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 WHEN RECORDED, RETURN TO:
 Del Webb Communities, Inc. 0 1 0 0 2 7 3
 2231 E. Camelback Rd., Suite 400
 Phoenix, Arizona 85016
 Attn: F. Timothy Hoyt, Jr.

(27)

FIRST AMENDED AND RESTATED
 TRACT DECLARATION OF
 COVENANTS, CONDITIONS AND RESTRICTIONS
 SUN CITY SUMMERLIN

THIS FIRST AMENDED AND RESTATED TRACT DECLARATION, made on this 25th day of October, 1989, by DEL WEBB COMMUNITIES, INC., an Arizona corporation, hereinafter referred to as "Declarant".

W I T N E S S E T H:

WHEREAS, Declarant is the owner of certain property in the County of Clark, State of Nevada, which is more particularly described as:

Lots 1 through 98, and Common Area Lots A, B and C shown on Sun City Summerlin, Unit 12, filed with County Recorder of Clark County, Nevada on June 13, 1989, in Book 42 of Plats, Page 90.

Said above-described real property shall hereinafter be referred to as the "Properties."

WHEREAS, Declarant did, on the 9th day of January, 1989, cause to be recorded in the Office of Clark County, Nevada Recorder, in Book 890109 as Instrument No. 00220, a Sun City Summerlin Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements (hereinafter referred to as the "Master Declaration"), pertaining to certain specifically described property located within Clark County, Nevada, as designated therein; and

WHEREAS, said Master Declaration is expressly applicable to such specific portions of Sun City Summerlin as are developed and subdivided into Lots and Parcels pursuant to the provisions of Article II thereof, and to the permanent improvements thereon; and

WHEREAS, Declarant is the owner of and desires hereby, to subject the above-described Properties to said Master Declaration; and

WHEREAS, Declarant did, on July 10, 1989 cause to be recorded in the Office of Clark County, Nevada Recorder, in Book 890710 as Instrument No. 00163, a Tract Declaration of Covenants, Conditions and Restrictions Sun City Summerlin (hereinafter referred to as the "Revoked Tract Declaration") pertaining to the above described real property, which Revoked Tract Declaration failed to include Common Area Lots B and C within the legal description of the Properties; and

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WHEREAS, Declarant desires to, and by the recording of this First Amended and Restated Tract Declaration of Covenants, Conditions and Restrictions Sun City Summerlin, does revoke the Revoked Tract Declaration in order to substitute this Tract Declaration of Covenants, Conditions and Restrictions which does cover and include within the "Properties" Common Area Lots A, B and C as shown on the plat for Sun City Summerlin Unit 12; and

WHEREAS, the Revoked Tract Declaration provides that it may be amended by a written instrument evidencing approval of the Amendment by not less than 51% of the total lots within the subdivision and Declarant is currently the owner of all lots within this subdivision as well as Common Area Lots A, B and C and, by its signature hereunder, evidences its desire to replace the Revoked Tract Declaration with this First Amended and Restated Tract Declaration of Covenants, Conditions and Restrictions.

NOW, THEREFORE, Declarant, declares that the Revoked Tract Declaration is hereby superseded and replaced in full by this Tract Declaration of Covenants, Conditions and Restrictions and that the Revoked Tract Declaration recorded as Instrument No. 00163 of the Clark County Recorder's Office is hereby rescinded and of no further force or effect;

FURTHER, Declarant, declares that the aforesaid Properties, together with the permanent improvements thereon, are hereby subjected to the aforesaid Master Declaration and are henceforth to be considered part and parcel of the Project known as Sun City Summerlin as therein described; and Declarant, as owner of the Properties herein described, for and on behalf of its self, its trustees, personal representatives, successors and assigns, covenants and agrees that the Properties are subject to all of the provisions of the Master Declaration, including but not limited to the provisions for mandatory membership in the Sun City Summerlin Community Association and the Annual and Special Assessments and Maintenance Charges imposed pursuant to said Master Declaration, and said Declarant shall be personally bound by all of the covenants set forth therein. Declarant further declares that said Master Declaration shall henceforth be applicable to and enforceable against the subject property and the Owners and occupants thereof by the Sun City Summerlin Community Association, Inc., as the agent and representative of the Owners of The Property, and otherwise as set forth in said Master Declaration. Declarant further declares that this Tract Declaration and the Master Declaration are declared and agreed to be in furtherance of a general plan for the Subdivision, improvement and sale of Sun City Summerlin and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of Sun City Summerlin and every part thereof.

FURTHER, Declarant hereby declares that in addition to the foregoing, all of the Properties described herein shall be held,

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sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any rights, title or interest therein or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Annual Assessment" shall mean the charge levied and assessed each year against each Lot pursuant to Article VII, Section 2 of the Master Declaration.

Section 2. "Architectural Review Committee" shall mean the committee of the Sun City Summerlin Community Association to be created pursuant to Article XI of the Master Declaration.

Section 3. "Articles" shall mean the Articles of Incorporation of the Association as the same may from time to time be amended or supplemented.

Section 4. "Association" shall mean and refer to the Homeowners Association comprised of the Owners of Lots covered by this Declaration and created pursuant to Article V of this Tract Declaration.

Section 5. "Board of Management" shall mean and refer to the governing body of the Association.

Section 6. "Building" shall mean and refer to any one (or all if the context requires) of the multi-family structures to be erected upon the Properties as shown upon the Plat. With regard to duplexes and garden villas, the term shall include all of the Dwelling Units comprising one structure as shown upon the plat.

Section 7. "Bylaws" shall mean the Bylaws of the Association as the same may from time to time be amended or supplemented.

Section 8. "Common Area" shall mean all Property, including all shrubs, trees and other landscaping, public sidewalks, driveways, pavement, pipes, wires, conduits, public utility lines, and the improvements thereto owned or to be owned by the Association or the Community Association as the context requires, for the common use and enjoyment of the Owners. Common Area Lots A, B and C designated on the subdivision plat shall be exclusively for the use of the members of the Association.

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Section 9. "Community Association" and/or "Master Association" shall mean and refer to the Sun City Summerlin Community Association, Inc., a Nevada non-profit corporation.

Section 10. "Declarant" shall mean (1) Del Webb Communities, Inc., an Arizona corporation, and (2) any successors or assigns of Del Webb Communities, Inc., an Arizona corporation, but, for purposes of the foregoing, no individual, corporation, trust, partnership or other entity who or which has purchased property within the Project from Declarant, or whose title to such property is derived from a person who has purchased such property from Declarant, shall be deemed to be a successor or assign of Declarant.

Section 11. "Declaration" or "Tract Declaration" shall mean this Tract Declaration of Covenants, Conditions and Restrictions as amended or supplemented from time to time.

Section 12. "Deed" shall mean a deed or other instrument conveying the fee simple title in a "Lot."

Section 13. "Developer" shall mean and refer to Del Webb Communities, Inc., and its successors and assigns as more specifically set forth in Section 10 above.

Section 14. "Dwelling Unit" shall mean and refer to a garden villa or one-half ($\frac{1}{2}$) of a duplex constructed by Developer upon a Lot designed and intended for use and occupancy as a residence by a single family.

Section 15. "First Mortgage" shall mean and refer to any unpaid and outstanding mortgage, deed of trust, or other security instrument on real property in the Properties recorded in the office of the Clerk and Recorder of Clark County, Nevada, having priority of record over all other recorded liens except those governmental liens made superior by statute.

Section 16. "First Mortgagee" shall mean and refer to any person named as a mortgagee or beneficiary under any First Mortgage or any successor to the interest of such person under such First Mortgage.

Section 17. "Government Mortgage Agency" shall mean the Federal Housing Administration, the Veterans Administration, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association or the Federal National Mortgage Association or any similar entity, public or private, authorized, approved or sponsored by any governmental agency to insure, guaranty, make or purchase mortgage loans.

Section 18. "Lot" shall mean and refer to the numbered residential lot shown upon a recorded subdivision map of the

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Properties, together with all appurtenances, improvements, and residences now or hereafter built or placed thereon.

Section 19. "Maintenance Assessment" shall mean the charge levied and assessed each year against each Lot by the Association pursuant to Article VI of the Tract Declaration.

Section 20. "Master Association" shall mean and refer to the Community Association defined herein.

Section 21. "Master Declaration" shall mean and refer to the Sun City Summerlin Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements, which has been executed by Declarant and recorded in the office of the Clark County Recorder.

Section 22. "Member" shall mean and refer to each Owner, including the Declarant, of a Lot in the Properties, that is subject to assessment hereunder; membership in the Association shall be appurtenant to, and may not be separated from ownership of a Lot.

Section 23. "Membership" shall mean a membership in the Association and the rights granted to the Owners pursuant to Article V to participate in the Association.

Section 24. "Occupant" shall mean any person, other than an Owner, in rightful possession of a Lot.

Section 25. "Open Spaces" and/or "Natural Open Spaces" shall mean and refer to those areas designated on the recorded subdivision plat as areas of the subdivision to be left open and undeveloped with the exception of trails and rest areas and some additions to landscaping and any irrigation thereof.

Section 26. "Owner" shall mean the record holder of legal title to the fee simple interest in any Lot including contract sellers, but excluding others who hold such title merely as security. In the case of Lots, the fee simple title to which are vested of record in a trustee, legal title shall be deemed to be in the trustor. An Owner shall include any person who holds record title to a Lot in joint ownership with any other person or holds an undivided fee interest in any lot.

Section 27. "Plat" or "Subdivision Plat" shall mean the plat of the real estate subject to this Tract Declaration recorded at Book 42, Page 90, of Plats, Office of Clark County, Nevada Recorder.

Section 28. "Properties" shall mean and refer to that certain real property hereinbefore described as subject to this Tract Declaration.

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Section 29. "Residence" shall mean a garden villa or one-half ($\frac{1}{2}$) of a duplex on any Lot used as a dwelling for a single family including any appurtenant garage.

Section 30. "Single Family" shall mean a group of one or more persons each related to the other by blood, marriage or legal adoption, or a group of not more than three (3) persons not all so related, who maintain a common household in a Dwelling Unit or Residence.

Section 31. "Special Assessment" shall mean any assessment levied and assessed pursuant to Article VI of this Tract Declaration or Article VII, Section 6 of the Master Declaration.

ARTICLE II

EASEMENTS

Section 1. Non-Build and Maintenance Easement. Those portions of the Common Area located between Buildings extending the complete length of the property lines of the adjacent Lots are hereby dedicated and designated as Non-build Easements. A typical Non-build Easement is shown on Exhibit "A". No construction or placement of any structure of any kind shall be permitted within this easement area, nor shall an Owner attach any structure to the exterior wall or fence of a Building which will extend into this easement area. This easement area may be landscaped by Declarant or by the Association as the case may be.

Section 2. Maintenance Easement. There is hereby created an easement over and across the Common Area of this Subdivision in favor of each Owner, the Association and their duly authorized agents for the purpose of providing exterior maintenance to the Buildings.

Section 3. Access for Ingress and Egress, Maintenance and Easement. The paved driveway from the street to each individual lot, and the paved walkway to the front entry of each individual Lot which cross Common Area Lots A, B and C shall be maintained and repaired by each individual Lot Owner served by said driveway or walkway. Any modification, expansion or addition to said driveway shall require the prior written approval of the Board of Management of the Association. There is hereby created a non-exclusive easement upon, across and over the Common Area Lots A, B and C limited to the actual driveway and walkway for each Lot as constructed by Developer, and in favor of each individual Lot Owner for ingress and egress to and from each Lot and for the replacing, repairing and maintaining of each Lot Owner's driveway and front entry walkway.

Section 4. Easement for Encroachment and Overhangs. If any portion of the Common Area Lots A, B and C shall actually

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encroach upon any Lot, or if any Dwelling Unit constructed upon any Lot shall actually encroach upon or overhang the Common Area Lots A, B and C, or if any Dwelling Unit constructed upon any Lot shall actually encroach upon any other Lot, whether such encroachment results from the initial construction or from subsequent repair, reconstruction, settlement or shifting, there shall be deemed to be mutual easements in favor of the Association as Owner of the Common Area Lots A, B and C and the respective Lot Owners involved to the extent of such encroachment so long as the same shall exist, provided, however, that such easement shall not result from any alteration, addition or improvement made by an Owner, except Declarant, without the prior written approval of the Board of Management. The Association shall at all times have the right to maintain any Common Areas now existing or hereafter constructed, regardless of any encroachment now or hereafter existing of any such Common Area upon any Lot.

Section 5. Utility Easement. There is hereby created a blanket easement upon, across, over, and under Lots and the Common Area Lots A, B and C for utilities and the installation, replacement, repair, and maintenance of utilities, including, but not limited to water, sewer, gas, telephone, electricity, and master and cable television antenna systems, if any, provided that said easement shall not extend beyond, across, over, or under any structure located on any Lot. By virtue of this easement, it shall be expressly permissible to erect and maintain the necessary facilities, equipment, and appurtenances on the Properties and to install, repair, and maintain water, sewer and gas pipes, electric, telephone and television wires, circuits, conduits and meters. Notwithstanding anything to the contrary contained in this section, no sewer, electric, water or gas lines or other utilities or service lines may be installed or relocated on the Properties except as initially programmed and approved by Declarant or thereafter approved by Declarant. This easement shall in no way affect any other recorded easements on the Properties.

ARTICLE III

EASEMENTS AND RIGHTS OF ENJOYMENT IN ASSOCIATION COMMON AREAS

Section 1. Easements of Enjoyment. Every Owner shall have a non-exclusive right and easement of enjoyment in and to the Common Areas Lot A covered by this Tract Declaration, which easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) The right of the Association to levy and collect assessments and establish uniform rules and regulations pertaining to the maintenance and upkeep of the Common Area and Buildings, and to amend the Association's Articles and Bylaws or its published rules and regulations after due notice;

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- (b) The right of the Association to regulate the use of the Common Area and to prohibit access to those portions of Common Area not intended for use by Owners. Any such rules shall be intended, in the absolute discretion of the Board of Management, to enhance the preservation of the Common Area or the safety and convenience of the users thereof, or otherwise shall serve to promote the best interests of the Owners;
- (c) The right of the Association to close or limit the use of the Common Area, or portions thereof, while maintaining and repairing the same;
- (d) The right of the Declarant, reserved hereby, to non-exclusive use of unsold Lots and all Common Areas for display, sales, promotional, and other purposes deemed useful by Declarant and its agents and representatives in advertising, selling or promoting the sale of Lots within the subdivision. This right shall permit Declarant to allow access to Lots and the Common Area by its guests and prospective customers, and shall terminate upon closing of the sale of the last Lot covered by this Declaration or December 31, 1995, whichever first occurs;
- (e) The right of the Association to impose fines and suspend voting rights for non-payment of assessments during any period which any assessment against the Owner's Lot remains unpaid, or to impose the same sanctions for other breaches of this Declaration, its Articles and Bylaws or the Association's published rules and regulations for a period not to exceed sixty (60) days. Any action taken by the Association pursuant to this provision shall be taken in accordance with the rules and procedures established for this purpose in the Bylaws of the Association.

Section 2. Delegation of Use. Any Owner of a lot may, in accordance with the Association's Bylaws and this Declaration (a) delegate his right of enjoyment in the Common Area to the members of his family, his tenants, or his guests or invitees; or (b) designate another person to exercise all of his rights (but not liabilities or voting rights), which other persons shall, during the period of such designation, have the sole right to delegate rights of enjoyment pursuant to subsection (a) of this Section.

Section 3. Waiver of Use. No Owner may exempt himself from personal liability for Homeowner Assessments or Special Assessments duly levied by the Association, or release the Lot owned by him from the liens and charges thereof by abandonment of his Lot.

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Section 4. Leasing Restrictions. All leases and rental agreements for individual residences shall be in writing and specifically shall be subject to each and every requirement, covenant and condition of this Declaration, the Master Declaration, the Articles, Bylaws and duly adopted rules and regulations of the Community Association, and the Articles, Bylaws and duly adopted rules and regulations of the Association.

Section 5. Each residential lot shall be a separately designated and legally described freehold estate consisting of said residential lot and the improvements thereon. The Common Area Lots A, B and C shall be owned by the Association, for the use and enjoyment of the Owners.

ARTICLE IV

AGE RESTRICTION

Each dwelling unit covered by this Tract Declaration, if occupied, shall be occupied by at least one (1) person not less than Fifty Five (55) years of age and no person eighteen (18) years of age or under shall reside in any Dwelling Unit for a period of time exceeding ninety (90) days in any calendar year. To the extent required by applicable Federal or State law, at no time shall less than eighty percent (80%) of the Lots in this Subdivision be occupied by Single Families where at least one member of the Single Family is Fifty Five (55) years of age or older.

ARTICLE V

HOMEOWNER ASSOCIATION; BOARD OF MANAGEMENT; MAINTENANCE ASSESSMENT

Section 1. Membership. Every Owner of a Lot which is subject to this Declaration shall be a member of the Linkview Drive Homeowners Association, Inc., (the "Association"). Membership shall be appurtenant to and may not be separated from ownership of a Lot. Each Owner is obligated to promptly, fully and faithfully comply with and conform to the Articles, Bylaws, and rules and regulations adopted from time to time by the Board of Management. When more than one person holds an interest in any one Lot, all such persons shall be members. The vote for such Lot shall be exercised as the Owners among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. Non-titleholder occupants, including renters, shall not be members of the Association.

Section 2. Purpose of the Association. The Association will be a Nevada non-profit corporation, which will serve as the governing body for all Owners and Members for the ownership, protection, improvement, alteration, maintenance, repair,

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replacement, administration and operation of Common Area owned by the Association, the assessment of expenses, payment of losses, disposition of casualty insurance proceeds, maintenance of the Properties and building located thereon for their intended use and other matters as provided in this Tract Declaration, the Articles, Bylaws, and Association rules and regulations. The Association shall not be dissolved, nor shall it dispose of Common Area by sale or otherwise.

Section 3. Board of Management, First Meeting of Members. The Association shall be governed by a Board of Management which shall consist of not less than three (3) persons who shall, with the exception of the initial Board of Management, be an Owner of a Lot(s) covered by this Declaration. The Board shall choose a chairman from among them. The initial Board of Management shall be appointed by Declarant in accordance with the Articles of Incorporation and Bylaws of the Association. The initial Board of Management shall serve until the first meeting of the members of the Association which meeting shall be held within forty five (45) days after the closing of the sale of fifty one percent (51%) of the Lots covered by this Declaration. Within forty five (45) days after at least fifty one percent (51%) of the Lots have been sold and transferred, Declarant shall call a meeting of the Association where, among other business, the Board of Management consisting of Owners of Lots covered by this Declaration shall be elected.

Section 4. Rights and Duties of the Association. The Association, through its Board of Management, shall have the following rights and powers with respect to each Owner and to the Common Area of the Association:

- (a) To levy maintenance assessments, payable in advance, against each residential Lot.
- (b) To use and expend the maintenance assessments collected to maintain, care for and preserve the Common Area grounds and improvements as well as to maintain, care for and preserve the exterior surfaces of the Buildings excluding glass surfaces. Interiors of Dwelling Units, private courtyards and patios, and driveways and entry walkways of each Lot shall be maintained by the Owner thereof.
- (c) To pay taxes and assessments levied and assessed against real property, and such equipment and tools, supplies, and other personal property as are owned by the Association for the common benefit of all unit Owners.
- (d) To pay for insurance, water, sewer, electricity and other utilities and expenses applicable to the Common

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Area and to the Lots as shall be determined by vote of the Association.

- (e) To repair and replace common facilities, machinery and equipment, if any, as is necessary and convenient, in the discretion of the Board.
- (f) To insure, and keep insured, all Buildings, as well as improvements on its Common Area, and the Owners thereof, against loss from fire or other casualty, and to purchase same and such other insurance as the Board of Management may deem advisable. Such insurance may, at the discretion of the Board of Management, be taken in the name of the Association for the benefit of all the Lot Owners, or in such other manner as the Board of Management may deem advisable. In the event any of such insurance proceeds are insufficient to repair or replace loss or damage, to levy an additional assessment in proportionate amounts as to each unit to cover such deficiency. Such insurance may, at the discretion of the Association, include coverage for contents of individual Dwelling Units, and the responsibility for the determination and acquisition of sufficient insurance shall be the responsibility of each individual Lot Owner.
- (g) To collect delinquent assessments by suit or otherwise, and to enjoin or seek damages from the Owners of Lots for violations of the covenants herein contained on the part of the Owners to be performed, or for violation of the rules hereinafter referred to.
- (h) To protect and defend the Properties from loss and damage by suit or otherwise.
- (i) To employ and dismiss workmen, maids, janitors, gardeners, lawyers, accountants and any others necessary to carry out the rights and powers herein granted and to purchase supplied and equipment, to enter into contracts and generally to have the powers of managers in connection with the matters hereinabove set forth.
- (j) To make and enforce reasonable rules and to amend the same from time to time, and such rules and amendments shall be binding upon the Owners when the Owners of a majority of the units have approved them by vote or in writing. A copy of such rules and all amendments shall be delivered to each Lot Owner.
- (k) To create an assessment fund into which the Board of Management shall place all sums collected by assessments or otherwise, the assessment fund to be used and expended for the purpose herein set forth.

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- (l) To render to the Owners annual statements of receipts and expenditures.
- (m) To appoint officers and agents to carry out the business of the Association.
- (n) To carry out such other duties and powers as are set forth in the Articles and Bylaws of the Association.

Section 5. Articles and Bylaws. The manner in which the Association holds meetings and attends to other corporate formalities shall be controlled by the provisions of the Bylaws, the Articles of Incorporation, and this Declaration.

Section 6. Non-Liability of Officials and Indemnification. To the fullest extent permitted by law, every director, officer, or committee member of the Association shall be indemnified by the Association. Every other person serving as an employee or direct agent of the Association, or otherwise acting on behalf of, and at the request of, the Association may in the discretion of the Board of Management be indemnified by the Association.

Section 7. Initial Advisory Board of Owners. An Initial Advisory Board of Owners shall be appointed, which shall consist of three (3) members appointed by Declarant from among the Owners of the first Lots conveyed in the Properties. The Initial Advisory Board shall serve in an advisory capacity to the Board of Management and constitute a liaison between the first Board of Management and Owners. The Initial Advisory Board shall serve until the first official meeting of the Association at which time said Advisory Board shall be dissolved and replaced by the Board of Management elected by the Owners at said meeting. The initial Board of Management shall educate the Advisory Board as to the management and operation of the Association in an effort to afford the Lot Owners a smooth transition into self-governance of the Association at the time of the first meeting of the Members.

Section 8. Conveyance of Common Area. The Common Area shall be conveyed to the Association coincident with the first transfer or conveyance of a Lot covered by this Declaration.

Section 9. Limits of Board Authority. The Board of Management of the Association shall be prohibited from taking any of the following actions, except with the vote or written assent of a majority of the voting power of the Association residing in Members other than the Declarant:

- (a) Entering into a contract with a third person wherein the third person will furnish goods or services for the Common Area or the Association for a term longer than one (1) year with the following exceptions:

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- (1) A Management Contract, the terms of which have been approved by the Federal Housing Administration or Veterans Administration.
- (2) A contract with a public utility company if the rates charged for the materials or services are regulated by a government agency provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate.
- (3) Prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration provided that the policy permits short rate cancellation by the insured.

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTS TO ASSOCIATION

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned which is covered by this Declaration hereby covenants, and each Owner of a Lot by acceptance of a Deed therefore, whether or not it shall be so expressed in such Deed, is deemed to covenant and agrees to pay to the Association: (a) Maintenance Assessments, and (b) Special Assessments for capital improvements, such assessments to be established and collected as provided herein and in the Bylaws.

Section 2. Purpose of Assessments. The Maintenance Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of its members and for the improvement and maintenance of the Common Area, maintenance of the landscaped areas and maintenance of the exteriors (excluding glass surfaces) of Buildings within the Properties.

Section 3. Uniform Rate of Assessment. Both Maintenance Assessments and, except as otherwise provided in the Bylaws, Special Assessments must be fixed at a uniform rate for all occupied Lots and may be collected on a monthly or other periodic basis, in advance, as determined by the Board of Management of the Association. The Board may not, without the prior vote or written consent of a majority of the Members of the Association impose a Maintenance Assessment per Lot which is more than twenty percent (20%) greater than the Maintenance Assessment per Lot for the immediately preceding fiscal year. All funds budgeted, allocated, assessed and collected for contingencies, deferred maintenance and replacement of capital improvements shall be designated for those specific purposes. Said funds shall then be

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used solely for that specific purpose for which said funds have been designated.

Section 4. Assessment Rate on Declarant Owned Lots. Notwithstanding any provision to the contrary contained in this Tract Declaration, the rate of Maintenance Assessment set for the Lots owned by Declarant which do not contain a structural improvement for human occupancy shall be reduced by that portion of any such assessment which is for the purpose of defraying expenses and reserves directly attributable to the existence and use of the structural improvements. This shall include but may not necessarily be limited to any of the following:

- (1) insurance;
- (2) exterior maintenance;
- (3) deferred maintenance and replacement of capital improvements;
- (4) refuse disposal;
- (5) cable television; and
- (6) domestic water and sewer

This exemption from payment of portions of Maintenance Assessments shall be in effect only until notice of completion of a structural improvement has been recorded or until one hundred twenty (120) days after the issuance of a building permit for the structural improvement, whichever first occurs. The rate of Maintenance Assessment set for any Lot owned by Declarant which has a completed structural improvement for human occupancy but remains unsold and/or unoccupied shall be exempt from the payment of that portion of any assessment which is for the purpose of defraying expenses directly attributable to the occupancy of the structural improvements. This exception may include, but shall not necessarily be limited to:

- (1) refuse disposal; and
- (2) utility charges such as domestic water, sewer, electricity and cable television.

Any such exemption from the payment of Maintenance Assessments shall be in effect only until Declarant has transferred title to the Lot to a Buyer or until the unit is occupied, whichever first occurs.

Section 5. Date of Commencement of Maintenance Assessments. The Maintenance Assessments provided for herein shall commence as to all Lots, subject to the provisions of Section 4, on the first day of the calendar month following the close of the first sale of a Lot within the Properties.

Section 6. Special Assessments. In addition to the Maintenance Assessments, the Board of Management may levy, in any fiscal year, a Special Assessment which shall be applicable to

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that year for capital improvements, corrections of inadequacy of the maintenance fund, defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of improvements in the Common Area of the Association, to Buildings or for any other purpose which the Board of Management deems appropriate; provided however, that within any fiscal year the aggregate of such Special Assessments shall not exceed five percent (5%) of the budgeted gross expenses for said fiscal year without the assent of a majority of its Members, voting in person or by proxy, at a meeting duly called for this purpose. Written notice of such meeting shall be given to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting. Any such Special Assessment shall be levied in the same manner as Maintenance Assessments.

Section 7. Effect of Non-Payment of Assessments, Lien and Power of Sale. The Maintenance and Special Assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made from the date of such assessment. Each assessment, together with interest, cost, and reasonable attorneys' fees, shall also be the personal obligation of the person who is the Owner of such Property at the time when the assessment fell due. Any assessment not paid within thirty (30) days shall bear interest from the date imposed at the rate of fifteen percent (15%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot, and such Owner hereby expressly grants to the Association the power of sale in connection with said lien. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 8. Subordination. The Maintenance and any Special Assessment lien shall be subordinate to the lien of any First Mortgage or First Deed of Trust (hereinafter collectively called First Encumbrance). A sale or transfer of a Lot shall not affect a Maintenance or Special Assessment lien; provided, however, the transfer of a Lot as the result of the exercise of a power of sale or judicial foreclosure involving a default under a First Encumbrance shall extinguish the lien of assessments which were due and payable prior to the transfer of the Lot. No transfer of the Lot as the result of a foreclosure or exercise of a power of sale under a First Encumbrance shall relieve the new Owner, whether it be the former beneficiary of the First Encumbrance or another person, from liability for any assessments thereafter becoming due or from the lien thereof.

Section 9. Subordination of the Lien to Lien of Sun City Summerlin Community Association. The lien of the assessments provided for herein, including, without limitation any fees, costs, late charges, or interest which may be levied by the

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Association in connection with unpaid amounts, shall be subordinate to the lien of the Sun City Summerlin Community Association, in accordance with the Master Declaration.

ARTICLE VII

COMMON AREA AND EXTERIOR MAINTENANCE - EASEMENTS

Section 1. Common Area Maintenance. The Association shall provide all maintenance, repair and replacement reasonably deemed necessary to the Association's Common Area, landscaping, fences and other improvements located thereon, including, but not limited to having the grass, weeds, trees and vegetation located thereon cut or trimmed when necessary. No Owner shall, in whole or in part, change the landscaping of any portion of the Common Area, by the addition or removal of any items thereon without the prior written approval of the Board of Management.

Section 2. Exterior Maintenance. In addition to maintenance upon its Common Area, the Association shall provide exterior maintenance and repair of improvements and Buildings reasonably deemed necessary which are located upon the Lots, with the exception of doors, windows, garage doors, driveways and walkways to front entries which shall be maintained by the Lot Owner. Such exterior surfaces shall be painted with paint of the same finish, color, and hue as the original paint utilized in painting the same by the Declarant, unless the Architectural Control Committee of the Community Association authorizes the use of another color. Repair of roofs is expressly included in the exterior maintenance provided pursuant to this Article.

Section 3. Easement. The Association shall have and is hereby granted an easement from each lot Owner on and across each Lot for the limited purposes of Building maintenance as set forth in Section 2 above. Each Owner shall have and is hereby granted an easement from the Association on and across the Association's Common Area for the limited purpose of repairing, cleaning and maintaining each Lot Owner's driveway and front walkway.

Section 4. Damage by Owner. Notwithstanding anything to the contrary contained in this Article, in the event that the need for maintenance or repair of the Common Area, a Lot, or any improvements located thereon, is caused by the willful or negligent act or omission of any Owner, or by the willful or negligent act or omission of any member of such Owner's family or by a guest or invitee of such Owner, the cost of such repair or maintenance shall be the personal obligation of such Owner. A determination of the negligence or willful act or omission of any Owner or any member of an Owner's family or a guest or invitee of any Owner, and the amount of the Owner's liability therefore, shall be determined by the Association at a hearing after notice to the Owner, provided that any such determination which assigns

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liability to any Owner pursuant to the terms of this Section may be appealed by said Owner to a court of law.

Section 5. Use of Common Area.

- (a) No use shall be made of the Common Area which will in any manner violate the statutes, rules, or regulations of any governmental authority having jurisdiction over the Common Areas.
- (b) No Owner shall place any structure whatsoever upon the Common Area, nor shall any Owner engage in any activity which will temporarily or permanently deny free access to any part of the Common Area to all members, other than on such parts thereof that maybe designated as exclusive use areas.
- (c) The use of the Common Area shall be subject to such rules and regulations as may be adopted from time to time by the Board of Management.

Section 6. Interior and Other Maintenance. Each Owner shall be responsible for the upkeep and maintenance of the interior of his dwelling unit and for the upkeep and maintenance of individual patios and all other areas, features, or parts of his Lot and Dwelling Unit not otherwise maintained by the Association. All fixtures and equipment installed within the Dwelling Unit, commencing at a point where the utility lines, pipes, wires, conduits or systems enter the exterior walls of a Dwelling Unit, shall be maintained and kept in repair by the Owner thereof. This shall be deemed to include all heating and air conditioning equipment for the Dwelling Unit. Termite control shall be the responsibility of the Lot Owner. A Lot Owner shall do no act nor any work that will impair any easement or hereditament, or do any act nor allow any condition to exist which will adversely effect the other Dwelling Units or their Owners.

ARTICLE VIII

PARTY WALLS

Section 1. General Rules of Law. Each wall, including patio or courtyard walls, which is constructed as part of the original construction of the Dwelling Unit, any part of which is placed on the dividing line between separate Dwelling Units, shall constitute a party wall. With respect to any such wall, each of the adjoining Owners shall assume the burdens and be entitled to the benefits of these restrictive covenants, and, to the extent not inconsistent herewith, the general rules of law regarding party walls shall be applied thereto. The preservation and structural repair of any one of said party walls, except for

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interior decoration, shall be the joint duty and obligation of the Owners sharing the particular party wall. No structural changes in any party wall shall be undertaken without the prior written consent and approval of the Association and each of the adjoining Owners which share use of the wall.

Section 2. Sharing of Repairing Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in equal proportions to such use. In the event any such party wall is damaged or destroyed through the act of one adjoining Owner or any of his guests, tenants, licensees, agents or members of his family, then such responsible party shall forthwith proceed to rebuild or repair the same to as good condition as formerly without cost to the adjoining Owner. Liability and damages pursuant to this section shall be established in accordance with the generally accepted law of the State of Nevada.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it and if the Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof, in equal proportions; without prejudice, however, to the right of any such Owner to call for larger contributions from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Right to Contribution Runs with the Land. The right of any Owner to contribution from any other Owner under this Article shall be pertinent to the land and shall pass to such Owners and successors in title.

Section 5. Negligent Exposure to the Elements. Notwithstanding any other provision of this Article, an Owner who, by his negligent or willful act, causes any party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 6. Consent to Alter. In addition to meeting the Owner requirement of these restrictive covenants and of any building code or similar regulations or ordinances, any Owner proposing to modify, make additions to or rebuild his Dwelling Unit in any manner which requires the extension or other alteration of any party wall, shall first obtain the written consent of the adjoining Owner and the Association. Such written consent shall not be unreasonably withheld.

Section 7. Arbitration. In the event of a dispute between Owners with respect to the construction, repair or maintenance of a party wall, or with respect to the sharing of the costs thereof, such adjoining Owner shall submit the dispute to the Board of Management of the Association, the decision of

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which shall be binding. If the Board of Management fails or refuses to resolve any such dispute, then the matter may be submitted to arbitration under such rules as may be from time to time adopted by the Association. If no such rules have been adopted, then the matter shall be submitted to three (3) arbitrators, one chosen by each of the Owners and the third by the two (2) so chosen, or, if the arbitrators cannot agree as to the selection of the third arbitrator within ten (10) days, then by any judge of the Superior Court of Clark County, Nevada. A determination of the matter signed by any two (2) of the three (3) arbitrators shall be binding upon the Owners, who shall share the cost of arbitration equally. In the event one party fails to choose an arbitrator within ten (10) days after personal receipt of a request in writing for arbitration from the other party, then the other party shall have the right and power to choose both arbitrators.

Section 8. Easement for Repair or Replacement of Party Wall. Each Owner shall permit the adjacent Dwelling Unit Owner or its representatives, when so required, to enter his Dwelling Unit or Lot for the purposes of repairing or replacing a party wall; provided, that request for entry therein for purposes of said repairing or replacing shall be made in advance and such entry shall be at the time reasonably convenient to the Owner of such Lot. In the case of an emergency such right of entry shall be immediate.

ARTICLE IX

ARCHITECTURAL CONTROL

Architectural control over all landscaping and improvements to Lots and Common Area covered by this Tract Declaration as well as the exterior appearance of all Dwelling Units constructed upon the Properties is vested in the Community Association by virtue of the Master Declaration. All Lot Owners and the Association are subject to the Architectural Control provisions of the Master Declaration in their entirety.

ARTICLE X

INSURANCE

Section 1. Insurance on Common Area and the Association. The Association shall maintain insurance covering all insurable improvements located or constructed upon the Common Area owned by the Association. The Association shall maintain the following types of insurance, to the extent that such insurance is reasonably available:

- (a) A policy of property insurance covering all insurable improvements located on the Association's Common Area.

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Such insurance as maintained by the Association pursuant to this subsection shall afford protection against at least the following:

- (1) loss or damage by fire and other perils normally covered by the standard extended coverage endorsement; and
 - (2) such other risks as shall customarily be covered with respect to projects similar in construction, location, and use, including all perils normally covered by the standard all risk endorsement, where such is available.
- (b) A comprehensive policy of public liability insurance insuring the Association in an amount not less than \$1,000,000.00 covering bodily injury, including death to persons, personal injury, and property damage liability arising out of a single occurrence.
 - (c) A policy providing adequate fidelity coverage or fidelity bonds to protect against dishonest acts on the part of officers, directors, trustees, and employees of the Association and all others who handle or are responsible for handling funds of the Association.
 - (d) In addition, the Association may obtain insurance against such other risks of a similar or dissimilar nature as it shall deem appropriate, to the extent that such coverage is reasonably available, including but not limited to personal liability insurance to protect directors and officers of the Association from personal liability in relation to their duties and responsibilities in acting as directors and officers on behalf of the Association.

All such policies of insurance shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a member of the Association and shall provide that the policies may not be cancelled or substantially modified without at least thirty (30) days' prior written notice to the insured, as well as to the First Mortgagees of any Lot. Duplicate originals of all policies and renewals thereof, together with proof of payment of premiums, shall be delivered to any First Mortgagee of any Lot upon written request. The insurance shall be carried in blanket forms naming the Association, as the insured, as trustee and attorney in fact for all Owners, and each Owner shall be an insured person under such policies with respect to liability arising out of any such Owner's membership in the Association, and ownership of a Dwelling Unit.

Section 2. Insurance on the Buildings on Lots. The Board of Management of the Association or its agent shall obtain

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and maintain, at all times with respect to Residences located on Lots, insurance of the type and kind hereinafter provided, to the extent that such insurance is reasonably available: A policy of property insurance covering the Residences located on each Lot with a "Replacement Cost Endorsement," an "Inflation Guard Endorsement," and an "Agreed Amount Endorsement." Such insurance as maintained by the Association pursuant to this section shall afford protection against at least the following:

- (a) Loss of damage by fire and other perils normally covered by the standard extended coverage endorsement; and
- (b) Such other risks as shall customarily be covered with respect to projects similar in construction, location, and use, including all perils normally covered by the standard all risk endorsement, where such is available.

Such insurance shall be carried in blanket policy form naming the Association as insured, as trustee and attorney-in-fact for all Owners. The policy or policies shall contain a standard non-contributory First Mortgagee's clause in favor of each First Mortgagee and a provision that it cannot be cancelled or materially altered by either the insured or the insurance company until thirty (30) days' prior written notice thereof is given to the insured and each First Mortgagee. The Association shall furnish a certified copy of such blanket policy and a certificate identifying the interest of the Owner in question, to any party in interest upon written request.

All blanket policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of a particular Owner guilty of a breach of warranty, act, omission, negligence, or non-compliance with any provision of such policy, including payment of the insurance premium applicable to that Owner's interest, or who permits or fails to prevent the happening of any event whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy, but the insurance under any such policy as to the interest of all other insured Owners not guilty of any such act or omission shall not be invalidated or suspended and shall remain in full force and effect.

Section 3. Association Insurance as Primary Coverage.
If at the time of any loss under any policy which is in the name of the Association, there is other insurance in the name of any Owner and such Owner's policy covers the same property or loss, or any portion thereof, which is covered by such Association policy, such Association policy shall be primary insurance not contributing with any of such other insurance.

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Section 4. Other Insurance to be Maintained by Owners. Insurance coverage on the furnishings and other items of personal property belonging to an Owner and public liability insurance coverage upon each Lot shall be the responsibility of the Owner thereof.

Section 5. Annual Review of Insurance Policies. All insurance policies carried by the Association shall be reviewed at least annually by the Board of Management of the Association to ascertain that the coverage provided by such policies adequately covers those risks insured by the Association.

ARTICLE XI

FIRST MORTGAGES

Section 1. Member and First Mortgagee Approval. Notwithstanding anything to the contrary set forth elsewhere in this Declaration, after the first meeting of the Association pursuant to Article V, the Association shall not, unless it has obtained the prior written consent of at least sixty seven percent (67%) of the votes of the membership and fifty one percent (51%) of the votes of the Eligible Mortgage Holders of Lots (based upon one vote for each First Mortgage owned), add or amend any material provisions of this Declaration, the Articles of Incorporation, or Bylaws of the Association, which establish, provide for, govern, or regulate any of the following: (a) voting; (b) assessments, assessment liens, or subordination of such liens; (c) reserves for maintenance, repair, and replacement of those elements of the Common Area and/or Buildings which must be maintained, repaired, or replaced on a periodic basis; (d) insurance, including but not limited to, fidelity bonds; (e) rights to use of the Common Area; (f) responsibility for maintenance and repair of any portion of the Properties; (g) expansion or contraction of the Properties or the addition, annexation, or withdrawal of property to or from the Properties; (h) boundaries of any Lot; (i) interests in the Common Area; (j) convertibility of Lots into Common Area or of Common Area into Lots; (k) leasing of Lots or dwellings constructed thereon; (l) imposition of any right of first refusal or similar restriction on the right of any Owner to sell, transfer, or otherwise convey his Lot; (m) any provisions which are for the express benefit of First Mortgagees, or insurers or guarantors of First Mortgages; (n) any decision to terminate professional management and assume self-management of the Association, when professional management has previously been required by any First Mortgagee of a Lot or insurer guarantor of such a First Mortgage; (o) restoration or repair the Properties, or any portion thereof, including but not limited to improvements located thereon, after a partial condemnation or damage due to an insurable hazard, other than substantially in accordance with this Declaration and the most recent plans and specifications for the Properties and the construction of improvements thereon; or (p) termination of

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the legal status of the Properties after substantial destruction or a substantial taking in condemnation of the Properties.

An amendment shall not be considered material if it is made for the purpose of correcting technical errors or for clarification.

The Association shall not, unless it has obtained the prior written consent of at least sixty seven percent (67%) of the votes of the membership and sixty seven percent (67%) of the votes of the Eligible Mortgage Holders of Lots (based upon one vote for each First Mortgage owned), terminate the legal status of a portion of the properties as a planned unit development, for reason of the properties or improvements thereon.

The term "Eligible Mortgage Holders" as set forth in this section shall mean those Owners of First Mortgages who have requested the Association to notify them on any proposed action which requires the consent of a specified percentage of Eligible Mortgage Holders.

Section 2. Notice of Action. Upon written request to the Association, identifying the name and address of the First Mortgagee or insurer or guarantor of the First Mortgage and the residence address of the property which is subject to such first mortgage, each such First Mortgage of a Lot, or insurer or guarantor of such a First Mortgage, shall be entitled to timely written notice of:

- (a) Any condemnation loss or casualty loss which affects a material portion of the Properties or any Lot subject to a First Mortgage held, insured, or guaranteed by such First Mortgagee, insurer, or guarantor of a First Mortgage.
- (b) Any delinquency in the payment of assessments or charges owed to the Association by the Owner of the Lot subject to a First Mortgage held, insured, or guaranteed by such First Mortgagee, insurer, or guarantor, or any default by such Owner in any obligation under the Declaration, Articles of Incorporation, or Bylaws of the Association and the Board of Management of the Association has actual knowledge of such default, when such delinquency and/or default remains uncured for a period of sixty (60) days.
- (c) Any lapse, cancellation, or material modifications of any insurance policy or fidelity bond maintained by the Association.

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- (d) Any proposed action which would require the consent of a specified percentage of First Mortgagees as provided in this Article XI.

Section 3. Financial Statement. The Association shall provide a financial statement for the immediately preceding fiscal year, free of charge to any First Mortgagee of a Lot, or any insurer or guarantor of such a First Mortgage, within a reasonable time after written request therefor by any such party.

Section 4. Association Books and Records. The Association shall make available to Owners, First Mortgagees of Lots, and insurers or guarantors of any such First Mortgage, current copies of this Declaration, and the Articles of Incorporation, Bylaws, rules and regulations, books, records, and financial statements of the Association. "Available" shall mean available for inspection, upon request, during normal weekday business hours or under other reasonable circumstances.

ARTICLE XII

GENERAL PROVISIONS

Section 1. Enforcement. Enforcement of the covenants, conditions, restrictions, easements, reservations, rights-of-way, liens, charges, and other provisions contained in this Declaration, the Articles of Incorporation, or Bylaws of the Association, shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any such provision, to enjoin or restrain such violation or attempted violation or to recover damages, or both, and the Association and any aggrieved Owner shall have the right to institute, maintain, and/or prosecute any such proceedings; in any such action the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees incurred pursuant thereto. Failure by the Association or any Owner to enforce any provision of this Declaration or the Articles of Incorporation or Bylaws of the Association shall in no event be deemed a waiver of the right to do so thereafter. If after reasonable efforts the Association is unable to obtain compliance, the Association shall also have the right to request that the Master Association enforce the Building and use provisions of this Declaration by submitting a written request to the Master Association.

Section 2. Severability. Invalidation of any of these covenants or restrictions by judgment or court order shall in no way affect or limit any other provisions which shall remain in full force and effect.

Section 3. Rights of Declarant Incident to Construction Easement. An easement is hereby retained by and granted to Declarant, its successors and assigns, for access, ingress, and

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egress over, in, upon, under, and across the Common Area, including but not limited to the right to store materials thereon and to make such other use thereof as may be reasonable, necessary, or incidental to Declarant's constructions on the Properties; provided, however, that no such rights or easements shall be exercised by Declarant in such a manner as to unreasonably interfere with the occupancy, use, enjoyment, or access by any Owner, his family members, guests, or invitees, to or from that Owner's Lot. This easement shall terminate immediately upon completion of construction by Declarant of the last Dwelling Unit to be constructed upon the Properties.

Section 4. Conflicts of Provisions. In case of any conflict between this Declaration, the Articles of Incorporation, or Bylaws of the Association, this Declaration shall control. In case of any conflict between the Articles of Incorporation and the Bylaws of the Association, the Articles of Incorporation shall control.

Section 5. Condemnation. In the event proceedings are initiated by any government or agency thereof, seeking to take by condemnation or by the power of eminent domain the Common Area owned by the Association, any material part thereof, or any material interest therein, the Association shall give prompt notice thereof, including a description of the part of or interest in the Common Area sought so to be condemned to all members. The Association shall have full power and authority to defend in said proceedings and to represent the Owners in any negotiations, settlements, and agreements with a condemning authority for acquisition of the Common Area, any part thereof, any improvements thereon, or any interest therein, and each Owner hereby appoints the Association as its attorney in fact for such purposes. Any award or proceeds of settlement shall be payable to the Association to be used as herein provided.

- (a) In the event all the Association's Common Area is taken, condemned, sold, or otherwise disposed of, in lieu of or in avoidance thereof, any award or settlement shall be apportioned by the Association among the Members and their Mortgagees on a reasonable basis as the Association determines to be equitable in the circumstances, or as determined by judicial decree. If the allocation of condemnation award is already established in the negotiations, judicial decree, or otherwise, then in allocating the condemnation award, the Association shall employ such allocation to the extent that it is relevant and applicable.
- (b) In the event less than the entire Common Area of the Association is taken, condemned, sold, or otherwise disposed of, in lieu of or in accordance thereof, the condemnation award shall first be applied by the

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Association to the rebuilding and replacement of those improvements on the Common Area, damaged or taken by the condemning public authority, unless sixty seven percent (67%) of the Owners and sixty seven percent (67%) of the First Mortgagees (based upon one vote for each mortgage held) agree otherwise. Any surplus of the award or other portion thereof not used for rebuilding and replacement, which is less than or equal to Five Thousand and No/100 (\$5,000.00) Dollars, shall be retained by the Association to offset normal operating expenses, and any excess shall be distributed by the Association on the same basis as indicated in subparagraph (a) of this Section 5. No provision of the Declaration or any other document relating to the Properties shall be deemed to give an Owner or any other party priority over the rights of a First Mortgagee, pursuant to a First Mortgage, in the case of a distribution to the Owner of insurance proceeds or condemnation awards for losses to or taking of Lots or Common Area of the Association or both.

Section 6. Duration, Revocation, and Amendment. Each and every provision of this Declaration shall run with and bind the land for a term of twenty five (25) years from the date of recording of this Declaration, after which time this Declaration shall be automatically extended for successive period of ten (10) years each. Except as otherwise provided in Article XI hereof, this Declaration may be amended during the first twenty five (25) year period, and during subsequent extensions thereof, by any instrument approved in writing by not less than fifty one percent (51%) of the total votes of the membership and fifty-one percent (51%) of the Owners other than Declarant. No amendment of this Tract Declaration may be made which in any way conflicts with, abrogates or nullifies any of the provisions of the Master Declaration unless said Master Declaration is similarly amended. Notwithstanding the foregoing provisions, the percentage of the voting power necessary to amend a specific clause or provision of this Tract Declaration shall not be less than the percentage of affirmative votes prescribed for action to be taken under that clause or provision. Such amendment shall be effective when duly recorded in Clark County, Nevada, along with a Certificate of Amendment certifying the percentage of the vote taken which authorized the amendment. The Certificate of Amendment shall set forth in full the amendment adopted.

Section 7. Right of Amendment if Requested by Governmental Agency, Governmental Mortgage Agency or Federally Chartered Lending Institutions.

- (a) Anything in this Article to the contrary notwithstanding, Declarant reserves the right to amend all or any part of this Declaration to such an extent and with

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such language as may be requested by Governmental Mortgage Agencies and to further amend to the extent requested by any other federal, state or local governmental agency which requests such an amendment as a condition precedent to such agency's approval of this Declaration, or by any federally chartered lending institution as a condition precedent to lending funds upon the security of any Lot(s). Any such amendment shall be effected by the recordation, by Declarant, of a Certificate of Amendment duly signed by or on behalf of the authorized agents, or authorized officers of Declarant, as applicable, with their signatures acknowledged, specifying the Governmental Mortgage Agency, the federal, state or local governmental agency or the federally chartered lending institution requesting the amendment and setting forth the amendatory language requested by such agency or institution. Recordation of such a Certificate shall be deemed conclusive proof of the agency's or institution's request for such an amendment, and such Certificate, when recorded, shall be binding upon all Lots covered by this Declaration and all persons having an interest therein.

- (b) It is the desire of Declarant to retain control of Sun City Summerlin during the anticipated period of planning and development. If any amendment requested pursuant to the provisions of this section deletes, diminishes or alters such control, Declarant shall have the right to prepare, provide for and adopt as an amendment hereto, other and different control provisions.

Section 8. Rule Against Perpetuities. If any interest purported to be created by this Declaration is challenged under the Rule against Perpetuities or any related rule, the interest shall be construed as becoming void and of no effect as of the end of the applicable period of perpetuities computed from the date when the period of perpetuities starts to run on the challenged interest; the "lives in being" for computing the period of perpetuities shall be (a) those which would be used in determining the validity of the challenged interest, plus (b) those of the issue of the Board of Sun City Summerlin Community Association, Inc., who are living at the time the period of perpetuities starts to run on the challenged interest.

Section 9. References to the Covenants in Deeds. Deeds to and instruments affecting any Lot or any part of Sun City Summerlin may contain the covenants herein set forth by reference to this Declaration; but regardless of whether any such reference is made in any deed or instrument, each and all of the covenants shall be binding upon the grantee-owner or other person claiming

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through any instrument and his heirs, executors, administrators, successors and assigns.

Section 10. Successors and Assigns of Declarant. Any reference in this Declaration to Declarant shall include any successors or assignees of Declarant's rights and powers hereunder.

Section 11. Gender and Number. Wherever the context of this Declaration so requires, words used in the masculine gender shall include the feminine and neuter genders; words used in the neuter gender shall include the masculine and feminine genders; words in the singular shall include the plural; and words in the plural shall include the singular.

Section 12. Captions and Titles. All captions, titles or headings of the Articles and Sections in this Declaration are for the purpose of reference and convenience only and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof or to be used in determining the intent or context thereof.

Section 13. Registration by Owner of Mailing Address. Each Owner shall register his mailing address with the Association, and except for monthly statements and other routine notices, all other notices or demands intended to be served upon an Owner shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the Owner at such registered mailing address. All notices, demands, or other notices intended to be served upon the Board of Management of the Association or the Association shall be sent by certified mail, postage prepaid, to Homeowners Association, Inc., c/o Del Webb Communities, Inc., 1120 S. Rainbow Blvd., Las Vegas, Nevada 89102, until such address is changed by the Association.

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Section 14. Subassociation and Supplemental Declaration.
This Declaration shall be and hereby is deemed to be a Tract Declaration, as defined in the Master Declaration. This Declaration shall at all times be subordinate and subject to the Master Declaration and to the extent that this Declaration conflicts with or modifies the Master Declaration, the Master Declaration shall control and prevail.

IN WITNESS WHEREOF, Declarant has hereunto caused its name to be signed by the signature of its duly authorized official as of the day and year first above written.

DEL WEBB COMMUNITIES, INC., an Arizona corporation, Declarant

By: *F. Timothy Hoyt, Jr.*
F. Timothy Hoyt, Jr

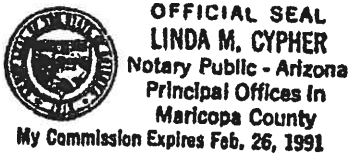
Its: Vice President

STATE OF ARIZONA)
)ss.
County of Maricopa)

On this 25th day of October, 1989, before me, a Notary Public, personally appeared F. Timothy Hoyt, Jr., known to me to be the Vice President of DEL WEBB COMMUNITIES, INC., an Arizona corporation, and that he executed the within instrument and acknowledged to me that such corporation executed the same.

Linda M. Cypher
Notary Public

My Commission Expires:



CLARK COUNTY, NEVADA
JOAN L. SWIFT, RECORDER
RECORDED AT REQUEST OF:
FIRST AMERICAN TITLE CO OF NV
11-01-89 08:00 CJK 29
BOOK: 891101 INST: 00278
FEE: 33.00 RPTT: .00