

VISTOSO COMMUNITY
SECOND AMENDMENT TO RESTATED DECLARATION OF COVENANTS,
CONDITION, RESTRICTIONS AND EASMENTS FOR RANCHO VISTOSO

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SECOND AMENDMENT TO RESTATED
DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS AND
EASEMENTS FOR RANCHO VISTOSO,
PIMA COUNTY, ARIZONA made this 19th
day of September, 1989 ("Second
Amendment"), by WGI, INC., an Arizona
corporation ("Declarant")

RECITALS:

A. Declarant is the owner of certain real property located within the Town of Oro Valley, Pima County, Arizona located primarily north of Tangerine Road, west of the Tucson-Florence Highway (Oracle Road) and east of King Air Road to be known and developed under the name "Rancho Vistoso (the "Property")

B. Declarant previously executed and caused to be recorded that certain Declaration of Covenants, Conditions, Restrictions and Easements for Rancho Vistoso dated September 16, 1986, and recorded on September 17, 1986 in Docket 7371, Pages 1688—1786, and re—recorded on November 20, 1936 in Docket 7915, Pages 1281—1379, in the office of the Pima County, Arizona Recorder, which declaration was subsequently restated and replaced by that certain Restated Declaration of Covenants, Conditions, Restrictions and Easements for Rancho Vistoso dated April 10, 1987, and recorded on April 24, 1987 in Docket 8021, Page 925 in the office of the Pima County, Arizona Recorder (the "Restated Declaration"), which Restated Declaration was subsequently amended by that certain First Amendment to Restated - Declaration of Covenants, Conditions, Restrictions and Easements for Rancho Vistoso dated July 11, 1988 and recorded on July 13, 1988 in Docket 8327, Page 2059 in the office of the Pima county, Arizona Recorder (the "First Amendment") The Restated Declaration and the First Amendment are hereinafter referred to as the "Declaration".

C. Declarant wishes to further amend the Declaration to correct certain errors and to adjust Declarant's voting rights of other provisions relating thereto.

D. Pursuant to Section 13.2 of the Declaration, meeting and election were duly conducted during which this Second Amendment was approved and adopted by the requisite number of Members.

AMENDMENT

Now, THEREFORE, in consideration of the Premises Declarant hereby amends the Declaration as follows:

1. Section 1.29.2 is hereby amended to read as follows:

A Parcel with a Land Use Classification of School Use or Church Use and which is designated as Exempt Property in a Recorded Tract Declaration or other appropriate Recorded instrument.

2. The following provision is hereby added as Section 1.29.5.

1.29.5. All unmanned utility substations which provide utility services to all or any portion of the Covered Property and which are designated as Exempt Property in a Recorded Tract Declaration or other appropriate Recorded instrument.

3. The last sentence of Section 1.47 deleted in its entirety.

4. The last sentence of Section 3.6 is hereby to read as follows:

The easement reserved hereby shall expire and terminate upon completion of construction and sales activities upon the Covered Property, but in no event later than 20 years after the date this Declaration is recorded.

5. The order to correct a typographical error, Section 7.1.5 is hereby amended to read as follows:

In the case of the Owner of a Non Residential Parcel, six (6) votes for each Net Acre owned (in the case of fractional Net Acres rounding to the nearest whole number of Votes, e.g., 1.7 Net Acres = 10 votes), provided, however, that if a commercial condominium is established, Declarant or the Board, as applicable, may allocate votes in a manner deemed appropriate so that the allocated votes do not exceed six (6) per Net Acre.

6. Section 7.3.2 is hereby deleted in its entirety and amended to read as follows:

The Class B Member shall be Declarant. The Class B Member shall be entitled to three (3) votes for each "lot" owned by Declarant. For purposes of this Section only, and in order to effectively pursue the development of Rancho Vistoso as contemplated in the Master Development Plan, Declarant shall at all times be deemed to be the Owner of that number of "lots" which equals the difference between: (I) the sum of (a) the overall density permitted on the then current Master Development Plan, exclusive of any property therein which is not Covered Property, and (b) the number which is the product of six (6) times the number of Net Acres designated for commercial use on the then current Master Development Plan, exclusive of any property therein which is not Covered Property; and (ii) the sum of (a) the number of Lots and Apartment Units owned by Class A Members not paying a partial Assessment pursuant to Section 8.3, and (b) the number which is the product of six (6) times the number of Net Acres in Non Residential Parcels owned by Class A Members not paying a partial Assessment Pursuant to Section 3.3. As of the effective date of the Declaration, the Class B Member shall be deemed to own 15,850 "lots". Subject to the provisions of Section 14.2 below, the Class B Membership shall automatically cease and be converted to a Class A Membership upon the happening of the first of the following events:

- (x) the date which is 120 days after the date upon which the total votes of the Class A Members entitled to vote equals the total votes of the Class B Member; or,
- (y) the date which is twenty (20) years after the date this Declaration is recorded
- (z) the date on which Declarant relinquishes its Class B Membership by notifying the Class A Members in writing.

7. The following provision is hereby added Section 7.7:

7.7 Adjustment in Votes of Class B Member. In the event the general plan contemplated by the Master Development Plan is not pursued to completion by Declarant, and an affirmative statement of abandonment of any or all parts thereof is Recorded, then the number of 'lots deemed owned by Declarant for voting purposes pursuant to Section 7.3.2 shall be reduced by the number of possible Lots and Parcels attributable to the area so abandoned, as determined by the Master Development Plan in effect immediately prior to such abandonment.

8. The last sentence of Section 8.1.2 is hereby amended to read as follows:

Notwithstanding any other provision of this Declaration to the contrary, as to any portion of the Covered Property owned by Declarant, Declarant shall be subject to Assessments only on

those portions on which a Tract Declaration, subdivision plat or condominium declaration is recorded, in which case Declarant shall be obligated to pay only twenty—five percent (25%) of the Assessments which would otherwise be payable with respect to each Lot or Parcel therein contained, until either an occupied dwelling unit or commercial building shall be situated on such Lot or Parcel, provided that during any period when Declarant is paying no Assessments or reduced Assessments pursuant to this sentence, Declarant shall contribute to the Association such funds as may be required from time to time to meet any budget deficit which results from Declarant having paid no Assessments or reduced Assessments.

9. The first sentence of Section. 14.1 is hereby amended to read as follows:

Declarant may, in its sole discretion, at any time and from time to time up to the date which is twenty (20) years after the date this Declaration is Recorded, annex to the Covered Property the Additional Property or any portion or portions thereof, provided that the FHA or VA, as the case may be and to the extent they or each of them may be involved with the covered Property, has determined that the annexation is in accordance with the Master Development Plan (and subject to the written consent of the owner of the portion or portions to be annexed, if other than Declarant)

10. All capitalized terms used in this Amendment shall have the meaning set forth for such terms in the Declaration unless otherwise defined herein.

11. Except as specifically amended herein, all terms and provisions of the Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, Declarant has executed this Second Amendment to Declaration as of the date first above written.