

When recorded mail to:

Beth Mulcahy
3001 E. Camelback Road, Suite 130
Phoenix, AZ 85255

**AMENDED AND RESTATED DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS
FOR
VISTA VILLA TOWNHOMES**

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA VILLA TOWNHOMES (“Declaration”) is made on ____ day of _____, 2022, by Vista Villa Townhomes Homeowners Association, Inc. (“Association”).

RECITALS

A. The Vista Villa Townhomes Homeowners Association is an Arizona non-profit corporation which represents the owners of certain property in Maricopa County, Arizona.

B. The Declaration of Covenants, Conditions and Restrictions for Vista Villa Townhomes was recorded on October 21, 1996, at Document No. 96-0862567; the First Amendment to the Declaration of Covenants, Conditions and Restrictions for Vista Villas Townhomes was recorded on June 26, 1998, at Document No. 98-0547239, all official records of Maricopa County, Arizona (the “Declaration”), and subjected the real property described in the Declaration (and any amendment) to the Declaration and required that the property be held, sold, used, and conveyed subject to the easements, restrictions, covenants and conditions, which run with the title to the real property subject to this Declaration.

C. The Declaration is binding on all parties having any right, title or interest in any portion of the Properties, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each owner of any portion of the properties.

D. The members of the Association wish to amend and restate the Declaration in its entirety.

E. The Declaration may be amended at any time by the affirmative vote (in person or by mail-in ballot) or written consent of Members representing at least seventy-five percent (75%) of all votes. The Association has obtained the affirmative vote representing the above-mentioned requirements. Any amendment to this Declaration, past, present or future, shall be subject to a presumption that sufficient notice of such amendment was provided to the Owners by the original Declaration, and that such amendment was reasonable and foreseeable to the Owners at the time of purchase. This amendment to the Declaration does not create any new affirmative obligations for Owners of Lots within the Association; rather, the amendments set forth herein refine the Declaration, correct an error, fill in a gap, and/or change the Declaration in a particular way.

NOW, THEREFORE, the Declaration is amended and restated as follows:

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**AMENDED AND RESTATED
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ARTICLE I

DEFINITIONS

Section 1. "Articles" shall mean and refer to the Articles of Incorporation of the Association, as the same may be amended from time to time in accordance with the provisions thereof and with the applicable provisions of this Declaration, the Bylaws and the statutes and regulations of the State of Arizona.

Section 2. "Association" shall mean and refer to the Vista Villa Townhomes Association, an Arizona non-profit corporation, and its successors and assigns.

Section 3. "Board of Directors" or "Board" shall be the elected body of the Association having its normal meaning under Arizona corporate law.

Section 4. "Bylaws" shall mean and refer to the Bylaws of the Association, as the same may be amended from time to time in accordance with the provisions thereof and with the applicable provisions of this Declaration, the Articles and the statutes and regulations of the State of Arizona.

Section 5. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners. Common Area tracts remain non-buildable tracts as required by the City of Mesa.

Section 6. "Common Expenses" shall mean and include the actual and estimated expenses of operating the Association, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration or pursuant to the Articles or the Bylaws.

Section 7. "Lot" shall mean and refer to a lot into which the Property is subdivided as set forth in that certain plat of Vista Villa Townhomes, recorded in Book 426 of Maps, Page 10 in the office of the Maricopa County, Arizona Recorder (as said plat may be amended).

Section 8. "Member" shall mean and refer to a person or entity entitled to membership in the Association.

Section 9. "Mortgage" shall include a deed of trust, as well as a mortgage.

Section 10. "Mortgagee" shall include a beneficiary or holder of a deed of trust, as well as a mortgage.

Section 11. "Mortgagor" shall include the trustor of a deed of trust, as well as a mortgagor.

Section 12. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of equitable title in fee simple (or legal title if equitable title has merged) of any lot which is a

part of the Properties. Owner shall not include a person or entity having an ownership interest merely as security for the performance of an obligation. Lots where the fee simple title is vested, of record, in a Trustee pursuant to a Deed of Trust, shall be considered as having legal title vested in the Trustor.

Section 13. "Person" means a natural person, corporation, partnership, trustee or other legal entity.

Section 14. "Residential Unit" shall mean any structure constructed on a Lot which is intended for use and occupancy as a residence by a single household.

Section 15. "First Mortgage" means any mortgage or deed of trust on a Lot which has priority over all other mortgages and deeds of trust on the same Lot.

Section 16. "First Mortgagee" means the holder or beneficiary of any First Mortgage.

ARTICLE II

PROPERTY RIGHTS

Section 1. Right and Easement of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, subject to any restrictions or limitations contained herein or in any instrument conveying to the Association or subjecting to this Declaration such property, and subject further to the reasonable rules and regulations of the Association. Any Owner may assign his, her or its right of enjoyment to (and share the same with) the members of his, her or its household and assign the same to and share the same with his, her or its tenants and invitee subject to the provisions of this Declaration and to reasonable regulation by the Board and otherwise in accordance with procedures as the Board may adopt. The Common Area shall not be mortgaged, transferred, dedicated or encumbered without the prior written consent or affirmative vote of the Owners representing a majority of the votes entitled to be cast by members of the Association. Without limiting the foregoing, no portion of the Common Area providing ingress and egress to any Lots may be mortgaged, transferred, dedicated or encumbered without the prior written consent or affirmative vote of the Owners of the affected Lots and holders of First Mortgages encumbering those Lots.

Section 2. Change of Use. Upon (i) adoption of a resolution by the Board of Directors stating that in the Board's opinion the then-present use of a designated part of the Common Area is no longer in the best interests of the Owners, and (ii) the approval of such resolution by a majority of eligible Owners (one vote per Lot) who are voting in person or by absentee ballot at a meeting duly called for such purpose, the Board of Directors shall have the power and the right to change the buildings, structures, and improvements thereon in any manner deemed necessary by the Board to accommodate the new use, provided such new use shall be for the benefit of the Owners.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Each Lot Owner within the Association shall automatically be a Member of the Association and shall be entitled to one (1) vote for each Lot owned. In the event that a Lot is owned of record by more than one person, the vote attributed to that Lot shall be cast as a single vote as the Owners of that Lot shall among themselves determine, and said vote shall not be apportioned.

Section 2. Waiver of Use. No Owner may exempt himself/herself from personal liability for assessments duly levied by the Association, nor release the improved Lot owned by him/her from the liens and charges hereof by abandonment of his improved Lot.

ARTICLE IV

MAINTENANCE

Section 1. Duties of the Association. The Association shall maintain and keep in good repair the automatic privacy gate and the Common Area, the cost of such maintenance to be a Common Expense of the Association. In addition, the Association shall be responsible for maintaining and keeping in good repair on each and every Lot, as a Common Expense of the Association, the landscaping and flora situated in or upon the "front yard" of each and every Lot, including front yard watering. For purposes hereof, the "front yard" of a Lot shall mean and refer to such portion of that Lot as is adjacent to or abutting public or private roadways or adjacent to or abutting any part of the Common Area, except where such portion of that Lot is screened from view from such roadways or Common Area by a wall or other structure. The Association shall be responsible for the maintenance, cleaning, painting, repair and general care of the exterior of the Residential Unit, and, in particular, the Association shall cause the exterior of said Residential Unit including care and maintenance of said Residential Unit roof, to be maintained in good condition and repair and in an attractive state consistent with general community standards within the community. The Association, or its duly delegated representative, shall maintain and otherwise manage all property up to the exterior building lines and patio enclosures, including, but not limited to, the landscaping, parking areas, streets and recreational facilities, roofs, common area and exteriors of the buildings located upon the above described properties (except windows of Units and exterior door and window fixtures and other hardware), and such additional maintenance of the buildings as the Board of Directors shall from time to time determine to be in the best interest of the Association and shall maintain and otherwise manage and be responsible for the rubbish removal of all areas within the above described property. All maintenance and repair of the individual Residential Unit shall be the sole obligation and expense of the individual Unit owners, except to the extent the exterior maintenance and repair is provided by the Association.

Section 2. Duties of the Lot Owner. Each Owner shall maintain, repair, replace and restore, at his/her own expense, all portions of his/her Lot, subject to the Governing Documents. Each Owner shall be responsible for the upkeep and maintenance of the interior of his Residential Unit and for the upkeep and maintenance of all other areas, features and parts of his or her Residential Unit and property not otherwise maintained by the Association, including, but not limited to, windows of Units and exterior door and window fixtures and other hardware. All fixtures and equipment installed within a Residential Unit, commencing at a point where the utility lines, pipes, wires, conduits or systems enter the exterior walls of a Residential Unit, including the concrete slab, shall be maintained and kept in repair by the owner thereof. The Owner is responsible for all interior repairs unless the Owner is able to produce proof, to the

satisfaction of the Board of Directors, that the damage resulted from the Association's negligent or willful act.

ARTICLE V

INSURANCE AND CASUALTY LOSSES

Section 1. By the Association.

(a) Scope of Coverage. The Association shall maintain, to the extent reasonably available, the following insurance coverage:

1. Comprehensive general liability insurance, in an amount determined by the Board, but not less than \$1,000,000. Such insurance shall cover all claims for bodily injury and property damage arising out of the use, ownership or maintenance of the Common Area or other properties the Association maintains. Deductible amounts, if applicable, shall be determined in the sole discretion of the Board;
2. Property insurance, with appropriate limits and deductibles as determined by the Board of Directors for the buildings' original exterior structures. This is commonly referred to as "exterior bare walls" coverage and includes the foundation, structural framing, roof, and exterior wall finish. The Association is not responsible for premises liability or for the interior of the Unit from the studs in or for any improvements or betterments to the Residential Unit.
3. Workers' compensation insurance to the extent necessary to meet the requirements of the laws of Arizona;
4. Directors and Officers liability insurance in an amount to be determined by the Board; and
5. Such other insurance as the Association shall determine from time to time to be appropriate to protect the Association or the Owners.

(b) Certificates Of Insurance. An insurer that has issued an insurance policy under this Article shall issue a certificate or a memorandum of insurance to the Association and, upon request, to any Owner, mortgagee or beneficiary under a deed of trust. Any insurance obtained pursuant to this Article may not be canceled until thirty (30) days after notice of the proposed cancellation has been mailed to the Association, each Owner and each mortgagee or beneficiary under a deed of trust to whom certificates of insurance have been issued.

(c) Payment of Premiums. The premiums for any insurance obtained by the Association pursuant to Article V of this Declaration shall be included in the budget of the Association and shall be paid by the Association.

(d) Payment of Insurance Proceeds. With respect to any loss to the Common Area covered by property insurance obtained by the Association in accordance with this Article, the loss shall be adjusted with the Association, and the insurance proceeds shall be payable to the Association and not to any mortgagee or beneficiary under a deed of trust. Subject to the provisions of Article V

of this Article, the proceeds shall be disbursed for the repair or restoration of the damage to Common Area. With respect to any loss to any Lot, or the Improvements located thereon, which is covered by property insurance obtained by the Association, the loss shall be adjusted with the Owner of said Lot and the proceeds shall be payable to said Owner and any holders of liens on said Lot as their interest may appear.

(e) Damage and Destruction.

- (i) Immediately after any damage or destruction by fire or other casualty to all or any part of the property required to be insured by the Association under this Section 1, the Board of Directors or its duly authorized agent shall (a) proceed with the filing and adjustment of all claims arising under such insurance, (b) obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property, and (c) upon receipt of the proceeds of such insurance and except as is otherwise provided in this Section 1, use such proceeds to repair or reconstruct the damage or destroyed property. Repair or reconstruction, as used in this Article V, means repairing or restoring the property in question to substantially the same condition as that in which it existed prior to the fire or other casualty.
- (ii) Any major damage or destruction to the Property shall be repaired or reconstructed unless, at a special meeting of the Members of the Association duly noticed and convened within sixty (60) days after the occurrence of such damage or destruction, the Members determine, by a vote of not less than fifty-one percent (51%) of all votes represented at such meeting (either in person or by absentee/mail-in ballot), not to so repair or reconstruct, provided, however, that notwithstanding any such vote not to repair or reconstruct, the Association shall repair or reconstruct any damage or destroyed improvement or structure on any Unit/Lot upon the written demand of (aa) the Owner of such Unit/Lot, or (bb) the Owner of a Unit/Lot adjacent to that on which the damage or destruction occurred, if the Residential Unit on such adjacent Lot share unofficial Document with the structure or improvement damaged or destroyed. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made or becomes available; provided, however, that such extension shall not exceed sixty (60) days. No Mortgagee (except for one holding a Mortgage executed and delivered by the Association upon any portion of the Common Area) shall have the right to participate in the determination of whether any Common Area damage or destruction shall be repaired or reconstructed. The Board of Directors shall determine whether any minor damage or destruction to the Common Area should be repaired or reconstructed.
- (iii) In the event that it is determined by the Association in the manner described above that the damage or destruction of any part of the Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event

the property shall be maintained by the Association in a neat and attractive condition as an undeveloped portion of the Common Area.

- (f) **Repair and Reconstruction.** If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the Members, levy an equal assessment against the Owner of each Unit/Lot. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the cost of repair, such excess shall be used to meet Common Expenses.

Section 2. By the Owners. The issuance of insurance policies to the Association pursuant to this Article shall not prevent a Unit Owner from obtaining insurance for his own benefit and at his own expense covering his Lot and/or Residential Unit, his personal property and providing liability coverage.

ARTICLE VI

RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 1. The Common Area. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and shall keep it in good, clean, attractive and sanitary condition, order and repair, pursuant to the terms and conditions hereof.

Section 2. Educational, Recreational and Social Programs. The Association shall be responsible for providing such educational, recreational and social programs as the Board of Directors deems appropriate in its discretion.

Section 3. Personal Property and Real Property for Common Use. The Association, through action of its Board of Directors, may acquire, hold and dispose of tangible and intangible personal property and real property.

Section 4. Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration, the Articles or the Bylaws, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

Section 5. Dedicated Easements. The Association will own and maintain private drives which will be dedicated as easements for ingress/egress for refuse and emergency vehicles, public utilities and facilities and drainage purposes.

Section 6. City of Mesa Disclaimer. The City of Mesa is not responsible for and will not accept maintenance responsibility of any private facilities, streets, landscaped areas, etc. within this project.

Section 7. Easement for Encroachments. In the event a patio home constructed on a Lot encroaches upon another Lot or the Common Area, a valid easement for such encroachment and for the maintenance of same, so long as it stands, shall and does exist if minor or inadvertent. In the event a

building containing patio homes is partially or totally destroyed and then rebuilt, the Owners agree that minor encroachments on adjacent Lots due to construction shall be permitted and that a valid easement for said encroachments and the maintenance thereof shall exist.

ARTICLE VII

ASSESSMENTS

Section 1. Creation of Assessments. In order to provide funds to enable the Association to meet its financial and other obligations and to create appropriate reserves, there is hereby created a right of assessment exercisable by the Board of Directors. Assessments shall be for Common Expenses and shall be allocated equally among all Units/Lots.

Each Owner, by acceptance of his, her or its deed with respect to one or more Units/Lots, is deemed to covenant and agree to pay the assessments authorized or permitted hereby. All such assessments, together with such costs, late charges, and reasonable attorney's fees as may be incurred in seeking to collect such assessments, shall be a charge on the land and shall be a continuing lien upon the Lot against which each assessment is made. Each such assessment, together with costs, late charges, and reasonable attorneys' fees as provided above, shall also be the personal obligation of the person who or which was Owner of the Lot at the time the assessment arose with respect to such Lot, provided, that the personal obligation for delinquent assessments shall not pass to the successors in title of such Owner unless expressly assumed by such successors.

General Assessments for each fiscal year shall be due and payable in equal monthly installments on or before the first day of January and the first day of July of such fiscal year. Special Assessments, if any, shall be paid in such manner and on such dates as may be fixed by the Board of Directors. In addition to any other powers of collection or enforcement granted hereunder, in the event any assessments with respect to a Lot are delinquent by more than thirty (30) days, the Board shall have the right, in its sole discretion, to accelerate the date on which assessments with respect to such Unit/Lot are due and payable.

Section 2. Computation of Assessment; Annual Budget. The Board shall prepare and adopt an estimated annual budget for each fiscal year of the Association. Such budget shall take into account the estimated Common Expenses and cash requirements of the Association for the year. The annual budget shall provide for a reserve for contingencies for the year (and for subsequent fiscal years) and a reserve for replacements, all in such reasonably adequate amounts as shall be determined by the Board. The Board shall cause a copy of the budget and a statement of the amount of the assessments to be levied against each Lot for the following fiscal year to be delivered or mailed to each Owner not less than sixty (60) days following the meeting of the Board at which such budget shall have been adopted.

Section 3. Maximum Annual Assessment. For each fiscal year, the total amount of the estimated common expenses set forth in the budget adopted by the Board of Directors shall be assessed against each Lot. The Board is authorized to increase the Annual Assessment by a maximum of twenty percent (20%) over the previous year. Approval by the majority of the members of the Association is required to increase the Annual Assessment in excess of twenty percent (20%).

Section 4. Special Assessments. In addition to the General Assessments authorized in Section 1, the Association may levy a Special Assessment in any year, provided, however, that any Special Assessments shall be effective only with the approval of not less than fifty-one percent (51%) of the votes of Members represented in person or by absentee/mail-in ballot at a meeting of Members duly called and convened to consider such Special Assessment. Special Assessments shall be equally allocated among all Lots.

Section 5. Lien for Assessments. The assessments provided for herein shall constitute a lien on each Lot prior and superior to all other liens, except (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto, and (2) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over any other Mortgages with respect to such Unit/Lot) made in good faith and for value. Such liens may be foreclosed in the manner provided by law for the foreclosure of mortgages. The sale or transfer of any Unit/Lot pursuant to a mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of the assessments provided for herein as to payments which became due prior to such sale or transfer, but no such sale or transfer shall relieve such Lot from liability for any assessments becoming due after such sale or transfer, or from the lien thereof.

The Association shall have the power to bid for any Lot at any sale to foreclose the Association's lien on the Lot, and to acquire and hold, lease, mortgage and convey the same. During the period any Lot is owned by the Association following any such foreclosure, no right to vote shall be exercised appurtenant to said Lot and no assessment shall be assessed or levied on or with respect to said Lot. Suit to recover any money judgment for unpaid assessments, rent, interest and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same.

Section 6. Capital Contribution Fee. To ensure that the Association will have adequate funds to establish operating, maintenance, and capital improvement reserves or to meet its expenses or to purchase necessary equipment or services, as of the date of the recording of this Declaration, when a Lot transfers ownership by voluntary sale or transfer (including, but not limited to, buyers under agreements for sale), the purchaser or seller shall immediately pay to the Association, a Capital Contribution Fee in an amount one-thousand dollars (\$1,000.00). The amount of the Capital Contribution Fee may be increased by the Board from time to time, provided any such increase is approved by fifty-one percent (51%) of eligible Owners (one vote per Lot) voting in person or by absentee ballot at a meeting duly called for such purpose. Notwithstanding the foregoing, the following purchasers or transferees shall be exempt from payment of the Capital Contribution Fee: (i) the transfer or conveyance of a Lot by devise or intestate succession, or by gift without the payment of any consideration by the transferee; (ii) a transfer or conveyance of a Lot for estate planning purposes; (iii) a transfer or conveyance to a corporation, partnership or other entity in which the grantor owns a majority interest unless the Board determines, in its sole discretion, that a material purpose of the transferor conveyance was to avoid payment for the Capital Contribution Fee in which event a Capital Contribution Fee shall be payable with respect to such transfer or conveyance; or (iv) any transfer or conveyance which does not fall under the exemptions set forth in subsections (i) – (iii) above, but which the Board determines, in its sole discretion, would be unfair or unjust to collect and/or falls outside of the scope and intent of this provision.

- A. All Capital Contribution Fees will be deposited in the Association's reserve account and will be deemed to be a contribution to the capital of the Association. Capital Contribution Fees are non-refundable and will not be considered as an advance payment of assessments.

- B. Capital Contribution Fees will exclusively be used by the Association as required under A.R.S. §33-442 for the construction or installation of buildings in the Common Area or for additions, repairs, maintenance or other improvements to existing buildings, roads, or other improvements in the Common Area. The collection and expenditure of the Capital Contribution Fees touch and concern the Property and are appurtenant to the title of each and every Lot.
- C. Capital Contribution Fees will only be collected on the sales of Lots that are sold/listed for sale after the date this Declaration is recorded. Any Lot that is currently listed for sale as of the date this Declaration is recorded is exempt from the payment of the Capital Contribution Fee.

ARTICLE VIII

ARCHITECTURAL STANDARDS; ARCHITECTURAL CONTROL COMMITTEE

Section 1. Alterations and Improvements. No building, fence, wall, or other structure or exterior improvement visible from the street shall be commenced to be constructed or erected on any Lot until the plans and specifications, showing the nature, kind, shape, height, materials and location, have been submitted to and approved by the Board. The Board shall have the right to refuse to approve any such plans or specifications which are not suitable or desirable in accordance with the community's historical character and/or consistent with the Association Architectural Guidelines. The Board shall have the right to take into consideration the suitability of the proposed building, structure or improvement and the materials with which it is to be built, to the site; the harmony with the surroundings; and the effect of the building or other structure as planned on the outlook from the adjacent, neighboring property or viewed from the street. All subsequent additions to or changes, modifications, alterations or improvements in any building, fence, wall or other structure shall be subject to the prior approval of the Board.

The Board of Directors shall have thirty (30) days after the proper plans and specifications have been received by it, to review the same, and must approve or deny the same in said thirty (30) day period. An application is not considered complete until all required information has been provided by the Owner. In the event the Board of Directors has not given its written approval or disapproval as specified herein, such approval will not be required, and this paragraph will be deemed to have been fully complied with.

Section 2. Architectural Review Committee. The Architectural Review Committee shall consist of two or more members. The chair of the Architectural Committee must be a member of the Board. None of the members is required to be an architect or to meet any other particular qualifications for membership. Aside from the chair, the members of the Architectural Review Committee need not be, but may be, a member(s) of the Board. The Board may act as the Architectural Review Committee if a majority of the Board concludes it necessary, and elects to do so.

Section 3. Variances. The Board may, at its option and in extenuating circumstances, grant variances from the restrictions set forth in this Article, if the Board determines in its discretion that: (a) a restriction would create an unreasonable hardship or burden on an Owner or Occupant or a change of circumstances since the recording of this Declaration had rendered such restriction obsolete; (b) the activity permitted under the variance will not have any substantial adverse effect on Owners and Occupants and is consistent with the high quality of life intended for residents of the community.

ARTICLE IX

USE RESTRICTIONS

Section 1. Residential Use. Subject to the provisions of any applicable federal or state Fair Housing Acts, all Residential Units shall be used, improved and devoted exclusively to residential use. No trade or business may be conducted on any Lot or in or from any residential Unit, except that an Owner or other Resident of a Residential Unit may conduct a business activity within a Residential Unit so long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Residential Unit; (ii) the business activity conforms to all applicable zoning ordinances or requirements for the Project; (iii) the business activity does not involve persons coming on to the Lot or the door-to-door solicitation of Owners or other Residents in the Project; and (iv) the business activity is consistent with the residential character of the Project and does not constitute a nuisance or a hazardous or offensive use or threaten security or safety of other Residents in the Project, as may be determined from time to time in the sole discretion of the Board. The terms "business" and "trade" as used in this Section shall be construed to have ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation or other form of consideration, regardless of whether: (i) such activity is engaged in full or part time; (ii) such activity is intended or does generate a profit; or (iii) a license is required for such activity.

The leasing of a Residential Unit by the Owner thereof shall not be considered a trade or business within the meaning of this Section.

Section 2. Garages and Driveways. All garages constructed on the Property shall be maintained by the respective Owners thereof in a neat, clean and sightly condition. Garages shall be used for parking vehicles and storage only, and shall not be used or converted for living or recreational activities without prior approval of the Architectural Control Committee. All driveways shall be of concrete construction.

Section 3. Signs. No billboards or signs of any type or character shall be erected or permitted on any part of the Property or on any Lot or Residential Unit, except as permitted by A.R.S. §33-1808, as it from time to time may be amended.. Nothing herein shall be deemed to prohibit attachment to the exterior of a Residential Unit of a single nameplate and a single address plate identifying the occupant and the address of the Residential Unit provided that such nameplates and address plates shall be subject to the rules and regulations of the board or such committee as the Board may designate.

Section 4. HVAC and Solar Panels. No apparatus, including without limitation, evaporative coolers heating and cooling units, shall be placed on a Lot or on the roof of any unit, unless approved by the Architectural Committee in its sole discretion and screened from view as the Architectural Committee shall require. Any solar energy device that is visible from the street or visible from a neighboring lot requires Architectural Committee approval prior to its installation, pursuant to A.R.S. §33-1816.

Section 5. Antennas and Towers. No antenna or other device for the transmission or reception of television or radio signals including but not limited to television antenna, satellite or microwave dishes, in excess of one (1) meter (39.37 inches) in diameter shall be erected, used or maintained upon any Lot without the prior written approval of the Board of Directors, which will grant approval for such devices

consistent with the Federal Communication Commission's rule(s) regarding Over-the-Air Reception Devices ("OTARD").

Section 6. Tanks. No tanks of any kind (including tanks for the storage of fuel) shall be erected, placed or maintained on the Property unless such tanks are buried under-ground. Nothing herein shall be deemed to prohibit use or storage upon a Lot of a propane or similar fuel tank with a capacity of ten (10) gallons or less used in connection with a normal residential gas barbecue or grill.

Section 7. Vehicles.

- (a) No private passenger automobiles or pick-up trucks shall be parked upon the Property or any roadway adjacent thereto except within a garage, in a private driveway appurtenant to a Residential Unit, or within areas designated for such purpose by the Association.
- (b) No other vehicles (including, but not limited to, mobile homes, motor homes, boats recreational vehicles, trailers, trucks, campers, permanent tents or similar vehicle or equipment) shall be kept, placed or maintained upon the Property or any roadway adjacent thereto, except (i) within a fully enclosed garage appurtenant to a Residential Unit or (ii) in such areas and subject to such rules and regulations as the Board may designate and adopt (iii) No townhome trailer or camper shall be permitted to remain on any Lot, or remain parked adjacent to a Lot for period in excess of forty-eight (48) hours.
- (c) No vehicle (including, but not limited to, those enumerated in subsections (a) and (b) above) shall be constructed, reconstructed or repaired upon the Property or any roadway adjacent thereto except within a fully enclosed garage.
- (d) No motor vehicles of any kind which are not in operating condition shall be parked in any uncovered parking areas (including, but not limited to, private driveways appurtenant to a Residential Unit).

Section 8. Underground Facilities. No cesspool or well may be dug or installed without the prior written approval of the Architectural Control Committee. No part of the Property shall be used for purposes of boring, mining, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth.

Section 9. Outdoor Burning. There shall be no outdoor burning of trash or other debris, provided, however, that the foregoing shall not be deemed to prohibit the use of normal residential barbecues or other similar outside cooking grills.

Section 10. Sanitation. Garbage and refuse facilities, containers and the like shall be attractively screened and camouflaged in such manner as to conceal them from the view of neighboring Lots, Residential Units, property, roads or streets. All equipment for the storage or disposal of garbage or other waste shall be kept in a clean and sanitary condition. All rubbish, trash and garbage shall be kept only in approved containers, shall be regularly removed from the Property and shall not be allowed to accumulate thereon.

Section 11. Fences, Interference and Obstructions. All fences shall be of block construction (except as may be otherwise permitted with the prior written consent of the Architectural Control Committee)

and shall be painted or colored to match the exterior of the structure(s) enclosed by or upon the same Unit/Lot as such fence. No fences shall exceed six (6) feet in height, provided that no fence within twenty (20) feet of the front property line of a Unit/Lot or parcel shall exceed forty-two (42) inches in height. The foregoing shall not apply to boundary walls or fences constructed by the Declarant along property lines bounding public rights-of-way or other property which is not part of the Property. No fence shall be permitted to interfere with existing recorded restrictions, drainage ways or easements. Fences may be constructed in or over a recorded utility easement, provided, however, that should the utility companies ever require access to such easement, it shall be the responsibility of the Owner of the applicable Lot, at his, her or its sole expense, to remove and replace the fence.

No structure, shrubbery or other vegetation shall be permitted to exist on any Lot the height or location of which shall be deemed by the Association to constitute either a traffic hazard, to be unattractive in appearance or unreasonably detrimental to adjoining property. As an aid to freer movement of vehicles at and near street intersections and in order to protect the safety of pedestrians and the operators of vehicles and/or property, the Association may impose further limitation on the height of fences, walls, gateways, ornamental structures, hedges, shrubbery and other fixtures, and construction and planting on corner Lots or other parcels at the intersection of two or more streets or roadways.

Section 12. Nuisance. No rubbish or debris of any kind shall be placed or permitted to accumulate, for any unreasonable length of time, on any portion of the Property, and no odors shall be permitted to arise therefrom, so as to render the Property or any portion thereof unsanitary, unsightly, offensive or detrimental to any other portion of the Property or to its occupants. No nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to any Owner or resident of any Lot. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices, except security devices used exclusively for security purposes, shall be located, used or placed on the Property. The Board in its discretion shall have the right to determine the existence of any such nuisance. Furthermore, the Board has the right to remove any nuisance at the expense of the Owner responsible for the nuisance.

Section 13. Drainage Alteration; Easements. No vegetation (except suitable ground cover) may be planted or permitted to remain on areas subject to drainage easements, as shown on recorded plats, in such manner as to interfere with drainage or which shall be deemed by the Board to be detriment to utilities located under or near such vegetation. It is the responsibility of each Owner to maintain that portion of his, her or its Lot subject to recorded easements (except as otherwise provided in Article IV).

Section 14. Right of Entry. The Board or its agents shall have the right of entry to any part of the Property at reasonable times and, in the case of a Lot or Residential Unit thereon, upon reasonable notice to the Owner of such Residential Unit or Lot, for the purposes of investigation possible or actual violations of these covenants and use restrictions and correcting such violations.

Section 15. Clothes-Drying Facilities. Outside clotheslines or other outside facilities for drying or airing clothes shall not be erected, placed or maintained on any Lot (or on any other part of the Property) unless they are erected, placed or maintained exclusively within a fenced yard or otherwise concealed and shall not be visible from ground level on neighboring property.

Section 16. Pets. No animals, livestock or poultry of any kind shall be raised, bred or kept on the Property, provided, however, that nothing herein shall be construed as prohibiting the keeping of ordinary household pets in a Residential Unit or upon a Lot, subject to rules and regulations adopted by the Association through its Board of Directors, provided that such pets are not kept, bred or maintained for any commercial purpose. Notwithstanding the foregoing, no pets may be kept on any Lot which result in any annoyance to or are obnoxious in the opinion of the Board to the Owners (or their tenants or occupants) of other Units/Lots in the vicinity. All dogs and cats must be confined to their Owner's (or their tenants or occupants) Lot when not on a leash and shall not be permitted to run free. Owners shall clean up after their pets.

Section 17. Renting or Leasing of Lots. No Owner may lease less than all of his/her/their/its Lot. All leases must be for a minimum lease term of thirty (30) days; provided that any Owner, as of the date of adoption of this provision, may rent or lease his/her/their/its Lot for a period of less than thirty (30) days, except that such right to rent or lease the Lot shall terminate upon the transfer of title of the Lot by the person(s) who are the Owners at the time of adoption of this provision. No Owner may lease less than his/her/their/its entire Lot.

At any given time, the total number of Units leased/rented shall not exceed 30% of the total Lots in the Association (i.e. the total number of Lots leased/rented shall not exceed 23 Lots). The Board, in its sole discretion, has the authority to adopt, amend and repeal rules and regulations regarding the implementation, governance and administration of this provision, including, but not necessarily limited to, establishing a waiting list for any Lots that wish to be leased/rented once the 23 Lot lease/rental maximum has been met.

All leases shall be in writing and shall provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration, and any failure of the Lessee to comply with the terms of this Declaration shall be a default under the Lease. Each Owner of a Lot that is being rented or leased shall provide the Board of Directors with documentation of each such existing tenancy within thirty (30) days of adoption of this provision or the date of commencement of the tenancy, whichever is earlier, and thereafter with documentation of each new tenancy within thirty (30) days of commencement of each such new tenancy. Such documentation shall include: Name(s) and contact information for any adults occupying the property; the time period of the lease, including the beginning and ending dates of the tenancy; and a description and the license plate numbers of the tenants' vehicles. On request of the foregoing documentation, the managing agent or, if there is no managing agent, the association may charge a fee of no more than twenty-five dollars (\$25.00), which shall be paid within fifteen (15) days after the postmarked request. The fee may be charged for each new tenancy for that Lot but may not be charged for a renewal of a lease. In addition, the association may charge a fee or penalty of no more than fifteen dollars (\$15.00) for incomplete or late information regarding the above mentioned documentation.

It shall be the responsibility of the Owner to provide the tenants with current copies of the Association's Declaration, Bylaws and Rules and Regulations, and to ensure their tenants' compliance with these documents. The Association may fine Owners, after notice and an opportunity to be heard, for their tenants' violations of this Declaration, the Bylaws, and/or Rules and Regulations.

Section 18. Storage and Tool Sheds or Structures. No storage or tool sheds or similar structures shall be placed, erected or maintained upon any Lot (or any other part of the Property) except where

such structure is constructed as an integral part of a Residential Unit (including materials, color and the like) in accordance with the provisions of Article VIII hereof, including approval by the Architectural Control Committee.

Section 19. Parking. The City of Mesa Code requires there shall be no parking or other obstructions in designated fire lanes. At the address 6730 East Hermosa Vista Drive, Mesa, Arizona in the development named Vista Villa Townhomes, the Association will enforce the no parking requirement and the Mesa Fire Department will not require the posting of fire lane signs at this time. If the Mesa Fire Department finds that this enforcement is not working, then the Board of Directors or their legal representative, will install the posts and signs per City Code and the maintenance thereof will fall to the Association.

Section 20. Miscellaneous. The Board, in its good faith discretion, is hereby authorized to grant such waivers of the restrictions contained in the Article IX as it shall deem appropriate in the circumstances, so long as the use permitted by such waiver shall not result in an unsafe, unsanitary or aesthetically displeasing condition and shall not result, in the Board's discretion, in the substantial departure from the common plan of development contemplated by this Declaration. In addition, all portions of the Property shall continue at all times to be subject to any and all applicable zoning laws and ordinances, provided, however, that where the provisions of the Declaration are more restrictive than such laws or ordinances, the provisions of this Declaration shall control.

ARTICLE X

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall (including fence walls and common walls between Residential Units) which is built on the dividing line between two Lots, or between a Lot and the Common Area, shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article X, the general rules of law regarding party walls and liability for property damages due to negligent or willful acts or omissions shall apply thereto.

Section 2. Repair and Maintenance. No Owner or resident of Any Unit/Lot (or any guest, invitee, employee or agent of such Owner or resident) shall do or permit any act (or omit to do any act) that will or does damage, destroy or impair the structural soundness or integrity of any party wall, or which would cause any party wall to be exposed to the elements, and, in the event any such Owner, resident, guest, invitees, employee or agent does or permits any such act (or so omits to do any act), such Owner or resident shall, at his, her or its sole expense, cause such damage, destruction, impairment or exposure to be repaired or reconstructed in a prompt, workmanlike manner, and in the event such Owner or resident fails to make such repair or reconstruction, any Owner or resident of a Unit/Lot sharing such party wall shall have the right, but not the obligation, to make such repairs or reconstruction and to recover from the Owner or from the resident required hereunder to make such repairs or reconstruction the costs thereof, together with interest thereon at the rate set forth in Article XI, Section 5 hereof from the date such costs are incurred until such costs (and interest) are fully repaid by the Owner or resident required hereunder to make such repairs or reconstruction.

Section 3. Sharing of Repair or Maintenance. In the event any repair, maintenance or reconstruction of any party wall shall be necessary (other than due to the negligence or willful act or

omission of the Owner or resident of one Lot, or such Owner's or resident's guests, invitees, employees or agents) the cost thereof shall be borne equally by the Owners and/or residents of the Units/Lots having in common such party wall, and in the event an Owner fails or refuses timely to pay such Owner's (or resident's) share of such cost, the other Owner (or resident) shall have the right to pay in full such cost and recover from such Owner (or resident) such Owner's (or resident's) share of such cost (together with interest as provided in Section 2 of this Article X).

ARTICLE XI

GENERAL PROVISIONS AND MORTGAGES

Section 1. Term. The covenants, conditions and restrictions of this Declaration (a) shall run with and bind the Property, (b) shall inure to the benefit of and shall be enforceable by the Association, or the owner of any property subject to this Declaration, their respective legal representatives, heirs, successors and assigns, and (c) shall remain in full force and effect, unless revoked by an affirmative vote of Members holding, personally or by absentee/mail-in ballot, not less than fifty-one percent (51%) of all votes eligible to be cast at a meeting of Members. Notwithstanding any such revocation of this Declaration or conveyance dedication on mortgage of the common area, each Owner of a Lot (and such Owner's occupants, tenants, residents, guests and invitees) shall nevertheless have a permanent easement across the Common Area for access to such Lot and for access to and use of the spa, horseshoe courts and such similar facilities as may exist on the Common Area at the time of such revocation.

Section 2. Amendment. Except as otherwise provided herein, this Declaration may be amended at any time by the affirmative vote (in person or by absentee/mail-in ballot) or written consent of Members representing at least fifty-one percent (51%) of all votes.

Section 3. Indemnification. The Association shall indemnify every officer and director of the Association against any and all expenses, including attorneys' fees, reasonably incurred by or imposed upon any officer or director of the Association in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he, she or it may be party by reason of being or having been an officer or director of the Association, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except indirectly to the extent that such officers or directors may also be Members of the Association and therefore subject to assessment to fund a liability of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any rights to which any officer or director, or former officer or director of the Association, may be entitled.

Section 4. Easements for Utilities, Etc. There is hereby created blanket easements upon, across, over and under all of the Common Area for ingress, egress, installation, replacing, repairing and maintaining master television antenna systems, security and similar systems, and all utilities, including, but not limited to, water, sewers, telephones, cable television and electricity, provided, that no such easement shall interfere with a Residential Unit or its reasonable use and such easements shall require

the holder of the easement to repair any damage caused to the property of any Owner. Should any entity furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, the Declarant or the Association, as applicable, shall have the right to grant such easement on said property in accordance with the terms hereof.

Section 5. No Partition. No person acquiring any interest in the Property or any part thereof shall have a right to, nor shall any person seek, any judicial partition of the Common Area. This Section shall not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring or disposing of title to real property (other than disposition of title to the Common Area) which may not be subject to this Declaration.

Section 6. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 7. Enforcement. The Association or any Owner shall have the right to enforce the Governing Documents and/or any and all covenants, restrictions, charges, assessments, conditions, liens or easements provided for in any contract, deed, declaration or other instrument which shall have been executed pursuant to, or subject to, the provisions of this Declaration. The Association is entitled to collect any attorneys' fees or costs incurred in the enforcement of any provision of the Governing Documents, whether or not a lawsuit is filed.

Section 8. Interpretation. Except for judicial construction, the Association shall have the exclusive right to construe and interpret the provisions of this Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Association's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all Persons and property benefited or bound by this Declaration. In the event of any conflict between this Declaration and the Articles, Bylaws, Association Rules or Architectural Committee Rules, this Declaration shall control. In the event of any conflict between the Articles and the Bylaws, the Articles shall control. In the event of any conflict between the Bylaws and the Association Rules or the Architectural Committee Rules, the Bylaws shall control.

Section 9. Right to Inspect Documents: Audited Financial Statements. The Association shall make available to Owners, Mortgagees and insurers or guarantors of First Mortgages current copies of the Declaration, Articles, Bylaws, Association rules and the books, records and financial statements of the Association. "Available" means available for inspection (and copying at the expense of the requesting party), upon request, during normal business hours or under other reasonable circumstances.

Section 10. No Absolute Liability. No provision of the Project Documents shall be interpreted or construed as imposing on Owners absolute liability for damage to the Common Area or the Lots. Owners shall only be responsible for damage to the Common Area or Lots caused by the Owners' negligence or intentional acts.

CERTIFICATION

VISTA VILLA TOWNHOMES HOMEOWNERS ASSOCIATION, INC.

BY: _____ (Signature)

_____ (Print Name)

ITS: President

STATE OF ARIZONA)

) ss.

COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this ___ day of _____, 2022, by _____, the President of Vista Villa Townhomes Homeowners Association, Inc., an Arizona non-profit corporation, on behalf of the non-profit corporation.

Notary Public: _____ My commission Expires: _____

VISTA VILLA TOWNHOMES HOMEOWNERS ASSOCIATION, INC.

BY: _____ (Signature)

_____ (Print Name)

ITS: Secretary

STATE OF ARIZONA)

) ss.

COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this ___ day of _____, 2022, by _____, the Secretary of Vista Villa Townhomes Homeowners Association, Inc., an Arizona non-profit corporation, on behalf of the non-profit corporation.

Notary Public: _____ My commission Expires: _____