

**THE HOMEOWNERS' ASSOCIATION OF
ARROWHEAD RANCH PHASE II, INC.**

The Arrowhead Ranch Phase II Rules
as amended and restated September 19, 2006

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Arrowhead Ranch Phase II Rules
as Amended and Restated September 19, 2006

Pursuant to Section 3 of Article VIII of the Master Declaration, the Rules of the Arrowhead Ranch Phase II Homeowners' Association ("Association"), an Arizona non-profit corporation, are hereby amended and restated as follows:

Section 1. General Rules.

- A. These Rules shall be known as the Arrowhead Ranch Phase II Rules, or the Rules.
- B. All of the use restrictions set forth in the Master Declaration (CC&R's) and any other applicable recorded documents are incorporated herein by this reference.
- C. The Association shall have the exclusive rights, but shall be under no obligation to any Member, to enforce these Rules. The Association shall have no liability whatsoever to any Member or any other person or entity for its enforcement of, or failure to enforce, any of these Rules.
- D. The Association shall have all of the rights and remedies described in the Master Declaration, Articles of Incorporation, Bylaws, these Rules and any other applicable property restrictions.
- E. The Association may, from time to time and at any time, amend, add to or delete all or any portion of these Rules by resolution of a majority of the Board of Directors.
- F. Each capitalized term used herein has the meaning assigned to it in the Declaration, the Articles or the Bylaws.
- G. Should any conflict arise between these Rules and the Master Declaration, the Master Declaration shall govern.
- H. Each Member shall provide the Association, through its Management Company, a current off-site mailing address whenever the Member is not residing at the Member's Lot of record in order to ensure timely correspondence between the Association and the Member. Failure to notify the Association of such off-site address shall be deemed a waiver of right to notice for purposes of violations, fines and assessments or any collection efforts related thereto.

Section 2. Rules Applicable to the Use of Association Land.

- A. The use of all or any part of the Association Land, including without limitation common areas and any lakes or landscaped areas owned or maintained by the Association, shall be at the user's own risk. The Association will not be responsible or liable for any loss, damage or injury to any person, Member, guest or property.
- B. The Members are hereby notified that the lakes are or will be filled with reclaimed wastewater. The Association may use this reclaimed wastewater for irrigation of Association Land and maintaining lakes. Pursuant to Arizona health regulations, this wastewater may not be used for any other purposes by Association Members.
- C. Members shall be responsible for the conduct of their tenants, guests and children and shall be liable for any damages that the Member or his tenants, guests or children may cause to the Association or to land or lakes owned or maintained by the Association.
- D. Association Lakes
 - 1. There shall be no swimming or wading in any of the lakes except in the event of an emergency.
 - 2. There shall be no boating, fishing, playing or other recreation in any of the lakes.
 - 3. There shall be no pets or animals allowed in any of the lakes.
 - 4. Access to any lake or lake shore area shall be prohibited except where specifically allowed and

posted by the Association.

5. The backwashing of swimming pools and similar activities which result in the introduction of foreign chemicals into the Association lakes or the erosion of lake banks is prohibited.
 6. The dumping of trash and/or landscape debris onto land, lakes or lake shores owned or maintained by the Association is prohibited.
- E. Each Member, Member guest or tenant that owns a pet or visits Association Land with a pet, shall promptly remove any excrement from the pet from Association Land.

Section 3. Rules Applicable to Use of Individual Lots and Streets

- A. Architectural Committee Approval Required - Any alteration or addition to any residence or yard, including but not limited to landscaping and painting, must receive the prior review and approval of the Architectural Committee. Such Architectural Committee approval is not required for landscape improvements located in an enclosed rear or side yard when the Lot is not a View Lot or Golf Course Lot and when the drainage of adjoining properties is not impacted.
- B. Use of Property – No use of property may be made that is prohibited by the Master Declaration, these Rules or governmental ordinances.
- C. Property Maintenance – Property shall be maintained in a manner that:
1. Does not present a public or private nuisance
 2. Does not detract from the appearance or quality of the surrounding Lots or other areas of the Property. Examples of this provision include, but are not limited to, peeling or missing paint, visible storage, stained or cracked driveways, and missing or cracked roof tiles.
 3. All maintenance and repair work shall be prosecuted diligently from commencement until completion and all such construction, maintenance and repair shall be of workmanship and material equal to or better than that originally employed by the developer.
- D. Landscape and Landscape Maintenance
1. All portions of any Member's yard visible from the street or adjoining property and the rear yards of Lake Lots or Golf Course Lots shall be maintained by the Member so as to present a neat and clean appearance, free of trash and weeds, and to reflect a high pride of Ownership.
 2. All Lot landscaping shall be properly maintained by the Member so as to avoid any unsightly conditions. Dead plants shall be promptly removed and the area of the yard affected thereby promptly re-landscaped.
 3. All palm trees in the front yard and those visible above the roof line shall be neatly trimmed and skinned.
 4. All portions of any Member's yard visible from a street or adjoining property shall be landscaped by the Member within 90 days after the date the Member first occupies the residence or within 90 days from the date these Rules are adopted by resolution of the Board of Directors of the Association. For purposes of this Section, the minimum landscape required for the front yard shall be one (1) tree and five (5) five-gallon shrubs unless alternate landscaping is approved by the Architectural Committee.
- E. Trash Containers and Loose/Bulk Trash Collection
1. Trash containers may be placed at the curbside no earlier than 6:00 P.M. on the day preceding collection day and must be removed by 6:00 A.M. the day after collection.
 2. At all other times, trash containers are prohibited from being stored in front of garage doors or any portion of the front of a residence and must be stored inside the gate to the back yard. If no gate exists, trash containers must be stored in front of the wall or fence to the back yard which is furthest from the street, and not visible to neighboring homes on either side. Homeowners

are encouraged to judiciously plant shrubbery to partially screen trash containers when there is no outside entrance to the back yard.

3. Loose/bulk trash may be placed on the curb for municipal collection only in accordance with the policies and schedule of by the City of Glendale.

F. Parking - The rules set forth below are designed to maintain the high aesthetic standards of the community, protect the safety of children, pedestrians and bicyclists, provide unimpeded access to the community's streets for fire engines, other emergency vehicles and motorists and facilitate trash/recycle pickup, street cleaning and other related services provided by the City of Glendale.

1. The Master Development Plan for Arrowhead Ranch intends that each residence have a garage and such garage should be utilized for parking of residents' vehicles. Garage doors should remain closed as the space is intended for vehicle storage and not other activities.
2. Except as provided in Subsection 3 and 4 below, boats and the vehicles listed below may only be parked in a garage or, subject to the Board of Director's prior approval of the area and type of screening, in an area attractively screened and/or concealed from view at eye level from the street and adjacent property:
 - a. Trucks/vans used in commercial enterprises
 - b. Any vehicle/truck with commercial signs printed or attached thereon
 - c. Any vehicle/truck that has more than one toolbox
 - d. Any vehicle/truck that has a rack designed for commercial purposes
 - e. Buses
 - f. Vans (other than family passenger vans or station wagons)
 - g. Trailers including, but not limited to, ATV, boat, camping, horse/livestock, travel, utility, etc.
 - h. Motor (mobile) homes
 - i. Truck campers
 - j. Motorcycles
3. Parking of public service and public safety vehicles - Notwithstanding any provision in the community documents, an association shall not prohibit a resident from parking a motor vehicle on a street or driveway in the planned community if the vehicle is required to be available at designated periods at the person's residence as a condition of the person's employment and either of the following applies:
 - a. The resident is employed by a public service corporation that is regulated by the corporation commission or a municipal utility and that is required to prepare for emergency deployments of personnel and equipment for repair or maintenance of natural gas, electrical or water infrastructure; the vehicle has a gross vehicle weight rating of twenty thousand pounds or less; is owned or operated by the public service corporation or a municipal utility; and, the vehicle bears an official emblem or other visible designation of that corporation.
 - b. The resident is employed by a public safety agency, including police or fire service for a federal, state, local or tribal agency or a private fire service provider or an ambulance service provider that is regulated pursuant to title 36, chapter 21.1; the vehicle has a gross vehicle weight rating of ten thousand pounds or less; and, bears an official emblem or other visible designation of that agency.
 - c. The resident may be required to provide proof that all such statutory requirements have been met.
 - d. For purposes of this section, a "municipal utility" is defined as utility service providers

that are organized as functions of town, city, county and district government.

4. Car Pool Vans may be parked in the driveway when the vehicle is:
 - a. approved for such parking by the Board of Directors;
 - b. owned or registered with a recognized city or county rideshare program; and
 - c. bears an identifying logo and sticker indicating Board of Directors approval.
5. On-street (curbside) parking of vehicles by residents is prohibited except when the entire driveway is being used for the parking of operational vehicles.
 - a. If additional on-street parking becomes necessary after meeting the above condition, then such parking shall be in front of the resident's own property and as far from any intersection as possible (in no case less than 25 feet).
 - b. When such on-street parking is necessary, any such vehicle shall not be parked there for more than 24 hours without being utilized for transportation.
6. Parking of any vehicle or portion thereof in the yard outside of the concrete driveway, or approved concrete driveway extension, is prohibited.
7. Vehicles parked on the driveway or approved driveway extension must be parked perpendicular to the street or parallel to the driveway.
8. For purposes of loading or unloading, a motor (mobile) home, travel trailer, truck camper, boat or other recreational vehicle may be parked in front of or in the driveway of the vehicle or boat Owner's residence for a period not to exceed 24 hours prior to departure for use and a period not to exceed 24 hours upon returning from use (total hours not to exceed 48 in a one week period).
9. Visitors, when making short visits or attending social functions, may park on the street as far from any intersection as possible (in no case less than 25 feet).
10. Residents and visitors must comply with the City of Glendale and the Arizona Department of Transportation regulations for parking on public roadways.

G. Pets

1. Each Member that owns a pet shall promptly remove any excrement from the pet from Association Land, other Lots, and any portion of the Member's Lot that is visible from any street or adjoining property or when such excrement causes an odor discernable on adjoining properties.
2. Members are advised that they may be subject to fines by the Association and the City of Glendale if their pets pose a nuisance or threat or cause undue noise.

H. Walls and fences

1. Perimeter walls/fences to be maintained by the Association - The Association will maintain the exterior portion of the perimeter wall along Union Hills Drive, 75th Avenue, Utopia Dr. and 79th Avenue and the fences on Association Land.
2. Perimeter walls/fences on Member's Lot to be maintained by Member at Member expense:
 - a. the interior portion of a perimeter wall/fence where the exterior portion of the wall is maintained by the Association (See 1. above).
 - b. the interior and exterior portions of any wall abutting a street, lake or Lot abutting the golf course which is not maintained by the Association as defined in 1. above.
 - c. all other walls and common walls not listed above
3. Party Fences - The rights and duties of Owners in respect to Party Fences are as follows:
 - a. The Owners of contiguous Lots who have a Party Fence shall both equally have the

right to use such fence, provided that such use by one Owner does not interfere with the use and enjoyment of same by the other Owner.

- b. In the event that any Party Fence is damaged or destroyed through the act of an Owner or any of his agents or guests or members of his family (whether such is negligent or otherwise culpable), it shall be the obligation of such Owner to rebuild and repair the Party Fence without cost to the other adjoining Lot Owner or Owners.
- c. In the event any such Party Fence is destroyed or damaged (including deterioration from ordinary wear and tear and lapse of time), other than by the act of an adjoining Owner, his agents, guests, or family, it shall be the obligation of all Owners whose Lots adjoin such wall or fence to rebuild and repair such wall or fence at their joint and equal expense.

I. Antennas/Satellite Dishes - The Federal Communications Commission ('The FCC') adopted a rule effective October 14, 1996, preempting certain Association restrictions on Satellite Dishes that are one meter (3937 babes) or less in diameter. This type of Satellite Dish cannot be prohibited, but reasonable restrictions on location and installation requirements are permitted as long as these restrictions do not cause unreasonable expense or delay.

- 1. Satellite Dishes that are one meter or less in diameter may be installed according to the following restrictions:
 - a. Placement must be in the backyard, below the wall level, if reception is available at that location. If not, then placement should be on the back or side of the house below the roofline, if reception is available at that location. If not, then placement can be above the roofline or in the front of the house. Any front of house or front yard installation must be screened from view.
 - b. Residents are encouraged to get Architectural Committee approval before any installation but to avoid undue delay; residents may notify the Architectural Committee within 10 days after an installation. If it is found that an installation did not follow the placement priority listed in 1a. above, the Satellite Dish may have to be relocated and reinstalled.
- 2. Antennas and Satellite Dishes larger than one meter in diameter are not covered by the 10/14/96 FCC rule. These Satellite Dishes still require prior written approval of the Architectural Committee before installation. Refer to the Architectural Guidelines, Antennas Section, for more information.

J. Solar Panels – While state law prohibits the Association from prohibiting or restricting the installation of solar panels, they can create a significant visual impact on adjoining properties and the Community at large. Members are therefore encouraged to explore the mounting of solar panels in the following order of preference.

- 1. Flat on patio cover
- 2. Rear or side elevation not abutting street, Lake Lot or Golf Course Lot
- 3. Rear or side elevation
- 4. Front elevation

K. Holiday Lights and Decorations – Holiday lights and decorations may be put up not more than 30 days prior to the holiday and must be removed within 30 days after the holiday.

Section 4. Additional Rules Applicable to lots within Arrowhead on the Green – The Subsidiary CC&R's for Arrowhead on the Green impose additional rules and restrictions on those Lots in addition to those found in the Arrowhead Ranch Phase II Master Declaration. These additional rules include, but are not limited to, regulations concerning fences, garages, and easements.

Section 5. Additional Rules for Rental Properties - In order to promote harmony, property maintenance and property values, these rules apply to Lots where the Owner is not a resident and the property is leased or rented.

- A. The Owner shall provide the Management Company with a copy of the form required for registration of rental property with the Tax Assessor of Maricopa County.
- B. The term of any leases must be a for minimum 6 month period which may then extend on a month to month basis.
- C. The lease shall include language requiring the tenant to comply with Association documents and that failure to do so constitutes violation of the lease.
- D. The Owner shall provide the tenant with a copy of the current Association Rules.

Section 6. Assessments

- A. All Annual Assessments shall be collected by the Association in equal quarterly installments, unless the Board provides otherwise by resolution.
- B. Each quarterly installment of an Annual Assessment shall be due and payable on the first day of each quarter. If full payment of any quarterly installment is not received by the Association in full by the sixteenth (16th) day of the month it is due, then the Member shall additionally owe the Association a late charge as set forth in Exhibit C, attached. This late charge shall be due only once for each delinquent installment.
- C. Each Assessment other than an Annual Assessment shall be due at the time provided by the Board and as stated in the Association's invoice thereof to the Member. If full payment of any Assessment other than an Annual Assessment is not received by the Association in full by the sixteenth (16th) day following the date it is due, then the Member shall additionally owe the Association a late charge as set forth in Exhibit D, attached. This late charge shall be due only once for each delinquent sum.
- D. All Assessment payments shall be made by check, draft, money order or electronic payment, and not by cash. For each check that is for any reason returned to the Association unpaid, the Member that wrote the check shall owe the Association a "bad check" charge in the amount set forth in Exhibit D, attached.
- E. The Association may request subsidiary Homeowners' Associations to collect any Association Assessments from Members who are also Members of the respective subsidiary Associations. Upon request by the Association, such Associations shall collect the Association Assessments.
- F. Any portion of any Assessment not paid when due shall bear a monthly interest charge at the rate of 12% per annum from the date such unpaid portion was due. This interest charge is in addition to any late charge, bad check charge or other charges associated with the late payment. This interest rate may be changed by resolution of the Board at any time, and the new interest rate shall begin to apply to any overdue amounts and outstanding overdue amounts as of the date the interest rate is changed.
- G. At any time after all or any portion of any Assessment remains unpaid when due, the Association may record a Notice of Delinquent Assessment and Lien against the Lot for which the payment is delinquent. If the Association records such notices, the Member against whose Lot the Notice is recorded shall owe the Association, in addition to all other amounts due the Association, delinquency processing and recording fees set at the rate then in effect by the Association contracted Management Company and/or Attorney.
- H. Exhibit "D" is hereby attached setting example associated fees and schedules for purposes of advising Members of additional costs associated with collection of delinquent assessments. Costs shown on Exhibit "D" do not preclude the collection of higher charges to recoup the actual costs of

processing such delinquent assessments.

- I. All rights and remedies of the Association are cumulative and not exclusive, and the Association shall have all rights and remedies which may be available to it under these Rules, the Master Declaration, any other applicable documents, and applicable law.

Section 7. Amendment of the Rules - These Rules may be altered or repealed by the affirmative vote of a majority of the Board of Directors insofar as such amendment would not be inconsistent with the Master Declaration or Articles of Incorporation.

Section 8. Effective Date: Except as required by state law, these amended and restated Rules shall become effective on November 1, 2006.

CERTIFICATION

The undersigned, being the duly elected President and Secretary of Arrowhead Ranch Phase II Homeowners' Association, hereby certify that the Amended and Restated Rules of Arrowhead Ranch Phase II Homeowners' Association were duly adopted by a majority of the Board of Directors in accordance with the requirements of the Master Declaration.

Dated this 19th day of September, 2006.



President
Arrowhead Ranch Phase II Homeowners' Association



Secretary
Arrowhead Ranch Phase II Homeowners' Association