

Gila County, AZ Linda Haught Ortega, Recorder

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Gila County, AZ

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THOMPSON DRAW IMPROVEMENT



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2003-014938 Page: 1 of 19 08/26/2003 10:58A

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Thompson Draw Improvement Association HCR 2, Box 93-X
Payson, AZ 85541

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THOMPSON DRAW I

This Declaration of Covenants, Conditions and Restrictions for THOMPSON DRAW I (the "Declaration") is made this 26th day of August, 2003 by Thompson Draw Improvement Association, an Arizona non-profit corporation (hereinafter referred to as the "Association") the Owner of the Property.

RECITALS:

A. The Association owns all the Common Areas and all the Lots within Thompson Draw I, which is situated within the County of Gila, State of Arizona (the "Property") and more particularly described as:

Lots 1 through 38, inclusive, and Tracts A1 through A-16 and B, Thompson Draw I, according to plat recorded in Map No. 745 A through F, in the office of the County Recorder of Gila County, Arizona.

B. The Association desires, for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property and to provide for the maintenance and operation of the Common Areas, to submit the Property to the provisions of this Declaration, which shall be for the benefit of the Property and the Owners of the Property.

NOW, THEREFORE, in consideration of the premises and for the foregoing purposes, the Association does hereby submit the Property to the provisions of this Declaration and declares that the Property and each part thereof is and shall be held, encumbered, built on and otherwise used, improved, maintained, leased, transferred, sold, conveyed, and occupied subject to the covenants, conditions, restrictions, reservations, easements, charges and liens hereinafter set forth, which shall (i) attach to and run with the land, (ii) be binding on the Property and all Owners, Lessees and other parties having, acquiring or otherwise at any time possessing any



08/26/2003 10:58A

right, title or interest in or to the Property or any part thereof, (iii) inure to the benefit of said Owners, Lessees and other parties, (iv) be for the purpose of establishing a general plan for the improvement and development of the Property as an attractive and exclusive development, and (v) be binding on all Owners, Lessees and other parties having, acquiring or otherwise at any time possessing any right, title or interest in or to the Property.

ARTICLE 1

DEFINITIONS

When used in this Declaration (including in that portion hereof entitled "Recitals") the following terms shall have the meaning indicated:

- 1.1 Architectural Review Committee shall mean and refer to the committee established pursuant to Article 3 hereof.
- Articles or Articles of Incorporation shall mean and refer to the instrument entitled "Articles of Incorporation of Thompson Draw Improvement Association" which is filed with the Arizona Corporation Commission, as they may be amended from time to time.
- 1.3 Association shall mean and refer to Thompson Draw Improvement Association, the Arizona nonprofit corporation which was created by the filing of the Articles.
- 1.4 Bylaws shall mean and refer to the Bylaws of the Association, as they may be amended from time to time.
- 1.5 Common Area or Common Areas shall mean and refer to all portions of the Property owned by the Association for the common use and enjoyment of the Owners, and shall include:
 - (a) Tracts A through A-17 and B, as described on the Plat.
 - All easements over portions of the individual Lots reserved for common use as (b) utilities.
 - (c) All installations, equipment, and lines, if any, now or hereafter located on, over, or under Lots 1 through 38 and connected with or related to the furnishing of utility services such as water, and which are not owned by or dedicated to a governmental or quasi-governmental authority or public or private utility company.
- 1.6 Declaration shall mean and refer to this Declaration of Covenants, Conditions and Restrictions, as the same may be modified, amended or supplemented in accordance with law and the provisions hereof.



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Page: 3 of 19 08/26/2003 10:58A

- 1.7 <u>Eligible Mortgagee</u> shall mean and refer to a Mortgagee which has requested notice of certain matters from the Association in accordance with Section 6.10.
- 1.8 <u>Improvement</u> shall mean each and every change, alteration or addition of any kind whatsoever to any portion of the Property, including, but not limited to, any excavation, grading, fill work, building, structure, walkway, driveway, road, parking area, wall, fence, utility installation, aerial, antenna, drainage facility, stair, patio, courtyard, pool, sign, or landscaping of any and all components of any of the foregoing (including, but not limited to, exterior paint, texture, color and finish scheme) and any and all modifications or alterations of or additions to any of the foregoing.
- 1.9 <u>Lessee</u> is a person(s) using a residence with consent of the Owner with payment of compensation for such use.
- 1.10 Lot shall mean and refer to any of the separately numbered and individually described parcels of land shown on the Plat as Lots 1 though 38 and intended for private use and ownership, which the Association shall convey to the individual owners.
- 1.11 Member shall mean and refer to every person who holds membership in the Association.
- 1.12 <u>Mortgage</u> shall mean and include both a first mortgage on any Lot or a first deed of trust on any Lot.
- 1.13 <u>Mortgagee</u> shall mean and refer to a mortgagee under a first mortgage on any Lot and a beneficiary under a first deed of trust on any Lot.
- 1.14 Owner or Owners shall mean and refer to (i) the record Owner, whether one (1) or more persons or entities, of equitable or beneficial title in fee simple (or legal title if same has merged) to any Lot, or (ii) the purchaser or purchasers of such Lot under an agreement for sale or contract to purchase as set forth in Arizona Revised Statutes Section 33-741 et. seq. The foregoing does not include persons or entities who hold an interest in a Lot merely as security for the performance of an obligation, or a Lessee of an Owner, or a purchaser or vendee under an executory contract of sale which has not been fully consummated with a deed to the purchaser recorded in the office of the County Recorder of Gila County, Arizona.
- 1.15 Plat shall mean and refer to the plat of the Property recorded in Map No. 745 A through F, in the office of the County Recorder of Gila County, Arizona.
- 1.16 <u>Property</u> shall mean and refer to the tract of real property described in Recital A of this Declaration.
- 1.17 <u>Residence</u> shall mean and refer to a house or similar structure located on a Lot which is designated and intended for human occupancy.

DRES

Page: 4 of 19 08/26/2003 10:58A

1.18 <u>Social Guest</u> is a person(s) using a residence with the consent of the owner without compensation.

ARTICLE 2

USE RESTRICTIONS

- 2.1 <u>Use Restrictions</u>. The Property shall be held, used, enjoyed and conveyed subject to the following express Covenants, Conditions and Restrictions:
- 2.1.1 Private Residential Use. Lots shall be occupied and used by the respective Owners thereof solely for private single family residential use of the Owner, his family, Lessees and Social Guests and for no other purposes. No business activities of any kind whatsoever shall be conducted upon any Lot or within Improvements located thereon, except that an Owner may conduct a business activity within a Residence so long as it does not detract from the residential character of the Property and:
 - (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Residence;
 - (b.) the business activity conforms to all applicable zoning ordinances or requirements applicable to the Property;
 - (c) the business activity does not involve frequent or annoying traffic by persons coming on the Property who do not reside in the Property or the door-to-door solicitation of other residents of the Property or the display of commercial signs;
 - (d) the business activity is consistent with residential use, does not constitute a nuisance or hazardous or offensive use or threaten security or safety of other residents of the Property.

The Board of Directors shall have the sole discretion to determine whether, in a particular case, the use of a Lot violates the provisions of this Section. If the Board of Directors determines that use of a Lot violates this Section, it shall have the authority to require that the use in question cease immediately.

The leasing of a residence by the Owner thereof shall not be considered a trade or business within the meaning of this Section. The Board of Directors may enact rules and regulations governing leasing of residences, the breach of which may subject the Owner of the applicable Lot to fines, liens or other sanctions as determined by Board. Any lease shall be in writing with a term of not less that six (6) months and a copy thereof shall promptly be furnished to the Secretary of the Association. The Lessor shall furnish any occupant with a copy of this Declaration of Covenants, Conditions and Restrictions, as may be amended from time to time, a current copy the Bylaws of the Association and a current copy of any Rules and Regulations that





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2003-014938 Page: 5 of 19 08/26/2003 10:58A

have been adopted by the Board of Directors or the Association.

The Lessee must comply with all of the (a) Conditions, Covenants and Restrictions, (b) Bylaws

and (c) Rules and Regulations of the Association. All occupants shall comply therewith.

2.1.2 <u>Water Conservation</u>. Inasmuch as the Association is currently dependent upon a single well for its water supply and the well may not be able to supply all the water needed from time to time, the Owners will exercise as much water conservation as possible and refrain from wasteful usage. The Board of Directors shall have the authority to restrict the usage of water which it deems to be wasteful by any Owner and to levy reasonable fines against Owners who themselves, or by their guests, invitees or Lessees, are repeat offenders.

- 2.1.3 <u>Buildings and Structures</u>. All buildings or structures erected or hereafter erected on the Lots shall be of new construction and no building or structure shall be moved from other locations onto a Lot. Not more than one (1) single-family structure and two (2) auxiliary buildings such as a carport, garage or storage shed may be erected on any individual Lot. The largest auxiliary building shall not exceed the approximate size of a two (2) car garage, said structure may contain sleeping quarters, without kitchen facilities, for temporary use. If there is a second auxiliary building it shall not exceed the approximate size of a one (1) car garage. Any auxiliary building shall be located as close to the main building as practical, subject to the approval of the Architectural Review Committee. Mobile, prefab or modular homes may not be affixed as a permanent structure.
- 2.1.4 <u>Temporary Structures, Mobile Homes, etc.</u> No house trailer, mobile home or motorized mobile home shall at any time be placed upon, stored or lived in on any Lot for a period to exceed fourteen (14) days in any thirty (30) day period; provided, however, that the Board of Directors may grant such permission for a period not to exceed four (4) months while an Owner is actually constructing a permanent Residence. This restriction does not apply to pick-up trucks with camper shells or minivans which are a primary source of transportation. Power generators are not to be operated, except during an emergency. Under no circumstances shall any vehicle, mobile home or other structure be placed upon, lived in or stored on any portion of the Common Area. The Board of Directors or its designated officer or agent shall have the right and power to enter upon any Lot or portion of the Common Area for the purpose of removing any house trailer, mobile home, motorized mobile home or other structure existing in violation of this section, and all costs incurred shall be charged against the Owner by invoice and such charge shall constitute and be made a lien on the Lot of the Owner and may be foreclosed in the same manner as an assessment lien.
- 2.1.5 <u>Plumbing Facilities</u>. With the exception of gray lines, all plumbing shall be of the modern inside type, connected below the surface of the ground to a septic tank with an adequate leach drainage line below the surface or to an approved sewer line. Gray lines are permissible for drainage of waste wash water, but their installation must comply with the regulations promulgated by Gila County, Arizona. A sump arrangement must be provided to allow such waste water to properly leach into earth below ground.



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Page: 6 of 19 08/26/2003 10:58A

- 2.1.6 <u>Electrical Equipment</u>. All electrical equipment and facilities installed and operated shall conform to the National Electric Safety Code and the electrical code of Gila County, Arizona. Applicable electrical equipment must have been approved by the Underwriters Laboratory.
- 2.1.7 <u>Gas Equipment</u>. All propane or other liquefied-petroleum-gas equipment shall be installed and operated in accordance with the laws and regulations of Gila County, Arizona.
- 2.1.8 Fences. No fences shall be erected around or within any Lot in excess of a 1000 square feet area per Lot. Fence type, size and location must comply with the Bylaws and are subject to the approval of the Architectural Review Committee. Common Areas must not be blocked and access must be visible from outside the fence. Natural materials must be used for erosion control.
- 2.1.9 <u>Drainage</u>. No Owner or Resident shall interfere with or obstruct the natural drainage pattern over his Lot such that it is diverted to flow over any other Lot. Within an Owner's Lot, reasonable measures for erosion control are permissible.
- 2.1.10 No Subdivision. No Lot shall be subdivided or split into smaller Lots or parcels.
- 2.1.11 <u>Set-Back Requirements</u>. From the date hereof no structure shall be erected on any Lot within fifteen (15) feet of all Lot lines, provided, however, that the setback requirements herein provided may be amended or modified by the Board of Directors, upon written application by any Owner, where the Board determines that the set-back requirements would work an undue hardship or where a variation thereof would be in the best interest of the Lot Owner and the Association as a whole. In no case shall setbacks violate the minimum requirements of Gila County, Arizona, without variance approval from Gila County, as well as approval from the Board of Directors.

2.1.12 Exterior Improvements.

- (a) All structures shall be designed and constructed to be consistent and blend with the rustic forest environment of the surrounding area. Exterior roofing, stains, paint, etc., shall be selected to conform to this philosophy, all as more particularly set forth in the Bylaws or rules of the Architectural Review Committee.
- (b) No Exterior Improvement of a temporary or permanent character shall be commenced, erected, altered or maintained, until the plans showing the nature, kind, shape, color, height, materials, floor plans and location of such Exterior Improvement or proposed alteration, modification or addition of or to an existing Improvement shall have been submitted to the Architectural Review Committee and approved by the Board of Directors, and a copy thereof, as finally approved, lodged permanently with the Association. Requests submitted during a month will receive a response by the end of the following month. Failure to respond

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Page: 7 of 19 08/26/2003 10:58A 27.00

within this time period shall constitute approval of the request. The Board shall not unreasonably withhold approval of any plans and rejection of any plans must be based on reasonable judgment as to the effect that said changes and alterations will have on the Property as a whole. The Board shall have the right to refuse to approve any such plans, or grading plans, which are not suitable or desirable, in its opinion, for aesthetic or any other reasons, and in so passing upon such plans, or grading plans, it shall have the right to take into consideration the suitability of the proposed Exterior Improvement and of the materials of which it is to be built on the Lot upon which it is proposed to be built, the harmony thereof with the surroundings and the effect of the Exterior Improvement as planned on the outlook from the adjacent or neighboring property. All subsequent additions to or changes such as stemwalls, foundations or roofing material or alterations, including but not limited to painting of exterior surfaces of any building, wall or other structure other than natural wood staining or natural wood color, shall be subject to the prior approval of the Board. Re-roofing or re-painting with approximately the same materials or color, as previously existed, shall not require review of the Board of Directors or the Architectural Review Committee.

- (c) Although the Board of Directors shall have final approval authority over all plans for Exterior Improvements, the Board shall refer said plans to the Architectural Review Committee for evaluation and shall be guided by the recommendations of the Architectural Review Committee.
- (d) If plans for Exterior Improvements are disapproved, the specific reason or reasons for disapproval shall be communicated in writing to the Lot Owner(s) who submitted them. Said Lot Owner(s) may then revise the plans to remedy the stated reasons for disapproval and resubmit said plans to the Board of Directors for further review. Alternately, if said Lot Owner(s) disagree with any or all of the stated reasons for disapproval, the Lot Owner(s) may request and shall be granted a hearing with the Board of Directors and the Architectural Review Committee whereby the areas of disagreement may be clarified and resolved. The Board of Directors and the Architectural Review Committee shall give full and reasonable consideration to the information presented by the Lot Owner(s) in support of their position. However, final authority to approve or disapprove rests with the Board.
- (e) Any plan approved by the Board of Directors shall be submitted for approval by the Owner(s) to appropriate agency of Gila County, if required by Gila County. No request for approval shall be presented to Gila County unless there has been prior approval by the Board of Directors.
- (f) Any approval of plans and specification shall be evidenced by a certificate signed by at least a majority of the Board of Directors. Said approval shall then be irrevocable and not subject to withdrawal or change by the Board of Directors. Such certificate may be conclusively relied upon by all parties including, but not limited to, any Lot Owner(s), any title insurance company and any Mortgagee taking any Lot as security.



County, AZ DR

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Page: 8 of 19 08/26/2003 10:58A

2003-014938

2.1.13 Livestock and pets.

(a) <u>Pets.</u> Household pets must not be for breeding purposes, present a health or safety hazard to residents of the Property or their guests. Dogs shall be restrained by a fence or on a leash or similar restraint when not on an Owner's property and must be under Owner's control at all times.

(b) <u>Livestock</u>. No cattle, sheep, goats, pigs or other livestock or poultry may be kept, boarded or maintained on any portion of the Property, provided, however, this restriction shall not be construed as prohibiting the keeping of ordinary domestic pets or birds upon the Property.

One to three horses may be kept on an Owner's Lot on a temporary, intermittent basis only, no more than seven (7) consecutive days, not to exceed fourteen (14) days in any year and only for the use of the Owner and the Owner's family and guests. Horses may be ridden on the Property for ingress and egress only. The Owner shall be responsible for the maintenance of his Lot so as to avoid dust, noise, pollution or nuisance to other Owners. All corrals to keep horses shall not exceed twelve (12) feet by twelve (12) feet and shall exist only when horses are in residence. Trailers and other related equipment shall be located on an Owner's Lot only and not the Common Area. Horse manure left on the Property shall be promptly removed by the horse owner/user. The Board of Directors shall have the authority to levy reasonable fines against Owners who themselves, or by their guests or other invitees are repeat offenders. These fines may become liens if not timely paid in the same manner as other sums which become past due to the Association. If the foregoing action is unsuccessful in correcting reasonable objections of the Board of Directors to the presence of horses on a Lot, the Board of Directors shall have the authority to revoke this privilege from a specific Owner after notice to the Owner and a hearing before the Board of Directors on the matter.

2.1.14 Motor Vehicles.

- (a) Recreational vehicles or vehicles of a class generally considered to be for recreation purposes, including, but not limited to, motorcycles, motorbikes, tote-goats, dune buggies, trail bikes, all-terrain vehicles and go-carts may be used for transportation purposes only for ingress, egress and maintenance work upon the roadways. All such vehicles shall be properly baffled or muffled and operated by an adult or under adult supervision. The riding of such vehicles shall not be frequent or repetitive so as to cause dust, noise or other similar nuisance. The Board of Directors shall have the authority to levy reasonable fines against Owners who themselves, or by their guests or other invitees, are repeat offenders. These fines may become liens if not timely paid, in the same manner as other sums which become due to The Association.
- (b) Handicapped or special needs individuals may petition the Board to receive an exception to the matters set forth in (a) above.



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Page: 9 of 19 08/26/2003 10:58A 27.00

- (c) No motor vehicle which is under repair or not in operating condition, shall be placed or permitted to remain on the roadway(s) or any portion of the Property, unless it is within an enclosed garage or other structure.
- 2.1.15 <u>Firearms and Fireworks</u>. The discharge of any firearm, airgun or similar weapon is prohibited on any portion of the Property except in self defense. The use or storage of any and all types of fireworks, rockets, sparklers or similar item is prohibited on any portion of the Property.
- 2.1.16 <u>Hunting</u>. The shooting, trapping, snaring or hunting of any form of animal or bird wildlife is prohibited on any Lot or Common Area except where it is necessary to protect life, or where prior written permission has been obtained from the Board of Directors.
- 2.1.17 <u>Signs, Nuisances</u>. No advertising signs, except one (1) "For Sale" sign per Lot, not to exceed five (5) square feet, billboards, unsightly objects or nuisances shall be erected, placed or permitted to remain on any portion of the Property, nor shall the Property be used in any way or for any purpose which may endanger the health of any person or unreasonably disturb the peaceable use and enjoyment of the Property.
- 2.1.18 <u>Lot Identification</u>. Each Lot Owner shall display his Lot number in a size and position which is easily visible from the road. Lot identification signs shall be of simple rustic design and state name and Lot number.
- 2.1.19 Fire Protection. For the purpose of fire protection, each Lot Owner shall at all times maintain his Lot clear from hazardous materials or of hazardous vegetative growth at least thirty (30) feet around any structures, and shall install and maintain a garden hose outlet on the exterior of any structure on a Lot so as to permit hose stream protection for all sides of a structure and roof. Spark arresters shall be installed and maintained at all times on any chimney. Roofs, rain gutters, chimneys and stove pipes shall be kept reasonably clear of flammable debris, and tree branches which overhang chimneys and stove pipes shall be removed. Branches which may chaff against power lines shall be removed. Annually, each Lot Owner shall clear all readily burnable vegetation such as dried grass, pine needles, dead brush and dead small trees from an area approximately thirty (30) feet in distance from each side of any structure, or to the Lot boundary if the distance to the boundary is less than thirty (30) feet. Coals and ashes from fireplaces, etc., shall be stored in fire-safe metal containers and disposed of in an approved sanitary landfill. Each Lot Owner shall be bound by any additional fire protection rules or regulations, including removal of dense trees and shrubs, which may be issued by the Board of Directors or any governmental agency.
- 2.1.20 <u>Tree Clearance</u>. Except for dead, leaning or diseased trees, clearance necessary for forest health, construction, access road, fire protection or building, no trees or other vegetation may be removed from any portion of the Property without prior approval of the Board of Directors.



Page: 10 of 19 08/26/2003 10:58A 27.00

- 2.1.21 Excavation. No soil, stone, sand or gravel may be removed from any portion of the Property without prior approval of the Board of Directors.
- 2.1.22 Native Plants. To maintain a "native plant atmosphere," "nursery type plantings" of plants which are not native to the Property shall be held to a minimum. The Board of Directors shall have the authority to cause excessive planting of non-native plants to be removed.
- 2.1.23 Zoning. No application for zoning or re-zoning of any Lot shall be filed with any governmental authority.
- 2.1.24 <u>Driveway Easements</u>. Wherever a Lot's primary driveway, which exists on the date hereof, crosses a portion of an adjacent Lot, the Owner of the Lot and his guests and invitees shall have the temporary right to use said existing driveway for access to and from the Lot for a period of six (6) years after the date this Declaration is recorded in the records of Gila County, Arizona. When the six (6)-year period has expired, the Lot Owner may continue to use said driveway with the written consent of the Owner of the adjacent Lot through which the driveway passes. Any new driveway must be constructed entirely within the boundaries of the Owner's Lot and shall in no way encroach upon any other Lot or Common Area without the consent of the Lot Owner or Board of Directors of the Association, as applicable. Said new driveway shall also conform and comply with all other applicable covenants, conditions and restrictions contained herein.
- 2.1.25 Transfer of Ownership. The Owner of each Lot shall give the Association notice in writing of any sale, transfer or conveyance by any of the Owners of such Lot within ten (10) days of recording of the transfer of title to such Lot at the Gila County Recorder's Office.
- 2.1.26 <u>Utility Easements</u>. Easements for sewers, water, cable television, electricity, telephone and other utilities and necessary or desirable wires, lines, cables, equipment and appurtenances along, under, over, adjacent to and across the Lots are hereby granted, reserved and established where lines for such utilities are currently installed and necessary or desirable wires, cables, equipment and appurtenances and within the area located within fifteen (15) feet of any Lot line together with reasonable ingress and egress rights thereto, for the benefit of the Owners and the Association. Such easements shall include the right to excavate for, place, cover, repair and do everything necessary or desirable to maintain the same in a workmanlike manner and proper condition. This right shall be exercised in such manner as to preserve the greatest amount of natural growth and vegetation and do the least amount of injury to the Lots, consistent with the most feasible location and maintenance of, and proper construction of any improvements to said easements. The exact location of these easements and the construction of any improvements thereto shall be as determined by the Association.
- 2.2 Effective Date of Use Restrictions. The Covenants, Conditions and Restrictions contained in this Article 2 regarding Improvements shall not be applied retroactively to any Improvement which was constructed or installed prior to the date on which this Declaration is



08/26/2003 10:58A 27.00

recorded in the office of the County Recorder of Gila County, Arizona. However, any subsequent additions, modifications or alterations to said existing Improvements shall be subject to the covenants, conditions and restrictions set forth in this Article 2.

- 2.3 <u>Variances</u>. The Board of Directors, by a two-thirds (2/3) vote, may, in its discretion, grant variances for buildings and improvements only, from the Covenants, Conditions and Restrictions set forth herein, provided that the party requesting such variance obtains all necessary permits, approvals and variances, if any, from any governmental authority having jurisdiction thereof and the Architectural Review Committee has reviewed and recommended such variance.
- 2.4 Association Access to Lots; Right to Make Repairs. In the event the Owner(s) of any Lot shall fail to maintain the premises and the exterior of the Improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, through its agents and employees, shall have the right to enter upon such Lot and correct any violation of these restrictions or repair, maintain, rehabilitate and restore the exterior of any Improvements situated thereon, and the cost thereof shall be charged against the Owner of said Lot by invoice in the manner set forth in Article 5 hereof and made a lien on said Lot and foreclosed as therein set forth; provided, however, that the Association shall first give written notice to the Owner of said Lot of its intentions to make such corrections or repairs or of its intention to perform such maintenance or rehabilitation work and affording the Owner of said Lot a ninety (90) day time in which to make said necessary corrections, repairs or maintenance work. If at the end of said ninety (90) day period, the work to be performed has not been commenced by the Owner(s), and completed within a reasonable time, then the Association shall have the right, as set forth herein, to make such maintenance, repairs or rehabilitation work. Nothing herein contained shall be construed to grant to the Association any right to enter into or inside of any building or buildings located on any Lot without the consent of the Owner thereof.

ARTICLE 3

ARCHITECTURAL REVIEW COMMITTEE

3.1 Composition of Committee. To facilitate the approval of matters concerning the building, alteration or upkeep of Improvements located or proposed to be located on the Lots, and to aid the Board of Directors in the consideration of such matters, an Architectural Review Committee shall be formed of no less than three (3) nor more than five (5) members of the Association, to be elected by the members of the Association. The Chair of the Architectural Review Committee shall be appointed by the Committee. The Committee Chair shall be an ex officio member off the Board of Directors. Rules governing the operation of the Architectural Review Committee shall be promulgated by the Committee and approved by the Board of Directors and a majority of the Association members.



Gila County, AZ

DRES

Page: 12 of 19 08/26/2003 10:58A

2003-014938

- 3.2 <u>Liability</u>. The Architectural Review Committee and Board of Directors shall not be held liable for damages by reason of any action, inaction, approval or disapproval by it with respect to any request made pursuant to this Declaration.
- 3.3 <u>Fees.</u> The Architectural Review Committee may require payment of a fee by any Owner seeking approval of plans and specifications for any Improvement, based upon actual cost incurred.

ARTICLE 4

COMMON AREA

- 4.1 <u>Common Area: Easement of Enjoyment.</u> The Common Area shall at all times be owned by the Association or a successor homeowners' association. Each Owner shall have a nonexclusive right and easement of use and enjoyment in and to the Common Area. Such right and easement shall be appurtenant to and shall pass with title to each Lot and shall not be separated therefrom.
- 4.2 Tracts A1 through A-16 and Tract B Uses. Tracts A1 through A-16 of the Common Area shall be for any existing private driveways that exist on the date hereof, recreation and facilities such as wells, water storage tanks, pipe lines and public utilities for the benefit of the Owners of Lots in the Property, as determined from time to time by the Board of Directors. Tract B of the Common Area is for private roadway use and public utilities for the benefit of the Owners of Lots in the Property. No part of the Common Area may be divided, subdivided or split into smaller parcels, or used for any purpose which will detract from or interfere with the use and enjoyment of any or all of the Owners of Lots within the Property. Except for recreational buildings and structures, constructed on and owned by the Association, no buildings or structures shall be erected or maintained on the Common Area, except for the purpose of providing services, including but not limited to electrical power, water supply, fire protection etc., as may be authorized by the Board of Directors. No debt may be incurred upon the Common Area without approval of seventy-five percent (75%) of the Owners.
- 4.3 Rules for use of Common Areas. The Board of Directors, subject to majority approval of the membership, shall have the exclusive right and power to establish and impose rules governing the use of the Common Area and any person using said areas shall abide by such Rules. Such Rules shall not discriminate among Owners nor shall they be inconsistent with this Declaration, the Articles or Bylaws. Within thirty (30) days following adoption, amendment or repeal of an Association Rule, the Board shall send each Owner a copy of the adopted or amended Association Rule or notice of repeal, if any Association Rule has been repealed. An Association Rule or an amendment to an Association Rule shall be effective fifteen (15) days following the Board providing notice to the Owners or of adoption, amendment or repeal of the Rule, as applicable. All actions of the Board in adopting, amending or repealing Association Rules shall become effective as provided herein regardless of whether notice of the action is



DRES

Page: 13 of 19 08/26/2003 10:58A

2003-014938

7.00

actually received by every Owner. Once the Association Rule becomes effective, it shall have the same force and effect as if it were set forth in and were a part of this Declaration, subject, however, to the right of the Board to amend or repeal Association Rules as provided in this Section. Such Rules as adopted by the Board of Directors for the Common Areas shall be presented to the Association at the next semi-annual meeting and approved by two-thirds of the membership.

- 4.4 <u>Maintenance and Operation</u>. The Association shall pay all costs associated with the Common Area, including maintenance, real estate taxes and premiums for hazard and public liability insurance.
- 4.5 <u>Limitation on Easement</u>. An Owner's nonexclusive right and easement of use and enjoyment concerning the Common Areas shall be further subject to the following:
 - (a) The right of the Association (without the consent of Owners, Mortgagees or any other persons or entities) to grant permits, licenses and easements over, across, through and under the Common Areas to any governmental or quasi-governmental authority, to any public or private utility company, or to any other person or entity for the purpose of installing, maintaining or providing utilities and related facilities or roads or for such other purposes reasonably necessary or useful for the proper maintenance or operation of the Property;
 - (b) The right of Gila County and any other governmental or quasi-governmental body having jurisdiction over the Property, and any private or public utility company serving the Property to access and rights of ingress and egress over, across, through or under the Common Areas for purposes of providing police and fire protection, transporting school children and providing any other governmental, municipal or utility service to the Property.

ARTICLE 5

ASSESSMENTS

Personal Obligation and Lien for Assessments. Each Owner shall, by acquiring or in any way becoming vested with an interest in a Lot, be deemed to covenant and agree to pay to the Association the annual and the special assessments described in this Article, together with the hereinafter provided interest and costs of collection. All such amounts shall be, constitute and remain a charge and continuing lien upon the Lot with respect to which such assessment is made. No Owner may exempt himself or his Lot from liability for payment of assessments by waiver of his rights concerning the Common Areas or by abandonment of his Lot. In a voluntary conveyance of a Lot, the grantee shall be jointly and severally liable with the grantor for all such unpaid assessments, late payment fees, interest and costs of collection, including reasonable



Page: 14 of 19 08/26/2003 10:58A

attorneys' fees, which shall be a charge on the Lot at the time of conveyance, without prejudice to grantee's right to recover from the grantor the amounts paid by grantee therefor.

- 5.2 Purpose of Assessments. Assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of residents of the Property and performing the Association's duties hereunder. The use made by the Association of funds obtained from assessments may include, without limitation, payment of the cost of: taxes and insurance on the Common Areas, maintenance, operation, management and supervision of the Common Areas, establishing and funding a reserve to cover major repair or replacement of improvements within the Common Areas; and any expense necessary or desirable to enable the Association to perform or fulfill its obligations, functions, or purposes under this Declaration, the Articles of Incorporation or Bylaws of the Association. Association shall establish and maintain an adequate reserve fund for the periodic maintenance of the Common Areas and repair and replacement of Facilities.
- 5.3 Special Assessments. The Association may levy special assessments for the purpose of defraying, in whole or in part: (i) any expense or expenses not reasonably capable of being fully paid with funds generated by yearly assessments; or (ii) the cost of any construction, reconstruction, repair or replacement of any Improvement, personal property or fixtures upon the Common Areas; or (iii) expenses required to be incurred promptly and not budgeted for in the annual budget which was the basis for the assessment for the current year. Any such special assessment must be assented to by a majority of the votes which Members present in person, or represented by a person holding a valid Power of Attorney, are entitled to cast at a meeting duly called for such purpose at which a quorum of the Members is present as set forth in the Bylaws.
- Reimbursement Assessment on Specific Lot. In addition to the periodic assessments and 5.4 any special assessment authorized hereunder, the Association may levy at any time special assessments, known as reimbursement assessments, on each Lot as to which the Association shall incur any expense for maintenance or repair work performed, or enforcement action taken pursuant hereto. The aggregate amount of any such reimbursement assessments shall be determined by the cost of such improvements, repairs, maintenance or enforcement action, including all overhead and administrative costs and attorney's fees, and shall be allocated among the Lots on which such improvements, repairs, maintenance or enforcement action are constructed or taken.
- Uniform Rate of Assessment. 5.5 Except as provided with respect to reimbursement assessments, assessments shall be fixed at a uniform rate for all Lots. Assessments shall be in amounts based on a budget approved by the Association.
- Certificate Regarding Payment. Upon the request of any Owner, prospective purchaser 5.6 or encumbrancer of a Lot, the Association shall issue a certificate stating whether or not all assessments respecting such Lot are current and if not, the amount of the delinquency. Such



Page: 15 of 19 08/26/2003 10:58A

certificates shall be conclusive in favor of all persons (other than the Owner of the Lot concerned) who in good faith and for value rely thereon.

5.7 Nonpayment -- Remedies. Regardless of the terms of any agreement to the contrary, the remedy for the collection of the assessment shall be enforced against the Lot concerned regardless of who the Owner(s) of the Lot may be at the time such remedy is exercised. If any assessment is not paid within thirty (30) days after the date on which it becomes delinquent, the amount thereof shall be subject to a late charge of Five and No/100 Dollars (\$5.00) per month, or one (1) per cent per month, which ever is greater, of the outstanding balance, until fully paid. The Association may bring an action either against any or all Owners who are personally liable for delinquent assessments to collect the same or to foreclose the lien against the Lot; provided, however, that the Association shall give the Owner(s) concerned thirty (30) days advance written notice of its intent to pursue one or more of its remedies hereunder. Any relief obtained by the Association (whether or not through judicial action) shall include reasonable attorneys' fees, court costs and each and every other expense incurred by the Association in enforcing its rights. After institution of a foreclosure action by the Association against any Lot the Association shall, without regard to the value of such Lot or the extent of the Owner's equity therein, be entitled to the appointment of a receiver to collect any income or rentals which may be produced by such Lot.

ARTICLE 6

GENERAL PROVISIONS

- 6.1 <u>Restrictions Severable</u>. The provision of this Declaration shall be deemed independent and severable. Invalidation of any one of these Covenants, Conditions or Restrictions by judgment or court order shall in no way affect the validity of any of the other provisions and the same shall remain in full force and effect.
- 6.2 Compliance with Laws. All restrictive covenants listed or contained herein are subject, in all instances, to compliance with the State of Arizona and the County of Gila health ordinances, restrictions and regulations, zoning regulations or any other duly enacted laws or Any violation of any state, municipal or local law, ordinance or regulation pertaining to the ownership, occupation or use of any portion of the Property is hereby declared to be a violation of this Declaration and subject to any or all of the enforcement procedures set forth herein.
- 6.3 Enforcement. The Association and any aggrieved Lot Owner shall have a right of action at law or in equity against the Association or any Lot Owner for any failure by such person or entity to comply with this Declaration or the provisions of any rules, regulations, agreements, instruments, supplements, amendments or determinations contemplated by this Declaration. Failure by the Declarant, the Association or any Lot Owner to enforce any covenant, condition or restriction herein contained shall in no event be deemed a waiver of the right to do so The Association may, by appropriate rules and regulations, implement a fine



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Page: 16 of 19 08/26/2003 10:58A 27 00

2003-014938

procedure arising out of violation of this Declaration, the collection of which fines shall be treated in all respects (including the lien feature) as Assessments.

- 6.4 Recovery of Enforcement Costs. Should anyone authorized by this Declaration to enforce the same prevail in the action, such party shall be entitled to recover all costs incurred in the enforcement of this Declaration, including reasonable attorney's fees and expert witness fees as determined by the court and not by a jury. The Association shall be entitled to recover its attorney's fees actually incurred in collecting any monetary amount due hereunder from an Owner or in enforcing any of the covenants, conditions or restrictions set forth herein, whether or not suit is brought, provided that if a lawsuit is filed, the Association shall have prevailed in the action.
- 6.5 <u>Enforcement Discretionary</u>. The rights of the Association to enforce the covenants, conditions and restrictions contained herein shall be construed to be discretionary on the part of the Board of Directors and not mandatory or obligatory.
- 6.6 <u>Binding Effect</u>. The covenants, conditions and restrictions contained herein shall run with the land and shall be binding upon all persons purchasing or occupying any portion of the Property after the date on which this instrument has been recorded. Each and all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner of any Lot whose title thereto is acquired by foreclosure, trustees' sale or otherwise. The instruments of conveyance of any interest in all or any part of the Property may contain a reference to this Declaration, however, said conveyance shall be subject to the Covenants, Conditions, and Restrictions herein as fully as though the terms and conditions of this instrument were fully set forth therein and shall be binding upon all persons affected by its terms, whether express reference is made to this Declaration or not in said conveyance instrument.
- 6.7 <u>Notices</u>. Any notice required or permitted to be given to any Owner, Member or Eligible Mortgagee under the provisions of this Declaration shall be deemed to have been properly furnished if mailed postage prepaid to the person or entity which appears as the Owner or Eligible Mortgagee of the Lot or Mortgage concerned at the latest address for such person or entity appearing in the applicable lists of the Association at the time of mailing.
- 6.8 <u>Rules and Regulations</u>. The Association shall have authority to promulgate and enforce such reasonable rules, regulations and procedures as may be necessary or desirable to aid the Association in carrying out any of its functions or to insure that the Property is maintained and used in a manner consistent with the interests of the Owners. Such Rules and Regulations shall be incorporated in a record of Continuing Resolutions, published annually and distributed to the membership.
- 6.9 <u>Unanimous Written consent in Lieu of Vote</u>. In any case in which the Declaration requires authorization or approval of a transaction or matter the assent of affirmative vote of a stated percentage of the votes of the Association, such requirement may be fully satisfied by



Page: 17 of 19 08/26/2003 10:58A

2003-014938

obtaining, with or without a meeting, consents in writing to such transaction from every Owner entitled to cast a vote or approve the matter. The following additional provisions shall govern any application of this Section 6.9:

- (a) All necessary consents must be obtained prior to the expiration of one hundred eighty (180) days after the first consent is given by any Owner.
- Any change in ownership of a Lot which occurs after consent has been obtained from the Owner having an interest therein shall not be considered or taken into account for any purpose.
- 6.10 Mortgagee Protection. The lien or claim against a Lot for unpaid assessments or charges levied by the Association pursuant to this Declaration shall be subordinate to any Mortgage recorded on or before the date such assessments or charges become due. The lien or claim against a Lot for such unpaid assessments or charges shall not be affected by any sale or transfer of such Lot, except that a sale or transfer pursuant to a foreclosure of the Mortgage affecting such Lot or the exercise of a power of sale available thereunder shall extinguish a subordinate lien for such assessments or charges which became payable prior to such sale or transfer. Any such sale or transfer pursuant to a foreclosure or power of sale shall not relieve the purchaser or transferee of such Lot from liability for, nor such Lot from the lien of, any assessments or charges becoming due thereafter. Upon written request to the Association by the holder of a Mortgage (which request identifies the name and address of such holder, insurer or guarantor and the Lot number or address of the Lot encumbered by the Mortgage held or insured by such holder), such holder shall be deemed thereafter to be an Eligible Mortgagee shall be included on the appropriate lists maintained by the Association, and shall be entitled to timely written notice of any of the following:
 - Any condemnation loss or any casualty loss which affects a material portion of the Common Area or any Lot on which there is a Mortgage held by such Eligible Mortgagee.
 - Any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to a Mortgage held by such Eligible Mortgagee, which delinquency remains uncured for a period of sixty (60) days.
- 6.11 Interpretation. The captions which precede the Articles and Sections of this Declaration are for convenience only and shall in no way affect the manner in which any provision hereof is construed. Whenever the context so requires, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include both genders. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof. In the absence of a judicial determination or determination by arbitration to the contrary, a decision of the Board of



08/26/2003 10:58A

2003-014938

Directors interpreting this Declaration shall be determinative on the Owners and all persons or entities holding an interest in the Property.

- 6.12 Effective Date. This Declaration and any amendment or supplement hereto shall take effect upon its being filed for record in the Office of the County Recorder of Gila County, Arizona.
- 6.13 Term. These Covenants, Conditions and Restrictions, shall remain in full force and effect for a period of twenty (20) years and thereafter they shall be deemed to have been renewed for successive terms of ten (10) years, unless revoked or amended by an instrument in writing executed and acknowledged by the Owners of not less than seventy-five percent (75%) of the Lots, which said instruments shall be recorded in the office of the Recorder of Gila County, Arizona.
- Priority. In case of conflict among the provisions of the Articles of Incorporation of the Association, the Bylaws of the Association and this Declaration, the following order of precedence shall apply:
 - 1. Declaration;
 - 2. Articles of Incorporation; and
 - 3. Bylaws.
- 6.16 Rule against Perpetuities. In the event the provisions hereunder are declared void by a court of competent jurisdiction by reason of the period of time herein stated for which the same shall be effective, then in that event, said period of time shall be reduced to the period of time which shall not violate the rule against perpetuities as set forth in the laws of the State of Arizona.

DATED this 26th day of August, 2003.

THOMPSON DRAW IMPROVEMENT ASSOCIATION,

an Arizona Corporation

Doylé W. Burke, President

Charles Jones, Secretary

2003-014938 Page: 19 of 19 08/26/2003 10:58A 27.00

State of Arizona) ss. County of Gila

On August 15, 2003, before me, the undersigned, a Notary Public in and for said State, personally appeared Doyle W. Burke, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as President, on behalf of Thompson Draw Improvement Association, the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to a resolution of its Board of Directors.

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

Notary Public

My Commission Expires:

OFFICIAL SEA

State of Arizona) ss. County of Gila

On_August 15, 2003, before me, the undersigned, a Notary Public in and for said State, personally appeared Charles Jones, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as Secretary, on behalf of Thompson Draw Improvement Association, the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to a resolution of its Board of Directors.

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

Notary Public

My Commission Expires:

OFFICIAL SEAL NOTARY PUBLIC JOY L. BRACKIN

MY COMM. EXPIRES APRIL 11, 2006

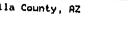
RETURN TO: S.T.S., Inc. Right-of-Way 6523 N. Black Canyon Hwy Phoenix, Az. 85015

Gila County, AZ Linda Haught Ortega, Recorder 01:05PM Doc Code: E RUSSELL D THORNOCK

Doc Id: 2002-014895 Receipt #: 7229

Page: 1 of 6 09/24/2002 01:05P







RECORDING INFORMATION ABOVE

EASEMENT AGREEMENT

The undersigned ("Grantor") for and in consideration of \$1.00 and other good and valuable consideration, the receipt of which is hereby acknowledged, does hereby grant and convey unto QWEST CORPORATION, a Colorado corporation ("Grantee"), whose address is 1801 California St., Suite 5200, Denver, CO 80202, and its successors, assigns, affiliates, lessees, licensees, and agents, a perpetual nonexclusive easement to construct, modify, add to, maintain, and remove such telecommunications facilities, electrical and gas facilities, and other appurtenances, from time to time, as Grantee may require upon, over, under and across the following described property situated in the County of Coconino, State of Arizona, which Grantor owns or in which Grantor has an interest ("Easement Airea"), to wit: 61LA

An easement which is described in its entirety on EXHIBIT "A" which is attached hereto and by this reference made a part hereof, all of which is situated in Section 29, 30, and 32 Township 11N Range 12E, Tracts 37 and 38.

12E, Tracts 37 and 38.

Grantor further conveys to Grantee the right of ingress and egress to and from the Easement Area during all periods of construction, maintenance, installation, reinforcement, repair and removal over and across Grantor's lands with the right to clear and keep cleared all trees and other abstructions as may be necessary

for Grantee's use and enjoyment of the Easement Area.

Grantee shall indemnify Grantor for all damages caused to Granter as a result of Grantee's negligent exercise of the rights and privileges lierein grapted. Grantee shall have no responsibility for environmental contamination, which is either pre-existing or not caused by Grange:

Grantor reserves the right to occupy, use and cultivate the Easement Area for all purposes not inconsistent with the rights herein granted.

Grantor covenants that Grantor is the fee simple owner of the Easement Area or has an interest in the Easement Area. Grantor will warrant and defend title to the Easement Area against all claims.

Grantor hereby covenants that no excavation, structure or obstruction will be constructed, or permitted on the Easement Area and no change will be made by grading or otherwise that would adversely affect Grantee's use and enjoyment of the Easement Area.

The rights, conditions and provisions of this Agreement shall run with the land and shall inure to the benefit of and be binding upon Grantor and Grantee and their respective successors and assigns.

R/W # AZ011109121S

Page 1 of 2



2002-014895 Page: 2 of 6

09/24/2002 01:05P

RECORDING INFORMATION ABOVE

Any claim, controversy or dispute arising out of this Agreement shall be settled by arbitration in accordance with the applicable rules of the American Arbitration Association, and judgement upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitration shall be conducted in the county where the Easement Area is situated.

Easement

By:

Name

STATE OF Arizona

COUNTY OF Coconino

The foregoing instrument was acknowledged before me this

AMERICAN Witness my hand and official seal:

[NOTARY SEAL]

Notary Public

My commission expires: My 11,2005

R/W# AZ011109121S

Job # 1212189

Exchange Payson

County Coconino

Section 29,30,32 Township 11N Range 12E

Page 2 of 2



Page: 3 of 6 09/24/2002 01:05P

2002-014895

EXHIBIT A

Thompson Draw Summer Homes Unit 1

A portion of Section 29 and 32 Township 11 North, Range 12 East of the Gila and Salt River Base and Meridian, Gila County, Arizona said right-of-way being 20' in width lying 10' on each side of the following described centerline commencing for a tie at the Northwest corner of said Section 29.

Thence South 35° 40' 22" East a distance of 4085.22';

Thence South 54° 23' East a distance of 1345';

*, . · * · . *

Thence North 72° 37' East a distance of 58.8' to the True Point of Beginning of the herein described easement:

Thence continuing North 72° 37' East a distance of 101.2' to Point "A";

Thence continuing North 72° 37' East a distance of 242' to Point "B":

Thence North 49° 56' East a distance of 218' to a point of termination and returning to Point "A";

Thence North 17° 23' West a distance of 151' to a point of termination and returning to Point "B";

Thence North 07° 49' West a distance of 217' to Point "C";
Thence North 11° 22' West a distance of 151.5';
Thence North 07° 41' West a distance of 145';
Thence North 45° 17' East a distance of 250' to a point of termination and returning to Point "C";

Thence North 40° 44" East a distance of 108' to a point of termination and returning to Point "B";

Thence South 27° 37' West a distance of 248.5;

Thence South 23° 49' East a distance of 315' to Point "D":

Thence North 70° 43' East a distance of 220'; Thence South 89° 34' East a distance of 169 to Point "E";

Thence continuing South 89° 34' East a distance of 204' to Point "F"

Continuing South 89° 34' East a distance of 53';

Thence North 68° 33' East a distance of 275' to Point "G";

Thence North 23° 41' East a distance of 190' to a point of termination and returning to Point "G";

Thence South 29° 41' East a distance of 226' to a point of termination and returning to Point "F";

Thence South 06° 38' West a distance of 125' to a point of termination and returning to Point "E";

Thence South 17° 31' West a distance of 290' to a point of termination returning to Point "D";

Thence South 21° 08' East a distance of 169' to Point "H"

Thence South 10° 52' West a distance of 172' to Point "I";

Thence continuing South 10° 52' West a distance of 1711.

Thence South 38° 23' East a distance of 393' to Point "J";

Thence South 31° 14' East 250' to Point "K";

Thence South 01° 02' West a distance of 263' to Point "I";

Thence South 02° 18' West a distance of 265' to a point of termination and returning to Point "L";

Thence North 61° 36' East a distance of 144';

Thence South 64° 44' East a distance of 225' to Point "M";

Thence North 72° 01' East a distance of 176' returning to Point "M";

Thence South 70° 16' West a distance of 100' to a point of termination and returning to Point "J";

Thence South 72° 46' West a distance of 160' to a point of termination and returning to Point "H";

Thence South 32° 20' West a distance of 100' returning to Point "I";

Thence South 64° 45' West a distance of 100' to a point of termination;

Together with the right to install downguys (anchors) as needed.



Page: 4 of 6 09/24/2002 01:05P

2002-014895

EXHIBIT "A" Thompson Draw Summer Homes Unit 2

A portion of Section 29 and 30, Township 11 North, Range 12 East of the Gila and Salt River Base Meridian, Gila County, Arizona.

Said right-of-way being 20' in width lying 10' on each side of the following described centerline.

Commencing for a tie at the West quarter corner of said Section 29

Thence North 00° 41' 40" West along the West line of said section a distance of 1564.00';

Thence South 68° 02' 13" East a distance of 381.29' to the True Point of Beginning of the herein described easement

Thence continuing South 68° 02' 13" East a distance of 234" to Point #A";

Thence continuing South 68° 02' 13" East a distance of 225:6' to Point "B";

Thence continuing South 68° 02' 13" East a distance of 225 00" to Point "C";

Thence continuing South 68° 02' 13" East a distance of 296.6' to point of termination and returning to Point "A":

returning to Point "A"; Thence South 21° 57' 47" West a distance of 235' to a point of termination and returning to Thence South 21° 57' 47" West a distance of 20° 105" to a point of termination and returning to

roint "C"; Thence South 14° 40' 17" West a distance of 102" to a point of termination and returning to Point "C";
Thence North 31° 57' 47" East a distance of 100' to a point of termination and returning to

the True Point of Beginning
Thence North 52° 12' 12" West a distance of 494' to Point 'D';
Thence North 62° 20' 59" West a distance of 175.5' to a point of termination and returning

in the same of the to Point "D";

Thence North 32° 23" 34" East a distance of 40" to a point of termination;

Thence returning to the True Point of Beginning;

Thence North 11 26 54" East a distance of 208' to Point "E";

Thence continuing North 11° 26' 54" East a distance of 119';

Thence North 84° 48' 43" East a distance of 158.5' to Point "F";

Thence North 05° 51' 49" West a distance of 97' to a point of termination and returning to Point "E";

Thence North 62° 27' 30" West a distance of 90' to a point of termination;

Thence returning to Point "F":

Thence South 69° 44' 38" East a distance of 100' to a point of termination and returning to Point "A";

Thence South 86° 49' 37" West a distance of 381';

Thence North 80° 04' 46" West a distance of 385' to Point "G";

Thence North 46° 09' 20" West a distance of 296.5':

Thence North 84° 15' 39" West a distance of 588' to Point "H";

Thence North 87° 53' 01" West a distance of 285.0' to Point "I";

Page: 5 of 6 09/24/2002 01:05P 14.00

2002-014895

Thence North 54° 31' 49" West a distance of 32.70' to a point of termination and returning to Point "I";

Thence South 05° 26' 58" West a distance of 40.30' to a point of termination and returning to Point "H";

Thence South 21° 00' 19" West a distance of 82' returning to Point "G";

Thence North 52° 12' 12" East a distance of 36' returning to Point "G";

Thence South 25° 50' 00" East a distance of 120' returning to Point "G";

Thence South 52° 12' 12" West a distance of 254' to Point "J";

Thence South 39° 38' 07" West a distance of 214' to Point "K";

Thence South 32° 55' 23" a distance of 283':

Thence South 36° 32' 04" West a distance of 89.5' to Point "L";

Thence continuing South 36° 32' 04" West a distance of 94.5' to Point "M":

Thence South 63° 30' 44" East a distance of 177' to Point "N";

Thence continuing South 63° 30' 44" East a distance of 177' to Point "O";

Thence North 70° 33' 29" East a distance of 421' to a point of termination and returning to Point "O";

Point "O"; Thence South 63° 39' 44" East a distance of 100' to a point of termination and returning to Point "O";

Thence South 10° 27' 01" East a distance of 115 to Point P".

Thence continuing South 10° 27' 01" East a distance of 229%

Thence South 50° 34' 43" West a distance of 44'2' to a point of termination and returning to

Point "P";
Thence North 79° 32' 59" East a distance of 33" to a point of termination and returning to

Point "G";
Thence South 25° 50' East a distance of 120' to a point of termination and returning to Point "J":

Thence South 32° 41' 18" East a distance of 103.5' to a point of tempination and returning to Point "J":

Point "J";
Thence North 38° 00' 06" West a distance of 158' to a point of termination and returning to Point "K";

roint "K";
Thence South 48° 00° 09". East a distance of 111.5 to a point of termination and returning to Point "K";
Thence North 759.42, 100 317 Point "K";
Thence North 75 45 18" West a distance of 79:

Thence North 50° 56; 03! West a distance of 214, to Point "Q";

Thence North 56° 01' 35" West a distance of 210.5';

Thence South 71° 03' 12" West a distance of 117' to a point of termination and returning to Point "O";

Thence South 46° 16' 17" West a distance of 87' to a point of termination and returning to Point "L":

Thence North 63° 30' 44" West a distance of 70' to a point of termination and returning to Point "M":

Thence North 63° 30' 44" West a distance of 100' to a point of termination and returning to Point "M";

Thence South 59° 33' 20" West a distance of 251';

Thence North 77° 18' 25" West a distance of 188' to Point "R";

Thence North 10° 09' 46" East a distance of 260';

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09/24/2002 01:05P

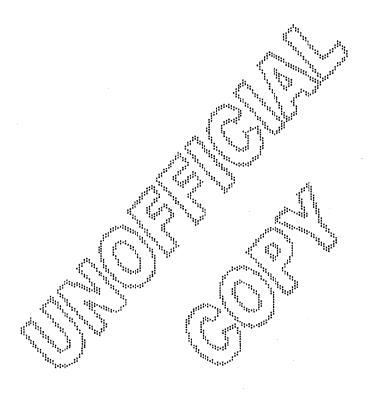
Thence North 40° 07' 25" West a distance of 214';

Thence South 23° 42' 44" West a distance of 81';

Thence South 11° 05' 55" West a distance of 114' to a point of termination and returning to Point "R";

Thence South 16° 44' 39" West a distance of 108' to Point "S"; Thence continuing South 16° 44' 39" West a distance of 365.2' to a point of termination and returning to Point "S";

Thence North 73° 15' West a distance of 115"







011a County, AZ Linda Haught Ortega, 09/24/2002

RUSSELL D THORNOCK



2002-014896 09/24/2002 01:05P 13.00

UTILITY EASEMENT

29&32 11N, 12E FX-204 JD

> In consideration of One Dollar (\$1.00), the receipt of which is hereby acknowledged, FIRST PRERICAN IN THE CONTROLLAR (hereinafter called "Grantor") do hereby grant and convey to ARIZONA PUBLIC SERVICE COMPANY (hereinafter called "Company"), its successors and assigns, an easement 20 feet in width, to construct, operate and maintain underground electric lines and appurtenant facilities upon, across, over, and under the surface of the premises hereinafter described.

> The premises through and across which this easement is granted are situated in M opa County, Arizona, and are described as follows:

Thompson Draw Summer Homes Unit I

A portion of Sections 29 and 32 Township 11 North, Range 12 East of the Gila and Salt River Base and Meridian, Gila County, Arizona said right-of-way being 20' in width lying 10' on each side of the following described centerline commencing for a tie at the Northwest corner of said Section 29.

Thence South 35° 40' 22" East a distance of 4085.22";

Thence South 54° 23' East a distance of 1345':

Thence North 72° 37' Bast a distance of 58.8' to the True Point of Beginning of the herein described easement; Thence continuing North 72° 37' Bast a distance of 101.2' to Point "A";

Thence continuing North 72° 37' East a distance of 101.2' to Point "A";

Thence continuing North 72° 37' East a distance of 242' to Point "B";

Thence North 49° 56' East a distance of 218' to a point of termination and returning to Point A";

Thence North 17° 23' West a distance of 151' to a point of termination and returning to Point "B";

Thence North 07° 49' West a distance of 217' to Point "C";

Thence North 11° 22' West a distance of 151.5';

Thence North 07° 41' West a distance of 145';

Thence North 45° 17' East a distance of 250' to a point of termination and returning to Point "C";

Thence North 40° 44' East a distance of 108' to a point of termination and returning to Point "B";

Thence South 27° 37' West a distance of 248.5';

Thence South 23° 49' East a distance of 315' to Point "D"

Thence North 70° 43' East a distance of 220';

Thence South 89° 34' East a distance of 169' to Point E

Thence continuing South 89° 34' East a distance of 204' to Route "F";

Continuing South 89° 34' East a distance of 58,1

Thence North 68° 33' East a distance of 275' to Paint "G";

Thence North 23° 41' East a distance of 1909 to a politi of termination and returning to Point "G";

Thence South 29° 41' East a distance of 226' to a point of termination and returning to Point "F";

Thence South 06° 38' West a distance of 125; to a point of termination and returning to Point "F,"
Thence South 17° 31' West a distance of 125° to a point of termination returning to Point "D";
Thence South 21° 08' East a distance of 159, to Point "H';

Thence South 10° 52' West a distance of 172' to Point "!";

Thence continuing South 10° 52' West a distance of 171';

Thence South 38° 23' East a distance of 393' to Point "J":

Thence South 31° 14' East 250' to Point "K"

Thence South 01° 02' West a distance of 263' to Point "L";

Thence South 02° 18" West a distance of 265' to a point of termination and returning to Point "L";

Thence North 61° 36' East a distance of 144';

Thence South 64° 44' East a distance of 225' to Point "M";

Thence North 72° 01' East a distance of 176' returning to Point "M";

Thence South 70° 16' West a distance of 100' to a point of termination and returning to Point "J":

Thence South 72° 46' West a distance of 160' to a point of termination and returning to Point "H";

Thence South 32° 20' West a distance of 100' returning to Point "I";

Thence South 64° 45' West a distance of 100' to a point of termination:

Together with the right to install downguys (anchors) as needed.

Containing acres more or less.

Together with the right to operate, repair, replace, maintain, and remove said lines and appurtenant facilities from said premises; to add to or alter said lines and/or facilities at any reasonable time, and to trim or remove any trees or shrubs that in the judgment of the Company may interfere with the construction or endanger the operation of said lines and/or facilities, with access to said easement and egress therefrom to permit normal operations of the Company in connection with said lines and/or facilities, and to permit the installation of the wires, fixtures, conduits, or cables of any other company within the boundaries of this easement.



2002-014896 Page: 2 of 2 09/24/2002 01:05P

Grantor shall not erect or construct or permit to be erected or constructed any building or other structure or drill any well within the limits of said easement; nor shall Grantor plant or permit to be planted any trees within the limits of said easement without the prior written consent of the Company; provided, however, Grantor shall have the right to construct and erect fences within the limits of said easement in a manner which will not unreasonably interfere with the Company's right of access to its lines and/or facilities.

By accepting this easement, the Company agrees to exercise reasonable care to avoid damage to said premises and all property that may at any time be thereon.

FIRST AMERICAN TITLE INS CO AS TOSTEE TRUST SHOLL BY: FOLIAGE
WITNESS:

WITNESS:

WITNESS:

Title: RUST DIFFICEL

STATE OF ARIZONA }

Ss.

County of Maricopa

This instrument was acknowledged before me this Domestic and the state of the

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