurance for officers and directors of the Association. Notwithstanding any other provisions herein, the Association shall continuously maintain in effect such casualty, flood, and liability insurance and a fidelity bond meeting the insurance and fidelity bond requirements for condominium projects established by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, except to the extent such coverage is not available or has been waived in writing by the Federal National Mortgage Association or the Federal Home Loan

Mortgage Corporation. The foregoing notwithstanding, the Association shall maintain such flood insurance as may be required from time to time by the Veterans Administration.

Section 9.09. Annual Insurance Report. Not later than sixty (60) days prior to the beginning of each fiscal year, the Board shall obtain a written report by a reputable independent insurance broker or consultant setting forth the existing insurance obtained pursuant to this Article and stating whether, in the opinion of such broker or consultant, the insurance complies with the requirements of this Article. Such report shall also set forth recommendations regarding current policy provisions and for additional insurance reasonably required for the protection of the Owners and Lenders in light of the insurance then available and the prevailing practice with respect to other similar Condominium Units. The Board shall be fully protected in relying on the written report furnished pursuant to this Section provided reasonable care and prudence were exercised in selecting such independent insurance broker or consultant.

Section 9.10. Insurance Obtained by Owners. An Owner or Occupant shall be authorized and encouraged to insure his personal property against loss by fire or other casualty and may carry public liability insurance covering his individual liability for damage to persons or property occurring inside his Condominium Unit. An Owner may carry additional hazard insurance covering his Condominium Unit and improvements as well as additional liability insurance covering exposure from the ownership or use of the Common Elements. All such policies as may be carried by an Owner shall contain waivers of subrogation of claims against the Association, the Board, other Owners or Occupants, the Declarant and the agents and employees of each of the foregoing. All such policies as may be carried by an Owner shall not adversely affect or diminish any liability under any insurance obtained by the Association, and the Owner shall deposit a duplicate copy or certificate of any such other policy with the Board, except for casualty policies covering personal

property and liability policies covering loss within the Condominium Unit.

X

DESTRUCTION OF IMPROVEMENTS

Section 10.01. Automatic Reconstruction. In the event of partial or total destruction of a Building or Buildings or any portion of the Common Elements within the Property, the Board shall promptly take the following action:

(a) The Board shall ascertain the cost of reconstruction by obtaining fixed price bids from at least two (2) reputable contractors, including the obligation to obtain performance and lien payment bonds.

(b) The Board shall determine the amount of insurance proceeds, if any, payable by contacting the appropriate representative of the insurer of said Building or Buildings,

(c) If the Board determines: (i) that insurance proceeds will cover eighty-five percent (85%) or more of the estimated cost of reconstruction, or (ii) that available insurance proceeds together with available reserves and/or a special Assessment equal to twenty-five percent (25%) or less of the then aggregate annual regular Assessments for all Condominium Units will completely cover the estimated cost of reconstruction, then the Board shall cause notice to be sent to all Owners and to all Lenders encumbering Condominium Units within the Property setting forth such findings and informing said Owners and Lenders that the Board intends to commence reconstruction pursuant to this Declaration. In the event that Owners representing not less than twenty percent (20%) of the voting power of the Association, object in writing to such reconstruction as indicated in such notice, the Board shall call a special meeting of the Owners pursuant to Section 10.02. In the event that the foregoing requirements are satisfied and the requisite number of Owners do not object in writing to such reconstruction, the Board shall cause reconstruction to take place as promptly as practicable

thereafter. In connection with such reconstruction, the Board shall levy an Assessment to cover costs of reconstruction in excess of insurance proceeds and available reserves, and such reconstruction Assessment shall be levied against each Owner based upon that Owner's then respective fractional interest in the Common Elements.

(d) If the Board in good faith determines that none of the bids submitted under this Section reasonably reflects the anticipated reconstruction costs, the Board shall continue to attempt to obtain an additional bid which it determines reasonably reflects such costs. Such determination shall be made by the Board as soon as possible. However, if such determination cannot be made within ninety (90) days after the date of such destruction because of the unavailability or unacceptability of an insurance estimate or reconstruction bid, or otherwise, the Board shall immediately call a meeting of the affected Owners and Lenders pursuant to Section 10.02 hereof.

(e) If the Board determines that any Condominium Unit has become uninhabitable by reason of its total or partial destruction, Assessments may abate against the Owner thereof until the Board determines that habitability has been restored. However, if the Board determines that such abatement would adversely and substantially affect the management, maintenance and operation of the Property, it may elect to disallow such abatement.

Section 10.02. Reconstruction by Vote. If reconstruction is not to take place pursuant to Section 10.01 hereof, as soon as practicable after same has been determined, the Board shall call a special meeting of the Owners by mailing a notice of such meeting to each such Owner. Such meeting shall be held not less than fourteen (14) days and not more than twenty-one (21) days after the date of such notice. Unless the Owners, by a vote at such meeting or by the written consent representing not less than seventy-five percent (75%) of the voting power of the Association determine not to proceed with such reconstruction,

reconstruction must take place and the Board shall levy an Assessment to cover costs of reconstruction in excess of insurance proceeds and available reserves, and such reconstruction Assessment shall be levied against each Owner based upon that Owner's then respective fractional interest in the Common Elements.

Section 10.03. Procedure for Minor Reconstruction. If the cost of reconstruction is equal to or less than ten percent (10%) of the face amount of insurance then carried under the Association's hazard insurance policy, then the Board shall contract with a licensed contractor or contractors to rebuild or repair such damaged or destroyed portions of the Property in conformance with the original plans and specifications, or if the Board determines that adherence to such original plans and specifications is impracticable or is not in conformance with applicable laws, ordinances, building codes, or other governmental rules or regulations then in effect, then such repairs or rebuilding shall be of a kind and quality substantially equivalent to the original construction of such improvements.

Section 10.04. Procedure for Major Reconstruction. If the cost of reconstruction is greater than ten percent (10%) of the face amount of insurance then carried under the Association's hazard insurance policy, all insurance proceeds, together with such amounts from available reserves or special Assessments as are needed to complete the cost of reconstruction, shall be paid directly to a bank or savings and loan association located in Maricopa County, Arizona, whose accounts are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, or the successor to either agency, as designated by the Board, as trustee (hereinafter called the "Insurance Trustee") for all Owners and Lenders. Such proceeds shall be received, held and administered by the Insurance Trustee subject to the provisions of an insurance trust agreement which shall be consistent with the provisions of this Declaration and which shall be entered into between the Insurance Trustee and the

Board. Disbursement of such funds shall be made only upon the signatures of two members of the Board and upon the terms and conditions provided in this Section. As soon as practicable after notification of the receipt of insurance proceeds by the Insurance Trustee, the Board shall enter into a contract with a licensed contractor or contractors for the repair or rebuilding of all of the damaged or destroyed Condominium Units and Common Elements according to the original plans and specifications of said improvements or, if the Board determines that adherence to such original plans and specifications is impracticable or not in conformity with applicable statutes, ordinances, building codes, or other governmental rules and regulations then in effect, then of a quality and kind substantially equivalent to the original construction of such improvements. The contract with such licensed contractor or contractors shall provide for payment to the contractor or contractors of a specified sum for performance and execution of the work therein described, and shall have provisions for periodic disbursement of funds by the Insurance Trustee, which shall be consistent with procedures then followed by prudent lending institutions doing business in Maricopa County, Arizona. Such periodic disbursements of funds shall be for specific dollar amounts and shall not be paid until the contractor who is engaged by the Board shall furnish to the Board before the commencement of construction a full performance and lien payment bond written by a good and responsible corporate surety. Disbursements to the contractor shall be made subject to the prior presentation of an architect's certificate containing such provisions as may be appropriate in the circumstances and deemed suitable by the Board. The Board shall employ a licensed architect to supervise the repair and rebuilding to insure that all work, services and supplies are in conformity with the requirements of the construction contract.

Section 10.05. Termination. If Owners representing not less than seventy-five percent (75%) of the voting power of the Association elect not to proceed with the reconstruction at

the special meeting held pursuant to Section 10.02, the Board shall divide the insurance proceeds and then available reserves into as many shares as there are then Condominium Units, said shares to be in the same proportion as the Owners' respective fractional interest in the Common Elements. The Board shall first make application of each Owner's share to the payment of each mortgage, deed of trust, or other encumbrance or lien of record with respect to said Condominium Unit, with the balance being distributed to the Owner. If all encumbrances are fully discharged by the Board with applicable insurance proceeds and available reserves, the Horizontal Property Regime shall be terminated at such time as all Owners execute, acknowledge and record a declaration evidencing such withdrawal. If there are mortgages, deeds of trust, or other encumbrances remaining against any of the Condominium Units after disbursement by the Board of the proportionate share of insurance proceeds and available reserves, and such deficiencies are not paid by the respective Owner or Owners, the holders of any such mortgage, deed of trust, or other encumbrance must also execute and acknowledge such declaration in order to lawfully withdraw the Property from the Horizontal Property Regime pursuant to the Act.

Section 10.06. Negotiations with Insurer. The Board shall have full authority to negotiate in good faith with representatives of the insurer of any totally or partially destroyed Building or any other portion of the Common Elements, and to make settlements with the insurer for less than full insurance coverage on the damage to such Building or any other portion of the Common Elements. Any settlement made by the Board in good faith shall be binding upon all Owners and Lenders.

Section 10.07. Repair of Condominium Units. Installation of improvements to, and repair of any damage to, the interior of a Condominium Unit shall be made by and at the individual expense of the Owner of that Condominium Unit and, in the event of a determination to reconstruct after partial or total

destruction, shall be completed as promptly as practicable and in a lawful and workmanlike manner.

Section 10.08. Priority. Nothing contained in this Article shall entitle an Owner to priority over any Lender under a loan encumbering his Condominium Unit as to any portion of insurance proceeds allocated to such Condominium Unit.

XI

EMINENT DOMAIN

Section 11.01. Total Taking of a Condominium Unit. If a Condominium Unit is taken by eminent domain, or sold under threat thereof, or if part of a Condominium Unit is taken by eminent domain, or sold under threat thereof, leaving the Owner with a remnant which may not be practically or lawfully used for any purpose permitted by this Declaration, the award must compensate the Owner for his Condominium Unit and fractional interest in the Common Elements. Upon such a taking, that Condominium Unit's fractional interest in the Common Elements shall automatically be reallocated to the remaining Condominium Units in proportion to their respective interests immediately before the taking.

Section 11.02. Partial Taking of a Condominium Unit. If part of a Condominium Unit is taken by eminent domain, or sold under threat thereof, so that such Condominium Unit may still be practically and lawfully used under this Declaration, the award must compensate the Owner for reduction in the value of the Condominium Unit and its fractional interest in the Common Elements.

Section 11.03. Taking of the Common Elements. If the portion of the Property taken by eminent domain, or sold under threat thereof, shall not be comprised of, or include, any Condominium Unit, the Board shall, as soon as practicable, cause the award to be utilized for the purpose of repairing or restoring the Property so taken, and the portion of the award not used for restoration shall be divided among the Owners in proportion

to their fractional interest in the Common Elements before the taking.

Section 11.04. Taking of Entire Property. In the event the Property in its entirety is taken by eminent domain, or sold under threat thereof, the Board shall distribute the award (after deducting therefrom fees and expenses related to the condemnation proceedings including, without limitation, fees for attorneys, appraisers and court costs) to the Owners and such award shall be apportioned among the Owners in accordance with the judgment if such judgment of condemnation provides for apportionment, and if no apportionment is made, the Board shall distribute the award to Owners in the same proportion as the Owner's respective fractional interest in the Common Elements; provided, however, the Board shall first apply the award, as ultimately distributable to each Owner, to the payment of any mortgage, deed of trust or other encumbrance or lien of record with respect to such Condominium Unit and the Horizontal Property Regime shall not be terminated unless the applicable provisions of Section 10.05 hereof are satisfied.

Section 11.05. Priority and Power of Attorney. Nothing contained in this Article shall entitle an Owner to priority over any Lender under a loan encumbering his Condominium Unit as to any portion of any such condemnation award allocated to such Condominium Unit. Each Owner hereby appoints the Association as attorney-in-fact for the purpose of negotiations and settlement with the condemning authority for the acquisition of the Common Elements, or any part thereof. In the event the taking involves all or part of the Common Elements, the award or proceeds shall be payable to the Association for the use and benefit of the Owner and their Lenders as their interests may appear. This power-of-attorney is coupled with an interest, shall be irrevocable, and shall be binding on any heirs, personal representatives, successors or assigns of an Owner.

XII

RIGHTS OF LENDERS

Section 12.01. Priority of Lenders. No breach of the Restrictions herein contained, nor the enforcement of any lien provision herein, shall affect, impair, defeat or render invalid the lien or charge of any Lender made in good faith and for value encumbering any Condominium Unit, but all of said Restrictions shall be binding upon and effective against any Owner whose title to a Condominium Unit is derived through foreclosure or trustee's sale, or otherwise.

Section 12.02. Relationship with Assessment Liens.

(a) The lien provided for in ARTICLE V for the payment of Assessments shall be subordinate to the lien of any Lender which was recorded prior to the date any such Assessment becomes due.

(b) If any Condominium Unit which is subject to a monetary lien created by this Declaration is also subject to the lien of a Lender, then: (i) the foreclosure of any lien created by this Declaration shall not operate to affect or impair the lien of such Lender; and (ii) the foreclosure of the lien of a Lender or the sale under a power of sale included in a mortgage or deed of trust shall not operate to affect or impair the lien hereof, except that any Person who obtains an interest thereafter shall take title free of any lien created by this Declaration or any personal obligation for said charges as shall have accrued up to the time of any foreclosure, but subject to the lien hereof for all said charges that shall accrue subsequent to such foreclosure.

(c) Without limiting the provisions of subsection (b) of this Section, any Lender who obtains title to a Condominium Unit by reason of any foreclosure or deed or assignment in lieu of foreclosure, or any Person who obtains title at a private or judicial foreclosure sale, shall take title to such Condominium Unit free of any lien or claim for unpaid Assessments against such Condominium Unit which accrued prior to the time such Lender or purchaser takes title to such Condominium Unit, except for

liens or claims for a share of such Assessments resulting from a pro rata reallocation of such Assessments to all Condominium Units within the Property; provided, however, such reallocation is approved by the vote of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for such purpose. At such meeting, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership of the Association shall constitute a quorum. If a Lender or purchaser acquires title to a Condominium Unit pursuant to this Section but the lien for Assessments prior to the time such Lender or purchaser who acquired title has not been extinguished by the process by which such Lender or purchaser acquired title to the Condominium Unit, said lien shall be void, and upon request of said Lender or purchaser, the lien shall be released in writing by the Association.

(d) Nothing in this Section shall be construed as releasing any Person from his personal obligation to pay for any Assessments levied pursuant to this Declaration during the period such Person is an Owner.

Section 12.03. Required Lender Approval. Except upon the prior written approval of sixty-seven percent (67%) of all Lenders (based on one vote for each mortgage or deed of trust owned) or Owners (excluding Declarant), neither the Association nor the Board shall be entitled by action or inaction to do any of the following:

(a) Abandon or terminate by any act or omission the legal status of the Property as a Horizontal Property Regime, except for abandonment or termination provided by law in the case of substantial destruction by fire or other casualty or in the case of a taking by eminent domain;

(b) Partition or subdivide a Condominium Unit or the Common Elements;

(c) Terminate professional management of the Property and assume self management;

(d) Change the pro rata interest or obligations of any individual Condominium Unit for the purpose of: (i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (ii) determining the pro rata share of ownership of each Condominium Unit in the Common Elements;

(e) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the condominium project shall not be deemed a transfer within the meaning of this clause);

(f) Use hazard insurance proceeds for losses to any condominium property (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of such condominium property.

Section 12.04. Other Rights of Lenders. Any Lender (and such Lender's insurer or guarantor and any Owner) shall, upon written request to the Association, be entitled:

(a) To inspect current copies of this Declaration (and any amendments), the Association's Articles, Bylaws, and Association Rules, and other books and records of the Association during normal business hours;

(b) To receive an annual audited financial statement of the Association within ninety (90) days following the end of the Association's fiscal year;

(c) To receive written notice of all annual and special meetings of the Association or of the Board, and Lenders shall further be entitled to designate a representative to attend all such meetings in order to, among other things, draw attention to violations of this Declaration which have not been corrected or made the subject of remedial action by the Association; provided, however, nothing contained in this Section shall give a Lender the right to call a meeting of the Board or of the Association for any purpose or to vote at any such meeting; and

(d) To receive written notification from the Association of any default in the performance of the obligations imposed by this Declaration, Bylaws or Association Rules by the Owner whose Condominium Unit is encumbered by a Lender, which default has not been cured within sixty (60) days; provided, however, the Association shall only be obligated to provide such notice to Lenders who have delivered a written request therefor to the Association specifying the Condominium Unit to which such request relates.

(e) To receive timely written notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

(f) To receive timely written notice of any proposed action that requires the consent of a specified percentage of Lenders.

Section 12.05. Notice of Destruction or Taking. In the event any Condominium Unit sustains material damage, or the Common Elements sustain material damage, or in the event any Condominium Unit or the Common Elements are made the subject of any condemnation proceedings or are otherwise sought to be acquired by a condemning authority, the Board shall promptly notify any Lender affected by such destruction, taking or threatened taking regardless of whether a written request has been filed with the Association.

XIII

LIMITATIONS UPON PARTITION AND SEVERANCE

Section 13.01. No Partition. The right to partition the Property is hereby suspended, except that the right to partition shall revive and the Property may be sold as a whole when the conditions for such action set forth in ARTICLE X dealing with Destruction of Improvements, and ARTICLE XI dealing with Eminent Domain have been met; provided, however, nothing contained in this Section shall be construed as limiting partition by joint Owners, upon the prior written approval of an

applicable Lender, of one or more Condominium Units as to individual ownership of such Condominium Units provided the Horizontal Property Regime is not terminated.

Section 13.02. No Severance. The elements of a Condominium Unit and other rights appurtenant to the ownership of a Condominium Unit, including exclusive easements over the Common Elements, if any, are inseparable, and each Owner agrees that he shall not, while this Declaration is in effect, make any conveyance of less than an entire Condominium Unit and such appurtenances. Any conveyance made in contravention of this Section shall be void.

Section 13.03. Proceeds of Partition Sale. If an action is brought for the partition of the Property by sale, whether upon the occurrence of an event of destruction and a decision not to reconstruct or the taking of all or a portion of the Property by eminent domain, Owners shall share in the proceeds of such sale in the same proportion as their interests in the Common Elements, but in such event, the liens and provisions of all Lenders or Assessment liens encumbering Condominium Units within the Property so encumbered shall extend to each applicable Owner's interest in the proceeds of such partition and sale. The interest of an Owner in such proceeds shall not be distributed to such Owner except upon the prior payment of any Assessment lien or lien of a Lender encumbering such proceeds.

XIV

EXPANSION OF THE HORIZONTAL PROPERTY REGIME

Section 14.01. Reservation of Option to Expand. Declarant intends to develop the Additional Parcel on a phased basis by annexing all or part of the Additional Parcel into the Property; however, Declarant may elect not to develop or annex all or any portion of the Additional Parcel. Without the approval of the Owners or the Association or existing Lenders, Declarant shall have the right to annex all or part of the Additional Parcel by Supplemental Declaration, and Declarant

hereby reserves the right, privilege, and option to expand the Property under the name of EL MORADA DEL SOL CONDOMINIUMS by adding one or more portions of the Additional Parcel on a phased basis and related Buildings and Condominium Units, together with improvements and fixtures located thereon, and easements and rights appurtenant thereto, as provided in this ARTICLE XIV. However, Declarant shall be under no obligation to expand the Property; and no part of the Additional Parcel shall become subject to this Declaration unless and until a Supplemental Declaration shall have been executed and recorded in accordance with this ARTICLE XIV.

Section 14.02. Supplemental Declaration. A Supplemental Declaration shall be a written instrument in recordable form, recorded in the office of the County Recorder of Maricopa County, Arizona which annexes all or part of the Additional Parcel to the Property under this Declaration; and which incorporates by reference all of the Restrictions and other provisions of this Declaration, and which contains such other provisions as are set forth in this Declaration relating to Supplemental Declarations.

Section 14.03. Additional Condominium Units. The Declarant may elect to add fourteen (14), or less, additional Condominium Units to the Property so that the aggregate number of total Condominium Units in the Property shall not exceed a maximum of twenty-eight (28). All additional Condominium Units shall be used exclusively for residential purposes and such additional Condominium Units may be added in one or more phases as Declarant may determine consistent with the phased development plan.

Section 14.04. Time Limitation. Declarant shall have the right to add the 14 or less additional Condominium Units to the Property by Supplemental Declaration; provided, however, the right and option of Declarant to add all or any part of the Additional Parcel and related Condominium Units to the Property

shall extend only for a seven (7) year term commencing upon the date this Declaration is originally recorded.

Section 14.05. Reallocation Formula. The fractional interest of each Condominium Unit in the Common Elements shall be reallocated by a complete restatement in any Supplemental Declaration setting forth the fractional interest in the Common Elements for the then total number of Condominium Units and such fraction shall be based on a numerator of one (1) and a denominator of the number of Condominium Units then contained in the Property.

Section 14.06. Power of Attorney. Each Owner, upon receipt and recordation of a deed or agreement for sale from Declarant whereby a Condominium Unit is conveyed to such Owner, shall be deemed to constitute and appoint Declarant the attorney-in-fact for Owner to act as the true and lawful attorney for such Owner and in the name, place, and stead of such Owner to restate fractional interests in the Common Elements in accordance with any Supplemental Declaration recorded pursuant to this ARTICLE XIV. The grant of such authority to Declarant is coupled with an interest, shall be irrevocable, and shall be binding on any heirs, personal representatives, successors or assigns of any Owner.

Section 14.07. Compatible Construction; Substantial Completion. Declarant covenants that all Buildings and Condominium Units added to the Property, if any, shall be comparable in architectural style, floor plan, size and quality of construction and all improvements in additional phases shall be substantially completed prior to annexation.

Section 14.08. Voting and Assessments. Class B voting rights for Declarant as provided by Section 4.03 shall become immediately effective as to the additional Condominium Units upon the date of recordation of the Supplemental Declaration. Assessments for additional Condominium Units shall be handled in the manner prescribed in Article V.

Section 14.09. Insurance During Expansion. During construction of additional Condominium Units in any expanded phase, the Declarant must purchase (at Declarant's own expense) a liability insurance policy in an amount determined by the Administrator of the Veterans Administration to cover any liability to which Owners of existing Condominium Units might be exposed.

Section 14.10. Required Approval. This Declaration may not be amended for the purpose of expanding the number of Condominium Units within the Property (or merged with any successor condominium regime) without the prior written approval of the Administrator of the Veterans Administration.

XV

GENERAL PROVISIONS

Section 15.01. Enforcement. The Association or any Owner shall have the right to enforce, by proceedings at law or in equity, all Restrictions and other provisions now or hereafter imposed by this Declaration, or any amendments thereto, including the right to prevent the violation of any such Restrictions, and the right to recover damages and other sums for such violation. The Association or any Owner shall also have the right to enforce by proceedings at law or in equity the provisions of the Bylaws and Association Rules and any respective amendments thereto.

Section 15.02. No Waiver. Failure by the Association or by any Owner to enforce any Restriction or provision herein contained, or contained in the Bylaws or Association Rules, in any certain instance or on any particular occasion shall not be deemed a waiver of such right of enforcement as to any such future breach of the same or any other Restriction or provision.

Section 15.03. Cumulative Remedies. All rights, options and remedies of Declarant, the Association, the Owners or the Lenders under this Declaration are cumulative, and no one of them shall be exclusive of any other, and Declarant, the Association, the Owners and the Lenders shall have the right to pursue any one or all of such rights, options and remedies or any

other remedy or relief which may be provided by law, whether or not stated in this Declaration.

Section 15.04. Severability. Invalidation of any one or a portion of the Restrictions or provisions set forth in this Declaration or in the Bylaws or Association Rules by judgment or court order shall in no way affect any other Restrictions or provisions contained herein or therein which shall remain in full force and effect.

Section 15.05. Covenants to Run with the Land; Term. The Restrictions and other provisions of this Declaration shall run with and bind the Property as equitable servitudes and also as covenants running with the land and shall inure to the benefit of and be enforceable by the Association or any Owner, their respective legal representatives, heirs, successors and assigns, for a term of fifty (50) years from the date this Declaration is recorded, after which time the Restrictions and other provisions shall be automatically extended for successive periods of ten (10) years, unless Owners representing not less than seventy-five percent (75%) of the Condominium Units within the Property, and their Lenders, agree, within one (1) year prior to the end of any such period, to amend or revoke the Restrictions and other provisions of this Declaration in whole or in part.

Section 15.06. Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a plan for the development of a residential Condominium community and for the maintenance of the Property. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

Section 15.07. Gender and Number. Whenever the context of this Declaration requires, the singular shall include the plural, and vice versa, and the masculine shall include the feminine and the neuter, and vice versa.

Section 15.08. Nuisance. The result of every act or omission whereby any provision or Restriction contained in this

Declaration or any provision contained in the Bylaws or Association Rules is violated in whole or in part is hereby declared to be and shall constitute a nuisance, and every remedy allowed at law or in equity against a nuisance, either public or private, shall be applicable with respect to the abatement thereof and may be exercised by the Association or any Owner. Such remedy shall be deemed cumulative to all other remedies set forth in this Declaration and shall not be deemed exclusive.

Section 15.09. Attorneys' Fees. In the event any action is instituted to enforce any of the provisions contained in this Declaration, the Bylaws, or Association Rules, the party prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment reasonable attorneys' fees and costs of suit.

Section 15.10. Notices. Any notice to be given to an Owner, a Lender, or the Association under the provisions of this Declaration shall be in writing and shall be delivered as follows:

(a) Notice to an Owner shall be delivered personally or placed in the first class United States mail, postage prepaid, to the most recent address furnished by such Owner in writing to the Board for the purpose of giving notice, or if no such address shall have been furnished, then to the street address of such Owner's Condominium Unit. Any notice so deposited in the mail shall be deemed delivered seventy-two (72) hours after such deposit. In the case of co-Owners, any such notice may be delivered or sent to any one of the co-Owners on behalf of all co-Owners and shall be deemed delivered to all such co-Owners.

(b) Notice to a Lender shall be delivered by first class United States mail, postage prepaid, to the most recent address furnished by such Lender in writing to the Board for the purpose of notice or, if no such address shall have been furnished, to any office of the Lender in Maricopa County, Arizona, or if no such office is located in Maricopa County, to any office

of such Lender. Any notice so deposited in the mail shall be deemed delivered seventy-two (72) hours after such deposit.

(c) The declaration of an officer or authorized agent of the Association declaring under penalty of perjury that a notice has been mailed to any Owner or Owners, or to any Lender or Lenders, to the address or addresses for the giving of notice pursuant to this Section, shall be deemed conclusive proof of such mailing.

(d) Notice to the Association shall be delivered by registered or certified United States mail, postage prepaid, addressed as set forth below until the Association shall give notice of a different address:

President
El Morada del Sol Homeowners
Association, Inc.
7520 East Second Street, Suite 6
Scottsdale, Arizona 85251

Any notice so deposited in the mail shall be deemed delivered upon the date of receipt.

Section 15.11. Effect of Declaration. This Declaration is made for the purposes set forth in the recitals in this Declaration and Declarant makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, or as to the compliance of any of these provisions with public laws, ordinances, regulations and the like applicable thereto. Declarant shall have no liability whatsoever if any of the provisions of this Declaration, the Bylaws or Association Rules are determined to be unenforceable in whole or in part or under certain circumstances.

Section 15.12. Assignment of Declaration. If any other Lender to whom Declarant has assigned, or may assign, as security all or substantially all of its rights under the Declaration, succeeds to the interest of Declarant by virtue of said security, the Class B Member voting rights shall continue in effect and the Lender shall have the voting rights of the Class B Member of the Association upon the same terms as they were held by the Declarant pursuant to this Declaration.

Section 15.13. Personal Covenant. To the extent the acceptance of a conveyance of a Condominium Unit creates a personal covenant between the Owner of such Condominium Unit and Declarant, other Owners or the Association, such personal covenant shall terminate and be of no further force or effect from and after the date when a Person ceases to be an Owner except to the extent this Declaration provides for personal liability with respect to the Assessments incurred during the period a Person is an Owner.

Section 15.14. Nonliability of Officials. To the fullest extent permitted by law, neither the Board nor any officer of the Association shall be liable to any Owner or the Association for any damage, loss, or prejudice suffered or claimed on account of any decision, approval or disapproval, course of action, act, omission, error, or negligence if such Board member or officer acted in good faith within the scope of his duties.

Section 15.15. Unsegregated Real Property Taxes. Until such time as real property taxes have been segregated by the County Assessor of Maricopa County for the Condominium Units, the taxes shall be paid by the Association on behalf of the Owners. In connection with such payment, the proportionate share of such tax or installment thereof for a particular Condominium Unit shall be determined by multiplying the tax or installment in question by the respective percentage interest of such Condominium Unit in the Common Elements. The Association may levy a special Assessment against any Owner who fails to pay his share of any real property taxes pursuant to this Section. In the event such special Assessment is not paid within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof.

Section 15.16. Notification of Sale and Transfer Fee. Concurrently with the consummation of the sale or other transfer of any Condominium Unit, or within fourteen (14) days after the date of such transfer, the transferee shall notify the

Association in writing of such transfer and shall accompany such written notice with a nonrefundable transfer fee to cover Association documentation and processing. The transfer fee shall be a reasonable sum, as determined by the Board from time to time, to cover the administrative costs incurred by the Association in connection with such transfer. The written notice shall set forth the name of the transferee and his transferor, the street address of the Condominium Unit purchased or acquired by the transferee, the transferee's mailing address, the date of the sale or transfer, and the name and address of the transferee's Lender, if any. Prior to the receipt of such written notice, all notices required or permitted to be given by the Association to the Owner shall be deemed to be duly made or given to the transferee if duly and timely made and given to the transferee's predecessor in interest. The transfer fee shall be the personal obligation of the new Owner and shall be secured by the lien in Section 5.01 hereof. Notwithstanding the other provisions hereof, this Section shall not apply to a Lender who becomes an Owner by a foreclosure proceeding, trustee's sale, or any deed or assignment in lieu of foreclosure.

Section 15.17. Owner Default in Maintenance. If an Owner fails to so maintain his Condominium Unit or make repairs thereto in such a manner as may be deemed reasonably necessary in the judgment of the Board to preserve and protect the attractive appearance and value of the Property, or if an Owner shall fail to observe any covenant or restriction imposed on such Owner by the terms of the Declaration, then the Board shall give written notice to such Owner stating with particularity the nature of the default and the corrective action which the Board determines to be required and requesting that the same be carried out within a period of fifteen (15) days after the giving of such written notice. If such Owner fails to carry out such action within the period specified by the notice, the Board shall cause such action to be taken and shall levy a special Assessment for the cost thereof to such Owner, such special Assessment to be due and

payable within thirty (30) days after the Board gives written notice thereof and to be secured by the Assessment lien created in Section 5.01 of this Declaration.

Section 15.18. Use of Funds Collected by the Association. All funds collected by the Association, including Assessments and contributions to the Association paid by Owners, if any, shall be held by the Association in a fiduciary capacity to be expended in their entirety for non-profit purposes of the Association in managing, maintaining, caring for, and preserving the Common Elements and for other permitted purposes as set forth in this Declaration. No part of said funds shall inure to the benefit of any Owner (other than as a result of the Association managing, maintaining, caring for, and preserving the Common Elements and other than as a result of expenditures made for other permitted purposes as set forth in this Declaration).

Section 15.19. Conflicting Provisions. In the case of any conflict between this Declaration and the Bylaws, or Association Rules, this Declaration shall control.

Section 15.20. Amendments. Subject to the other provisions of this Declaration, including, without limitation, the rights of Lenders, this Declaration may be revoked or amended as follows:

(a) Prior to the conveyance of the first Condominium Unit to an Owner other than Declarant, this Declaration and any amendments thereto may be amended or revoked by the execution by Declarant of an instrument amending or revoking the same.

(b) Subject to paragraph (d) of this Section 15.20, subsequent to the conveyance of the first Condominium Unit in the Property to an Owner other than Declarant, this Declaration may be amended by any group of Owners representing not less than sixty-seven percent (67%) of the total allocated votes in the Association.

(c) Subject to paragraph (d) of this Section 15.20, approval must be obtained from Lenders representing at least 51% of the votes of unit estates that are subject to mortgages held

by eligible holders for material changes. A change to any of the following would be considered as material:

- voting rights;
- assessments, assessment liens, or subordination of assessment liens;
- reserves for maintenance, repair and replacement of common areas;
- responsibility for maintenance and repairs;
- reallocation of interests in the general or limited common areas, or rights to their use;
- boundaries of any unit;
- convertibility of units into common areas or vice versa;
- expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project;
- insurance or fidelity bonds;
- leasing of units;
- imposition of any restrictions on a unit owner's right to sell or transfer his or her unit;
- a decision by the owners' association to establish self management when professional management had been required previously by a Lender;
- restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents;
- any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or
- any provisions that expressly benefit mortgage holders, insurers or guarantors.

(c) An amendment or revocation which only requires the execution of an instrument by Declarant as hereinabove provided shall be effective when executed by Declarant and when recorded in the office of the County Recorder of Maricopa County, Arizona. An amendment which requires the affirmative written assent or vote of the Owners as hereinabove provided shall be effective when executed by the President and Secretary of the Association who shall certify that the amendment has been so approved, and when the amendment has been recorded in the office of the County Recorder of Maricopa County, Arizona.

(d) Notwithstanding anything herein to the contrary, as long as there is Class B membership, this Declaration may not be amended without the prior written approval of the Veterans Administration. Subject to the foregoing sentence, Declarant shall have the unilateral right to amend this Declaration during the period of nine (9) months after this Declaration was recorded if such amendment is solely required in order to meet the guidelines or regulations of the Veterans Administration, Federal Housing Administration, Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation. If such amendment bears a recitation that it is recorded based on the requirements of any of the foregoing agencies, such amendment shall not require approval of any Owners or Lenders.

IN WITNESS WHEREOF, Declarant has executed this Declaration as of this 7th day of August, 1984.

38TH STREET PARTNERSHIP,
an Arizona general partnership

By Merrill F. Corley
Its Partner

STATE OF ARIZONA)
) ss.
County of Maricopa)

On this the 7th day of August, 1984, before me, the undersigned Notary Public, personally appeared Merrill F. Corley, who acknowledged himself to be the Partner of 38TH STREET PARTNERSHIP, an Arizona general partnership, and that he, as such officer, being authorized so to do, executed the foregoing instrument on behalf of the partnership.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Pauline E. Sawyer
Notary Public

My Commission Expires:

My Commission Expires June 30, 1987

LENDER APPROVAL

SECURITY SAVINGS AND LOAN ASSOCIATION hereby consents to the recording of the foregoing Declaration of Horizontal Property Regime and Declaration of Covenants, Conditions and Restrictions establishing and governing EL MORADA DEL SOL CONDOMINIUMS and the Plat described therein at Section 1.18 and agrees that the foreclosure of any deed of trust or mortgage held by it encumbering the Property or the Additional Parcel shall not affect the Declaration or the Plat.

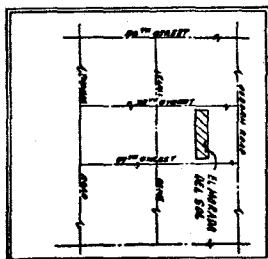
SECURITY SAVINGS AND LOAN ASSOCIATION

By Melva A. Bahr

Its Vice President

ACQUAINTANCE DETAIL OR MEET

SAHARA



COMMUNITY MAP

DEDICATION

[illegible]

LEGAL DESCRIPTION

For example, the following is a list of the names of the people who were involved in the investigation of the case of the missing person, Mr. X. The names are listed in alphabetical order of the last name.

OWNERS CERTIFICATE

[illegible]

ACKNOWLEDGEMENT

[illegible]

ENGINEER'S CERTIFICATE

[illegible]

SUMNERS & ASSOCIATES
CONS. ENGINEERS & ENVIRONMENTALISTS

THE NEW YORK PUBLIC LIBRARY
ASTOR LENOX TILDEN FOUNDATION
500 FIFTH AVENUE
NEW YORK 17, N.Y.

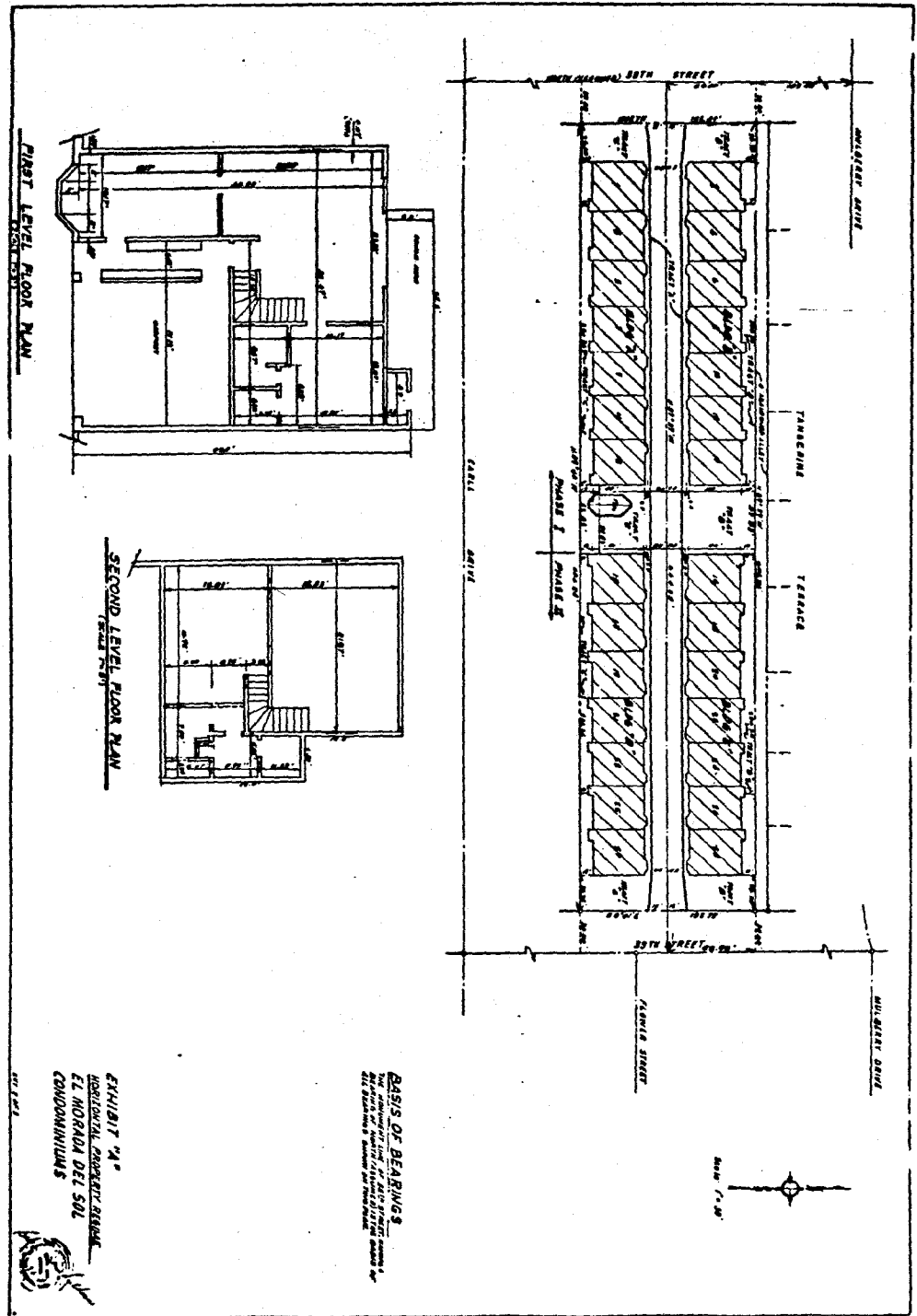


EXHIBIT "A"
HORIZONTAL PROPERTY REGIME
EL MORADA DEL SOL
CONDOMINIUMS

BASIS OF BEARING
The bearings and distances shown on this plan were obtained from the survey of the property and are correct to the best of the knowledge and belief of the surveyor.

PROFILE ELEVATION SCHEDULE

NO.	DESCRIPTION	DATE	BY	CHECKED
1	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
2	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
3	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
4	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
5	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
6	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
7	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
8	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
9	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
10	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
11	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
12	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
13	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
14	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
15	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
16	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
17	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
18	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
19	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
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21	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
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24	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
25	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
26	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
27	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
28	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
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31	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
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37	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
38	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
39	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
40	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
41	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
42	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
43	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
44	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
45	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
46	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
47	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
48	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
49	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith
50	Profile Elevation Schedule	11/1/84	J. L. Smith	J. L. Smith

BENCH MARK
 A BENCH MARK IS A POINT OF KNOWN ELEVATION
 WHICH IS USED AS A REFERENCE FOR THE
 ELEVATION OF OTHER POINTS. IT IS
 A POINT OF KNOWN ELEVATION WHICH IS
 USED AS A REFERENCE FOR THE
 ELEVATION OF OTHER POINTS.

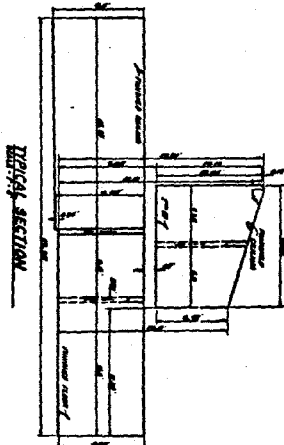
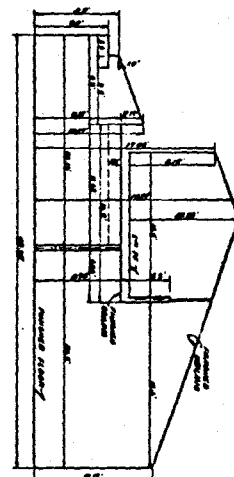


EXHIBIT "A"
 HORIZONTAL PROPERTY REGIME
 EL MORADA DEL SOL
 CONDOMINIUMS

LEGAL DESCRIPTION PHASE I

ALL OF LOT 96 OF CITRUS ACRES, ACCORDING TO THE PLAT OF RECORD FILED IN BOOK 17 OF MAPS, PAGE 29, RECORDS OF MARICOPA COUNTY, ARIZONA, AND PART OF LOT 105 OF EAST CITRUS ACRES PLAT "A", ACCORDING TO THE PLAT OF RECORD FILED IN BOOK 18 OF MAPS, PAGE 15, IN THE OFFICE OF THE RECORDER OF MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE EAST LINE OF 38TH STREET WITH THE SOUTH LINE OF TANGERINE TERRACE, ACCORDING TO THE PLAT OF RECORD FILED IN BOOK 56 OF MAPS, PAGE 50, IN THE OFFICE OF THE RECORDER OF MARICOPA COUNTY, ARIZONA;

THENCE S. $89^{\circ} 39'$ E., ALONG SAID SOUTH LINE OF TANGERINE TERRACE, 328.95 FEET;

THENCE S. $0^{\circ} 21'$ W., 133.79 FEET TO THE SOUTH LINE OF SAID LOT 105;

THENCE N. $89^{\circ} 39'$ W., ALONG THE SOUTH LINE OF SAID LOT 105 AND OF SAID LOT 96, A DISTANCE OF 328.17 FEET TO THE SAID EAST LINE OF 38TH. STREET; THENCE NORTH, ALONG SAID EAST LINE OF 38TH. STREET, 133.89 FEET TO THE POINT OF BEGINNING.

PREPARED BY
SUTHERS & ASSOCIATES
13029 NORTH CAVE CREEK ROAD
SUITE 103
PHOENIX, ARIZONA 85022