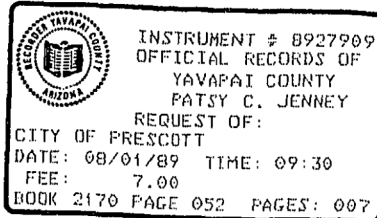


When recorded, return to:
Donald D. Myers Company
1130 East Missouri
Suite 100
Phoenix, AZ 85014
City of Prescott



SUPPLEMENTAL DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
FOREST TRAILS UNIT THREE, LOTS 1 THROUGH 49

This Supplemental Declaration of Covenants, Conditions and Restrictions for Forest Trails Unit Three, Lots 1 through 49 (the "Supplemental Declaration") is made and entered into this 25th day of July, 1989, by Donald D. Myers Company, an Arizona corporation (the "Declarant").

\$	7	1	P	4	Co	5	St
	Bk		Map				Pcl

RECITALS

A. The Declarant is the owner of Lots 1 through 49, inclusive (the "Unit 3 Lots") at Forest Trails, according to the plat of record in the office of the County Recorder of Yavapai County, Arizona, in Book 37 of Maps, Page 78-79. The Declarant also owns any areas described on such plat as common areas, which common areas, together with the Unit 3 Lots, are collectively referred to hereinafter as the "Unit 3 Property." Such plat, as amended from time to time by Declarant, is referred to hereinafter as the "Unit 3 Plat."

B. The Declarant has previously recorded that certain Forest Trails Unit One Amended and Restated Declaration of Covenants, Conditions and Restrictions in the office of the County Recorder of Yavapai County, Arizona, in Book 1583, beginning at Page 556 (the "Declaration"), which has been amended by that certain First Amendment to Amended and Restated Declaration of Covenants, Conditions and Restrictions recorded in the office of the County Recorder of Yavapai County, Arizona in Book 1729, beginning at Page 494, that certain Second Amendment to Amended and Restated Declaration of Covenants, Conditions and Restrictions recorded in the office of the County Recorder of Yavapai County, Arizona in Book 1811, beginning at Page 291, and that certain Third Amendment to Amended and Restated Declaration of Covenants, Conditions and Restrictions recorded in the office of the County Recorder of Yavapai County, Arizona, in Book 1844, beginning at Page 572. The Declaration, as thus amended, is referred to hereinafter as the "Amended Declaration".

C. The Amended Declaration establishes covenants, conditions and restrictions as to the use and enjoyment of property subject thereto, and in Section Five reserves and grants

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to the Declarant the right from time to time to extend the area served and maintained by the Declarant or the Association (defined in the Amended Declaration) pursuant to the Amended Declaration.

D. The Amended Declaration provides in Section 5.2 that, in order for the Declarant to extend the area served by the Amended Declaration:

The Declarant, its successor or assigns, shall record in the office of the County Recorder of Yavapai County, Arizona, a supplement to this Declaration ... signed by the Declarant, which Supplemental Declaration shall (a) describe the new land being subjected to these covenants, and (b) state what additions, deletions or other changes or modifications have been made in the provisions [of the Amended Declaration] with respect to such new land.

E. The Declarant wishes to expand the area served and maintained by the Declarant and Association pursuant to the Amended Declaration, as supplemented hereby as to the Unit 3 Property, to include the Unit 3 Property.

SUPPLEMENTAL DECLARATION

NOW, THEREFORE, the Declarant, wishing to establish the nature of the use and enjoyment of the Unit 3 Property, does hereby declare the Unit 3 Property to be subject to the Amended Declaration, as supplemented hereby as to the Unit 3 Property, all of the covenants, conditions and restrictions in which are intended and shall be construed to be covenants running with, attaching to, and binding upon title to the Unit 3 Property and every part thereof. The Unit 3 Property shall also be subject to amendments hereafter adapted to the Amended Declaration, provided such amendments are not inconsistent with this Supplemental Declaration, as the same may have been amended prior to such amendments to the Amended Declaration.

The Declarant hereby also declares that the Unit 3 Property is subject to, and the Amended Declaration, as it applies to the Unit 3 Property, is supplemented by, the following additional covenants, conditions and restrictions, all of which are intended and shall be construed to be covenants running with, attaching to, and binding upon title to the Unit 3 Property and every part thereof. To the extent the following covenants, conditions and restrictions are inconsistent with the Amended Declaration, the following covenants, conditions and restrictions shall prevail.

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1. All references in the Amended Declaration, as supplemented hereby, to plats, lots, tracts, easements, etc. mean such in any property subject to the Amended Declaration, except as otherwise provided herein.

2. Declarant or its successors or assigns as Declarant shall have the right to use any Unit 3 Property owned by Declarant for models, sales offices or management offices until such time as Declarant conveys title thereto to another owner. Declarant shall have the further right to maintain on the Unit 3 Property such advertising signs as comply with applicable government regulations, which may be placed in any location on the Unit 3 Property and may be relocated or removed at the sole discretion of Declarant.

3. Any tracts depicted on the Unit 3 Plat as driveway tracts or private roadways may be improved and used for utility easements and/or as a private driveway by the Declarant, the Association and/or present or future owners of lots subject to the Amended Declaration and their invitees. Said tracts may also be used for service access of various kinds to such lot owners, including, but not limited to, fire protection, police protection, and garbage and refuse removal. Declarant and its successors and assigns as Declarant reserve the right and power to grant easements on the driveway tracts and private roadways for cable television and public utilities. Declarant further reserves the right to grant easements on driveway tracts and private roadways to persons owning land outside of the maps of the Forest Trails subdivisions for permanent access from such lands to a public roadway on such terms and conditions as Declarant, in its sole and absolute discretion, deems appropriate.

4. All structures erected on the Unit 3 Property shall be built by licensed contractors.

5. The minimum front yard setback on each Unit 3 Lot shall be 20 feet measured from the front Unit 3 Lot line. If the slope of the front half of a Unit 3 Lot is more than one foot rise or fall in seven feet, the front yard set back may be reduced to 10 feet.

Along each side Unit 3 Lot line, the minimum width of each side yard shall be 10 feet. Any wall less than 16 feet from the side or rear Unit 3 Lot line shall have fire resistive specifications approved by the Prescott Fire Department. If a Unit 3 Lot borders on two or more streets or on private roadways, the minimum setback for the Unit 3 Lot lines bordering on the street or private roadway shall be 20 feet.

The rear yard setback shall be 20% of the Unit 3 Lot depth, but need not be more than 25 feet and shall not be less than 15 feet, unless the average slope of the Unit 3 Lot exceeds 10% in which event the rear yard setback may be reduced to 10 feet.

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To the extent that modifying conditions exist with respect to Unit 3 Lots as reasonably determined by the Declarant or by the Architectural Control Committee (as described in the Amended Declaration), different setbacks for such Unit 3 Lots and tracts may be permitted by the Declarant or the Architectural Control Committee.

If any open area easement extends into a setback, the uses established for the open area easement shall prevail. In no case may any structure in an open area easement, other than signs, be permitted nearer than 30 feet to any existing residential structure.

6. Section 2.5 of the Amended Declaration shall not apply to the Unit 3 Property.

7. Building heights shall be limited to 27 feet from the average natural grade of the Unit 3 Lot area containing the footing of the main residence. The minimum distance between buildings on the same Unit 3 Lot shall be 8 feet.

8. Section 2.6 of the Amended Declaration shall not apply to the Unit 3 Property.

9. Walls and fences in the Unit 3 Property shall be painted with natural forest colors approved by the Architectural Control Committee. Walls and fences shall not be designed or constructed in a way which substantially obscures any views from the Unit 3 Lot on which such walls and fences are located or from any other Unit 3 Lot, unless such walls and fences are set back at least seven feet from each boundary of the Unit 3 Lot on which they are located.

10. Trailers, boats, recreational vehicles, motor homes, off-road vehicles and non-motorized and nonoperating vehicles and equipment of any type shall be located only where not visible from neighboring lots or from a fronting street, or as determined pursuant to Section 2.21 of the Amended Declaration, and shall not be used for sleeping or habitation. No repair or maintenance work shall be performed on any motor vehicle or other equipment within the Unit 3 Property except wholly within a garage.

11. Section 2.11 of the Amended Declaration shall not apply to the Unit 3 Lots.

12. Each residence on a Unit 3 Lot (not within cluster tracts) shall have an enclosed living quarters floor area of not less than 1,400 square feet, exclusive of garages, and shall have a ground floor area of not less than 1,000 square feet.

13. Section 2.14 of the Amended Declaration shall not apply to the Unit 3 Property.

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14. Roof-mounted mechanical and solar heating and cooling devices in the Unit 3 Property shall be subject to the height limitations in the Amended Declaration, as supplemented hereby. Combustible wood shakes or shingles are prohibited in the Unit 3 Property.

15. The Association may, at the Unit 3 Lot owner's expense, enter upon any Unit 3 Lot and remove any tree infested with destructive insects or diseases if, within 10 days after receiving notification from the Association, such removal is not accomplished by the Unit 3 Lot owner.

16. The last sentence of Section 2.16 of the Amended Declaration shall not apply to the Unit 3 Property.

17. Any damage to or destruction of the natural growth on any Unit 3 Lot (including damage caused by construction), which damage or destruction is visible from any neighboring Unit 3 Lot or from any adjoining street, shall be promptly repaired by replanting any damaged area.

18. No lot or tract may be subdivided into a lot or tract more than 1,000 square feet smaller than the full original dimensions shown on the plat. Contiguous lots may be combined into a single lot, in which case all provisions of the Amended Declaration, as supplemented hereby, shall apply to the newly created lot as a single lot. Declarant may create one or more condominium or horizontal property regimes or replat all or part of the property subject hereto. Any such condominiums or horizontal property regimes or replats may include other and additional covenants but any such covenants shall be subject and subordinate to and not inconsistent with the covenants, conditions and restrictions in the Amended Declaration, as supplemented hereby.

19. Section 2.20 of the Amended Declaration shall not apply to the Unit 3 Lots.

20. No building, structure (including mailboxes), fence, or wall shall be erected, placed, or altered on any Unit 3 Lot until the construction plans and specifications and a plan showing the location of the structure upon the site have been approved by the Architectural Control Committee in accordance with then current Architectural Guidelines of the Forest Trails Residential Development. There shall be no excavation or removal of natural vegetation in the Unit 3 Property until the site plan has been approved by the Committee. The site plan submitted for Committee approval shall indicate trees with trunks eight inches or more in diameter four feet above the base at natural grade, and major rock outcroppings, that will be destroyed or altered by the proposed construction. The Committee shall have the authority to waive any provision in Sections 2.2, 2.4 through 2.11, 2.13 through 2.16, 2.22 and 2.23 of the Amended Declaration or in Sections 5, 7, 9, 10, 12, and 14 of this Supplemental Declaration,

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when in its opinion it would be beneficial to do so and consistent with the purposes of the Amended Declaration, as supplemented hereby.

21. Section 2.21 of the Amended Declaration shall not apply to the Unit 3 Property.

22. The Committee's approval or disapproval (of any matter relating to the Unit 3 Property) as required by any Section of the Amended Declaration or of this Supplemental Declaration shall be in writing. In the event the Committee, or its designated representative, fails to approve or disapprove within 30 days after plans and specifications have been submitted to it, the submitted plans and specifications shall be deemed approved, provided any dwelling, building or structure embraced by such plans and specifications shall be of masonry or frame construction and the location and size of the dwelling, building or structure shall not be violative of any of the restrictions contained in the Amended Declaration, as supplemented hereby, or the then current Architectural Guidelines of the Forest Trails residential community. The Committee may charge \$150 or other reasonable fee for each such submittal of plans and specifications to cover the costs for professional services or counsel deemed necessary by the Committee to assist in its review of the plans and specification submitted.

23. Section 2.21.1 and 2.21.2 of the Amended Declaration shall apply to the Unit 3 Property, but Section 2.21.3 of the Amended Declaration shall not apply to the Unit 3 Property.

24. Association Rules adopted in accordance with the Amended Declaration, as supplemented hereby, shall have the same force and effect (with respect to owners of Unit 3 Lots) as if set forth herein, when mailed to the Unit 3 Lots or delivered to owners of Unit 3 Lots.

25. Unit 3 Lots owned by the Declarant shall not be subject to assessment under the Amended Declaration, as supplemented hereby, until conveyed by the Declarant to another owner which is not a successor Declarant.

26. This Supplemental Declaration shall remain in full force and effect so long as the Amended Declaration remains in full force and effect, provided, however, that this Supplemental Declaration may be amended at any time by the owner or owners of a majority of the Unit 3 Lots to include additional restrictions on the use and enjoyment of the Unit 3 Property or to remove restrictions contained herein but not in the Amended Declaration and, provided further, that this Supplemental Declaration may be revoked or amended by the Declarant or its successor or assigns acting alone, without the consent or approval of any owner or others, at any time if required or requested by the Federal Housing Administration, the Veteran's Administration or any other government agency or applicable law.

IN WITNESS WHEREOF, this instrument has been executed as of the date first above written.

Donald D. Myers Company,
an Arizona corporation

By Eric L. Myers
Eric L. Myers,
Secretary and Treasurer

STATE OF ARIZONA)
COUNTY OF Yavapai) ss.

The foregoing instrument was acknowledged before me this 25th day of July, 1989, by Eric L. Myers, Secretary and Treasurer of Donald D. Myers Company, an Arizona corporation, on behalf of the corporation.

Marie L. Watson
Notary Public

My Commission Expires:

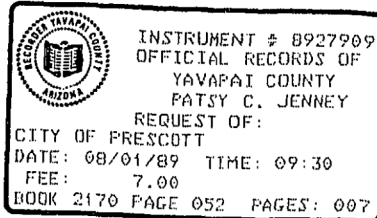
May 19, 1990

SEAL

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When recorded, return to:
Donald D. Myers Company
1130 East Missouri
Suite 100
Phoenix, AZ 85014
City of Prescott



SUPPLEMENTAL DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
FOREST TRAILS UNIT THREE, LOTS 1 THROUGH 49

This Supplemental Declaration of Covenants, Conditions and Restrictions for Forest Trails Unit Three, Lots 1 through 49 (the "Supplemental Declaration") is made and entered into this 25th day of July, 1989, by Donald D. Myers Company, an Arizona corporation (the "Declarant").

\$	7	1	P	4	Co	5	St
	Bk		Map				Pcl

RECITALS

A. The Declarant is the owner of Lots 1 through 49, inclusive (the "Unit 3 Lots") at Forest Trails, according to the plat of record in the office of the County Recorder of Yavapai County, Arizona, in Book 37 of Maps, Page 78-79. The Declarant also owns any areas described on such plat as common areas, which common areas, together with the Unit 3 Lots, are collectively referred to hereinafter as the "Unit 3 Property." Such plat, as amended from time to time by Declarant, is referred to hereinafter as the "Unit 3 Plat."

B. The Declarant has previously recorded that certain Forest Trails Unit One Amended and Restated Declaration of Covenants, Conditions and Restrictions in the office of the County Recorder of Yavapai County, Arizona, in Book 1583, beginning at Page 556 (the "Declaration"), which has been amended by that certain First Amendment to Amended and Restated Declaration of Covenants, Conditions and Restrictions recorded in the office of the County Recorder of Yavapai County, Arizona in Book 1729, beginning at Page 494, that certain Second Amendment to Amended and Restated Declaration of Covenants, Conditions and Restrictions recorded in the office of the County Recorder of Yavapai County, Arizona in Book 1811, beginning at Page 291, and that certain Third Amendment to Amended and Restated Declaration of Covenants, Conditions and Restrictions recorded in the office of the County Recorder of Yavapai County, Arizona, in Book 1844, beginning at Page 572. The Declaration, as thus amended, is referred to hereinafter as the "Amended Declaration".

C. The Amended Declaration establishes covenants, conditions and restrictions as to the use and enjoyment of property subject thereto, and in Section Five reserves and grants

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to the Declarant the right from time to time to extend the area served and maintained by the Declarant or the Association (defined in the Amended Declaration) pursuant to the Amended Declaration.

D. The Amended Declaration provides in Section 5.2 that, in order for the Declarant to extend the area served by the Amended Declaration:

The Declarant, its successor or assigns, shall record in the office of the County Recorder of Yavapai County, Arizona, a supplement to this Declaration ... signed by the Declarant, which Supplemental Declaration shall (a) describe the new land being subjected to these covenants, and (b) state what additions, deletions or other changes or modifications have been made in the provisions [of the Amended Declaration] with respect to such new land.

E. The Declarant wishes to expand the area served and maintained by the Declarant and Association pursuant to the Amended Declaration, as supplemented hereby as to the Unit 3 Property, to include the Unit 3 Property.

SUPPLEMENTAL DECLARATION

NOW, THEREFORE, the Declarant, wishing to establish the nature of the use and enjoyment of the Unit 3 Property, does hereby declare the Unit 3 Property to be subject to the Amended Declaration, as supplemented hereby as to the Unit 3 Property, all of the covenants, conditions and restrictions in which are intended and shall be construed to be covenants running with, attaching to, and binding upon title to the Unit 3 Property and every part thereof. The Unit 3 Property shall also be subject to amendments hereafter adapted to the Amended Declaration, provided such amendments are not inconsistent with this Supplemental Declaration, as the same may have been amended prior to such amendments to the Amended Declaration.

The Declarant hereby also declares that the Unit 3 Property is subject to, and the Amended Declaration, as it applies to the Unit 3 Property, is supplemented by, the following additional covenants, conditions and restrictions, all of which are intended and shall be construed to be covenants running with, attaching to, and binding upon title to the Unit 3 Property and every part thereof. To the extent the following covenants, conditions and restrictions are inconsistent with the Amended Declaration, the following covenants, conditions and restrictions shall prevail.

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-2-

1. All references in the Amended Declaration, as supplemented hereby, to plats, lots, tracts, easements, etc. mean such in any property subject to the Amended Declaration, except as otherwise provided herein.

2. Declarant or its successors or assigns as Declarant shall have the right to use any Unit 3 Property owned by Declarant for models, sales offices or management offices until such time as Declarant conveys title thereto to another owner. Declarant shall have the further right to maintain on the Unit 3 Property such advertising signs as comply with applicable government regulations, which may be placed in any location on the Unit 3 Property and may be relocated or removed at the sole discretion of Declarant.

3. Any tracts depicted on the Unit 3 Plat as driveway tracts or private roadways may be improved and used for utility easements and/or as a private driveway by the Declarant, the Association and/or present or future owners of lots subject to the Amended Declaration and their invitees. Said tracts may also be used for service access of various kinds to such lot owners, including, but not limited to, fire protection, police protection, and garbage and refuse removal. Declarant and its successors and assigns as Declarant reserve the right and power to grant easements on the driveway tracts and private roadways for cable television and public utilities. Declarant further reserves the right to grant easements on driveway tracts and private roadways to persons owning land outside of the maps of the Forest Trails subdivisions for permanent access from such lands to a public roadway on such terms and conditions as Declarant, in its sole and absolute discretion, deems appropriate.

4. All structures erected on the Unit 3 Property shall be built by licensed contractors.

5. The minimum front yard setback on each Unit 3 Lot shall be 20 feet measured from the front Unit 3 Lot line. If the slope of the front half of a Unit 3 Lot is more than one foot rise or fall in seven feet, the front yard set back may be reduced to 10 feet.

Along each side Unit 3 Lot line, the minimum width of each side yard shall be 10 feet. Any wall less than 16 feet from the side or rear Unit 3 Lot line shall have fire resistive specifications approved by the Prescott Fire Department. If a Unit 3 Lot borders on two or more streets or on private roadways, the minimum setback for the Unit 3 Lot lines bordering on the street or private roadway shall be 20 feet.

The rear yard setback shall be 20% of the Unit 3 Lot depth, but need not be more than 25 feet and shall not be less than 15 feet, unless the average slope of the Unit 3 Lot exceeds 10% in which event the rear yard setback may be reduced to 10 feet.

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-3-

To the extent that modifying conditions exist with respect to Unit 3 Lots as reasonably determined by the Declarant or by the Architectural Control Committee (as described in the Amended Declaration), different setbacks for such Unit 3 Lots and tracts may be permitted by the Declarant or the Architectural Control Committee.

If any open area easement extends into a setback, the uses established for the open area easement shall prevail. In no case may any structure in an open area easement, other than signs, be permitted nearer than 30 feet to any existing residential structure.

6. Section 2.5 of the Amended Declaration shall not apply to the Unit 3 Property.

7. Building heights shall be limited to 27 feet from the average natural grade of the Unit 3 Lot area containing the footing of the main residence. The minimum distance between buildings on the same Unit 3 Lot shall be 8 feet.

8. Section 2.6 of the Amended Declaration shall not apply to the Unit 3 Property.

9. Walls and fences in the Unit 3 Property shall be painted with natural forest colors approved by the Architectural Control Committee. Walls and fences shall not be designed or constructed in a way which substantially obscures any views from the Unit 3 Lot on which such walls and fences are located or from any other Unit 3 Lot, unless such walls and fences are set back at least seven feet from each boundary of the Unit 3 Lot on which they are located.

10. Trailers, boats, recreational vehicles, motor homes, off-road vehicles and non-motorized and nonoperating vehicles and equipment of any type shall be located only where not visible from neighboring lots or from a fronting street, or as determined pursuant to Section 2.21 of the Amended Declaration, and shall not be used for sleeping or habitation. No repair or maintenance work shall be performed on any motor vehicle or other equipment within the Unit 3 Property except wholly within a garage.

11. Section 2.11 of the Amended Declaration shall not apply to the Unit 3 Lots.

12. Each residence on a Unit 3 Lot (not within cluster tracts) shall have an enclosed living quarters floor area of not less than 1,400 square feet, exclusive of garages, and shall have a ground floor area of not less than 1,000 square feet.

13. Section 2.14 of the Amended Declaration shall not apply to the Unit 3 Property.

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14. Roof-mounted mechanical and solar heating and cooling devices in the Unit 3 Property shall be subject to the height limitations in the Amended Declaration, as supplemented hereby. Combustible wood shakes or shingles are prohibited in the Unit 3 Property.

15. The Association may, at the Unit 3 Lot owner's expense, enter upon any Unit 3 Lot and remove any tree infested with destructive insects or diseases if, within 10 days after receiving notification from the Association, such removal is not accomplished by the Unit 3 Lot owner.

16. The last sentence of Section 2.16 of the Amended Declaration shall not apply to the Unit 3 Property.

17. Any damage to or destruction of the natural growth on any Unit 3 Lot (including damage caused by construction), which damage or destruction is visible from any neighboring Unit 3 Lot or from any adjoining street, shall be promptly repaired by replanting any damaged area.

18. No lot or tract may be subdivided into a lot or tract more than 1,000 square feet smaller than the full original dimensions shown on the plat. Contiguous lots may be combined into a single lot, in which case all provisions of the Amended Declaration, as supplemented hereby, shall apply to the newly created lot as a single lot. Declarant may create one or more condominium or horizontal property regimes or replat all or part of the property subject hereto. Any such condominiums or horizontal property regimes or replats may include other and additional covenants but any such covenants shall be subject and subordinate to and not inconsistent with the covenants, conditions and restrictions in the Amended Declaration, as supplemented hereby.

19. Section 2.20 of the Amended Declaration shall not apply to the Unit 3 Lots.

20. No building, structure (including mailboxes), fence, or wall shall be erected, placed, or altered on any Unit 3 Lot until the construction plans and specifications and a plan showing the location of the structure upon the site have been approved by the Architectural Control Committee in accordance with then current Architectural Guidelines of the Forest Trails Residential Development. There shall be no excavation or removal of natural vegetation in the Unit 3 Property until the site plan has been approved by the Committee. The site plan submitted for Committee approval shall indicate trees with trunks eight inches or more in diameter four feet above the base at natural grade, and major rock outcroppings, that will be destroyed or altered by the proposed construction. The Committee shall have the authority to waive any provision in Sections 2.2, 2.4 through 2.11, 2.13 through 2.16, 2.22 and 2.23 of the Amended Declaration or in Sections 5, 7, 9, 10, 12, and 14 of this Supplemental Declaration,

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-5-

when in its opinion it would be beneficial to do so and consistent with the purposes of the Amended Declaration, as supplemented hereby.

21. Section 2.21 of the Amended Declaration shall not apply to the Unit 3 Property.

22. The Committee's approval or disapproval (of any matter relating to the Unit 3 Property) as required by any Section of the Amended Declaration or of this Supplemental Declaration shall be in writing. In the event the Committee, or its designated representative, fails to approve or disapprove within 30 days after plans and specifications have been submitted to it, the submitted plans and specifications shall be deemed approved, provided any dwelling, building or structure embraced by such plans and specifications shall be of masonry or frame construction and the location and size of the dwelling, building or structure shall not be violative of any of the restrictions contained in the Amended Declaration, as supplemented hereby, or the then current Architectural Guidelines of the Forest Trails residential community. The Committee may charge \$150 or other reasonable fee for each such submittal of plans and specifications to cover the costs for professional services or counsel deemed necessary by the Committee to assist in its review of the plans and specification submitted.

23. Section 2.21.1 and 2.21.2 of the Amended Declaration shall apply to the Unit 3 Property, but Section 2.21.3 of the Amended Declaration shall not apply to the Unit 3 Property.

24. Association Rules adopted in accordance with the Amended Declaration, as supplemented hereby, shall have the same force and effect (with respect to owners of Unit 3 Lots) as if set forth herein, when mailed to the Unit 3 Lots or delivered to owners of Unit 3 Lots.

25. Unit 3 Lots owned by the Declarant shall not be subject to assessment under the Amended Declaration, as supplemented hereby, until conveyed by the Declarant to another owner which is not a successor Declarant.

26. This Supplemental Declaration shall remain in full force and effect so long as the Amended Declaration remains in full force and effect, provided, however, that this Supplemental Declaration may be amended at any time by the owner or owners of a majority of the Unit 3 Lots to include additional restrictions on the use and enjoyment of the Unit 3 Property or to remove restrictions contained herein but not in the Amended Declaration and, provided further, that this Supplemental Declaration may be revoked or amended by the Declarant or its successor or assigns acting alone, without the consent or approval of any owner or others, at any time if required or requested by the Federal Housing Administration, the Veteran's Administration or any other government agency or applicable law.

IN WITNESS WHEREOF, this instrument has been executed as of the date first above written.

Donald D. Myers Company,
an Arizona corporation

By Eric L. Myers
Eric L. Myers,
Secretary and Treasurer

STATE OF ARIZONA)
COUNTY OF Yavapai) ss.

The foregoing instrument was acknowledged before me this 25th day of July, 1989, by Eric L. Myers, Secretary and Treasurer of Donald D. Myers Company, an Arizona corporation, on behalf of the corporation.

Marie L. Watson
Notary Public

My Commission Expires:

May 19, 1990

SEAL

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