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**FIDELITY NATIONAL TITLE AGENCY**

When recorded, return to:

D. Randall Stokes, Esq.  
Lewis and Roca LLP  
40 North Central Avenue  
Phoenix, Arizona 85004-4429



**OFFICIAL RECORDS OF  
PINAL COUNTY RECORDER**

**LAURA DEAN-LYTTLE**

DATE: 07/28/00      TIME: 1115  
FEE :            18.00  
PAGES:           7  
FEE NO: 2000-031306

**TRACT DECLARATION AND DECLARATION OF ANNEXATION  
FOR CORNERSTONE AT COYOTE RANCH**

This Tract Declaration (this "Tract Declaration") is executed as of July 26, 2000, by GARDNER DEVELOPMENT CORPORATION, an Arizona corporation ("Declarant").

RECITALS:

A. As of the date of this Tract Declaration, Declarant is the owner and holder of all rights of the "Declarant" under the Declaration of Covenants, Conditions and Restrictions for Coyote Ranch recorded on March 31, 1998, at Instrument No. 1998-012302, in the official records of Pinal County, Arizona (as amended from time to time, the "Master Declaration"). (Capitalized terms not defined in this Tract Declaration have the meanings given them in the Master Declaration.)

B. The real property described on Exhibit A to this Tract Declaration (the "Tract") is a part of the Additional Property, as that term is defined in the Master Declaration; as of the date of this Tract Declaration, Declarant is the owner of fee title to the Tract.

C. The Master Declaration contemplates that Tract Declarations for property subject to the Master Declaration may be executed and Recorded from time to time as development proceeds, as portions of the Additional Property are annexed to the Property (as defined in the Master Declaration) and as land use classifications for such property are established.

D. Declarant desires to record this Tract Declaration with respect to the Tract.

DECLARATIONS:

Declarant declares as follows:

1. Annexation. As contemplated by Section 2.3 of the Master Declaration, the Tract is hereby annexed to the Property and made subject to the Master Declaration.

2. Land Use Classification. The Tract shall have a land use classification of Single Family Residential Use, subject to the provisions of this Tract Declaration and the Master Declaration. Any and all references in this Tract Declaration to "Lot" or "Lots" shall be deemed to refer to any Lot or Lots, established or created from the Tract.

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3. **Memberships.** Initially, the Tract shall be deemed to have associated with it 26 Memberships in the Association. After any subdivision of the Tract, the number of Memberships associated with the Tract shall be determined as provided in Section 5.7 of the Master Declaration.

4. **Additional Use Restrictions.** The Tract shall be subject to the following additional provisions:

4.1 No Residential Unit containing fewer than 2,500 square feet of enclosed livable space (not including garages, patios and the like) shall be constructed on any Lot within the Tract.

4.2 No Residential Unit shall be constructed on any Lot within the Tract which exceeds one and one-half (1½) stories in height, or any portion of which is higher than twenty-five (25) feet above finished grade; however, this Section 4.2 shall not be deemed to prohibit Residential Units within the Tract from having below-grade basements (subject to approval of the Architectural Committee in accordance with the Master Declaration).

4.3 Subject to approval thereof by the Architectural Committee in accordance with the Master Declaration, each Lot must have constructed thereon, in connection with the construction of a Residential Unit on the Lot, fully enclosed garage space having a total capacity of not less than three full-size automobiles, which must include at least one side-entry garage having a capacity of not less than two full-size automobiles and may include, in addition, a front entry garage having a capacity of one or more full-size automobiles, but only if such front entry garage is no closer to the street in front of such Lot than thirty (30) feet behind the front edge of the nearest corner of the main Residential Unit structure on such Lot. The Architectural Committee may impose additional restrictions and limitations on garages on corner Lots.

4.4 Subject to approval thereof by the Architectural Committee in accordance with the Master Declaration, either a detached guest house or a detached garage may be constructed on any Lot; if a detached guest house is constructed on a Lot, it may include a garage as part of its structure, but no Lot shall be permitted to have both a detached guest house and a separate, detached garage which is not a part of the structure of such guest house. If a guest house is constructed on a Lot: (a) such guest house must have not more than 1,000 square feet of enclosed space (including, without limitation, space within any included garage); (b) such guest house may be constructed only at the same time or after construction of the main Residential Unit on such Lot; and (c) such guest house may not be leased or rented (except as part of a lease or rental of the entire Lot and all improvements thereon, and only to the same lessee or tenant).

4.5 All visible or exposed roofing on any Residential Unit, garage, guest house or other structure on any Lot must be tile or other material approved by the Architectural Committee (the color, size, type and appearance of which shall be subject to the approval of the Architectural Committee pursuant to the Master Declaration), but in no event shall composition shingles be permitted or used on any Residential Unit, garage, guest house or other structure on any Lot.

4.6 Subject to the approval thereof by the Architectural Committee in accordance with the Master Declaration, all exposed concrete, including, without limitation, driveways, sidewalks,

walkways or other paved areas, on any Lot (other than in fully enclosed rear or side yards) shall be colored concrete or other material, other than gray concrete (utilizing only materials and colors approved in advance by the Architectural Committee).

4.7 No portion of any Residential Unit or other structure on a Lot shall be constructed, maintained or allowed to remain closer than forty (40) feet to the front property line of that Lot (where the "front property line" is the property line parallel to the street running immediately in front of such Lot).

4.8 Each Lot must have at least one driveway, having a width of not more than sixteen (16) feet, and shall not have more than two driveways. Location, configuration, size and appearance of any and all driveways shall also be subject to review and approval of the Architectural Committee pursuant to the Master Declaration.

4.9 Prior to commencing construction, reconstruction or remodeling of any Residential Unit, driveway or other major Improvement, the Owner of the applicable Lot (or the builder or contractor performing such work) shall deposit with the Cornerstone at Coyote Ranch Association (the "Cornerstone Association") cash in the amount of \$2,500.00 to protect the Association against damage to or destruction of landscaping or irrigation systems within "Common Area" (as that term is defined in the Declaration of Covenants, Conditions and Restrictions for Cornerstone at Coyote Ranch recorded against the Tract) (the "Cornerstone Common Area" and the "Cornerstone Declaration," respectively) or other violations of the Master Declaration, the Cornerstone Declaration, this Tract Declaration, any other Project Documents or any conditions imposed by the Architectural Committee in connection with its approval of any applicable plans or applications, arising or resulting from performance of such work. Such deposit shall be returned to the Person who deposited it only after completion of all such work and inspection thereof by the Cornerstone Association showing, to the reasonable satisfaction of the Cornerstone Association, that any such damage, destruction or other violations have been fully repaired, restored or corrected. If any such damage, destruction or other violation is not promptly repaired, restored or corrected by the Owner of the applicable Lot or by the applicable builder or contractor, to the reasonable satisfaction of the Cornerstone Association, the Cornerstone Association may, at its option, use such portion (including all) of such deposit as may be necessary to fully repair, restore or correct the damage, destruction or violation, but the amount of such deposit shall not constitute or be deemed to be a limitation on the liability of the Owner of the applicable Lot (or the applicable builder or contractor), nor as liquidated damages. The Cornerstone Association shall not be required to pay interest on the deposit, and may commingle the deposit with its other funds. The Cornerstone Association may, if and to the extent it deems it appropriate in its sole discretion, on a case-by-case basis, waive the requirement that the deposit described above be posted, or reduce the amount of the required deposit.

4.10 In the event construction or other work on any Lot requires any modifications to landscaping or irrigation systems (or both) within Cornerstone Common Area adjacent to such Lot (including, without limitation, in connection with construction of a driveway through such Cornerstone Common Area connecting a street to a Lot), the Cornerstone Association shall have the right, exercisable as it reasonably deems necessary or appropriate, to manage any and all such modifications and, if and to the extent the Cornerstone Association sees fit, to cause such modifications to be done using contractors selected and/or hired by the Cornerstone Association. The Owner of the applicable Lot shall be responsible for and shall pay all costs of such modifications.

5. **Enforcement.** As provided in Section 9.1 of the Master Declaration, the Association or any Member shall have the right to enforce the provisions of this Tract Declaration (as one of the Project Documents). The Cornerstone Association shall also have the right to enforce the provisions of this Tract Declaration, in the same manner as if it were the Association.

6. **Term.** All of the covenants, conditions, restrictions and other provisions of this Tract Declaration (as amended from time to time): (a) shall run with and bind the Tract and all portions thereof, including but not limited to all Lots created therefrom; (b) shall inure to the benefit of and shall be enforceable by the Association or by the owner of any property subject hereto or, so long as Declarant owns any portion of the Project or the Additional Property, by Declarant, and by their respective legal representatives, heirs, successors and assigns; and (c) shall remain in full force and effect for a term co-extensive with the term of the Master Declaration, as the same may be extended in accordance with the provisions thereof.

7. **Amendment.** This Tract Declaration may be amended only as provided in Section 2.2 of the Master Declaration. In no event shall any amendment be effective unless and until it is Recorded.

8. **Severability; Interpretation; Gender.** Invalidation of any provisions of this Tract Declaration by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect. The provisions of this Tract Declaration shall be construed and interpreted with reference to the laws of the State of Arizona. Where the context hereof so requires, any personal pronouns used in this Tract Declaration, whether used in the masculine, feminine or neuter gender, shall include all genders, and the singular shall include the plural and vice versa. Titles of Articles and Sections are for convenience only and shall not affect the interpretation hereof. All Exhibits attached hereto are incorporated herein by reference.

9. **Perpetuities.** If any of the covenants, conditions, restrictions or other provisions of this Tract Declaration would otherwise be unlawful, void or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of the President of the United States in office on the date this Tract Declaration is Recorded.

10. **Declarant's Disclaimer of Representations.** While Declarant has no reason to believe that any provision in this Tract Declaration is or may be invalid or unenforceable for any reason or to any extent, Declarant makes no warranty or representation as to the present or future validity or enforceability of any such provision. Any Owner acquiring a Lot in reliance on one or more of such provisions shall assume all risks of the validity and enforceability thereof and by accepting ownership of the Lot agrees to hold Declarant harmless therefrom.


11. **Relationship to Master Declaration.** This Tract Declaration shall be considered an integral part of the Project Documents and shall be construed and interpreted in a manner consistent therewith. In the event of any conflict between a provision of the Master Declaration and a provision of this Tract Declaration, the provision in the Master Declaration shall control except in the case where the provision in this Tract Declaration places greater or more specific restrictions upon the use, occupancy,

improvement or development of the Tract or Lots created therefrom, or upon the activities or conduct of Owners, Residents or others upon or about the Tract or Lots created therefrom, in which event the provision in this Tract Declaration shall control.

IN WITNESS WHEREOF, Declarant has executed this instrument as of the date first set forth above.

DECLARANT:

GARDNER DEVELOPMENT CORPORATION,  
an Arizona corporation

By: 

Its: President

STATE OF ARIZONA )  
County of Pinal ) ss.



On this 26 day of July, 2000, before me, the undersigned officer, personally appeared Douglas D Gardner, who acknowledged himself to be President of GARDNER DEVELOPMENT CORPORATION, an Arizona corporation, and that he, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of said corporation by himself.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Brenda S. Cline

Notary Public

My commission expires:

4/14/03

Exhibit A

Lots 1 through 26, inclusive, and Tracts A, B, C and D, all as shown on the plat of CORNERSTONE AT COYOTE RANCH, recorded July 18, 2000 in Cabinet C, Slide 146, official records of Pinal County, Arizona.

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