

ARTICLES OF ASSOCIATION AND
DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS
OF CLIFFROSE, A PLANNED AREA DEVELOPMENT

FRANKLIN DON SAVAGE, KAREN R. SAVAGE, W.C. SAVAGE and CAROLYN SAVAGE being the OWNERS of the proposed CLIFFROSE PLANNED AREA DEVELOPMENT (hereinafter "P.A.D."), according to the plat incorporated herein and recorded in the office of the County Recorder of Yavapai County in Book 26, pages 37 to 40, hereby set forth the Articles of Association and Declaration of Covenants, Conditions and Restrictions, which will apply to and be binding upon each LOT in the CLIFFROSE P.A.D. and shall run with the land.

RECITALS

1. The Declaration of Covenants, Conditions and Restrictions (hereinafter referred to as "DECLARATION") is made on the date hereinafter set forth by the OWNERS listed above who are hereinafter referred to as "DECLARANTS".

2. DECLARANTS are the current OWNERS of certain property in the City of Prescott, Yavapai County, State of Arizona, more particularly described as:

Lots numbered One (1) to Four Hundred Five (405) inclusive, in CLIFFROSE, a subdivision in Yavapai County, Arizona, according to the plat thereof on file and of record in the office of the County Recorder of Yavapai County in Book ____ of Maps, page ____.

3. DECLARANTS declare that the properties described above and any and all properties which may be acquired by DECLARANTS and made subject to the provisions of this DECLARATION should be held, 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 will run with the real property and be binding on all parties having any right, title and interest in the described properties or any part thereof, their heirs, successors and assigns and shall inure to the benefit of each OWNER thereof.

ARTICLE 1

Definitions

Section 1:

"ASSOCIATION" shall refer to the Cliffrose Homeowners Association, its successors and assigns. ASSOCIATION shall be operated on a co-operative and non-profit basis. If the ASSOCIATION is not initially incorporated, the LOT OWNERS may incorporate the ASSOCIATION under Arizona law.

Section 2:

"OWNER" shall refer to the record OWNER, whether one or more persons or entities, of the fee simple title to any LOT including any townhouse unit which is a part of the properties, including contract sellers but excluding those having such interest merely as security for the performance of an obligation.

Section 3:

"PROPERTIES" shall mean and refer to that certain real property described and such additions as may hereafter be brought within the jurisdiction of the ASSOCIATION.

Section 4:

"COMMON AREA" shall mean all real property including the improvements thereto owned by the ASSOCIATION for the common use and enjoyment of the OWNER. The COMMON AREA shall be all that real property within the CLIFFROSE P.A.D. not specifically deeded to individual OWNERS nor reserved or dedicated for public use. Each OWNER and their guests shall have the non-exclusive right to the use and enjoyment of the COMMON AREAS, subject to the conditions set forth in Article 11. The COMMON AREA is to be left in its natural state for the use of all LOT OWNERS.

Section 5:

"LOTS" shall mean and refer to any plot of land shown upon any recorded subdivision map of the properties with the exception of the COMMON AREA.

Section 6:

"DECLARANTS" refer to the current OWNERS, and their successors and assigns, if their successors and assigns should require more than one undeveloped LOT from the DECLARANTS for the purpose of development.

ARTICLE 11

Property Rights

Section 1: OWNERS' Easements of Enjoyment.

Every OWNER shall have a right and easement of enjoyment in and to the COMMON AREA which shall be appurtenant to and pass with the title to every lot, subject to the following provisions:

A. The right of the ASSOCIATION to charge reasonable annual dues to be set initially by DECLARANTS and to be deposited in a trust fund for the purpose of maintaining liability insurance on all COMMON AREAS, paying taxes and accounting fees, and maintaining planting areas or right-of-way improvements.

The Directors of the ASSOCIATION may deposit monies not currently needed in Certificates of Deposit for future improvements approved by the ASSOCIATION.

B. The right of the ASSOCIATION to dedicate or transfer all or any part of the COMMON AREA to any public agency, authority or utilities for such purpose and subject to such conditions as may be agreed by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer is signed by two-thirds (2/3) of each class of members has been recorded and accepted by the affected public agency.

C. The right of the ASSOCIATION, after notice, to withdraw or suspend the right to use of the COMMON AREA by a LOT OWNER for any period of time for any infractions of rules promulgated by the ASSOCIATION.

D. To dedicate or transfer any part of the COMMON AREA to any public agency or authority for such purpose as may be agreed on by the members and

acceptance by public agency.

E. The COMMON AREA is to be left in its natural state for the use of all LOT OWNERS.

Section 2: Declaration of Use.

Any OWNER may delegate, in accordance with the By-laws of the ASSOCIATION, his right to enjoyment of the COMMON AREA and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III

Membership and Voting Rights

Section 1:

A. Every OWNER of a LOT which is subject to assessment shall be a member of the ASSOCIATION. Membership shall be appurtenant to, and may not be separated from, the ownership of any LOT.

B. The rights and obligations of an OWNER and membership in the ASSOCIATION shall not be assigned, transferred, pledged, conveyed or alienated except upon transfer of ownership to such LOT or by intestate succession, testamentary disposition, foreclosure of a mortgage of record or such other legal process now in effect or as may be established pursuant to the laws of the State of Arizona.

Section 2:

The ASSOCIATION will have two (2) classes of voting membership:

A. Class "A":

Class "A" members shall be all OWNERS, with the exception of the DECLARANTS, and shall be entitled to one (1) vote for each LOT owned. When more than one (1) person holds an interest in any townhouse unit or single family lot, all such persons shall be members. The vote for such townhouse unit or LOT shall be exercised as the members determine among themselves, but in no event shall more than one (1) vote be cast with respect to any LOT.

B. Class "B":

Class "B" members shall be the DECLARANTS who shall be entitled to three (3) votes for each LOT or townhouse owned. Class "B" membership shall cease and be converted to Class "A" membership when the total votes outstanding in the Class "A" membership equal the total votes outstanding in the Class "B" membership. DECLARANTS and their successors in interest shall, until completion of all phases of the project, retain the exclusive right to develop the CLIFFROSE P.A.D. in phases as they deem appropriate and shall maintain control over concept and development of subsequent phases of construction. The ASSOCIATION may not override these development rights.

Section 3:

The initial annual meeting of the ASSOCIATION shall be held within one (1) year (with a 15 day allowance for date convenience purposes) from the date of closing of the first sale. Thereafter, the annual meeting of members shall be held on the ____ day of____, of each year beginning at such location as the President or a majority of the Board of Directors shall specify in writing to the

LOT OWNERS. If the date for the annual meeting shall fall on a holiday, the meeting shall be held on the next succeeding business day.

Section 4:

The ASSOCIATION will provide By-laws for its administration, the composition of the Board of Directors and election of officers.

Section 5:

If the general plan of development is not pursued to completion and an affirmative statement of abandonment of any or all parts of the general plan previously approved by the City of Prescott is recorded in the Office of the Yavapai County Recorder, Arizona, the voting power of the 405 LOTS, as set forth above, shall be reduced by the number of lots abandoned.

ARTICLE IV

Covenant for Maintenance Assessment

Section I. Creation of the Lien and Personal Obligation of Assessments.

Each OWNER of any LOT, by acceptance of a deed, whether or not it shall be so expressed in such deed, is deemed to agree to pay the ASSOCIATION:

1. The annual assessment or charges as set forth in Article II above.
2. The annual assessment, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each assessment is made.
3. The assessment, together with the lien, shall be the personal obligation of the person who is the OWNER of the property at the time of the assessment.
4. LOTS owned by DECLARANTS shall be exempt from and have no

obligation to pay assessments.

Section 2: Purpose Of the Assessment:

The Assessment, as set forth in Article II above, shall be used to provide and pay for liability insurance, taxes and fees associated with the COMMON AREA.

Section 3: Banking of funds:

The funds of the ASSOCIATION are to be deposited in a bank in the Prescott area as designated by the Board of Directors in an account for the ASSOCIATION by authority of a resolution approved by the Board.

Section 4: Maintenance:

Each LOT OWNER is responsible for the maintenance inside and out, of all property owned by the OWNER. Each LOT OWNER is responsible for water, sewer and garbage collection fees for his LOT.

Section 5: Maximum Annual Assessment:

A. The initial maximum annual assessment shall be set by the Board of Directors to be effective for a period of one (1) year immediately following the conveyance of the first LOT to an OWNER.

B. From and after the end of one (1) year immediately following the conveyance of the first LOT to an OWNER, the maximum annual assessment may be increased based on the percentage increase of liability insurance, taxes and expenses, and fees associated with the COMMON AREA. The Board of Directors of the ASSOCIATION shall fix the annual assessment.

Section 6: Due Date of Annual Assessment:

Written notice of the annual assessment shall be sent to every OWNER each

year. The assessments shall be fixed and paid at the time of the LOT purchase and on an annual basis thereafter.

Section 7: Effect of Non-Payment:

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum. The ASSOCIATION may bring an action at law against the OWNER personally to pay the same or foreclose the lien against the property. No OWNER may waive or otherwise escape liability for the assessment provided for herein by non-use of the COMMON AREA or abandonment of the LOT.

ARTICLE V

Architectural Control and Deed Restrictions

Section 1:

A. No building, fence, wall or other structure shall be erected or maintained on the property, nor shall any addition, change, or alteration be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall be submitted to and approved in writing as to harmony of the external design and location in relation to surrounding structures by the Board of Directors of the ASSOCIATION, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event the Board or its designated committee fails to approve or disapprove such design and location within thirty (30) days after such plans and specifications are submitted, approval will not be required, and this Article will have been deemed fully complied with.

B. Not more than one (1) single family dwelling unit shall be constructed on each LOT. The single family dwelling shall contain not less than 800 square feet of living floor space, and the townhouse unit shall contain not less than 640 square feet of living area. Carports and garages shall not be considered a part of the required floor space of a dwelling unit. Each single-family dwelling shall have at least a one (1) car carport or garage and shall additionally provide at least two (2) off-street parking spaces per LOT, except that patio home (or townhouse, if attached) units shall only be required to provide at least one (1) additional off-street parking space per LOT.

C. Construction standards shall conform with the requirements of the Federal Housing Administration of the United States Government, or any successor thereto, as such standards may, from time to time, exist with respect to the area in which the land is situated.

D. No livestock or other animals other than the usual household pets, shall be permitted, and no person shall engage in raising household pets for the purpose of sale. Pets shall be confined in such a manner as not to disturb the remaining property OWNERS, and no unsanitary conditions or odors shall exist.

E. No temporary house trailers, tents, garages or other outbuildings shall be erected without the approval of the Board of Directors of the ASSOCIATION.

F. No billboards or advertising signs of any character shall be erected, placed or permitted on the property, except for standard "For Rent" or "For Sale" signs used by realtors.

G. Only new structures of conventional design shall be built on the premises. The moving, of old or new structures built at other places and purchased for the purposes of moving on LOTS is strictly prohibited.

H. No house trailers, mobile homes, or dome-shaped homes will be allowed on the LOTS.

I. The property shall be used for single-family residential purposes only.

J. All construction of dwellings and other improvements on the LOTS must be completed within one (1) year from the date of commencement of construction, except for delays in building caused by acts of God, strikes, lockouts and/or restrictions resulting from war.

K. No LOTS shall be used in whole or in part for the storage of rubbish of any character, nor for the storage of any property or thing that will cause the LOT to appear unclean or untidy, or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon the LOT that will emit foul and obnoxious odors, or that will cause any noise that will or might disturb the peace, quiet, comfort or serenity of the surrounding property.

L. Each unit shall be kept in a neat and orderly condition. No unlicensed or unused vehicles are to be stored on any LOT.

M. The buildings shall not exceed two (2) stories.

N. A zero lot line setback will be allowed on one (1) side of each LOT, subject to a 10-foot side yard setback provided at the opposite side of each LOT. The location of the zero lot lines shall be specifically designated on the final approved plat.

O. When a zero lot line exists on any single family LOT the OWNER building on the zero lot line shall have a 3-foot maintenance easement onto the adjacent LOT. The overhang and guttering on the units built on the zero lot line and entitled to the 3-foot maintenance easement shall not exceed a 12-inch projection onto the maintenance easement. Patio home LOTS may have a zero lot line on both sides of the LOT and the abutting OWNERS shall each have a 3-foot maintenance easement onto the adjacent LOT. If the units on the zero lot line are not attached with a common wall, there shall be a minimum 6-foot separation along the entire side lot line between "units within which there shall be no structures or permanent improvements.

P. OWNERS are responsible for all repairs and maintenance of their own LOTS and improvements.

ARTICLE VI

Common Wall

The rights and duties of OWNERS in respect to a common wall shall be as follows:

A. The OWNERS of continuous LOTS which have a common wall shall both have the equal right to use of the wall provided that such use by one OWNER does not interfere with the use of the same by the other OWNER.

B. In the event any common wall is damaged or destroyed through an act of an OWNER or any of his agents, guests or family members, it shall be the obligation of such OWNER to rebuild and repair the common wall at his cost.

C. In the event any common wall is damaged or destroyed other than by

accident or intention of a joint OWNER, his agents, guests or family members, it shall be the joint obligation of the OWNERS of the LOTS upon which the wall is found to repair or rebuild.

D. In the event of a dispute between the OWNERS in respect to the construction and repairability of a common wall, the OWNERS shall submit the dispute to the Board of Directors for decision, which will be binding on all OWNERS.

ARTICLE VII

General Provisions

Section I. Enforcement:

The ASSOCIATION or any OWNER shall have the right to enforce by any proceeding at law or in equity all restrictions, conditions, covenants, reservations, liens and charges imposed by the provisions of this DECLARATION. The non-complying party shall pay all expenses and reasonable attorney's fees incurred by the ASSOCIATION or OWNER in enforcing the provisions. Prior to proceeding with any direct right of action, any aggrieved OWNER shall first submit the dispute to the Board of Directors or a committee appointed by the BOARD for informal resolution. OWNERS agree to be bound by the decision of the BOARD or committee as in arbitration proceedings. If the non-compliance is not cured after notice and hearing by the BOARD or committee, the ASSOCIATION shall have the first right to proceed with legal action. Failure by the ASSOCIATION or any OWNER to enforce any

covenant or restriction shall not be deemed a waiver of the right to do so thereafter.

Section 2: Severability:

Invalidation of any one of these covenants or restrictions by judgment or court order shall not effect any other provisions which shall remain in full force and effect.

Section 3: Amendment:

The covenants and restrictions of this DECLARATION shall run with and bind the land for a term of 25 years from the date this DECLARATION is recorded, after which time it shall be automatically extended for successive periods of 10 years. This DECLARATION may be amended during the 25-year period by an instrument signed by not less than 90 percent of the LOT OWNERS and thereafter by an instrument signed by not less than 75 percent of the LOT OWNERS. Any amendment must be recorded.

Section 4: Annexation:

A. Additional residential property and COMMON AREA may be annexed to the properties with the consent of two-thirds (2/3) of each class of members.

DATED this 30th day of March, 1987

CLIFFROSE, A PLANNED AREA DEVELOPMENT

BY: Franklin Don Savage

BY: Karen R. Savage

BY: W.C. Savage

BY: Carolyn Savage

STATE OF ARIZONA

County of Yavapai

On this 30th day of March, 1987, before me, the undersigned Notary Public, personally appeared FRANKLIN DON SAVAGE, known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and Official Seal.

MY COMMISSION EXPIRES:

May 30, 1989

STATE OF ARIZONA

County of Yavapai

On this 30th day of March, 1987, before me, the undersigned Notary Public, personally appeared KAREN R. SAVAGE, known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing instrument, and acknowledged that she executed the same for the purposes therein contained.
IN WITNESS WHEREOF, I have hereunto set my hand and Official Seal.

MY COMMISSION EXPIRES:

May 30, 1989

STATE OF ARIZONA

County of Yavapai

On this 16th day of March, 1987, before me, the undersigned Notary Public, personally appeared W.C. SAVAGE, known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and Official Seal.

MY COMMISSION EXPIRES:

JANUARY 31, 1988

STATE OF ARIZONA

County of Yuma

On this 16th day of March, 1987, before me, the undersigned Notary Public, personally appeared CAROLYN SAVAGE, known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same for the purposes therein contained.

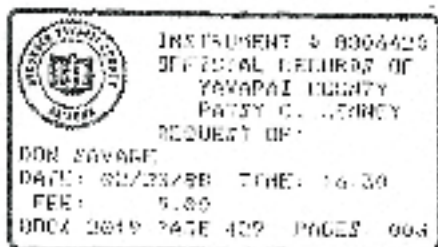
IN WITNESS WHEREOF, I have hereunto set my hand and Official Seal.

MY COMMISSION EXPIRES:

JANUARY 31, 1988

STATE OF ARIZONA

County of Yuma



AMENDMENT TO ARTICLES OF ASSOCIATION AND
DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS OF
CLIFF ROSE, A PLANNED AREA DEVELOPMENT

Subsequent to March 31, 1987, Franklin Don Savage, Karen R. Savage, W.C. Savage and Carolyn Savage, who were owners and declarants of the Cliff Rose Planned Area Development In the original Declaration of Covenants, Conditions & Restrictions, conveyed and assigned all of their Interests in Lots 1-19 of Cliff Rose to Savage Enterprises, Inc., an Arizona Corporation. Title to the lots is currently held in trust by Landmark Title Agency, Inc., an Arizona corporation, as trustee under subdivision Trust Agreement No. 5300.

Savage Enterprises, Inc., being the owner and successor in interest to the original Declarants, as "Declarant", this 12th day of February, 1988, hereby amends and modifies the Declaration of Covenants, Conditions & Restrictions dated March 31, 1987, that apply to Unit 1, Phase A and all additional units and phases, and recorded on the 31st day of March, 1987 in book 1918, pages 747-764 inclusive, in the office of the Yavapai County Recorder, as follows:

The preface, page 1, line 5, is amended to add: "Book of Maps 26, pages 37 to 40,"

RECITALS, Paragraph 2, is amended to add:

"These Covenants, Conditions and Restrictions shall initially apply only to Phase I, Lots 1-19 and related common areas. They shall, however, allow for annexation of future phases and shall apply automatically to subsequent phases as approved, unless further amended prior to approval of additional phases".

Article III, Section 3, is amended to read:

"Hereafter, the annual meeting of members shall be held on or about the 1st day of October of each year beginning October 1, 1988."

Article III, Section 5, is amended to substitute 19 Lots for 405 Lots (subject to allowance for annexation of future phases.)

Article IV. Section 5, paragraph A, is amended to read:

"A. Maximum Annual Assessment:

For a period of one (1) year immediately following the conveyance of the first LOT to an owner, the initial, maximum annual assessment shall be FIFTY DOLLARS (\$50.00).

Declarant is the owner of one hundred percent (100%) of all lots and units to which the original Declaration of Covenants, Conditions & Restrictions dated March 31, 1987 apply and to which this Amendment shall apply."

Article V, Section 1, is amended to add a paragraph Q, as follows:

"Q. Front yard setbacks shall be twenty-five (25) feet but may be reduced to a minimum of ten (10) feet in conformance with the City of Prescott's topographic exception. Rear yard setbacks shall be a minimum of ten (10) feet."

Declarant hereby affirms all other terms and provisions set forth in the original Declaration of Covenants, Conditions & Restrictions.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Amendment this 23rd day of February, 1988.

SAVAGE ENTERPRISES, INC.,
an Arizona corporation

By: _____
Its President

STATE OF ARIZONA

County of Yavapai

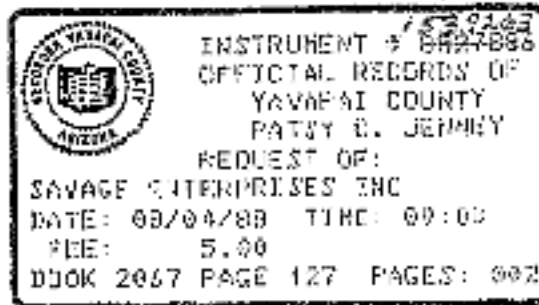
On this 23rd day of February, 1988, before me, the undersigned Notary Public, personally appeared Franklin Don Savage, who acknowledged himself to be the President of SAVAGE ENTERPRISES, INC., an Arizona corporation, and that he, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and Official Seal.

Notary Public

My Commission Expires:

May 30, 1989



SECOND AMENDMENT TO ARTICLES OF ASSOCIATION AND
DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS OF
CLIFF ROSE, A PLANNED AREA DEVELOPMENT

Savage Enterprises, inc., owner and successor in interest to the original Declarants, as "Declarant", this 3rd day of August, 1988, hereby amends and modifies the Declaration of Covenants, Conditions, and Restrictions dated March 31, 1987, that apply to Unit 1, Phase A and all additional units and phases, as recorded on the 31st day of March, 1987 in Book 1918, pages 747-764, inclusive, in the office of the Yavapai County Recorder, as initially amended February 12, 1988, which amendment was included in Book 2019, pages 429-431, records of Yavapai County, Arizona, as follows;

RECITALS, Paragraph 2, is amended to add:

"The Articles of Association and Declaration of Covenants, Conditions & Restrictions of Cliff Rose, a Planned Area Development are amended to annex Phase B, Unit 1, Lots 46-65 and Lots 129-139, Phase C, Unit 1, Lots

20-47, Phase D, Unit 1, Lots 66-91 and Lots 114-128, and Phase E, Unit 1, Lots 92-113, and related common areas, according to Book 26 of Maps, pages 37-40, records of Yavapai County, Arizona.

The lots in each phase shall become irrevocably subject to the Articles of Association and Covenants, and Conditions and Restrictions at the time the first deed is recorded in that phase”.

This Second Amendment confirms and reinstates that the annexed lots are subject to the original Articles and First Amendment. The Declarants reserve the right to file any and all necessary amendments, if any, required for approval of future phases.

Declarant hereby affirms all other terms and provisions set forth in the original Declaration of Covenants, Conditions & Restrictions, as previously amended.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Second Amendment this 3rd day of August, 1988.

SAVAGE ENTERPRISES, INC.

BY : _____
FRANKLIN DON SAVAGE,

President

STATE OF ARIZONA

County of Yavapai

On this 3rd day of August, 1988, before me, the undersigned Notary Public, personally appeared FRANKLIN DON SAVAGE, known to me (or satisfactorily proven) to be the President of Sage Enterprises, Inc., an Arizona corporation, and that he, as such officer, being authorized to do so, executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and Official Seal.

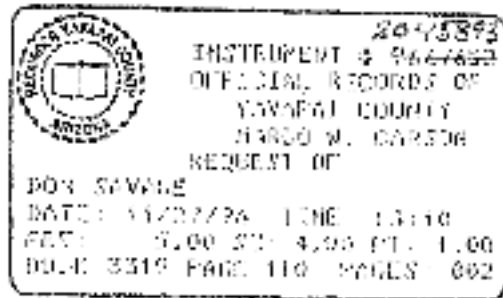
Jennifer L. Rehm
Notary Public

My Commission Expires:

October 7, 1990



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DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS OF
CLIFF ROSE, A PLANNED AREA DEVELOPMENT

Savage Enterprises, Inc., owner and successor in interest to the original Declarants as "Declarant", this 27th day of November, 1996, hereby amends and modifies the Declaration of Covenants, Conditions, and Restrictions dated March 31, 1987, that apply to Unit 1, Phase A and all additional units and phases, as recorded on the 31st day of March, 1987 in Book 1918, pages 747-764, inclusive, in the office of the Yavapai County Recorder, as initially amended February 12, 1988, which amendment was included in Book 2019, pages 429-431, records of Yavapai County, Arizona as follows:

RECITALS, Paragraph 2, is amended to add:

"The Articles of Association and Declaration of Covenants, Conditions & Restrictions of Cliff Rose a Planned Area Development are amended to annex Phase A, Unit IV, Lots 273-297 and Lots 329-332, according to M. & P. 33-10, records of Yavapai County, Arizona.

The lots in each phase shall become irrevocably subject to the Articles of

THIRD AMENDMENT TO ARTICLES AND
DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS OF
CLIFF ROSE, A PLANNED AREA DEVELOPMENT

Savage Enterprises, Inc., owner and successor in interest to the original Declarants, as “Declarant”, this 20th day of October, 1997, hereby amends and modifies the Declaration of Covenants, Conditions and Restrictions dated March 31, 1987, that apply to Unit 1, Phase A and all additional units and phases, as recorded on the 31st day of March, 1987 in Book 1918, Pages 747-764, inclusive, in the office of the Yavapai County Recorder, as initially amended February 12, 1988, which amendment was included in Book 2019, Pages 429-431, and amended August 3, 1988, which amendment was included in Book 2067, Pages 127-128, records of Yavapai County, Arizona, as follows:

Article IV. Section 5, Paragraph B, is amended to read:

B. From and after the end of one (1) year immediately following the conveyance of the first LOT to an OWNER, the maximum annual assessment for each LOT may be increased or decreased based on the percentage of LOT ownership and/or the percentage increase of liability insurance, taxes, expenses, and fees associated with the Common Areas. The Board of Directors of the Association shall fix the annual assessment.

Article V. section I. Paragraph B, is amended to read:

Not more than one (1) single family dwelling unit shall be constructed

on each LOT. The single family dwelling shall contain not less than 1,200 square feet of living space. Carports and garages shall not be considered a part of the required floor space of a dwelling unit. Each single-family dwelling shall have a least one (1) carport or garage and shall additionally provide at least two (2) off street parking spaces per LOT. No parking shall be allowed on unpaved portions of the LOT.

Article V Section 1 Paragraph D, is amended to include this sentence at the end:

Dogs shall be kept leashed at all times when using sidewalks, streets or the Common Area and the OWNER shall be required to pick up immediately any animal feces left on yards, sidewalks, streets, or the Common Area, as well as on any unsold or Vacant lots.

Declarant hereby affirms all other terms and provisions set forth in the original Declaration of Covenants, Conditions & Restrictions.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Amendment this 14th day of October, 1997.

SAVAGE ENTERPRISES, INC.,
an Arizona corporation

By: _____
Don Savage, It's President

Mail to:
Don Savage
P O BOX 1419
Prescott AZ 86302

DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS OF
CLIFF ROSE, A PLANNED AREA DEVELOPMENT

Savage Enterprises, Inc., owner and successor in interest to the original Declarants as "Declarant", this 2nd day of June, 1999, hereby amends and modifies the Declaration of Covenants, Conditions, and Restrictions dated March 31, 1987, that apply to Unit 1, Phase A and all additional units and phases, as recorded on the 31st day of March, 1987 in book 1918, Pages 747-764, inclusive, in the office of the Yavapai County Recorder, as initially amended February 12, 1988, which amendment was included in Book 2019, pages 429-431, records of Yavapai County, Arizona, amended October 20, 1997, which amendment was included in Book 3501, pages 286, records of Yavapai County, Arizona as follows:

RECITALS, Paragraph 2, is amended to add:

"The Articles of Association and Declaration of Covenants, Conditions & Restrictions of Cliff Rose, a planned area Development are amended to annex Phase 13, Unit IV, Lots 298-328 and Lots 333-341, according to M. & P. 38, 81 & 82, records of Yavapai County, Arizona.

The lots in each phase shall become irrevocably subject to the Articles of Association and Covenants, and Conditions and Restrictions at the time the

first deed is recorded in that phase.”

This Annexation confirms and reinstates that the annexed lots are subject to the original Article and First Amendment. The Declarants reserve the right to file any and all necessary amendments, if any, required for approval of future phases.

Declarant hereby affirms all other terms and provisions set forth in the original Declaration of Covenants, Conditions & Restrictions, as previously amended.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Annexation this 2nd day of June, 1999.

SAVAGE ENTERPRISES, INC.

BY: _____
JOHN TERRY SAVAGE, President

STATE OF ARIZONA)
) ss
County of Yavapai)

On this 2nd day of June, 1999, before me, the undersigned Notary Public, personally appeared JOHN TERRY SAVAGE, known to me (or satisfactorily proven) to be the President of Savage Enterprises, Inc., an Arizona Corporation, and that he, as such officer, being authorized to do so, executed the same for the purposes therein contained.

therein contained.

Notary Public

My Commission Expires: 6-12-2003



DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS OF
CLIFF ROSE, A PLANNED AREA DEVELOPMENT

Savage Enterprises, Inc., owner and successor In Interest to the original Declarants as" Declarant", this 30th day of January, 2002, hereby amends and modifies the Declaration of Covenants, Conditions, and Restrictions dated March 31, 1987, that apply to Unit 1, Phase A and all additional units and phases, as recorded on the 31st day of March, 1987, In Book 1918, Pages 747 - 764, inclusive, in the office of the Yavapai County Recorder, as Initially amended February 12, 1988, which amendment was Included In Book 2019, Pages 429-431, records of Yavapai County, Arizona, amended October 20, 1997 which amendment was Included in Book 3501, Pages 286, records of Yavapai County, Arizona as follows:

RECITALS, Paragraph 2, is amended to add:

"The Articles of Association and Declaration of Covenants, Conditions & Restrictions of Cliff Rose, .a planned area Development are amended to annex Lots 342 - 380 Cliff Rose Unit 5 as recorded In Book 35 of Maps, Page 65 and Lots 381 - 405 Cliff Rose Unit 6, as recorded in Book 44 of Maps, Page 6, records of Yavapai County, Arizona.

The lots in each phase shall become irrevocably subject to the Articles of Association and Covenants, and Conditions and Restrictions at the time the first deed Is recorded In that phase."

This Annexation confirms and reinstates that the annexed lots are subject to the original Article and First Amendment. The Declarants reserve (the right to file any and all necessary amendments, if any, required for approval of future phase.

Declarant hereby affirms all other forms and provisions set forth in the original Declaration of Covenants, Conditions & Restrictions, as previously amended.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Annexation this 30th day of January, 2002

SAVAGE ENTERPRISES, INC.



John Terry Savage, President

STATE OF ARIZONA)
) ss:
COUNTY OF YAVAPAI)

On this 30th day of January, 2002, before me, the undersigned Notary Public, personally appeared JOHN TERRY SAVAGE, known to me (or satisfactorily proven) to be the President of Savage Enterprises, Inc., an Arizona Corporation, and that he, as such officer, being authorized to do so, executed the same for the purposes therein contained.

NOTARY COMMISSION EXPIRES:



SEAL



Notary Public

When recorded mail to:
SAVAGE ENTERPRISES INC.
P.O. Box 1419
Recorder
Prescott, AZ 86302

3723954 BK 4152 PG 443
Yavapai County, Arizona
Patsy Jenney-Colon,

05/28/2004 10:46A Page 1
Capital Title Agency
Recording Fee 5.00
Surcharge 8.00
Postage 1.00

**DECLARATION OF ANNEXATION OF COVENANTS,
CONDITIONS & RESTRICTIONS FOR CLIFF ROSE - 7**

Savage Enterprises, Inc., an Arizona corporation, owner and successor in interest to the original Declarants as "Declarant", this 28th Day of May, 2004, hereby amends and modifies the Declaration of Covenants, Conditions and Restrictions dated March 31, 1987, that apply to Unit 1, Phase A and all additional Units and phases, as recorded on the 31st day of March 1987 in Book 1918 pages 747-764 inclusive, in the office of the Yavapai County Recorder, as initially amended February 2, 1988, which amendment was included in Book 2019, pages 429-431, records of Yavapai County Arizona amended October 1997; which amendment was included in Book 3501, page 286, records of Yavapai County, Arizona, and thereafter amended in Book 3898 of Official Records, page 6 records of Yavapai County, Arizona, as follows:

RECITALS, Paragraph 2, is amended to add:

"The Articles of Association and Declaration of Covenants, Conditions & Restrictions of Cliff Rose, a Planned Area Development are amended to annex Lots 406-447, CLIFF ROSE -7, according to the plat of record in Book 50 of Maps, page 14, records of Yavapai County, Arizona.

The lots in each Phase shall become irrevocably subject to the Articles of Association and Declaration of Covenants, Conditions and Restrictions at the time the first deed is recorded in that Phase.

This annexation confirms and reinstates that the annexed lots are subject to the original Article and First Amendment. The Declarants reserve the right to file any and all necessary amendments, if any, required for approval of future phases

Declarant hereby affirms all other terms and provisions set forth in the original Declaration of Covenants, Conditions & Restrictions as previously amended.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Annexation this 28th day of May, 2004.

PAGE 2 OF 2

State of Arizona)
) ss
County of Yavapai)

On this 28th day of May 2004, before me, this undersigned Notary Public, personally appeared JOHN TERRY SAVAGE, known to me (or satisfactorily proven) to be the President of Savage Enterprises, Inc., an Arizona corporation, and that he, as such officer, being authorized to do so, executed the same for the purposes herein contained.

3/15/07
My commission expires

Jaime R. Dailey