

When recorded return to:

TICOR Title Insurance
3033 North Central
Phoenix, Arizona 85012

Att: Builder Services

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PROP. RSTR. (P)

RECORDED BY OFFICIAL RECORDS OF MARICOPA COUNTY, ARIZONA		
MAR 28 1985 - 12 20		
KEITH POLETIS, County Recorder		
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6161266 Courtesy of
TICOR TITLE INSURANCE COMPANY
NON-INSURED

TRACT DECLARATION

85-135416

THIS TRACT DECLARATION made this 14th day of September, 1984,
by **CARDON HOMES CORPORATION**, an Arizona Corporation, hereinafter referred
to as "Declarant".

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WHEREAS declarant has previously filed a Declaration of Covenants,
Conditions and Restrictions for NorthPointe in the office of the County Recorder
of Maricopa County, Arizona, (hereinafter "Master Declaration"), Recorder's
No. 84-418907, and Amendment recorded at Recorder's No. 84-436247, records of
Maricopa County, Arizona.

WHEREAS, the provisions of said Master Declaration provide for certain
Tract Declarations to specify the uses and conditions of specific tracts within
NorthPointe; and

WHEREAS, Declarant desires by this Tract Declaration to specify the uses
and conditions which will affect that portion of NorthPointe which is described
as follows:

Lots 1001 through 1152 and Common Area A, NORTHPOINTE II AMENDED, according
to the plat of record in the office of the County Recorder of Maricopa
County, Arizona, in Book 280 of Maps, page 29 (hereinafter the
"Property").

NOW THEREFORE, Declarant as owner of the Property, hereby declares that
all of the Property shall be held, mortgaged, leased, sold and conveyed subject
to the following easements, restrictions, covenants and conditions, which are
for the purpose of protecting the value and desirability of, and which shall run
with, the Property and shall be binding on and for the benefit of all parties
having or acquiring any right, title or interest in the Property or any part
thereof, their heirs, successors and assigns, and shall inure to the benefit of
each owner thereof.

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to NP11 Homeowners
Association, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one
or more persons or entities, of a fee simple title to any lot which is a part
of the Property, including contract sellers, but excluding those having such
interest merely as security for the performance of an obligation.

THIS INSTRUMENT IS BEING RE-RECORDED FOR THE SOLE PURPOSE OF CHANGING
SECTION #3 AMOUNT OF ASSESSMENT.

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Section 3. "Property" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as Common Area A as shown in the plat of Northpointe II Amended recorded in Book 280 of Maps, page 29 of Maricopa County Recorder. The Common Area shall include but is not limited to the landscaped areas, fences, walkways, driveways, parking and parking covers within said Common Area.

Section 5. "Lot" shall mean and refer to each of the 152 plots of land shown upon the recorded subdivision plat of the Property numbered 1001 through 1152.

Section 6. "Declarant" shall mean and refer to Cardon Homes Corporation, an Arizona Corporation, its successors and assigns if such successors or assigns should acquire more than five undeveloped Lots from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean and refer to this Tract Declaration.

Section 8. "Member" shall mean and refer to those persons entitled to membership in the NPII Homeowners Association as herein provided.

Section 9. "Master Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions for Northpointe recorded at Recorder's No. 84-418907 and amended at Recorder's No. 84-436247, Maricopa County Recorder.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) East lot owner shall have two (2) parking spaces for his exclusive use, which spaces are designated on the recorded plat, provided that the Board of Directors of the Association shall have the power to regulate the use of the parking spaces to minimize damage thereto, and maintenance costs, to carry out maintenance, to eliminate nuisances to assure equal and fair use of all the parking in Northpointe II, and to assure safe use thereof.

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(b) The Association shall have the right to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by 2/3rds of each class of members has been recorded.

Section 2. Obligation to Maintain Living Unit.

Every owner shall be obligated to maintain in a reasonable manner the exterior of its respective home including fences. The owners of all homes attached as one structure shall be jointly responsible for such maintenance. The Board of Directors of the Northpointe Homeowners Association shall be the final arbitrator of any dispute between owners who are jointly responsible for such maintenance. In addition, said Board shall have the power to order maintenance on any home not maintained in the judgment of said Board according to this section and to charge the owner thereof for the cost of carrying out such maintenance. If unpaid, said charges shall become a lien against the lot on which the home is located according to the terms and powers set forth in Article IV Section 1 hereof.

Section 3. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right to enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 4. Subject to Master Declaration. The terms contained in this Tract Declaration shall be subordinate and subject to all of the terms, conditions, restrictions and requirements of the Master Declaration. Any clause contained herein, which is in contradiction to, or different from, any clause or working in the Master Declaration, shall be controlled by and be subservient to the wording and clauses in the Master Declaration.

Section 5. Homeowners Association and Architectural Committee: The owner of a Lot shall be a member of the NorthPointe Homeowners Association, subject to the terms and conditions set forth in the Master Declaration. The Property shall be subject to control of the Architectural Committee, according to the terms and conditions of the Master Declaration.

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ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a Lot which is subject to assessment shall also be a member of the NPPI Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each lot owned. 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) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- (b) on June 30, 1989

ARTICLE IV
COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

(1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvements and maintenance of the Common Area.

Section 3. Basis and maximum of Annual Assessments. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall not exceed THREE HUNDRED SIXTY DOLLARS per Lot.

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\$360.00

(a) From and after January 1, of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased effective January 1 of each year without a vote of the membership in conformance with the rise, if any, of the Consumer Price Index (published by the Department of Labor, Washington, D.C.) for the preceding month of July.

(b) From and after January 1, of the year immediately following the conveyance of the first Lot to an Owner, the Maximum annual assessment may be increased above that established by the Consumer Price Index formula by a vote of the members for the next succeeding year and at the end of each one year period thereafter, Provided that and such change shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members

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not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Section 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 and 4 shall be sent to all members not less than 30 days not more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty (60%) percent of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

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Section 7. Date of Commencement of Annual Assessments: Due Dates.

The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. Thereafter, the Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve (12%) percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment Lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the Lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10. Declarant's Lot Exemption. Lots owned by Declarant shall be subject to an assessment equal to 25% of the assessments provided for in Article IV up until such time the unit is sold or occupied. In lieu of 100% (ONE HUNDRED)

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percent payment of such assessments, Declarant will assume responsibility for making up any deficiency which may occur up until such time the Class A membership vote exceeds the Class B membership or the events in Article III, Section 2 occur. Assumption of such responsibility by Declarant shall not relieve any Owner of the responsibility to pay any assessment; provided, however, that Declarant shall apply all Assessments collected while Declarant retains control of the Association pursuant to Article III, Section 2, to the matters for which such assessments are levied including, but not limited to, the Common Expense. Declarant's obligations hereunder shall be a continuing lien upon the property against which each such assessment is made.

ARTICLE V
ARCHITECTURAL CONTROL

No change in the front yard landscaping, no building, fence, wall or other structures shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved by in writing, the Board of Directors of the Association and to the Architectural Committee established under Article XI of the Master Declaration.

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ARTICLE VI
PARTY WALLS

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Section 1. General Rules of law to Apply. Each wall or fence which is built as a part of the original construction of the homes upon the Property and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of Article IV, Section 2(0) of the Master Declaration, the general rules of law regarding party walls and liability for property damage due to negligence or wilful acts or omissions shall apply thereto.

Section 2. Party Fences between Common Areas and Lots. In the case of Party Fences between Common Areas and Lots, the Association shall be responsible for maintenance thereof except that each Owner of a Lot shall remain responsible for painting and maintaining the surfaces of the portion of the party Fence facing his Lot.

ARTICLE VII
USE RESTRICTIONS

Permitted uses, easements and restrictions for all of the property covered by this Tract Declaration shall be as follows:

Section 1. Set Backs and Dwelling Location. Each dwelling unit on a Lot shall be located as shown on the recorded plat.

Section 2. Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities of which may change direction of flow of drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except those improvements for which a public authority or utility company is responsible.

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Section 3. Declarants Exemption. Notwithstanding any other provision of this Declaration, it shall be expressly permissible for the Declarant or its duly authorized agents, employees and representatives to maintain during the period of construction and sale of Lots such facilities, structures and signs as are necessary or convenient, in the sole opinion of the Declarant, to the sale of the Lots, including, but without limitation, a business office, storage area, construction yards, model units or homes and sales offices; provided, however, that such use of the Common Area by the Declarant must be reasonable and must not interfere with any OWNER'S use and enjoyment of the Common Area.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety (90%) percent of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five (75%) percent of the Lot Owners. Any amendment must be recorded.

Section 4. Annexation. Additional residential property and Common Area may be annexed to the properties with the consent of two-thirds (2/3) of each class of members.

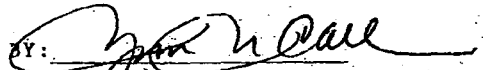
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Section 5. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

In WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 14 day of September 1984.

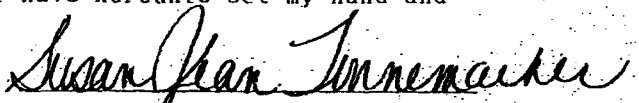
CARDON HOMES CORPORATION

BY: 
Wynn W. Call
Vice President

STATE OF ARIZONA)
) SS.
County of Maricopa)

On this, the 14 day of September, 1984, before me the undersigned Notary Public, personally appeared Wynn W. Call who acknowledged himself to be the Vice President of Cardon Homes Corporation, an Arizona corporation, and that he as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as such officer.

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


Notary Public

My Commission Expires
May 2, 1988

OFFICIAL SEAL
SUSAN JEAN TONNEMACHER
Notary Public - State of AZ
MARICOPA COUNTY
My Comm. Expires May 2, 1988

RECORDED IN OFFICE OF RECORDS
OF MARICOPA COUNTY, ARIZONA
APR 22 '85 -8 00
KEITH FOLETIS, County Recorder
FEE 11.00 PGS 11 D.L.