

ARTICLES OF ASSOCIATION

AND

DECLARATION OF RESTRICTIONS OF
NORTHFORK RANCH

STATE OF ARIZONA, File No. 64165
COUNTY OF PINAL, ss.
I hereby certify that
the within instrument was duly
recorded on 10-15-84 at 10:46 A.M.
in book 455-147-153
at the request of Austin Daily
By _____ Deputy

FIRST AMERICAN TITLE INSURANCE COMPANY OF ARIZONA, a corporation, as Trustee, Trust No. 7169, acting on behalf of its beneficiary, R. AUSTIN DAILY, Personal Representative of the Estate of Joseph Austin Sinnott and Mary Caroline Sinnott, as "Declarant", being the owner of all of the property described as Northfork Ranch, according to Book 7 of Maps, Page 26, a subdivision of Apache County, Arizona, consisting of Lots 1 through 93 and Tract A, hereby sets forth the Articles of Association and Declaration of Restrictions (hereinafter sometimes referred to as "Restrictions" or "Declarations") which shall apply to and be binding upon each and every owner and shall run with the land.

Declarant and Trustee, desiring to establish the nature and use and enjoyment of said property in accordance with a uniform plan, does hereby declare all of said property subject to the following covenants, conditions, and restrictions as to the use and enjoyment thereof, all of which are to be construed as restrictive covenants running with the title to all of said property and each and every part thereof.

ARTICLE I

Property Owners Association

1. The Northfork Ranch Property Owners Association ("Association") is hereby established for the purpose of transacting any and all lawful business, and, specifically, but not in limitation thereof, to acquire and hold title to the Common Area, Tract A, which is to be conveyed by Declarant to the Association when 75% of the lots have been sold, and to manage, maintain and improve the Common Area and the access easement thereto and any improvements thereon, to maintain trash collection areas, and to do all other things necessary, appropriate or convenient in furtherance of its operation as a property owners association, including, but not limited to, levying, assessing and collecting any and all assessments and dues authorized by the Board of Directors, and to enforce the Restrictions as set forth herein, and any and all rules and regulations as may from time to time be established by the Board of Directors.

2. Each owner in accepting a deed for any lot in Northfork Ranch, whether or not it shall be so expressed in such agreement or contract (which term is inclusive of purchasers under contract), automatically becomes a member of the Northfork Ranch Property Owners Association.

3. Membership shall be appurtenant to and may not be separated from lot ownership. The rights and obligations of an owner and membership in the Association shall not be assigned, transferred, pledged, conveyed, or alienated in any way except upon transfer of ownership, or by intestate succession, testamentary disposition, or such other legal process as now in effect or as may hereafter be established under or pursuant to the laws of the State of Arizona.

4. Each lot owner shall be entitled to one (1) vote for each lot owned (except Declarant who shall be entitled to four (4) votes for each lot he owns). When there is more than one owner of a lot, all such persons shall be members, but the vote for such lot shall be exercised as they among themselves unanimously determine. In the event of non-agreement among the owners of a lot, the vote for that lot shall not be accepted, and fractional votes shall not be allowed. Unless otherwise provided for herein, all action shall be by a majority vote.

Appendment
Dkt 455-147-153
Mary B. Chene, Recorder
By _____ Deputy

Dkt 455-147-153

5. The Association shall be operated and conducted on a strictly cooperative and non-profit basis. While initially unincorporated, the owners may, if they so desire, incorporate the Association under Arizona law. Each owner shall be responsible for its share of assessments and any and all assessments imposed by the Association, if not paid when due, shall constitute a lien on such ownership.

6. Each owner is deemed to covenant and agrees to pay to the Association (1) regular assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as provided herein. The annual and special costs shall be a lien on each lot. Each such assessment, together with interest, any late penalty, costs and reasonable attorney's fees, shall be the personal obligation of the person who was the owner at the time when the assessment was levied. ~~The personal obligation for delinquent assessments shall not pass to its successors in title unless expressly assumed by them;~~ however, the obligation to pay the same shall be a lien on the individual lot, and must be cleared prior to any future sale of the lot.

7. The assessments levied by the Association shall be used exclusively for the improvement and maintenance of the Common Area thereof, including, but not limited to, expenses for maintenance, repair, replacement and improvements of the Common Area and access thereto and improvements and reserves for contingencies and the maintenance of trash collection areas, and removal of trash. The association shall establish and maintain a reserve fund for such purposes by the allocation and payment monthly to such reserve fund of an amount to be designated from time to time by the Board of Directors. Such funds shall be deposited in a special account with a safe and responsible depository, and may be in the form of a cash deposit or invested in obligations of, or fully guaranteed as to principal by the United States of America.

8. Both regular and special assessments will be divided equally among the owners on a per lot owned basis and shall be payable on a monthly or such other basis as determined by the Board of Directors.

9. The regular assessments shall commence as to all owners as of the close of the sale by Declarant of the first lot. Prior to the first meeting of the Association, the operation of the Association and the amount of the assessment shall be as determined by Declarant, with comparable assessments being paid by Declarant on lots it owns. Regular assessments shall be set by the Association through its Board of Directors on an annual basis. After the initial annual assessment, the Association shall fix the amount of the regular assessment against each lot owner at least thirty (30) days in advance of each regular assessment period. Written notice of the assessment shall be sent to every owner subject thereto. The due dates shall be established by the Association.

10. The Association may set a special assessment in addition to the regular assessment, if the Board determines that such is necessary to meet the primary purposes of the Association.

11. All sums assessed by the Association for the share of the common expenses chargeable to any lot, but unpaid, shall constitute a lien on such lot prior to all other liens except only (1) tax liens in favor of any assessing agency and special district; and (2) all sums unpaid on the first mortgage of record. Such lien may be foreclosed by suit by the Board, acting on behalf of the owners of the lots, in like manner as a foreclosure of a real property mortgage. During any such foreclosure, the lot owner shall be required to pay a reasonable rental for the lot, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board, acting on behalf of the Association, shall have the power, unless prohibited herein, to bid on the lot at foreclosure sale, and to acquire and hold, lease, encumber and convey same. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same.

OKT 455 1118

12. Where the mortgagee of a first mortgage of record or other purchaser of an ownership obtains title as a result of foreclosure, such acquirer of title, its successors and assigns, shall not be liable for the share of the lot expenses or assessments by the Association chargeable to such lot owner which become due prior to the acquisition of title to such ownership by such acquirer. The term "mortgage" shall include "deed of trust", and "mortgagee" shall include the "beneficiary under a deed of trust".

ARTICLE II

Architectural Approval Committee

No building, mobile or modular home, garage, carport, workshop, barn, fence, wall or other structure shall be commenced, erected, installed or maintained, until the plans and specifications and model number, where appropriate, reflecting the nature, kind, shape, height, materials, floor plans, location and approximate cost of such improvement shall be submitted to and approved by Declarant or person or persons from time to time appointed by Declarant or Declarant's designated successor. In the event Declarant fails to approve or disapprove any such proposed improvement, its design, location or the kind of materials to be used in such structure within thirty (30) days after written request to do so and after such request has been received by Declarant, then such approval from Declarant will not be required and the improvements constructed shall be governed only by the Restrictions set forth herein. The Declarant or its assigns shall have absolute discretion in rejecting any proposed improvement for any reason, including, but not limited to, aesthetics. All subsequent additions to or changes or alterations in any of the above referred to improvements shall also be subject to the prior approval of Declarant on the same basis set forth above.

ARTICLE III

Protective Restrictions

1. Tract A shall be used for Common Area purposes for the benefit and use of all lot owners.

2. All lots (1 through 93) shall be used only as residential lots. Not more than one single family detached residence may be placed on any lot. Each dwelling erected shall have at least 900 square feet of living area, exclusive of garage or carport. Mobile or modular homes shall contain at least 900 square feet of living area measured to the exterior walls.

3. No mobile home shall be older than five (5) years, as evidenced by the certificate of title, at the time of its installation on a lot. Camping trailers, motor homes or travel trailers shall be allowed on a lot only with the express written consent of the Declarant and only then in accordance with applicable municipal/county regulations. No tents will be allowed.

4. All dwellings, including mobile and modular homes used for residential purposes, shall install water flush toilets. All bathrooms, toilets, or other sanitary conveniences shall be located within the residence and all waste water shall be discharged into a municipal/county approved septic sewage disposal system to be installed by the lot owner.

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5. All mobile homes shall have a covered porch or permanent awning constructed around or attached to said mobile home. Each such porch or awning constructed shall be subject to the prior written approval of Declarant pursuant to Article II. Such porches or awnings shall be constructed out of new materials and completed within eighteen (18) months of the installation of the mobile home on the lot. All mobile homes shall have skirts from the base of the mobile to the ground level on all four sides.

6. No structure or mobile home shall be located on the building site less than 25 feet from the front lot line, nor less than 15 feet from any side lot line, nor less than 25 feet from any rear lot line. In no event may any structure be placed or erected on any easement or flood plain as shown on the Subdivision Plat. All contemplated improvements, once commenced, must be completed within twelve (12) months of commencement date.

7. ~~No elevated tanks of any kind, except for water tanks~~ approved pursuant to Article II, shall be erected, placed, or permitted upon any of the lots. Any tanks for use in conjunction with the storage of gas or fuel oil must be approved by the Architectural Control Committee.

8. No solid wall or fence over 3' in height shall be erected or maintained nearer to the front street line than the front wall of the residence placed or erected thereon. No side or rear fence or no side or rear wall, other than the wall of the building constructed on any lot, shall be more than 6' in height. No wire fences shall be constructed other than woven wire around garden areas.

9. No motor vehicle (including boats, snowmobiles, and motorcycles), which is under repair or not in operating condition, shall be placed or permitted to remain on any street or on any lot, unless, if located on a lot, it is within the confines of an enclosed garage or other enclosed structure.

10. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot except that: (a) A reasonable number of dogs, cats or other household pets, and (b) Two (2) horses per acre, and (c) Small fowl, and (d) One (1) beef (no milk cows), goat or lamb may be kept, provided, however, such animals are not kept, bred or maintained for any commercial purpose, and excepting for household pets, other than dogs, all animals must be fenced so as to be confined within the boundaries of the lot.

11. All fireplace chimneys and outlets from stoves, heating appliances and outside fire boxes must be protected from sparks by capping or screening. No campfires are allowed.

12. No noxious or offensive activities shall be carried on upon any lot nor shall anything be done thereon which may be or may become an annoyance or a nuisance. Hunting, discharging of firearms, and use of cross country type vehicles shall be considered a nuisance. No lot shall be used as a dumping ground for rubbish.

13. All lots shall be kept free of weeds and debris and it is agreed that Declarant and its assigns, upon ten (10) days written notice to the lot owner, shall have the right to remove any weeds or debris from the lot, with the lot owner agreeing to pay to the Declarant, or its assigns, upon demand, all reasonable costs incurred in such removal of weeds and debris.

14. No derrick equipment or other structures designed for use in boring, mining, or quarrying for building, stone, oil, natural gas or minerals shall be erected, maintained or permitted on any lot.

15. No signs, other than one normal "For Sale" or "For Rent" sign not to exceed 2' x 2' in size, shall be allowed on any lot.

16. Notwithstanding the above restrictions, the Declarant, while selling and/or improving the property, may install such signs and maintain such sales offices and other facilities necessary in its opinion to conduct its business operation, free of the limitations herein imposed.

17. This subdivision, in addition to the provisions of this Declaration, is subject to all codes, regulations and processes of Apache County, Arizona, as from time to time enacted, repealed or amended, and the more restrictive provisions shall apply and prevail.

ARTICLE IV

Insurance and Rebuilding

All insurance policies upon Common Area shall be purchased by the Association for the benefit of the Association and the owners. Such policies and endorsements thereon shall be deposited with the Association. Owners shall obtain at their own expense insurance coverage on their own improvements, personal property and for their personal liability.

ARTICLE V

FLOOD PLAIN AND EASEMENTS

1. Lots 30 through 41 inclusive and Lots 81 through 87 inclusive are located within a 100 year flood plain which, along with the associated building setback lines, are as referenced on the recorded subdivision plat of Northfork Ranch.

2. A temporary easement for the benefit of all lot owners is hereby created for refuse collection purposes affecting the following property: Northwest 20' x 20' of Lot 1; Northwest 20' x 20' of Lot 43; Northeast 20' x 20' of Lot 42; and Northwest 20' x 20' of Lot 90. The above easements shall remain in effect until there is individual lot trash collection service to the subdivision, at which time said easement shall terminate. All garbage and loose trash is to be placed in containers.

3. There is hereby created a non-access easement 1' in width, affecting certain areas at the north of the Northfork Ranch Subdivision, all as shown on the recorded subdivision plat.

ARTICLE VI

Enforcement

1. Failure to enforce any of the Restrictions herein contained shall not in any event be construed to be a waiver thereof, or a consent to any further succeeding breach or violation hereof. Upon a breach of any of the provisions of these Restrictions, anyone owning land included within the Survey Map boundaries or neighboring land subject to similar restrictions may bring action in a court of proper jurisdiction to enjoin or restrain said violation or to recover damages due to the breach thereof, along with the recovery of reasonable attorney's fees and costs. As used in these Restrictions, the term "owner" shall include anyone having a legally recognized interest in the property.

OKT 465 151

2. No mortgage, deed of trust or other encumbrance entered into by a parcel owner shall be considered unenforceable nor shall it be adversely affected by any violation of these Restrictions, excepting, upon foreclosure of any such encumbrance, the holder thereof acquiring title shall be subject to all the terms and conditions of these Restrictions.

ARTICLE VII

Violations

In the event of any violation of any of the above by any owner, then the Association, Declarant, or any owner may, at its option, have the following rights against the violator: (1) An action at law to recover for damages; and (2) An action in equity to enforce performance on the part of the owner; and/or (3) An action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief. Failure to maintain such an action at law or in equity shall not constitute a waiver of the violation or any other violations.

ARTICLE VIII

Expansion

Declarant reserves the right to expand this Declaration through the inclusion of adjacent lands and incorporate said expansion land within this Declaration by specific reference thereto. Any such expansion shall be subject to all the terms and conditions of this Declaration.

ARTICLE IX

Term and Amendment

The foregoing Restrictions shall run with the land and shall be binding upon all persons having an interest in and owning any of said lots until January 1, 2004, at which time said Restrictions shall be automatically extended for successive periods of ten years, unless by a majority of the then owners, including any purchasers under contracts, of the lots, it is agreed to modify or terminate said Restrictions in whole or part. At any time while these Restrictions are in force and effect, they may be amended in writing and duly recorded by the then owners, including any purchasers under contracts, of 75% of the lots affected by these Restrictions.

DATED this 12th day of October, 1984.

FIRST AMERICAN TITLE INSURANCE
COMPANY OF ARIZONA, a corporation,
as Trustee

By *Ramona M. Meyer*

OKT 455 152

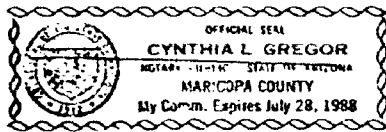
STATE OF ARIZONA)
) ss.
County of Maricopa)

On this 12th day of October, 1984, before me, the undersigned Notary Public, personally appeared Pamela Meyer, as Trust Officer of FIRST AMERICAN TITLE INSURANCE COMPANY OF ARIZONA, a corporation, Trustee under Trust No. 7169, who acknowledged that he executed the foregoing instrument on behalf of said Trustee for the purposes therein contained.

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

Cynthia L. Gregor
Notary Public

My Commission Expires:



DXT 455 DME 153

When recorded return to:
First American Title
111 West Monroe
Trust Dept... RNC-7169
Phoenix, Az. 85003

AMENDED

ARTICLES OF ASSOCIATION
AND
DECLARATION OF RESTRICTIONS OF
NORTHFORK RANCH

STATE OF ARIZONA Fee No. 29912
COUNTY OF APACHE ss.
I hereby certify that
the within instrument was filed and
recorded 6/13/85 11:11 AM
in docket No. 480, Page 56
at the request of
FIRST AMERICAN Title
MARY G. CHAVEZ, Recorder
By _____ Deputy

FIRST AMERICAN TITLE INSURANCE COMPANY OF ARIZONA, a corporation, as Trustee, Trust No. 7169, acting on behalf of its beneficiary R. AUSTIN DAILY, Personal Representative of the Estate of Joseph Austin Sinnott and Mary Caroline Sinnott, as "Declarant", being the owner of all the property described as Northfork Ranch, according to Book 7 of Maps, Page 26, a subdivision of Apache County, Arizona, consisting of Lots 1 through 93 and Tract A, hereby amends that certain Articles of Association and Declaration of Restrictions of Northfork Ranch recorded in Docket 455, Page 147 of the Apache County, Arizona Recorder as follows:

Paragraph 8 of Article 1 is hereby amended to read as follows:

"Both regular and special assessments will be divided equally among the owners on a per lot owned basis and shall be payable on a monthly or such other basis as determined by the Board of Directors, except any cost of installation, maintenance, or use charges in conjunction with any Association installed or sponsored utilities involving individual lots, which costs shall be apportioned only among those Owners using such facilities."

Paragraph 8 of Article III is hereby amended to read as follows:

"No barbed wire fence shall be constructed."

Except as hereby amended, the Articles of Association and Declaration of Restrictions of Northfork Ranch shall remain as previously recorded.

DATED this 11th day of JUNE, 1985.

R. Austin Daily
R. Austin Daily, as Trustee

FIRST AMERICAN TITLE INSURANCE
COMPANY OF ARIZONA, a corporation,
as Trustee

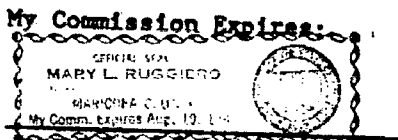
By Roderick N. Collier

STATE OF ARIZONA }
County of Maricopa) ss.

On this 11th day of JUNE, 1985, before me, the undersigned Notary Public, personally appeared Roderick N. Collier as Trust Officer of FIRST AMERICAN TITLE INSURANCE COMPANY OF ARIZONA, a corporation, Trustee under Trust No. 7169, who acknowledged that he executed the foregoing instrument on behalf of said Trustee for the purposes therein contained.

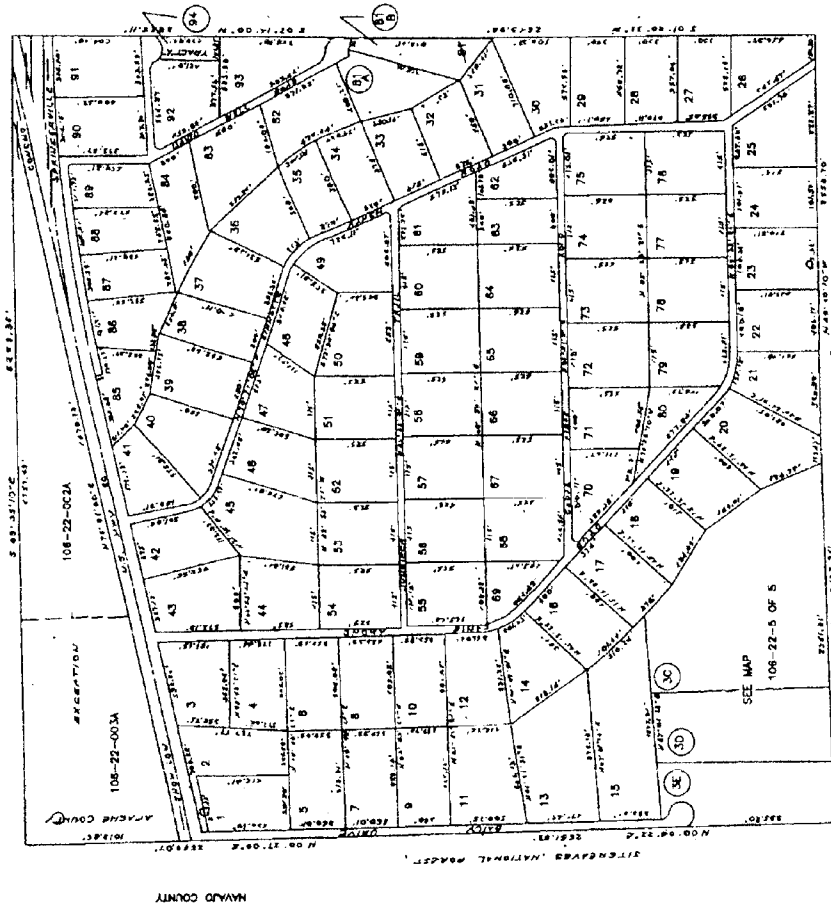
IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Mary L. Ruggiero
Notary Public



DKT 480 Page 56

TOWNSHIP 10 N RANGE 24 E 106-63
 SE4 SECTION 7
 NORTHFORK RANCHES SUBDIVISION UNIT ONE



2004 Melody Capps
 Apache County Assessor