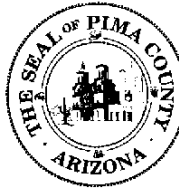


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SNELL & WILMER
UNISORCE TOWER
ONE S CHURCH AVE 1500
TUCSON AZ 85701



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Snell & Wilmer L.L.P.
Unisource Tower
One South Church Avenue, Suite 1500
Tucson, Arizona 85701-1612

For Recorder's Use

**AMENDMENT TO AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR COYOTE CREEK**

THIS AMENDMENT TO AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR COYOTE CREEK (this "Amendment") is made as of February 19, 2010, by Landmark Title Assurance Agency of Arizona, LLC, an Arizona limited liability company, as Trustee under Trust No. 18089 ("Declarant").

Recitals

A. Declarant is the successor to the rights of the "Declarant" pursuant to that certain Amended and Restated Declaration of Covenants, Conditions and Restrictions for Coyote Creek recorded in the Official Records of the Pima County Recorder's Office, State of Arizona, in Docket 12021, at Page 1872 (the "Declaration"), and does hereby wish to amend the Declaration.

B. Declarant has the right to amend the Declaration pursuant to the terms of the Declaration, and pursuant to Declarant's reserved rights therein.

Amendment

1. In consideration of the foregoing, Declarant hereby amends the Declaration as follows:

a. All references to the Declarant or to the persons or entities having the rights of the Declarant shall mean solely Landmark Title Assurance Agency of Arizona, LLC, an Arizona limited liability company, as Trustee under Trust No. 18089, unless and until the rights of the Declarant are further assigned in whole or in part.

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- b. Section 1.35 is hereby deleted in its entirety and replaced with the following:

Section 1.35
Transition Date

"Transition Date" shall be the first to occur of (i) the day on which title to greater than seventy-five percent (75%) Lots in the Properties have been conveyed to third party purchasers (other than Declarant or Developer) for value other than as security for performance of an obligation (and other than an assignee of Declarant so designated in writing, or an affiliate or partner of Declarant or an entity in which Declarant or its members or partners are affiliated as partners, shareholders or members); (ii) such date as Declarant by written instrument waives its right to appoint a majority of Directors of the Association as provided herein; or (iii) January 1, 2015. Regardless of whether Declarant has waived its right to appoint a majority of the Directors, so long as Declarant owns a single Lot, Declarant shall continue to have and may enjoy all other rights and privileges of the Declarant hereunder.

- c. Section 2.6 is hereby deleted in its entirety and replaced with the following:

Section 2.6
Association Rules

Subject to the provisions of this Declaration, the Board may adopt, amend and repeal the Association Rules which shall have the same force and effect as if set forth herein. The Association Rules may restrict and otherwise govern the use of any area or Common Areas by any Owner, or the Owner's family members, guests, invitees, licensees or lessees; provided, however, that the Association Rules may not discriminate among Owners and shall not be inconsistent with this Declaration, the Articles or the Bylaws.

Without limiting the generality of the foregoing, the Association Rules may establish and fix fines to be levied for failure to comply with this Declaration or the Association Rules, and any fines so levied shall constitute Individual Assessments hereunder subject to the Assessment Lien. Any such fine shall only be imposed after the offending Owner has been given written notice of the default in question, and has further been given an opportunity to meet with the directors, or their representative, to discuss the matter in question. No fine shall exceed \$1,000.00 for any single infraction, except that a continuing violation shall be subject to additional incremental fines of not more than \$1,000.00 (depending upon the Board's evaluation of the seriousness of the violation) for each thirty days the violation continues, and interest at the Default Rate shall accrue thereon. A copy of the Association Rules, as they may from time to time be adopted, amended or repealed, shall be available for inspection by the Members at reasonable times. Upon adoption, the Association Rules shall have the same force and effect as if they were set forth in and were a part of this Declaration.

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d. Subparts A and B of Section 4.6 are hereby deleted in entirety and replaced with the following:

- A. *Committee Composition.* The Design Review Committee shall consist of five (5) voting members and as many non-voting members as deemed necessary by the voting members. No Committee member shall be required to be an architect or to meet any other particular qualifications for membership. A member need not be, but may be, a member of the Board or an officer of the Association. In the event one or more of the voting members are absent or disabled, the remaining Design Review Committee voting member or members, even though less than a quorum, may designate non-voting members to act as substitutes and such non-voting member or members shall then assume the full authority of voting members for that meeting. The committee may employ a consulting architect who shall serve as a non-voting member of the committee. Members of the Design Review Committee shall serve without compensation, but the consulting architect may receive compensation.
- B. *Initial Members.* The voting members and non-voting members of the Design Review Committee shall be appointed by the Declarant so long as Declarant owns a single Lot.

e. Section 4.10 is hereby deleted in its entirety and replaced with the following:

***Section 4.10
Liability***

Neither the Design Review Committee, the Board, nor Declarant, nor any member thereof shall be liable to the Association, any Owner or any other party, for any damage, loss or prejudice suffered or claimed on account of (a) the approval or disapproval of any plans, drawings or specifications, whether or not compliant with applicable state, local or federal laws, rules, regulations, ordinances, or statutes (hereinafter, collectively, the "Laws"); (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings, specifications, and the Laws; (c) the development or non-development of any portion of the Properties; or (d) the execution and filing of any estoppel certificate in relation to assessments or any other matter, whether or not the facts therein are correct. No approval of any plans, specifications or other submittals by the Design Review Committee, the Board, or by Declarant shall in any way be deemed a representation that such plans, specifications or other materials comply with Laws.

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To the fullest extent permitted by law, neither Declarant, the Board, the Design Review Committee or any other committees of the Association or any member thereof, nor any directors or officers of the Association or of Declarant, shall be liable to any Member, Owner, Occupant, the Association or any other party for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval of drawings or specifications (whether or not compliant with the Laws), course of action, act, inaction, omission, error, negligence or the like made in good faith and which Declarant, the President, the Board, or such committees or persons reasonably believed to be within the scope of their respective duties.

Notwithstanding any provision to the contrary herein, each Owner is solely responsible for complying with all Laws. Each approval given by the Design Review Committee, the Declarant or the Board shall implicitly be deemed to be conditioned upon and subject to each Owner complying with all Laws.

f. Section 4.13 is hereby deleted in its entirety and replaced with the following:

***Section 4.13
Indemnification***

To the fullest extent permitted by law, every director and officer of the Association, every member of the Design Review Committee, and Declarant and its members, agents, employees, and representatives (to the extent a claim may be brought by reason of any matter having to do with the Board or the Design Review Committee) shall be indemnified by the Association, and every other person serving as an employee or direct agent of the Association, or on behalf of the Association as a member of a committee or otherwise, may, in the discretion of the Board, be indemnified by the Association, against all expenses and liabilities, including without limitation attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his or her being or having served in such capacity on behalf of the Association (or in the case of Declarant by reason of having appointed, removed or controlled or failed to control members of the Board or the Design Review Committee), or any settlement thereof, whether or not he is a director, officer or member of the Design Review Committee or serving in such other specified capacity at the time such expenses are incurred, provided that the Board shall determine, in good faith, that such officer, director, member of the Design Review Committee or other person, or Declarant, did not act, fail to act, or refuse to act with gross negligence or fraudulent or criminal intent in the performance of, his or her duties. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such persons

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may be entitled at law or otherwise.

To the fullest extent permitted by law, every director and officer of the Association, every member of the Design Review Committee, and Declarant and its members, agents, employees, and representatives (to the extent a claim may be brought by reason of any matter having to do with the Board or the Design Review Committee) shall be indemnified by each Owner against all expenses and liabilities, including without limitation attorneys' fees, resulting from (a) the faulty or defective performance or construction of Improvements or other work upon such Owner's Lot; (b) the failure of such Owner to comply with Laws with respect to such performance or construction of Improvements or other work upon such Lot; or (c) the failure of such Owner to obtain the requisite approval from the appropriate state, city, county, or local authority pursuant to applicable Laws.

g. Section 11.8 is hereby deleted in its entirety and replaced with the following:

**Section 11.8
Signs and
Flagpoles**

No sign of any nature whatsoever, whether permanent or temporary, shall be permitted on any Lot except for: a) one temporary construction and temporary financing sign (i.e., the sign of the construction lender, only) which may be erected per Lot during the development thereof; b) such addressing signs as may be permitted or required by the provisions of the Design Guidelines or which are permitted by law; and c) such other "for sale" or "for rent" signs, political or other signs which may be permitted and protected by law and which may not by private covenant be limited or prohibited. This restriction shall not prohibit the temporary placement upon any Lot or Residence of building or other permits as may be required to be placed upon such Residence or Lot during the period of construction of any Improvements thereon by any applicable governmental agency. This paragraph shall not apply to Declarant, nor to any activity of Declarant incidental to the development or improvement of the Properties, nor to any activities of Declarant incident to the marketing and sale of Lots, nor shall it apply to the activities of the Association taken in the furtherance of its powers and purposes as herein set forth. The Association shall have the right subject to provisions at law to adopt rules and regulations governing the placement of signs upon each Lot.

Flag poles not protected by A.R.S. §33-1808 (A) may not be placed upon the Covered Property without the approval of the Design Review Committee, and to the fullest extent permitted

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by law all flag poles protected by state law may be regulated only as to size, height and location.

h. Section 11.29 is hereby deleted in its entirety and replaced with the following:

Section 11.29 Savings Clause Notwithstanding any other provision of this Declaration, including Sections and 11.11 and 11.21, no provision of this Declaration shall purport to limit the parking of vehicles, whether in streets or elsewhere, where such limitations would be contrary to law, nor shall any provision hereof be interpreted to prohibit temporary parking in any private streets incident to construction activities or special events such as parties or limited, reasonable social functions and where adequate parking on a Lot does not exist. Without limitation, the provisions of this Declaration shall be construed to be consistent with law, and should any provision violate law, then applicable law shall govern. No provision hereof shall be construed to prohibit the placement of solar heating or other such devices or antennae on Lots, provided such placement conforms to such lawful requirements hereof or of the Design Guidelines which do not conflict with law, nor shall the provisions hereof prohibit the placement of the American Flag, or other flags expressly protected by stat law, or the parking of public service vehicles or public safety vehicles as permitted by law and to the limited extent governed and contemplated by A.R.S. 33-1809, subject to the Design Guidelines and rules and regulations of the Association not in conflict with such laws.

2. Defined terms are indicated herein by initial capital letters. Defined terms used and not otherwise defined in this Amendment shall have the meanings given to such terms in the Declaration. Declarant reserves all further rights of amendment.

Declarant has caused its name to be signed by the signature of a duly authorized official as of the day and year first written above.

[Signature Page Follows]

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LANDMARK TITLE ASSURANCE AGENCY OF ARIZONA, LLC, an Arizona limited liability company, as Trustee under Trust No. 18089

By: Joyce M. Rodda
Name: Joyce M. Rodda
Its: TRUST OFFICER

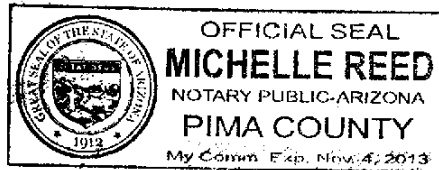
STATE OF ARIZONA)
) ss.
COUNTY OF PIMA)

The foregoing instrument was acknowledged before me this 19 day of February, 2010, by Joyce M. Rodda, in his or her capacity as Trust Officer of Landmark Title Assurance Agency of Arizona, LLC, an Arizona limited liability company, as Trustee under Trust No. 18089, on behalf of the trust.

Witness my hand and official seal.

Michelle Reed
Notary Public

My commission expires: 11/4/2013



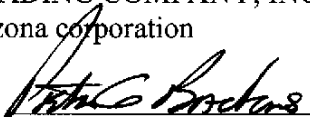
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Beneficiary Approval and Consent

The undersigned Beneficiary has reviewed and approved and does hereby consent to the foregoing Amendment to Amended and Restated Declaration of Covenants, Conditions and Restrictions for Coyote Creek and hereby instructs the Trustee to execute the aforementioned document.

COYOTE CREEK DEVELOPMENT,
L.L.C., an Arizona limited liability company

By: PB TRADING COMPANY, INC.,
an Arizona corporation

By: 
PETER G. BACKUS,
President

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