

BIG DRAW RANCH PROPERTY OWNER ASSOCIATION

April 7, 2014

Cochise County Recorder
1415 Melody Lane Bldg. B
Bisbee, AZ 85603

2014-06783
Page 1 of 28
Requested By: Darlene M. Bradford
Christine Rhodes - Recorder
Cochise County, AZ
04-17-2014 02:52 PM Recording Fee \$39.00

Dear Recorder,

This letter is to record an amendment to the Declaration of Covenants, Conditions, and Restrictions (CC&R) for, Cochise Big Draw Ranch, Cochise County, Arizona. Recording of this documents are

- Original document recorded 02-04-2011, number 2011-02890
- Original document and amendment recorded on 02-18-2014, number 2014-02763
- Original document and amendment recorded on 03-10-2014, number 2014-04111

We are amending our CC&R page 13, paragraph 5.4 titled Temporary Structures to promote the use and enjoyment of one's property.

Request that you record amendment to Declaration of Covenants, Conditions, and Restrictions for Big Draw Ranch of Cochise County, Arizona.

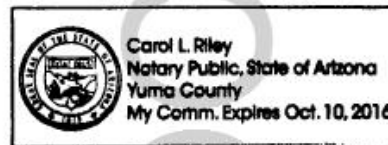
For additional information or questions, please contact Darlene Bradford at 928-750-1007 or rancher1819@yahoo.com. When recorded return to Darlene Bradford

13257 E 51st Place
Yuma, AZ 85367

Thanking you for your time and consideration on this matter.

Sincerely,

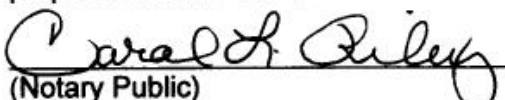

Darlene M. Bradford
Secretary/Treasurer
Big Draw Ranch Property Owners Association



State of Arizona

County of Yuma

On this 7 day of April, 2014 before me personally appeared _____, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he/she executed the same as his/her free act and deed, for the purposes therein set forth.


(Notary Public)

My Commission Expires: October 10, 2016

BIG DRAW RANCH PROPERTY OWNER ASSOCIATION

April 7, 2014

Original document recorded 02-04-2011, number 2011-02890

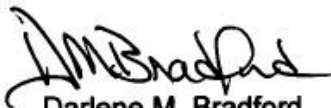
Original document and amendment recorded on 02-18-2014, number 2014-02763

Original document and (2nd) amendment recorded on 03-10-2014, number 2014-04111

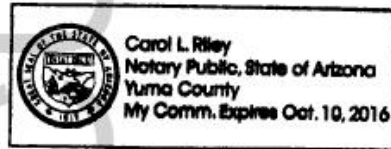
Amendment to Declaration of Covenants, Conditions, and Restrictions for Big Draw Ranch, Cochise County, Arizona; page 13, paragraph 5.4 titled Temporary structures:

As reads: 5.4 Temporary Structures: No travel trailer or recreational vehicle may be used as a permanent residence on a Parcel. One travel trailer or recreational vehicle may be used for temporary use only if the use extends for not more than three (3) consecutive months during a calendar year, unless the occupant has been issued a building permit by Cochise County and is diligently proceeding to construct a permanent residence on a Parcel, so long as permitted by county regulations.

Changed to read: 5.4 Temporary Structures: Travel trailers and recreational vehicles may be left on the property with no restriction. If any temporary unit is unsightly, the Board, upon notification of a complaint regarding the appearance of the unit, shall determine if screening or berming will be required. All screening shall be approved by the Board prior to construction and the Board shall have the sole decision making authority to approve or disapprove the screening efforts when completed.



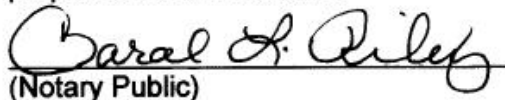
Darlene M. Bradford
Secretary/Treasurer
Big Draw Ranch Property Owners Association



State of Arizona

County of Yuma

On this 7 day of April, 2014 before me personally appeared _____, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he/she executed the same as his/her free act and deed, for the purposes therein set forth.


(Notary Public)

My Commission Expires: October 10, 2016

BIG DRAW RANCH PROPERTY OWNER ASSOCIATION

March 5, 2014

Cochise County Recorder
1415 Melody Lane Bldg. B
Bisbee, AZ 85603

~~2014-04111~~
Page 1 of 26
Requested By: Darlene M. Bradford
Christine Rhodes - Recorder
Cochise County, AZ
03-10-2014 03:03 PM Recording Fee \$31.00

Dear Recorder,

This letter is to record **an amendment to the Declaration of Covenants, Conditions, and Restrictions (CC&R) for, Cochise Big Draw Ranch, Cochise County, Arizona.** Recording of this document is

- Original document recorded 02-04-2011, number 2011-02890
- Original document and amendment recorded on 02-18-2014, number 2014-02763

We are amending our CC&R page 14, 5.14 titled Additional Subdivisions for the following reasons: for the following reasons:

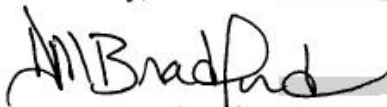
1. The CC&R states parcels can be subdivided into four (4) parcels, yet each must contain ten (10) acres. This restriction allows only for three parcels, due to original parcels being thirty-six (36) acres, making two (2) parcels each of ten (10) and one (1) of sixteen (16) acres.
2. Change to nine (9) acres from ten (10) acres is not noticeable.
3. Change would allow owners full use of parcel(s).

Request that you record amendment to Declaration of Covenants, Conditions, and Restrictions for Big Draw Ranch of Cochise County, Arizona.

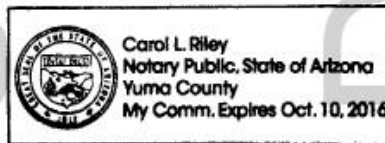
For additional information or questions, please contact Darlene Bradford at 928-750-1007 or rancher1819@yahoo.com. When recorded return to: Darlene Bradford
132357 E 51st Place
Yuma, AZ 85367

Thanking you for your time and consideration on this matter.

Sincerely,



Darlene M. Bradford
Secretary/Treasurer



State of Arizona
County of Yuma

Signed before me on
this 5th day of March, 2014

My Commission Expires () Not a D. D.

BIG DRAW RANCH PROPERTY OWNER ASSOCIATION

March 5, 2014

Original document recorded 02-04-2011, number 2011-02890

Original document and amendment recorded on 02-18-2014, number 2014-02763

Amendment to Declaration of Covenants, Conditions, and Restrictions for Big Draw Ranch, Cochise County, Arizona; page 14, paragraph 5.14:

As reads: 5.14 Additional Subdivisions: No original Parcel(s) may be resold by an Owner until after eighteen (18) months from the date of initial conveyance or until after the Transition Date, whichever is sooner. Any subdivision of Parcels must be done in strict accordance with all applicable laws including required approval by Cochise County and the State of Arizona, which is the sole responsibility of the Owner. Subject to state and county regulations, original Parcels may be subdivided up to three (3) times creating a maximum of four (4) Parcels, with a minimum Parcel size of ten (10) acres each. All parcels newly created by an Owner through subdividing an original Parcel must contain a minimum of 150' (feet) of road frontage along roads which have been previously dedicated to the Big Draw Ranch Property Owners Association on the Recorded Plat OR along a thirty foot (30') wide roadway easement created by Owner on the original Parcel for the purpose of ingress/egress, emergency vehicle access and utility line construction and maintenance to the new Parcel. A ten foot (10') wide easement shall be created along and adjacent to all other Parcel boundary lines. All easements created shall be appurtenant and of a perpetual term. Additionally, all easements shall state the party responsible for maintenance and must be recorded by Owner in the Office of the Cochise County Recorder prior to conveyance of either Parcel to a subsequent party. Declarant may grant a written variance to the required waiting period to subdivide a Parcel under the following circumstances: 1) For the purpose of constructing a primary residence on the Parcel and/or newly created Parcels; and 2) The original Parcel and any newly created Parcels may not be sold by original Owner(s) until after the Transition Date UNLESS the Parcel offered for sale has a primary residence constructed on it.

Changed to read: 5.14 (Change is highlighted in yellow.)

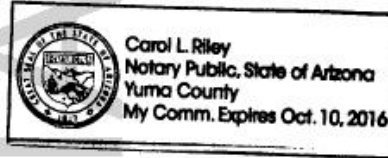
5.14 Additional Subdivisions: No original Parcel(s) may be resold by an Owner until after eighteen (18) months from the date of initial conveyance or until after the Transition Date, whichever is sooner. Any subdivision of Parcels must be done in strict accordance with all applicable laws including required approval by Cochise County and the State of Arizona, which is the sole responsibility of the Owner. Subject to state and county regulations, original Parcels may be subdivided up to three (3) times creating a maximum of four (4) Parcels, with a minimum Parcel size of nine (9) acres each. All parcels newly created by an Owner through subdividing an original Parcel must contain a minimum of 150' (feet) of road frontage along roads which have been previously dedicated to the Big Draw Ranch Property Owners Association on the Recorded Plat OR along a thirty foot (30') wide roadway easement created by Owner on the original Parcel for the purpose of ingress/egress, emergency vehicle access and utility line construction and maintenance to the new Parcel. A ten foot (10') wide easement shall be created along and adjacent to all other Parcel boundary lines. All easements created shall be appurtenant and of a perpetual term. Additionally, all

BIG DRAW RANCH PROPERTY OWNER ASSOCIATION

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DM Bradford

Darlene M. Bradford
Secretary/Treasurer
Big Draw Ranch Property Owners Association



State of Arizona
County of Yuma

on the 5th day of March 2014
Signed before me

Carol L. Riley
My Commission Expires 10, 10, 2016

BIG DRAW RANCH PROPERTY OWNER ASSOCIATION

February 12, 2014

Cochise County Recorder
1415 Melody Lane Bldg. B
Bisbee, AZ 85603

~~2014-02743~~
Page 1 of 23
Requested By: Darlene M. Bradford
Christina Rhodes - Recorder
Cochise County, AZ
02-18-2014 03:09 PM Recording Fee \$28.00

Dear Recorder,

This letter is to record an amendment to the Declaration of Covenants, Conditions, and Restrictions (CC&R) for, Cochise Big Draw Ranch, Cochise County, Arizona. Recording number 2011-02890, dated 02-04-2011.

We are amending our CC&R page 16, 5.23 titled Fencing for the following reasons:

The problems these setbacks create include but may not be limited to the following:

1. Deprives each individual land owner of the full use and enjoyment of his land for pets, livestock use, farming, and gardening.
2. Creates corridors between all parcels owned by different landowners including corridors which will directly guide children, livestock, and pets out onto the main highway.
3. Creates significant security breaches by allowing anyone traveling anywhere around the perimeter of Big Draw property to have basically unlimited access into and between our properties at any time rather than restricting access at our main entry point.
4. Increasing or doubling the cost of fencing by requiring two (2) fences at every adjoining property line rather than one.
5. Creates maintenance challenges by having land outside of and between y, the yard areas that new fencing creates.

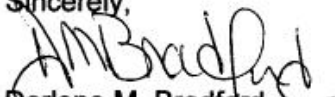
In the absence of any underlying enforceable grazing agreement, there is not one positive aspect of the fencing set back requirements as outlined in the Big Draw Ranch CC&R's that would enhance a landowners use of his or her land."

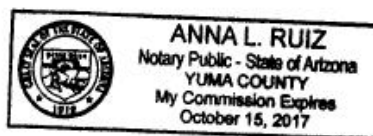
Request that you record amendment to Declaration of Covenants, Conditions, and Restrictions for Big Draw of Cochise Count Arizona.

For additional information or questions, please contact Darlene Bradford at 928-750-1007 or rancher1819@yahoo.com. When recorded return to: Darlene Bradford
132357 E 51st Place
Yuma, AZ 85367

Thanking you for your time and consideration on this matter.

Sincerely,


Darlene M. Bradford
Secretary/Treasurer




Darlene M. Bradford
13257 E 51st Pl

BIG DRAW RANCH PROPERTY OWNER ASSOCIATION

February 12, 2014

2014-06783 04-17-2014 02:52 PM Page 7 of 28

Original document recorded 02-04-2011, number 2011-02890

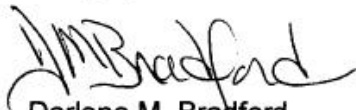
Amendment to Declaration of Covenants, Conditions, and Restrictions for Big Draw Ranch, Cochise County, Arizona; page 16, paragraph 5.3 Fencing:

As reads (paragraph 1): 5.23 Fencing: Subject to easement and setback requirements Owner may fence off all or any part of Owner's parcel. All fencing must be set back 10' from side and rear parcel lines or forty-five feet (45') from front parcel lines (along and adjacent to, or within the common roadways). Fencing may not encroach upon any easement referred to in the title report (with the exception of "blanket easements"), the Recorded Plat, or this Declaration. Subject to any easements Owner, at his/her expense, shall have the right to move or remove any "pre-existing" ranch existing fence that bi-sects Owner's parcel. Any fences moved and /or installed by Owner, shall be at Owner's sole expense. All perimeter fencing shall be constructed using "wildlife friendly" techniques as follows: Wherever barbed wire fencing is constructed, it shall have smooth wire on the bottom strand, which shall be 18 inches above the ground and fence height shall not exceed 60 inches. Additionally, when barbed wire fencing is used it shall be constructed with the following minimal requirements: a) with posts not more than 15' apart; b) not less than three stays between posts; c) with found continuous strands of wire and; d) such fence is adequate, in accordance with normal ranch standards to contain horses and other livestock.

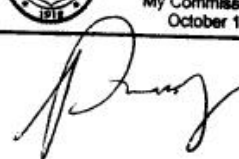
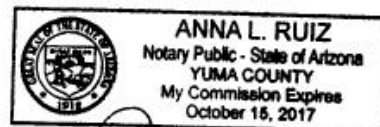
Paragraph 2 remains the same.

Changed to read: 5.23 Fencing: Owner may fence off all or any part of Owner's parcel. Subject to easement and setback requirements consistent with Arizona Law and Cochise County. Subject to any easements Owner, at his/her expense, shall have the right to move or remove any "pre-existing" ranch existing fence that bi-sects Owner's parcel. Any fences moved and /or installed by Owner, shall be at Owner's sole expense. All perimeter fencing shall be constructed using "wildlife friendly" techniques as follows: Wherever barbed wire fencing is constructed, it shall have smooth wire on the bottom strand, which shall be 18 inches above the ground and fence height shall not exceed 60 inches. Additionally, when barbed wire fencing is used it shall be constructed with the following minimal requirements: a) with posts not more than 15' apart; b) not less than three stays between posts; c) with found continuous strands of wire and; d) such fence is adequate, in accordance with normal ranch standards to contain horses and other livestock. (Change is highlighted in yellow.)

Paragraph 2 remains the same.



Darlene M. Bradford
Secretary/Treasurer
Big Draw Ranch Property Owners Association



When recorded return to:

Big Draw Ranch POA
Darlene M Bradford
13257 E 51st Place
Yuma Arizona 85367

**DECLARATION OF COVENANTS, CONDITIONS, AND
RESTRICTIONS**

**FOR
BIG DRAW RANCH
Cochise County, Arizona**

Original recording information:
2011-02890
02-04-2011 12:51 PM

~~2011-02898~~
Page 1 of 19
Requested By: AMERICA LAND AND RANCHES
Christina Rhodes - Recorder
Cochise County, AZ
02-04-2011 12:51 PM Recording Fee \$28.00

When Recorded Return To:
Arizona Ranch Sales, LLC
1500 Plaza West Drive
Prescott, Arizona 86303

~~2014-02763 02-18-2014 03:09 PM Page 4 of 23~~

~~2014-04111 03-10-2014 03:03 PM Page 7 of 26~~

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

BIG DRAW RANCH

Cochise County, Arizona

TABLE OF CONTENTS

1. DEFINITIONS.....	4
1.1 "Access Easement Agreement"	4
1.2 "Additional Property"	5
1.3 "Association"	5
1.4 "Board"	5
1.5 "Common Areas"	5
1.6 "Common Roadway"	5
1.7 "Declarant"	5
1.8 "Declaration"	5
1.9 "First Deed of Trust"	5
1.10 "Member"	5
1.11 "Owner"	5
1.12 "Parcel" or "Parcels"	5
1.13 "Property" or "Project"	5
1.14 "Rancher"	6
1.15 "Ranching"	6
1.16 "Recorded Plat" or "Record of Survey"	6
1.17 "Transition Date"	6
2. PROPERTY OWNERS ASSOCIATION	6
2.1 Purpose.....	6
2.2 Membership	6
2.3 Voting	7
2.4 Quorum Requirement.....	7
2.5 Management of the Association.....	7
2.6 Powers to Conduct Business	7
2.7 Estimated Costs.....	8
2.8 Regular Assessments	8
2.9 Special Assessments	9
2.10 Proration of Assessments	9
2.11 Assessment Liens.....	9
2.12 Maintenance/Management/Repairs of the Common Area.....	9
2.13 Notice of Noncompliance	10
2.14 Legal Costs.....	10
2.15 Variances.....	10
2.16 Transition Date.....	11
3. ANNEXATION OF ADDITIONAL PROPERTY	11
3.1 Declarant's Right to Annex Additional Property.....	11
3.2 Annexation of Additional Property	11
3.3 Sequence of Annexation	11
3.4 Disclaimer	12
4. DE-ANNEXATION	12
4.1 Declarant's Right to De-Annex Property	12
5. GENERAL RESTRICTIONS APPLICABLE TO ALL PARCELS	12
5.1 Use Restrictions	12
5.2 Structures	13
5.3 Primary Residences and Guest Houses.....	13

5.4	Temporary Structures.....	13
5.5	Location of Structures.....	13
5.6	Utility Lines	13
5.7	Vehicle / Trailer / Equipment Parking	14
5.8	Antennas and Generators	14
5.9	Off-Road Vehicles	14
5.10	Water and Individual Sewage Systems.....	14
5.11	Drainage Easements.....	14
5.12	Livestock, Horses, Poultry and Domestic Animals	14
5.13	Re-sale.....	14
5.14	Additional Subdivisions.....	14
5.15	No Medical Facilities.....	15
5.16	Churches or Clubs.....	15
5.17	Garbage	15
5.18	Junkyards, Auto Repair, Second-Hand Business, Material Storage.....	15
5.19	Nuisance Activities	15
5.20	Signs.....	15
5.21	Easements	16
5.22	Mineral Extractions.....	16
5.23	Fencing.....	16
5.24	Environmental Protection	17
6.	GENERAL PROVISIONS	17
6.1	Enforcement.....	17
6.2.	Declarant's Exemption.....	17
6.3	Invalidity / Severability.....	17
6.4	Amendments	17
6.5	Term.....	18
	LEGAL DESCRIPTION	19

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
BIG DRAW RANCH**

Cochise County, Arizona

THIS DECLARATION, is made by Arizona Ranch Sales, LLC, a Limited Liability Company, ("Declarant"), the owner of record of the property herein, along with its successors, assigns or designees.

This Declaration is being recorded to establish a general plan for the development, sale, lease and use of Big Draw Ranch (the "Property") in order to protect and enhance the value and desirability of the Property. Declarant declares that all of the Property (as defined herein) shall be held, sold and conveyed subject to this Declaration. By acceptance of a deed or by acquiring any interest in any of the property subject to this Declaration, each person or entity, for him/herself or itself, his/her heirs, personal representatives, successors, transferees and assigns, binds him/herself, his/her heirs, personal representatives, successors, transferees and assigns, to all of the provisions, restrictions, covenants, conditions, rules, and regulations now or hereafter imposed by this Declaration and any amendments thereof. In addition, each such person by so doing thereby acknowledges that this Declaration sets forth a general scheme for the development, sale, lease and use of the Property and hereby evidences his/her interest that all the restrictions, conditions, covenants, rules and regulations contained in this Declaration shall run with the land and be binding on all subsequent and future Owners, grantees, purchasers, assignees, lessees and transferees thereof. Furthermore, each such person fully understands and acknowledges that this Declaration shall be mutually beneficial, prohibitive and enforceable by Declarant, the Association, the Lessee, and all Owners. Declarant, its successors, assigns and grantees, covenant and agree that the Parcels and the membership in the Association and the other rights created by this Declaration shall not be separated or separately conveyed, and each membership shall be deemed to be conveyed or encumbered with its respective Parcel even though the description in the instrument of conveyance or encumbrance may refer only to the Parcel.

1. DEFINITIONS

As used herein, the following terms have the following meanings:

1.1 "Access Easement Agreement" means the agreement between Orchard Investment Inc., its successor and assigns, as the entity responsible for maintaining the Common Roadway and the Tombstone Ranch LLC, its successor and assigns, as recorded at Fee No. 2011-01631, in Cochise County, Arizona. Said agreement provides for an annual maintenance fee to be paid by the Tombstone Ranch, LLC, its successor and assigns and all future owners of real property described in said Agreement, to the Association for sharing the cost of such maintenance.

1.2 **"Additional Property"** means any real property owned by Declarant, which is adjacent to or situated within the vicinity of the Property, together with all improvements, situated thereon, which Declarant may subsequently annex and make part of the Property and which would be subject to this Declaration.

1.3 **"Association"** means the Big Draw Ranch Property Owners Association, an Arizona nonprofit corporation, as referred to in Section 2 of this Declaration.

1.4 **"Board"** means the board of directors of the Big Draw Ranch Property Owners Association.

1.5 **"Common Areas"** means all easements or real property, along with any amenities, improvements or facilities located thereon, that are owned, leased or granted to the Association for the common use and enjoyment of its Members (the Owners). Common Areas may include, but are not limited to, interior roadways, recreational easements, trails, or any other areas or facilities designated by Declarant to be Common Area and granted to the Association herein or on the Recorded Plat of the Property for the benefit of its Members.

1.6 **"Common Roadway"** means the interior roadway easement located over and across the Property, that also provides legal, perpetual access to the adjacent property known as "Tombstone Ranch", as recorded in Book 27 of Maps, Pages 10 - 10C, in Cochise County, Arizona.

1.7 **"Declarant"** means Arizona Ranch Sales, LLC an Arizona Limited Liability Company, as developer and the original owner of record of the Property.

1.8 **"Declaration"** means this Declaration of Covenants, Conditions, and Restrictions for Big Draw Ranch.

1.9 **"First Deed of Trust"** means any deed of trust or realty mortgage, or agreement for sale made in good faith and for value and properly executed and recorded so as to create a lien on any Parcel or Parcels that is prior to the lien of any other deed of trust or realty mortgage.

1.10 **"Member"** means the Owner of record of any Parcel located within the Project as a member of the Big Draw Property Owners Association.

1.11 **"Owner"** shall mean and refer to the owner of record, whether one or more persons or entities, of fee or equitable or beneficial title to any Parcel, including Declarant. Owner shall include the purchaser of a Parcel under an executory contract for purchase. The foregoing definition does not include persons or entities that hold an interest in any Parcel solely as security for the performance of an obligation.

1.12 **"Parcel" or "Parcels"** means a portion of the Project intended for independent ownership and use and designated as a Parcel on the Recorded Plat, either individually or collectively as the case may be as such divisions maybe allowed by law.

1.13 **"Property" or "Project"** means the real property described on Exhibit "A"(and any amendments thereto), attached to this Declaration, together with all improvements located

thereon, and all Additional Property, together with all improvements located thereon, which is annexed and subjected to this Declaration by the Declarant. The Property subject to this Declaration is initially comprised of "Lots 1 - 25 inclusive, of Big Draw Ranch", located in Cochise County and as shown on the Recorded Plat for Big Draw Ranch, but as stated, may include Additional Property added by Declarant.

1.14 "Rancher" means any current person or entity owning or leasing the reserved Grazing Rights to the Property and the rights to certain reserved "pre-existing" registered ground and surface waters, along with watering/grazing related facilities located on the Property and shown on the Recorded Plat, to be used in conjunction with the Grazing Rights.

1.15 "Ranching" means the raising of cattle, horses, poultry and domestic animals by Owners in accordance with the provisions stated in herein.

1.16 "Recorded Plat" or "Record of Survey" means any Plat or Record of Survey of Big Draw Ranch, as recorded in the official records of Cochise County, Arizona, and as thereafter may be amended or supplemented, together with all subsequent Recorded Plats or Surveys for any Additional Property.

1.17 "Transition Date" means that date specified on or before which the Declarant transfers control of the Association to its Members or at such time as one hundred percent (100%) of the Parcels have been sold or earlier, at Declarant's option.

2. PROPERTY OWNERS ASSOCIATION.

2.1 Purpose: The Property shall be subject to the Big Draw Property Owners Association. The purpose of the Association is: (1) To maintain, repair and improve; (a) easements, gates and fences located on or within the Common Property; and (b) common water wells and appurtenances (c) Recreational Easements and any other Common Areas benefiting the Property and designated by Declarant for maintenance by the Association. (2) To enforce the provisions set forth in this Declaration.

DECLARANT SHALL MAINTAIN THE COMMON AREAS UNTIL THE TRANSITION DATE OF THE ASSOCIATION.

2.2 Membership: Each and every Owner, in accepting a deed or contract for any Parcel, whether or not it shall be so expressed in such deed or contract, automatically becomes a Member of the Association, and agrees to be bound by the terms set forth in this Declaration and such reasonable rules and regulations as may, from time to time, be established by the Association. Membership shall be appurtenant and may not be separated from ownership of the Parcel. The rights and obligations of an Owner and membership in the Association shall not be assigned, transferred, pledged, conveyed or alienated in any way, except upon transfer of ownership of such Parcel, whether by intestate succession, testamentary disposition, foreclosure of a deed of trust or a mortgage, or such other legal processes as are now in effect or as may be hereafter established pursuant to the laws of the State of Arizona. The Association shall be operated and conducted on a strictly cooperative and non-profit basis. Each Owner, as a

Member, shall have such voting rights as set forth in this Declaration and in the Association Bylaws.

2.3 Voting: The total number of votes in the Association shall be on the basis of four (4) votes per original Owner, per Parcel, except that the Developer shall have ten (10) votes for each Parcel it owns. The total number of Parcels and therefore the total number of votes may also be increased or decreased from time to time by the annexation of Additional Property or the de-annexation of Property, pursuant to Sections 3 and 4 of this Declaration. Unless otherwise specifically provided herein or in the bylaws, all Association matters requiring a vote of the Members shall be determined by a majority vote (i.e., a majority of the votes cast) so long as the quorum requirements are met. If more than one party is the Owner of a Parcel, there must be unanimous agreement among those who own an interest, otherwise the vote(s) attributable to that Parcel shall not be counted. Any action requiring a vote of the Members may take place one of three ways: 1) In person at a meeting; 2) By written proxy at a meeting; and/or 3) By written mail-in ballot in accordance with the bylaws. Any division of a Parcel shall be considered a separate Parcel subject to a separate assessment and entitled to a separate vote in the Association.

At any time that a Parcel not owned by Declarant is legally further divided in accordance with this Declaration, the four (4) votes originally available to the original Parcel shall be reallocated as follows: 1) If the original Parcel has been divided into two (2) Parcels, each Parcel shall be allocated two (2) votes, unless one of the resultant Parcels is at least 30 acres in area, in which event the larger Parcel shall be allocated three (3) votes and the smaller Parcel shall be allocated one (1) vote; 2) If the original Parcel has been divided into three (3) Parcels, the largest Parcel shall be allocated two (2) votes and the remaining Parcels shall be allocated one (1) vote each; and 3) If the original Parcel has been divided into four (4) Parcels, each Parcel shall be allocated one (1) vote each.

2.4 Quorum Requirement: Unless otherwise stated herein or in the Association's Bylaws, the number of votes received by the Association for most voting matters must represent forty-five percent (45%) of the total number of Members entitled to vote in order to constitute a quorum, whether the votes be cast in person or by proxy at a meeting, or received as written mail-in votes.

2.5 Management of the Association: Declarant shall maintain control of the Association and act as its board of directors (the "Board") until the Transition Date when the Members elect a new Board. Thereafter, the Members shall elect the Board annually in accordance with the Bylaws. Unless otherwise stated herein or in the Bylaws, and with the exception of those matters requiring a vote of the Members, the Board and such officers as the Board may elect or appoint in accordance with the Articles and Bylaws (as they may be amended from time to time), shall conduct all affairs and exercise the powers of the Association.

2.6 Powers to Conduct Business: The Association shall have the power to borrow and encumber its assets and, in all respects, shall have the powers set forth herein and in the Bylaws, including the power to enter into contracts with third parties to perform all or part of its functions, and to hire its own employees to do so. The Association shall have the power to obtain appropriate insurance, to create reserves, to issue rules and regulations pertaining to the Common Area, to establish an architectural review committee and other committees, and to

establish further architectural guidelines in addition to the provisions contained in this Declaration.

2.7 Estimated Costs: The Association, on an annual basis, shall make a determination of the estimated costs of insurance and operating costs, easements and any other designated Common Areas shown on the Recorded Plat or otherwise so designated, including any reserves necessary for future capital expenditures and maintenance. The Association shall furthermore allocate the estimated costs for such insurance, operating costs maintenance and repairs to be included under regular assessments. The Association shall prepare an annual budget and also an annual accounting of monies received and disbursed in accordance with the Bylaws.

Based on said estimated costs and at least sixty (60) days prior to the end of the current fiscal year, the Board shall establish, prepare and distribute to the Members and to the Tombstone Ranch, LLC, a "Budget" from which the annual Regular Assessments and the costs for shared maintenance will be based for the following fiscal year. Any proposed Budget that would result in an increase of more than fifteen percent (15%) from the immediate previous year must be approved by the Members pursuant to the Bylaws.

2.8 Regular Assessments: Each Owner (Member), other than Declarant, shall pay regular annual assessments for normal maintenance, repair, management, and reserves for the Common Areas, along with insurance and operating costs for the Association. Such assessments shall be charged to Members on a uniform flat-fee basis per Parcel owned. HOWEVER, those Members owning multiple (two with a maximum of three) *contiguous* Parcels, shall only be charged the Regular Assessment amount for one (1) of said multiple Parcels. The remaining one (1) or two (2) contiguous Parcels (hereinafter referred to as "Exempt Parcels") shall be exempt from the Regular Assessment fee, only so long as still owned by the same Owner and so long as not more than one (1) of the Parcels contains any kind of a structure or residence; primary, temporary, or otherwise. In the event an individual Exempt Parcel is sold or conveyed by the Owner to a subsequent party, or a structure is placed or constructed thereon, the full regular assessment amount normally due for that Parcel, shall revert to the current Regular Assessment amount due for all other lots in the Development, and the Owner(s) of the affected Parcel(s) shall be responsible for paying Regular Assessments annually for that Parcel thereafter. Any Member owning *more* than three (3) contiguous, or more than one (1) *non-contiguous* Parcels, shall be responsible for paying a separate Regular Assessment amount for each additional such Parcel owned.

Regular assessments may be collected on a monthly, quarterly or annual basis, or any combination of same as determined by the Board. Assessment billing shall be sent to every Owner at least forty-five (45) days prior to the due date established by the Board. The initial regular assessment shall be \$288.00 per Parcel annually. Additional Parcels created through the split of an "original" Parcel (as created and shown on the Record of Survey) are to be considered separate, individual Parcels and are to be assessed the full and same amount as all other Parcels in the Development. Any such splits shall be in strict conformance with Section 5.14 of this Declaration. Owners who split or sell their Parcels must advise the Association within thirty (30) days for purposes of annual assessments, voting rights, and other information that may be needed by the Association.

2.9 Special Assessments: In addition to regular assessments, the Association may establish special assessments for the construction, repair, reconstruction, or replacement of a capital improvement of the Common Area or for any other lawful Association purpose or expense, HOWEVER any special assessment established for the purpose of such capital expenditures must be approved by a majority vote of Members meeting a sixty-eight percent (68%) quorum requirement. Special assessments shall be allocated and charged on the same basis per Parcel as regular assessments.

At no time shall Declarant be responsible for paying any Regular or Special Assessments for any Parcel it currently owns or subsequently holds ownership of in the future.

2.10 Proration of Assessments: Regular assessments will be assessed as of the date of recordation of the deed wherein the Owner acquired legal title to the Parcel. All Owners acquiring interest in a Parcel during the calendar year shall be obligated for a pro rata portion thereof, however, Declarant shall not be responsible for comparable assessments on each Parcel it owns. Declarant may be responsible for providing labor, material and/or monies in sufficient amounts, not to exceed the amount of the normal Parcel assessment for each Parcel it owns, if necessary in Declarant's opinion, to properly fulfill the Association's maintenance responsibilities until the Transition Date or earlier, at Declarant's option. Where the holder of a First Deed of Trust, including Declarant, obtains title to the Parcel as a result of trustee's sale, or deed in lieu of foreclosure, of said First Deed of Trust, such acquirer of title, its successors and assigns, shall not be liable for the share of the assessments by the Association chargeable to such Parcel which became due prior to the acquisition of title to such Parcel by such acquirer. Such acquirer, other than Declarant shall be responsible, as any Owner, for assessments charged subsequent to the acquisition.

2.11 Assessment Liens: Assessment payments shall be considered delinquent if not postmarked within fifteen (15) days from the established due date. For each Parcel, the applicable regular and any special assessments, late payment penalties and charges, if any, together with interest, (all as set by the Association, but not to exceed the amount permitted by law), costs and reasonable attorney's fees, shall constitute a lien on the Parcel. Each Owner shall be personally responsible for his or her share of assessments imposed by the Association. This personal obligation or delinquent assessments shall not pass to the Owner's successor; PROVIDED HOWEVER, the obligation to pay the same shall be a continuing lien on the applicable Parcel, excepting for the provisions of Section 2.10 above, relating to deed of trust beneficiaries and to realty mortgagees. Such lien shall be prior to all other liens excepting only ad-valorem-liens in favor of governmental assessing units or special assessment districts. The Assessment lien may be foreclosed by the Association in a like manner as a foreclosure of a real property deed of trust or realty mortgage only under the following circumstances: a) If the amount owed is \$1,200 or more, not including collection fees, attorney's fees or late fees; or b) The amount has been delinquent for a minimum of one (1) year. The Association shall have the power to bid on the delinquent Parcel at a foreclosure sale, and acquire, hold, lease, encumber and convey the same. A suit to recover a money judgment for unpaid assessments and charges shall be maintainable by the Association without foreclosing or waiving the lien securing the same.

2.12 Maintenance/Management/Repairs of the Common Area: The Association shall take necessary and appropriate action for the maintenance, repair, replacement, and management of

the facilities referred to in Section 2.1(1.a – 1.c) above, and shall have the right to enter upon a Parcel, if reasonably necessary, in order to take such action. The Association may take such action as the Association deems necessary to insure the reasonable maintenance and repair of the Common Roadway referred to in subpart 2.1(2), above.

2.13 Notice of Noncompliance: In the event the Board or a majority of the Members meeting a forty percent (40%) quorum determines that any Owner has not complied with the provisions of this Declaration, the Board shall give notice to said Owner by certified mail (the "first notice"). The Owner shall be given ten (10) days after the postmarked date of said notice to respond by certified mail. Within ten (10) business days after receipt of the Owner's response or if the Owner fails to respond, within twenty (20) days from the date of the first notice, the Board shall provide the Owner with a full written explanation of the violation and state the provision in the Declaration that has allegedly been violated (the "second" notice) which shall include: the date of the violation or the date the violation was observed; the first and last name of the person or persons who observed the violation; and the process the Owner must follow to contest the notice. The Owner shall correct same or, if not readily correctable within fifteen (15) days after the date of the second notice, submit corrective plans proposing Owner's remedy to the condition. The Board shall approve or disapprove any plans submitted by the Owner within ten (10) days of receipt of said corrective plans and set forth a reasonable time for the correction. In the event such condition is not corrected in accordance with the approved plans and within the allotted time, or in the event the Owner has not submitted corrective plans and fails to make the correction within (30) days from the date of the Board's second notice, the Association is hereby granted the right of entry onto the affected Parcel to remedy such condition or violation. If so corrected by the Association, the Association may recover its costs by filing a civil suit, obtaining a judgment and filing a lien on the Owner's Parcel. The lien may not be foreclosed on as in the case of assessment liens, however, it shall be valid and if unpaid, taken from the sales proceeds when the Parcel is sold. The Association is hereby granted the right of entry onto the affected Parcel for the purpose of correcting the condition or violation complained of. Remedies to Owners contesting a violation notice may include filing a civil lawsuit or filing a petition for a hearing in front of an Administrative Law Judge with the Office of Administrative Hearings.

2.14 Legal Costs: The Declarant, and/or the Board may cause a lawsuit to be commenced and maintained in the name of the Association against an Owner to enforce the payment of any delinquent assessment or to enforce any other pertinent provision of this Declaration. Any judgment rendered in any such action shall include the amount of the delinquency, interest at a rate not to exceed ten percent (10%) per annum from the date of delinquency, the amount of damages proven, court fees, and reasonable attorney's fees which are incurred by the Association as fixed by the court, as allowed by law.

2.15 Variances: So long as Declarant maintains control of the Association, Declarant, in its sole and absolute discretion, may grant a variance to any restriction or provision contained herein, and approve or disapprove any proposed improvement or alteration for any reason, including, but not limited to, aesthetics or potential negative impact on its ability to sell any remaining Property. After the Transition Date and in accordance with the Bylaws, the Board or Members may grant reasonable variances, where strict adherence to these restrictions would cause undue hardship or in cases where the Members of the Association would, in the Association's opinion, benefit from said variance. Variances may only be granted by a unanimous vote of the Directors or if the Association has only one (1) Director or in the event of

a tie vote of multiple Directors, variances may be granted by a two-thirds (2/3) majority vote of Members holding at least fifty percent (50%) of the number of votes entitled to be cast. Any variance granted is to be recorded in the Cochise County Recorder's Office and should state if the provisions of the variance are to "run with the land" or terminate when the affected Parcel is sold.

2.16 Transition Date: The Declarant, as the Association's initial Board, shall call a meeting of the Members for the purpose of turning over the operation and control of the Association and shall notify the Members not less than thirty (30) days prior to said meeting. Prior to the meeting, the Members shall initially elect, by a majority of the votes cast by Members meeting a twenty-five percent (25%) quorum, a minimum of one (1) and a maximum of three (3), Members to the Board. The election results shall be announced at the meeting. So long as Declarant owns any Parcel in the Project at the time of the Transition Date, Declarant may exercise its voting rights by casting the number of votes it still retains at the time. Immediately following the transition meeting, the newly elected Board may hold their first meeting for the purpose of electing officers and conducting any other business of the directors. Following the Board meeting, the Association may hold its first annual meeting of the Members.

3. ANNEXATION OF ADDITIONAL PROPERTY

3.1 Declarant's Right to Annex Additional Property: At any time the Declarant shall have the right to annex and subject to this Declaration all or any portion of the Additional Property without the consent of any other Owner or person. Declarant, its successors and designees reserve all present and future rights to utilize all Common roadways and easements within the Project to comparably develop lands within or adjacent to the Project and to grant use of said easements to additional subsequent individuals or entities. Any such expansion to be included within this Declaration shall be subject to the terms and conditions of this Declaration, but may include reasonable variances.

3.2 Annexation of Additional Property: Declarant may annex and subject Additional Property to this Declaration by recording an amendment to Exhibit "A" of this Declaration describing the property being annexed. Common Area, as shown on the Recorded Plat of the Additional Property, shall be subject to the provisions set forth in this Declaration with the maintenance, repair and replacement of the Common Area being the responsibility of the Association as set forth herein. The voting rights of the Owners of Parcels annexed pursuant to this section shall be effective as of the date of the annexation. The Owner's obligation to pay assessments shall commence as provided in Section 2.10 of this Declaration.

3.3 Sequence of Annexation: The Additional Property may be annexed as a whole, at one time or in one or more portions or phases at different times, or it may never be annexed, and there are no limitations upon the order of annexation or the boundaries thereof. The Additional Property annexed by the Declarant pursuant to Section 4 need not be contiguous with other property in the Project, and the exercise of the right of annexation as to any portion of the Additional Property shall not bar the further exercise of the right of annexation as to any other portion of the Additional Property.

3.4 Disclaimer: DECLARANT MAKES NO REPRESENTATIONS OR WARRANTIES WHATSOEVER THAT: (1) The Project will be completed in accordance with the plans for the Project as they exist on the date this Declaration is recorded; (2) Any Property subject to this Declaration will be committed to or developed for a particular use or for any use; (3) The use of any Property subject to this Declaration will not be changed in the future; or (4) All or any portion of the Additional Property will annexed, or the exact number of Parcels to be added in the event of annexation.

4. DE-ANNEXATION

4.1 Declarant's Right to De-Annex Property: Notwithstanding any other provision of this Declaration, Declarant shall have the right from time to time, at its sole option and without the consent of any Owner, the Board or any other person, to delete from the Property and remove from the effect of this Declaration one or more portions or Parcels of the Property, so long as (1) The portion of the Property to be removed and deleted is owned by Declarant, or the Owner of such portion of the Property executes and records an instrument approving such deletion and removal; and (2) Such deletion and removal would not deprive Owners of other parts of the Property of easements or rights-of way necessary to the continued use of their respective parts of the Property (unless Declarant at the same time provides for reasonably adequate replacement easements or rights-of way). Declarant may exercise its rights of de-annexation in each case by executing and causing to be recorded an instrument which identifies the portion of the Property to be so deleted and removed and which is executed by each Owner of such portion of the Property to be so deleted and removed (if other than Declarant). The deletion and removal of such portion of the Property shall be effective upon the date such instrument is recorded; whereupon, the portion of the Property so deleted and removed shall thereafter for all purposes be deemed not a part of the Property subject to this Declaration. No such deletion and removal of a portion of the Property shall act to release such portion from the lien for assessments or other charges hereunder which have accrued prior to the effective date of such deletion and removal, but all such assessments or other charges shall be appropriately prorated to the effective date of such deletion and removal. Each portion of the Property deleted and removed pursuant hereto shall thereafter be deemed to be a part of the Additional Property unless otherwise expressly provided to the contrary in the instrument recorded to effect such deletion and removal.

5. GENERAL RESTRICTIONS APPLICABLE TO ALL PARCELS

5.1 Use Restrictions: All Parcels shall be used for residential and recreational purposes only provided, however, livestock, horses, poultry and domestic animals may be kept pursuant to the provisions in Section 5.12. Notwithstanding anything contained in this Paragraph this restriction shall not prohibit home offices in a residential property where business is conducted through telephone, computer, or other electronic means and where the business is not apparent from the exterior of the residence; does not create noise or congestion from traffic or parking; and preserves the residential nature of the Property. All uses shall be in compliance with Cochise County zoning regulations and permitted uses, in addition to the provisions stated herein.

5.2 Structures: Not more than one (1) single family detached residential structure and one (1) guest house, along with customary outbuildings such as, a garage, barn, stable, tack-room, horse facilities and equipment room shall be permitted on each Parcel. Under no circumstances shall any Parcel contain more than two (2) living quarters consisting of the primary residence and guest quarters. Guest quarters are defined as a separate guest house OR living quarters contained within a barn. No structure shall exceed two (2) stories or thirty feet (30') in height unless written approval has been given by Cochise County including but not limited to barns and windmills. All structures must be constructed from new material or its equivalent with the finished exteriors being of natural colors, in harmony with each other, and in harmony with the natural surroundings. No reflective roofing shall be allowed. Corrals and pens shall be built and maintained in an attractive and workmanlike manner and maintained in such sanitary manner so as not to be considered a nuisance. Construction of all structures (including residences and guesthouses) shall be completed within twelve (12) months from commencement. Structures may be subject to Cochise County codes, regulations, building permits, and Flood Control District requirements (if applicable), the compliance of which shall be the Owner's responsibility. Parcels located in the flood plain may require a 'Residential Use Flood Plain Permit' which can be obtained from the Cochise County Highway and Flood Control Department. It is the individual Owners' responsibility to consult with and obtain from the Flood Control Department the permit, if it is required.

5.3 Primary Residences and Guest Houses: Construction of a primary residence and guest house or barn with living quarters shall be newly and permanently constructed for year-round living and must meet Cochise County's minimum standards for single-family dwelling construction. Modular, manufactured or pre-constructed home may be used as long as they are placed in a permanent fashion (e.g., concrete stem walls with footers), and are models built within one year of placement. Single-wide mobile or manufactured homes are prohibited. No structure, including but not limited to dwellings, shall exceed two (2) stories in height. All primary residences shall contain a minimum of 800 square feet of living area, exclusive of garage, carport, open porches, and patios. The square footage for guesthouses shall be in accordance with current Cochise County zoning regulations. No dwelling or other improvement shall be occupied until fully completed. Construction of any residence shall be completed within one (1) year of commencement.

5.4 Temporary Structures: No travel trailer or recreational vehicle may be used as a permanent residence on a Parcel. One travel trailer or recreational vehicle may be used for temporary use only if the use extends for not more than three (3) consecutive months during a calendar year, unless the occupant has been issued a building permit by Cochise County and is diligently proceeding to construct a permanent residence on a Parcel, so long as permitted by county regulations.

5.5 Location of Structures: All structures are to be erected or placed no closer to Parcel boundary lines than fifty feet (50'). Fences are not considered "structures" under this guideline. The set-back lines and all other restrictions contained herein are in addition to plat requirements, zoning and other land use regulations established by governmental authorities and the more restrictive shall apply.

5.6 Utility Lines: All utility lines running to any residence, outbuilding, machinery, pump, etc., must be placed underground beginning at the point where it enters the Parcel.

5.7 Vehicle / Trailer / Equipment Parking: No campers, camping trailers, boats, boat trailers, vehicles under repair or inoperable, travel trailers, motor homes, recreational vehicles, ATV's, sporting or camping equipment, unlicensed or unregistered vehicle may be parked on any roadway, driveway or easement. If parked on a Parcel, such vehicles or equipment must be kept in a garage or other such structure described in Section 5.2 OR screened from view by walls, fences, screens, or foliage and not closer than 50 feet from Parcel boundary lines.

5.8 Antennas and Generators: The placement location of antennas, satellite dishes and power generators must not be installed in such a way as to disturb the owners of adjacent Parcels. Turbine wind generators are prohibited.

5.9 Off-Road Vehicles: All vehicles, engines, or motors must be operated with a muffler and/or spark arrestor. Off-road vehicles such as motorbikes, motorcycles, ATV's, snow mobiles or other motorized vehicles may be operated on owner's individual Parcel, HOWEVER, motor-cross tracks, racing areas, competitive off-road racing or any structured motor-cross activities are strictly prohibited. Any off-road vehicles operated on roadways or existing trails must be operated in a safe manner, in accordance with Cochise County, and in such a way so as not to create a hazard or a nuisance or endanger livestock.

5.10 Water and Individual Sewage Systems: Each Parcel Owner may drill one (1) domestic, well per Parcel owned, at Owner's cost, and withdraw groundwater for noncommercial purposes. "Domestic" water use as defined herein, may include the following; outdoor watering for landscape vegetation, a garden, livestock and other allowed animals. Any domestic well must be installed in compliance with the laws, rules, and regulations of the Arizona Department of Water Resources and any other applicable federal, state or local regulatory agency or authority. All residences shall contain an individual sewage system that has been constructed to Cochise County Health Department standards, including setback requirements. All required permits must be obtained prior to installation. All sewage systems shall be maintained so as not to disturb surrounding Owners with offensive odors or sights.

5.11 Drainage Easements: The Property is hereby subject to drainage easements for drainage of storm water runoff. No person shall be entitled to alter the existing drainage patterns on any portion of the Property or materially relocate existing drainage locations in any way.

5.12 Livestock, Horses, Poultry and Domestic Animals: No swine shall be raised, bred, or kept on any Parcel. A Parcel may be used for ranching, including the use of keeping a reasonable number of horses and cattle thereon, provided the Parcel has been fenced in accordance with the fencing guidelines and setbacks set forth in Paragraph 5.23 "Fencing". Under no circumstances shall a stockyard, dairy, riding stable, kennel, poultry farm or any other commercial activity (other than ranching) involving animals be permitted.

5.13 Re-sale: No original Parcel(s) may be resold by an Owner until after eighteen (18) months from the date of initial conveyance or until after the Transition Date, which ever is sooner.

5.14 Additional Subdivisions: No original Parcel(s) may be resold by an Owner until after eighteen (18) months from the date of initial conveyance or until after the Transition Date, which

ever is sooner. Any subdivision of Parcels must be done in strict accordance with all applicable laws including required approvals by Cochise County and the State of Arizona, which is the sole responsibility of the Owner. Subject to state and county regulations, original Parcels may be subdivided up to three (3) times creating a maximum of four (4) Parcels, with a minimum Parcel size of ten (10) acres each. All Parcels newly created by an Owner through subdividing an original Parcel must contain a minimum of 150' feet of road frontage along roads which have been previously dedicated to the Big Draw Ranch Property Owners Association on the Recorded Plat OR along a thirty foot (30') wide roadway easement created by Owner on the original Parcel for the purpose of ingress / egress, emergency vehicle access and utility line construction and maintenance to the new Parcel. A ten foot (10') wide easement shall be created along and adjacent to all other Parcel boundary lines. All easements created shall be appurtenant and of a perpetual term. Additionally, all easements shall state the party responsible for maintenance and must be recorded by Owner in the Office of the Cochise County Recorder prior to conveyance of either Parcel to a subsequent party. Declarant may grant a written variance to the required waiting period to subdivide a Parcel under the following circumstances: 1) For the purpose of constructing a primary residence on the Parcel and/or newly created Parcels; and 2) The original Parcel and any newly created Parcels may not be sold by original Owner(s) until after the Transition Date UNLESS the Parcel offered for sale has a primary residence constructed on it.

5.15 No Medical Facilities: Hospitals, clinics, and other facilities for the treatment or care of the physically or mentally ill or disabled are prohibited.

5.16 Churches or Clubs: or other institutions organized for religious worship or discussion are prohibited as are buildings used primarily as clubhouses or meeting facilities.

5.17 Garbage: No Parcel may be used for temporary or permanent storage of rubbish or trash (collectively, garbage). No garbage may be kept on any Parcel except in covered containers and screened from view from adjacent Parcels.

5.18 Junkyards, Auto Repair, Second-Hand Business, Material Storage: No junkyards, auto repair, second-hand businesses or other uses that create a negative visual impact, excessive noise or congestion from traffic or parking shall be conducted on any Parcel. Storage of trucks, cars, buses, and machinery, equipment or building materials on any Parcel shall be screened from view in conformance with the provisions set forth in Section 5.7 unless enclosed in a proper structure so as not to be visible from an adjoining Parcel or any roadway.

5.19 Nuisance Activities: The unusual, unnecessary, prolonged, or indiscriminate creation of noise, dust, fumes, odors or any other offensive activity is prohibited, including but not limited to road racing, loud music, and excessive gunfire.

5.20 Signs: No signs will be permitted (including but not limited to For Sale or For Rent signs) on Parcels until after the Transition Date: EXCEPT for address signs that identify the address and/or the Owner of the Parcel, which signs will not exceed 4 square feet. All signs are to be in strict conformance with the laws and ordinances set forth by Cochise County. Permits may be required. Declarant reserves the right to remove any and all signs that are in violation of the provisions in this Declaration. None of the sign restrictions in this Declaration apply to the Declarant or its assigns or successors for the purpose of selling Parcels, including advertising,

locational, directional, or street signs. Nothing in this provision shall prohibit an Owner from attempting to sell their Parcel subject to Section 5.13

5.21 Easements: No further granting of easements shall occur without the express written approval of the Association or Declarant. Owners will provide access to easements whenever requested by utility companies. No structures other than fencing shall be placed within Parcel boundary easements. Declarant reserves the perpetual right to grant the use of all existing easements shown on the Recorded Plat(s) to additional subsequent individuals or entities at its sole discretion.

5.22 Mineral Extractions: In no event shall any Owner or lessee use or cause to be used any portion of the Property, including his or her own Parcel, for the purposes of drilling, exploring, mining, or otherwise developing any deposits of oil, minerals, or other natural resources lying above, on, or under said Property, with the exception of such drilling and exploration by the Declarant or the Owner as may be necessary to produce an adequate water supply for the development of the Parcel involved pursuant to the provisions stated in Section 5.10. Nothing in this Section shall prohibit Declarant from excavating Property still owned by Declarant for purposes of building or improving roadways within the Project.

15/13 **5.23 Fencing:** Subject to easement and setback requirements Owner may fence off all or any part of Owner's Parcel. ~~All fencing must be set back at least 10' from side and rear Parcel lines or forty-five feet (45') from front Parcel lines (along and adjacent to, or within the common roadways). Fencing may not encroach upon any easement referred to in the title report (with the exception of "blanket easements"), the Recorded Plat, or this Declaration.~~ Subject to any easements Owner, at his/her expense, shall have the right to move or remove any "pre-existing" ranch existing fence that bi-sects Owner's Parcel. Any fences moved and/or installed by Owner, shall be at Owner's sole expense. All perimeter fencing shall be constructed using "wildlife friendly" techniques as follows: Wherever barbed wire fencing is constructed, it shall have smooth wire on the bottom strand, which shall be 18 inches above the ground and fence height shall not exceed 60 inches. Additionally, when barbed wire fencing is used it shall be constructed with the following minimal requirements: a) with posts not more than 15' apart; b) not less than three stays between posts; c) with four continuous strands of wire and; d) such fence is adequate, in accordance with normal ranch standards to contain horses and other livestock.

For fencing purposes, when one Owner purchases two or more contiguous Parcels, Declarant may revoke any easements granted along the common boundary lines of the contiguous Parcels, PROVIDED said easements do not provide physical or necessary utility access to other Parcels. Declarant shall execute and record a unilateral "Declaration of Easement Revocation" which shall be effective only so long as one Owner owns all of the affected Parcels, HOWEVER if one or more of the subject Parcels are subsequently conveyed to separate, individual Owners, the "Revocation" shall terminate with regard to the affected Parcels(s) and the 30' easement originally created along each side of the common boundary lines, shall be reinstated and thereafter run with the land. Nothing in this paragraph shall be construed as to allow for the construction of any structures, including fencing (other than perimeter fencing of the combined Parcels) within the original easement area of the common boundary lines.

5.24 Environmental Protection: The beauty of the Property is in the mixture of trees and open space. Trees having a minimum trunk diameter of six inches and measuring two feet above ground level and may only be cut if the following conditions are met: 1) Are dead or dying; and 2) Removal is required to clear land for building sites, access roads, fire prevention, enable installation of utilities, view corridors, or recreational open space. In any event not more than twenty-five percent (25%) of any one Parcel may be cut or cleared without written permission from the Declarant or the Association.

6. GENERAL PROVISIONS

6.1 Enforcement: The covenants, conditions, and restrictions contained in this Declaration shall run with the land and shall be binding upon all persons owning, leasing, subleasing or occupying any Parcel after the date on which this instrument shall have been recorded in the Office of the Recorder of Cochise County, Arizona unless otherwise stated herein or in a variance granted by Declarant or the Association. This Declaration may be enforced by the following; Declarant, Rancher, the Board, Members acting through the Board, the holder of a First Deed of Trust on any Parcel, any Owner or lessee of a Parcel, or by any one or more of said persons acting jointly; PROVIDED, HOWEVER, that any breach by reason thereof shall not defeat or adversely affect the lien of a First Deed of Trust upon any Parcel, but each and all said covenants, conditions, and restrictions shall be binding upon and effective against any Owner, lessee or occupant of said Parcel whose title thereto is acquired by foreclosure, or otherwise; and FURTHER PROVIDED that the breach of any said covenants, conditions, and restrictions may be enjoined, abated or remedied by appropriate proceedings, notwithstanding the lien or existence of any such First Deed of Trust. All instruments of conveyance or assignment of any interest in all or any part of the Property may refer to this Declaration and shall be subject thereto as though this Declaration were therein set forth in full.

6.2 Declarant's Exemption: Nothing herein shall be construed as prohibiting Declarant from maintaining a sales or development office on any Parcel owned by it or engaging in activities which Declarant deems appropriate to its development, sales program, water reservations or ranching activities.

6.3 Invalidity / Severability: In the event any of the covenants, conditions, and restrictions contained herein is ruled invalid by a court of competent jurisdiction, such covenant, condition or restriction shall be deemed severed from this Declaration and shall in no way affect the validity of any other provision of this Declaration, all of which shall remain in full force and effect. In cases where there is a disparity between any provision of this Declaration and current Cochise County regulations, the more restrictive shall prevail.

6.4 Amendments: With the exception of paragraphs 2.2, 5.4, 5.14, and all of Sections 3 and 4 herein, this Declaration may be amended by the Association after the Transition Date by instrument approved by a two-thirds (2/3) majority vote of Members meeting a sixty-eight percent (68%) quorum. Such amendment shall be recorded in the office of the Cochise County Recorder and become effective immediately thereafter. No Section or paragraph may be amended by the Association in such a way as to change or negate the rights reserved by Declarant herein or on the Recorded Plat. Prior to the Transition Date, Declarant may amend any provision of this Declaration without approval of the Owners. After the Transition Date,

Declarant may amend this Declaration without approval of the Association to correct any inconsistencies, make non-substantive revisions or to comply with any law or regulation.

6.5 Term: This Declaration shall remain in full force and effect for a term of twenty (20) years from and after the date of recording of this Declaration. This Declaration shall be automatically renewed and extended for successive periods of ten (10) years each, unless terminated by three-fourths (3/4) of the votes cast by seventy-five percent (75%) of the Members entitled to vote, or amended pursuant to Section 6.4 above. Such termination or amendment shall be recorded in the Office of the Cochise County Recorder.

EXECUTED this 3rd day of Feb., 2011

DECLARANT:
ARIZONA RANCH SALES, LLC
an Arizona Limited Liability Company

By: Renée Howes
Its: Member

STATE OF ARIZONA)
) ss.
County of Yavapai)

This instrument was acknowledged before me this 3rd day of February, 2011
by Renée Howes, as Member of Arizona Ranch Sales, LLC.

Notary Deborah Onstott

My Commission expires: 3-16-13

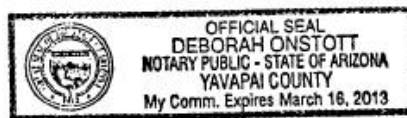


EXHIBIT "A"
LEGAL DESCRIPTION

(Big Draw Ranch)

BIG DRAW RANCH LOTS 1 – 25 INCLUSIVE, LOCATED IN A PORTION OF SECTION 4 & THE NORTH HALF OF SECTION 9, TOWNSHIP 21 SOUTH, RANGE 26 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, COCHISE COUNTY, ARIZONA, AS RECORDED AT TRANSACTION NUMBER 2011-02649 IN THE OFFICIAL RECORDS OF THE COCHISE COUNTY RECORDER'S OFFICE.

UNOFFICIAL DOCUMENT

Signature page for:

**Declaration of Covenants, Conditions, and Restrictions
for Big Draw Ranch, Cochise County, Arizona**

Original recording information:
2011-02890
02-04-2011 12:51 PM



Darlene M Bradford
Secretary/Treasurer
Big Draw Ranch POA
13257 E 51st Place
Yuma AZ 85367

When recorded return to:

Big Draw Ranch POA
Darlene M Bradford
13257 E 51st Place
Yuma Arizona 85367



ANNA L. RUIZ
Notary Public - State of Arizona
YUMA COUNTY
My Commission Expires
October 15, 2017

