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**AMENDMENT AND RESTATEMENT OF
DECLARATION OF RESTRICTIONS, COVENANTS
AND CONDITIONS OF
ENTRADA PROPERTY OWNERS ASSOCIATION, INC.**

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1. **INTRODUCTION.** The undersigned on behalf of the owners of not less than ~~fifty-one~~ percent (51%) of the lots ("Lots") of that certain real property ("Entrada") subject to that certain Declaration of Restrictions, Covenants and Conditions of the Entrada Property recorded in the Office of the Pima County Recorder, Arizona, in Docket 8283, at page 664 thereof. The owners intend that this Declaration shall replace and supersede the Original Declaration, that the Original Declaration shall have no further force nor effect, and that the real property to be encumbered by this Declaration shall include only that real property legally described in Exhibit "A" attached hereto and incorporated herein by this reference. *(LOTS" minimum A.13aeraz)*

2. **PREAMBLE.** It is assumed that all who own property subject to this Declaration are motivated by the character of the natural environment in which it is located and, except for, and among themselves, the principle that the development and use of the property must preserve that character for present and future enjoyment by all owners.

The purpose of this Declaration is to prevent nuisances or damage to the inherent beauty and attractiveness of the property; to maintain the character of the area; to secure for each Lot owner the full benefit and enjoyment of their property, with no greater restriction on the free and undisturbed use of their property than is necessary to insure the same advantages to other Lot owners.

The owners do hereby establish a general plan for the development and use of Entrada, and do hereby establish the provisions, conditions, restrictions and covenants of this Declaration (collectively "Restrictions") to which Entrada and all Lots thereof shall be bound. Each and every one of the Restrictions contained in this Declaration and all amendments hereto are for the benefit of each owner of each Lot; shall inure to and pass with each Lot; shall run with the title to each Lot; shall constitute covenants running with the land; and shall bind all owners of each Lot and their respective successors, heirs, personal representatives and assigns.

3. **ENTRADA PROPERTY OWNERS ASSOCIATION, INC.:**

3.1. **JURISDICTION OF THE ASSOCIATION.** The administration and enforcement of this Declaration is entrusted to and under the jurisdiction of the Entrada Property Owners Association, Inc.,

("Association"), an Arizona nonprofit corporation. The affairs of the Association shall be conducted by a board of directors ("Board") who shall be elected in accordance with the provisions of this Declaration, the bylaws ("Bylaws") and the articles of incorporation ("Articles") of the Association, which are incorporated herein by this reference. In addition to administering and enforcing this Declaration, the Association shall maintain Association boundary and interior roads, enact and enforce the Association rules and resolutions (collectively, "Rules") and do such other things and perform such other services for the general benefit of Entrada as may be required or permitted under the Restrictions, the Bylaws, the Articles or otherwise by law. Nothing contained within this paragraph shall limit the right of any owner to enforce by legal action any breach of the Restrictions.

3.2. MEMBERSHIP IN THE ASSOCIATION. The record owner of each Lot automatically shall become a member ("Member") of the Association, and shall remain a Member of the Association until such time as their ownership ceases for any reason, at which time the membership in the Association automatically shall cease and shall be subject to the Restrictions, Bylaws and Articles, as now in effect and as duly adopted or amended. Ownership of a Lot shall be the sole qualification and criterion for membership. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. A membership in the Association shall not be transferred, pledged nor alienated in any way. The record owner of each Lot shall be entitled to one membership in the Association. Any Lot which is further divided shall comply with current zoning on lot size requirements of Pima County, Arizona, and shall be entitled to one membership in the Association.

3.3. VOTING RIGHTS. In the event that more than one person shall own a Lot, the owners of such Lot only shall be entitled to one membership collectively, it being the intention that each Lot shall have no more than one vote in the election of the Board or concerning other matters that may be voted upon by the membership of the Association. The owner(s) of each Lot shall give written notice to the Association of the name and address of the person authorized to receive notices and other information from the Association, to vote and otherwise to be the spokesperson with respect to Association matters on behalf of such Lot. The foregoing obligation of written notice to the Association shall be continuing in the event of any change in the name or address of such authorized person. In the event of any violation of any of the Restrictions (including, but not limited to, the failure to pay any assessment levied by the Association), the Association may suspend the voting privileges of the owner(s) of the Lot in violation, in addition to all other rights and remedies of the Association under this Declaration, the Bylaws, the Articles or otherwise provided by law or in equity.

3.4. ASSOCIATION RULES. The Association may from time to time adopt uniformly applicable Rules governing all persons while they are on Entrada. The Rules shall have the same force as the Restrictions, except that the Restrictions shall prevail in the event of conflict. Rules may be amended, added or deleted at any time by a unanimous vote of the Board. The Rules may also be amended, added or deleted by a vote of ~~fifty-one percent (51%)~~^{25%} of the Members or their proxies attending a meeting (provided that a quorum under the Bylaws is present at such meeting), and such vote shall take precedence over a vote of the Board.

3.5. APPLICATION AND ENFORCEMENT OF RESTRICTIONS AND RULES. The Articles were filed on December 4, 1996, and except in Section 3.6. below, reference herein to "this Declaration" shall be deemed to include the Articles. Notwithstanding the foregoing, in the event of any conflict or inconsistency, the Restrictions shall govern over the Rules, Bylaws and Articles; the Articles shall govern over the Rules and Bylaws; and the Bylaws shall govern over the Rules. This Declaration shall be effective for a period of 20 years commencing as of the recording of this Declaration, and shall be automatically extended for successive terms of 10 years each unless revoked by a document executed by the then owners of not less than ~~fifty-one percent (51%)~~^{25%} of the Lots, and unless such document is duly recorded in the Records on or before the end of the 20-year base period or any of the 10-year extension periods. The Association shall enforce the Restrictions and Rules equitably and in a non-discriminatory manner in accordance with such procedure and guidelines as may be adopted or amended by the Association from time to time. The failure or neglect of the Association to enforce the Restrictions and Rules shall not constitute a waiver of the right and obligation of the Association later to enforce the same Restrictions and Rules. In the event that the Association shall cease to exist, the Restrictions shall continue in full force and effect and shall be enforceable by an owner of a Lot as against any and all other owners of Lots, subject to the expiration or revocation of this Declaration as provided above.

3.5.1. NOTICE OF VIOLATION. A Lot Owner, upon written notification from the Association of a violation of the Declaration or the Rules of the Board of Directors, shall have thirty (30) days from the date of the notice of violation to remedy the violation or present a proposal for a written solution or alternatives to the Board. The Board shall respond in writing to the written proposal within ten (10) days from receipt thereof.

3.6. AMENDMENT. This Declaration may be amended at any time, and from time to time, by duly recorded document executed by the then owners of not less than ~~fifty-one (51%)~~^{25%} of the Lots. It is expressly intended that any such amendment may be for the purposes of clarifying any Restriction of this Declaration,

increasing the restrictive effect of this Declaration or reducing the restrictive effect of this Declaration. The amendment, noting its adopting by such a majority and the date of its adoption, shall become effective when recorded in Pima County.

3.7. THE BOARD OF DIRECTORS. The conditions, terms and provisions concerning the Board shall include, but not be limited, to the following:

3.7.1. The Board of Directors shall consist of seven ^{11/12} members, each being elected by a vote of not less than ~~fifty-one percent (51%)~~ of the Members or their proxies (provided that a quorum under the Bylaws is present) at the annual meeting held for that purpose, except as provided in the Bylaws in the event of vacancy. Each Director shall serve a term of one year, but may be re-elected.

3.7.2. The Board shall represent the Association in all matters. All powers and responsibilities described below in Sections 3.10. and 3.11. and attributed therein to the Association shall also be those of the Board.

3.8. ASSESSMENTS AND EXPENSES:

3.8.1. **ANNUAL ASSESSMENTS.** At each annual meeting of the Association the Board shall present to the Members estimates of expenses of the Association for the current fiscal year (January 1 - December 31), and shall recommend the amount of the annual assessment upon each Member needed for that year to meet Association obligations. If a Member owns more than one Lot, the amount of the annual assessment upon such Member shall be multiplied by the number of Lots such member owns at the time of the annual assessment. A vote of not less than ~~fifty-one percent (51%)~~ of the Members or their proxies at such annual meeting (provided that a quorum under the Bylaws is present at such meeting) shall be required to approve the recommended amount of the annual assessment for that year.

3.8.2. **SPECIAL ASSESSMENTS.** If the annual assessment is insufficient to cover the actual expenses of the Association for the then current fiscal year, the Association may levy a special assessment upon each Member. The amount and conditions of a special assessment shall be approved, before becoming effective, by a vote in accordance with the procedures set forth in the Bylaws of not less than ~~fifty-one percent (51%)~~ of all Members of the Association.

3.8.3. PAYMENT OF ASSESSMENTS:

3.8.3.1. Annual assessments are due January 1, at the beginning of the current fiscal year. Lot Owners may pay in full or make quarterly payments. It is the Lot Owner's responsibility to ensure their quarterly payments are on time.

3.8.3.2. Payment of special assessments are due once the special assessment is approved by the vote of the membership as stated in 3.8.2.

3.8.4. LATE CHARGES AND LIENS. Each Member agrees that each annual assessment and special assessment, if not paid in full within the time fixed for payment by the Association, shall be delinquent and automatically shall become a lien upon all of the Lots owned by such delinquent Member, and shall continue to be a lien until fully paid. The amount of any and all late charges that may be assessed by the Board, in accordance with the Rules, together with reasonable attorney's fees and costs incurred by the Association in connection with such delinquency (whether or not a lawsuit is filed), together with interest at two percent over prime rate (charged by Norwest Bank Arizona, N.A. or its successor continuing to maintain prime rate) at the time the lien takes effect on all such amounts, shall also automatically become a lien upon all of the Lots owned by such a delinquent Member, and shall continue to be such a lien until fully paid. The total amount of principal, late charges, interest, attorney's fees and costs owed by each Member to the Association shall be a debt, and shall be collectible by lawful procedure allowed by the laws of the State of Arizona. Each Member hereby expressly authorized the Association or its agents the right and power to bring all actions against such Member for the collection of such amounts or to enforce any lien by all methods available for the enforcement and foreclosure of such liens, or both. In the event of a delinquency, the association may record a notice and claim of lien in the Records against all of the Lots owned by a delinquent Member, and shall be required to deliver or mail a copy of such notice and claim of lien to the delinquent Member. The Association may commence and maintain proceedings to foreclose its lien in the same manner as the foreclosure of mortgages. The lien for assessments shall constitute a lien on said lot and shall be superior to all other liens, except (1) all taxes, assessments and other levies which, by law, would be superior thereto, and (2) the lien or charge on any first mortgage or deed of trust. In addition to the foregoing rights and remedies of the Association, the voting privileges of the delinquent Member shall be suspended, commencing with the date of delinquency until the total amount due is fully paid. In the event the Association employs an attorney to collect such amounts due (whether or not a lawsuit is filed) or to prepare and/or enforce a notice and claim of lien or both, such delinquent Member shall be liable for all reasonable

attorney's fees and costs incurred by the Association.

3.9. INFRASTRUCTURE. The Association property ("Property") shall consist of approximately 12 miles of roads, which include the Entrada boundary roads, commonly known as Kolb Road, Wilmot Road and Mann Road; and the interior roads currently on record with Pima County and named Camino Del Toro, Camino Aurelia and Foresight road. In the event any of such roads are no longer to be maintained by the Association, then the inclusion of said road in the definition of Association property shall automatically be excluded herein.

3.10. POWERS AND AUTHORITY. The Association has all of the powers set forth in the Articles together with its general powers as a nonprofit corporation to do the lawful things that may be authorized, required or permitted to be done by the Association pursuant to this Declaration, and to do and perform such acts as may be necessary or proper for, or incidental to, the exercise of any of the express powers or duties of the Association. In addition to the foregoing, the Association may:

3.10.1. Contract and pay for, or otherwise provide for, the maintenance, restoration and repair of all property and improvements owned by the Association or under its jurisdiction, including but not limited to Association Roads, but not including Private Areas as defined below.

3.10.2. Obtain, maintain and pay for such insurance policies or bonds as the Association deems appropriate for the protection or benefit of the Association, the members of the Board, and Association employees.

3.10.3. Contract and pay for, or otherwise provide for, the services of architects, engineers, attorneys and certified public accountants and such other services as may be required for the conduct of Association duties and purposes.

3.10.4. Contract and pay for, or otherwise provide for, such materials, supplies, furniture, equipment and labor as and to the extent the Association deems necessary in connection with Association duties and purposes.

3.10.5. From time to time pay, compromise or contest taxes and assessments levied against real or personal property belonging to the Association.

3.10.6. From time to time, in its name commence and maintain actions and suits on its own behalf, or on behalf of any owner or owners who consent thereto, to restrain and enjoin any breach or threatened breach of the Restrictions or Rules and to enforce, by mandatory injunction or otherwise, all of the Restrictions and Rules.

3.11. DUTIES AND OBLIGATIONS. The Association shall have the obligations and duties, subject to this Declaration, to do and perform each of the following for the benefit of the Owners:

3.11.1. The Association shall pay its lawful obligations in timely manner.

3.11.2. The Association shall manage and maintain Association Roads to insure their continued value and usefulness to its membership. *AS FUNDS PERMIT*

3.11.3. To the extent not assessed to or paid by the owners, the Association shall pay all real property taxes and assessments levied upon property owned by the Association.

3.11.4. The Association shall carry insurance with such coverage limits and other terms as the Board deems appropriate, including but not limited to the following:

3.11.4.1. Fire and extended coverage insurance on all improvements owned by the Association and, from time to time, located upon Association Roads.

3.11.4.2. Bodily injury liability insurance insuring the Association against any and all liability with respect to Entrada or any portion thereof.

3.11.4.3. Property damage liability insurance.

3.11.4.4. Officers' and Directors' liability insurance.

3.11.4.5. The above policy or policies of insurance may name as insured the Association, its offices, directors, employees and members with respect to any liability arising out of maintenance and use of any Association Roads.

3.11.6. The Association shall adopt, amend and repeal the Rules not consistent with this Declaration concerning, among other things:

3.11.6.1. The construction of improvements on Entrada.

3.11.6.2. Activities affecting Entrada's environment.

3.11.6.3. The conduct of members and their guests.

3.11.6.4. The use of Association Roads.

3.11.6.5. The collection and disposal of refuse.

3.11.6.6. Prevention of fire hazards.

3.11.6.7. The keeping of animals on Entrada.

4. RESTRICTIONS:

4.1. GENERAL RESTRICTIONS. In addition to regulations and restrictions contained in the Rules, the following activities are prohibited on Entrada:

4.1.1. Refuse. No Lot may be used as a dumping ground or as storage for rubbish or junk.

4.1.2. Exterior fires, except barbecue and incinerator fires contained within approved receptacles and such other fires as may from time to time be permitted by the Rules.

4.1.3. Hunting or taking of any type of wildlife.

4.1.4. Roping arenas. "FOR NON-ASSOCIATION MEMBERS"

4.1.5. Recreational vehicle (RV) storage lots.

4.1.6. Rendering plants and slaughterhouses.

4.2. LIMITED RESTRICTIONS:

4.2.1. Animals. The following types and numbers of animals are permitted, provided that all such animals are confined by fences or walls.

4.2.1.1. A reasonable number of dogs and/or cats (considered "pets," as to not cause a nuisance to neighboring Lot Owners.

4.2.1.2. Two horses, mules, or burros (or combination) per acre.

4.2.1.3. Two beef cattle per lot. Milk cows are prohibited.

4.2.1.4. Twenty small fowl and small animals per acre.

4.2.1.5. Any other type of animal is prohibited unless first approved in writing by the Association.

4.2.2. Livestock raising projects sponsored by the 4-H Club, Future Farmers of America or other similar nonprofit organization are restricted to two animals of different species, per resident child, per Lot Owner.

4.2.3. Motor Vehicles. Non-operative or disassembled motor vehicles and boats shall not be stored on any road, and may be stored on a Lot only if hidden from view by a fully enclosed garage.

4.3. RURAL HOMESTEAD ZONE (RH) RESTRICTIONS. The following activities (both permitted and conditional) are prohibited on Entrada:

4.3.1. Raising of hogs; hog ranches.

4.3.2. Raising of ratites.

4.3.3. Agricultural processing facility, including wineries.

4.3.4. Commercial feedlots.

4.3.5. Racetrack for the racing of animals.

4.3.6. Automobile repair or parts store.

4.3.7. Fairgrounds or carnival.

4.3.8. Zoo and other animal exhibits.

4.3.9. Skeet, trap, rifle or pistol range.

4.3.10. Communication tower and facilities.

4.3.11. Contractors yard.

4.3.12. Cemetery or crematorium.

4.3.13. Sand and gravel operation.

4.3.14. Airport facilities.

4.3.15. Sanatorium.

4.3.16. Antennas and Exterior Additions. No exterior antennas or other devices for the transmission or reception of television or radio signals, including satellite dishes, earth station or citizen band antennas, and those antennas or devices used by ham radio operators or the like, shall be erected or maintained on the property which exceed fifteen (15) feet in height above the original natural grade level of the property, without the prior written authorization of the Board. Further, ~~no other exterior devices or additions, structures, mast or pole including solar devices, shall be constructed on the exterior of any dwelling unit or attached or detached accessory building, including the roof, which exceeds fifteen (15) feet in height~~

FURTHER, OTHER EXTERIOR DEVICES OF ADDITIONS, STRUCTURES, MAST OR POLE INCLUDING SOLAR DEVICES SHALL BE ERRECTED TO COMPLY WITH FEDERAL COMMUNICATIONS COMMISSION ACT OF OCTOBER 1996.

~~above the original natural grade level of the property, without the prior written authorization of the Board.~~

4.4. ACCESS TO ENTRADA BOUNDARIES:

4.4.1. In the event a Lot is to be used by persons other than a Member or members of the household, such Members shall designate in writing to the Association the names of the persons entitled to use (whether by rental, lease, agreement or otherwise) that Lot, and the conditions governing such usage.

4.4.2. Admissions of guests, renters, lessees or invitee of owners of the Association to Entrada shall be governed by the Restrictions and Rules. Any acts or omissions of any such person(s) shall be deemed to be the acts or omissions of the respective owner(s), to the end that such owner(s) shall be fully responsible for any violation of the Restrictions or Rules committed by such person(s) while on Entrada. The Board may restrict entrance or other privileges of any nonresident person(s) who has abused or violated the Restrictions or Rules.

4.4.3. The Association shall not limit access to Entrada to persons in the following circumstances:

4.4.3.1. Persons acting in their official capacity as representatives of local, state and federal government, public utilities, health care provider or service, and other such entities having legitimate right of access to carry out their official business on Entrada.

4.4.3.2. Persons hired in connection with maintenance of Association Roads.

4.5. ASSOCIATION ROADS:

4.5.1. Association Roads are for the use and benefit of the owners and their guests, renters, lessees and invitees, and other persons authorized to have access to Entrada pursuant to Section 4.4. above, and no other person whatsoever. The Association Roads may be used by such authorized persons to move freely about Entrada by approved vehicle, horse, foot or bicycle or as otherwise permitted by the Restrictions and Rules.

4.5.2. The Rules may (without limitation and to the extent deemed necessary by the Association to preserve the benefits of Entrada for all such authorized persons) restrict and/or govern the use of Association Roads by such authorized persons, provided, however, that the Rules are reasonable and nondiscriminatory.

4.5.3. The use of any Association Road is subject to such easements and rights of way reserved therefrom at the time of the conveyance thereof by the owner, or granted by the Association. No improvement, excavation nor other work that in any way alters any Association Road easement from its natural or existing state shall be made without the express approval of the Association in advance.

4.5.4. Specifically permitted on Association Roads are licensed four-wheeled vehicles, traditional farming and ranching vehicles, and vehicles necessary for construction of allowed improvements, so long as these do not damage roads or create a disturbance.

4.6. PRIVATE AREAS:

4.6.1. The Private Area of each Lot is defined as that area within the legal boundaries of the Lot.

4.6.2. The Private Area of each Lot shall be for the exclusive use and benefit of the owner thereof. Only one single family dwelling ("Main Residence") and one guest house ("Guest House"), which is a detached structure for the transitory use of members of the family occupying the Main Residence and their nonpaying guests, shall be allowed on each Lot. One or more accessory buildings ("Accessory Buildings") as defined by applicable Pima County Codes ("Codes") as amended, and other structures, may be placed upon Lots as permitted by the Restrictions and Rules. All structures placed on Lots shall conform with Codes. In addition to the foregoing, no building or structure intended or used for or adapted to business purposes as limited under 4.3, and no apartment house, rooming house, multiple family dwelling nor dwellings, or mobile home parks shall be erected, permitted nor maintained on any Lot.

4.6.3. The Private Area of each Lot shall be used exclusively for residential, personal, recreational, grazing and commercial (as limited under 4.3.) purposes, limited by all applicable zoning, ordinances, the Restrictions and Rules.

4.6.4. The vegetation and habitat on any Private Area shall not be destroyed or removed except as necessary in connection with the construction of improvements on the Private Area. Any such vegetation and habitat so destroyed or removed shall be replaced by the respective owner, at their sole cost, to the extent practicable, within a reasonable time after the completion of such construction as defined in Arizona Revised Statutes, 33-993(B), as may be amended.

4.6.5. Each Private Area and any and all improvements from time to time located thereon shall be maintained by the owner thereof in good condition and repair, and in such manner as not

to be unsightly or create a fire hazard to Entrada or any part thereof, all at such owner's sole cost and expense.

4.7. **LOT SIZE AND BOUNDARIES.** The minimum Lot size shall conform to and be restricted according to the zoning of Pima County, Arizona, including all Private Areas and easements thereon. Notwithstanding any zoning or other land-use regulation of any government authority having jurisdiction to the contrary, only structures described under 4.6.2. shall be permitted on each Lot. (4.13 ACRES)

4.8. **CONSTRUCTION ON PRIVATE AREA.** All activities on Private Areas are subject to the Restrictions and Rules.

4.8.1. **LANDSCAPING:**

4.8.1.1. Where the natural vegetation is disturbed, it will be replaced as necessary with similar vegetation most likely to survive on the disturbed areas. If economically feasible, particularly valuable plants will be transplanted.

4.8.1.2. If construction leaves any visible objects, they will be masked by plants native to the area or similar to plants native to the area and/or by fencing appropriate to Entrada.

4.8.1.3. Owners or contractors shall not scrape or otherwise disturb natural areas except with approval of the Board and only as required to construct the improvement.

4.8.2. **DESIGN RESTRICTIONS:**

4.8.2.1. All improvements shall comply with all applicable Pima County zoning ordinances, Codes and this Declaration.

4.8.2.2. Unless specific exemptions are granted by the Board, all buildings and improvements, including trees, shall be located on any Lot so as not to restrict views of other Lot Owners.

4.8.2.3. Worksites, construction activities and storage of construction materials at worksites shall be maintained for minimum visibility from other Lots, and worksites shall be returned to their natural state upon completion of construction to the extent that is practicable.

4.8.2.4. No surfaces shall be used on any exterior surface that may result in objectionable glare as seen from other Lots. All exterior surfaces should be of an appearance that will not cause the structure to be conspicuous against the surrounding terrain to the extent they are visible from surrounding Lots.

4.8.2.5. Light emanating from exterior light fixtures shall not be visible except in their immediate surroundings, and such fixtures shall only illuminate their immediate surroundings.

4.8.2.6. Dwellings. All dwellings shall have at least 1,300 square feet of living area, exclusive of garage or carport, and shall be constructed to Uniform Building Code, or equivalent, standards. Mobile, manufactured or modular homes shall have at least 1,300 square feet of living area within the exterior walls, and shall be constructed to accepted industry standards. Guest dwellings will be constructed to Code. No dwelling, structure or accessory building shall exceed thirty (30) feet in height from the original natural grade level of the property and area being constructed.

4.8.2.7. Mobile Homes. All mobile, manufactured, and modular homes shall be less than 10 years old, as shown on the certificate of title, at the time of location on the Lot. All such homes shall be fitted with skirts on all sides, from ground level to floor level. Travel trailers, motor homes, tent trailers and tents used as residences are prohibited on any Lot.

4.8.2.8. Waste Products. All dwellings shall be equipped with water flush toilets. All toilets, sinks, or other sanitary conveniences shall be located within the residence, and all waste water shall be discharged into a governmentally-approved septic sewage disposal system installed on the Lot. It is the Lot owner's responsibility to install their individual sewage disposal system.

4.8.2.9. Construction Time. All structures shall be completed within 12 months of the issuance of the building permit or, if no permit is required, within 12 months of ground breaking. No structure may be built upon a recorded easement or right-of-way.

4.8.2.10. Storage and Pressure Tanks.

4.8.2.10.1. Above-ground storage tanks are prohibited.

4.8.2.10.2. All pressure tanks, to include propane and butane tanks, must be concealed by an ^{ENCLOSURE} masonry wall and cannot exceed a maximum of 1,200 gallon capacity. ~~Masonry walls are to be constructed, as a minimum, out of 4" x 8" x 16" blocks; not to exceed 8 feet in height and must include a service gate. Masonry enclosure must be colored a neutral desert color and be concealed by planting mature-growth, natural landscaping.~~

4.8.2.10.3. Underground tanks for the storage of fuel or toxic waste must first be approved in writing by the Association and also by the State of Arizona and/or Pima County, as required by law.

4.8.2.10.4. Livestock watering containers are not considered storage tanks and are exempt.

4.8.2.11. Walls. All walls and fences shall be limited to a height of 8 feet, and shall be constructed to workmanlike standards from first quality materials commonly used in wall and fence construction.

4.8.3. GRANDFATHER RIGHTS. Notwithstanding any provision or term contained in this Declaration to the contrary, any situation or characteristic of any Lot or improvement existing upon any Lot which was permissible prior to the recording of this Declaration shall not be deemed a violation of this Declaration.

4.9. MISCELLANEOUS:

4.9.1. Invalidation of any one of these Restrictions by judgment or court order shall in no way effect any other provisions, which shall remain in full force and effect.

4.9.2. In the event of a violation of any of the Restrictions or Rules, the Association or any owner of any Lot may commence an action against the defaulting or violating owner to pursue all available remedies at law or in equity, including but not limited to, damages or injunctive relief. An owner-initiated action shall be at no expense to the Association.

4.9.3. Should the Association or any owner of any Lot employ counsel to enforce the Restrictions or the Rules against a violating or defaulting owner, such violating or defaulting owner shall pay all reasonable attorney's fees and costs incurred by the Association or such other owner. In the event, the Association and such other owner shall have a lien upon all of the Lots owned by such violating or defaulting owner to secure payment of such fees and costs.

4.9.4. No delay or omission on the part of the Association or any owner in exercising the rights or remedies under the Restrictions or Rules shall be construed as a waiver thereof or acquiescence, and no right of action shall accrue nor shall any action be brought or maintained by anyone whatsoever against the Association or any owner entitled to enforce the Restrictions or Rules arising from or connected with the failure to enforce the Restrictions or Rules.

4.9.5. No breach of the foregoing provisions, conditions, restrictions or covenants shall defeat or render invalid the lien of any mortgage or deed of trust made in good faith for value as to any portion of the Properties. Such provisions, conditions, restrictions and covenants shall be enforceable against any portion of the Properties acquired by any person through foreclosure for any breach occurring after such acquisition.

4.9.6. The Association shall indemnify to the fullest extent allowed by law every officer, director and committee member, against any and all expenses, including attorneys' fees, reasonably incurred by or imposed upon, any officer, director or committee member, 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 or she may be a party by reason of being or having been an officer or director. The officers, directors and committee members, shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers, directors and committee members, 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 to the extent that such officers, directors or committee members, may also be members of the Association), and the Association shall indemnify and forever hold each such officer, director and committee member, free and harmless against any and all liability to others on account of each such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director or committee members, or former officer, director or committee member, may be entitled. The Association shall, as a common expense, maintain adequate general liability and officers' and directors' liability insurance to also include committee members, to fund this obligation.

4.9.7. The lien for assessments shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to a mortgage foreclosure, or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer of any Lot shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

4.9.8. Notwithstanding and prevailing over any other provision of this Declaration, or the Association's Articles or Bylaws, or the Rules, the following provisions shall apply to the benefit of each holder of a first mortgage upon a Lot (called the first mortgagee):

a. The first mortgagee shall not be personally liable for the payment of any assessment, nor for the observation or performance of any covenant, restriction, regulation, rule, article or bylaw, except for those matters which are enforceable by injunctive or other equitable actions, and which do not require the payment of money.

b. During the pendency of any proceeding to foreclose the first mortgage, including any period of redemption, the mortgagee (or receiver appointed in such action) may, but is not required to, exercise any or all of the rights and privileges of the Owner of the mortgaged Lot, including but not limited to the exclusion of the Owner's exercise of such rights and privileges.

c. At such time as the first mortgagee becomes the record Owner of a Lot, it shall be subject to all of the terms and conditions of this Declaration, including but not limited to the obligation to pay for all assessments and charges accruing thereafter in the same manner as any Owner.

d. The first mortgagee, or any other party acquiring title to a mortgaged lot through foreclosure suit or through any equivalent proceeding arising from said first mortgage, such as, but not limited to, the taking of a deed in lieu of foreclosure, shall acquire title to the mortgaged lot free and clear of any lien authorized by or arising out of any of the provisions of the Declaration or Bylaws which secured the payment of any assessment for charges accrued prior to the final conclusion of any such foreclosure suit or equivalent proceeding, including the expiration date of any period of redemption.

5. GROUND WATER RIGHTS:

5.1. Water is not available to Entrada from municipal or private water company. The Association is not responsible for providing ground water. Water for domestic use will be provided by wells drilled by individual Lot owners.

5.2. The Association is not responsible or liable for private water co-operations established by Lot owners with the intent to share water and costs.

5.3. Water rights are not transferable to property outside the Entrada Property boundary.


IN WITNESS WHEREOF the undersigned President and Secretary of Entrada Property Owners Association, Inc. have signed this Amendment this 6th day of December, 1996.

ENTRADA PROPERTY OWNERS ASSOCIATION,
INC.

By: *Delbert Saut*
Its: President
By: *Linda Moore*
Its: Secretary

STATE OF ARIZONA)
)ss.
County of Pima)

SUBSCRIBED AND ACKNOWLEDGED before me this 6th day of December, 1996, by Delberta Lamb, the President, and Linda McNeil, the Secretary of ENTRADA PROPERTY OWNERS ASSOCIATION, INC. on behalf of the Association.


Notary Public

My Commission Expires:
7/21/98

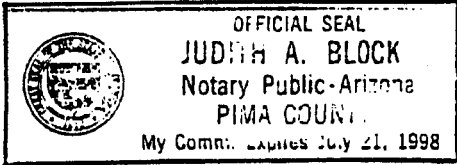


EXHIBIT "A"

Lots 1-48 of ENTRADA, per record of survey in Book 5, page 47, all as recorded in Pima County on November 25, 1987, in Docket 8169, page 906.