



DESERT MOUNTAIN MASTER ASSOCIATION
NOTICE OF PROPOSED MAJOR DECISION

July 28, 2017

RE: Proposed Amendment to Use Restrictions

Dear Homeowners,

The Board of Directors of the Desert Mountain Master Association, Inc. (the "DMMA") has approved a resolution proposing to amend Section 1.2.2 of the Use Restrictions found at Exhibit "E" to the Second Amended and Restated Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements for Desert Mountain (the "Declaration"). The Declaration at Article 4, Section 4.2 provides that the Board shall have the right, from time to time, to amend, repeal, or add to the restrictions in Exhibit "E." However, before recording the amendment, the Board must follow the Major Decision procedures set forth in the Declaration at Section 5.2().

Pursuant to Section 5.2(), all Major Decisions must be approved by the Board via written resolution. Subsequently, the Association shall give notice to all Owners of the proposed Major Decision and of their right to object to it. If no more than ten percent (10%) of the Members object in writing within forty-five (45) days after the notice, the Board is authorized to implement the Major Decision without a meeting or vote of the Members.

Accordingly, this letter shall serve as notice of the proposed Amendment to the Use Restrictions at Section 1.2.2, a copy of which is provided with this letter. Owners may object to this proposal, in writing, within forty-five days of the date of this notice. If no more than ten percent of the Members object in writing within forty-five days, the Board will proceed to record the Amendment.

Please feel free to contact me with any questions.

Sincerely,

Kevin Pollock, PCAM, CAAM
Desert Mountain Community Manager



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PROPOSED AMENDMENT

Section 1.2.2 of the Use Restrictions at Exhibit "E" to the Declaration shall be amended and replaced in its entirety, as follows:

I .2.2 Leasing Restrictions. For purposes of this Section I .2.2, the term "Eligible Renter(s)" shall refer to and include individuals and/or entities that are Members of the Association (as set forth in the Master Declaration at Section 6.1) and/or individuals and/or entities that are Members of the Desert Mountain Club. "Ineligible Renter(s)" shall refer to those individuals and/or entities that are neither Members of the Association nor Members of the Desert Mountain Club. Occupancy of an entire Dwelling Unit on a Lot, but not less than the entire Dwelling Unit, may be granted to a tenant from time to time by the Owner, subject to the provisions of the Master Declaration and the Association Rules. Written leases are required for any Dwelling Unit on a Lot. All leases must restrict occupancy to a Single Family. Before the commencement of each lease term, the Owner of the Lot shall provide the DMMA with written notice to the DMMA of the names and contact information of the lessee(s) and each other adult person who will reside in the Dwelling Unit during the lease term, and the term of the lease, including the commencement date and expiration date.

No Dwelling Unit shall be leased to an Ineligible Renter(s) for a term of less than sixty (60) days, and no Owner may advertise his or her Dwelling Unit as available to an Ineligible Renter(s) for a lease term of less than sixty (60) days in duration. A Dwelling Unit may, however, be leased to an Eligible Renter(s) for a term that is less than sixty (60) days in duration. Home exchanges (also referred to as home swapping), through which parties offer each other lodging in each other's homes for a period of time without a monetary exchange, are prohibited. In addition, if the Board of Directors creates and/or adopts a "rental registration form", the Owner shall submit such form to the Master Association for every rental. Any agreement for the lease of a Dwelling Unit must be expressly subject to the Governing Documents of the DMMA. The lease must contain a provision that any violation of the Governing Documents of the DMMA shall be a default under the lease and is grounds for eviction.