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THE POINTE CORRIDOR

BUSINESS PARK

DECLARATION OF DEVELOPMENTAL BENEFITS AND ASSURANCES

GOSNELL DEVELOPMENT CORPORATION

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DECLARATION OF DEVELOPMENTAL BENEFITS AND ASSURANCES

THIS DECLARATION is executed to be effective the 12th day of June, 1989, by GOSNELL DEVELOPMENT CORPORATION, an Arizona corporation, hereinafter "Developer".

WITNESSETH:

WHEREAS, Developer is the record owner or the general partner of the recorded owner of real property in Maricopa County, Arizona, which is more particularly described in Schedule "1" attached hereto and incorporated herein by this reference, and which Developer intends to plat as a portion of THE POINTE CORRIDOR BUSINESS PARK; and,

WHEREAS, Developer intends to sell, lease and convey the Property, or portions thereof, and, in doing so, desires to subject and place thereupon mutual and beneficial assurances, restrictions, covenants, conditions, reservations, easements, liens, charges and development standards, hereinafter collectively the "Assurances", under a general plan of improvement for the benefit of THE POINTE CORRIDOR BUSINESS PARK and its owners; and,

WHEREAS, Developer shall incorporate, as a nonprofit corporation, THE POINTE CORRIDOR BUSINESS PARK ASSOCIATION, for the purpose of the efficient preservation of the values and amenities of the Property and to which is delegated the power of maintaining and administering the Common Area, administering and enforcing this Declaration and collecting and disbursing the assessments herein created;

NOW, THEREFORE, Developer declares, for and on behalf of itself and all subsequent owners, users and lienholders of any portion of the Property, that the Property shall be held, sold, conveyed, encumbered, hypothecated, leased, rented, used, occupied and improved subject to this Declaration and the following Assurances, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property, and all of which are declared to be for the benefit of the Association, the Property, the owners thereof, and their heirs, successors, grantees and assigns. This Declaration establishes a general plan for the improvement, subdivision and development of the Property and its use, occupancy and enjoyment for all purposes. All of the provisions hereof shall be construed as covenants running with the land and equitable servitudes for the benefit of and binding upon all parties having or acquiring any right, title or interest in any portion of the Property, irrespective of whether or not referenced in a deed or other applicable instrument of conveyance or hypothecation.

1. DEFINITIONS.

1.1 "Articles" shall mean the Articles of Incorporation of the Association to be filed with the Arizona Corporation Commission, as and if amended.

1.2 "Assessment Rate" shall be the pro rata portion of assessments to be borne by a Parcel as provided in paragraph 8.6.

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1.3 "Association" shall mean and refer to THE POINTE CORRIDOR BUSINESS PARK ASSOCIATION, an Arizona nonprofit corporation, to be formed as provided in paragraph 3, its successors and assigns.

1.4 "Assurances" shall mean the provisions, restrictions, covenants, conditions, reservations, easements, liens, charges and development standards set forth herein.

1.5 "Board" shall mean the Board of Directors of the Association. "Directors" means the members of the Board.

1.6 "Business Park" shall mean this planned community established to permit the uses described in paragraph 6.1.

1.7 "Business Park Rules" shall mean the rules adopted by the Association as provided in paragraph 3.4.

1.8 "Bylaws" shall mean the Bylaws of the Association, as and if amended.

1.9 "Common Area" shall mean all property to be owned by the Association for the mutual use and enjoyment of the Owners together with the improvements, fixtures, equipment and personal property located on or used in conjunction therewith. The Common Area encompasses all of the Property so designated in the Plat or any Supplemental Declaration, the fence or wall enclosing the Property if located in the Common Area, and shall include, without limitation, the roadways, sidewalks, curbs, gutters, trees, landscaping, parking areas, picnic areas, trails, drainage courses, natural area, and all utility lines and systems located within the Property but outside of the Exterior Parcel Lines.

1.10 "Declaration" shall mean this instrument, as and if amended or restated, together with any and all Supplemental Declarations which may be recorded by Developer, as and if amended.

1.11 "Developer" shall mean Gosnell Development Corporation, an Arizona corporation, and such successors and assigns as it may designate as having succeeded to any of its rights and position as the Developer hereunder.

1.12 "Development Committee" shall mean the committee established pursuant to paragraph 4.

1.13 "Development Rules" shall mean the rules adopted by the Development Committee.

1.14 "Exterior Parcel Lines" shall mean the outside boundary lines or perimeters of a Parcel as depicted on the Plat and which enclose the entire dimension of the land and improvements, if any, conveyed by Declarant to the Owner. "Street Parcel Lines" means the Exterior Parcel Lines fronting on a street. "Common Parcel Lines" means all other Exterior Parcel Lines.

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1.15 "First Mortgage" shall mean any mortgage, deed of trust or agreement for sale made in good faith, for value and duly executed and recorded so as to create a lien that is prior to the lien of any other mortgage, deed of trust or agreement for sale. The mortgagee, beneficiary and vendor of a mortgage, deed of trust or agreement for sale, respectively, are referred to as the "Mortgagee."

1.16 "Improvements" shall mean all buildings, garages, signs, streets, driveways, parking areas, fences, walls, docks, hedges, plantings, trees and shrubs, and all other structures and landscaping of every type and kind placed on the Property, together with all alterations and modifications thereof.

1.17 "Member" shall mean any person, corporation, partnership, joint venture or other legal entity which is a member of the Association as provided in paragraph 3.3.

1.18 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of equitable or beneficial title (or legal title if same has merged) of any Parcel. "Owner" shall include the purchaser of a Parcel under an executory contract for the sale of real property and ground Lessees and other Lessees under the Leases defined in paragraph 12.2. "Owner" does not include mortgagees or other persons or entities who hold an interest in any Parcel merely as security for the performance of an obligation. Developer is the first Owner within the meaning hereof. If Parcel is leased pursuant to a lease as defined in paragraph 12.2, then except as provided in paragraph 3.3.1, the Lessee and not the Lessor shall be the "Owner" for purposes hereof, although if the Lessee fails to comply with any provisions hereof, then the Lessor shall be responsible and may be treated as the "Owner" by the Association and others in connection with the enforcement hereof.

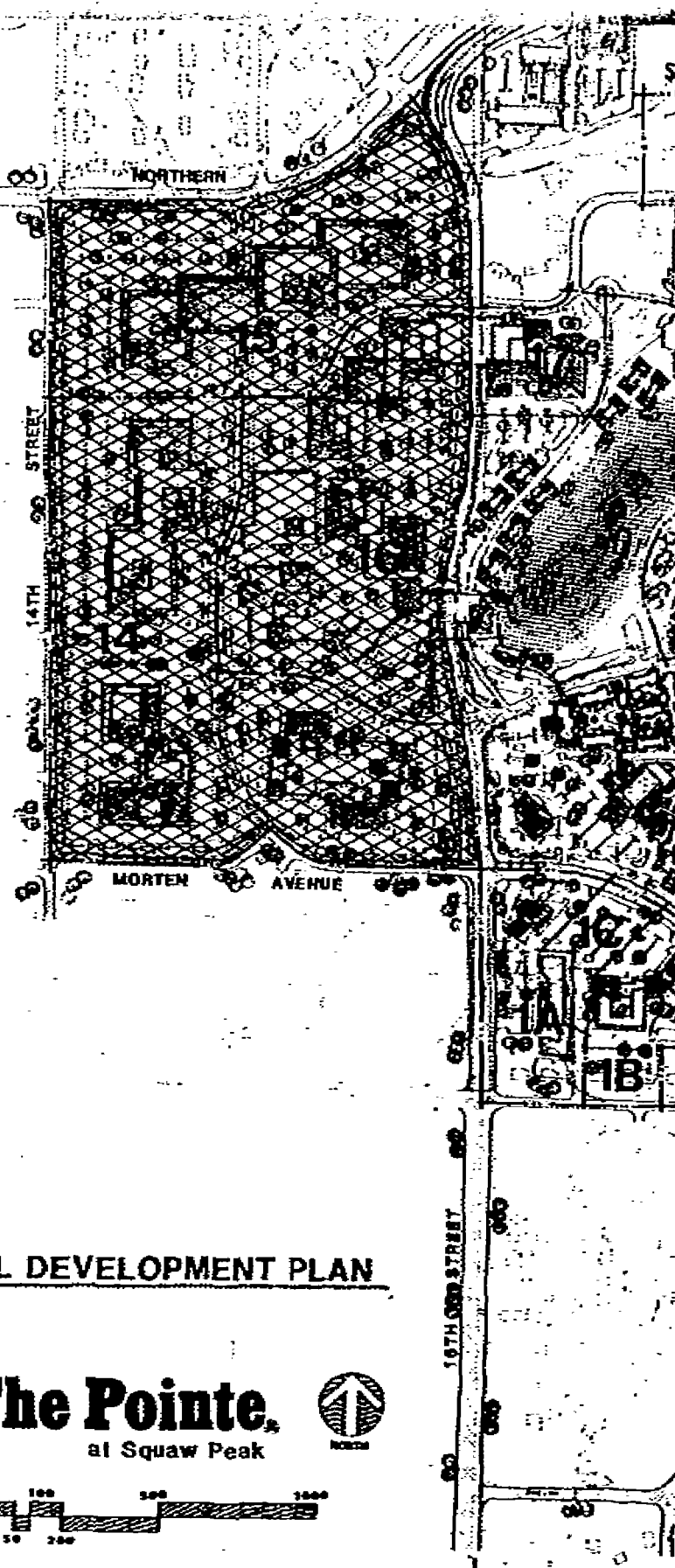
1.19 "Parcel" shall mean each separate portion of the Property, together with the Improvements thereon or used in conjunction therewith, which has been established and so designated by the Plat or a Supplemental Declaration and regardless of whether any Improvements have been constructed thereon. The Parcels include all of the Property except the Common Area.

1.20 "Plat" means the subdivision plat or plats of Property, or portions thereof, to be recorded in the records of Maricopa County, Arizona, as and if amended or supplemented, together with all additional plats which add to or subtract from the Property as provided in paragraph 2.

1.21 "Property" shall mean and refer to the Property described in Schedule "1", together with such additions thereto or subtractions therefrom as may be made by Developer as provided in paragraph 2.

1.22 "Restaurant and Resort Hotel" refers to the restaurants and the resort hotels which Developer has or may establish on or adjacent to the Property, as they may be constructed, expanded or diminished hereafter, together with any additional resort hotels, convention centers, restaurants, offices, shops, shopping centers, condominiums, apartments or other facilities which may be constructed by Developer, either individually, or in combination with others, on the Property or within the adjacent property owned by Developer or any additional property in the vicinity which hereafter may be acquired or controlled by Developer by purchase, lease or otherwise.

SCHEDULE 1



P.C.D.
GENERAL DEVELOPMENT PLAN



The Pointe
at Squaw Peak



GOSHELL DEVELOPMENT CORPORATION
ONE NORTH 14TH STREET - SUITE 100, SPOKANE, IDAHO 83402

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1.23 "Supplemental Declaration" shall mean any statement which may be recorded by Developer so as to refer to or amend this Declaration either to modify the provisions hereof or to add to or subtract from the Property in the manner provided in paragraph 2.

1.24 "Visible From Neighboring Property" shall mean, with respect to any given object, that such object is or would be visible to a person six feet tall, standing on any part of such neighboring property or adjacent roadway at an elevation no greater than the designed elevation of the adjacent roadway, viewing property, finished floors or yard grade.

2. ESTABLISHMENT.

Developer intends to develop the Property in accordance with the general plan to be depicted in the Plat whereby the Property shall be developed as a planned Business Park as provided herein. This Declaration may be amended and portions of the Property may be deleted or additional property within the surrounding geographical area may be annexed to the Property by Developer from time to time, without the necessity for any consent or any other approval of any kind by the Owners or any others, upon the recordation by Developer of one or more Supplemental Declarations together with an amendment to the Plat or a separate subdivision or other plat or property description. A Supplemental Declaration shall incorporate and refer to this Declaration, and may contain additional provisions applicable to the Property or the property so annexed or deleted.

3. THE POINTE CORRIDOR BUSINESS PARK ASSOCIATION

3.1 Organization.

3.1.1 The Association. The Association shall be a nonprofit Arizona corporation charged with the duties and invested with the powers prescribed by law and as set forth in the Articles, the Bylaws and this Declaration. The provisions of this Declaration shall supersede any inconsistent provision of the Articles or the Bylaws. The Articles and the Bylaws shall not be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration. The Association shall have no power to issue stock. The business of the Association shall be conducted by the Board and such officers as the Board may appoint as provided in the Articles and the Bylaws.

3.1.2 Subsidiary Associations. The Association shall have the right to form one or more subsidiary associations for any purpose deemed appropriate by the Board. Without limiting the generality of the foregoing, one or more subsidiary associations may be formed for the operation and maintenance of any specific area located within the Property. However, such subsidiary associations shall be subject to this Declaration and may not take any action to lessen or abate the rights of the Owners or Developer.

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3.1.3 Directors. The Board shall consist of four Directors. The Directors shall be divided into two classes of equal number, designated as Class 1 and Class 2, such that there shall be two Class 1 Directors and two Class 2 Directors. Regardless of classification, except as herein provided, each Director shall have one vote with respect to any matter to be determined by the Board. Directors of each class shall hold office for a term of one year or until the successor is duly elected and qualified. Directors may succeed themselves and may resign at any time by written notice to the Board. Directors may be removed for cause by a majority vote of the Directors. As a condition and qualification for holding office, each Class 1 Director shall be approved by the board of directors of Developer. As a condition and qualification for holding office, each Class 2 Director shall be elected by a majority vote of the Members voting in the manner provided in paragraphs 3.3.1 and 3.3.3. At each meeting at which Directors are to be elected, the incumbent Class 1 Directors shall elect their successors by a unanimous vote of the Directors of that classification then present and voting at such meeting. The Class 2 Directors shall be elected by the Members. Any vacancy occurring in the Board of Directors may be filled at any meeting of Directors by the remaining Director of the same classification as that in which the vacancy exists. Except as otherwise provided herein, a majority of the Directors shall be required for a quorum and a majority of the quorum shall be required for the actions of the Board.

3.2 Powers and Duties of the Association. The Association shall have such rights, duties and powers as are set forth herein and in the Articles and the Bylaws.

3.3 Membership. Every Owner automatically shall become a Member of the Association upon the purchase or Lease (as defined in paragraph 12.2) of a Parcel. Membership shall be appurtenant to and may not be separated from ownership of the Parcel. The rights and obligations of an Owners and membership in the association shall not be assigned, transferred, pledged, conveyed or alienated in any way except upon transfer of ownership to the Owner's Parcel and then only to the transferee of ownership of such Parcel. Any attempt to make a prohibited transfer shall be void. Any transfer of ownership to a Parcel shall operate to transfer membership to the new Owner. In order to assist the Board in maintaining its books and records and in the orderly transaction of its business, all requests and other communication by the Members to the Association shall be in writing and the Board and the officers of the Association may disregard any other form of communication.

3.3.1 Voting Rights. The Members shall be entitled to vote to elect Class 2 Directors. The Members shall have no other voting rights and no other right or power to direct or control the activities of the Association. For purposes of voting, the Members of the Association shall be divided into two classes of membership:

Class "A". Class "A" shall consist of all Members except Developer and each shall be entitled to one vote for each 10,000 sq.ft. of land surface area contained in the Parcel leased or owned, as applicable (rounded to the nearest 10,000 sq.ft. - there shall be no fractional votes). When more than one person holds the qualifying interest in any Parcel, all such persons shall be Members but the votes for such Parcel shall be exercised as a unit.

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Class "B". Class "B" shall be the Developer who shall be entitled to 20 votes for each 10,000 sq.ft. of land surface area (rounded to the nearest 10,000 sq.ft. - there shall be no fractional votes) of each Parcel leased or owned, as applicable, by Developer. The Class "B" membership shall cease and be converted to Class "A" membership on the happening of either of the following events, whichever occurs earlier.

(a) Upon conveyance to an Owner other than Developer of the last Parcel owned or leased (whether as Lessor or Lessee) by Developer, or

(b) Fifteen years from the date of this Declaration.

3.3.2 Suspension. If any Owner shall be in arrears in the payment of any amounts due under any of the provisions of this Declaration for a period of 10 days, or shall be in default in the performance of any of the terms of this Declaration for a period of 10 days, that Owner's right to vote as a Member of the Association shall be suspended automatically and shall remain suspended until all payments are made and defaults cured.

3.3.3 Procedure. The votes for each Parcel must be cast as a unit, and a division of votes shall not be allowed. If joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Member or Members casts a vote or votes representing a certain Parcel, it thereafter will be conclusively presumed for all purposes that he or they were acting with the authority and consent of all other Owners of the same Parcel. In the event more than one voter casts the vote or votes for a particular Parcel, none of the votes shall be counted and such votes shall be void. At the option of the Board, the election of Class 2 Directors may be conducted either by written ballot duly mailed to the Members or at a meeting of the Members. The two candidates receiving the highest number of votes shall be deemed elected. Class A and Class B votes shall be aggregated and weighted equally so that each Class B Vote shall be equal to each Class A vote. Until such time as the total of all Class A votes exceeds the total of all Class B votes, Developer shall elect all Class 2 Directors and neither a mailed ballot nor a meeting of the Members shall be required for the election of the Directors or for any other purpose.

3.4 The Business Park Rules. By a majority vote of the Directors of the Board, from time to time and subject to the provisions of this Declaration, the Association may adopt, amend, and repeal rules and regulations to be known as "The Business Park Rules." The rules may restrict and govern the use of any area by any Owner and by any invitee, licensee, lessee or other user or occupant of the Property; provided, however, that the rules shall not be inconsistent with this Declaration, the Articles of the Bylaws. The Association shall not promulgate any Business Park Rules which adversely affect an Owner or the Parcel of the Owner without the prior written consent of that Owner, which consent shall not be withheld unreasonably by that Owner. A copy of the rules as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner and may be recorded. Upon adoption, the rules shall have the same force and effect as if they were set forth in and were a part of this Declaration. The Board shall have the right

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to impose fines for violations of this Declaration and the rules and if such fines are not paid within 10 days after written notice to the Owner in violation, the fines shall become a lien on the Parcel of the Owner and be enforceable as any other lien created by paragraph 8. The fines shall be in the amount of \$100.00 for each offense, or such other amount as the Board may determine. Each occasion of violation on each day during which such violation continues shall be deemed a separate and additional fine.

3.5 Personal Liability. No Director, Member, of any Committee of the Association, officer of the Association, compensated or voluntary manager of the Association shall be personally liable to any Owner, or to any other person, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of the Association, the Board, the manager or any other representative or employee of the Association, the Development Committee, any other Committee, or any officer of the Association, provided that such person has, upon the basis of such information as may be possessed by him, acted in good faith, without willful or intentional misconduct. Officers and Directors of the Association shall be indemnified against personal liability for acts or omissions in the manner set forth in the Articles.

4. DEVELOPMENT COMMITTEE

4.1 Organization. There shall be a Development Committee, organized as follows:

4.1.1 Committee Composition. The Development Committee shall consist of three regular members and two alternate members. None of such members shall be required to be an Owner, an architect, or to meet any other particular qualifications for membership.

4.1.2 Alternate Members. In the event of the absence or disability of one or two regular members of the Committee, the remaining regular member or members, even though less than a quorum, may designate either or both of the alternate members to act as substitutes for the absent or disabled regular members for the duration of such absence or disability.

4.1.3 Initial Members. The following persons are hereby designated as the initial members of the Development Committee:

Office No. 1 - Robert A. Gosnell, regular member
Office No. 2 - Craig Bisch, regular member
Office No. 3 - John O. Theobald, regular member
Office No. 4 - S. C. Berres, alternate member
Office No. 5 - Edward Avery, alternate member

4.1.4 Terms of Office. The initial and all successor members of the Development Committee shall serve until resignation or removal.

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4.1.5 Appointment and Removal. The right to appoint and remove all regular and alternate members of the Development Committee at any time, shall be and hereby is vested solely in the Board, provided, however, that no regular or alternate member may be removed from the Development Committee by the Board except by the vote or written consent of a majority of the Directors. Exercise of the right of appointment and removal, as set forth herein, shall be evidenced by a declaration identifying each new regular or alternate member appointed to the Committee and each regular or alternate member replaced or removed therefrom.

4.1.6 Resignations. Any regular or alternate member of the Development Committee may at any time resign from the Committee by giving written notice thereof to the Board.

4.1.7 Vacancies. Vacancies on the Development Committee however caused, shall be filled by the Board. A vacancy or vacancies on the Development Committee shall be deemed to exist in case of the death, resignation or removal of any regular or alternate member.

4.2 Duties. It shall be the duty of the Development Committee to consider and act upon any and all proposals or plans submitted to it pursuant to paragraphs 5 and 6, to adopt Development Rules, to perform other duties delegated to it by the Board, and to carry out all other duties imposed upon it by this Declaration or the Business Park Rules.

4.3 Meetings and Compensation. The Development Committee shall meet from time to time as necessary to perform its duties hereunder. Subject to the provisions of paragraph 4.1.2, the vote or written consent of any two regular members, at a meeting or otherwise, shall constitute the act of the Committee. The Committee shall keep and maintain a written record of all actions taken by it at such meetings or otherwise. The Board shall not establish compensation for the members of the Development Committee without the prior consent of a majority of the Owners.

4.4 Rules. From time to time and in its sole and absolute discretion, the Development Committee may adopt, amend and repeal, by unanimous vote or written consent, rules and regulations to be known as "Development Rules." The rules shall interpret and implement this Declaration by setting forth the standards and procedures for Committee review and the guidelines for architectural design, placement of buildings, landscaping, color schemes, exterior finishes and materials and other features which are recommended for use at the Property.

4.5 Waiver. The approval or disapproval by the Development Committee of any plans, drawings or specifications for any work done or proposed, or for any other matter requiring the approval of the Development Committee, shall be in writing and shall not be deemed to constitute a waiver of any right to approve or withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval.

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4.6 Liability. Neither the Development Committee nor any member thereof shall be liable to the Association, any Owner, or to any other party, for any damage, loss or prejudice suffered or claimed on account of the approval or disapproval of any plans, drawings, or specifications, whether or not defective; the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications; the development of any portion of the Property; or the execution and filing of any estoppel certificate, whether or not the facts therein are correct; provided, however, that with respect to the liability of a member of the Committee, such member has acted in good faith on the basis of such information as may have been possessed by him. Without in any way limiting the generality of any of the foregoing provisions, the Development Committee, or any member thereof, may, but is not required to, consult with or hear the views of the Association or any Owner with respect to any plans, drawings, specifications, or any other proposal submitted to the Development Committee. The Development Committee shall not be deemed to have approved or disapproved any proposal or plans unless in writing signed by at least two current, regular members.

4.7 Time for Approval. If the Committee fails to approve or disapprove in writing within 45 days after complete plans and specifications have been submitted to it, approval shall not be required and this paragraph will be deemed to have been waived as to such plans and specifications.

5. DEVELOPMENT REVIEW.

5.1 Mandatory Prerequisite. No Improvements of any kind shall be initiated, erected, constructed, placed, altered, maintained or permitted on any Parcel or any other portion of the Property without the prior written approval of the Development Committee in accordance with the procedure herein provided. In granting approval, the Development Committee may impose such conditions and stipulations as it may deem appropriate including, without limitation, requirements concerning duration of construction activities, burial and camouflage of utility lines, restoration of adjacent streets, placement of curb cuts, location of utilities connections, restoration of terrain, changes or deviations in or from the plans as approved shall be made without the prior written approval of the Development Committee. All decisions of the Development Committee shall be final and no Owner or any other party shall have any recourse or remedy against the Development Committee.

5.2 Plans. Two sets of plans shall be submitted to the Development Committee for all approval phases (i.e., Master Site Plan, Preliminary Plans, Working Drawings, Revisions and Additions). One set will be returned to the Owner with comments and the other set will be retained by the Development Committee for permanent reference. Any additions or alterations to any portion of approved plans shall be subject to correction at any time unapproved additions or alterations are observed. In order to defray its expenses, the Development Committee may require a processing fee in such amount as it may determine for each approval phase.

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5.2.1 Master Site Plan. When a Parcel is to be developed in stages, the submission of a master site plan shall be required. The master site plan shall be reviewed and approved before preliminary plans are submitted. The master site plan shall include, without limitation, the following information: Parcel number(s), size and street address; a depiction of the total building complex with rooflines; vehicular and pedestrian circulation; employee and guest parking; grading, drainage and utilities; design relationship to adjacent properties and streets; description or sketches indicating architectural character, elevations and materials; the concept of proposed signs and a conceptual landscape plan.

5.2.2 Preliminary Plans. All development approvals shall include preliminary plans either as the first step of the approval process when a master site plan is not required, or as the second step of the approval process following master site plan approval. The preliminary plans shall include, without limitation, the following information: Parcel number(s), size and address; configuration of buildings and rooflines; building square footage; setbacks; projected number of employees each shift; employee and guest parking layout; indication of existing topography; finished grades, site drainage and utility connections; building elevations showing materials, colors, textures, shapes and finishes for all exterior aspects; location and configuration of all structures, walks, driveways, fences and exterior illumination; size, shape, color, location and materials for signs; and the landscaping plan, including elevation changes, sprinkler systems, vegetation and ground cover.

5.2.3 Working Drawings. Following approval of the preliminary plans, working drawings shall be submitted in accordance with the approved preliminary plans and shall include, without limitation, the following information: construction details and specifications as required by the Phoenix City Building Department; details of any graphics to be affixed to any areas of elevation or any free-standing signs proposed and such other information as the Development Committee may require.

5.2.4 Landscape Plan. Included within the requisite plans shall be a landscape plan including sufficient information to confirm that the landscaping required by paragraph 6.11 is to be implemented.

5.3 Procedure. Approval of plans shall be based upon adequacy of site dimensions, conformity and harmony of exterior design and location with neighboring structures and sites, relation of finished grades and elevations to neighboring sites and conformity to the specific and general provisions and intent of this Declaration. The Development Committee shall have the right to take into consideration, without limitation, the color, texture and materials, the inherent aspects of the Parcel, the harmony thereof with the surroundings, and the impact upon the Property as a whole.

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5.3.1 Variances. Without obligation to approve or disapprove prior or subsequent modifications, whether similar or dissimilar, the Development Committee may permit such variances or exceptions to the requirements this Declaration with respect to any proposed improvements as the Development Committee deems appropriate in its sole discretion. The granting or denial of a variance shall not constitute a precedent for the granting or denial of any prior or subsequent variance.

5.3.2 Approval. The Development Committee may reject plans as not sufficiently complete or otherwise inadequate, either in whole or in part, may reject plans as partially or completely unacceptable, may approve plans conditionally or unconditionally, may approve a portion of the plans and reject the balance and may otherwise proceed with respect to the consideration of plans in such manner as the Development Committee may determine in its sole discretion.

5.4 Exemption. In developing the Property, constructing improvements and marketing Parcels and improvements, Developer shall not be required to obtain any approval by the Development Committee. All improvements which are constructed or installed by Developer shall be deemed approved.

6. USE AND DEVELOPMENT LIMITATIONS.

6.1 Uses. The Property is a Business Park to be used, improved and devoted exclusively to first-class office, warehouse, processing, light manufacturing, wholesale, research and development, service, distribution and other uses as approved by Developer or the Development Committee. The following uses are prohibited: residential; those involving a noxious odor or danger of fire or explosion; those involving an excessive emission of dust, fumes, smoke, steam, heat, vapor, noise or radiation; those violating any provision of this Declaration or otherwise disapproved by the Development Committee; and those involving or emitting air or water pollution or violating applicable zoning or other governmental laws or regulations. Except for customary access, maintenance and construction, all business and other activities on a Parcel shall be conducted within its buildings and other enclosures. There shall be no outside display or sale of merchandise.

6.2 Leasing. No Parcel shall be rented or leased except by written agreement containing a provision whereby the Lessee shall be bound by and required fully to comply with the provisions of this Declaration. All rental and lease agreements shall be terminable by the Board in the event that the Lessee fails within 10 days after written notice from the Board to cure any violation of any provisions hereof and shall be subject to the prior written approval of the Board as to identity of Lessee, use of the Parcel and other provisions. Any rental or lease agreement not approved by the Board shall be void. These provisions are in addition to and not in lieu of the provisions applicable to leases as defined in paragraph 12.2. Owners are responsible for the conduct of all Lessees and other tenants.

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6.3 Coverage and Height. No improvements shall exceed the higher of two stories or 35 feet in height, as projected to a vertical plane. No building (or other structure deemed by the Development Committee to constitute an integral part of the building) shall exceed 35 percent of the surface area of a Parcel. A variance in excess of any of these limitations may be granted upon application for review and approval by the Development Committee.

6.4 Minimum Setbacks. No Improvements shall be placed within the following minimum setback lines; 30 feet from Street Parcel Lines and 20 feet from Common Parcel Lines, or as otherwise established by Developer. Canopies and sunscreens may project not more than 6 feet into the setback area. Setbacks shall be measured from the Exterior Parcel Lines with the determining measurement to be the closest point from the Improvements to a curved Exterior Parcel Line. The following Improvements are excluded from the setback requirements and may be located within the setback area: steps, walks, driveways and curbing; planters, hedges, walls and fences (not to exceed 3 feet in height from the Street Parcel Lines or 6 feet in height from the Common Parcel Lines) and signs complying with the requirements of paragraph 6.12.

6.5 Utility Service Lines. All gas, electric, power, telephone, water, sewer, television and other utility and service connections and lines shall be located either underground or concealed within or under buildings or other structures, except when prohibited by law. Service pedestals, transformers, switch cabinets and primary service lines may be located above ground but must be screened adequately.

6.6 Construction Standards.

6.6.1 Composition. The exterior walls of all buildings and other structures must be brick, stone, reinforced concrete, masonry (including pre-cast concrete and tilt slab construction) or such other quality fireproof face materials as may be approved by the Development Committee. Steel or metal walls shall not be permitted unless treated to appear to be masonry or concrete. No exterior wood (except framing and ornamentation) shall be permitted. Windows shall not be glazed nor re-glazed with mirrored or reflective glass. All structures shall be of new construction. Trailers, mobile homes, modular and pre-fabricated units shall be prohibited.

6.6.2 Accessories. All accessory buildings, fences, markings and enclosures must be consistent as to design and quality of materials with the buildings to which they are incidental. Evaporative coolers, pre-coolers and the like, heating, air-conditioning and other mechanical equipment shall be screened so as not to be visible from neighboring property. All structures shall be equipped with gutters, downspouts and other necessary drainage conveyances. Gutters, downspouts and other drainage conveyances, fences, flashing, tanks, stacks, overhead doors and similar items shall be painted or treated to conform and blend with the color scheme of the appurtenant buildings. No part of a roof may project above the parapet unless of such slope and design as to be a convincing architectural aspect of the building.

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6.6.3 Design. Improvements Visible from Neighboring Property must be of Spanish Mediterranean or Southwestern architecture. Exterior walls shall be textured concrete, split face block, stuccoed and painted, or otherwise substantially surfaced with similar treatment. Frames, ornamentation and remaining surfaces shall be of Mexican clay barrel tile, slate, decorative metal or other compatible material approved by the Development Committee.

6.6.4 Completion. Construction shall be commenced and completed within two years from the date of the acquisition of the Parcel(s) by the Owner, subject to such delays as may be permitted by the Development Committee. Once commenced, construction shall be diligently pursued such that Improvements shall not be left in a partly finished condition any longer than absolutely necessary.

6.7 Parking. Adequate off-street parking shall be provided to accommodate all of the parking necessary for the type and kind of use to which a Parcel is devoted so as to accommodate all company, employee, visitor and other vehicles, thereby eliminating parking on adjacent streets. Owners shall not permit their employees, customers or visitors to park on adjacent streets. If parking requirements increase as a result of a change in use, in the number of employees or otherwise additional off-street parking facilities shall be provided immediately by the Owner. Parking need not be in one consolidated area, but may be separated by landscaping and other improvements. The size and configuration of parking spaces, entryways, driveways and other attributes of the parking areas must comply with City of Phoenix requirements. Parking areas, driveways and entryways shall be curbed and paved with concrete or asphaltic concrete. "Armour Coat" topping is prohibited. Parking areas may be constructed to within 5 feet of the Exterior Parcel Lines if adequately screened so as not to be Visible from Neighboring Property, but parking shall not be permitted on the sides of a Parcel fronting on streets within the minimum street frontage setback lines. All parking shall be adequately screened by the use of berms, landscaping or other means. The parking area of the Restaurant and Resort Hotel shall not be utilized by any Owner, its employees or invitees, except in conjunction with the use of the Restaurant and Resort Hotel.

6.8 Storage Areas. No equipment, materials or supplies shall be stored on a Parcel except within a building, storage structure or landscaped enclosure which completely screens the items so as not to be Visible from Neighboring Property. All vehicles owned by the Owner except passenger automobiles shall be stored in approved and screened storage areas. The requisite screening shall be approved by the Development Committee but generally shall include landscaping or permanent fences of solid masonry or concrete with locations sufficiently removed from Exterior Parcel Lines as to effectively shield the stored materials from view.

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6.9 Loading Docks and Areas. Loading facilities sufficient to accommodate the needs of the use to which the Parcel is devoted shall be installed, designed and maintained so as to eliminate the necessity for on-street loading and unloading. Loading areas shall be screened from view with landscaping or other screening approved by the Development Committee. Sufficient space shall be provided in all truck loading areas so as to permit loading and unloading without the necessity for driving backward when entering or leaving the Parcel.

6.10 Refuse. Each Parcel shall have containers for waste, garbage, trash and refuse sufficient to handle the quantity and composition of such items generated, manufactured or required in the use of the Parcel. The sorting, removing and disposing of all refuse must be within areas enclosed or screened in a manner so as not to be Visible from Neighboring Property. No waste, garbage, trash or other refuse shall be allowed to accumulate on the Parcel but shall be placed immediately in approved containers whose number and location have been approved by the Development Committee. The refuse containers shall remain closed at all times except during actual, active use.

6.11 Landscaping. All open areas within an improved Parcel shall be surfaced or landscaped. Trees, shrubs, hedges, grass, plantings and all other requisite landscaping and surfacing shall be installed by the Owner within 60 days from the earlier of the date of the first occupancy or the date of completion of the buildings for the Parcel and, failing that, the Association shall have the option of installing the surfacing and landscaping at the expense of the Owner, or of treating each day of delay beyond 60 days as a separate violation subject to the fine and lien provisions of paragraph 3.4. At least 15 percent of the surfaced area of each Parcel must be landscaped and shall include not less than 1-gallon size bougainvillea, one 15-gallon size of whichever the following the Owner may select: olive, eucalyptus rostrata or African Sumac, and one 1-gallon size shrub, for each 100 square feet of the surfaced area of the Parcel (excluding the square footage occupied by buildings and other structures). At least one-half of the foregoing items must be installed in areas Visible from Neighboring Property. The Owner of a Parcel which includes or is adjacent to an excavation, fill or water (drainage) retention basin shall be responsible for and bear the costs of fully landscaping the excavation, fill or retention basin (even if the area is located within the Common Area), with such landscaping to include, without limitation, bougainvillea, Palo Verde and fountain grass of not less than 1-gallon size and of reasonable mix two feet on center, or as otherwise prescribed by the Development Committee. When an excavation, fill or retention basin includes or is adjacent to a curb or sidewalk, the required landscaping shall be installed along and abutting each curb or sidewalk. No more than 20 percent of the landscaping of such excavation, fill or retention basin shall consist of hard surface or rock (excluding retaining walls which shall be limited to 5 feet in height and shall be approved by the Development Committee). No deciduous trees shall be permitted. Excluding natural desert terrain and drainage ways left substantially undisturbed by Developer (which the Development Committee may choose to require to remain in the natural state without landscaping), desert landscaping,

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whether characterized by rocks, cactus or unaided nature, shall not comprise more than 10 percent of the landscaping Visible from Neighboring Property, such that at least 90 percent of such landscaping shall be vegetation, of which at least 70 percent shall be of a common variety domestic grass unless otherwise approved by the Development Committee. As part of the required landscaping for each Parcel, each Owner shall install automatic irrigation (sprinkler) systems (the configuration and extent of which shall be as required by the Development Committee) and must overseed all lawn areas with rye or equivalent winter grass promptly as soon as the summer grass becomes dormant. No tree, shrub or other landscaping shall overhang or otherwise encroach upon any sidewalk, street or any portion of the Common Area. All landscaped areas and materials shall be kept and maintained in a healthy, neat, clean and weed-free condition. Dead vegetation shall be replaced promptly with identical vegetation of comparable or greater size. No Parcel shall be permitted to include conditions which induce, breed or harbor plant disease or noxious insects.

6.12 Signs. All signs shall be subject to the prior approval of the Development Committee. Signs shall be limited to those that identify the name and business of the Owner or occupants or which give direction; shall not be of unusual size or shape in comparison to the other improvements on the Parcel; shall not project above the roof line or parapet wall; and shall not be erected within 10 feet of the Street Parcel Lines. Freestanding signs shall not exceed 4 feet above grade and signs affixed to walls shall comprise not more than 10 percent of the area of the wall upon which the sign is located. Signs painted directly on the surface of walls shall not be permitted. Signs shall not be of a flashing or moving character or offensively colored or lighted, and no transparent, illuminated signs shall be permitted although indirect (spot) lighting shall be permissible. All outside lighting whether relating to signs or otherwise shall be subject to the prior approval of the Development Committee. In multiple tenant buildings, identifying wall signs near the entrance to each separate tenant portion shall be permitted. Notwithstanding any contrary provision herein, "for sale," "for lease," "for rent" and all other signs deemed unacceptable by the Committee are prohibited.

6.13 Prohibitions. No Parcel shall be used for restaurant, hotel or other lodging or transient service or purpose. Public and private auctions and similar events; hospitals, sanitariums and other places for the care and treatment of the sick or disabled, mentally or physically; and exploration and mining operations of any kind whether involving discovery, location, removal, milling or refining and whether relating to oil, gas, hydrocarbons, gravel, uranium, geothermal steam or otherwise, shall be prohibited. All speakers, amplifiers, radios and other means of emitting sound whether located inside or outside of a building shall be subject to regulation by the Board as to noise levels and time of use.

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6.14 Subdivision. No Parcel shall be further subdivided or separated into smaller or different portions or conveyed or encumbered in less than the full original dimension as set forth in the Plat, except with the prior written approval of the Board. If the Board does approve further subdivision, each resulting separate component shall be deemed a separate Parcel and be subject to the limitations and requirements set forth in this Declaration as though originally designated as a separate Parcel in the Plat. Dedication, conveyance or the granting of easements to public utilities or other public or quasi-public entities may be permitted but only with the prior approval of the Board.

6.15 Compliance. No Parcel shall be used or maintained in violation of any applicable statute, ordinance, code or regulation of any governmental authority, the provisions of this Declaration, the Business Park Rules or the Development Rules. Any violation of any of the foregoing shall constitute a violation of this Declaration and shall subject the Owner to the fine and lien penalties provided in paragraph 3.4. Each Owner shall be responsible for the conduct of his representatives, agents, employees, contractors, customers, tenants, invitees and all others in, on or about any part of the Property at the request, invitation or sufferance of such Owner, such that any violation of this Declaration by any such person shall constitute a violation by such Owner.

6.16 Applicability. The use and development limitations of this paragraph 6 and all other restrictions and Assurances concerning construction and use of a Parcel may be lessened, increased, adjusted, modified, waived or varied in writing as to one or more Owners or Parcels by the Development Committee at any time for any reason. However, neither the Development Committee nor any provision of this Declaration may authorize any use or activity which is prohibited by or in violation of any applicable zoning or other ordinance, regulation or law. In developing the Property and constructing Improvements, Developer shall not be subject to the restrictions of this paragraph 6 and nothing in this Declaration shall prohibit or interfere with such activities by Developer or its agents. Developer may utilize any portion of the Property (except Parcels previously conveyed to Owners other than Developer) for any and all construction and sales activities. During such time as it retains ownership (either fee title or the Lessee's or Lessor's interest under Leases described in paragraph 12.2), all Parcels owned by Developer are free of the use and other restrictions of this Declaration and Developer may make such use of its Parcels as is permitted by law, notwithstanding that such use otherwise would be prohibited by this Declaration or the Development Committee. All Improvements constructed or installed by Developer shall be permissible without necessity for approval by the Development Committee or any others and notwithstanding any restriction or prohibition to the contrary anywhere set forth in this Declaration.

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7. COVENANT FOR MAINTENANCE.

7.1 Owners. Each Owner shall be responsible for and bear the expense of the construction, landscaping and subsequent repair and maintenance of the exterior and interior of his Parcel and all its Improvements, including all areas and features not expressly herein provided to be maintained by the Association. In such repair and maintenance, an Owner shall not interfere with, hinder or damage any portion of the Common Area or the area or Improvements of any other Parcel. The removal, replacement, installation or repair of any fence, wall or other component of the Improvement on a Parcel, placed or constructed by the Developer or any Owner, on, within or about any utility easement or service line or system shall be the responsibility of the Owner of the Parcel, either directly or through increased assessment at the option of the Board. In addition, if the need for repair or maintenance of areas to be repaired and maintained by the Association is caused through the negligent or willful acts or omissions of the Owner or any of those persons for whom he is responsible as provided in paragraph 6.15, the cost of such repair or maintenance shall be the responsibility of the Owner, either directly or through increased assessment, at the option of the Board. Further, the repair and maintenance of any Parcel or its Improvements which is undertaken by the Association because of the failure or neglect of the Owner, shall be the responsibility of the Owner, either directly or through assessment by the Association, at the option of the Board. All Parcels shall be kept in a good, clean condition and repair with surfaces painted and garbage and other refuse removed at all times.

7.2 Association. The Association shall be responsible for and bear the expense of the repair, maintenance and landscaping of the Common Area and facilities including sewer and water lines, booster stations and pumps serving more than one Parcel even if not located in the Common Area; signs, street signs, sign walls, perimeter and other walls and related improvements and the like applicable to the Property in general and installed by Developer even if not located in the Common Area; all portions of the Property up to the Exterior Parcel Lines including, without limitation, curbs, gutters, sidewalks and parking areas; and may repair and maintain such Parcels and their Improvements, or portions thereof, as are not properly constructed, landscaped or maintained by the Owners. Except as provided in paragraph 7.1, the costs and expenses of the repair and maintenance undertaken by the Association shall be a common expense to be distributed and allocated among the Owners pursuant to the provisions of paragraph 8.

8. COVENANT FOR ASSESSMENTS.

8.1 Creation of Lien and Personal Obligation. The Developer, for each Parcel within the Property, hereby covenants, and each Owner of any Parcel by acceptance of such Parcel, whether or not it shall be so expressed in the deed, lease or other instrument of conveyance, is deemed to covenant and agree to pay to the Association: (a) regular assessments and (b) special assessments for capital improvements and other purposes. Assessments shall be established and collected as hereinafter

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provided. The assessments, together with interest, expenses, costs and reasonable attorneys' fees shall be a charge on the land and shall be a continuing lien upon the Parcel against which each such assessment is made. Each such assessment, together with interest, expenses, costs and reasonable attorneys' fees also shall be the personal obligation of the Owner of such Parcel at the time when the assessment falls due. The personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed by them albeit the lien shall continue irrespective of a change in ownership. The obligation of an Owner to pay assessments shall not be affected by the incompleteness of or any diminished use with respect to the Common Area or the abandonment of a Parcel. Parcels owned by Developer (or leased by Developer as lessee) shall not be subject to assessment and notwithstanding any provision or implication herein to the contrary, Developer shall not be liable in any way for assessments or charges of any kind for any reason.

8.2 Purpose of Assessments. The assessments levied by the Association shall be used to promote the recreation, health, safety and welfare of the Owners, and for the improvement, maintenance and security of the Property and the common Area including, without limitation, the payment of taxes and governmental assessments, insurance premiums, repair, maintenance and construction costs, and supervision, management, security and related expenses.

8.3 Establishment of Assessments. Developer as record title holder and each Owner, for himself, his heirs, successors and assigns, covenant that each Parcel shall be subject to regular assessment in an amount to be determined by the Association in the following manner:

8.3.1 Repair and Maintenance. Each Parcel's pro rata share of the actual cost to the Association of the repair, maintenance and other obligations to be performed by the Association as provided in paragraph 7.2.

8.3.2 Operations. Each Parcel's pro rata share of the actual cost to the Association of the operation, maintenance and security of the Common Area and such additional portions of the Property as are repaired and maintained by the Association as provided in paragraph 7.2.

8.3.3 Taxes and Insurance. Each Parcel's pro rata share of the actual cost to the Association of taxes and governmental assessments on the Common Area and insurance to be maintained by the Association.

8.3.4 Utilities. Each Parcel's pro rata share of the actual cost to the Association of water and other systems and services, if any, not separately metered or charged directly to a Parcel.

8.3.5 Reserves. Each Parcel's pro rata share of the sums determined by the Board to be prudent for the establishment of reserves for repair, maintenance, taxes, insurance, capital improvements and other charges for the benefit of the Owners and the Property.

8.3.6 Miscellaneous. Each Parcel's pro rata share of such additional sums as the Board may determine to be necessary to fulfill the purposes of the Association.

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8.3.7 Procedure. Regular assessments shall be determined by the Board in such manner as shall be set forth in the Bylaws. Written notice of the amount of assessments and the due date shall be provided to the Owners not less than 30 days prior to the due date if payable annually or not less than 15 days prior to the due date if payable more frequently, although failure to provide such notice shall not relieve any Owner from the obligation to pay such assessment. The first assessment period shall not commence earlier than the first day of the first month following conveyance of the first Parcel to an Owner other than Developer. Upon demand and for a reasonable charge, the Board shall furnish to any Owner a certificate setting forth whether the assessments on his Parcel are paid and, if unpaid, the amount unpaid.

8.4 Special Assessments. In addition to regular assessments, the Board shall have the right and power to impose special assessments for extraordinary expenses of the Association including, without limitation, sewer, water and other charges or impositions by utility companies or governmental agencies, to provide for the construction of additional entry-way and other common facilities, or the alteration, demolition, removal or reconstruction of existing or proposed common facilities, from time to time, as in its discretion appears to be in the best interest of the Association and the Property. Any such special assessment shall be authorized by an affirmative vote of 3/4's of the Board at a duly called meeting at which a quorum is present. Special assessments shall be payable at the same time and in addition to regular assessments or, at the option of the Board, at different times or in one installment.

8.5 Exemption. Notwithstanding any other provision herein to the contrary, unless Developer elects to the contrary, during such time as Developer is the user of a Parcel, either as the Owner or Lessee, and whether the Parcel is improved or unimproved, the Parcel shall not be subject to assessment of any kind in any amount at any time.

8.6 Assessment Rate. The pro rata share of the total assessment to be borne by each Parcel shall be the Assessment Rate for that Parcel. The Assessment Rate shall be a percentage determined as the product of the number of votes in the Association for that Parcel (determined as provided in paragraph 3.3.1) as the numerator, and the total number of all votes for all Parcels then subject to assessment, as the denominator. If and as any Parcels are combined or deleted, any Parcels are subdivided so as to create additional Parcels as provided in paragraph 6.14, or additional property is annexed to the Property in the manner provided in paragraph 2, the total number of votes for such Parcels so combined, deleted or added shall reduce or enlarge the denominator of the Assessment Rate calculation, as appropriate, at such time as such Parcels become subject to assessment. All assessments must be uniform for all Parcels, except when penalty assessments are issued because of maintenance or other expenses incurred by the Association as a result of the neglect, default, delinquency or the like by an Owner.

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8.7 Remedies of the Association. Each Owner shall be deemed to covenant and agree to pay to the Association the assessments provided for herein on or before the due date thereof as established by the Board and agrees to the enforcement of the assessments in the manner herein specified. In the event the Association employs attorneys for collection of any assessment, whether by suit or otherwise, or to enforce compliance with or specific performance of the terms and conditions of this Declaration, the defaulting Owner shall pay reasonable attorneys' fees, expenses and costs thereby incurred in addition to any other amounts due or any other relief or remedy obtained against such Owner. In the event of a default in payment of any assessment when due, the assessment shall be deemed delinquent, and in addition to any other remedies herein or by law provided, the Association may enforce each such obligation in any manner provided by law or in equity, or without any limitation of the foregoing, by either or both of the following procedures:

8.7.1 Suit. 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. Any judgment rendered in any such action shall include, without limitation, the amount of the delinquency, interest from the date of delinquency (the "Default Interest Rate") which shall be the greater of 18 percent per annum or two percent above the prime rate then in effect at the Valley National Bank, Phoenix, Arizona, expenses, court costs and reasonable attorneys' fees determined by the Court and not by a jury.

8.7.2 Lien. There is hereby created a lien, with private power of sale, on each and every Parcel to secure payment to the Association of any and all assessments levied against any and all Owners, interest thereon at the Default Interest Rate from the date of delinquency, and all costs and expenses of collection which may be paid or incurred by the Association in connection therewith, including, without limitation, court costs, reasonable attorneys' fees, overhead, document preparation, mailing, recording and other direct and indirect expenses of the Association. After the occurrence of any default in the payment of any assessment, the Association, or any authorized representative may, but shall not be required to, make a written demand for payment to the defaulting Owner, on behalf of the Association. The demand shall state the date and amount of the delinquency. Each default shall constitute a separate basis for a demand or a lien, but any number of defaults may be included within a single demand or lien. If such delinquency is not paid after delivery of such demand, or, even without such a written demand being made, the Association may elect to file a claim of lien on behalf of the Association against the Parcel of the defaulting Owner. However, a claim of lien is not required and any and all delinquent assessments shall be a continuing lien on the Parcel with or without the preparation or recording of a claim of lien. A claim of lien may be executed, acknowledged and recorded by any officer of the Association, and shall contain substantially the following information: (a) the name of the delinquent Owner; (b) the legal description and street address of the Parcel; (c) the amount due and owing including interest thereon, collection costs and reasonable attorneys' fees; (d) and that the lien is claimed by the Association pursuant to this Declaration. Upon the occurrence of a delinquent assessment or the recordation of a duly executed original or copy of a claim of lien, the lien shall immediately attach and become

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effective in favor of the Association as a lien upon the Parcel against which such assessment was levied. Except as provided in subparagraph 8.7.3 hereof, the lien shall have priority over all liens or claims created subsequent to the due date of the first delinquent assessment for which the lien is claimed. Any lien may be foreclosed by appropriate action in court in the manner provided by law for the foreclosure of a realty mortgage or enforcement of a trust deed, with private power of sale, as set forth by the laws of Arizona, as and if amended. The lien shall be in favor of the Association and shall be for the benefit of all other Owners. The Association shall have the right to purchase at a sale and the power to bid in at any foreclosure sale and to purchase, acquire, hold, lease, mortgage, and convey any Parcel. In the event such foreclosure is by action in court, reasonable attorneys' fees, court costs, title search fees, interest at the Default Interest Rate, and all other costs and expenses shall be allowed to the extent permitted by law. Each Owner, by becoming an Owner of a Parcel, hereby expressly waives any objection to the enforcement and foreclosure of this lien in this manner.

8.7.3 Subordination of Lien. The lien for the assessment provided for herein shall be subordinate to the lien of the First Mortgage on the Parcel. Sale or transfer of any Parcel shall not affect the assessment lien. However, the sale or transfer of any Parcel pursuant to mortgage foreclosure or any proceeding similar to or in lieu thereof, shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Parcel from liability for any assessments thereafter becoming due or from the lien thereof. Sale or transfer shall not relieve the previous Owner from personal liability for assessments that became due while such Owner was the Owner.

9. PROPERTY RIGHTS AND EASEMENTS.

9.1 Owners' Easements of Enjoyment. Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Parcel, subject to the following provisions:

9.1.1 Fees. The right of the Association to limit the number of guests of the Owners or to charge reasonable admission and other fees for the use of any portion of the Common Area except streets and walks. No provision of this Declaration shall be construed to deprive any Owner of access to his Parcel.

9.1.2 Suspension. The right of the Association to suspend the voting rights and right to use of the Common Area by an Owner for any period during which any assessment against his Parcel remains unpaid or he is in violation of any provision of this Declaration or the Business Park Rules.

9.1.3 Dedication. The right of the Association to dedicate or transfer all or any part of the Property to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Board. The Association shall not dedicate or transfer all or any portion of a Parcel without the prior consent of the Owner of such Parcel, which consent shall not be withheld unreasonably.

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9.1.4 Joint Use. The right of the Developer or the Association to establish a nonexclusive easement and right-of use of all or any portion of the Property in favor of the owner, guests, invitees, licensees, lessees, contractors and employees of the Restaurant and Resort Hotel for any and all purposes including, without limitation, shared enjoyment of common facilities and the installation of helicopter landing sites. Neither the Association nor any Owner shall have any right to charge fees or rentals, assess costs or interfere with or restrict in any other way such easement and right-of-use without the prior written approval of the owner of the Restaurant and Resort Hotel. No action of the Association or any Owner which tends in any way to affect such joint use or the facilities subject thereto shall be valid unless approved by the then owner or owners of the Restaurant and Resort Hotel. In connection with the shared use herein provided, the Developer or the Association may grant to the Restaurant and Resort Hotel the right to use the parking areas of the Parcels during the evening and night hours to provide additional, free parking for the Restaurant and Resort Hotel but only if such use will not interfere unreasonably with the Owner's business operations at the Parcel.

9.1.5 Conveyance. The right of Declarant or the Association to create easements and rights-of-use appurtenant to and for the benefit of properties in the vicinity of the Property or one or more Parcels or the Common Area, whether for parking, access or otherwise.

9.1.6 Delegation. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to his agents employees, contractors, customers, guests, tenants and invitees.

9.2 Blanket Easement. There is hereby created a blanket easement upon, across, over and under the Property, the Common Area and the Parcels for ingress, egress, installation, replacing, repairing and maintaining all perimeter walls, entryway and other signs, related improvements, landscaping and utility and service lines and systems, including, but not limited to, signs, walls, vegetation and water, sewer, gas, telephone, electricity, television cable and communication lines and systems. By virtue of this easement, it shall be permissible for the providing utility, service company, the Developer, the Association and their agents to install and maintain such facilities and equipment anywhere on the Property and to affix and maintain wires, circuits and conduits on, in and under the roofs and exterior walls of improvements within the Parcels. Notwithstanding anything to the contrary contained herein, no such signs, walls, landscaping, related improvements, sewers, electrical lines, water lines, or other utilities or service lines may be installed or relocated except as initially programmed and approved by Developer or as thereafter approved by the Development Committee. This easement shall in no way affect any other recorded easements. There shall be an access easement over the Common Area for the delivery and collection of the U.S. Mail. Each Parcel and Common Area shall be subject to an easement for encroachments created by construction, settling and overhangs, and to an easement for drainage and runoff from other Parcels or the Common Area, as the improvement and the Common Area are originally designed and constructed by Developer, or as later designed and constructed by Developer,

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or as later designed and constructed with the approval of the Development Committee. A valid easement for such encroachments and for the maintenance of same, so long as they remain, shall and does exist. In the event any structure is partially or totally destroyed and then rebuilt, necessary minor and reasonable encroachments on parts of the adjacent Parcels or Common Area due to construction shall be permitted with approval of the Development Committee and a valid easement for such encroachment and the maintenance thereof shall exist. The Association and Developer shall have an easement upon, across, over and under the Property and Parcels to repair, maintain and operate those areas and facilities described in paragraph 7.2. Any installation or maintenance of facilities or equipment within the blanket easement shall be subject to the obligation of the party installing or maintaining such facilities and equipment to repair any damage to a Parcel or its improvements caused by such facilities or equipment. Further, as to the easements for encroachments created by construction, settling and overhangs, a Parcel shall be subject only to minor encroachments for surface construction and landscaping within the Common Area.

9.3 Title to Common Area. In its discretion, Developer may deed and convey the Common Area, or any other property, to the Association at any time. Developer shall deed and convey the Common Area to the Association within one year following the cessation of Class "B" membership in the Association as provided in paragraph 3.3.1, or fifteen years from the date of this Declaration, whichever earlier occurs.

10. DAMAGE OR DESTRUCTION.

In the event the improvements on any Parcel are damaged or destroyed from any cause, within 60 days from the date of the occurrence of the damage or destruction, its Owner shall begin repair and rebuilding the improvements (and any damage to adjacent Parcels or property for which such Owner may be legally responsible) in a good, workmanlike manner in conformance with the original plans and specifications used in the construction thereof, subject to such changes as are then required by the Development Committee and applicable laws, ordinances and governmental rules and regulations, and shall complete same in a reasonably expeditious manner not to exceed 180 days from the date of damage or destruction, except that such 180-day period shall be extended by the period of any delays resulting from occurrences or circumstances which are beyond the control of the Owner and his contractor. Such repair and reconstruction shall be at the expense of the Owner, although the Board shall reimburse to the Owner any such expenses covered by insurance proceeds received by the Association therefore, if any. In the event such Owner refuses or fails to commence to repair and rebuild any and all such damage within the 60-day period or to complete within the 180-day period, the Association, by and through its Board, is hereby irrevocably authorized by such Owner to undertake such repair and rebuilding in a good, workmanlike manner in conformance with the requirements of the Development Committee and the then applicable law. The Owner shall then repay to the Association, upon demand, the amount actually expended for such repairs together with

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interest at the Default Interest Rate from the date of expenditure until paid. Each Owner further agrees that charges for repairs, if not paid within ten days after demand, shall be delinquent and shall become a lien upon the Parcel and the personal obligation of the Owner in the manner provided for Assessments in paragraph 8. Such charges shall bear interest at the Default Interest Rate and shall constitute a debt collectible by the Association from the Owner through any lawful procedures. Each Owner vests in the Association, and its agents, the right and power to bring all actions against such Owner for the collection of such charges and to enforce the lien by all methods available for the enforcement of such liens, including those specified in paragraph 8, and such Owner grants to the Association a private power of sale in connection with the lien. The lien shall be subordinate to the lien of any First Mortgage. Nothing contained herein shall be construed in any way so as to relieve any insurance company from the payment of any and all amounts which would be payable under any policy. In the event of a dispute between an Owner and the Board with respect to the extent of repairs necessitated or the cost thereof, then upon written request of either the Owner or Association, the matter shall be submitted to arbitration in accordance with the rules of the American Arbitration Association.

11. INSURANCE.

The Board and its authorized agents shall have the authority to and may obtain insurance for all improvements situated in the Common Area, against loss or damage by fire and other hazards under the broadest reasonably available coverage and in an amount sufficient to cover the full replacement cost of any repair or reconstruction work in the event of damage or destruction from any insurable hazard; may obtain a broad form public liability policy covering all Common Area, and all damage or injury caused by the negligence of the Association or any of its agents; and may obtain such other insurance as it deems necessary at any time for any purpose. At the Board's direction, premiums for all such insurance may be common expenses subject to inclusion in the assessment pursuant to paragraph 8. All such insurance shall be written in the name of the Association. In addition to the insurance to be carried by the Association, at his expense, each Owner shall insure his Parcel for his own benefit and carry any and all other insurance he deems advisable. Accordingly, it shall be the individual responsibility of each Owner, at his own expense, to provide as he sees fit, casualty, liability insurance, theft and other insurance covering his Parcel, its improvements and all personal property. The Board may establish minimum coverages for insurance on individual Parcels. The Board may not establish minimum coverages for insurance with respect to a Parcel or its improvements in excess of those limitations which are commercially reasonable and then generally applicable to properties of similar character. In the event of damage or destruction by fire or other casualty to any property covered by insurance written in the name of the Association, the Board shall, upon receipt of the insurance proceeds, contract to rebuild or repair such damaged or destroyed portions of the Property to as good condition as formerly. All such insurance proceeds shall be deposited in a bank or other financial institution, the accounts of which bank or institution are insured by a federal governmental agency, with the proviso agreed to by said bank or institution that such funds may be withdrawn only by signature of at least one-third of the Directors, or by an agency duly authorized by the Board. The Board shall contract with any licensed contractor, who may

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be required to provide a full performance and payment bond for repair, reconstruction or rebuilding of such destroyed property. In the event the insurance proceeds are insufficient to pay all the costs of repairing or rebuilding to the same condition as formerly, the Board may utilize reserves, levy a special assessment in the manner provided in paragraph 8.4, or proceed as otherwise herein provided.

12. ALIENATION.

12.1 Right of First Refusal. If an Owner other than Developer shall desire at any time to sell or lease (collectively "sell") a Parcel(s) or its improvements, he first shall give Developer and the Association written notice of the proposed sale stating the name and address of the purchaser and including financing and character references and a copy of the contract for sale (or lease) and escrow instructions. During the period of 20 days following the receipt by the Developer of such written notice of sale, the Developer shall have the first right at its option to purchase or lease such Parcel or Improvements upon the same terms as described in the notice of sale. If the Developer shall fail to give written notice within the 20-day period that it does or does not elect to purchase (or lease) such Parcel or Improvements, then the Owner shall give the Association (through the Board) written notice of the expiration of the Developer's option to purchase (or lease). During the period of 20 days following the receipt by the Association of such written notice of the expiration of the Developer's option, the Association shall have the right at its option to purchase or lease such Parcel or Improvements upon the same terms as the proposed sale (or lease) described in the notice. The Association may exercise a right-of-first refusal with respect to a Parcel only after obtaining the written consent of 3/4th's of the other Owners (excluding the Owner of the applicable Parcel). If the Association shall give written notice to such Owner within that 20-day period that it has elected not to exercise such option, or if the Association shall fail to give written notice within the 20-day period that it does or does not elect to purchase (or lease) such Parcel or Improvements, as applicable, then such Owner may proceed to close the sale transaction at any time within the next 90 days thereafter; and if he fails to close the sale transaction within 90 days, his Parcel or Improvements, as applicable, again shall become subject to the rights of first refusal herein provided.

12.2 Exemption. This right of first refusal shall not be applicable or be enforceable by Developer or the Association with respect to any of the following: The mortgaging of any Parcel or its Improvements to a First Mortgagee; any sale, transfer or conveyance to a First Mortgagee pursuant to the provisions of the First Mortgage, or a sale, transfer or conveyance pursuant to a foreclosure proceeding or a deed in lieu of foreclosure of a First Mortgage; a transfer of title by testamentary disposition or intestate succession or by gift to a member or members of the Owner's immediate family; a transfer of title to a trustee holding for the benefit of the transferor or for the benefit of a member or members of the transferor's immediate family; or a transfer of title to a corporation provided that a majority of the issued and outstanding voting stock of the corporation is, and at all times continues to be, owned by the transferor or a member or members of his immediate family. As used in this paragraph 12, "Lease" means a rental or lease agreement with a term including renewal options which exceeds 3 years but does not refer to occupancy leases of less than 50 percent of the Improvements within a Parcel.

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12.3 Acquisition. In the event the Developer or the Association elects to exercise this right of first refusal, the purchase (or lease) shall be closed and consummated within 30 days after notification to the Owner of the exercise of such right. If the Association is to be the purchaser (or lessee), it shall have the authority to make such mortgage or other financing arrangement, to impose such assessments proportionately among the respective Owners and to make such other arrangements as it may deem desirable in order to close and consummate such purchase (or lease). If the Association shall make any such purchase (or lease), the Board shall have the authority at any time thereafter to sell, lease or sublease such Parcel or Improvements upon such terms as it shall deem desirable without complying with the foregoing provisions relating to the right of first refusal and all of the net proceeds or deficits therefrom shall be retained by the Association or applied among all of the Owners in such manner as the Association shall determine.

12.4 Violation. If any sale or lease of a Parcel is made or attempted by any Owner without complying with the foregoing provision, such sale or lease, as applicable, shall be void and of no effect and, in addition to all other legal remedies, within 120 days of the date that the Developer or any member of the Board learns of such sale or lease, the Developer and then the Association shall have the right to purchase or lease the Parcel or Improvements from the purchaser or lessee upon the same terms and conditions as he acquired or leased the Parcel or Improvements and in accordance with the procedure set forth in this paragraph 12.

13. FIRST MORTGAGEE.

Notwithstanding and prevailing over any other provisions of this Declaration, the Articles, Bylaws, or any rules and regulations, the following provisions shall apply to and benefit each holder of a First Mortgage upon a Parcel:

13.1 Exoneration. Except as hereinafter provided, the First Mortgagee as such shall not in any case or manner be personally liable for the payment of any assessment, nor for the observance or performance of any Assurance, except for those matters which are enforceable by injunctive or other equitable actions, not requiring the payment of money. However, at its option, the First Mortgagee may elect to pay any assessment applicable to the encumbered Parcel.

13.2 Substitution. During the pendency of any proceeding to foreclose the First Mortgage, including any period of redemption, the First Mortgagee (or any receiver appointed in such action) may, but need not, exercise any or all of the rights and privileges of the Owner including, but not limited to, the right to vote as a Member to the exclusion of the Owner's exercise of such rights and privileges.

13.3 Acquisition. At such time as the First Mortgagee shall become record owner of a Parcel, the First Mortgagee shall be subject to all of the terms and conditions of this Declaration, including, but not limited to, the obligation to pay for all assessments accruing thereafter, in the same manner as any other Owner.

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13.4 Foreclosure. The First Mortgagee, or any other party acquiring title to a mortgaged Parcel through foreclosure suit or through any equivalent proceedings such as, but not limited to, the taking of a deed in lieu of foreclosure, shall acquire title to the Parcel free and clear of any lien authorized by or arising out of any of the provisions of this Declaration which secures the payment of any assessment accrued prior to the final conclusion of any such foreclosure suit or equivalent proceeding, including the expiration date of any period of redemption, except as follows: Any such unpaid assessment against the Parcel foreclosed against may be treated as an expense common to all of the Parcels including the Parcel foreclosed against, which expense may be collected by a pro rata assessment against all Parcels subject to assessment. Any such unpaid assessment shall nevertheless continue to exist as the personal obligation of the defaulting Owner of the Parcel to the Association. There shall be a lien upon the interests of the First Mortgagee or other party which acquires title to a mortgaged Parcel by foreclosure or equivalent proceedings for all assessments authorized by this Declaration which accrue or are assessed after the date the acquirer has acquired title to the Parcel free and clear of any right of redemption.

14. GENERAL PROVISIONS.

14.1 Enforcement. The provisions of this Declaration shall run with the land and shall be binding upon all persons purchasing, owning, leasing, subleasing, occupying or otherwise having any right, title or interest in any of the Property, their heirs, executors, administrators, successors, grantees and assigns. After the date on which this Declaration has been recorded, this Declaration may be enforced by any one or more of the following: The Association or its Board; Developer; or the Owner or Owners of any Parcel. The Developer may but shall have no obligation to enforce this Declaration. Prior to initiating legal action to enforce this Declaration against the Association, or Developer, an Owner shall notify Developer and the Association in writing of the grievance and nature of any asserted violation hereof and Developer and the Association shall have 45 days thereafter within which to cure or eliminate such violation. All instruments of conveyance of any interest in all or any part of a Parcel(s) may contain the provisions herein by reference to this Declaration. However, the terms and conditions of this Declaration shall be binding upon all persons affected by its terms, regardless of whether referenced in the deed or other instrument of conveyance. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any provision whether to restrain violation, to recover damages or otherwise. If any party employs attorneys to enforce a lien or the collection of any amounts due pursuant to this Declaration, or to enforce compliance with or specific performance of the terms and conditions of this Declaration, or to enforce compliance with or specific performance of the terms and conditions of this Declaration, the Owner and parties against whom the action is brought shall pay all reasonable attorneys' fees and costs thereby incurred by any such enforcing party prevailing in any such action. Nothing herein shall be deemed to indicate that damages at law constitute an adequate remedy for violations hereof.

14.2 Waiver or Abandonment. The waiver of, or failure to enforce, any breach or violation of any Assurance shall not be deemed to be a waiver or abandonment of such Assurance, or a waiver of the right to enforce any subsequent breach or violation of such Assurance. The foregoing shall

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apply regardless of whether any person affected hereby (or having the right to enforce these Assurances) had knowledge of the breach or violation. No Assurance contained herein shall be deemed to have been waived or abandoned unless this Declaration is amended to delete such Assurance.

14.3 Equal Protection. These Assurances shall be applied to all similarly situated Owners without discrimination based on race, creed, color, national origin, sex or age.

14.4 Severability. The invalidity of any one or more provisions hereof shall not affect the remaining portions of this instrument of any part thereof, all of which are inserted conditionally on their being held valid in law, and in the event that one or more of the provisions should be invalid or should operate to render this Declaration invalid, this Declaration shall be construed as if such invalid provision had not been inserted.

14.5 Gender. The singular, wherever used herein, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

14.6 Topical Headings. The marginal or topical headings of the paragraphs contained in this Declaration are for convenience only and do not define, limit or construe the contents of the paragraphs or of this Declaration.

14.7 Amendment. This Declaration shall remain in full force and effect for a period of 20 years from the date hereof. Thereafter, it shall be deemed to have been renewed for successive terms of 10 years, unless revoked or amended by an amendment in writing, executed and acknowledged by the then Owners of no less than 75 percent of the Parcels within 90 days prior to the expiration of the initial effective period hereof, or any 10 year extension. This Declaration may be amended at any time by the then Owners of no less than 90 percent of the Parcels. Notwithstanding the foregoing, or any other provision herein to the contrary, this Declaration may be revoked or amended by Developer acting alone, without the consent or approval of any Owner or others, at any time on or before one year after the sale of the last Parcel to an Owner other than Developer. For purposes of this paragraph 14.7 only, "Owner" shall be as defined in paragraph 1.18 and also shall include the lessor and the Lessee of a Parcel which is leased pursuant to a Lease as defined in paragraph 12.2.

DATED THIS 12th day of June, 1989.

GOSNELL DEVELOPMENT CORPORATION



Robert A. Gosnell, President

"DEVELOPER"

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STATE OF ARIZONA)
)ss.
County of Maricopa)

This instrument was acknowledged before me this 12th day of June, 1989 by Robert A. Gosnell as the President of GOSNELL DEVELOPMENT CORPORATION, an Arizona corporation, on behalf of the corporation.

Rachel Lafreniere
Notary Public

My Commission Expires:

My Commission Expires Feb. 10, 1993

ACCEPTED, APPROVED AND RATIFIED this 12th day of June, 1989 by the following partnership as the owner of portions of the Property:

SPCC LIMITED PARTNERSHIP, an Arizona Limited Partnership, by: Gosnell Development Corporation, its General Partner

By: Robert A. Gosnell
Robert A. Gosnell, President

STATE OF ARIZONA)
)ss.
County of Maricopa)

This instrument was acknowledged before me this 12th day of June, 1989 by Robert A. Gosnell as President of GOSNELL DEVELOPMENT CORPORATION, as a general partner of the above referenced partnership, on behalf of the partnership.

Rachel Lafreniere
Notary Public

My Commission Expires:

My Commission Expires Feb. 10, 1993

90 204385

Herabank, formerly First Federal Savings and Loan Association of Arizona, a federally chartered stock savings and loan association, as beneficiary under a construction deed of trust recorded March 29, 1985, in the Maricopa County Recorder's Office at Document Number 85-137730, hereby accepts, approves and ratifies the Declaration of Developmental Benefits and Assurances described herein with regard to the property described in Schedule "1".

HERABANK

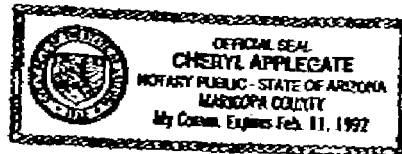
By: Anthony D. Falconieri
Its: S. R. P.

STATE OF ARIZONA }
County of Maricopa } ss:

This instrument was acknowledged before me this 16th day of June, 1989, by Anthony D. Falconieri as Senior Vice President of Herabank.

Cheryl Applegate
Notary Public

My commission expires:

Feb. 11, 1992

SCHEDULE 1

DESCRIPTION
 POINTE CORRIDOR

90 204385

That part of the SE $\frac{1}{4}$ of Section 33, T3N, R3E, and part of the NE $\frac{1}{4}$ of Section 4, T2N, R3E, G&SRB&M, Maricopa County, Arizona, more particularly described as follows:

Commencing at the NW corner of Lot 3, said Section 4, which is also the true point of beginning;

Thence, S 89°54'15" E, a distance of 637.27 feet;

Thence, Easterly a distance of 411.78 feet along the arc of a non-tangent curve whose central angle is 32°56'32" and whose radius point bears N 10°31'00" W, a distance of 716.20 feet;

Thence, N 46°32'28" E, a distance of 169.12 feet;

Thence, S 43°27'32" E, a distance of 27.48 feet;

Thence, Southerly a distance of 482.87 feet along the arc of a tangent curve whose central angle is 43°27'30" and whose radius point bears S 46°32'28" W, a distance of 636.62 feet;

Thence, S 00°00'02" E, a distance of 685.78 feet;

Thence, Southerly a distance of 107.28 feet along the arc of a non-tangent curve whose central angle is 06°26'12" and whose radius point bears N 87°17'30" W, a distance of 954.93 feet;

Thence, S 10°08'42" W, a distance of 322.03 feet;

Thence, Southerly a distance of 340.83 feet along the arc of a tangent curve whose central angle is 20°26'59" and whose radius point bears S 79°51'18" E, a distance of 954.93 feet;

Thence, S 10°18'17" E, a distance of 73.67 feet;

Thence, S 79°41'43" W, a distance of 69.12 feet;

Thence, Westerly a distance of 145.06 feet along the arc of a tangent curve whose central angle is 41°33'21" and whose radius point bears N 10°18'17" W, a distance of 200.00 feet;

Thence, N 58°44'56" W, a distance of 138.71 feet;

Thence, Westerly a distance of 202.89 feet along the arc of a tangent curve whose central angle is 29°03'45" and whose radius point bears S 31°15'04" W, a distance of 400.00 feet;

Thence, N 87°48'41" W, a distance of 246.32 feet;

SCHEDULE 1

Pointe® Corridor Description
Page 2
January 27, 1987

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Thence, N 02°11'19" E, a distance of 95.10 feet;

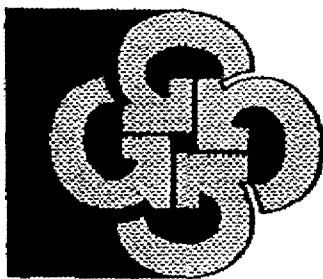
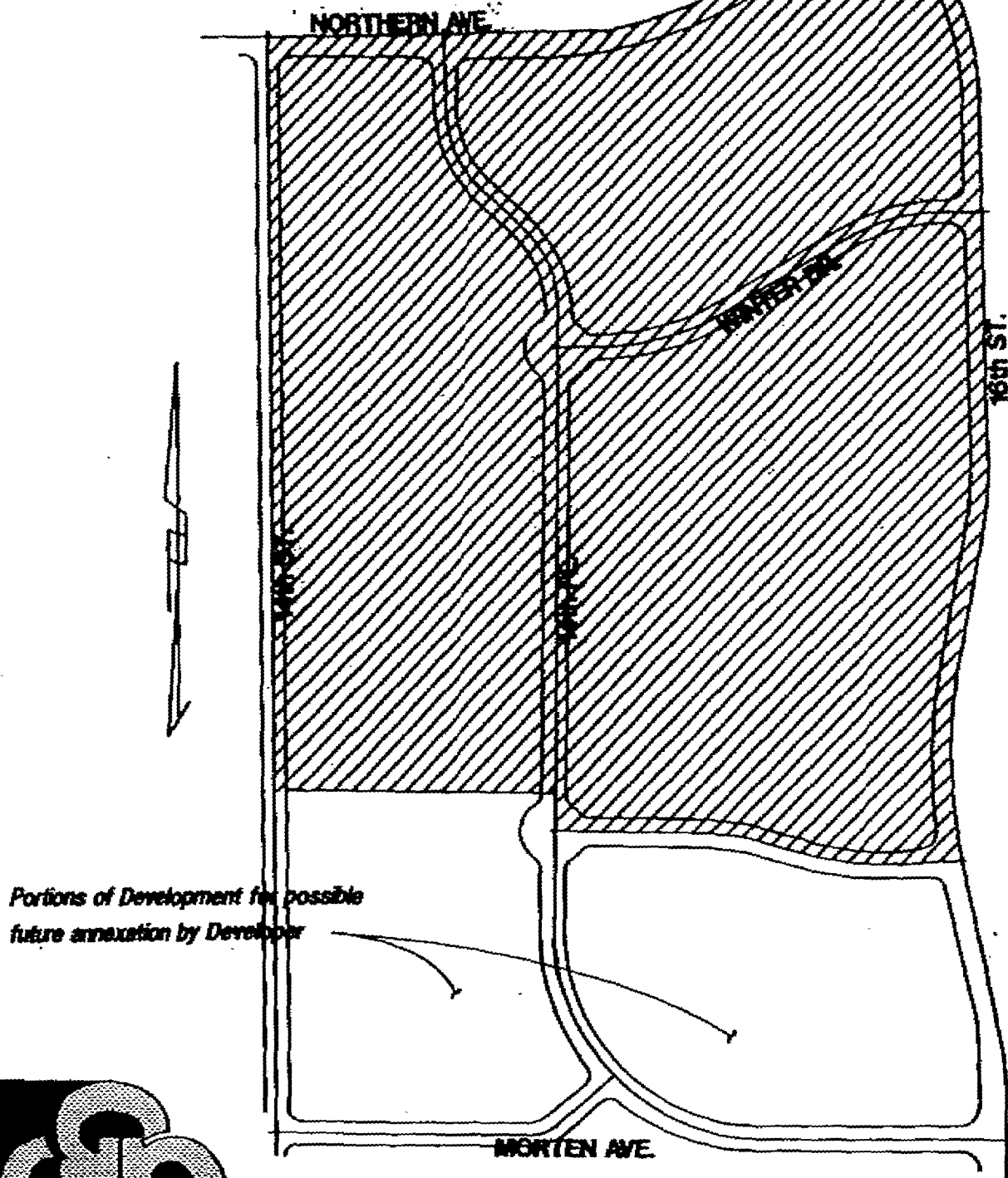
Thence, N 89°56'26" W, a distance of 517.67 feet to the SW corner of said Lot 3;

Thence, N 00°46'05" E along the west line of said Lot 3, a distance of 1431.00 feet to the true point of beginning;

Containing 47.624 acres, more or less.

/044
P.S.
January 27, 1987

SCHEDULE 1 90 204385



POINTE® CORRIDOR CENTRE
GOSNELL BUILDERS

2728 NORTH 24TH STREET
 PHOENIX, ARIZONA 85008 (602)956-4300