

SECOND AMENDED DECLARATION OF RESTRICTIONS

KNOW ALL MEN BY THESE PRESENTS:

That ARIZONA LAND TITLE AND TRUST COMPANY, an Arizona corporation, as Trustee, being the owner of all the following described premises situate within the City of Phoenix, County of Maricopa, State of Arizona, to-wit:

Lots One (1) through Twenty-nine (29), and Tracts A, B, C & D, inclusive, HILLCREST, a subdivision of Maricopa County, Arizona, according to the plat of record thereof in the office of the County Recorder of Maricopa County, Arizona, in Book 115 of Maps, page 28 thereof,

and desiring to establish the nature of the use and enjoyment of said lots and tracts, hereby declares that the following covenants, conditions, restrictions and reservations shall attach to the said real property, and every lot thereof, and shall constitute covenants running with the land.

1. Said premises shall be for residential use only, and construction thereon is restricted to high-class, single-family dwellings or apartments, and no business uses or activities of any kind whatsoever shall be permitted or conducted upon said lots.
2. All improvements erected upon said premises shall be of new construction and no buildings or structures shall be moved from other locations onto said lots.
3. That no part of any dwelling shall be used for living purposes until the entire structure is nearing completion, nor shall any structure of a temporary nature be used as a dwelling on any lot in HILLCREST, nor shall any trailer, tent, shack, garage, barn or any other structure be used as a residence, either temporarily or permanently, nor shall any such structure or dwelling be moved onto said lots in HILLCREST from outside the subdivision, except that a construction shed, used for the storage of tools and equipment, may be maintained by the builder on any unsold lot during the period of construction of the subdivision. All dwellings shall be construed to mean single-family dwellings and only one such dwelling shall be allowed on each lot.
4. No animals, livestock or poultry shall be kept on the premises other than household pets, and no signs of a commercial nature (except for one "For Rent" or "For Sale" sign per parcel) shall be allowed, and no billboard, store, office, or other place of business of any kind, and no institution or other place for the care or treatment of the sick or disabled, sickly or mentally, shall be placed or permitted to remain on any of said lots, nor shall any theatre, bar, restaurant, saloon or other place of entertainment ever be erected or permitted upon the premises or any part thereof, and no business of any kind or character whatsoever shall be conducted in or from any residence, nor

shall any unsightly object or nuisance be erected, placed or maintained on any of said lots, nor shall any use or thing be permitted which may endanger the health or unreasonably disturb the holder of any parcel in the subdivision.

5. Each lot shall be maintained free of rubbish, trash or garbage, and the same shall be removed from the premises and not allowed to accumulate thereon, and garbage cans, incinerators, clotheslines and areas for the storage of equipment or woodpiles shall be kept screened by an adequate planting or fencing so as to conceal the same from adjacent parcels and streets.

6. A. That no walls of any building erected on lots in said subdivision shall be built closer to the front property lines, nor nearer to any side street line, of the lot on which it is built, nor shall the walls of any building be placed closer to the side line of the lot on which it is built than is shown on the finally approved Planned Area Development site plan submitted to the City of Phoenix.

B. For the purposes of these restrictions, eaves, steps and open porches shall not be considered as a part of a building; provided, however, that this shall not be construed to permit any portion of a building on a lot to encroach upon another lot.

7. All screening areas, whether fences, hedges or walls, shall be erected or maintained upon the lots in said subdivision in accordance with the original construction of the buildings located on said premises or as approved by Hillcrest Improvement Association #1, as hereinafter set forth.

8. That no hospital, sanitarium, hotel, duplex or apartment house of any kind or nature shall be constructed, permitted or maintained on any of said lots, nor shall any building on any of said lots be used or occupied for the care, lodging or entertainment for hire of persons suffering from disease.

9. It is contemplated that the remainder of the South Half of the Southwest Quarter of the Southeast Quarter of Section 8, Township 3 North, Range 3 East of the Gila & Salt River Base & Meridian, will be developed in Lots 30 through 58, inclusive, Hillcrest Unit 2. The owners of said Lots 30 through 58, inclusive, shall also become members of Hillcrest Improvement Association #1 upon purchase of their respective lots, with all the rights and privileges herein granted lot owners purchasing Lots 1 through 29, inclusive, Hillcrest, and the said owners of Lots 30 through 58, inclusive, shall bear their pro rata share of costs of said Improvement Association from their date of purchase.

The owners of Lots 1 through 29, inclusive, of Hillcrest, and the owners of Lots 30 through 58, inclusive, Hillcrest Unit 2, shall each own an undivided 1/58th interest of all common areas delineated as tracts and as set forth in the respective plats of record covering said Lots 1 through 58.

10. Ownership of the lots in Hillcrest Subdivision shall be evidenced by a deed to the parcel and only residential dwelling units

will be constructed on the subdivided lots. The Hillcrest Improvement Association #I, a non-profit corporation, organized under and by virtue of the laws of the State of Arizona governing non-profit corporations, shall provide such necessary and appropriate action for the proper maintenance and upkeep of commonly held areas shown on the plat of record of Hillcrest Subdivision. Ownership of a lot in Hillcrest Subdivision entitles said owner to membership in the Improvement Association. Until such time as sixty per cent (60%) of Lots 1 through 58, inclusive, in Hillcrest Units 1 and 2 have been conveyed by Arizona Land Title and Trust Company, as Trustee, to the purchasers thereof, all right, discretion, power and authority herein granted to Hillcrest Improvement Association #I shall remain in the Dell Trailer Construction Company. Upon the construction and sale of said sixty per cent (60%) of said Lots 1 through 58, inclusive, the duties and obligations of said Dell Trailer Construction Company shall be assumed by Hillcrest Improvement Association #I, its officers, Board of Directors and members.

11. Hillcrest Improvement Association #2 shall do all things necessary for the general benefit and welfare of the property owners in the Hillcrest Subdivision, and shall manage and maintain the private drives, walks, parks, recreation areas, including swimming pool, and all other commonly owned lands in said subdivision and do all other necessary things as set forth in the Articles of Incorporation of Hillcrest Improvement Association #I.

12. The record owner of each lot in Hillcrest Subdivision shall pay to the Hillcrest Improvement Association #I within ten (10) days from receipt of notice and invoice a sum equal to the total of the following: (1) the pro rata share of the actual cost to Hillcrest Improvement Association #I of all maintenance, improvement and payment of taxes required by paragraph 13 hereof; (2) the pro rata share of the actual cost to the Improvement Association of the recreational facilities as may be constructed and/or approved from time to time by said Association; and (3) the pro rata share of the cost as determined by the Board of Directors of Hillcrest Improvement Association #I for the establishment and maintenance of a reserve for repair, maintenance, improvement and the payment of taxes as required by paragraph 13 hereof.

The total amount of items listed in paragraph 12 above shall not exceed \$300.00 per lot per year, except by the written consent of the owners of record of a majority of the lots in the subdivision, and these consents shall be submitted to the Board of Directors of the Association during the calendar year in which such excess sum is to be collected. Notices and invoices for payment of any and all assessments may be submitted monthly or at any other regular interval as may be fixed by the Board of Directors. In the event any such invoice is not paid within thirty (30) days from the date the notice and invoice is mailed to the lot owner, the amount of such invoice shall be and become a lien upon the lot or lots against which such assessment was levied. Such lien may be enforced and foreclosed as provided in the Articles of Incorporation of the Hillcrest Improvement Association #I. Such lien shall be foreclosed in the manner provided by statute for the foreclosure of materialmen's liens.

13. Upon the failure of any owner of a lot to maintain the premises and the improvements thereon in a manner satisfactory to the Board of Directors of Hillcrest Improvement Association #1, the Association, through its agents and employees, is herewith granted the right to enter upon such lot and to make such reasonable repairs, maintenance, rehabilitation or restoration of the premises and the exterior of any improvements located thereon as may be necessary, and the cost thereof shall be charged against the owner of said lot by invoice in the manner hereinabove set forth in paragraph 12 hereof and made a lien on said lot and foreclosed as hereinabove set forth.

14. The Board of Directors of Hillcrest Improvement Association #1 shall have, in addition to the other powers set forth in the Articles of Incorporation of Hillcrest Improvement #1, the authority to approve or disapprove any and all changes in occupancy or ownership of parcels in the Hillcrest Subdivision and the sale, transfer, conveyance, lease or sublease of such lots in said subdivision. The owner or owners of said lots shall give the Board of Directors of Hillcrest Improvement Association #1 notice in writing of any intended sale, transfer, conveyance, lease or sublease, together with application on a form prescribed by any board and completed by the proposed transferee or lessee. The Board of Directors shall have fifteen (15) days after receipt of such application and notice to approve or disapprove the same and within said fifteen (15) day period the Board of Directors, on behalf of the Improvement Association, shall have the option to purchase, lease or sublease said lots, as the case may be, upon the same terms as those upon which the owner of said lots proposes to sell, lease, sublease or convey. The Board of Directors of Hillcrest Improvement Association #1 may, at its option, assign to Bell Trailer Construction Company, or to the owner of record of any lot in Hillcrest Subdivision, such parcel hereinabove referred to, but not otherwise. In the event the Board of Directors shall neither approve or disapprove the proposed conveyance within the said fifteen (15) day period, the same shall be deemed to be approved. In the event said Board shall disapprove such proposed transfer, lease, sublease or conveyance, but shall fail to exercise the option herein granted within said fifteen (15) day period, the proposed transfer, lease, sublease or conveyance shall be valid only upon compliance with the following provisions hereinbelow set forth:

(a) No sale, transfer, conveyance, lease or sublease shall be made until there shall be filed in the office of the Recorder of Harney County and incorporated in the instrument of sale, transfer, conveyance, lease or sublease, by reference, one of the following instruments: (1) written approval by the Board of Directors of said sale, transfer, conveyance, lease or sublease, or (2) the affidavit of the owner of the lot that the requirements herein set forth are given to the Board of Directors of the Hillcrest Improvement Association #1 in accordance with paragraph 14 hereinabove set forth, and that said Board has failed to approve or disapprove the proposed sale, transfer, conveyance, lease or sublease within the fifteen (15) day period after receipt of notice, or (3) the written approval of the Board of Directors for the proposed sale, transfer, lease or sublease, executed by the owner of the lot, or a majority of the lots in the subdivision, as set forth herein.

(b) No improvement, whether a building, fence, wall or other structure shall be commenced, erected or maintained on any lot until the plans and specifications for the same showing all construction details, including shape, height, materials, floor plans, location and approximate cost, shall have been submitted to and approved by the Board of Directors of Hillcrest Improvement Association #1, and a copy thereof, as finally approved, included in the minutes of said Board of Directors. Said Board shall have the right to deny approval of any plans or specifications which are not, in its opinion, suitable or desirable for aesthetic or any other reasons, and said Board of Directors shall have the right to take into consideration the effect of any proposed structure or building and the materials of which the same is to be built upon the site where the same is proposed to be erected or constructed, the suitability of the same with the surrounding area and the effect of such structure or building upon adjacent and neighboring properties. All subsequent additions, alterations or improvements on any building, fence, wall or other structure, shall be also subject to the prior approval of the Board of Directors.

15. Each lot owner shall be subject to the following limitations and restrictions with respect to party walls constructed within the subdivision, as follows:

(a) Every wall which is built as a part of the original construction within the subdivision property of Hillcrest Subdivision and placed on the dividing line between separate lots in the subdivision shall constitute and be considered a party wall, and as to such wall each of the owners immediately adjacent shall assume the obligations and be entitled to the rights and privileges of these restrictive covenants and to the rights, duties and obligations set forth in the Articles of Incorporation of Hillcrest Improvement Association #1 and the By-laws of said corporation and to the extent not inconsistent herewith, the general rules of law regarding party walls.

(b) If any party wall is damaged or destroyed through the act or acts of any adjoining owner, or his agents, servants, guests or members of his family, whether such act is wilful, negligent or accidental, such owner shall forthwith proceed to rebuild or repair the same to as good a condition as formerly without cost to the other adjoining owner. The failure to forthwith institute rebuilding or repairing of such party wall shall be sufficient cause for the Board of Directors of Hillcrest Improvement Association #1 to rebuild or repair the same and charge the cost of the rebuilding or repair under the provisions of the Articles of Incorporation of Hillcrest Improvement Association #1 and paragraph 12 and 13 above set forth.

(c) Any party wall damaged or destroyed by fire or other cause other than that provided by one of the adjacent owners, his agents, servants, guests or family, shall be rebuilt or

repaired by both adjoining owners to the same good condition as formerly, at their joint and equal expense and as promptly as reasonably possible. The failure of adjoining owners to make such rebuilding or repairs as are reasonably necessary shall be sufficient reason for the Board of Directors of Hillcrest Improvement Association #1 to rebuild or repair said party wall and charge the lots of both adjoining owners, as provided in the Articles of Incorporation of Hillcrest Improvement Association #1 and paragraphs 12 and 13 hereinabove set forth.

(d) Any owner of a lot who proposes to modify, rebuild, repair or make additions to his own residence or any structure upon his lot in any manner which requires the extension, alteration or modification of any party wall, shall first obtain the written consent of the adjacent owner, in addition to meeting the requirement of these restricting covenants of the building codes or similar ordinances of any governmental body affected and the requirements of the Articles of Incorporation and By-laws of Hillcrest Improvement Association #1.

(e) In the event of a disagreement between owners of adjoining lots with respect to the repair, reconstruction or maintenance of a party wall or with respect to sharing the cost of repairing, rebuilding or maintaining the same, then upon the written request of either of said owners to the Board of Directors of Hillcrest Improvement Association #1, the matter shall be submitted to said Board for arbitration under such rules as may be from time to time adopted by the Board. If no such rules are adopted or the Board refuses to act, then the matter shall be submitted to three arbitrators, one chosen by each of the owners, and the third by the two so chosen, or if they cannot agree within five (5) days, then the third arbitrator shall be any judge of the Maricopa County Superior Court. A determination of the matter signed by any two of the three arbitrators shall be binding upon all persons.

(f) No private agreement of any adjoining property owners shall modify or abrogate any of these restrictive covenants nor the obligations, rights, duties and limitations set forth upon the individual lot owners by reason of the Articles of Incorporation of Hillcrest Improvement Association #1 or the By-laws thereof.

(g) The covenants and agreements herein contained shall be binding upon the heirs, administrators, successors and assigns of the owners, but no person shall be liable for any act or omission in violation of the covenants herein contained, except to the extent of his estate while such person was an owner.

16. The restrictive covenants, conditions, limitations and agreements herein contained shall run with the land and shall be binding upon all persons, past, present, future, successors or assigns, of the lots situated in Hillcrest Improvement Association #1

after the date upon which this instrument has been duly recorded. The covenants, restrictions, conditions and reservations herein contained may be enforced by the Board of Directors of the Hillcrest Improvement Association #1, by the owner of any lot in said subdivision, by the Dell Trailer Construction Company, or any one or more of said individuals and/or corporations; provided, however, that the violation or breach of any covenant, restrictions, reservation and/or condition, or any right of re-entry by reason thereof, shall not defeat nor render invalid the lien of any mortgage or deed of trust made in good faith and for value upon said lot or lots, and except as hereinafter provided, each and all of said covenants, restrictions, reservations and conditions shall be binding upon and effective against any owner of said premises whose title thereto is acquired by foreclosure, trustee's sale, or otherwise, and provided also that the breach of any of said covenants, restrictions, reservations and conditions may be enjoined, abated or remedied by appropriate legal proceedings, notwithstanding the existence of any lien, deed of trust or mortgage instrument. Any and all instruments of conveyance of any interest in all or part of the lot or lots of this said Hillcrest Subdivision shall contain reference to this instrument and shall be subject to the covenants, restrictions, reservations and conditions herein set forth as fully as though said terms and conditions of this instrument were therein set forth in full; provided, however, that the restrictive covenants, terms and conditions of this instrument shall be binding upon all persons affected by the same, whether expressed reference is made to this instrument or not.

17. Notwithstanding any provision of this instrument to the contrary, the provisions of paragraphs 12, 13 and 14 shall not apply to nor be enforced by any person with respect to (a) a sale, transfer or conveyance of any parcel in said subdivision to any person pursuant to a judgment of foreclosure of a mortgage of record or by means of a Deed in Lieu of Foreclosure of any such mortgage to an institutional lender upon such lot; or (b) a sale, transfer, conveyance or lease of any parcel in said subdivision to any person by an institutional lender which has acquired title through or by virtue of foreclosure by it of a mortgage of record upon such parcel or by means of a Deed in Lieu of Foreclosure of any such mortgage; or (c) any sale, transfer or conveyance by the Trustee, Arizona Land Title and Trust Company, or Dell Trailer Construction Company. Each and every lien or charge upon the lots in Hillcrest Subdivision provided for in said paragraphs 12, 13 and 14 shall be subject and subordinate to and shall not affect the rights of the holder or holder of first realty mortgages upon such lot or lots made in good faith and for value.

18. The invalidity of any one of the agreements, covenants, restrictions, reservations or conditions herein contained by judgment, decree or court order, shall in no wise affect the validity of

the remaining provisions of this instrument and the same shall remain in full force and effect.

DATED this 11 day of October, 1967.

ARIZONA LAND TITLE AND TRUST COMPANY, Trustee

By [Signature] Trust Officer

ATTEST:

[Signature]
Secretary

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

On this, the 11th day of October, 1967, before me, the undersigned officer, personally appeared [Signature] and [Signature], who acknowledged themselves to be the [Signature] and [Signature], respectively of ARIZONA LAND TITLE AND TRUST COMPANY, an Arizona corporation, as Trustee, and that they, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by themselves as such officers.

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

[Signature]
Notary Public

My commission expires:
My Commission Expires March 6, 1971

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