

**THIRD AMENDED AND RESTATED  
DECLARATION  
OF  
COVENANTS, CONDITIONS  
AND RESTRICTIONS  
FOR  
FLYING CROWN RANCH HOME OWNERS ASSOCIATION  
(Formerly known as Pegasus Ranch; legal description Silver Bell Estates Unit 6.)**

THIS AMENDED AND RESTATED DECLARATION, made on the date hereinafter set forth by the undersigned hereinafter referred to as “Declarant,” and shall supersede that Second Amended and Restate Declaration of Covenants, Conditions and Restrictions recorded on March 5, 2007 Fee No. 2007-027720, official Records of Pinal County, Arizona.

**WITNESSETH:**

WHEREAS, Declarant is the owner of certain property in the County of Pinal, State of Arizona, which comprise the Flying Crown Ranch Home Owners Association, the property which is more particularly described as:

Silver Bell Estates Unit 6, platted lots 70 through 77 (sold together as Parcel 1); platted lots 103 through 110 (sold together as Parcel 2); platted lots 132 through 139 (sold together as Parcel 3); platted lots 161 through 162 and lots 165 through 169 (sold together as Parcel 4); platted lot 159 and lots 170 through 175 (sold together as Parcel 5); platted lots 179 through 182 and lots 197 through 198 (sold together as Parcel 6); platted lots 150 through 153 and lots 155 through 156 (sold together as Parcel 7); platted lots 128 through 130 and lots 141 through 143 (sold together as Parcel 8); platted lots 99 through 101 and lots 112 through 114 (sold together as Parcel 9); platted lots 66 through 68 and lots 79 through 81 (sold together as Parcel 10); and in accordance with Article VII – ANNEXATION, the declarant hereby exercises the right to bring the following additional parcels into the Flying Crown Ranch: platted lots 63 through 65 and 82 through 84 (sold together as Parcel 11); platted lots 96 through 98 and lots 115 through 117 (sold together as Parcel 12); platted lots 125 through 127, lots 144-145, and lot 149 (sold together as Parcel 13); platted lots 122 through 124 and lots 146 through 148 (sold together as Parcel

14); platted lots 93 through 95 and lots 118 through 120 (sold together as Parcel 15), and any other parcels in Silver Bell Estates Unit 6 according to the plat recorded on March 4, 1974) designated by declarant.

## ARTICLE I – DEFINITIONS

Section 1. “ASSOCIATION” shall mean and refer to FLYING CROWN RANCH HOME OWNERS ASSOCIATION, its successors and assigns.

Section 2. “BOARD” shall mean and refer to the Board of Directors of the Association.

Section 3. “COMMON AREA” shall mean and refer to Silver Bell Estates Unit 6 lots 69, 78, 102, 111, 131, 140, 163, 164, 157, 158, 176, 177 and 178, which were conveyed by the Declarant to the Association by quitclaim deed recorded on October 29, 2001, Pinal County, Fee No. 2001-049549, for use as an east-west runway, a parallel road providing access to lots on the north side of the runway, and any future facilities that may be needed by the Association. “COMMON AREA” shall also mean and refer to the north-south roads shown on the plat and currently being used as taxiways.

Section 4. “DECLARANT” shall mean and refer to Kirby & Kellie Chambliss.

Section 5. “LOT” shall mean and refer to lots as indicated on the plat with the exception of the Common Area.

Section 6. “OWNER” shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot appearing on the plat or Parcel designated by the Declarant; including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. “PARCEL” shall mean and refer to groups of lots sold by the Declarant and designated as such (See Article 1, Section 9).

Section 8. “PRIVATE AREA” shall mean and refer to land owned by Kirby and Kellie Chambliss that can be used for commercial storage, ground operation and maintenance of aircraft, as well as other commercial purposes permitted as a nonconforming industrial use. This land shall be and is specifically excluded from the application of this Declaration and includes all of the lots on the plat that have not been identified as Parcels or Common Area as herein before defined.

Section 9. “PROPERTIES” shall mean and refer to Silver Bell Estates Unit 6, platted lots 70 through 77 (sold together as Parcel 1); platted lots 103 through 110 (sold together as Parcel 2); platted lots 132 through 139 (sold together as Parcel 3); platted lots 161 through 162 and lots 165 through 169 (sold together as Parcel 4); platted lot 159 and lots 170 through 175 (sold together as Parcel 5); platted lots 179 through 182 and lots 197 through 198 (sold together as Parcel 6); platted lots 150 through 153 and lots 155 through 156 (sold together as Parcel 7); platted lots 128 through 130 and lots 141 through 143 (sold together as Parcel 8); platted lots 99 through 101 and lots 112 through 114 (sold together as Parcel 9); platted lots 66 through 68 and lots 79 through 81 (sold together as Parcel 10); and in accordance with Article VII – ANNEXATION, the declarant hereby exercises the right to bring the following additional parcels into the Flying Crown Ranch: platted lots 63 through 65 and 82 through 84 (sold together as Parcel 11); platted lots 96 through 98 and lots 115 through 117 (sold together as Parcel 12); platted lots 125 through 127, lots 144-145, and lot 149 (sold together as Parcel 13); platted lots 122 through 124 and lots 146 through 148 (sold together as Parcel 14); platted lots 93 through 95 and lots 118 through 120 (sold together as Parcel 15) and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

## ARTICLE II – PROPERTY RIGHTS

Section 1. OWNERS’ EASEMENTS OF ENJOYMENT. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Parcel, subject to the following provisions:

- (a) The right of the Association to charge reasonable admission and other fees for the use of any part of the Common Area; except as set forth in Article III, Section 3(c)/or for the assignment of an Owner’s right to use the Common Area which is separate from the lease or assignment of the entire Parcel;
- (b) The right of the Association to suspend the voting rights and right to use of the Common Area by an Owner for any period of time during which any assessment against his Parcel/s remains unpaid; or for any infraction of its published rules and regulations until compliance with the rules and regulations is confirmed by the Board.

- (c) The right of the Association to dedicate or transfer all or part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of each class of members has been recorded.
  
- (d) The right of the Association to permit use of the Common Area by other than infrequent guests and to charge a fee for that use.

Section 2. DELEGATION OF USE. Any owner may delegate in accordance with the Bylaws, his right of enjoyment to the Common Area to the members of his family, his tenants, or contract purchasers or assignees.

- (a) Any lease or assignment of an Owner's right to use the Common Area which is separate from a lease or assignment of a Parcel must be in writing and must be approved by the Board. Assignment of use of the Common Area by an Owner which is separate from a lease or assignment of the entire Parcel shall result in loss of the Owner's right to use the Common Area during the term of that agreement but shall not relieve the Owner from any obligations hereunder, including an Owner's covenant to pay assessment pursuant to Article IV.

Section 3. LOW LEVEL AEROBATIC BOX. There is a surface to 3500 ft. AGL aerobatic box located 1500 ft. North of the East-West runway. This is a permanent aerobatic box. Aerobatic airplanes make lots of noise. Aircraft in the aerobatic box will always have priority over other airplanes.

### ARTICLE III – MEMBERSHIP AND VOTING RIGHTS

Section 1. MEMBERSHIP. Every Owner of a Parcel shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Parcel which is subject to assessment, except as set forth in Section 3 of this Article.

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

Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Parcel owned. When

more than one person holds an interest in any Parcel, all such persons shall be members. The vote for such Parcel shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Parcel.

Class B. The Class B member(s) shall be the Declarant and shall be entitled to two votes for each Parcel owned. The Class B membership shall cease and be converted to a Class A membership when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership.

### Section 3. FORMATION RIGHTS & POWERS OF THE BOARD

3.1 The initial meeting of this Board shall be called by Declarant at such time as all Parcels have been sold by Declarant or at such earlier time as Declarant may set. At this initial meeting the owners shall elect a Board of Directors of not less than three (3) members. The Board, which shall be composed of parcel owners, shall conduct the affairs of the Association. The Board shall have the power to make charges or assessments as provided in the Declaration. The Association shall have the right, through its Board, to promulgate rules and regulations which shall be binding upon all owners. Each year there shall be held an annual meeting which shall be held at a time set by the Board. Any such meeting may be continued from time to time by the Board. At the annual meeting each Board member for the ensuing year shall be elected by a majority present in person or by absentee or email ballot. A majority of the Board or a majority of the owners based upon parcels owned may call a special meeting upon at least twenty (20) days' notice for any purpose including enlarging or reducing the number on the Board, provided such purpose is stated in the notice. The Board may be expanded by a majority vote of the membership based upon the number of Parcels owned.

3.2 A majority vote of the Board members shall entitle the Board to carry out any action on behalf of the owners of the Parcels.

3. The Board shall have the following rights and powers:

- a. To levy the assessments which are currently \$50.00 per parcel per month, payable as determined by the Board against each of the Parcels and the owners thereof. The annual assessment may be increased by a vote of fifty-one percent (51%) of each class of members who are

voting in person at a meeting duly called for this purpose or by absentee or email ballot.

- b. To levy special assessments deemed necessary by the Board to carry out the Association's purposes and to cover unexpected or extraordinary expenses not included in the budget adopted by the Board.
- c. To use and expend the assessments collected to maintain, care for, improve, build, rebuild and preserve the Common Area.
- d. To pay taxes and assessments levied and assessed against the Association.
- e. To pay for casualty and hazard insurance, utilities and expenses as shall be designated by the Board.
- f. To insure the Association against loss from fire or other casualty and to purchase such other insurance, including public liability, as the Board may deem advisable.
- g. To collect delinquent assessments and charges, by suit or otherwise, and to enjoin to seek damages from the owners of the Parcels for violation of the Declaration. (The term "Declaration" shall include the By-Laws and rules and regulations of the Association.)
- h. To protect and defend the systems and roadways from loss and damage by suit or otherwise and comply with any governmental regulations, if required.
- i. To employ and dismiss workmen, lawyers, accountants and any others necessary to carry out the rights and powers herein granted and to purchase supplies and equipment, and to enter into contracts.
- j. To make By-Laws and reasonable rules and regulations to amend the same from time to time, all of which shall be binding upon the Parcels and the owners thereof.
- k. To create an assessment reserve fund into which the Board shall deposit all sums collected by assessments or otherwise, the assessment reserve fund to be used and expanded for the purposes herein set forth.
- l. To rend to the owners periodic statements of receipts and expenditures.
- m. To appoint officer(s), manager(s), and agent(s) to carry out the business of the Board.

- n. To do anything else reasonably necessary to enable the Board to carry on the efficient operation of the system.

#### ARTICLE IV – COVENANT FOR MAINTENANCE ASSESSMENTS

##### Section 1. CREATION OF THE LIEN AND PERSONAL

OBLIGATION OF ASSESSMENTS. Owner of any Parcel by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association: (1) annual assessments or charges and (2) special assessments for capital improvements, such assessments be established and collected as hereinafter provided.

The annual and special assessments together with interest, costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property, against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fee shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed by them.

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

Section 3. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS. In addition to the annual assessments, authorized above, the Association may levy, in an assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the capital improvement upon the Common Area, including fixtures and persona; property related thereto, provided that any such assessment shall have the assent of fifty-one percent (51%) of the votes of each class of members who are voting in person at a meeting duly called for this purpose or by absentee or email ballot.

Section 4. NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 2 AND 3. Written notice of any meeting called for the purpose of taking action authorized under Sections 2 or 3 shall be sent to all members not less than 30 days and not more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or their absentee or email ballots entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting shall be one half (1/2) of the required

quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 5. UNIFORM RATE OF ASSESSMENT. Both annual and special assessments must be fixed at a uniform rate for all Parcels, except as set forth in Section 7 below, and may be collected on a monthly basis.

Section 6. DATE OF COMMENCEMENT OF ASSESSMENTS: DUE DATES. The annual assessments provided for herein shall commence as to all covered Parcels on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Property at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessments shall be sent to every Owner subject thereto. The Board of Directors shall establish the due date. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Parcel have been paid. A properly executed certificate of the Association as to the status of assessments on a Parcel is binding upon the Association as of the date of its issuance.

Section 7. ASSESSMENTS FOR UNDEVELOPED LOTS. The Association may provide for a reduced assessment to be paid by those Parcel Owners whose property is undeveloped; provided, however, that the Owners of undeveloped Parcels are assessed on a uniform basis. In collecting the assessment pursuant to this Section, the Association may consider credits towards those assessments for contributions "in kind" to construction, operation and maintenance of the Common Areas by the Owners of undeveloped Parcels.

Section 8. EFFECT OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of interest set from time to time by the Board. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Parcel/s.

Section 9. SUBORDINATION OF THE LIEN TO MORTGAGES. The lien of the assessments provided for herein shall be subordinate to the lien of any first Mortgage. Sale or transfer of any Parcel shall not affect the assessment lien. Any lender or other person or entity acquiring title or coming into possession of a Unit through foreclosure of a mortgage, purchase at a foreclosure sale or trustee's sale, or through any equivalent proceedings, such as, but not limited to, the taking of a deed in lieu of foreclosure shall acquire title subject to all claims for unpaid Assessments and charges against the Parcel.

## ARTICLE V – ARCHITECTURAL CONTROL

All homes and hangers will be of the stucco type construction and with a Southwest style elevation. No building, fence, wall or other structure or landscaping shall be commenced, erected or maintained upon the Parcels; nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location have been submitted and approved in writing as to the harmony of external design and location in relation to surrounding structures and topography by the Board, or by an Architectural Review Committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been satisfied.

Structures which are subject to architectural review shall include, but not be limited to: primary residence, fences, walls, barriers, outdoor swimming pools or spas, outside electromagnetic receiving/transmitting devices, solar collector and/or storage devices, storage of recreational vehicles such as motor homes, boats and travel trailers.

All yards that are visible will be desert landscaping.

Swimming pools or spas which are freestanding or located above ground level are not allowed unless approved by the Association.

Written application for review and approval of building plans may be submitted to the Board.

## ARTICLE VI – USE RESTRICTIONS

Section 1. RESIDENTIAL USE. All of the Parcels within the Association shall be used only for single-family residences and home occupations permitted under the applicable zoning ordinance. All structures placed on said Parcels shall be of new construction and no building shall be move from any other locations onto any of the Parcels.

Section 2. ANIMALS. No pigs, chickens, other fowl, or any livestock with the exception of two (2) horses other than common household pets are to be maintained on any Parcel. No commercial boarding of animals is permitted on any Parcel.

Section 3. BUILDING REGULATIONS. Each Parcel shall comply with applicable local zoning rules and regulations, including but not limited to the building setback requirements. Compliance with such governmental regulations shall be in addition to compliance with the Architectural Review Committee provided for in Article V of this Declaration. No Parcel shall be used for residential purposes until a building permit has been issued by the local governmental authority and the sanitary waste disposal system for the Parcel has been approved.

Section 4. HEIGHT. No structure exceeding twenty-five (25) feet in height shall be erected or permitted on any Parcel.

Section 5. AREA. No dwelling house having a living space of less than 2,000 square feet exclusive of open porches, pergolas, or attached garage, if any, shall be erected on any Parcel.

Section 6. SIGNS. No business of any kind or nature whatsoever shall be conducted from any residence on any Property (unless approved by the Association). No advertising signs (except for one "For Rent" or "For Sale" sign per Parcel not to exceed thirty-six inches by thirty-six inches), billboards, unsightly objects or nuisance shall be erected, placed or permitted to remain on any of said Parcels.

Section 7. VEHICLES. LIGHTING. No derelict vehicles shall be kept on any Parcel, nor shall any large commercial vehicles be kept on or operated from the premises. The use of outdoor lights is discouraged, and if installed, they shall be designed in such a manner that no light shall illuminate adjacent property and light shall be in conformance with applicable local, state, and federal regulations.

Section 8. AIRCRAFT FUELS. On-site storage of aircraft fuel in individual aircraft hangars, shelters or on individual Parcels is prohibited (unless approved by the Association).

Section 9. AIRCRAFT HANGARS. All aircraft hangars or shelters are subject to the architectural review provision of Article V herein. All such hangars or shelters constructed on a Parcel shall be architecturally compatible with the primary structure on the Parcel. All aircraft hangars must be construction in conjunction with or subsequent to the construction of the residence. Hangars or aircraft shelters may be detached from or attached to a primary structure in accordance with local building regulations.

Section 10. AIRCRAFT REPAIR. Unless approved by the Association, no commercial aircraft repair business shall be permitted on a Property. There shall be no storage of dismantled or disabled aircraft within the Properties or the Common Area. Aircraft being repaired and aircraft parts must be kept within an enclosed hangar building which has been approved pursuant to Article V of this Declaration.

Section 11. STORAGE TANKS. Any tank used in connection with any residences or hangars on the lots, including tanks for storage of water, gas, fuel oil, or vehicle fuel, must be kept buried or screened by adequate planting or fencing to conceal the tanks from neighboring lots and structures. Fencing and planting must be of a design that is harmonious with other structures placed upon the lot.

## ARTICLE VII – ANNEXATION

The Declarant, their heirs and assigns shall have the right to bring within the scheme of this Declaration additional properties within the Silver Bell Estates Unit #6 described in the plat of record with the Pinal County Planning and Development Department.

## ARTICLE VIII – EASEMENTS

Section 1. EASEMENT TO THE ASSOCIATION. There is hereby reserved and granted to the Association, its Architectural Review Committee, their agents and employees, such easements as are necessary to perform the duties and obligations of the Association as set forth in this Declaration, the Articles, the Bylaws and the Rules of the Association.

Section 2. ACCESS EASEMENT. Access Easement shall mean and refer to an area identified on the recorded final plat which is owned by the Owners of the appurtenant Parcels for ingress and egress and maintenance of such public utilities as are located within the Access Easement area for the benefit of the Owners of Parcels, their respective families, guest, invitees and tenants and including refuse collection and emergency vehicle access.

Section 3. DRAINAGE EASEMENT. Drainage Easement shall mean and refer to an area identified on the recorded final plat which is owned by the Owners of the appurtenant Parcels and runs over, across, under and through the Parcels for the purpose of carrying drainage and runoff waters. No structure, fence, wall or planting which could impede the flow of runoff water shall be permitted within the Drainage Easement area. Maintenance of the Drainage Easement area shall be the responsibility of the Owner of each Parcel through which the Easement area runs.

Section 4. PUBLIC UTILITY EASEMENTS. Public Utility Easement shall mean and refer to an easement over, under, through and across an area identified on a final recorded plat for the purpose of maintaining public utilities, including but not limited to, water, sewer, electric, telephone, cable television and natural gas.

Section 5. TAXIWAY EASEMENTS. Taxiway Easements shall mean and refer to an easement over, under, through and across an area identified on the recorded final plat for the purpose of aircraft ingress and egress from their Parcels.

## ARTICLE IX – MAINTENANCE

Section 1. BY THE ASSOCIATION. The Association shall maintain Common Area.

Section 2. BY THE OWNERS OF THE PARCELS. Each Owner shall be responsible for the maintenance and upkeep of the Owner's entire Parcel, including any improvements located thereon.

Section 3. FAILURE TO MAINTAIN. In the event any Owner of a Parcel maintains his or her Parcel or improvements thereon in a manner which is unsafe or unsatisfactory to the Board, upon approval of two-thirds (2/3) of the Board, shall have the right, through its agents or employees; to repair, maintain or restore the Parcel and any improvements erected thereon. The cost of such maintenance shall be added to and shall become part of the assessment to which the Parcel is subject. No interior maintenance shall be performed pursuant to this Article.

Section 4. EQUIPMENT USED FOR MAINTENANCE - Equipment used for maintenance of the Common Area may be stored on designated members' parcel as approved by the Association.

## ARTICLE X – INSURANCE

Section 1. BY THE OWNERS. It shall be the individual responsibility of each Owner to provide, as he sees fit, insurance on the improvements on his Parcel in the event of damage or destruction for all reasonable hazards. Each Owner shall provide as he or she sees fit homeowner's liability insurance, theft and other insurance covering personal property damage or liability loss.

Section 2. AIRCRAFT LIABILITY INSURANCE. Every Owner or user of a licensed aircraft which is based on the property shall provide the Association with a current Certificate of Insurance for aircraft liability. Failure to provide the Certificate of Insurance and to maintain such insurance shall result in the automatic suspension of the Owner or user's right to use the Common Area.

ARTICLE XI – GENERAL PROVISIONS

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

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

Section 3. AMENDMENT. The covenants and restrictions of this Declaration shall run with and bind the land, for a period of twenty (20) years from the date this Declaration is recorded, after which time, they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by the Owners of not less than fifty-one percent (51%) of the Parcels. Any amendment must be recorded.

Section 4. NOTICES. Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed postpaid to the last known address of the person who appears as the Owner on the records of the Association at the time of mailing.

IN WITNESS WHEREOF, THE UNDERSIGNED, BEING THE Declarant herein, has hereunto set its hand and seal this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

Kirby Chambliss \_\_\_\_\_

Date \_\_\_\_\_

Kellie Chambliss \_\_\_\_\_

Date \_\_\_\_\_

