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2019 APR 26 PM 4:01

CHRISTOPHER TINNELL
SUPERIOR COURT CLERK

1 Nancy Knight
2 1803 E. Lipan Cir.
3 Fort Mohave, AZ 86426
4 Telephone: (951) 837-1617
5 nancyknight@frontier.com

6 Plaintiff Pro Per

7 **IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**
8 **IN AND FOR THE COUNTY OF MOHAVE**

9 NANCY KNIGHT

10 Plaintiff,

11 and

12 GLEN LUDWIG and PEARL LUDWIG,
13 Trustees of THE LUDWIG FAMILY TRUST;
14 FAIRWAY CONSTRUCTORS, INC.;
15 MEHDI AZARMI; JAMES B. ROBERTS and
16 DONNA M. ROBERTS, husband and wife;
17 JOHN DOES 1-10; JANE DOES 1-10; ABC
18 CORPORATIONS 1-10; and XYZ
19 PARTNERSHIPS 1-10.

20 Defendants.

Case No.: **CV 2018 04003**

**MOTION FOR RECONSIDERATION
OF DISMISSAL OF COUNT ONE**

Honorable Judge Gordon

21 In accordance with rule 7.1 (e) Motion for Reconsideration, Plaintiff seeks
22 reversal, in whole or in part, for Dismissal of Count One of her Complaint. As cited in the
23 powers of superior court section 12-911 (A) (5) and (C), the court may, and for good
24 cause shown, modify or reverse a decision in whole or in part and on motion of a party,
25 the superior court shall make findings of fact and state conclusions on which judgment is
26 based.

27 **MEMORANDUM OF POINTS AND AUTHORITIES**



1 As argued by the Plaintiff in Oral Arguments presented before the Honorable
2 Judge Carlisle on April 2, 2018, Desert Lakes Golf Course and Estates is one subdivision
3 that is a Master Planned Community. As Mr. Oehler pointed out on page 8, lines 13-16 of
4 the Oral Argument Transcript (Exhibit A) “unless one can prove that there is a common
5 scheme by common developers, then the person in Ms. Knight’s position does not have
6 standing to argue what the neighboring subdivision can or cannot do”. The Plaintiff
7 responded to Mr. Oehler’s comments on page 10, lines 3-9 of Exhibit A “And, by the
8 way, this is a single 300-acre development, Desert Lakes Golf Course and Estates, AKA
9 is written in many of the documents that – and the county calls it the subdivision. We
10 didn’t purchase something in a tract to be isolated from the whole project”.

14 On page 14 of the Transcript (Exhibit A), Plaintiff cited *Murphy v. Marino* --
15 “in order to create a binding covenant running with the land in a subdivision which is
16 enforceable by any purchaser of a property therein, there should be a uniform plan of
17 restriction applicable to the subdivision as a whole or to a particular part known to each
18 purchaser and thereby by reference or by implication forming a part of his contract with
19 the subdivider.” Plaintiff then states, “The uniform plan of restriction – restrictions which
20 are pertinent parts of this matter at hand and are applicable to the Desert Lake Golf and
21 Estates master planned subdivision as a whole is for the 20-foot regular setbacks and no
22 signage on unimproved lots.” **Exhibit A** – Entire Oral Argument Transcript for
23 consideration (23 pages). **Exhibit B** – Court Ruling Transcript (13 pages)

27 There exists a preponderance of evidence supporting the Plaintiff that there exists
28 a common scheme by common developers for Desert Lakes Golf Course and Estates

1 Tract 4076 and that Desert Lakes is a master planned community with a golf course,
2 clubhouse and sewer treatment plant. This One Subdivision scheme is cited in words and
3 in actions by Mohave County Planning and Zoning (P&Z); And Desert Lakes
4 Development CEO Frank Passantino, General Partner Angelo Rinaldi, and Vice President
5 Sterling Varner. Exhibits incorporate arrows and underscores for emphasis. **Exhibit 1** –
6 Comments by Christine Ballard, P&Z manager. **Exhibit 2** – Approval by Mohave County
7 of zoning for one subdivision entitled Desert Lakes Golf Course and Estates Tract 4076
8 to Bella Enterprises Inc. in 1988. (3 pages) **Exhibit 3** - Approval of a change in zoning
9 designation from single family residential to Special Development Residential at the
10 request of Frank Passantino, CEO of Desert Lakes Development including setback
11 reductions to twenty feet for the entire one subdivision cited as Desert Lakes Golf Course
12 and Estates Tract 4076 in December 1989 (2 pages) **Exhibit 4** – 1993 clarification of
13 Special Development Residential for all lots in “Desert Lakes Subdivision Tract 4076”.
14 **Exhibit 5** – Common CC&R verbiage for common scheme by a common developer for
15 land use as Special Development Residential for Tract 4076-B signed by Frank
16 Passantino, Tract 4076-C signed by Sterling Varner, Vice President, Tract 4076-D signed
17 by Frank Passantino, Tract 4132 signed by Frank Passantino, and Tract 4159 signed by
18 Angelo Rinaldi (7 total pages). Note: The CC&Rs for Tract 4076-A was written in May
19 1989 and signed by Angelo Rinaldi, General Partner, for single family residential that
20 was changed in December 1989 to Special Development Residential and therefore is
21 subject to the 1993 clarification as cited above as Exhibit 4.
22
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1 As one subdivision that is a Master Planned Community, Plaintiff has legal rights
2 to prosecute in all phases of development within the 300+ acre Subdivision Tract 4076.
3
4 The intent of CC&Rs are for a mutuality of benefits and burdens of all property owners
5 within the entire Subdivision Tract 4076 and should not be restricted such that one or
6 more phases of development becomes blighted due to a lack of courage on the part of any
7 property owner in one or more phases of development to mount the challenge in a court
8 of law.
9

10 This evidence confirms the intent of the CC&Rs to apply to all lots in all phases of
11 development within the "One Subdivision" and should not be limited by the Court in a
12 taking of enforcement rights by any and all property owners within the Master Planned
13 Community of Tract 4076.
14

15 The Defendants threatened and attempted violations of a Board of Supervisor
16 (hereinafter "BOS") resolution for setback reductions in the entire 300+ acre Master
17 Planned Community Tract 4076 is additional evidence that the county and even
18 Defendant Arzarmi considered Desert Lakes as one subdivision as the setback offer was
19 mailed to over 750 Desert Lakes property owners (Supra exhibits).
20
21

22 Desert Lakes has never had a Homeowner Association. The Plaintiff's
23 Constitutional rights to property protection includes protection from government
24 officials, such as the Mohave County BOS and Mohave County Development Services,
25 from redesigning neighborhoods to serve the interests of politically powerful developers
26 at the expense of home owners and property owners. That is precisely what the
27
28

1 Defendant's proposed BOS Resolutions was intended to do. Plaintiff seeks Count One
2 rights to be restored for this attempted and threatened violation of the CC&Rs.

3
4 The redesign of neighborhoods to suit the interest of proponent Medhi Azarmi
5 though Mohave County BOS Resolutions, that was cited in the Plaintiff's Complaint and
6 later found to be at the expense of Mohave County taxpayers to the tune of approximately
7 \$12,500 is undeniable (supra emails from Director Walsh) and was a taking of Plaintiff's
8 rights with the dismissal of Count One with prejudice. Plaintiff suffered monetary costs
9 and was also put at legal risk had she opted-in for the reduced setback offer for her RV
10 garage. (Supra email exhibit with Planner Scott Holtry).

11
12
13 The Court was used by the Defendants to prejudice the Plaintiff's case and placed
14 the Plaintiff in jeopardy of attorney fees under contract rules for Count One. At no time
15 did the Court say in Oral Arguments that Count One would be dismissed with prejudice
16 (refer to Exhibit B). The Defendants put those words in the Court's mouth by writing the
17 Court Order for the Court and having it signed by the Honorable Judge Carlisle.

18
19 The Defendants continue to put words in the Court's mouth for signatures on
20 Court Orders/Rulings. At no time did the Plaintiff agree to an extension of time for the
21 Defendant's responses to two Declaratory Judgments filed on April 12, 2019. The
22 Defendants missed their 10 day deadline for a Response. Fraud upon the Court is a
23 serious violation of justice and prejudice against the Plaintiff's rights to expediency.
24
25

26 The Defendants have continued their practice of violating the CC&R setbacks
27 subsequent to the dismissal of Count One with prejudice. These CC&R violations have
28 continued in Tract 4076-B for which the Plaintiff has been adjudicated rights. The

1 Plaintiff's adjudicated rights to prosecution of violations in Tract 4076-B is due to the
2 CC&Rs running with the land including the five acre Parcel VV that was rezoned for 32
3 lots as requested by Desert Lakes Development Vice President, Sterling Varner. Plaintiff
4 owns two of those 32 lots.
5

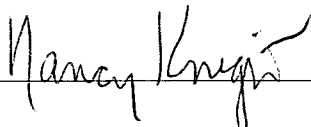
6 The Plaintiff claims Constitutional rights, as an individual property owner, to
7 protection of her property and its corresponding values through CC&R enforcement,
8 whether those values are financial, aesthetic, or any other form of potential loss. No
9 individual property owner has a fiduciary responsibility to enforce the CC&Rs but does
10 have a legal right to enforce through prosecution.
11
12

13 Plaintiff is apparently obligated to enforce all violations or put a lack of
14 enforcement under a cloud of CC&R abandonment.
15

16 Plaintiff seeks CC&R enforcement rights with this pleading for Reconsideration of
17 Dismissal of Count One to restore her rights to prosecute violations cited in Count One of
18 her 1998 Complaint within Tract 4076-B.
19

20 Plaintiff seeks enforcement rights with this pleading for Reconsideration of
21 Dismissal of Count One to restore her rights to prosecute violations throughout Desert
22 Lakes Golf Course and Estates Tract 4076.
23

24 **RESPECTFULLY submitted this** 26 **day of April, 2019**

25 
26 _____
27 Nancy Knight
28 Plaintiff Pro Per

1 Copy of the foregoing emailed on April 26, 2019 to:
2 djolaw@frontiernet.net
3 Attorney for the Defendants

4 The Law Office of Daniel Oehler
5 2001 Highway 95, Suite 15,
6 Bullhead City, Arizona 86442

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Exhibit A

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA
IN AND FOR THE COUNTY OF MOHAVE

NANCY KNIGHT,)
)
PLAINTIFF,) CASE No. CV-2018-04003
)
and) ORAL ARGUMENT
)
GLEN LUDWIG and PEARL LUDWIG,)
Trustees of THE LUDWIG FAMILY)
TRUST; FAIRWAY CONSTRUCTORS, INC.;)
MEHDI AZARMI; JAMES B. ROBERTS and)
DONNA M. ROBERTS, husband and wife;)
JOHN DOES 1-10; JANE DOES 1-10;)
ABC CORPORATIONS 1-10; and)
XYZ PARTNERSHIPS 1-10.)
_____)

Before the Honorable Derek Carlisle, Judge

Monday, April 2, 2018

2:00 p.m.

Lake Havasu City, Arizona

REPORTER'S PARTIAL TRANSCRIPT OF PROCEEDINGS

Reported by: Dawn M. Duffey, Registered Professional
Reporter, Arizona Certified Court
Reporter No. 50039, California Certified
Court Reporter No. 10491, Nevada Certified
Court Reporter No. 722, Iowa Certified
Reporter No. 1357

1 APPEARANCES:

2

3 FOR THE PETITIONER:

4 Pro Per

5

6

7 FOR THE RESPONDENT:

8 Daniel Oehler, Esq.

9 DANIEL J. OEHLER LAW OFFICES

10 2001 Highway 95

11 Bullhead City, Arizona 86442

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1 LAKE HAVASU CITY, ARIZONA

2 MONDAY, APRIL 2, 2018

3 2:00 P.M.

4 * * * * *

5 (Whereupon, follows a partial transcript
6 requested by the Plaintiff.)

7 THE COURT: This is CV-2018-4003. This is Nancy
8 Knight, Plaintiff, versus Glen Ludwig, et al., Defendants.
9 This is the time set for oral argument on the Defendant's
10 Motion to Dismiss which the Court is treating as a Motion for
11 Summary Judgment because there were attachments -- ultimately I
12 think there were attachments for both sides.

13 And I understand that public documents I
14 probably don't need to convert it to a Motion for Summary
15 Judgment. I'm not convinced necessarily that all the documents
16 would have been public documents. Anyway, so I'm treating it
17 as a Motion for Summary Judgment.

18 Show for the record -- and are you Nancy Knight?

19 THE PLAINTIFF: Yes.

20 THE COURT: -- the presence of the Plaintiff,
21 Nancy Knight, representing herself. Mr. Oehler is representing
22 the Defendants.

23 And who do you have with you, Mr. Oehler?

24 MR. OEHLER: Your Honor, we have here today Jim
25 and Donna Roberts, the homeowners of the home in question.

1 THE COURT: All right. Show for the record the
2 presence of two of the Defendants, Jim and Donna Roberts.

3 And this is the time set for the argument on the
4 Motion for Summary Judgment. I guess I didn't specifically say
5 it in the Order that went out. I generally give people ten
6 minutes per side to argue a case. That's basically how much
7 time we have on the local rules.

8 Because it's your Motion to Dismiss, I will let
9 you go first and last. So I don't know if you want me to give
10 you your full ten minutes at this point or just to let you know
11 when eight minutes have gone by or how you want to approach
12 that, Mr. Oehler.

13 MR. OEHLER: Thank you, Your Honor.

14 I think I'll probably just spend a minute or two
15 and the balance of the time for the reply --

16 THE COURT: All right.

17 MR. OEHLER: -- if that pleases the Court.

18 Your Honor, thank you very much. Again, we are
19 here representing all of the Defendants, including, of course,
20 the homeowners, Mr. and Mrs. Roberts.

21 Your Honor, the Roberts' home was constructed I
22 believe in 2016. They, I think, took occupancy in about the
23 middle of 2016. Their home clearly and unarguably is located
24 in what we call A Tract, Tract 4076-A.

25 The single issue that is before the Court today

1 is whether or not the Plaintiff has standing to bring this
2 litigation. I think it is unarguable and there is certainly
3 nothing before the Court that would indicate otherwise that
4 Ms. Knight and her husband own a property in a completely
5 different tract, a completely different subdivision than that
6 in which the Roberts and the other Defendants are involved.

7 We are not here today, Your Honor, or this
8 afternoon to discuss whether or not there are a multitude of
9 violations that create the declaration in question -- or
10 declarations in question to be voidable.

11 We are here exclusively to review and contest
12 whether or not Mrs. Knight living in a subdivision that was
13 created about 12 years or thereabouts, I believe it was after
14 the 4076-A Tract was -- was built, has standing to argue that
15 the Roberts' property has any impact whatsoever or that she has
16 any right to argue what is happening in a tract that was
17 created a multitude of years prior to the property and the
18 subdivision, the separate tract, separate subdivision, in which
19 Mrs. Knight and her husband live.

20 These are not properties that -- that adjoin one
21 another. I don't believe that Mrs. Knight can even see the
22 project that my clients reside in. Similarly, Your Honor,
23 we're not here to discuss or take exception to the fact that
24 the timing of Mrs. Knight's request to have my clients' house
25 dismantled or torn down is relevant, germane, or can be

1 enforced or would be enforced under Arizona law.

2 Again, issue being whether or not Mrs. Knight
3 has any appropriate and proper standing before this Court to
4 attempt to enforce the subdivision restrictions of a completely
5 separate subdivision from the one in which she resides.

6 THE COURT: All right. And do you have any
7 disagreement that the tract that she lives in which is now
8 numbered apparently 4163 was previously a part of 4076-B?
9 Not -- and I'm not saying A. I'm saying that it was previously
10 a part of 4076-B.

11 MR. OEHLER: It absolutely was, Your Honor. It
12 was a separate parcel -- a separate parcel in the B Tract. And
13 that particular parcel in the B Tract, when the Court as I'm
14 sure it already has reviews the CC&Rs for the B Tract will find
15 that there are no setback requirements of any type whatsoever
16 referring to the parcel that ultimately was sold, I think,
17 either to two or three times prior to the final purchaser who
18 developed T & M Ranching I believe it was, that developed the
19 parcel in 2002 or 2004, whatever it was.

20 My point there being, Your Honor, there have
21 never been -- there has never been in any subdivision with
22 which we're dealing, any front or side setback requirements for
23 the -- for the property in which Mrs. Knight now resides, a
24 different contractor, a different developer, a project that has
25 no CC&Rs whatsoever.

1 In other words, T & M when they resubdivided
2 this parcel that was originally in the B Tract did not record
3 any Codes, Covenants, or Restrictions. You know, Your Honor,
4 and I apologize for taking this much time at the opening, but,
5 you know, if in fact the Court is concerned with the fact that
6 Mrs. Knight resides in a tract on a parcel of ground that was
7 involved in the B Tract, not the A Tract, but the B Tract, I
8 would point out, Your Honor, that perhaps what the Court needs
9 to do upon application being delivered to the Court is wipe out
10 all of the single-family residences in the tract that
11 Mrs. Knight currently resides in, because the B Tract, of
12 course, Your Honor, no restrictions whatsoever as far as side
13 or front setbacks for this parcel, but what it did say is that
14 it was reserved for multi-family residential. Mrs. Knight does
15 not live in a multi-family residential tract, rather it was
16 resubdivided by a different owner, by a different developer.

17 So, you know, if you want to take Mrs. Knight's
18 argument to this Court into heart, then, in fact, the entire
19 tract in which she resides is a violation of the CC&Rs. And,
20 of course, I suppose according to the Knight theory, her house
21 and all her neighbors, just like my clients' house, needs to be
22 torn down because it's not a multi-family residential property.
23 Indeed, Your Honor, that argument is just fallacious.

24 We're dealing with an original B Tract property
25 that was sold in bulk and resubdivided. Even if you want to

1 utilize the B Tract CC&Rs, Your Honor, even if the Court
2 chooses to do that, use the front and side setbacks that are
3 set forth in the B Tract for this particular parcel and you'll
4 find there is no restriction whatsoever.

5 My point being, Your Honor, that -- that these
6 are separate projects developed by separate developers at
7 separate times, and every one of the Desert Lakes tracts have
8 their own Codes, Covenants, and Restrictions, every one of
9 them.

10 And the law that I cited to the Court in my
11 reply memorandum from multiple jurisdictions generally
12 utilizing the restatement third clearly indicate that unless
13 they're -- unless one can prove that there is a common scheme
14 by common developers, then the person in Ms. Knight's position
15 does not have standing to argue what the neighboring
16 subdivision can or cannot do.

17 To enforce, which is the case here,
18 Mrs. Knight's effort to force down a separate tract developed
19 by a different developer at a different point in time with its
20 own CC&Rs, those are the litmus tests that are used. And in
21 each instance, Your Honor, we have a separate developer, a
22 separate tract, separately identified even though it came out
23 of one property, each of which has its own separately recorded
24 Codes, Covenants, and Restrictions. Those are the tests that
25 are used, and those tests fail when they are imposed or

1 attempted to be imposed by Mrs. Knight.

2 Thank you.

3 THE COURT: All right. And you ended up using
4 most of your time. You only have about a minute left, so --

5 MR. OEHLER: Thank you, Judge.

6 THE COURT: All right. Ms. Knight, you get to
7 use all your time at once, so --

8 THE PLAINTIFF: And I'd like to say I hate to
9 feel railroaded, but I -- I brought -- I did a lot of research.
10 Thank you for this chance for oral arguments, and, however, the
11 time is so limited.

12 I did a lot of research to get more documents
13 available for you to look at. The original developer, I got
14 his original A.D.R.E. reports, and I got more -- I got -- I
15 ordered from the recorder more of the CC&Rs for all the tracts,
16 so we've got all -- there are six tracts and seven -- no, seven
17 tracts and six versions of the CC&Rs, but it's a main
18 boilerplate for all of them with just a little bit of specifics
19 for -- within a tract if they had flooding issues or drainage
20 issues, whoever would purchase those particular lots had to be
21 informed of that.

22 Anyway, I put together -- I've got this whole
23 packet of exhibits for you, and my oral arguments, and my list
24 of exhibits. I didn't know how to file it with the Court, but
25 I have this available for you to look at, and I'll try to get

1 through my oral arguments.

2 There is something in the CC&Rs on the last page
3 of every one of them, the grammatical change argument. And, by
4 the way, this is a single 300-acre development, Desert Lakes
5 Golf Course and Estates, AKA is written in many of the
6 documents that -- and the county calls it the Desert Lakes
7 Subdivision. Everybody calls it the subdivision. We didn't
8 purchase something in a tract to be isolated from the whole
9 project.

10 We -- and the golf course -- the original
11 4076-A had a golf course, a clubhouse, and sewage treatment
12 plant all included in that original tract. That -- and we were
13 all connected to that same -- all those lots were connected to
14 that same sewer. That makes it one uniform development.

15 And we should be looking at it -- the last page,
16 and I want to get to it because I might run out of time, the
17 grammatical change argument. In all the recorded CC&Rs,
18 declarations, whether cited in provision 21 or 22 -- because
19 one of the documents had an extra paragraph that had to be
20 included.

21 So it states "the singular wherever used herein
22 shall be construed to mean the plural when applicable and" --
23 this is important -- "the necessary grammatical changes
24 required to make the provisions hereof apply either to
25 corporations or individuals, men or women, shall in all cases

1 be assumed as though in each case fully expressed."

2 That was the portion of the -- to prevent what
3 happened for whoever that was that -- the 1961 case that he
4 cited where that poor woman is sitting with a -- she -- she
5 assumed everyone's got a five-foot setback and the Court said,
6 no, you're in two different tracts within this one subdivision,
7 that case that he brought up, this part of our CC&Rs prevents
8 that from happening to us.

9 In all cases -- you shall in all cases assume
10 that it's fully expressed that this -- this whole subdivision,
11 the Desert Lakes Golf Course and Estates Subdivision, comes
12 under these CC&Rs. And I brought case law that I was gonna if
13 I had if time to read it all to you. And with limited time, I
14 can't go through my whole thing, but let me -- let me find my
15 case law.

16 And, by the way, an interest of a higher
17 authority had me advise this case. It's not just me. This is
18 not self-serving motive at all. The Attorney General's Office
19 was interested in it. They advanced it to their special
20 investigations section, and that -- it even went to the F.B.I.
21 So -- and I've got -- I brought some emails, this packet if you
22 wanted to have a look at it maybe when there's time just to
23 prove that I'm not lying. So the -- I'm looking for the law.

24 Oh, the master planned community, he argued
25 that. He brought up some -- some law about planned community.

1 No, we are not a planned community. We are a master planned
2 community, and it wasn't just T & M that called it that.
3 Mr. Angelo Rinauldi (phonetic) who is a main player in this
4 whole development, he was -- he was there from the start, he
5 was appointed to the architectural control committee, he was --
6 he's cited in every one of our CC&Rs, and he even purchased a
7 small section of another subdivision, Mohave Mesa Acres, and
8 adjoined a few lots into the Golf Course and Estates. And in
9 his A.D.R.E. reports he says it's a master planned community.
10 So I just want to make that clear.

11 Because some of the law that I was going to --
12 if I can find it quickly, law argument. Okay.
13 *Leonard* (phonetic) -- *Leonard* (phonetic) v. *Jet Homes*, it is
14 cited, where restrictive covenants are imposed upon an area
15 included within a single subdivision or plan of development,
16 and that's what we've got, a single plan of development,
17 300 acres with a golf course in the middle, a clubhouse, and a
18 sewer treatment plant -- the restrictions are characterized as
19 real rights running with the land and not merely rights
20 personal to the vendor. They inure to the benefit and are
21 consequently enforceable by all other grantees of property in
22 the subdivision in which come under the same plan of
23 development. Every one of our homes are under the same plan of
24 development. So that was cited in that part that he didn't
25 cite for you in his arguments.

1 Determining what constitutes a general plan of
2 development creating these reciprocal rights and what area is
3 included therein, certain standards are applied among which
4 are that an intent on the part of the original grantor -- which
5 is that original developer, and you will see he's called --
6 he's called a developer in his A.D.R.E. reports -- to establish
7 such a plan must be found from either his language or
8 conduct -- you can see from the CC&Rs one boilerplate was used
9 for the whole thing -- and the area covered by the scheme must
10 be described so as to clearly be ascertainable.

11 So my comment in here, the area covered by the
12 scheme is the entire area surrounding the developer's golf
13 course. It's easily ascertainable that AKA Desert Lakes Golf
14 Course and Estates, had an established plan, especially
15 considering it even had its own sewage plant. There was not a
16 separate and distinct plan for each of the tracts.

17 The master plan is a single plan of development
18 that was designed by the subdivider of lots and parcels in the
19 various tracts and who was the original developer, which -- and
20 it's Desert Lakes Development, L.P., Limited Partnership. The
21 remedy of one grantee to -- this is another part of law -- one
22 grantee to prevent a violation of or to enforce compliance with
23 the restrictions by another is by injunction.

24 And I'm saying the Defendants have thumbed their
25 noses -- Medhi isn't here, especially Medhi -- thumbed their

1 noses at their contract and at the rights of every property
2 owner coming under the same plan of development within Desert
3 Lakes Golf Course and Estates Subdivision, enforcement of the
4 restrictions and remedies by injunction is essential to
5 justice.

6 As was said in *Murphy v. Marino* -- I'll give you
7 the scripts so you can see one section of the law -- in order
8 to create a binding covenant running with the land in a
9 subdivision which is enforceable by any purchaser of a property
10 therein, there should be a uniform plan of restriction
11 applicable to the subdivision as a whole or to a particular
12 part known to each purchaser and thereby by reference or by
13 implication forming a part of his contract with the subdivider.

14 The uniform plan of restriction -- restrictions
15 which are pertinent parts of this matter at hand and are
16 applicable to the Desert Lake Golf and Estates master planned
17 subdivision as a whole is for the 20-foot regular setbacks and
18 no signage on unimproved lots.

19 These and many other uniform plans of
20 restrictions are applicable to the Desert Lakes Subdivision as
21 a whole, such as the life of the document and perpetuity,
22 invalidations by a Court Order, consequences for violations or
23 attempted or threatened violations -- which is another thing
24 that Medhi did -- conflicts with zoning ordinances, and the
25 very important last provision which I stated before, the

1 necessary grammatical change were all specified uniformly
2 throughout the five tract versions of the CC&Rs and therefore
3 applied to the entire Desert Lakes master planned subdivision
4 as a whole.

5 I don't know if I -- I can't get through all of
6 my pages because I know it took me an hour and a half to read
7 it to my husband and you only gave us 30 minutes.

8 We couldn't have a continuance, could we maybe?

9 THE COURT: (Shakes head.)

10 THE PLAINTIFF: No. Okay. So let's see. Where
11 these principals must be applied to determine one's right to
12 enforce a covenant it becomes --

13 THE COURT REPORTER: You are going to have to
14 slow down. I know you are limited on time, but I can't keep
15 up. I apologize.

16 THE PLAINTIFF: I can give you the script, you
17 know, I've got it.

18 THE COURT REPORTER: If you could just try
19 again, please.

20 THE PLAINTIFF: From the law of property where a
21 tract of land is subdivided into lots and burdened with
22 restrictive covenants, real rights are created running with the
23 land in favor of each and all of the grantees.

24 The basis of the creation of this right is the
25 mutuality of burden and the mutuality of benefit as between the

1 grantees arising out of the imposition of such restrictions on
2 the land itself. This mutuality of burden and benefit
3 constitutes reciprocal promises between the grantees each
4 supported by that of the other. The --

5 THE COURT: All right. Sorry to interrupt,
6 Ms. Knight. You've used up your time. And I know that
7 Mr. Oehler used more of his time than he anticipated. I do
8 have another hearing. I can probably give you each another
9 five minutes if you want.

10 Mr. Oehler, do you have any objection to that?

11 MR. OEHLER: No, Your Honor.

12 THE COURT: All right. I'll give you five more
13 minutes so -- but I'm not gonna go beyond the five minutes.

14 THE PLAINTIFF: Just one question.

15 May I give you the evidence and the script
16 maybe?

17 THE COURT: Generally, even on a Motion to
18 Dismiss --

19 THE PLAINTIFF: A Summary Judgment where we
20 could, you know, written, but you said it was oral, so I
21 prepared this. I did all that research.

22 THE COURT: Generally on a Motion to Dismiss I
23 wouldn't consider any evidence. On a Motion for Summary
24 Judgment I would consider the evidence that's submitted with
25 the pleadings. So either way, even if I granted oral argument,

1 I'm not generally going to consider additional evidence. So if
2 you -- so, no, I guess would be the short answer.

3 THE PLAINTIFF: I guess you get a minute.

4 THE COURT: You've got five more minutes, so --

5 THE PLAINTIFF: I have five more?

6 THE COURT: Yeah.

7 THE PLAINTIFF: Oh. Okay. And thus far the
8 Defendant's motion has avoided the critical --

9 THE COURT REPORTER: I'm not gonna be able to do
10 it, five minutes or not.

11 THE COURT: Ms. Knight --

12 THE PLAINTIFF: I know. I can't speak slow and
13 try to get it all in.

14 THE COURT: Well, then you need to figure out
15 what's the most important things for you to say because --

16 THE PLAINTIFF: Okay. The government even
17 joindered, in the legal language, 762 of the property owners'
18 lots for -- in the Desert -- what they call the Desert Lakes
19 Subdivision by a proposed B.O.S. resolutions 2016-125 and
20 2016-126.

21 So even the government took out the whole Desert
22 Lakes Golf Course Estates Community, we're gonna do a B.O.S.
23 resolution, and adjoined all of our lots into one what they
24 call the Desert Lakes Subdivision and sent out mailing notices.
25 I brought -- I brought in all the notices that came to my

1 house. I'm part of -- I'm part of the tract, the Desert Lakes
2 Golf Course and Estates.

3 And I had to argue to get them to deny that
4 B.O.S. resolution that was gonna change the setbacks in the
5 entire subdivision when most of our lots are already built, and
6 it was gonna take the views away from other people which is
7 what happened when Mehdi did this with their home and, you
8 know -- I'm sorry this happened to you, and I'm not asking to
9 tear down the whole house. And there -- there were some --
10 there were some options that could happen in mediation that,
11 you know, for how they might remedy their problem. They've got
12 a problem.

13 And if we had to appeal, if I find -- you want
14 me to bring in other Plaintiffs that live in 4076-A, you know,
15 this could -- this could go on forever, and I don't know. My
16 time is almost up. I leave you the floor.

17 THE COURT: All right. You still have three
18 minutes left if you have anything else you want to say.

19 THE PLAINTIFF: Oh, there's lots, but -- so if
20 you're not gonna take any more evidence, I mean, the master
21 planned subdivision I was gonna show you Rinauldi's (phonetic)
22 statement on that. You already know the -- the road
23 department, the planning commission, Glen Ludwig's own
24 statement that it's a master -- it's a subdivision -- Desert
25 Lakes Golf Course and Estates is a subdivision, and that's part

1 of your evidence packet, which, by the way, I asked your clerk,
2 Mary King, she's not in here, if you had gotten my Plaintiff's
3 objections to his evidence offered in reply or something and
4 she said, yes, it was on your desk.'

5 And when you -- when the notice came out for
6 this hearing today, this oral arguments, it wasn't among the
7 filed documents that you -- so I'm hoping you have this packet
8 as well and the evidence that I did submit. It was filed.

9 THE COURT: I've considered that.

10 THE PLAINTIFF: Okay. Very good. So you've got
11 a lot of that. So you've got my title insurance policy that
12 shows that I -- I have CC&Rs. They want to argue I have no
13 CC&Rs and I have no setback restrictions, that's not true. We
14 all -- we all -- every -- every lot has 20-foot front and rear
15 setbacks, and that's where, you know, some people want to take
16 advantage of other people and break the rules.

17 I think I can't -- I can't -- I can't give
18 you -- I've got too much here to try to figure out which is
19 most important.

20 THE COURT: All right. Thank you, Ms. Knight.

21 Mr. Oehler, any final argument?

22 MR. OEHLER: Briefly, Your Honor.

23 I don't think anyone is saying that there are no
24 front or side setback requirements. The issue is whether they
25 are derivative of the Codes, Covenants, and Restrictions, not

1 whether they are derivative of Mohave County setback
2 requirements. Of course, Mohave County adjusted the setback
3 requirements on the Roberts' home. It went through the hearing
4 process and the setbacks were changed to specifically provide
5 authority for the Roberts' home as it was built.

6 So the argument, Your Honor, is not whether
7 there are no setback requirements. The Roberts built their
8 home in accordance with the county law. The county grantor
9 granted amendment to the then existing county requirement --
10 minimum requirements.

11 The issue is, Your Honor, whether or not the
12 declaration in question can be enforced by this Plaintiff.
13 Your Honor, Mrs. Knight is exactly correct, Desert Lakes Tract
14 4076-A is a subdivision as is the B Tract, the C Tract, the
15 D Tract, the tract in which Mrs. Knight resides.

16 The problem, Your Honor, is that each one of
17 those subdivisions are a separate subdivision in and of itself
18 and that is precisely why each of them with the exception of
19 the youngest, the one in which Mrs. Knight resides, has their
20 own separate Codes, Covenants, and Restrictions. Every one of
21 them do, Your Honor. And I believe there were three or four
22 separate owners, separate developers. There is no master set
23 of CC&Rs.

24 Laughlin Ranch, for instance, and many other
25 major subdivisions have an umbrella set of CC&Rs, and then they

1 have separate within that master set. That did not occur here.
2 We're dealing with independent, independently owned, and
3 independently developed subdivisions.

4 Mrs. Knight does not live in the A Tract.
5 The -- she does not live in the B Tract. She has no standing
6 to bring this litigation against my clients. Your Honor, the
7 argument that there is one sewer system is, again, simply a red
8 herring.

9 You know, I would suggest to the Court that
10 there is one sewer system in the city of Lake Havasu. At the
11 present time there is one sewer system in the city of Bullhead
12 City. The fact that there is a single sewer system, even one
13 that is privately developed, such as two that my own company
14 has developed over the years, because they serve XYZ Tract and
15 FGH Tract is irrelevant. It does not bring those subdivisions
16 into a master umbrella set of CC&Rs and none was created.

17 The law, Your Honor, that we have presented is
18 in accordance with the restatement second -- or third, excuse
19 me, of property and servitudes, and the Court decisions, even
20 though they are not in general from the state of Arizona, all
21 clearly specify what it takes for a Plaintiff to bring
22 litigation such as that brought by Mrs. Knight, and it gives
23 this Court the litmus test of if these elements are present,
24 separate CC&Rs, separate developers, separate subdivisions
25 developed in separate periods of time, in this case over a

1 12- or 13-year period of time, these were all indications that
2 they are dealt with and to be dealt with separately.

3 And somebody that lives in Subdivision A cannot
4 bring an action to enforce Subdivision A's CC&Rs if they live
5 in Subdivision X, and that's precisely what is before the Court
6 and the only law that has been presented to this Court in
7 regard to the issues before you today.

8 Thank you, Your Honor.

9 (The proceedings were concluded at 2:49 p.m.)

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CERTIFICATE OF REPORTER

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I, Dawn M. Duffey, Official Reporter in the Superior Court of the State of Arizona, in and for the County of Mohave, do hereby certify that I made a shorthand record of the proceedings had at the foregoing entitled cause at the time and place hereinbefore stated;

That said record is full, true, and accurate;

That the same was thereafter transcribed under my direction; and

That the foregoing (22) typewritten pages constitute a full, true, and accurate transcript of said record, all to the best of my knowledge and ability.

Dated at Lake Havasu City, Arizona, this 3rd day of April 2019.

Dawn M. Duffey, Registered Professional Reporter, Arizona Certified Reporter No. 50039, California Certified Reporter No. 10491, Nevada Certified Reporter No. 722 Iowa Certified Reporter No. 1357

Cyhibit B

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA
IN AND FOR THE COUNTY OF MOHAVE

NANCY KNIGHT,)
)
) PLAINTIFF,) CASE No. CV-2018-04003
)
 and) ORAL ARGUMENT
)
)
) GLEN LUDWIG and PEARL LUDWIG,)
) Trustees of THE LUDWIG FAMILY)
) TRUST; FAIRWAY CONSTRUCTORS, INC.;)
) MEHDI AZARMI; JAMES B. ROBERTS and)
) DONNA M. ROBERTS, husband and wife;)
) JOHN DOES 1-10; JANE DOES 1-10;)
) ABC CORPORATIONS 1-10; and)
) XYZ PARTNERSHIPS 1-10.)
)
 _____)

Before the Honorable Derek Carlisle, Judge

Monday, April 2, 2018

2:33 p.m.

Lake Havasu City, Arizona

REPORTER'S PARTIAL TRANSCRIPT OF PROCEEDINGS

Reported by: Dawn M. Duffey, Registered Professional
Reporter, Arizona Certified Court
Reporter No. 50039, California Certified
Court Reporter No. 10491, Nevada Certified
Court Reporter No. 722, Iowa Certified
Reporter No. 1357

1 APPEARANCES:

2

3 FOR THE PETITIONER:

4 Pro Per

5

6

7 FOR THE RESPONDENT:

8 Daniel Oehler, Esq.

9 DANIEL J. OEHLER LAW OFFICES

10 2001 Highway 95

11 Bullhead City, Arizona 86442

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1 LAKE HAVASU CITY, ARIZONA

2 MONDAY, APRIL 2, 2018

3 2:33 P.M.

4 * * * * *

5 (Whereupon, follows a partial transcript
6 requested by Mr. Oehler.)

7 THE COURT: All right. Well, I have to make a
8 decision. And, again, this was initially filed as a Motion to
9 Dismiss for Failure to State a Claim with the argument being
10 that pursuant to Rule 8 of the Arizona Rules of Civil
11 Procedure, that Ms. Knight didn't have the authority to bring a
12 claim.

13 So with respect to that, the Court has to look
14 at that narrow issue of does she have the authority to bring a
15 claim. And the basis for Ms. Knight having the authority to
16 bring a claim is the -- sorry, my judicial assistant just sent
17 me a note. The basis for Ms. Knight's claim is she is saying
18 because of the Codes, Covenants, and Restrictions, that she is
19 seeking to enforce those Codes, Covenants, and Restrictions,
20 and that is basically her way of saying I have the authority to
21 file this suit against somebody who lives in -- not directly
22 next to me or not near me, who is not immediately in proximity
23 to me, but is, I think, everybody agrees in a different tract
24 at least.

25 The Codes, Covenants, and Restrictions for both

1 4076-A and 4076-B contain some similar language, and I don't
2 know if I'll be able to read it on this monitor because it's
3 somewhat small, but it was referenced in the Motion to Dismiss,
4 and I think both parties are aware of it, and it's taking me a
5 really long time to get there, but it says the violation or
6 threatened or attempted violation of the Codes -- or the
7 Covenants, Conditions or Restrictions -- I think I might have
8 said it wrong -- shall be lawful for the Declarant, its
9 successors or assigns, or any person or persons owning real
10 property located within the subdivision to prosecute
11 proceedings at law or in equity against all persons violating
12 or attempting to violate.

13 So basically it's limited to all persons who --
14 or any person owning real property located within the
15 subdivision. And within the CC&R's, and, again, this started
16 as a Motion to Dismiss, so I have to start with the CC&R's. It
17 doesn't necessarily define subdivision, what is meant by
18 subdivision.

19 But when I'm looking at the CC&R's, there are
20 examples, and I'm just going with the most obvious example
21 because it's the easiest one to articulate. The first article
22 talks about a Committee of Architecture, and it says that there
23 is created a Committee of Architecture, and then it says at
24 such time that 90 percent of the lots within the subdivision
25 have been sold by Declarant, or within one year of the issuance

1 of the original public report, whichever occurs first, the
2 owners of such lots may elect three members to consist and
3 serve on the Committee of Architecture.

4 The next paragraph says notwithstanding anything
5 heretobefore stated -- maybe it's hereinbefore -- architectural
6 review shall be vested in the initial Architecture Committee.
7 And then it says until such time as 90 percent of the lots in
8 Tract 4076, and in this instance B, have been sold by
9 Declarant. And the ones for Tract 4076-A say the same thing,
10 until 90 percent of the lots in 4076-A have been sold by the
11 Declarant.

12 So when I look at that, it seems clear to me
13 that the intent of the Codes, Covenants, and Restrictions is to
14 define a subdivision as a tract. So a tract 4076-A is a
15 subdivision, Tract 4076-B is a subdivision for purposes of the
16 CC&R's. And, again, that is what I am focused on in my
17 analysis is are the tracts the subdivision or is the whole
18 community a subdivision.

19 And when I read the CC&R's, there is -- it is a
20 subdivision. That's consistent with the fact that each tract
21 has a different final plat. It's consistent with the fact that
22 each of the tracts have their own CC&R's. So I am finding that
23 the reference to subdivision within the CC&R's is a reference
24 to a particular tract.

25 There is no dispute -- there's no genuine of

1 issue of material fact in this case that the Roberts' home is
2 in Tract 4076-A. The Knight home is in a tract that was
3 previously part of 4076-B, now is Tract 4163.

4 I am finding -- and I guess to answer a
5 question, sorry, I'm going to digress for just a second. One
6 of the exhibits, I think it was Exhibit 1-C, which is labeled
7 as a subdivision index in the objections filed by Ms. Knight,
8 and whether you can submit additional evidence after the Reply
9 brief has been filed is probably questionable.

10 But even if I consider that, Exhibit 1-C, which
11 was labeled as a Mohave County Subdivision Index, it lists, I'm
12 assuming, subdivisions, and it lists Tract A, Tract B, Tract C,
13 Tract D all separately. They are on consecutive lines. That
14 would suggest that each one of those is a subdivision. So that
15 is all consistent with each tract being its own subdivision.

16 And I am finding based on the language in the
17 CC&R's, that the CC&R's give the authority for somebody within
18 a tract to enforce the CC&R's for that tract.

19 MS. KNIGHT: With the exception of Provision 21
20 and 22.

21 THE COURT: Ms. Knight --

22 MS. KNIGHT: Excuse me.

23 THE COURT: -- you've had your chance.

24 MS. KNIGHT: Your Honor, I'm sorry.

25 THE COURT: So because of that I am finding

1 that Ms. Knight does not have the authority to enforce any
2 CC&R's in Tract 4076-A. However, there's also not a dispute
3 that Tract 4163 was previously a part of 4076-B, and 4076-B
4 specifically says it applies to lots and parcels within 4076-B.
5 So Ms. Knight can enforce the CC&R's for 4076-B within
6 Tract 4076-B. She can't enforce the CC&R's for 4076-B in a
7 different tract. So she can't enforce those in 4076-A, but she
8 can in 4076-B.

9 And since this is all just predicated on whether
10 she has the authority to file a suit or not, what I am finding
11 then is with respect to the two counts in the Complaint, the
12 first count clearly discusses setbacks or the violation of
13 setbacks with respect to a particular residence in 4076-A.

14 I am granting the Motion to Dismiss with respect
15 to count 1 which deals with a particular lot, apparently the
16 lot owned by the Roberts at this point in time. I am denying
17 the Motion to Dismiss with respect to count 2 to the extent
18 that she can -- at least has the authority to assert violations
19 of signage or other violations in 4076-B.

20 Because I -- the language of the CC&R's says it
21 runs with the parcels. This was part of the parcel. I don't
22 see anything that says it was excluded once it was sold. So I
23 am finding she can sue for things that occurred in 4076-B, not
24 4076-A. So the Motion to Dismiss is granted with respect to
25 count 1, denied with respect to count 2.

1 MS. KNIGHT: So the attempt -- may I, Your
2 Honor? So the attempt to violate that happened under the BOS
3 Resolutions that Mehdi -- I mean, he gave presentations and
4 everything, that -- that is still -- I have authority for that;
5 right? I think that's what you just said.

6 THE COURT: All I'm saying is I granted with
7 respect to count 1, I'm denying with respect to count 2 because
8 you do have the authority I am finding to -- limited to things
9 that happen in 4076-B.

10 MS. KNIGHT: Okay.

11 THE COURT: So -- and my recollection of count 2
12 is it's kind of limited to putting signs on unimproved lots.
13 So if there are signs on unimproved lots in 4076-B, you might
14 be able to pursue that. And, again, this is just whether she
15 has the authority to sue or not.

16 So, Mr. Oehler, I don't know if you want to
17 prepare a Proposed Form of Order with respect to the dismissal
18 of count 1 or not or --

19 MR. OEHLER: Your Honor, I think, you know, we
20 perhaps had best do that, and also include the Court's
21 reasoning in regard to the signage. You know, I cannot sit
22 here and say that any client I represent in this lawsuit has a
23 single sign in the B Tract. I don't know. I, you know, was
24 really focused on the A Tract issues.

25 THE COURT: And I understand that. I'm not

1 saying this resolves the case -- well, resolves the case with
2 respect to count 1.

3 Again, this is just whether she --

4 MR. OEHLER: Correct.

5 THE COURT: I don't want to use the word
6 standing, but it's basically a standing argument, and doesn't
7 necessarily resolve whether there is a justiciable complaint
8 with respect to things that are occurring in 4076-B or not.

9 MS. OEHLER: Yeah, Your Honor, if, you know,
10 obviously after you recess, I would talk with the clerk (sic)
11 and have her send me a copy of the transcript from which I
12 would prepare a Proposed Form of Order.

13 THE COURT: All right. Well, anything else then
14 at this point in time?

15 MR. OEHLER: No, Your Honor. And I would assume
16 that it would be acceptable with the Court that we can follow
17 this up with an affidavit dealing with the issue of fees and
18 costs?

19 THE COURT: Yeah. And I didn't specifically
20 address that issue because -- because I think that you won in
21 part and lost in part since I dismissed one of the counts but
22 not the other count.

23 MR. OEHLER: Well, Your Honor, you're
24 certainly --

25 THE COURT: You can make a motion with respect

1 to that --

2 MR. OEHLER: Okay. Thank you.

3 THE COURT: -- and I'll deal with that issue. I
4 don't need to resolve that right now.

5 MR. OEHLER: Thank you.

6 Anything else, Ms. Knight?

7 MS. KNIGHT: Probably, but I just -- can I
8 confirm what I think the understanding is? In the CC&R's it
9 says "attempted or threatened violation," and that's what Mehdi
10 did when he went before the planning commission and then the
11 Board of Supervisors to try to get anybody who wanted the
12 setback reduction in the whole project, the whole Desert Lake
13 Golf Course and Estates subdivision. I can proceed with that
14 part of my complaint? I think that's what you said.

15 THE COURT: All I said is that count 1 is
16 dismissed.

17 MS. KNIGHT: I haven't memorized what are
18 count 1 and count 2. I understand it's --

19 THE COURT: Count 1 is the setback with respect
20 to the house.

21 MS. KNIGHT: Okay.

22 THE COURT: That's dismissed. Count 2 is not
23 dismissed --

24 MS. KNIGHT: Egregious parts of it, yes.

25 THE COURT: -- to the extent that you have the

1 authority for violation --

2 MS. KNIGHT: Under the same case.

3 THE COURT: -- in 4076-B only.

4 MS. KNIGHT: Yes, under the same case. We don't
5 have -- so we now go to disclosure or what do we do? What is
6 the next step? You answer now to that --

7 THE COURT: All right.

8 MS. KNIGHT: -- Mr. --

9 THE COURT: We'll send --

10 MR. OEHLER: Your Honor, I -- simply so we don't
11 have additional argument in paper or in person, I would assume,
12 therefore, that the notice of -- excuse me, the Order of
13 Dismissal will dismiss Mr. and Mrs. Roberts since they're
14 obviously in the A Tract and dealing exclusively here as
15 Defendants as a result of their residence.

16 THE COURT: I would have assumed that as well,
17 but I'm assuming you will submit a notice -- or a lodged
18 judgment, and --

19 MR. OEHLER: I will.

20 THE COURT: -- there may or may not be
21 objections to it --

22 MR. OEHLER: Sure.

23 THE COURT: -- but we'll go from there once I
24 see it and once I rule on any objections to it.

25 MR. OEHLER: Thank you.

1 MS. KNIGHT: One other thing because what is --
2 what I wrote in count 1 and count 2, they may have been
3 intertwined. I'm not sure if they were separate. So can we
4 do -- you have to dismiss all of count 1 and all of -- keep all
5 of part 2 or just the part about the house?

6 THE COURT: I have dismissed all of count 1. I
7 have limited count 2 as I've said.

8 MS. KNIGHT: So I have to go back and read all
9 of count 1 and see what was dismissed. Okay.

10 THE COURT: All right. Stand at recess. And I
11 do have another hearing that was supposed to start at 2:30.

12 (The proceedings were concluded at 2:49 p.m.)
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1 CERTIFICATE OF REPORTER
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3 I, Dawn M. Duffey, Official Reporter in the Superior
4 Court of the State of Arizona, in and for the County of Mohave,
5 do hereby certify that I made a shorthand record of the
6 proceedings had at the foregoing entitled cause at the time and
7 place hereinbefore stated;

8 That said record is full, true, and accurate;

9 That the same was thereafter transcribed under my
10 direction; and

11 That the foregoing (12) typewritten pages constitute
12 a full, true, and accurate transcript of said record, all to
13 the best of my knowledge and ability.

14 Dated at Lake Havasu City, Arizona, this 2nd day of
15 April 2018.
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Dawn M. Duffey, Registered Professional
23 Reporter, Arizona Certified Reporter No.
24 50039, California Certified Reporter No.
Iowa Certified Reporter No. 1357

Exhibit 1

Comments made by Christine Ballard, Planning and Zoning Manager in reference to Mr. Knight's request for information of 10-03-18:

- It appears that Parcel VV was zoned M (General Manufacturing) in 1968 when the county was originally zoned. Parcel VV is in the S1/2 of the SW1/4, Section 35, Township 19 North, Range 22 West
- A rezone requested by Ray Jackson in 1987 rezoned the east half of Section 35 to R-M (Multi-Family Residential/ Ten Acre Minimum Lot Size) zone, but the resolution specifically leaves the S1/2 of the SW1/4, Section 35 as General Manufacturing.
- A rezone in 1988 by Darrell Spence rezoned the E1/2 of Section 35, and a portion of the SE1/4 of Section 36 to be R-O (Single Family Residential/Mobile Homes Prohibited) and R-M (Multiple Family Residential). The difficulty with this resolution is that it was silent on which parcel was zoned R-M. The final plat showed a multiple family residential parcel as Parcel VV in the SW corner of Desert Lakes Golf Course and Estates, but there is no way to be certain that Parcel VV was the parcel intended in the rezone. It was this rezone that cleared the way for Desert Lakes Golf Course and Estates, Tract 4076.
- Another rezone in 1989 by Frank Passantino rezoned the entire Tract 4076, including Parcel VV, from R-O (Single Family Residential/ Mobile Home Prohibited) and R-M (Multiple Family Residential) to S-D/R (Special Development/Residential) and S-D/C (Special Development Commercial). A rezone in 1993 clarified the residential setbacks for Tract 4076, setting the setback to those found in the CC&Rs.
- A rezone in 1998 by Sterling Varner, rezoned Parcel VV, from A-R (Agricultural-Residential) to S-D/R-O (Special Development/Single Family Residential/Mobile Homes Prohibited) zone setting the minimum lot size at 4,800 sq. ft. and setting setbacks for the development. This rezone allowed a resubdivision of Parcel VV and part of Parcel KK as Tract 4163. Why the 1998 rezone notes that Parcel VV was zoned A-R is unknown, as it was never zoned A-R, and it was most likely zoned S-D/R in 1989. Whatever the zoning history, the parcels created in Tract 4163 are now zoned S-D/R-O and are subject to the condition in the 1998 resolution.

Exhibit 2
3 PPS

BEFORE THE PLANNING AND ZONING COMMISSION
COUNTY OF MOHAVE
STATE OF ARIZONA

In the Matter of a Recommendation)
Regarding the Rezoning of a Portion)
of the E½ of Section 35 and a Por-) Resolution P&ZC: 88-175
tion of the SE½ of Section 36,)
Township 19 North, Range 22 West,)
to be known and subdivided as)
Desert Lakes Golf Course and)
→ Estates, Tentative Tract 4076,)
located in the South Mohave Valley)
area)

WHEREAS, at the regular meeting of the Mohave County Planning and Zoning Commission, held in the Board of Supervisors Meeting Room in Arnold Plaza on October 12, 1988 there was held a public hearing as a required step in the procedure for a Commission recommendation on a rezoning proposal to the Board of Supervisors, as follows:

- From: A-R (Agricultural-Residential)
- R-M/10A (Multiple Family Residential/Ten Acre Minimum Lot Size)
- M (General Manufacturing)

proposed

- To Be: R-O ALL LOTS
(Single Family Residential/Mobile Homes Prohibited)
- R-M PARCEL
(Multiple Family Residential)

Desert Lakes Golf Course and Estates, Tentative Tract 4076, being a portion of the E½ of Section 35 and a portion of the SE½ of Section 36, Township 19 North, Range 22 West

WHEREAS, this request for rezoning was set for public hearing by the Planning and Zoning Commission at their September 14, 1988 meeting as per Resolution P&ZC: 88-168, and

WHEREAS, the notice for this public hearing was published in the Mohave Daily Miner, a newspaper of general circulation in the County Seat on September 21, 1988 and in the Mohave Valley News and was posted on September 26, 1988 as required by Arizona Revised Statutes and the Mohave County Zoning Regulations, and

WHEREAS, the applicant is Darrell Spence of Bella Enterprises, Inc. Information available to this Commission indicates that ownership is listed in the name of Bella Enterprises, Inc., and

WHEREAS, this proposed subdivision is located roughly one-half to one (1) mile east of Highway 95, is east of Mohave Mesa Acres, adjoins the new elementary school site and is between Joy Lane and Lippan Boulevard, and

WHEREAS, the primary access to this residential lots subdivision and public golf course is intended from Joy Lane, and

WHEREAS, the preliminary plan depicts roughly 305 acres subdivided into 707 residential lots, a four (4) acre parcel intended for multiple family development and an eighteen (18) hole golf course, and

WHEREAS, the minimum and typical lot sizes are 6,000 square feet, and

WHEREAS, sewage disposal is intended to be taken care of with a sewage treatment plant to be located on a five (5) acre parcel adjoining this subdivision in the SW $\frac{1}{4}$ of Section 35 south of Mohave Mesa Acres, and

WHEREAS, the existing 305 acre site has a mixture of zoning classifications. The E $\frac{1}{2}$ of Section 35, together with the S $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 35 were zoned M (General Manufacturing) when zoning was extended to this area in 1968, and

WHEREAS, in April, 1987 the Planning and Zoning Commission recommended that the NE $\frac{1}{4}$ and the N $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 35 be rezoned R-M/10A (Multiple Family Residential/Ten Acre Minimum Lot Size) but there be no change in the existing M (General Manufacturing) zoning in the S $\frac{1}{2}$ SW $\frac{1}{4}$ or the S $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 35. This is to say that the N $\frac{1}{2}$ of this proposed subdivision is zoned R-M/10A (Multiple Family Residential/Ten Acre Minimum Lot Size), the S $\frac{1}{2}$ is zoned M (General Manufacturing), and

WHEREAS, the unsubdivided property west of and adjoining the proposed multi-family parcel is zoned M (General Manufacturing), and

WHEREAS, the lots to the west in Mohave Mesa Acres are zoned A-R (Agricultural-Residential), and

WHEREAS, the lots to the east in Sun Valley, tract 4017 are zoned R-1 (Single Family Residential), and

WHEREAS, it is proposed that all lots in Desert Lakes be zoned R-0 (Single Family Residential/Mobile Homes Prohibited), parcel be rezoned from M (General Manufacturing) to R-M (Multiple Family Residential) and the golf course (Parcels H-H, I-I, J-J, K-K, L-L, N-N, O-O, P-P and R-R) and clubhouse (Parcel M-M) be designated on the plat for those specific uses, and

NOW THEREFORE, be it resolved that the Commission, at their meeting on Wednesday, October 12, 1988 unanimously recommended that all lots be zoned R-0/6M (Single Family Residential/Mobile Homes Prohibited/Six Thousand Square Foot Minimum Lot Size), Parcel be zoned R-M/4A (Multiple Family Residential/Four Acre Minimum Lot Size) and that the golf course and club house parcels are intended for the use and purpose depicted on the final plat; it is further recommended that this zoning shall become effective upon recordation of the final plat(s), and

WHEREAS, the notice for this public hearing was published in the Mohave Daily Miner, a newspaper of general circulation in the County Seat on October 17, 1988 and in the Mohave Valley News and was posted on October 17, 1988 as required by Arizona Revised Statutes and the Mohave County Zoning Regulations, and

NOW THEREFORE, be it further resolved that the Board, at their meeting on Tuesday, November 1, 1988 approved this zone change as recommended by the Commission and outlined herein, to be effective upon recording the final subdivision plat(s) for the Desert Lakes Subdivision.

RESOLUTION NO. 89-116

Exhibit 3 - 2 pg
1/22/89

BO's

A RESOLUTION REZONING A PORTION OF E½ SECTION 35, AND A PORTION OF THE SE¼ OF SECTION 36, TOWNSHIP 19 NORTH, RANGE 22 WEST, TO BE KNOWN AND SUBDIVIDED AS DESERT LAKES GOLF COURSE AND ESTATES, TENTATIVE TRACT 4076, FROM: R-O (SINGLE FAMILY RESIDENTIAL/MOBILE HOMES PROHIBITED) AND R-M (MULTIPLE FAMILY RESIDENTIAL) ZONES, PROPOSED TO BE: S-D/R (SPECIAL DEVELOPMENT/RESIDENTIAL) AND S-D/C (SPECIAL DEVELOPMENT/COMMERCIAL) ZONE, LOCATED IN THE SOUTH MOHAVE VALLEY AREA, MOHAVE COUNTY, ARIZONA

WHEREAS, at the regular meeting of the Mohave County Board of Supervisors held on December 4, 1989, a public hearing was conducted to determine whether approval should be granted to Frank Passantino, C.E.O., Desert Lakes, Fort Mojave, Arizona for a rezone from existing R-O (Single Family Residential/Mobile Homes Prohibited) and R-M (Multiple Family Residential) zones, to S-D (Special Development) zone, and

WHEREAS, a public hearing before the Mohave County Planning and Zoning Commission on November 8, 1989 did generate a recommendation of approval of this request with the following condition noted:

1. The owner accepts that whenever a S-D zone is granted, each phase or stage of development or building proposals shall be submitted to the Planning staff, to be evaluated and compared with the approved zoning plan before any permits may be granted;
2. Any significant change (as determined by the Planning Director, appealable to the Planning Commission) in the approved zoning plan shall require a rehearing on the change before the Commission, with a final determination to be made by the Board;
3. Staff will maintain the most current approved ZONING PLAN on file in the master zoning folder for reviews;
4. Such change shall not be effective for at least thirty (30) days after final approval of the change in classification by the Board, being January 3, 1990, as per A.R.S. 11-829E;

and

WHEREAS, this request by the owners comes after the first phase of the development has been sold and construction needed to commence. The CC&R's presented set the rear yard setbacks at twenty (20') feet when zoning for a R-O zone states twenty-five (25') feet and although public hearings identified commercial development, i.e., Club House with associated facilities and a golf course, and the resolutions identified the same, there was

not a tool presented through zoning that would address this overall development. Staff represents that the Mohave County Zoning Regulations did allow for this type of development through the Special Development Zone; thus the proposal before the Planning and Zoning Commission to properly address this development. There is no significant change from the original proposal from the owner. The owner accepts that whenever an S-D zone is granted, each phase or stage of development or building proposals shall be submitted to the planning staff, to be evaluated and compared with the original plan before any permits may be granted. Any significant change in the approved plan shall require a rehearing before the Commission and Board for reapproval, and

WHEREAS, the notice of hearing was published in the Mohave Daily Miner, a newspaper of general circulation in Kingman, Mohave County, Arizona on November 15, 1989, and posted on November 14, 1989 as required by the Arizona Revised Statutes and the Mohave County Zoning Regulations, and

NOW THEREFORE BE IT RESOLVED, that the Board of Supervisors, at their regular meeting on Monday, December 4, 1989 approved this change in zoning as recommended by the Mohave County Planning and Zoning Commission, as outlined herein.

MOHAVE COUNTY BOARD OF SUPERVISORS

Becky Foster
 BECKY FOSTER, CHAIRMAN

ATTEST:
Pat Chastain
 Pat Chastain, Clerk

INDEX MISCELLANEOUS
 PROOFED
 FEE # 89-66260 MICROFILMED
 RECORDED IN OFFICIAL RECORDS
 OF MOHAVE COUNTY, ARIZONA
 DEC 11 '89 - 2 15 PM
 Jane McLean, County Recorder
 FEE NC PGS 272



Exhibit 4, 2 pgs

BOS

MICROFILMED

INDEXED 2 5



93- 24565 BK 2214 PG 976
OFFICIAL RECORDS OF MOHAVE COUNTY AZ.
#JGAM McCALL, MOHAVE COUNTY RECORDER*
03/05/93 3:30 P.M. PAGE 1 OF 2
MOHAVE COUNTY BOARD OF SUPERVISORS
RECORDING FEE 0.00 NC

RESOLUTION NO. 93-122

RESOLUTION SETTING FORTH THE APPROVAL OF AN AMENDMENTS TO CLARIFY REZONING RESOLUTIONS THAT ESTABLISHED SD/R (SPECIAL DEVELOPMENT/RESIDENTIAL) ZONING FOR DESERT LAKES SUBDIVISION TRACT 4076 BY INCLUDING SPECIFIC SETBACK REQUIREMENTS FOR ALL LOTS, LOCATED IN THE SOUTH MOHAVE VALLEY, MOHAVE COUNTY, ARIZONA.

WHEREAS, at the regular meeting of the Mohave County Board of Supervisors held on May 3, 1993, a public hearing was conducted to determine the approval of the an amendment to clarify rezoning resolution that established SD/R (Special development/Residential) Zoning for Desert Lakes, Tract 4076 subdivision by including specific setback requirements for all lots, located in the South Mohave Valley area, and

WHEREAS, the Board of Supervisors Resolution Number 89-116 established the SD/R (Special Development/Residential) rezoning, and

WHEREAS, in the body of the rezone resolution it states in part "The CC&R's presented set the rear yard setbacks at twenty (20') feet when zoning for a R-0 states twenty-five (25') feet...", and

WHEREAS, Article six (6) in part "All buildings and projections thereof on lots not adjacent to the golf course being,...., shall be constructed not less than twenty (20') feet back from the front and rear property lines and five (5') feet from side property lines."

WHEREAS, at the public hearing before the Mohave County Planning and Zoning Commission on April 14, 1993 the Commission recommend conditional APPROVAL of the requested amendment with the applicant understanding and accepting the following conditions:

1. That the setbacks shall be not less than twenty (20') feet back from the front and rear property lines and five (5') feet from side property lines.
2. That all conditions of BOS Resolution Number 89-116 be met.

NOW THEREFORE BE IT FURTHER RESOLVED, that the Board of Supervisors, at their regular meeting on Monday, May 3, 1993

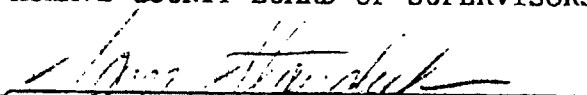
Resolution No. 93-122

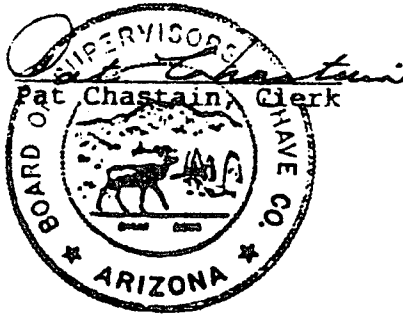
Page 2

approved this Amendment to clarify rezoning resolutions that established SD/R (Special Development/Residential) zoning for DESERT LAKES subdivision, Tract 4076 by including specific setback requirements for all lots, as outlined here in.

MOHAVE COUNTY BOARD OF SUPERVISORS

ATTEST:


Sam Ständerfer, Chairman



From Tract 4076-B

Exhibit 5
799S

and in the event that one or more of the phrases, sentences, clauses, paragraphs or sections contained therein should be invalid or should operate to render this agreement invalid, this agreement shall be construed as if such invalid phrase or phrases, sentence or sentences, clause or clauses, paragraph or paragraphs, or section or sections had not been inserted. In the event that any provision or provisions of this instrument appear to be violative of the Rule against Perpetuities, such provision or provisions shall be construed as being void and of no effect as of twenty-one (21) years after the death of the last partners of Desert Lakes Development, or twenty-one (21) years after the death of the last survivor of all of said incorporators children or grandchildren who shall be living at the time this instrument is executed, whichever is the later.

22. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.



B(1). Special Development Residential
SD-R Single Family Residential, Mobile Homes
Prohibited
Land Use Regulations.

Uses Permitted:

Single Family dwelling and accessory structures and uses normally incidental to single family residences; MOBILE HOMES, MANUFACTURED HOMES AND PREFABRICATED HOMES PROHIBITED.

LAWYERS TITLE AGENCY, INC.,
as Trustee

DESERT LAKES DEVELOPMENT L.P.
a Delaware Limited Partnership

By [Signature]
Title: Trust Officer

By [Signature]

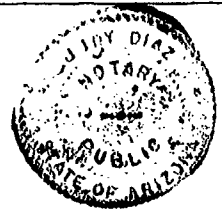
STATE OF ARIZONA)
) SS
COUNTY OF MOHAVE)

On this, the 6th day of December, 19 89, before me the undersigned officer, personally appeared ROBERT P. DOUGLASS, who acknowledged himself to be a Trust Officer of LAWYERS TITLE AGENCY, INC., 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 Trust Officer.

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

My Commission Expires:
MY COMMISSION EXPIRES MAY 30, 1990.

[Signature]
Notary Public



From Tract 4076-C

conditions as set forth herein, or any one or more of them, shall not affect the lien of any mortgage or deed of trust now on record, or which may hereafter be placed on record.

20. In the event that any of the provisions of this Declaration conflict with any other of the sections herein, or with any applicable zoning ordinance, the more restrictive shall govern. The invalidity of any one or more phrases, sentences, clauses, paragraphs or sections hereof shall not affect the remaining portions of this instrument or any part thereof, all of which are inserted conditionally on their being held valid in law and in the event that one or more of the phrases, sentences, clauses, paragraphs or sections contained therein should be invalid or should operate to render this agreement invalid, this agreement shall be construed as if such invalid phrase or phrases, sentence or sentences, clause or clauses, paragraph or paragraphs, or section or sections had not been inserted. In the event that any provision or provisions of this instrument appear to be violative of the Rule against Perpetuities, such provision or provisions shall be construed as being void and of no effect as of twenty-one (21) years after the death of the last partners of Desert Lakes Development, or twenty-one (21) years after the death of the last survivor of all of said incorporators children or grandchildren who shall be living at the time this instrument is executed, whichever is the later.

21. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

→ B(1). Special Development Residential
SD-R Single Family Residential, Mobile Homes
Prohibited
Land Use Regulations.

Uses Permitted:

Single Family dwelling and accessory structures and uses normally incidental to single family residences, MOBILE HOMES, MANUFACTURED HOMES AND PREFABRICATED HOMES PROHIBITED.

WestTITLE CORPORATION,
as Trustee

By *Wm R. Rugh*
Title: Trust Officer

DESERT LAKES DEVELOPMENT L.P.
a Delaware Limited Partnership

By *Sterling R. Howard*
Vice President

From Tract 4076-D

21. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.



B(1). Special Development Residential
SD-R Single Family Residential, Mobile Homes
Prohibited
Land Use Regulations.

Uses Permitted:

Single Family dwelling and accessory structures and uses normally incidental to single family residences, MOBILE HOMES, MANUFACTURED HOMES AND PREFABRICATED HOMES PROHIBITED.

WestTITLE CORPORATION,
as Trustee

DESERT LAKES DEVELOPMENT L.P.
a Delaware Limited Partnership



By [Signature]
Title: Trust Officer

By [Signature]

STATE OF ARIZONA)
) SS
COUNTY OF MOHAVE)

On this, the 12 day of September, 1990, before me the undersigned officer, personally appeared _____, who acknowledged himself to be a Trust Officer of WestTITLE 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 Trust Officer.

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

My Commission Expires: _____

[Signature]
Notary Public

STATE OF ARIZONA)
) SS
COUNTY OF MOHAVE)

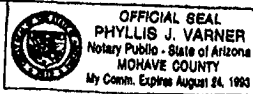


On this, the 6th day of December, 1989, before me, the undersigned officer, personally appeared FRANK PASSANTINO, Secretary of LAGO ENTERPRISES, INC., who acknowledged himself to be a General Partner in DESERT LAKES DEVELOPMENT, a Delaware Limited Partnership, and that he, as such Incorporator being authorized so do do, executed the foregoing instrument for the purposes therein contained, by signing the name of the Corporation by himself as a Incorporator.

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

My Commission Expires: _____

[Signature]
Notary Public



BELLA/04/18/90

From Tract 4132

such covenants, restrictions or conditions and prevent such violating party from so doing or to recover damages or other dues for such violations. In addition to any other relief obtained from a court of competent jurisdiction, the prevailing party may recover a reasonable attorney fee as set by the court. No failure of the Trustee or any other person or party to enforce any of the restrictions, covenants or conditions contained herein shall, in any event, be construed or held to be a waiver thereof or consent to any further or succeeding breach or violation thereof. The violation of any of the restrictions, covenants or conditions as set forth herein, or any one or more of them, shall not affect the lien of any mortgage or deed of trust now on record, or which may hereafter be placed on record.

21. In the event that any of the provisions of this Declaration conflict with any other of the sections therein, or with any applicable zoning ordinance, the more restrictive shall govern. The invalidity of any one or more phrases, sentences, clauses, paragraphs or sections thereof shall not affect the remaining portions of this instrument or any part thereof, all of which are inserted conditionally on their being held valid in law and in the event that any one or more of the phrases, sentences, clauses, paragraphs or sections contained therein should be invalid or should operate to render this agreement invalid, this agreement shall be construed as if such invalid phrase or phrases, sentence or sentences, clause or clauses, paragraph or paragraphs, or section or sections had not been inserted. In the event that any provision or provisions of this instrument appear to be violative of the Rule Against Perpetuities, such provision or provisions shall be construed as being void and of no effect as to twenty-one (21) years after the death of the last partners of Desert Lakes Development, or twenty-one (21) years after the death of the last survivor of all of said partners' children or grandchildren who shall be living at the time this instrument is executed, whichever is the later.

22. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.




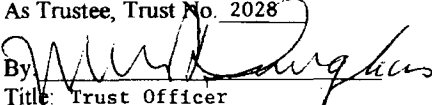
- B. 1. Land Use Specifications:
 - Special Development Residential
 - SD-R Single Family Residential
 - Mobile Homes Prohibited

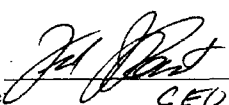
PAGE 5 OF 6
BK 3008 PG 679 FEE#9768928

- 2. Uses Permitted:
 - Single family dwelling and accessory structures and uses normally incidental to single family residences, MOBILE HOMES, MANUFACTURED HOMES AND PREFABRICATED HOMES PROHIBITED.

Westitle Agency, Inc.
An Arizona Corporation
As Trustee, Trust No. 2028

Desert Lakes Development L. P. 
a Delaware Limited Partnership

By: 
Title: Trust Officer

By: 
Title: CEO

From Tract 4159 (2 pgs)

16. No person shall use any premise in any land use of, which is designed, arranged or intended to be occupied or used for any purpose other than expressly permitted in this Declaration as set forth herein and in Part "B" hereof. Multiple family dwellings, including apartments, condominiums, town houses and patio homes are expressly forbidden.

17. Notwithstanding anything herein to the contrary, prior to the Declarant having sold a lot that is subject to this instrument, Declarant may make any reasonable, necessary or convenient amendments in these restrictions and said amendments shall supersede or add to the provisions set forth in the instruments from and after the date the duly executed document setting forth such amendment is recorded in the Mohave County Recorder's Office.

18. All repair and maintenance of fences or walls constructed on any lot within this tract shall be the sole and exclusive responsibility of the owner of the lot on which said fence or wall is constructed. Lot 6 contains a drainage easement running along the north boundary of said lot. The individual owner of Lot 6 will be responsible for the maintenance of said drainage easement.

19. Invalidation of any of the restrictions, covenants or conditions above by judgment or court order shall in no way affect any of the other provisions hereof, which shall remain in full force and effect.

20. If there shall be a violation or threatened or attempted violation of any of the foregoing covenants, conditions or restrictions it shall be lawful for Declarant, its successors or assigns, any person or persons owning real property located within the subdivision to prosecute proceedings at law or equity against all persons violating or attempting to or threatening to violate any such covenants, conditions or restrictions and prevent such violating party from so doing to recover damages or other dues for such violations. In addition to any other relief obtained from a court of competent jurisdiction, the prevailing party may recover a reasonable attorney fee as set by the court. No failure of the Trustee or any other person or party to enforce any of the covenants, conditions or restrictions contained herein shall, in any event, be construed or held to be a waiver thereof or consent to any further or succeeding breach or violation thereof.

21. In the event that any of the provisions of this Declaration conflict with any other of the sections therein, or with any applicable zoning ordinance, the more restrictive shall govern. The invalidity of any one or more phrases, sentences, clauses, paragraphs or sections thereof shall not affect the remaining portions of this instrument or any part thereof, all of which are inserted conditionally on their being held valid in law and in the event that any one or more of the phrases, sentences, clauses, paragraphs or section contained therein should be invalid phrase or phrases, sentence or sentences, clause or clauses, paragraphs or paragraphs or section or sections had not been inserted.

22. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all casts be assumed as though in each case fully expressed.

B.

1. Land use specifications:

- Special Development Residential
- SD-R Single Family Residential
- Mobile Homes Prohibited

2. Uses permitted:

- Single family dwelling and accessory structures and uses normally incidental to single family residences.
- Mobile homes, Manufactured Homes and Prefabricated Homes Prohibited.

From Tract 4159

P. 2

DECLARANT

DECLARANT

→ Angelo Rinaldi
 ANGELO RINALDI

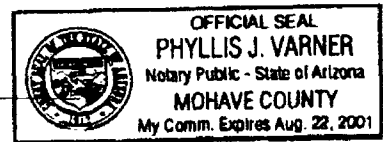
Dewey Davide
 DEWEY DAVIDE

STATE OF ARIZONA)
) SS
 COUNTY OF MOHAVE)

On this, the 4th day of OCTOBER, 2000, before me, the undersigned notary public, appeared ANGELO RINALDI AND DEWEY DAVIDE, personally known to me to be the persons whose names is subscribed to the within instrument and acknowledged to me the they executed the same.

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

Phyllis J. Varner
 Notary Public



My Commission Expires AUG. 22, 2001

PAGE 6 OF 6
 BK 5608 PG 617
 FEE#2000057903

From Tract 4076-A

or provisions shall be construed as being void and of no effect as of twenty-one (21) years after the death of the last partners of Desert Lakes Development, or twenty-one (21) years after the death of the last survivor of all of said incorporators children or grandchildren who shall be living at the time this instrument is executed, whichever is the later.

21. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

B(1). R-O Single Family Residential, Mobile Homes Prohibited Land Use Regulations.

R-O Regulations, as defined and set forth in the Mohave County Zoning Ordinance shall apply to the following lots in Tract 4076-A:

- Lots 1 - 80 Inclusive, Block A
- Lots 1 - 74 Inclusive, Block B
- Lots 1 - 14 Inclusive, Block C
- Lots 1 and 2 Block D
- Lots 1 - 48 Inclusive, Block E
- Lots 1 - 9 Inclusive, Block F
- Lots 1 - 14 Inclusive, Block H

Uses Permitted:

Single Family dwelling and accessory structures and uses normally incidental to single family residences, MOBILE HOMES, MANUFACTURED HOMES AND PREFABRICATED HOMES PROHIBITED.

LAWYERS TITLE AGENCY, INC.
as Trustee

DESERT LAKES DEVELOPMENT L.P.
a Delaware Limited Partnership

By [Signature]
Title: Trust Officer

By [Signature]
ANGELO RINALDI, President
LAGO ENTERPRISES, INC.,
The General Partner

STATE OF ARIZONA)
) SS
COUNTY OF MOHAVE

On this, the 15th day of May, 19 89, before me the undersigned officer, personally appeared ROBERT P. DOUGLASS, who acknowledged himself to be a Trust Officer of LAWYERS TITLE AGENCY, INC., 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 Trust Officer.

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

My Commission Expires:
February 12, 1992

[Signature]
Notary Public

