

RULES AND REGULATIONS

COUNTRYBROOK MEADOWS

OCTOBER 1, 1986

INTRODUCTION

These rules and regulations are established by the Board of Directors and are intended to be of benefit to homeowners and tenants alike. Though these policies may seem restrictive in nature, they are designed as guidelines for good community relations. This manual incorporates by reference herein the Declaration of Covenants, Conditions and Restrictions (CC&R's). Each member subscribes to the aforementioned document by virtue of the member's ownership of a lot or a tenant's valid rental agreement. Additional or revised rules and regulations may be enacted in the future and will be distributed to the members of the Association.

Changes to these rules and regulations may be made by Board action or through a meeting of the membership of the Association. Violation of these rules and regulations may result in unnecessary expense to the homeowner or tenant, and/or the suspension of common area privileges.

Your Board of Directors hopes that these policies will facilitate a better understanding of each member's obligations and make your community an area to be proud of as an owner.

Respectfully submitted,

Board of Directors

POOL AREA RULES

The following rules and regulations have been set up for the protection of all homeowners and also to prevent possible damage to the pool areas. Anyone breaking these rules may lose the privilege to use the pool area for up to thirty days. Replacement keys for the pool area may be obtained from the management company. Each unit will have a pool tag. These pool tags are to be worn at all times in the pool/cabana area - without them, one may be asked to leave. A designated pool attendant is NOT a lifeguard and does not have the authority to refuse admittance or remove anyone who does not belong in the pool area. There is a \$5.00 charge assessed for replacement of lost keys and a \$1.00 tag replacement fee. There is a maximum of six people per residence allowed in the pool/cabana area at any one time, including children.

POOL RULES

1. All persons use the pool or spa at their own risk. NO LIFEGUARD IS ON DUTY.
2. The gate to the pool area must be kept locked at all times. This is necessary to protect small children.
3. Pool tags must be displayed at all times in the pool/cabana area by a resident or their guests. ~~Pool keys and tags cannot be loaned to non-residents. Keys and tags can be confiscated and residents can lose pool privileges.~~
4. No pets are allowed in the pool area. (Health Dept. regulation).
5. No glass containers shall be brought into the pool area. Cigarettes are to be placed in proper receptacles. Food is to be confined to tables or counter area.
6. ~~There shall be no running, undue splashing, "horseplay", spitting or obscene language allowed.~~
7. Only persons dressed in swimming suits will be allowed in the pool. No cutoffs are permitted unless clean and hemmed with no ragged edges inside or out. No other street wear is allowed in the pool for adults or children.
8. Pool play equipment shall be limited to small rings and balls. Large play equipment such as air mattresses may be used unless they become an annoyance to other swimmers or limit use of the pool. NO styrofoam equipment is allowed in the pool. (Reason: styrofoam plugs up the filter system). No black swim fins, boats, or auto innertubes are allowed in the pool or pool/cabana area. Safety equipment is for emergency use only!

9. There shall be no throwing of foreign matter or debris into or about the pool.
10. Only battery operated radios and record players are allowed in the pool/cabana area. Electrically operated radios or record players are prohibited.
11. Pool area hours are from 9:00 a.m. to 11:00 p.m.
12. Children under fifteen will not be permitted to use the pool unless accompanied by a parent or adult supervisor. (Adult is 18 years or older).
13. Pool furniture is to be used for its designed purpose only.
14. No intoxicated persons or persons having infectious diseases shall use the pool.
15. No person should swim alone.
16. Hair curlers, bobby pins and hair pins should be removed from hair and suntan oils should be removed from body before entering the pool. Shower facilities are available.
17. The pool shall not be used during repairs or maintenance.
18. The pool area may not be reserved for private parties. However, the Board of Directors may approve certain subdivision functions that may allow use of the swimming pool area for a designated period of time.
19. The pool/spa cleaning or heating equipment is not to be tampered with by the residents.

Penalties for Violators. Reported valid violations as determined by the Board of Directors of the Rules and Regulations or CC&R's may result in a minimum of a \$10.00 assessment to the resident per occurrence and/or suspension of use of the pool area for 30 days.

RENTERS

Tenants, like owners, are expected to observe all policies governing the Association. A statement of this nature shall be included in the tenant's lease. Landlords are requested to notify the management company of the tenant's name to keep occupancy lists updated.

TRANSFER FEE (Resales)

There is a fee charged for transference of legal title of any lot in the Association. A copy of the recorded deed must be furnished to the management company for the permanent files of the Association.

PETS

Dogs, cats and other household pets may be kept as provided in the CC&R's. Should pets dirty the common areas, the owner must clean up the mess promptly. A special plea is made to every pet owner to help maintain the exterior harmony and beauty, not to mention neighborhood relations. A fine may be imposed to an owner if a pet becomes a nuisance in the common area as determined by the Board of Directors.

The leash law is in effect in the County and at the subdivision. You are not permitted to allow your dog to roam free, regardless of the time of day or night. The Maricopa County Animal Laws provide for penalties to owners of dogs that are turned out or have no supervision. Homeowners should call the animal shelter when pets or strays are roaming freely.

PLAY

The common area is for the use of all residents and is restricted to the Association equipment installed or such personal equipment as approved by the Board that will not constitute a hazard or inconvenience to others. After ten o'clock in the evening, no loud noises or shouting will be permitted in the common area.

MISCHIEVOUS ACTS

Mischiefous acts and vandalism cost each resident money. Repairs for damage must come from the Association funds. Any person observed damaging property of the Association, will be billed for expenses to cover repair or replacement. Adult residents are responsible for damage incurred because of their quests, children or children's quests. Owners will be held responsible for damage incurred by tenants or tenant's quests. Association property belongs to you. Please treat it as such. All residents are requested to discourage and/or report mischiefous acts to the management company or to the police as the circumstances necessitate.

INFORMATION FOR PROSPECTIVE PURCHASERS
COUNTRYBROOK MEADOWS HOMEOWNERS ASSOCIATION

HOW AND BY WHOM WILL THE DEVELOPMENT BE MANAGED?

The Association, a legal, nonprofit corporation, has been formed to, among other things, safeguard your rights and all the rights of all the homeowners, to protect property values, and to maintain all Common Area. The governing body of the Association will be a Board of Directors elected by the Members of the Association.

WHAT FUNCTIONS DOES THE ASSOCIATION PERFORM?

You will receive the benefits of owning a swimming pool without the problems of maintaining one. The Homeowners Association is responsible for the operation and maintenance of your common area.

The Association is also responsible for bookkeeping and accounting functions, collections of the Assessment fees from the Members, preparing an annual budget and insuring the improvements on the Common Area, and related duties.

The Association will own, maintain and operate the Common Area for the joint use of all Lot Owners. The Association has been organized as a non-profit corporation and a set of Bylaws has been prepared for the Association. In addition, a Declaration of Covenants, Conditions and Restrictions has been established for the mutual benefit of all Lot Owners. These documents are, of course, available for your examination and information; and a copy of each will be furnished to you at the time you sign a purchase contract for your home.

HOW WILL THE HOMEOWNERS ASSOCIATION WORK?

The individual Owners are Class A Members and are entitled to one vote for each Lot they own. Lennar, as the developer, and as the "Declarant" under the Declaration, is the Class B Member and is temporarily entitled to three votes for each Lot it owns. The Class B Membership terminates and is converted to Class A membership upon the earliest happening of one of the following events:

- a. Upon the sale or other disposition of any particular Lot by Declarant of all or substantially all of its rights under this Declaration (including a pledge or assignment by Declarant to any lender as security) with respect to the Lot or Lots so sold or otherwise disposed of; or
- b. With respect to all remaining Class B memberships, upon the first to occur of the following:

i. 120 days following the first date when the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership; or

ii. Three years following conveyance of the first Lot by Declarant unless Declarant shall have then annexed additional property to the Project in accordance with Paragraph 25, in which event the provisions of subparagraph (b) (i) shall apply; provided, however, that if the Class B membership have previously ceased and been converted Class A memberships pursuant to subparagraph (b) (i), such Class B memberships shall be reinstated as to all Lots owned by Declarant upon the completion of any such annexation of additional property to the Project, and such reinstated Class B memberships shall remain in full force and effect until subsequent occurrence of the conditions set forth in subparagraphs (b)(i) or (b)(iii); or

iii. In any event, five years following conveyance of the first Lot by Declarant.

If any lender to whom Declarant has assigned, or hereafter assigns, as security all or substantially all of its rights under this Declaration succeeds to the interests of Declarant by virtue of said assignment, the Class B memberships shall not be terminated thereby, and such lender shall hold the Class B memberships on the same terms as they were held by Declarant pursuant hereto.

The Association will meet annually, at which meeting Members will elect directors to the Board of Directors to fill the vacancies resulting from expiration of prior terms of office on the Board. At such meetings, the officers of the Association will present a financial report, and other business will be conducted according to the agenda for such annual meetings. The Board of Directors elects the officers of the Association who direct the day-to-day business of the Association.

The Association has the right to establish and enforce reasonable rules governing the use of the Common Area.

Additional residential Lots in Phase II, which Lots are not currently subject to the Declaration, may be annexed and their compliance with certain terms and conditions of Article 25 of the Declaration subject to approval by the Federal Housing Administration or the Veterans Administration. Any such annexation may increase the number of Members of the Association.

EXACTLY WHAT DO I OWN WHEN I PURCHASE MY HOME?

You will receive full and exclusive title to your individual home and Lot (subject to any deed of trust or other lien you place on your Lot). You, as the Owner, will receive a voting membership right in the Association; and, along with the other home Owners, you will have a voice in the utilization and management of all of the Common Area through your membership in the Association.

WHAT IS "COMMON AREA"?

The "Common Area" is that area owned by the Association for use by all home Owners. These include the landscaped and open space areas, the swimming pool and cabana. The Common Area (described in the Declaration) are maintained and operated by the Association.

All of the Common Area will be conveyed to the Association in fee simple, free and clear of all liens and encumbrances prior to the conveyance of the first Lot. Every individual home Owner has the right to use the Common Area and improvements thereon subject to reasonable rules and regulations established by the Association.

ARE PETS ALLOWED?

Normal household pets as described in the Declaration of Covenants, Conditions and Restrictions may, of course, be kept by the home Owners. Permitted pets must be kept within the confines of your individual Lot or on a leash when walking in Common Area. Owners must clean up after their pets.

WHAT ABOUT TAXES?

You receive an individual tax assessment and are responsible for taxes on the home which you own. Taxes on Common Area are paid through monthly Assessments paid by Lot Owners to the Association.

WHAT KIND OF INSURANCE SHOULD I BUY?

Home Owners will be responsible for liability and fire and extended coverage insurance on their individual homes and personal property contained in their homes. The Association will provide comprehensive public liability insurance for the Common Area and indemnification for officers and employees.

WHAT IF I WANT TO SELL MY HOME IN THE FUTURE?

You may sell your home just as you would sell any home. The new Owners will automatically become Members of the Association, pay the monthly Assessments, and be required to abide by its Bylaws and the Declaration of Covenants, Conditions and Restrictions governing the Property.

WHO PAYS FOR CARE AND MAINTENANCE?

You do. . . . together with every other member of the Association. A monthly Assessment is determined annually by the Board of Directors of the Association and each Owner pays the same annual Assessment except Lennar Homes, as the developer, will pay a reduced Assessment on all Lots it owns as described below.

The initial annual Assessment will be two hundred and forty dollars: ~~(\$240.00) and will be paid quarterly or as determined by the Board.~~ This Assessment will be used to pay Association expenses for water (used in the pool, cabana and the Common Area sprinkler system), landscaping, and Common Area maintenance and other expenses of the Association.

MAY THIS MONTHLY ASSESSMENT BE CHANGED?

Yes. Prior to January 1 of the year following the first conveyance of a Lot by Declarant to an Owner, the maximum amount which any Owner shall be required to pay as his proportionate share of the Common Expenses may not exceed \$300.00 per year. Notwithstanding the provisions of Paragraph 8.6, prior to January 1 of the year immediately following conveyance of the first Lot by Declarant to an Owner, the Board may fix and thereafter adjust the assessment payable by all Owners for Common Expenses at such amounts as the Board reasonably elects, provided the maximum amount payable by each Owner does not exceed the maximum amount set forth in the preceding sentence. From and after said January 1, the maximum amount which each Owner may be required to pay as his proportionate share of the Common Expenses may be increased each year by the Board to an amount not in excess of the sum of: (i) the amount of the assessment due and payable by such owner as his proportionate share of Common Expenses for the preceding year, plus (ii) an amount equal to 5% of the assessment due and payable by such owner for the preceding year, or (iii) an amount equal to the percentage change in the Consumer Price Index - United States City Average for Urban Wage Earners and Clerical Workers - All Items (1967 - 100), as published by the United States Department of Labor, Bureau of Labor Statistics (or such other government index with which it may be replaced), for the preceding year times the amount of the assessment due and payable by such Owner for the preceding year. Notwithstanding the foregoing, if two-thirds of each class of members of the Association approve, the maximum allowable assessment may be increased by an amount greater than otherwise permitted pursuant to this Paragraph 8.7.

All annexed Lots, both improved and unimproved, owned by Lennar shall be assessed at a rate of twenty-five percent (25%) of the rate assessed to all Lots owned by others. When each of Lennar's Lots is sold or leased to a member of the public, that Lot becomes subject to the full Assessment as set by the Board of Directors. However, Lennar will underwrite any differences between the actual expenses of the Association and any Assessments levied until control of the Association passes to Class A members (i.e. those Owners other than Lennar).

WHAT IF A HOME OWNER DOES NOT PAY HIS MONTHLY ASSESSMENT?

Such failure to pay would place an unfair burden on the other home Owners; the payment of the quarterly Assessment is mandatory. The Assessment is a personal obligation of the home Owner which is secured by a lien on the delinquent Owner's Lot and may result in suspension of voting right and use of the Common Area. After an Assessment is delinquent, it bears interest at the rate of twelve percent (12%) per annum. In addition, a reasonable late charge not exceeding twenty-five percent (25%) of the delinquent Assessment, may be assessed by the Board. If an Assessment is not timely paid, the Association may file a lien on each Owner's Lot and home thereon to secure the payment of delinquent Assessments. This lien may be foreclosed by the Association in the same manner as a realty mortgage. In addition to other rights and remedies, the Association can also file an action in court against the delinquent Owner to collect the amount of the Assessment plus interest, late charges, costs and attorney's fees with out foreclosing the lien.

The specific provisions of the CC&K's, By-Laws, and Articles of Incorporation have priority over information contained in this information brochure.

CBM HOA Rules and Regulations

Trash bins: Trash bins should be placed by the curb after 6 p.m. the night before pick up, and put away out of sight by 6 am. the morning after pick up. Our community is on the Monday/Thursday schedule.

Bulk Trash Pick-up: The City of Peoria will pick up bulk trash once a year, in the Spring, usually April. The schedule is included with your water bill, and also published in the newspaper.

Papers in driveway: You are responsible for picking up newspapers, flyers, debris, etc. in your driveway.

Pets: Maximum number of household pets allowed is three (3) total. Pets are not allowed to run loose, and it is your responsibility to see that your pet/pets do not become a nuisance to neighbors, such as excessive barking, waste odor, etc. (City of Peoria Ord. Sec. 4-8.)

Basketball Hoops: The portable type should always be in the vertical position on your property, and never on sidewalk or in street, or neighbor's property. Any permanent hoop must be approved by the BOD.

Garden Hoses: Front yard garden hoses must be neatly coiled or on a holder when not in use.

Weeds & Black Plastic Weed Barrier: Weeds shall be controlled on a regular basis. Corner homes are responsible for the areas between their property walls and the sidewalk, including around the mailboxes. Black plastic weed barrier should not be visible through the rock, and must be trimmed, removed or covered with more rock.

Bushes and Trees: Shrubs, bushes and trees must be trimmed so that they do not block the sidewalk. Corner lots must keep theirs trimmed so that drivers can see around the corners when moving into traffic.

Vehicles: Except for minor routine maintenance, no vehicle shall be repaired or rebuilt in the driveway or in the street. Minor repairs should be done in your garage.

No boats, trailers, etc. shall be stored on any Lot so as to be visible to any other Lot. No vehicle of any type shall be left abandoned on any Lot.

Signs: No sign of any kind shall be displayed except for the following: Security/Alarm sign, Personal name sign, Contractor sign during the time of renovation only, and For Sale sign by a Realty. For Rent by Owner signs are not allowed.

U.S. and AZ Flags: One each is allowed as long as they are properly displayed and in good condition. In-ground flagpoles must be approved by the BOD.

Flags - Other: Holiday, seasonal decorative flags are allowed, one at a time, and taken down at end of the season or holiday.

Coach Lights: Bulbs must be white or yellow bug lights; colored lights are allowed only during the holiday season. Burned out bulbs and broken globes must be replaced as needed.

Christmas Lights: Lights may be displayed after Thanksgiving and must be taken down by January 15th, (City of Peoria Code.)

Window A/C Units: Window air conditioner units are not allowed.

Awnings: Awnings on windows are an architectural change and must be approved by the HOA Board of Directors before installation.

House Paint Colors: The original colors are Dunn-Edwards Navajo White and Village Blue, (or the equivalent colors from Home Depot, etc.). Other color shades may be allowed but must be approved by the Board of Directors.

Rock Landscaping: There is no required color of rock, any of the various colors of rock is acceptable.

Gates: Gates to the backyard area may be painted the color of the house or trim. Black wrought iron is also acceptable. If natural wood, it must be varnished and maintained.

Garage/Yard Sales: You are allowed 4 garage sales per year. Signs must be picked up at end of sale. Absolutely no item for sale may be placed in your yard or driveway, other than a Yard Sale.

Pool Area: The pool rules are posted on the building in the pool area. They are also listed in the CC&R"s. Please read and obey them.

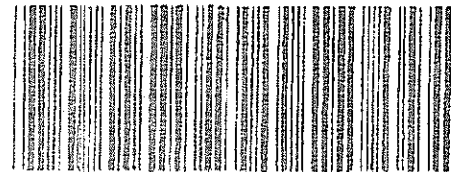
Please call the Management Co. if you have questions on anything not mentioned above.

**PLEASE KEEP THIS GUIDE OF THE HOA RULES AND REGULATIONS FOR
FUTURE REFERENCE**

Hold for Liddy

WHEN RECORDED, RETURN TO:

Beth Mulcahy
Mulcahy Law Firm, P.C.
1232 East Missouri Avenue
Phoenix, Arizona 85014
(602) 241-1093



OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
2004-0189032 02/25/04 15:25
1 OF 2

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FIRST AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
COUNTRYBROOK MEADOWS

This First Amendment to the Declaration of Covenants, Conditions and Restrictions for Countrybrook Meadows is made as of this 25th day of February, 2004, by Countrybrook Meadows Homeowners Association ("Association"), an Arizona nonprofit corporation.

RECITALS

A. The Declaration of Covenants, Conditions and Restrictions for Countrybrook Meadows was recorded on January 14, 1987 at Recording Number 87 024353 (the "Declaration"), records of Maricopa County, Arizona, subjecting the real property described in the Declaration to mutually beneficial restrictions under a general plan of improvement for the benefit of all Owners within the Property.

B. Article 23 of the Declaration provides that the Declaration may be amended upon the written consent or approval thereof of three-fourths of the Owners then entitled to vote for directors. The amendment, when adopted, shall bear the signature of the president of the Association and shall be attested by the secretary and shall be acknowledged by them as officers of the Association. Amendments once properly adopted shall be effective upon recording in the appropriate governmental office.

C. The Board of Directors of the Association proposed to the members that the Declaration be amended. The amendment proposed by the Board of Directors was adopted and approved by the written consent or approval thereof of three-fourths of the Owners then entitled to vote for directors.

NOW, THEREFORE, the Declaration is amended as follows:

- 1. Delete the first sentence (only) of Article 19, Section 19.4, Pets, of the Declaration and replace with the following language:

"19.4 Pets. Subject to the provisions of paragraphs 19.5 and 19.19 up to three (3) household pets (i.e. dogs, cats or other small commonly accepted household pets) may be kept on each Lot without the prior approval of the Board."

- 2. Delete Article 19, Section 19.10, No Windbells, of the Declaration and replace with the following:

"19.10. Windbells. Windbells, windchimes or similar devices shall be permitted on the Property as long as they do not create a nuisance in the Association.

- 3. The terms used in this Amendment without definition shall have the same meanings given to such terms in the Declaration.

- 4. By attesting to this Amendment, the undersigned certifies that the amendments to the Declaration were properly adopted by the Members of the Association in accordance with the requirements of the Declaration.

- 5. Except as expressly amended by this Amendment, the Declaration shall remain in full force and effect. In the event of any inconsistency or conflict between the provisions of this Amendment and the Declaration, this Amendment shall prevail.

COUNTRYBROOK MEADOWS HOMEOWNERS ASSOCIATION

BY *Lisa Christianson*
 ITS: President LISA CHRISTIANSON
 (Acting)

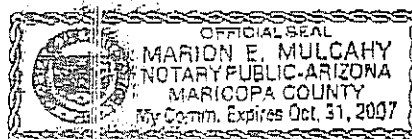
ATTESTED BY: *Ron G. Jarter*
 ITS: Secretary (Acting)
 RON G. JARTER

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 25th day of February 2004, by Lisa Christianson, the President of Countrybrook Meadows Homeowners Association, an Arizona non-profit corporation, on behalf of the non-profit corporation.

Notary Public: Marion Mulcahy

My Commission Expires: 10/31/07



STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 25th day of February 2004, by Ron Sartor, the Secretary of Countrybrook Meadows Homeowners Association, an Arizona non-profit corporation, on behalf of the non-profit corporation.

Notary Public: Marion Mulcahy

My Commission Expires: 10/31/07

