



OFFICIAL RECORDS OF
PINAL COUNTY RECORDER
KATHLEEN C. FELIX

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When recorded, return to:

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

9/18/99

**TRACT DECLARATION
FOR QUAIL RUN - UNIT 1 AT
COYOTE RANCH**

This Tract Declaration (this "Tract Declaration") is executed as of March 30, 1998, 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 dated March 30, 1998, and recorded on March 31, 1998, at Instrument No. 1998-012303 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 subject to 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 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 described above, the Tract is already 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.

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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.

3. Memberships. Initially, the Tract shall be deemed to have associated with it 38 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 1,800 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 (1) story 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 Declaration).

4.3 Subject to approval thereof by the Architectural Committee in accordance with the Declaration: (a) each Lot must have constructed thereon, in connection with the construction of a Residential Unit on the Lot, an attached side-entry garage having a capacity of not less than two full-size automobiles; and (b) each Lot may have constructed thereon a detached garage (in addition to the attached side-entry garage required by clause (a)).

4.4 Subject to approval thereof by the Architectural Committee in accordance with the Declaration, a detached guest house may be constructed on any Lot, but: (a) such guest house must have not more than 1,000 square feet of enclosed livable space; (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 or guest house must be tile (the color, size, type and appearance of which shall be subject to the approval of the Architectural Committee pursuant to the Declaration).

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).

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: Will Gardner

Its: President

STATE OF ARIZONA)
County of PINAL) ss.

On this 18 day of FEBRUARY, 1998, 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.

Peggy Robinson
Notary Public

My commission expires:

1/19/99

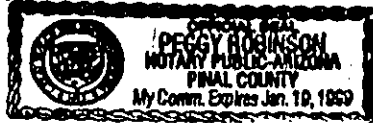


EXHIBIT A

Lots 1 through 20, inclusive, and Tracts A, B, and C, Quail Run – Unit 1, according to the plat recorded in Cabinet C, Slide 23, official records of Pinal County, Arizona.