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Scottsdale, Arizona 85260

DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR  
LAKERIDGE ESTATES

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Lakeridge CC&Rs

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

LAKERIDGE ESTATES

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR LAKERIDGE ESTATES is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 199\_\_\_\_, by SOUTH POINT PARTNERS, an Arizona General Partnership (hereinafter referred to as "Declarant").

W I T N E S S E T H:

WHEREAS, Declarant is the sole owner of that real property situated in the City of Lake Havasu, County of Mohave, State of Arizona, which is more particularly described on EXHIBIT "A" attached hereto and incorporated herein by this reference (the "Property").

WHEREAS, Declarant intends by this Declaration to impose upon the Property mutually beneficial restrictions under a general plan of improvement for the benefit of all Owners of residential property within the Property as provided herein.

WHEREAS, Declarant desires to provide a flexible (yet common) and reasonable procedure for the overall development of the Property and to establish a method for the administration, maintenance, preservation, use and enjoyment of the Property as is now or may hereafter be subjected to this Declaration, as provided herein.

NOW THEREFORE, Declarant, as the sole owner of the Property, and for the purposes hereinafter set forth, hereby declares that

all of the Property and any additional property as may be subjected to this Declaration shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of and which shall run with the real property now and hereafter subjected to this Declaration and which shall be binding on all parties having any right, title or interest in the described properties or any part thereof, and their heirs, devisees, personal representatives, successors and assigns, and shall inure to the benefit of each Owner thereof.

FURTHER, Declarant hereby declares that all the Lots of the Property shall be subject to the following covenants, conditions and restrictions and shall be held, conveyed, mortgaged, encumbered, leased, rented, occupied, improved and used subject to the following covenants, conditions, restrictions, easements and equitable servitudes. The restrictions set forth in this Declaration shall run with the Lots, shall be binding upon all persons having or acquiring any right, title or interest in the Lot, or any part thereof, or occupying any Lot, or any part thereof, shall inure to the benefit of every portion of the Lots, and any interest therein and shall inure to the benefit of and be binding upon any successor in interest of the Declarant and of each Lot Owner, mortgagees, beneficiaries and trustees under trust deeds, occupants and all other persons hereafter acquiring any interest in the Property, and may be enforced by Declarant, by any Owner or other successors in interest or by the Association.

## ARTICLE I

### Definitions

Section 1. "Architectural Control Committee" shall mean the committee appointed by the Board of Directors of the Association pursuant to this Declaration to regulate the external design, appearance, use and maintenance of the Improvements and to perform such other functions and actions as are imposed upon it by the Declaration, the Bylaws or the Board.

Section 2. "Articles" shall mean and refer to the Articles of Incorporation of the Association, as the same may be amended from time to time in accordance with the provisions thereof and with the applicable provisions of this Declaration, the Bylaws and the statutes and regulations of the State of Arizona.

Section 3. "Association" shall mean and refer to Lakeridge Estates Homeowners Association, an Arizona nonprofit corporation, and its successors and assigns, consisting of the Owners of the Lots.

Section 4. "Board of Directors" or "Board" shall be the elected body of the Association having its normal meaning under Arizona corporate law.

Section 5. "Bylaws" shall mean and refer to the Bylaws of the Association, as the same may be amended from time to time in accordance with the provisions thereof and with the applicable provisions of this Declaration, the Articles and the statutes and regulations of the State of Arizona.

Section 6. "Common Area" shall mean (a) all real and personal property hereafter owned by the Association for the common use and enjoyment of the Owners, including the club house and related swimming pool and spa, (b) real and personal property owned by Declarant which is designated by Declarant as being for the common use and enjoyment of the Owners, and (c) such portions of public rights-of-way adjacent to all or any part of the Property over or with respect to which the Association or Declarant has reserved or been granted (or hereafter reserves or has granted to it), explicitly or implicitly, an easement or other right or permission for installing and maintaining landscaping, irrigation systems, perimeter or boundary walls and the like (including, but not limited to, landscaped medians and perimeter or boundary walls on or within public rights-of-way adjacent to all or any part of the Property).

Section 7. "Common Expenses" shall mean and include the actual and estimated costs and expenses for the administration, management and operation of the Association and the administration, operation, maintenance, repair and replacement of the Common Area, including by way of illustration, but not of limitation, real property taxes and assessments levied against the Common Area, premiums for insurance for the Common Area, the cost of maintenance and repair of the Common Area, reasonable reserves for contingencies, replacements and other proper purposes, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration or pursuant to the Articles or the Bylaws.

Section 8. "Constituent Documents" shall include this Declaration; the Articles of Incorporation of the Association which are, or shall be, filed in the office of the Corporation Commission of the State of Arizona, as said Articles may be amended from time to time; and, the Bylaws of the Association as such Bylaws may be amended from time to time; the rules and regulations of the Association, as such rules and regulations may be amended from time to time; and the Guidelines, as the Guidelines may be amended from time to time.

Section 9. "Declarant" shall mean South Point Partners, an Arizona general partnership, its successors in the ownership of the Property for the purpose of the original development and sale thereof and any person or entity to whom it may expressly assign its rights under this Declaration.

Section 10. "Declaration" shall mean and refer to this entire document as the same may be amended from time to time.

Section 11. "Improvements" shall mean and refer to all physical structures and appurtenances thereto of every kind, whether above or below the land surface, including, but not limited to, Single Family Residences, garages, storage areas and other buildings, utility systems, private driveways, walkways and parking areas, fences and walls, decks, stairs, poles, signs, exterior fixtures, irrigation systems and landscaping, including, but not limited to, hedges, plantings, trees and shrubs of every type and kind.

Section 12. "Lot" shall mean and refer to each of the 231 numbered parcels of property designated on the Plat attached hereto as EXHIBIT "A", together with all Improvements constructed or to be constructed thereon and appurtenances thereto.

Section 13. "Majority" or "Majority of Owners" shall mean and refer to the Owners holding more than fifty percent (50%) of the votes entitled to be cast with respect to the affairs of the Association.

Section 14. "Member" shall mean and refer to a person or entity entitled to membership in the Association, as provided herein.

Section 15. "Mortgage" shall include a deed of trust, as well as a mortgage.

Section 16. "Mortgagee" shall include a beneficiary or holder of a deed of trust, as well as a mortgage.

Section 17. "Mortgagor" shall include the trustor of a deed of trust, as well as a mortgagor under a mortgage.

Section 18. "Owner" shall mean and refer to the owner (as evidenced by a recorded document), whether one or more persons, of a Lot that is part of the Property, including, without limitation, persons who acquire title by means of a trustee's deed issued as a result of the exercise of a power of sale under a deed of trust, or who acquire title by means of a deed in lieu of the foreclosure of a Mortgage (including a deed of trust) or, in the case of any valid and outstanding recorded executory agreement of sale with respect to a Lot, the purchaser under such agreement of sale. The term

"Owner" shall exclude in all cases any party holding an interest merely as security for the performance of an obligation.

Section 19. "Person" means a natural person, corporation, partnership, trustee or other legal entity.

Section 20. "Plat" shall mean and refer to:

(i) The plat for Lakeridge Estates, recorded on June 26, 1992, with the County Recorder of Mohave County, Arizona, at Document No. 92-34805, and any amendments thereto, insofar as said plat covers the property.

Section 21. "Single Family" shall mean and refer to the one (1) person or a group of two (2) or more persons, each related to the other by blood, marriage or legal adoption, or a group of not more than three (3) persons not also related, together with their domestic servants, who maintain a common household in a Single Family Residence.

Section 22. "Single Family Residence" shall mean and refer to a single detached residential dwelling used as a residence for a Single Family.

Section 23. "Single Family Residential Unit" shall mean and refer to the occupational use of a Single Family Residence in conformity with this Declaration and the requirements imposed by applicable zoning laws or other state, county, or municipal rules and regulations.

Section 24. "Special Declarant Right/Development Right" or "Declarant Right" shall mean and refer to the rights created and

reserved in this Declaration, or which may be otherwise provided for in this Declaration.

## ARTICLE II

### Property Rights and Description of Lots

Section 1. "Property Rights". Every Owner shall have a right and easement of enjoyment in and to the Common Area, subject to any restrictions or limitations contained herein or in any instrument conveying to the Association or subjecting to this Declaration such property, and subject further to the reasonable rules and regulations of the Association. Any Owner may assign his, her or its right of enjoyment to (and share the same with) the members of his or her household and assign the same to and share the same with his, her or its tenants and invitees subject to the provisions of this Declaration and to reasonable regulation by the Board and otherwise in accordance with procedures and rules and regulations as the Board may adopt.

Section 2. "Amendment by Declarant". Declarant has the right to amend this Declaration during any period of Declarant control to comply with any applicable laws or to correct any error or any inconsistencies in this Declaration, if such amendment does not adversely affect the rights of any owner.

## ARTICLE III

### Membership and Voting Rights

Section 1. Membership. The Association shall have two (2) classes of membership, Class "A" and Class "B", as follows:

(a) Class "A". There shall be one Class "A" membership in the Association for each Lot that is subject to this Declaration. Each such membership shall be held by the Owner (from time to time) of such Lot and shall be appurtenant to and may not be separated from ownership of such Lot. The foregoing is not intended to include persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate an Owner's membership. No Owner, whether one or more persons, shall have more than one membership per Lot owned. In the event any Lot is owned by two or more persons or entities, whether by joint tenancy, tenancy in common, community property or otherwise, the membership as to such Lot shall be joint; provided, however, that such Owners shall jointly designate to the Association in writing one of their number who shall have the power to vote said membership, and, in the absence of such designation and until such designation is made, the Board shall make such designation and such designation shall be binding for all purposes. In no event shall more than one (1) Class "A" membership exist for each Lot.

(b) Class "B". Class "B" Members shall be Declarant and any assignee of all or any part of Declarant's Class "B" membership rights.

Section 2. Voting. The voting rights of the Class "A" and Class "B" Members are as follows:

(a) Class "A". Each Class "A" Member shall be entitled on all issues to one (1) vote for each Lot with respect to which such

Member holds the interest required for membership by Section 1 of this Article III. When more than one person holds such interest in any Lot, there shall be only one (1) vote with respect to such Lot, which vote shall be exercised by the person designated to exercise the power to cast such vote, as provided in Section 1 of this Article III. Any attempt to cast a vote appurtenant to a Lot in a manner inconsistent with the afore-described designation shall result in the suspension of the power to cast such vote until such time as such vote is cast in accordance with such designation. Any owner of a Lot that is leased may, in the lease or other written instrument, assign the voting right appurtenant to the Lot to the lessee of the Lot, provided that a copy of such instrument is furnished to the Secretary of the Association prior to any meeting.

(b) Class "B". The Class "B" Member or Members shall originally be entitled to two hundred and twenty-nine (229) votes; this number shall be decreased by one (1) vote for each Class "A" vote existing at any one time. At such time as Declarant, in its sole discretion, shall determine, the Class "B" membership shall terminate, at which time Declarant shall notify the Members of the Association, in writing, of the termination of Class "B" status. Declarant shall have the right, at any time and from time to time, to assign all or any part of its voting rights appurtenant to its Class "B" membership rights (as well as all or any other rights appurtenant thereto) to one or more persons or entities acquiring any part of the Property for purposes of development and sale.

ARTICLE IV

Maintenance

Section 1. Maintenance. The Association shall maintain and keep in good repair the Common Area, the cost of such maintenance to be a Common Expense of the Association. This maintenance shall include, but not be limited to, maintenance, repair and replacement, subject to any insurance then in effect, of all landscaping and other flora, structures and improvements situated upon the Common Area, including the club house and related swimming pool and spa and any perimeter or boundary walls.

ARTICLE V

Insurance and Casualty Losses

Section 1. Insurance. The Board or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements on the Common Area against loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief. The insurance required hereby shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. The Board shall also obtain a comprehensive public liability policy covering the Association for all damage or injury caused by the negligence of the Association or any of its agents, and, at the Board's discretion and if reasonably available, directors' and officers' liability insurance. The comprehensive public liability policy shall be in amounts not less than Five Hundred Thousand Dollars (\$500,000.00) per person or One Million

Dollars (\$1,000,000.00) per occurrence, as respects bodily injury, and Two Hundred Fifty Thousand Dollars (\$250,000.00), as respects property damage. Premiums for all such insurance shall be a Common Expense.

All such insurance shall be governed by the provisions hereinafter set forth:

(a) All policies shall be written with one or more companies authorized to provide such insurance in the State of Arizona;

(b) Exclusive authority to adjust losses under policies in force on the Property owned by the Association shall be vested in the Board;

(c) In no event shall the insurance coverage obtained and maintained by the Board hereunder be brought into contribution with insurance purchased by individual owners, occupants or their Mortgagees, and the insurance carried by the Association shall be primary;

(d) The Board shall be required to make every reasonable effort to secure insurance policies that will provide for a waiver of subrogation by the insurer as to any claims against the Board or the owners and their respective tenants, servants, agents and guests (if securing same will impose on the Association no additional cost or only such reasonable cost as the Board may determine in its discretion).

Section 2. Damage and Destruction.

(a) Immediately after any damage or destruction by fire or other casualty to all or any part of the Property covered by

insurance written in the name of the Association, the Board or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Article V, means repairing or restoring the Property to substantially the same condition in which it existed prior to the fire or other casualty;

(b) Any major damage or destruction to the Common Area shall be repaired or reconstructed unless, at a special meeting of the Members of the Association duly noticed and convened within sixty (60) days after the occurrence of such damage or destruction, the Members determine, by a vote of not less than seventy-five percent (75%) of all votes represented at such meeting (either in person or by valid proxy), not to so repair or reconstruct. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or a reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made or become available; provided, however, that such extension shall not exceed sixty (60) days. No Mortgagee (except for one holding a Mortgage executed and delivered by the Association or Declarant upon the Common Area affected) shall have the right to participate in the determination of whether the Common Area damage or destruction shall be repaired or reconstructed. The Board shall determine

whether any minor damage or destruction to the Common Area should be repaired or reconstructed;

(c) In the event that it is determined by the Association in the manner described above that the damage or destruction of the Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the property shall be maintained by the Association in a neat and attractive condition as an underdeveloped portion of the Common Area.

Section 3. Repair and Reconstruction.

If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board shall, without the necessity of a vote of the Members, levy an equal assessment against the Owner of each Lot. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the cost of repair, such excess shall be used to meet Common Expenses.

ARTICLE VI

Rights and Obligations of the Association

Section 1. The Common Area. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and shall keep it in good, clean, attractive and sanitary

condition, order and repair, pursuant to the terms and conditions hereof.

Section 2. Educational, Recreational and Social Programs.  
The Association shall be responsible for providing such recreational and social programs as the Board deems appropriate in its discretion.

Section 3. Personal Property and Real Property for Common Use. The Association, through action of the Board, may acquire, hold and dispose of tangible and intangible personal property and real property. The Board, acting on behalf of the Association, shall accept any real or personal property, leasehold or other property interests within, adjacent to or related to all or any part of the Property as may be conveyed or assigned to the Association by Declarant (or Declarant's successors and assigns) (including, but not limited to, such parts of the Common Area as may now or hereafter be held by Declarant). Declarant shall retain full discretion as to the date or dates upon which it will transfer to the Association all or any of the portions of the Common Area as it may now or hereafter hold; provided, however, that Declarant shall have no obligation whatsoever to transfer to the Association any of the portions of the Common Area which it now holds or hereafter may hold so long as Declarant owns any part of the Property.

Section 4. Rules and Regulations. The Association, through the Board, may make and enforce rules and regulations consistent with the rights and duties established by this Declaration.

Sanctions for violation of such rules and regulations may be imposed by the Board of Directors and may include reasonable monetary fines which shall constitute a lien upon the Owner's Lot or Lots and suspension of the right to vote and the right to use the Common Area. In addition, the Board of Directors shall have the power to seek relief in any court for violations or to abate unreasonable disturbances.

Section 5. Implied Rights. The Association may exercise any other rights or privileges given to it expressly by this Declaration, the Articles or Bylaws, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

## ARTICLE VII

### Covenant for Assessments

#### Section 1. Creation of Personal Obligation of Assessments.

In order to provide funds to enable the Association to meet its financial and other obligations regarding payment of Common Expenses, including maintenance of reserves, there is hereby created a right of assessment exercisable by the Board. Each Lot of which Declarant is not the owner shall be subject to an assessment. Each Owner other than Declarant by becoming the owner of a Lot, whether or not it is expressed in the Deed or other instrument by which the owner acquired ownership of the Lot, is deemed to covenant and agree to pay to the Association:

- (a) Annual Assessments (defined below); and

(b) Special Assessments (defined below).

Each such assessment, together with interest, costs and reasonable attorneys' fees, shall be the personal obligation of the Owner of such Lot at the time when the assessment became due. The personal obligation for delinquent assessments shall not pass to the Owner's successors in title unless expressly assumed by them. No Owner may waive or otherwise escape personal liability for any assessments provided in this Declaration by nonuse or abandonment of his/its Lot.

Section 2. Annual Assessments. The Annual Assessments levied by the Association shall be for the purpose of payment of Common Expenses. Each Owner agrees to pay a proportionate share of the Common Expenses.

Annual assessments, together with interest, costs and reasonable attorneys' fees as provided above, shall also be a lien on such Owner's Lot at the time the assessment arose, and his, her or its grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance, except that no first Mortgagee who obtains title to a Lot pursuant to the remedies provided in the applicable Mortgage shall be liable for unpaid assessments that accrued prior to such acquisition of title.

Section 3. Special Assessments. In addition to the Annual Assessments authorized above, the Association may levy, in any fiscal year, a special assessment applicable to that fiscal year only for the purpose of defraying in whole or in part, the cost of

any construction, reconstruction, repair or replacement of a capital improvement of the Common Area, including fixtures and personal property related thereto, or for any other lawful Association purpose.

Section 4. Computation of Annual Assessments; Annual Budget.

The Board shall prepare and adopt an estimated annual budget for each fiscal year of the Association. Such budget shall take into account the estimated Common Expenses and cash requirements of the Association for the year. The annual budget shall also take into account the estimated net available cash income for the year, if any, from the operation or use of any of the Common Area. The annual budget may provide for a reserve for contingencies for the year (or for subsequent fiscal years) and a reserve for replacements in reasonable amounts as determined by the Board. The Board shall cause a copy of the budget and a statement of the amount of the Annual Assessment to be levied against each Lot for the following fiscal year to be delivered or mailed to each Owner not less than sixty (60) days following the meeting of the Board at which such budget shall have been adopted.

Section 5. Payment of Assessments. Annual Assessments for the payment of Common Expenses shall commence on the first day of the first month following the first conveyance of a Lot to an Owner other than Declarant unless otherwise provided by the Board. Annual Assessments and Special Assessments shall be paid in such manner and on such dates as may be fixed by the Board. Annual Assessments and Special Assessments shall be allocated proportion-

ately among the Owners of the Lots, other than Declarant. The proportionate share of the Annual Assessments and Special Assessments payable by each Owner other than Declarant shall be a fraction, the numerator of which shall be one (1) and the denominator of which shall be the total number of Lots of the Property. In addition to any other powers of collection or enforcement rendered hereunder, in the event any assessments with respect to a Lot are delinquent, the Board shall have the right, in its sole discretion, to accelerate the date on which assessments with respect to such Lot are due and payable.

Section 6. Delinquent Assessments; Lien for Assessments.

All assessments referred to in this Article VII or elsewhere in this Declaration, together with interest from the date due at a rate equal to eighteen percent (18 $\frac{1}{2}$ ) per annum, and together with such costs and reasonable attorneys' fees as may be incurred in seeking to collect such assessments shall be a charge on the Lot. If any Owner shall fail or refuse to make any such payment of any assessment when due, the Association, in its sole and absolute discretion, may suspend the voting rights of an Owner for any period during which any assessment against his Lot remains unpaid. If any Owner shall fail or refuse to make any such payment when due, the amount thereof, together with interest thereon at the rate specified above from the due date of such payment together with a late charge not exceeding twenty five percent (25 $\frac{1}{2}$ ) of the amount of such payment as determined by the Board, costs and reasonable attorneys' fees, shall constitute a lien upon such Owner's Lot and

on any rents or proceeds therefrom and shall also be a personal obligation of the Owner of the Lot at the time the assessment became due. The assessments provided for herein shall constitute a lien on each Lot prior and superior to all other liens, except (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto, and (2) any lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over any other Mortgages with respect to such Lot) made in good faith and for value. Such liens may be foreclosed by the Association in any manner provided or permitted for the foreclosure of real property mortgages or deeds of trust in the State of Arizona. Each Owner vests in the Association, its successors and assigns, the right and power to bring all actions of law or lien foreclosures against such Owner or other Owners for purposes of collecting delinquent amounts.

The Association shall have the power to bid for any Lot at any sale to foreclose the Association's lien on the Lot, and to acquire and hold, lease, mortgage and convey the same.

During the period owned by the Association following foreclosure, no right to vote shall be exercised on its behalf and no assessment shall be assessed or levied on or with respect to it. Suit to recover a money judgment for unpaid assessments, rent, interest and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same.

## ARTICLE VIII

### Architectural Standards:

#### Architectural Control Committee

Section 1. Architectural Standards; Architectural Control Committee. The construction of all Improvements on all Lots of the Property shall be subject to architectural review as provided herein. This review shall be in accordance with this Article VIII and the Architectural Design Guidelines and Requirements (the "Guidelines") promulgated from time to time by the Board or the Architectural Control Committee (referred to in this Article VIII and in Article IX as the "ACC"), as applicable. The Board shall have the authority and standing on behalf of the Association to enforce in any court of competent jurisdiction its decisions, the decisions of the ACC and any of the other provisions of this Declaration.

The ACC shall have exclusive jurisdiction over all original construction of all Improvements and any modifications, additions or alterations to Improvements on any portion of the Lots (including, but not limited to, the construction or installation of fences, heating, ventilating, air conditioning and cooling units, solar panels, paint, or any other construction, modification, addition or alteration affecting the exterior appearance of any Lot. All Improvements shall comply with the Guidelines and application procedures promulgated by the ACC from time to time (or by the Board in the event the ACC is not in existence). No original construction, modification, alteration or addition subject

to the ACC's jurisdiction shall be commenced until it has been approved by the ACC as provided herein. Any owner seeking to construct any new improvements, or to make any modification, alteration or addition to any existing improvement upon the owner's lot (or to cause same to be constructed or made) shall first submit to the ACC detailed plans, specifications and elevations relating to the proposed construction. The ACC shall have thirty (30) days after submission of the plans, specifications and elevations to approve or disapprove of the proposed construction, modification, alteration or addition or to request additional information, and, if the ACC disapproves, to give such owner reasonably detailed written reasons for such disapproval. In the event the ACC fails either to approve or disapprove the proposed construction (or to request additional information) within said thirty (30) day period, such proposed construction shall be deemed approved. So long as

Declarant

owns any portion of the property, Declarant shall have the right, in its sole discretion, to appoint the members of the ACC, none of whom shall be required to reside upon the property. In addition, Declarant shall have the power and authority to assign any part or all of its right to appoint members to the ACC to any assignee of Declarant's rights hereunder (as evidenced by a specific instrument assigning such rights recorded in the office of Mohave County Recorder [or other appropriate governmental office]). Declarant (or an assignee described in the preceding sentence) shall have the right, but not the obligation to surrender such appointment power