



STERLING RANCH

DESIGN GUIDELINES

UPDATED JANUARY 2022



TALKING ROCK™
PRESCOTT



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Section 1

THE DESIGN PHILOSOPHY

Talking Rock sits in the heart of a quintessential Arizona landscape that has been inhabited since pre-history by Native Americans seeking the beauty of this land. As we come to the point in time when more people will begin to occupy this land, we all bear a great responsibility to the heritage of the land. What is built in the future becomes a positive contribution to the fragile natural setting.

Sterling Ranch at Talking Rock is a prestigious, residential enclave of large lots nestled into a natural landscape beauty of tall grasses, big views, and pinon trees located within a very private corner of Talking Rock. Because of the breathtaking views and unique elements, each site within Sterling Ranch offers a unique opportunity of design that responds to the natural character of each individual site. The overriding goal of Sterling Ranch is to celebrate the environment with residential ranch character compounds that create a lifestyle like no other.

The first buildings at Talking Rock used historical precedents to provide a continuous reference to the ranch history of the land and the region. The elements of early Arizona ranch compounds are woven throughout the fabric of the community. Those elements are demonstrated throughout Talking Rock in low roof lines, deep meaningful porches running the full length of the building, stone and other natural materials as demonstrated within existing home sites and amenities throughout Talking Rock, low roof lines, deep meaningful porches running the full length of the building, stone and other natural materials, rugged detailing, roofs with multiple slopes, a dominance of wood and weathered metal. As homes and ranch style compounds are imagined and designed for Sterling Ranch, these historic precedents will be encouraged, but so will fresh expressions of those historic precedents. Architectural designs will be given a wide range from very traditional ranch character to much more contemporary expressions using very unique materials. Quality design will be the unifying factor.

Architecture and landscape in all their subtle detail needs to work in harmony with Sterling Ranch's natural setting to do the site justice. The development of home sites begins with a respect and consideration for this natural environment. We intend that Sterling Ranch be a work of art where the subtle blending of people, structures, and the native landscape meld into a harmonious and aesthetically pleasing community.

These Architectural Design Guidelines (the "Design Guidelines") have been created to help our residents share in this philosophy. They are to be used in conjunction with the Sterling Ranch Character Book and the Declaration of Covenants, Conditions and Restrictions (the "CC&Rs") for Talking Rock Ranch to begin the design process. Particularly, the Design Guidelines are intended to provide specific direction to Owners for the design of their residence, and to ensure compatibility within the unique environment of Sterling Ranch. It is not the purpose of these Design Guidelines to create look-alike dwellings or suggest that they all have identical colors and materials, but to create uniquely different homes where Home Owners will be living within nature.

The architectural standards and design criteria set forth in these Design Guidelines may be viewed by the individual home site Owner as the tool that will protect, preserve, and enhance this special environment over time.

It is expected that the design of each residence will be tailored to the unique features of each individual home site. As such, these Design Guidelines address special character requirements for

the differing topography of sloping hillsides and open meadowlands. Each home design must address the special needs of its site. No preconceived designs suited for other environments or landscape will be permitted. Each design must begin with a thorough site evaluation and take into account the site's topography, sun angles, view corridors, relationships to ridgelines, native landscape, common areas, and other homes. It is only after a complete understanding of these natural characteristics that a home site Owner and their architect can commence a home site design.

In order to assist each Owner in an environmentally sound and aesthetically compatible design of their dwelling, a comprehensive architectural review process has been established pursuant to these Design Guidelines. Since the preservation and enhancement of the unique landscape at Sterling Ranch is of primary concern, the Architectural Review Committee has been established and charged with the responsibility of ensuring that these principles are adhered to throughout all phases of development. For this reason, the architectural review process has been structured, encompassing the following five phases:

1. The Pre-Design Conference, during which each home site Owner along with their architect may review their ideas and the natural characteristics specific to their home site with a representative of the Architectural Review Committee before any plans are prepared. It is required that this meeting takes place at the home site and that the Owner's architect and builder (if selected) be present.
2. The Preliminary Submittal, at which time the Architectural Review Committee will review conceptual plans to ensure conformance with the Design Guidelines, before the Owner finalizes the design.
3. The Final Submittal, at which time the Architectural Review Committee will review final construction documents to confirm that they are consistent with the previously approved preliminary plans and the Design Guidelines.
4. The Pre-Construction Conference, during which each Owner and builder will review the construction regulations with a representative of the Architectural Review Committee to ensure understanding of, and future compliance with, these regulations.
5. The Final Inspection of the improvements by a representative of the Architectural Review Committee, to assure that actual construction of the structures and the landscaping has been completed in strict compliance with the approved plans and Design Guidelines.

The Architectural Review Process was developed to provide adequate checkpoints throughout the design and development phases, so that time and money are not wasted on plans and designs which do not adhere to the Design Guidelines or to the overall principles of Sterling Ranch, or which may be inappropriate or of improper configuration for the specific home site setting. Therefore, it is extremely important that the design steps of the review process be followed in their entirety, and



in correct sequence. This process is a proven and streamlined one and will not result in time delays or unnecessary additional costs, provided each Owner adheres to the intended spirit of the Design Guidelines, namely, a site-sensitive approach to the development of his or her home site within the Sterling Ranch community.

It is required that an Owner retain a licensed Architect for planning and design to ensure a thorough analysis and understanding of a particular home site as well as the Owner's special needs, desires, and living patterns. Doing so also provides the Owner the ability to effectively communicate to the Architectural Review Committee the concept and design of a proposed residence or improvement.

The Architectural Review Committee specifically reserves the right to make subjective, as well as objective, determinations of whether the goals of the architectural standards and design criteria have been met by a particular design. These Design Guidelines may include requirements and limitations which are more restrictive than the provisions of the CC&Rs for Talking Rock and the Final Plat Notes which are included on the recorded plats for Talking Rock. In such instances, the terms, provisions, restrictions and procedures of the Design Guidelines shall control.

The architectural review process is intended to operate concurrently with the plan review process required by Yavapai County for obtaining a building permit. The Talking Rock architectural review process is independent of the Yavapai County technical plan review process and is solely intended to enforce the Design Guidelines. Each home site Owner bears the responsibility for the proposed residence's adherence to Sterling Ranch's Design Guidelines and bears the additional responsibility for the proposed structure's adherence to all Yavapai County, zoning, and building codes as well.

The ultimate goal is to create a lifestyle all about the Home Owners at Sterling Ranch that will not only enhance the spiritual piece of the property but allow Home Owners to dream and dream big.



Section 2

SITE PLANNING GUIDELINES

2.1 SITE ANALYSIS

Site planning for individual home site improvements at Sterling Ranch relies heavily on site analysis efforts. The analysis is a method to evaluate the existing conditions on and around the home site through the use of a topographic survey prepared by a registered civil engineer or a licensed land surveyor and on-site verification by the architect. The location and design of proposed structures must relate to existing terrain and preserve the natural features of the site. The design process must take into account rock outcroppings, grade changes, slope, locations of both existing and planned trees, and orientation of the proposed improvements to sun, wind, and view sheds. Privacy, to and from, and the impact on adjacent neighbors, nearby rights-of-way, and common open space areas should be considered, both in site planning and in designing the architectural elements of the structure.

A design that grows from the findings of a thorough site analysis helps to shape a building that is well designed, is sensitive to its natural surroundings, and will enhance the community.

Every project shall begin with a site analysis prepared by the architect and landscape designer. The analysis is used at the pre-design conference to aid in the establishment of the home location on the site.

At a minimum, the following items must be identified and sketched onto a copy of the survey. Those with an asterisk (*) will be provided to the Owner by the Architectural Review Committee. All information should be verified by the Owner.

- Topography and landform at a scale no smaller than 1" = 30'-0" with one foot contours labeled. NOTE: Owners will be given a small scale topography map, but a new one must be prepared showing one foot contours, trees, rock outcroppings, and any other existing features.
- Aspect and orientation (sun and shadow patterns)
- Property boundaries *
- Required setbacks from all boundaries *
- Building Setbacks *
- Location of utilities serving the site *
- Views both onto the site and from the site
- Contextual setting (neighboring land uses and adjacent Building Envelopes or Setbacks)
- Any "no access zones" along street frontage *

The analysis of each of these elements should be further evaluated in terms of design opportunities and design constraints. Design opportunities are those situations where the element in question will positively contribute to the overall project, while design constraints are situations where a specific element will detract or conflict with the overall vision for Sterling Ranch. The opportunities and constraints identified in the site analysis should be used as design determinants in the design and development stages of the planning process.

2.2 THE BUILDING SETBACKS

The Building Setbacks concept is that portion of each home site within which all improvements, including, but not limited to, structures, porches, decks, walks, landscape improvements, grading, drainage swales, driveways, parking, garage back up area, fencing, and all mechanical equipment must be located, and is the only area of the home site where alterations of, or disturbance to, the natural landscape may occur (the “Building Setback”). The Building Setback is designed to help protect and preserve the landscape features of the home site. In all cases, the area of the residence must be within the Building Setbacks as well as within the required Yavapai County building setbacks which could be more restrictive than the Building Setbacks.

Building Setbacks may be adjusted only by authorization from the Architectural Review Committee and only for the purpose of better integrating the house with the natural contours of the site or other appropriate issues as determined by the Architectural Review Committee and Yavapai County. Building setbacks as determined by Yavapai County can only be adjusted by Yavapai County. All costs associated with any Building Setback modification shall be at the sole expense of the Owner, including, but not limited to, costs to the Architectural Review Committee.

The Building Setbacks for 5 acre lots or larger within Sterling Ranch shall have a minimum of 50’ side setbacks, 100’ front setback, and 50’ rear setback. Lots smaller than 5 acres will have a minimum of 50’ side setbacks, 50’ front setback, and 50’ rear setback. However, these setbacks may adjust if there are natural constraints on the lot.



The following chart provides specific details of key elements based on size of lot.

STERLING RANCH LOTS	2 TO 4 ACRE LOTS	5 TO 9 ACRE LOTS	10+ ACRE LOTS
SETBACKS			
Front	50'	100'	100'
Sides	50'	50'	50'
Rear	50'	50'	50'
FENCING			
Front	Provided by Owner	Provided by Owner	Provided by Owner
Sides	Property Line	Property Line	Property Line
Rear	Property Line	Property Line	Property Line
WALLS (PRIVACY AND RETAINING)	Private and Transition Zones	Private and Transition Zones	Private and Transition Zones
DRIVEWAY	1 Point Ingress/Egress	2 Point Ingress/Egress	2 Point Ingress/Egress
DRIVEWAY GATES	Yes	Yes	Yes
BUILDING SIZE (MIN.)	2,400 SF	2,400 SF	2,400 SF
BUILDING SIZE (MAX.)	10% of Lot Size	10% of Lot Size	5% of Lot Size
EQUESTRIAN ELEMENTS	No	No	Yes
CHICKEN COOPS	Yes	Yes	Yes
OTHER ANIMALS	Architectural Review Committee Approval Required		

The following graphics display building organization within setbacks.



EXAMPLE OF BUILDING LAYOUT FOR 2 ACRE LOT



EXAMPLE OF BUILDING LAYOUT FOR 10 ACRE LOT (EQUESTRIAN)



EXAMPLE OF BUILDING LAYOUT FOR 5 ACRE LOT

For equestrian designed home sites, the home site is divided into two portions, Residential and Equestrian Containment Areas. The area closest to the road is dedicated for residential uses including, but not limited to, a primary residence, guest house, pool house, work shop, detached garage, pavilion, swimming pool, and outdoor amenities. Horses will also be able to use the bridal trail that will link the equestrian lots to the State Land and is located along the inner loop road. The Equestrian Containment Area is situated on the back portion of the lot. This area will house all equestrian buildings as well as paddocks, riding rings, and storage. Residential buildings may be situated within the Equestrian Containment Area; however, equestrian facilities, storage, and exercise areas must be contained within the Equestrian Containment Area. All ancillary buildings, including, but not limited to, guest house and detached garages, barns, and storage buildings must be contained within the Building Setbacks.

Should an Owner purchase two or more contiguous home sites, the Building Setbacks may be combined subject to the approval of the Architectural Review Committee and Yavapai County.

2.3 SITE WORK

A very limited amount of excavation or fill will be permitted on any home sites except where specifically allowed by the Architectural Review Committee due to terrain considerations; every attempt should be made to minimize the use of engineered building pads.

Removal of vegetation within any Building Setback will be permitted on a limited basis; however, it is understood that some selective pruning or removal of trees and shrubs will be necessary for the development of any home site. Owners are strongly encouraged to transplant all significant vegetation within the building area elsewhere on their home site. Your landscape architect can advise you on this process. Any cutting of trees or vegetation, either inside or outside of the Building Setback, must first be approved by the Architectural Review Committee.

Great care must be taken in designing the site improvements around the existing vegetation so the root system remains intact and that its supply of water is maintained. Under no circumstances can any site work begin before final approval is complete.



2.4 GRADING AND DRAINAGE

Site grading and drainage must be in accordance with the approved hydrologic study which will be available to your architect and civil engineer. Sterling Ranch requires that lot purchasers complete a grading and drainage analysis prior to commencement of the design of their residence. A grading and drainage plan, sealed by an Arizona licensed civil engineer, is a requirement of the preliminary design submittal to the Architectural Review Committee. Site grading and drainage must occur with minimum disruption to the home site without altering natural drainage patterns as runoff leaves the home site, and without creating conditions that could lead to soil erosion.

In some cases, the Architectural Review Committee may allow the re-routing of a portion of a drainage way within the boundaries of the Building Envelope. This will be considered on a case-by-case basis, and it should not be assumed it will be allowed in all cases. In order to be approved, the relocated drainage way must take into account the possible loss of vegetation, the visual quality of the drainage way, and the master drainage plan.

Surface drainage upon and across any home site must be addressed through the implementation of sound construction and grading practices. Any improvement which creates an obstruction to surface flows, snow melt, or groundwater discharge resulting in a backup of storm waters or an increasing or moving of pre-development flow onto a neighboring home site or common area parcel is strictly prohibited.

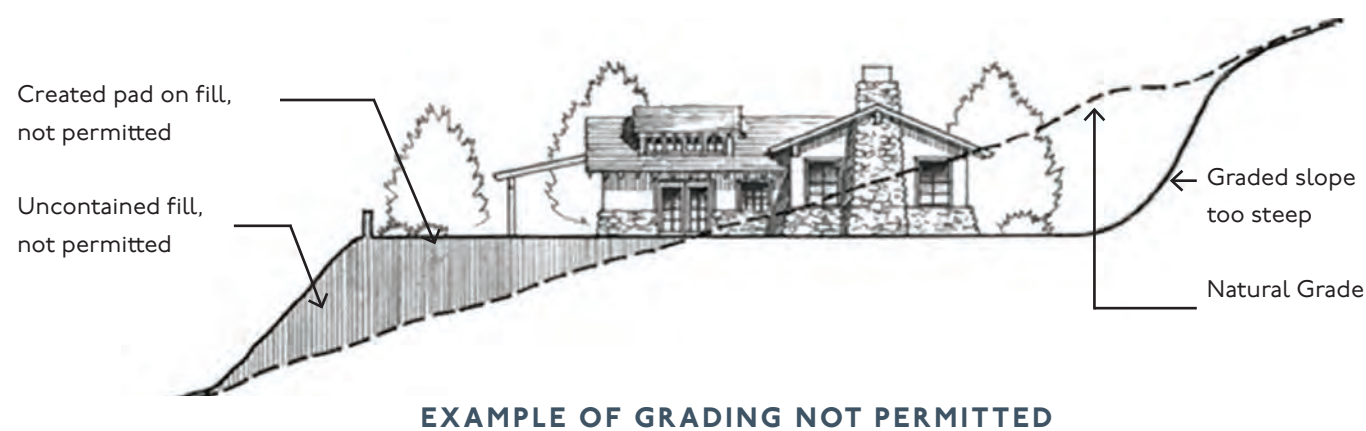
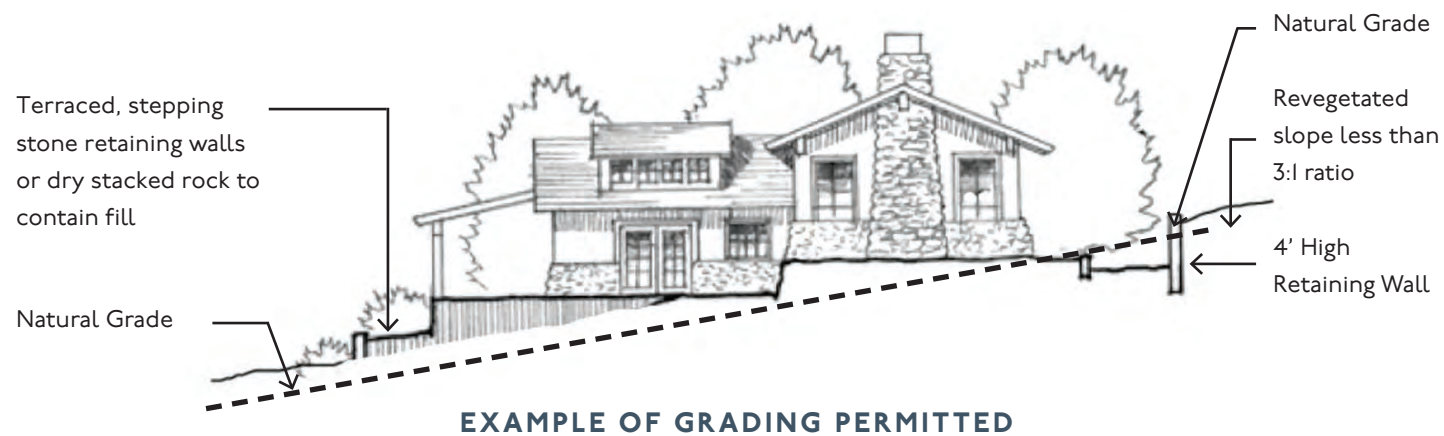
Ground floor levels should be established at a vertical elevation such that the final placement of backfill, walks, drives, and porches will produce a positive drainage away from the structure in all directions. The inclusion of foundation waterproofing and a perforated pipe foundation drainage system is recommended. Where necessary to produce the desired results and in accordance with Yavapai County requirements, the Architectural Review Committee may approve minimal grading, as well as the use of multiple small retaining walls. However, grading that produces awkward or steep slopes that are not natural in their final appearance will not be approved. Cut and fill slopes must have a maximum ratio of 3 to 1 horizontal to vertical unless supported by an approved retaining wall.

In addition to basic grading, sloping sites should employ designs that take up the full impact of grading within the dwelling's footprint; the location and design of the proposed structures must relate to the existing terrain. Grade transitions from the house to the edge of the Building Envelopes must appear natural. All home site grading must be limited to construction of driveways and other grading necessary for authorized construction. No grading is allowed outside the Building Envelope of any home site.

No excessive excavation or fill will be permitted on any home site. Every attempt must be made to minimize cut and fill necessary for the construction of a home. Excess fill may not be placed on a home site; it must be legally disposed of outside of Talking Rock. Retaining walls and level building pads may be utilized only where necessary. Grading must be limited to that which is reasonably necessary for the construction of a home. Pad grading for the intention of providing concrete slab foundations is prohibited except for garages, terraces, outbuildings and basements.

Excavation or fill must be limited to 4 feet vertically outside of structure where exposed to view. However, the Architectural Review Committee reserves the authority to disapprove of any exposed excavation or fill transition that is abrupt, awkward, or unnatural in appearance.

All cut and filled areas must be revegetated with approved plant material and/or seed mix. Retaining systems are required at vertical cuts. No excavation, fill, or removal of trees and other vegetation will be permitted until the applicant's final construction documents have been approved in writing by the Architectural Review Committee and the pre-construction requirements have been fulfilled. Actual wall heights and ground slopes will vary by location. Multiple retaining wall systems with intermediate landscaping must be used wherever a single wall would exceed 4 feet or otherwise appear excessively high. In some special cases high retaining walls may reduce the amount of disturbance to native vegetation and may be preferred. When constructing vertical retaining walls, consider sloping the base about 15 degrees from vertical in order to soften the impact of an otherwise vertical line. If grading near the Building Setbacks results in abrupt transitions to adjacent home sites or streets, it may not be allowed.



When cuts and fills are required, the maximum slope must be 3 to 1 to allow for natural vegetation to grow; anything steeper than that will require an approved retaining wall unless special conditions exist on the site. Some special soil conditions may require a shallower slope such as 4 to 1.

2.5 DRIVEWAYS

Each home site under five acres may be accessed by a single driveway only and will be determined by the Building Setbacks and natural constraints. Home sites five acres or larger are allowed to have two points of ingress / egress. This access point(s) should be reconfirmed in the pre-design conference. Driveways shall be located to preserve and avoid important natural features, such as large or significant plant materials, drainage ways, rock outcroppings, and to minimize disruption of the existing landscape.

The graded or paved surface of an access drive shall not exceed 14 feet in width where it crosses the road right-of-way and the front setback of the home site, and continue with the 14 foot width to the street paving. Driveways may widen once inside the Building Setbacks to allow for proper maneuvering space.

The proposed driving surface is subject to approval by the Architectural Review Committee. Driveways can be colored exposed aggregate concrete, pavers, stamped or colored concrete, natural stone, or other patterned and textured methods. These materials must be used at a minimum from the road to the fence; afterwards, crushed gravel driveways will be allowed with use of a stabilizer or something similar to minimize dust. No uncolored concrete is permitted.

A metal culvert drainage pipe shall be installed, where necessary, beneath each access driveway and between the road shoulder and the property line unless otherwise approved by the Architectural Review Committee. This pipe should be shown on the site plan. Refer to the master drainage study, located at the Sales Center or available from the Architectural Review Committee, for pipe size and individual home site requirements. In some cases, the pipe size may be too large to install due to site conditions. If this is the case, the Architectural Review Committee will consider an alternative. The invert flow line of the pipe shall be aligned and sloped so that ditch/drainage way storm flows will continue smoothly and unimpeded beneath the driveway crossing. The exposed ends of the pipe shall be aesthetically finished with stone headwalls. Stone headwalls must be laid in accordance with the Talking Rock standards adopted by the Committee. A construction detail of the headwall will be supplied by the Committee. All stone headwalls shall be constructed of the stone type specified by the Committee.

Owners may include a private, non-reflective metal gate. A detailed design of the entry gate is required for the Architectural Committee's approval prior to installation.

2.6 GARAGE LOCATION

Driveway access and garage location lend significant shape to the design and placement of the home. Effort must be made to minimize views of garages from being prevalent at Sterling Ranch. In order to minimize the impact on the community, garage doors may not face the street or any other common area. The garage location needs to be resolved during the pre-design meeting. Where possible, locate the driveway where it requires the least amount of cut or fill.



In most cases, it is strongly encouraged the garage be a separate mass from the main house, connected by an enclosed passageway or a roof form, to help reduce the overall mass of the house.

The front entry or entry for people should appear dominant over the entry for vehicles, but never appear excessive in height. Overhangs above the doors and significant architectural detailing also must mitigate the visual impact of the garage doors.

The intent of these requirements is to minimize and direct views from community areas away from vehicular components of the home. Home sites in prominent locations may have additional requirements on garage door placement. These requirements will be communicated to the architect at the pre-design conference.

2.7 ON-SITE PARKING

Each home site must have an area for the parking of two guest automobiles within the Building Setbacks and generally hidden from view from the street. Owners who possess trucks, recreational vehicles, buses, motor homes, campers, boats, trailers, motorcycles, or any other motorized vehicle other than a conventional automobile, must store or park such vehicles within an enclosed garage so as to be completely hidden from view.



For equestrian lots, barns may include a garage provided the total size of the barn and garage does not exceed 1,800 square feet. This garage may be used for the long-term storage of a horse trailer, truck, or other equipment. Horse trailers that are too large to be stored in a barn may be placed in an additional garage unit on the property. No open-air storage of trailers, trucks, or other vehicles are permitted unless completely screened from neighboring Sterling Ranch lots, streets, trails, or other public areas. The Architectural Committee must approve the location of all vehicle storage areas and parking areas.

2.8 UTILITY EXTENSIONS

Utility services are generally stubbed to the front property line of each home site. In some cases, on downhill home sites, sewer may be located at one of the rear corners of the home site within a utility easement. Sewer, electricity, telephone, and cable television service locations are generally clustered (usually with those of one adjacent home site) in a utility easement located on one of the front corners of each home site. The extension of services from these stub locations to the residence shall be the responsibility of each Owner, and shall be routed to minimize disruption to the natural landscape.

Utility trenches may not encroach into any required setback except where they cross the front natural area of the home site between the service tap and the Building Setbacks.

All disturbed areas of the site must be restored to their natural condition as nearly as possible. Information regarding connection procedures may be obtained by contacting your Sterling Ranch sales person.

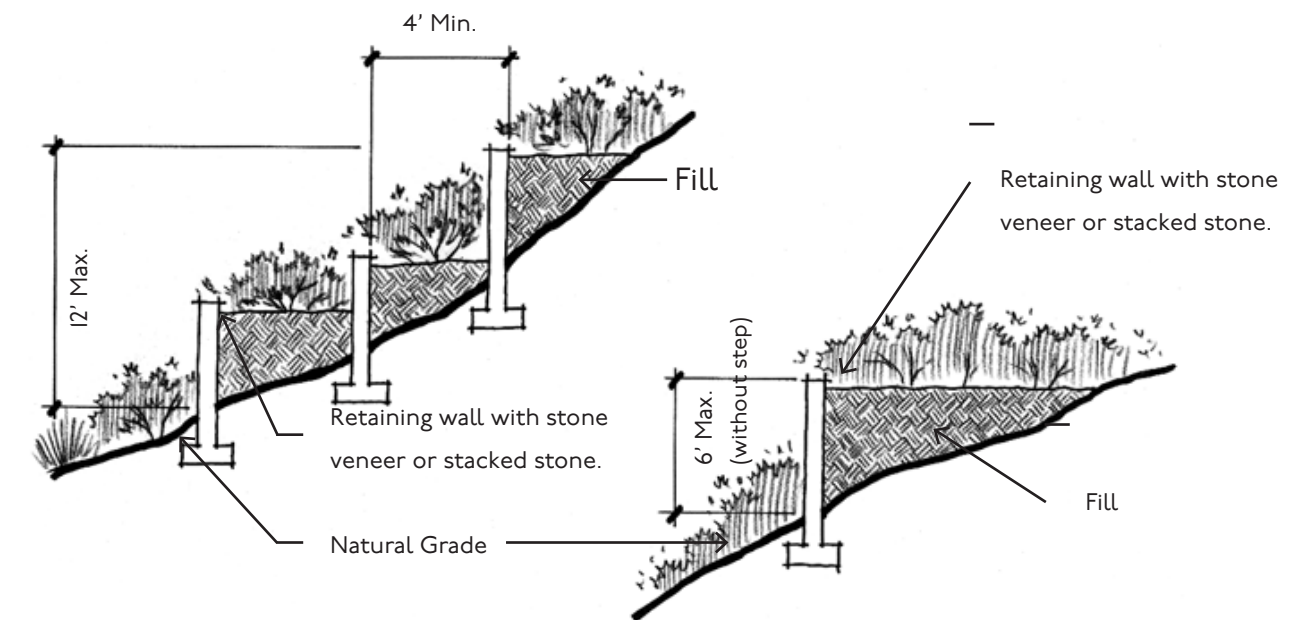
2.9 WALLS AND FENCING

Home sites within Sterling Ranch already have stone pillars that turn at the side property lines. Fencing along the front, side yards and rear are allowed along the property lines. All fencing is the homeowner's responsibility unless the fence line has already been constructed by an adjacent homeowner. Materials of fencing must be approved by the Architectural Review Committee on a case-by-case basis. Any additional walls due to privacy or screening must not exceed 6 feet in height, measured from existing natural grade, and they may not encroach outside the Building Setbacks.

For equestrian designed lots, paddocks and riding rings must be completely fenced using well-finished, 2-inch tubular steel construction that is between 4'6" and 6' high unless approved otherwise.

The use of ornamental iron or other metal fencing is subject to approval by the Architectural Review Committee. Chain link, metal, plain concrete block, (unless veneered with stone) or wire fencing is prohibited.

Structural retaining walls may not exceed an above natural grade height of 4 feet unless otherwise approved. Multiple terraced retaining walls must be utilized where the overall height of retained earth exceeds 6 feet. Where multiple retaining walls are used, each tier must be separated by a 4 foot planting area unless otherwise approved. Tiered retaining walls cannot exceed 12 feet above natural grade. An exception to this would be in the case of uphill rear terraces where a cut is necessary. If the wall is fully screened by the house, the wall may not need to be terraced. This will be resolved on a case-by-case basis.



EXAMPLES OF RETAINING WALLS

Retaining walls may be constructed of cast concrete or concrete masonry units; however, all exposed surfaces and edges must be stone veneer so as to blend unobtrusively with its natural surroundings and appear to grow out of the ground in an authentic way. Stacked rock retaining walls are strongly encouraged, but keystone type systems are not allowed. The maximum height of stack rock walls is 4 feet above finish grade unless otherwise approved by a licensed engineer in addition to the Architectural Review Committee.

2.10 OUTDOOR STORAGE AND TRASH RECEPTACLES

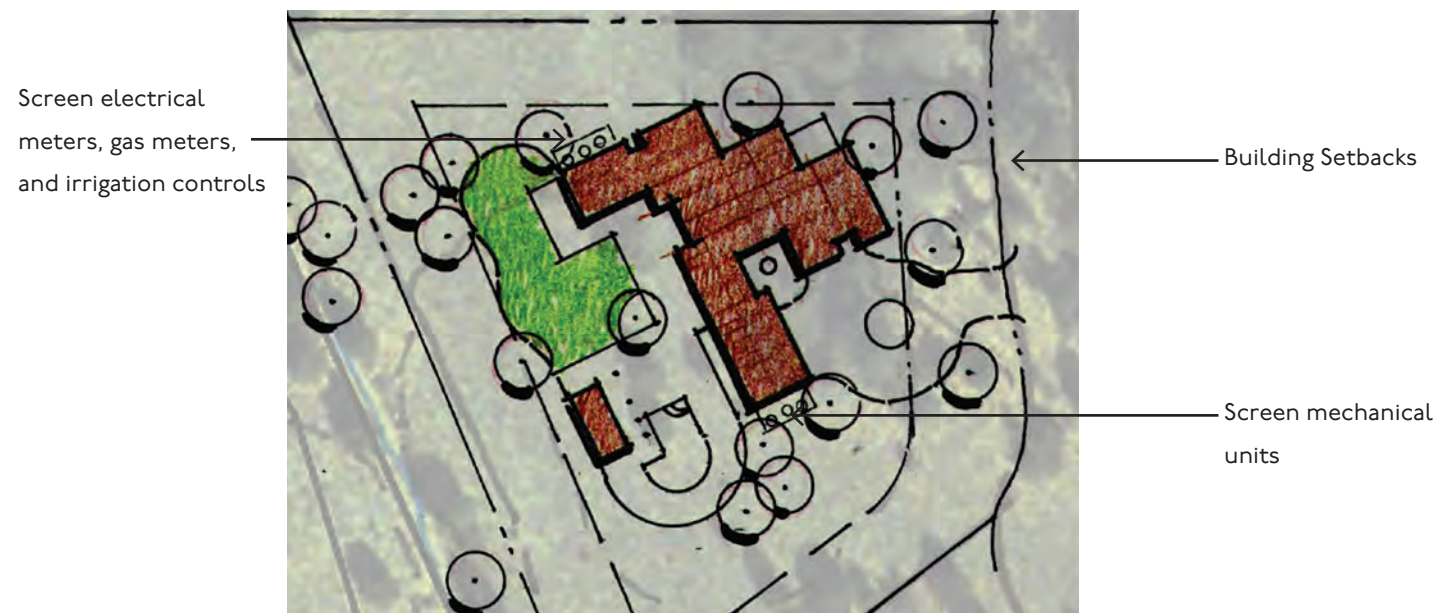
Outdoor areas housing trash receptacles, firewood storage, maintenance or service equipment, or overflow storage shall be screened or concealed from all adjacent properties by a wall or fence in conformance with Section 2.9.

For equestrian designs, feed and bedding materials can be stored within the barn or in a separate storage area. Due to fire hazards, no storage of hay or bedding is allowed beyond limited quantities needed for immediate use. These areas must be kept from all combustible materials and equipment with internal combustion engines. Waste storage buildings for

equestrian purposes shall be completely enclosed to minimize smell and visual appearance. Waste material must be collected on a regular basis. Because of the uses for equestrian storage facilities, these buildings shall be designed and placed for convenient delivery access, close proximity to barns, and easy access for waste removal.

2.11 SCREENING OF MECHANICAL AND ELECTRICAL METER EQUIPMENT

No roof mounted or wall mounted mechanical equipment will be permitted. Any exterior mechanical equipment utilized must be ground mounted adjacent to the residence and hidden from view by walls of sufficient height to fully screen it and buffer sound as well. The equipment and enclosure must be contained within the Building Envelope.



EQUIPMENT AND METER SCREENING

Equipment must be placed with consideration to the adjacent home site, so as to minimize noise intrusion on the outdoor living spaces. All electrical meters must be screened from the street and adjacent home site with a wall of sufficient height. Contact the utility companies for requirements concerning placement of the screen wall. All utilities must be located underground; thus, no overhead power lines are permitted.

2.12 ANTENNAS AND SATELLITE RECEIVERS

No satellite dishes, television, radio aerials, or antennas may be installed that are not fully screened from the road, adjacent home sites, or public areas. No satellite dish may be installed that is larger than 24 inches in diameter. This includes screening of views from

anywhere within Sterling Ranch. Removal of trees to improve reception is prohibited. No tower type antennas (either for TV or radio) are allowed.

The screen wall is subject to Architectural Review approval and must be an integral component of the house design. In some cases, the enclosure may not be approved due to the location on the home site, its visual effect on the overall street scene, or as viewed from adjacent home sites and common areas. Umbrella covers over satellite dishes are prohibited.

2.13 SIGNAGE, ADDRESS IDENTIFICATION, AND MAILBOXES

All mailboxes and address identifications will be provided and installed at Sterling Ranch. Any desire to relocate a mailbox must be approved by the Architectural Review Committee and at the Owner's expense.

No additional signage of any kind will be permitted, except approved temporary construction signs by each builder. A standard sign detail will be provided to each builder should they choose to have a sign.

2.14 SITE LIGHTING

A low level uniform street lighting scheme, where needed, has been approved by Yavapai County. In order to help maintain the Yavapai County Dark Sky policy, no additional lighting by an Owner may occur adjacent to the right-of-way.

Additional site lighting is permitted within a Building Envelope, provided such lighting does not result in excessive glare toward the street or neighboring properties. All exterior lighting must be of a low level subdued intensity with the source of light fully shielded and directed downward, and is subject to approval by the Architectural Review Committee. Security lighting must also comply with the shielding requirement and be connected to a timed motion detector. Harsh interior light such as lighted skylights or garage fluorescent lights when the garage has windows is prohibited due to its effect on the dark sky.

For equestrian facilities, additional exterior lighting may be required for nighttime access to the barn, stables, paddocks, and other areas. External lighting fixtures mounted on the barn or stable walls must have the light sources shielded.

2.15 SWIMMING POOLS, SPAS, AND HOT TUBS

Swimming pools, spas, or hot tubs, if any, must be designed as a visual extension of the residence through the use of walls or decks and must be shielded from view. All pools and spas must be constructed according to Yavapai County regulations. All pumps, motors, and heaters must be screened to best ability from neighbors. Additionally, the noise must be dampened so as to be quiet from adjacent home sites and public areas.

2.16 TENNIS, SPORT , AND BASKETBALL GOALS

If the clearing is minimal, tennis courts, sports courts and basketball hoops or backboards are allowed. The design for these activities must comply with the following requirements:

- Views of courts must be limited from neighbors. Any use of walls must be compatible with the architecture of the home.
- All colors of the recreational device must be muted.
- Areas are not allowed to be lit due to the Yavapai County Dark Sky Ordinance.
- Hours of use can only be 8:00 am through 8:00 pm.

2.17 HOME SITE CONSOLIDATION

No more than one residence may be constructed on any home site. When two or more home sites are purchased together, the Building Setbacks may be combined to form one home site. The new Building Setbacks must be approved by the Architectural Review Committee and Yavapai County. The height and visual impact of larger houses on combined home sites will be assessed by the Architectural Review Committee on a case-by-case basis and may result in special restrictions. This will be resolved during the pre-design conference.

2.18 GUEST HOUSES/BUNK HOUSES

Guest houses/bunk houses are encouraged. All guest houses/bunk houses must be within the Building Envelope and the square footage of the guest houses/bunk houses will be counted toward the total maximum.

2.19 FLAG POLES, FLAGS, AND BANNERS

Flag poles, flags, and banners are allowed but must be less than 20 feet in total height and must be approved by the Architectural Review Committee before installation.

2.20 PROPANE TANKS

All propane tanks must be buried within the Building Setbacks. No above ground tanks are permitted.

2.21 PETROGLYPHS, ARTIFACTS, AND CULTURAL RESOURCES

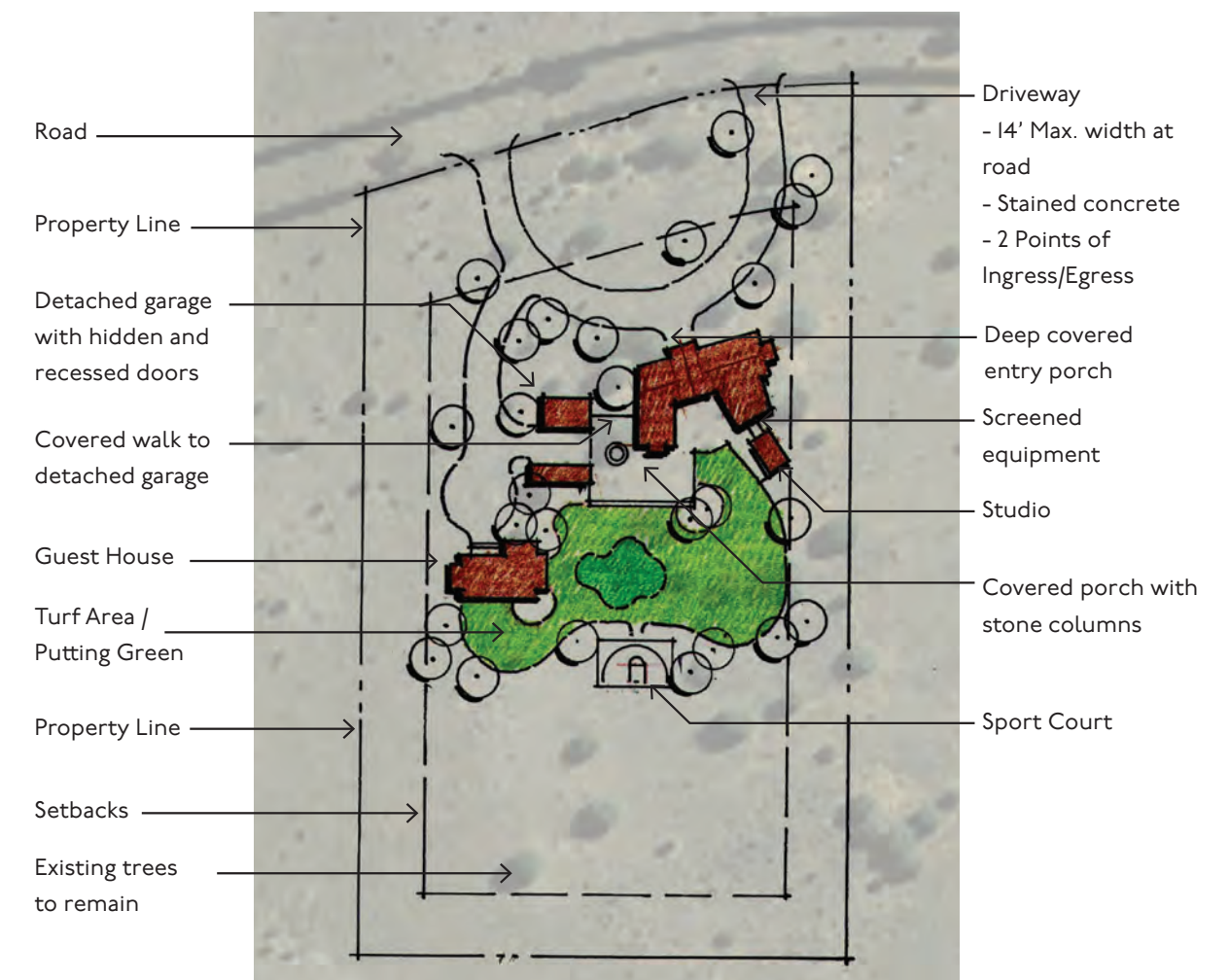
Talking Rock has been occupied from time to time since pre-history. This is a legacy that needs to be protected as each home is built. Archaeological studies show that portions

of the property, including, but not limited to, some lots and common areas, may include petroglyphs, artifacts, and other cultural resources. In most cases, Building Setbacks have been designed around them.

Due to the cultural significance of these petroglyphs, artifacts, and other cultural resources, no Owner or other Person shall remove, sell, relocate, destroy, deface, or otherwise alter any petroglyphs, artifacts, or other cultural resources located on the Owner's Lot.

Notwithstanding the foregoing, if permitted by applicable law, an Owner may relocate or otherwise alter petroglyphs, artifacts, and other cultural resources located on the Owner's Lot to the extent such objects interfere with the construction of improvements on the Owner's Lot, with the prior written consent of the Architectural Review Committee.

In addition to the above restrictions, petroglyphs, artifacts, and other cultural resources located on the Lot, if any, may be subject to protection under federal, state or local laws, rules, regulations, or ordinances from time to time including, but not limited to, Title 16 U.S.C. § 470(f).



EXAMPLE OF AN APPROVED SITE PLAN



Section 3

ARCHITECTURAL DESIGN

There are two overriding aesthetic objectives at Sterling Ranch. The first aesthetic objective of every home at Sterling Ranch should be to allow the buildings to fit quietly into the existing landscape. The goal is to create appealing and interesting structures that are subtle and complementary to the dominant beauty of the home site and not overpowering.

The second aesthetic objective should be to design all structures so that they relate to human scale; homes and ranch type compounds must be designed to not be overwhelming.

While there is no one Sterling Ranch style, there is an historic Arizona ranch house vernacular which is embedded in the overall character of Talking Rock; but at Sterling Ranch we encourage that design explore an even broader direction in order to create a lifestyle that celebrates the large lot nature of the homesites. More contemporary expressions of ranch house character can certainly be proposed. Homes should reflect always the low scale regional ranch house traditions and respond to the unique character design requirements of the high desert/mountain foothills climate no matter what style of design. Rather than prescribing a specific formula, these Design Guidelines and requirements are intended to foster a thoughtful and comprehensive approach to creating an uncommonly well-designed community.

All materials at Sterling Ranch are to be genuine. Homeowners are encouraged to explore unique materials that might not be considered in other parts of Talking Rock such as cast concrete, large expanses of glass, unique masonry block, wood products such as charred wood or salt soaked wood, and all forms of rusted or patinaed metals.

Development of spaces for the enjoyment of outdoor living is encouraged. As such it is envisioned that homes at Sterling Ranch may be composed of several buildings in a compound-type-composition, where the spaces between buildings are as enjoyable as the spaces inside. Deep meaningful porches, overhangs, trellises, and the softness of shade and shadow as a result of articulated massing and details are all desirable features; anything too massive or without well-designed proportions and appropriate functional detailing will not be approved.

The desire is for as much subtle expression as imagination, topography, and continuity will allow. At the same time, the play of light and shadow should be used to enrich the built environment.

3.1 DIVERSITY AND CONTINUITY

The principal objective of the Design Guidelines is to add elements of architectural richness and variety to individual dwellings without allowing exceedingly flashy, ostentatious, or attention-grabbing designs.

The world's most admired neighborhoods enjoy the unique character created by a patina of time that has been lacking within the dynamic growth patterns of the west. Where houses have been built individually or changed over the years by their respective owners, the resulting diversity moves beyond that normally achieved with standard plans and elevations.

In order to build with a distinct and legible identity, architectural continuity with other homes in Sterling Ranch must be considered by the architect and will be examined by the Architectural Review Committee when reviewing applications. Homes that have well-developed outdoor spaces and use neutral colors for all materials will be considered as the basis from which to provide continuity. Design continuity can be achieved through form, height, massing, materials, colors, and other design patterns. The goal is to create subtle homes that complement their surroundings, allowing the setting to remain the dominant image.

3.2 BUILDING SIZE – MAXIMUM AND MINIMUM

The home sites within Sterling Ranch vary from 2 Acres to over 10 acres. Per these guidelines and Yavapai County, the maximum building size is based on the lot size. Therefore, lots that are 2 acres to 9 acres are allowed a maximum lot coverage of 10%. Lots 10 acres and larger, the maximum lot coverage is 5%.

The minimum building size in Sterling Ranch is 2,400 gross square feet.



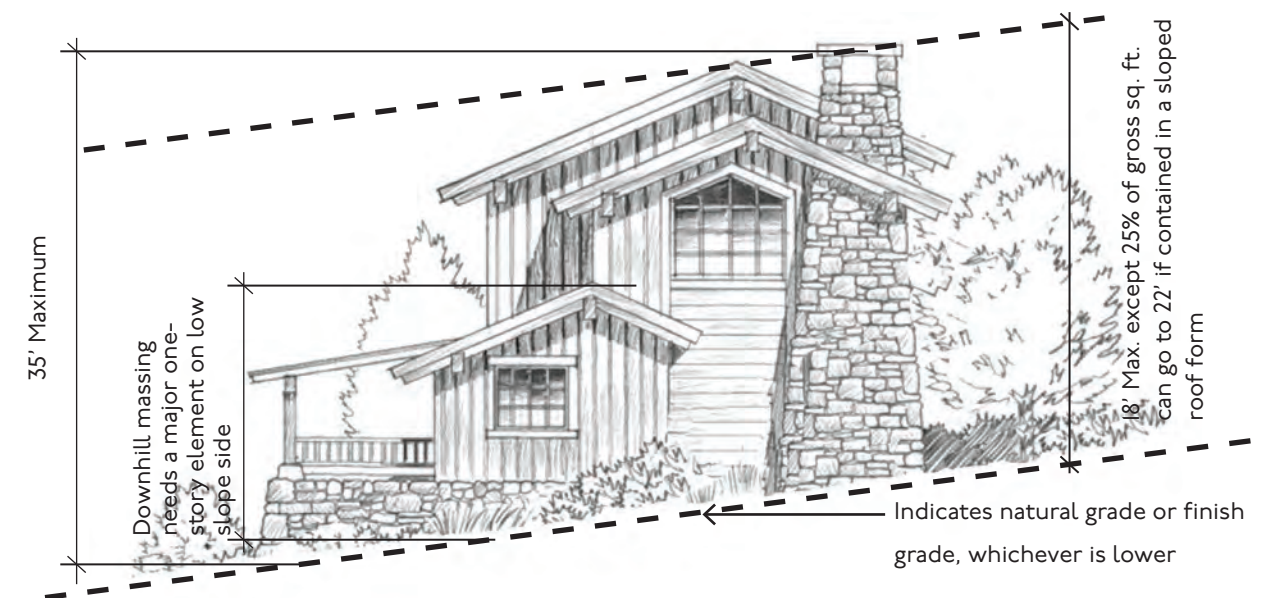
3.3 PREFABRICATED BUILDINGS

No building that is constructed off-site and requires transportation to any home site, whole or partially assembled, will be permitted; this includes mobile homes, stock modular buildings, or any other structure requiring transportation and setup in a partially completed state. However, structures that are assembled offsite and completely disassembled for transportation, including, but not limited to, log structures or custom designed modular buildings, may be permitted. The aesthetic merits of any such structures are subject to review and approval by the Architectural Review Committee.

3.4 HEIGHT OF RESIDENCES, BARNs, AND OUTBUILDINGS

Building heights are limited by these Design Guidelines. While the building height restrictions may help protect views, this is not their purpose and view protection is not guaranteed. The overall appearance of the community is the overriding concern. With that end goal in mind, all homes are strongly encouraged to be one-story designs and as low in height as possible while still achieving a quality design. It is the intent of the Design Guidelines to control heights so the native trees are always the dominate natural form and that they are not overpowered by the mass of the house. Due to special home site conditions, certain home sites may be granted two-stories on a case-by-case basis. This will be granted on a very limited basis and will be judged on if natural conditions within the Building Setbacks would be better preserved by a two-story design with less of a footprint. The following height restrictions apply to all homes.

1. No home site can have a high point above natural or finished grade, whichever is lower, of 30 feet measured directly below at any given point.
2. The following exception is allowed:
 - Up to one-third (1/3) of the gross square footage can exceed 24 feet, but not exceed 35 feet if the added 4 feet height is only sloped roof areas. Second floors can be contained within this if the windows are all within sloped roof forms such as dormers. This height exception does not apply to flat roof designs.



HEIGHT MEASUREMENT

3. In no case can the total height from low point of the lowest wall or columns to the highest roof point exceed 35 feet for each building on site.
4. All buildings, including, but not limited to, all Outbuildings such as but not limited to potting sheds, greenhouses, ranch support buildings, and chicken coops, must be approved by the Architectural Review Committee.



It is the intent of these Design Guidelines that roof forms for homes on sloping sites step down with the grade to integrate with the natural setting. The height criteria is to avoid construction of houses that are out of scale. Beyond the height criteria, the Architectural Review Committee will render individual judgments with respect to the overall scale of the proposed design in relation to its location and all surrounding uses. The process does not seek to impose generalized criteria where more specific insights can be demonstrated to result in a better solution. The Architectural Review Committee has the right to impose a height restriction less than what is stated herein if it believes it is necessary due to specific site conditions.

Building masses are required to step down to lower heights at the perimeter of the structure. Architects who propose structures with more than one level should be certain that only a small percentage of the floor area is on the second level. Homes with similar floor area on two levels will likely be disapproved by the Architectural Review Committee due to their usually boxy, massive appearance. Although small cantilevered elements may be considered, significant volumes over negative space must be avoided. Homes that favor the lower floor area will be more successful in meeting the requirement that lower masses occur toward the outside edges of the home.

Ultimately, the Architectural Review Committee judgments will take into account the more specific character of both the site and the proposed architectural response.

Offsets or indentations in wall planes create visual interest and add depth via shadow lines. No building wall may extend more than 12 feet in height without an offset in the vertical plane of at least 2 feet. No building wall may extend more than 30 feet in length without an offset of at least 2 feet.

3.5 DESIGN COMPOSITION

Although pattern and rhythm are encouraged, large areas of symmetrical massing are discouraged. Gable ends are an example of a portion of a building that might tolerate symmetry; however, the masses on either side of that gable need to be substantially differentiated from each other. A smaller gable end centered on a large gable will generally not be approved. Larger homes are particularly discouraged from the use of symmetry as an organizing principle of design because this symmetry can lead to the creation of a home that appears formal or institutional, rather than residential.

Although historical precedent provides some symmetrical examples, it is important to keep in mind that the home sites at Sterling Ranch are not to be developed independently of their neighbors, and therefore may not be designed as standalone monuments. For this reason, a more organic composition is preferred, one that can coexist within view of other conscientiously designed residences.





3.6 FOUNDATION WALLS

All visible surfaces of foundation walls must be stone or match the exterior wall material above. Natural stone is strongly encouraged as it is a fundamental element of the ranch vernacular of design. No visible exposed concrete foundation wall exceeding 4 inches is allowed. If stone is used, it must extend below grade. Material covering the foundation wall must be in the same plane as the wall above unless the material is acting as an architectural base such as stone, in which case the offset should be at least 6 inches. Where the vertical distance from the underside of a ground floor wood deck structure (along its perimeter edge) exceeds 30 inches above finish grade below, the deck edge must be skirted with wood siding to screen the cavity beneath the deck, or have a special quality that would allow viewing at the structure to be acceptable. The skirting must be compatible with the design and be durable. Single lattice work of boards less than 2 inches in thickness are not allowed. Foundation walls which occur under a skirted deck such that they are no longer visible are exempt from the facing requirements stated above.

3.7 EXTERIOR MATERIALS

There are many traditions in the historic architectural styles of the Prescott region which will be encouraged at Sterling Ranch, along with certain regional adaptations including, but not limited to, contemporary. The goal in choosing materials is to reinforce the ranch house theme of Talking Rock that has evolved through the years, with many good examples throughout the community, and is perhaps still best represented by the character of the Ranch Compound. Some of the evolved examples have explored a more contemporary character to the ranch house theme, with more shed and butterfly type roofs and simpler detailing. This more contemporary expression is encouraged, as long as it is still judged by the Design Review Committee to be in keeping with the overall architectural context of the surrounding neighbors and the community at large.

Exterior material should generally be natural materials that blend and are compatible with the native landscape. The predominant exterior materials should consist of wood or stone, including, but not limited to, wood shingles used as siding, beveled or tongue-and-groove board siding, board-on-board, board and batten, free edge boards, stone, or square cut logs.



If logs are used, in most cases they must be combined with a significant amount of another material such as stone or board siding. In all cases, they must be squared logs. Log homes will only be allowed if they are a very low scale, small house as illustrated in the Talking Rock Character Book.

Plywood siding is prohibited unless the applicant can demonstrate to the Architectural Review Committee that the specific proposed application would result in a finished appearance indistinguishable from an individual board siding application.

The use of siding including, but not limited to, aluminum, fiberglass, vinyl, or asbestos siding is prohibited. The use of cementitious siding will only be permitted after the Architectural Review Committee's review and approval. To appropriately create the design balance of homes using non-wood siding material, the ARC requires that a minimum of twenty-five percent (25%) of stone is utilized in all designs.

Rusted metal surfaces will be allowed as siding or chimney masses. All exterior surfaces including, but not limited to, gutters, chimneys and their covers, and window frames are to be finished or painted. Unfinished metallic exterior surfaces are not permitted unless they are copper, Cor-Ten steel, or metals that when oxidized are durable.



The use of textured masonry block as an exterior finish material will be considered on a case-by-case basis. Oversized brick is acceptable, but common brick (4" x 2" x 8") is not allowed. Simulated or cultured stone will be allowed, but only on a limited basis. The Architectural Review Committee has pre-selected a variety of simulated stone which may be used. Native stone will be preferred, river rock, either natural or simulated, is not allowed. The aesthetic merits of any combination of exterior materials are subject to review and approval by the Architectural Review Committee in order to maintain the architectural integrity and consistent visual experience of Sterling Ranch. However, mixing of materials, when designed properly, can give the appearance of a ranch house which is built over time. This is very much in keeping with our theme.

3.8 ROOF DESIGN

The roofline of each house must create its own pleasing relationship to the street, other common areas, and to its adjacent structures when viewed from all directions. The overall profile and articulation of the roof should be sufficiently irregular to break up anything which would otherwise appear too boxy or discordant with the landscape or neighboring structures. Expansive roof structures shall be articulated by way of gable or shed dormers. Roof ridge lines extending more than 40 feet shall incorporate a design element such as chimneys, venting chimneys, shed dormers or doghouses. Except for dormers, overhangs shall be provided at all roof edges and must be 2 feet or more, unless an adobe design is being used. Flat roof adobe designs will not be allowed. They must be all pitched roof or a combination of pitched and flat. Asymmetrical roofs are preferable to those which are obviously symmetrical.

The roofs on all residences at Sterling Ranch should predominately be pitched. Flat roofs, with very shallow pitches, will be allowed when combined with pitched roofs. The dominant roof form must have a minimum pitch of four feet in twelve feet and a maximum pitch of eight feet in twelve feet. Roof designs of multiple pitches are encouraged. In some cases, portions of the roof slope, such as on porches, may be less to achieve the desired architecture.

Preferred roof materials include slate, brushed flat concrete tiles, concrete tiles that simulate wood shakes, metal tile, non-reflective raised-seam metal roofs, or heavyweight three-dimensional thick-butt asphalt shingles such as Certaineed Presidential or equal. Wood shakes and wood shingles are prohibited unless they are factory treated with fire retardants. No on-the-job fire retardant application is allowed. Most pre-finished metal roofs are considered too reflective and will be prohibited.



In all cases, all second stories of homes should be fully contained within a roof form. The windows would then be articulated as dormers or clearstories. The higher masses should generally occur toward the center, with the lower profiles toward the outer portions of the house. At no time can the highest point of the roof be at any of the outside walls.

Cor-Ten (i.e., rusting steel) or copper roofing is encouraged as metal roofs of choice. Copper roofs must be allowed to turn brown or patina. No permanent shiny copper will be allowed. If asphalt shingles are used, a gable shingle must be used on the rake to finish the edge appearance as well as a metal drip edge on the horizontal edge.

The use of asphalt shingles of standard or medium thickness, any type of barrel or "S" tiles, asphalt roll roofing, or reflective metal surfaces is prohibited.

All roof vents for mechanical equipment, water heaters, or attic venting is required to be incorporated into a chimney form. If it is impossible to incorporate into the chimney form, they must be on the rear side of the roof and not able to be viewed from the road or adjacent properties.



3.9 ROOF FASCIA AND EXPOSED RAFTERS

The edge of a roof is an important design element that when properly handled will compliment the roof and add interest to the overall detail of the house. In keeping with the ranch house theme at Sterling Ranch, exposed rafters are also strongly encouraged. If not exposing the rafter tails, all wood fascia's must be at least two (2) boards with one of the boards as a 2x6 and the other a 2x10 together with a combined fascia width of at least 14 inches. Exposed rafters must have a detailed cut at the end of the rafter to create interest. Stucco fascias are not allowed.

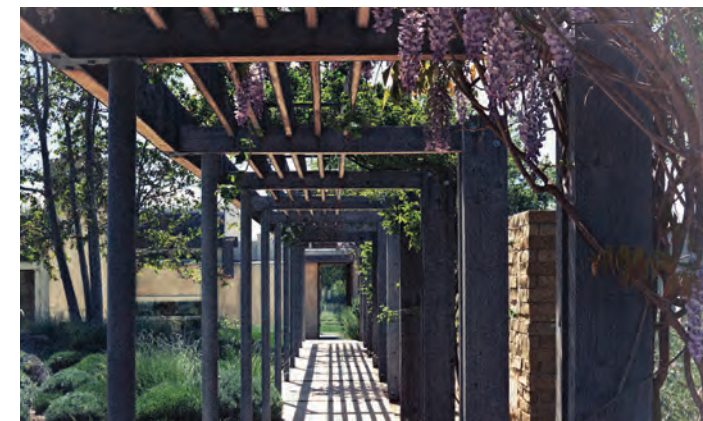


3.10 ENTRANCES AND COURTYARDS

Entrances proportioned to convey a sense of human scale are more appropriate than those with exaggerated dimensions. Any grandeur should be experienced upon entering the house, not worn on its exterior facade. The clean lines of restrained and understated entries are more suitable. Entries that are too ornate, monumental, or imposing will not be approved. Entrances that are part of a covered front terrace or porch are preferred and strongly encouraged to reinforce the ranch theme.

Inasmuch as there is only one driveway ingress / egress per house on lots less than five acres and opportunity for two ingress / egress driveway points on home sites five acres or larger, porte cochères are still not compatible with the Sterling Ranch theme.

As a transition from the natural areas, Owners are strongly encouraged to consider the use of a low wall to surround any outside porches and as a courtyard entry.





3.11 PORCHES, TERRACES, AND DECKS

A core element of the Talking Rock concept is the utilization of a significant amount of covered porches that will continue thru Sterling Ranch. Properly designed, this can augment the traditional more private use of the backyard and become a wonderful extension of the house. The historic wrap around porch or other porch concepts assists this effort in four ways:

1. The focal point of the house becomes the people-oriented entrance, rather than the more typical garage-dominated streetscape.
2. An enhanced sense of entry is achieved without being monumental.
3. There are often excellent views all around the house and multiple or wrap around porches help take advantage of them.
4. The living area of the house is made to feel larger by opening up the house to an indoor/outdoor space.

To be useful and meaningful to the design, porches must be at least ten feet in width. Although not required, porches are strongly encouraged.

3.12 EXTERIOR COLUMN DESIGN

Since porches are a vital element to the design of a Sterling Ranch home, the columns to support the porch roof becomes a major focal point. This is also true of columns which support balconies. Columns must be proportional to the mass of the home and never appear as weak elements. As such, all columns must be a minimum of 10 inches square if wood and 16 inches square if masonry or stone. If wood columns are used, pre-manufactured connectors must be hidden. Only hand forged connections may be visible. Additionally, all wood columns must have a larger base to add to the detail of the home.



3.13 AWNINGS, ROLL DOWN EXTERIOR WINDOW COVERINGS, AND EXTERIOR SHUTTERS

The use of awnings, canvas or other similar materials, are not allowed. Roll down exterior window coverings are also not allowed. Exterior shutters, when detailed properly, will be considered.

3.14 CHIMNEYS AND OUTDOOR FIRES

Well-proportioned chimney masses can be used as sculptural features complimenting the overall qualities of the house. Exposed metal flues will not be approved unless they are creative uses of copper or Cor-Ten, which are non-reflective.

The area (measured in plan view) of any one chimney should be no less than 12 square feet and no more than 48 square feet at the base. Chimneys lend themselves to a variety of angular and rounded forms which can enliven the three-dimensional quality and profile of the overall design.

To preserve the high quality air at Sterling Ranch, all residences are encouraged to utilize gas log fireplaces rather than standard wood burning fireplaces or stoves.

Due to the fire danger usually present in this high desert and mountain region, all chimneys must be equipped with a U.L. or I.C.B.O. approved spark arrestor. Spark arrestors must be fully concealed from view by the use of a chimney cap detail.

Outdoor fire pits or fireplaces are prohibited unless they are gas.

Design of all outdoor fire elements must be approved by the Architectural Review Committee.

Permanently installed gas barbecues are allowed but must be approved by the Architectural Review Committee.



3.15 EXTERIOR COLORS

The color of exterior materials must generally be subdued to blend with the natural landscape. Earth tones are recommended, although accent colors which are used judiciously may be permitted. The Talking Rock Character Book has a series of colors included to help understand this point. These colors are also displayed in the Sales Center.

Colors approaching the primary range (red, blue, white and yellow) for focal elements will be reviewed on a case-by-case basis with the Architectural Committee. Drastic contrasts in value (light to dark) will not be allowed. This applies to both paint and stain. White may only be used as an accent or trim color; light-gray siding stains which approach white or off-white in appearance will not be allowed. Garage and exterior doors are not considered trim.

Proposed colors must be demonstrated to the Architectural Review Committee in a sample format which adequately depicts the hue, tone, and shade of the proposed color in its final application. Sample swatches on the structure itself are preferred; as an alternative, stained or painted sample boards of the actual siding to be used would also be accepted. Small color samples printed on paper may not accurately depict how a finished color will appear on an expansive wall of real construction materials and are therefore discouraged. The Architectural Review Committee may require the color selection to be applied to an area of the house prior to approval.

A series of appropriate color palettes have been prepared as a tool to help determine individual color proposals. All paint colors must be within a light reflectance value (LRV) of approximately 15-35 or the equivalent if stain is used.

It is the intent at Sterling Ranch to preserve the appearance of the natural landscape and preclude the use of colors that would appear out of place and, therefore, offensive to the eye.

3.16 WINDOWS, SKYLIGHTS, DRAPERIES, AND SHUTTERS

Windows should not appear as openings cut into the side of a box, but rather as architectural features that may be recessed, projected, or bordered by projections which provide a shadow pattern and reduce reflectivity.

While the elevations will differ on various sides of the house, windows on all sides must be treated with the same attention to detail given to the front or street elevation. All facades shall contain some degree of doors, windows, or other openings in the walls. Octagons, circles, hexagons, ziggurats, and triangles will not be approved as focal point windows. Window heads must be shaped to match roof lines or remain level. No scissor truss windows will be permitted with slopes not matching the roof line. Scissor trusses can only be used if not visible from outside.

All windows and doors must be recessed a minimum of 4 inches.

The glass of windows must not be highly reflective. The window frames must not be white or off-white.

The dome of skylights must be clear, gray, or bronze. No white domes are allowed, nor may their frames consist of reflective material that is left unfinished. This especially applies to aluminum frames which must be anodized or finished with baked enamel. Skylights must be placed on the roof in an organized pattern that compliments the roof design. They must not be placed arbitrarily wherever they are wanted within the house. All skylights must be low profile flat type. Bubble type skylights are prohibited. Shutters and drapery linings must be in neutral color ranges when visible from outside the home. White or off-white is not considered a neutral color.

3.17 BUILDING PROJECTIONS

All projections from a residence or other structure including, but not limited to, chimney flues, plumbing or gas vents, flashing, louvers, gutters, downspouts, utility boxes, porches, railings, and exterior stairways shall match or compliment the surface from which they project, or must be painted or stained an approved color to blend unobtrusively with adjacent materials. All building projections must be contained within the Building Setbacks.



3.18 GARAGES AND GARAGE DOORS

Garages for each residence are required, either attached or detached, accommodating at least two automobiles; carports are prohibited unless approved otherwise. It is preferred that garage doors are screened from rights-of-way, common areas, and adjacent home sites.

When planning a house at Sterling Ranch, placement of the garage needs to be considered early on. Place the garage in a separate structure with or without an enclosed connection to the main house or place the entrance to the garage away from the street view. When this is not possible due to topography or other site constraints, the garage doors shall be placed further away from the street than the house facade, leaving the house form as the main focal point from the street. Overhangs above the doors and significant architectural detailing can also mitigate the visual impact of the garage entrance.

Garage doors must relate to the remainder of the house's design elements. Garages must not present closed or unarticulated facades. Glazing in garage doors should be provided to reduce the impact of the doors on the rest of the community. Large or unbroken masses above garage doors will not be approved. This is where detailing and a change in the plane of the surface can be beneficial.

The garage doors should be either the same color as the body of the house or a slightly darker shade of the same color. In either case, they should not be lighter or dark enough to call attention to themselves.

Single garage doors are preferred over double. In no case shall a door be taller than 10 feet unless otherwise approved due to quality design. Single bay doors, divided by a substantial pier or column, are required by the Architectural Review Committee so as to present a smaller-scale appearance relative to the rest of the structure. Some exceptions to the single bay door requirement may be granted when the applicant can demonstrate that it is not physically possible to use a single bay door. Door styles are strongly recommended to have a "coach house" door appearance which can easily be achieved by modifying a standard four panel rollup door or by purchasing one of the many brands that now have this appearance. In

no case will a standard metal garage door be allowed unless it is wood clad.

Where three or more garage bays are planned, care must be taken in the design of the garage door plane. More than two doors are not allowed in the same plane. The third (and fourth) door(s) must occur in a secondary building plane offset by a minimum of 32 inches from the primary front wall of the garage to avoid a continuous uninterrupted wall of three or more garage doors. All garage doors must be recessed a minimum of 12 inches. Garage doors over 10 feet in height will be allowed for recreational vehicles, at which point a 12 foot maximum is allowed. When a 12 foot door is used, its top must align with the 8 foot doors and the driveway must be dug below grade so the lower part of the door is recessed. Additionally, no 12 foot door may be viewed from the road or open space.

The use of fluorescent or other highly visible lighting may be precluded in areas where the expanse of an open garage door might cause excessive glare, particularly when visible from neighboring residences and public rights-of-way or when windows are used in the garage or garage door.

3.19 SOLAR APPLICATIONS AND OTHER STRUCTURES

Passive solar design is strongly encouraged. Active solar applications are also encouraged, but need to be well integrated into the design. Solar panels must have a well organized layout in the context and not look like an applied afterthought. Since solar panels can result in excessive glare and reflection this will be taken into account in the review of their location. Ground mounted solar panel systems can be approved, but will be considered only on a lot by lot basis, and will need to show they have no negative effect on adjacent properties. Windmills and solar fields are allowed on lots that are 5 acres or larger. All solar applications must be approved by the Architectural Review Committee.

3.20 GUTTERS AND DOWNSPOUTS

Gutters and downspouts are allowed if they are properly integrated into the design. Gutters are often used to solve poor roof design. If this is the case, the roof design will be rejected in order to reduce unsightly gutter design. In all cases, gutters and downspouts must be painted to match adjacent surfaces.

3.21 SEWAGE GRINDER PUMPS

All residential structures at Sterling Ranch require sewage grinder pumps. Approval of the model by the Architectural Review Committee is required.

3.22 EQUESTRIAN AND CHICKEN COOP ELEMENTS

Lots that are 10 acres or larger (loop road interior lots of Sterling Ranch) will be allowed to have horses and equestrian elements. If combining two 5 acre lots, equestrian uses will only be allowed on those lots adjacent to the open space trail: Lots 10/11 and 12/13. Lot 1 will also be allowed horses and equestrian elements. The exhibit below identifies potential equestrian lots shaded in green and the bridal trail in a dashed blue line.



All equestrian properties are allowed a maximum of two horses. No commercial breeding is allowed within Sterling Ranch.

I. Equestrian Buildings

All equestrian buildings shall be designed behind the primary and secondary structures and within the Equestrian Containment Area. This includes, but is not limited to, paddocks, riding rings, and storage. Residential buildings may be situated within the Equestrian Containment Area, but equestrian buildings and active areas are not allowed within the Residential Area.

The barn will consist of a minimum of three walls and a roof. Each barn shall include, but are not limited to, one stall per horse with appropriate sized turnout paddock at 12'x12' minimum unless approved otherwise by the Architectural Committee. Additional uses in the barn include but are not limited to a wash rack, tack room, veterinarian space, and storage. Additional turnout areas must be adjacent to the barn and it is suggested that each horse have 1.5-2 acres of land for grazing, exercising, and socializing to minimize stress.

The design and appearance of the barn shall match the architecture of the house. The barn design shall allow for free circulation of air throughout the barn and the horses shall be adequately protected from the elements during all seasons.



2. Paddocks and Riding Rings

It is required that at least one larger paddock be included to allow the horse to move, trot, or roll around. This paddock must be directly connected to the barn allowing easy access for the horses. The minimum size for any single paddock is 1,200 square feet. If two horses share a paddock, this paddock must be a minimum of 3,600 square feet. To minimize erosion and dust, the ground cover for the paddocks must be at least four inches of heavy grade masonry sand or something similar if approved by the Architectural Committee. Owners are required to maintain this covering as needed.

Paddocks may require grading to obtain a maximum of three percent slope. Retaining walls may be used to achieve this grade. Water troughs in paddocks are acceptable.

If horses ride outside of their paddocks or pastures and cause severe damage to vegetation, the Owner shall be responsible for replacing damaged vegetation.

Lots may have riding rings for training and exercising horses. These rings must be located within close proximity to the barn. The groundcover for the riding rings must be at least four inches of heavy grade masonry sand or something similar and approved by the Architectural Committee, and a sprinkler system must be installed to reduce dust levels.



3. Hygiene and Pest Control

Because not all large lots will contain equestrian components, it is essential to maintain a clean and odor free equestrian lot. Owners must employ the highest standards of stable and site cleanliness using the latest technologies for insect, dust and odor control. All stalls and paddocks must be cleaned out on a daily basis. All manure and used bedding material must be kept in a properly designed temporary storage location.

Stalls must be washed down thoroughly before fresh bedding material is added. Stalls shall have minimum of 1" rubber matting and approximately 12" of bedding material.

Control of flies and other insects is imperative in all stable areas. Barns must contain automatic insect spray systems. These systems may be either a drum and pump with ceiling mounted nozzles or a wall mounted fogging system.

All lots within Sterling Ranch are allowed chicken coops. A maximum of 8 chickens per acre are allowed. Offspring up to one year of age do not count towards the total. After one year of age, animal offspring count as adult animals. The design of chicken coops and location must be approved by the Architectural Committee before installation.

A variety of animals are allowed; however, type, quantity, and shelter must be approved by the Architectural Review Committee and will be considered on a case-by-case basis.

All animals, no matter what size, must be well maintained, fed with appropriate food, provided ample water, and have proper shelter due to the climate. No commercial breeding is allowed with any animal.

It is crucially important that each Owner be mindful of their adjacent neighbors and the community, being cognizant of flies, vermin, trash, debris, dust control, manure management, noxious odors, and any other offensive or nuisance activity.





Section 4

LANDSCAPE GUIDELINES

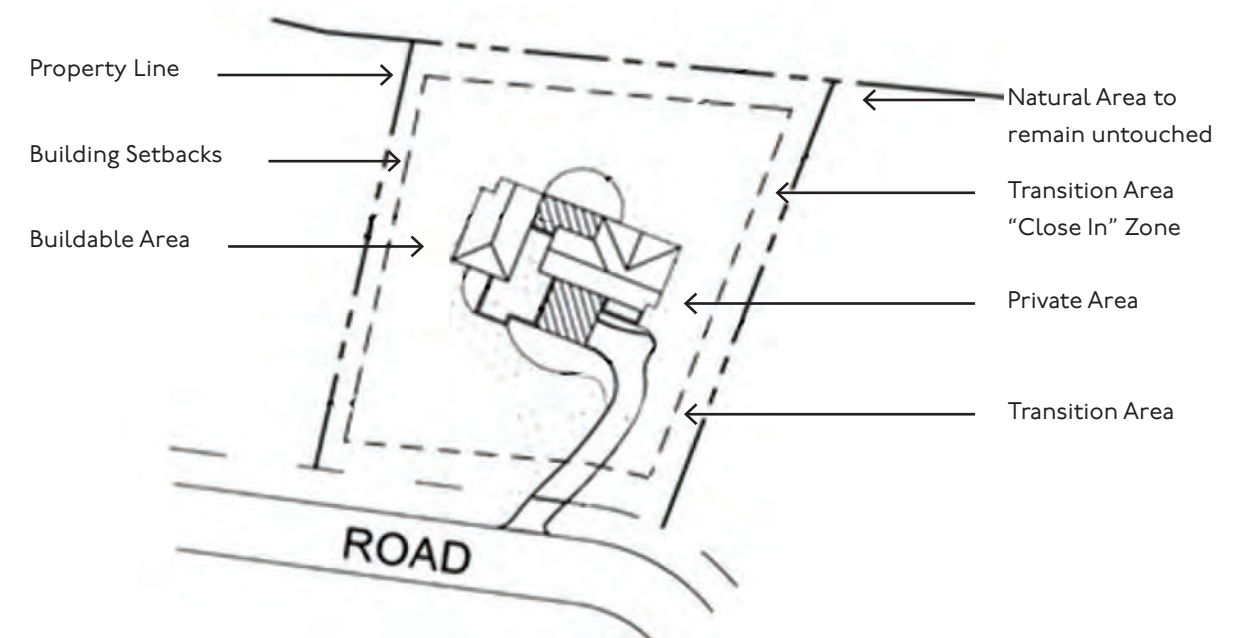
As homes are designed and built within Sterling Ranch, care must be taken to preserve the rugged natural beauty intrinsic to this site. The native vegetation and unique site features are the fabric that weaves together a cohesive and distinct character for the community. Properly designed and constructed homes at Sterling Ranch will require very little landscape treatment.

Home placement on the site, as well as any outdoor needs, must be sensitive to the preservation and continuation of the existing natural fabric. Trees, natural vegetation, and all other site features should be incorporated and utilized to enhance the overall appearance of the home. Since the plant species permitted for revegetation is limited, and the growth process is long, every method to preserve existing vegetation must be employed. Landscaping desires should be taken into account at the site planning phase. Retrofitting a home with only enhanced landscaping after the design has been established will not likely result in a solution that meets the Architectural Review Committee's requirements.

Each home site has Building Setbacks, which is indicated on the Home Site Map available from the Architectural Review Committee. It is designed to protect and preserve the natural landscape features. When thinking about the site plan and landscape design, three zones have been created for each home site: Natural Area, Transition Area, and Private Area.

4.1 NATURAL AREA

The natural area (the "Natural Area") is that portion of the home site which lies outside of the Building Setbacks, and must remain as a natural area left untouched and undisturbed during construction. On home sites with existing disturbance within the Natural Area, revegetation will be required by the Architectural Review Committee. If required, only plants indigenous to



HOME SITE LANDSCAPE ZONES

the general area of development may be used in the Natural Area. In addition, the density and mix of any added plant material in the natural area will be required to approximate the density and mix found in the general area. Permanent irrigation of the Natural Area on home sites with existing vegetation is not permitted since the indigenous vegetation does not require additional water. Permanent irrigation of the Natural Area can lead to disease and death of the native plants and aid in the spread of undesirable plant species or weeds. Temporary irrigation of revegetation in the Natural Areas is allowed.

4.2 TRANSITIONAL AREA

The transitional area (the “Transitional Area”) is that portion of a home site within the Building Setbacks, but outside of the residence or site walls, within which an Owner may enhance the landscape. All areas of the home site which were disturbed by construction activity must be restored and revegetated and these areas must be appropriately tended until the natural vegetation is re-established.



For Owners wishing to undertake supplementary planting, the Sterling Ranch landscaping concept may be envisioned as a series of concentric planting zones around a home. The most formal planting must be situated adjacent to the residence or an accent border within 6 feet of either side of the entry drive or parking apron. As the distance from the residence increases, a transitional planting zone may occur between the more formalized planting around the residence (the “Close In Zone”) and the established Building Setbacks. The line of interface between this transitional zone and the natural landscape outside the Building Setbacks may occur along a soft edged irregular line. All plant material must be selected from the appropriate list on Appendix A.

Care must be taken during the siting of the residence on the home site to allow planting space for perimeter landscaping to occur, if desired, without necessitating encroachment outside the Building Setbacks.

On home sites 5 acres or larger within Sterling Ranch, orchards are allowed within the rear yard of the Buildable Setbacks. These types of trees are not on the Approved Plant List; however, the Architectural Review Committee will consider fruit trees for this area only.

All supplementary landscaping plans must be approved by the Architectural Review Committee prior to its application or implementation.

4.3 PRIVATE AREA

The private area (the “Private Area”) is that part of the Building Setbacks which is screened from views from adjacent home sites, the street, or public areas by site walls or structure. An Owner may create as varied a landscape as desired, provided that only plants on Appendix A or as approved by the Architectural Review Committee are used. All Private Area landscape designs must be approved by the Architectural Review Committee.



4.4 DIVERSE HOME SITES

Each home site is unique within Sterling Ranch. The landscape and site character varies greatly in vegetation type, density, topography, and surface material from home site to home site. Appropriate landscape improvements will be different for each lot and will be derived from the existing overall natural landscape image established on each site prior to any home site improvements.

In order to fully understand the uniqueness of each lot, a careful home site survey must be undertaken to accurately determine all existing trees, plants, site features, and ground



plane characteristics. This “existing conditions” survey will provide the basis for the Owner’s landscape improvements plan and also for the Architectural Review Committee to determine how well the proposed building siting, grading, and landscape improvements relate to the existing natural site character.

Each home site affects another in that the larger natural landscape is comprised of all home sites combined and viewed without reference to individual home site boundary. It is imperative that each home site is successfully improved and accurately restored with its own individual existing natural character if the overall Sterling Ranch unique landscape is to be preserved.

4.5 PLANT SALVAGE

Whenever practicable, native plants and trees that cannot otherwise be retained on the home site should be salvaged for reuse if approved by the Architectural Review Committee. These plants are adapted to the location and, if carefully salvaged, stored and replanted, are a valuable native plant landscaping resource for natural site restoration. In an approved arrangement, these plants can help re-establish and enhance the home site’s natural character.

Not all native plants on the home site will be suitable for salvage. Many plants are too large, in an inaccessible location, have poor soil, have poor survival history, or may be seasonally not recommended. Salvaging plants is a lengthy process and adequate time, months in many cases, must be allocated to correctly box and remove trees and large shrubs. Although salvage plants are adapted native plants, continuing special care and maintenance will be required for a successful replanting.

Even with careful re-planting, some salvage plants may not survive or fully recover. If, in the opinion of the Architectural Review Committee, any salvage plant becomes unsightly, it may require the Owner to remove and replace the salvage plant with an approved replacement.

Care must also be taken during the salvage operation to minimize home site disruption and ensure the Natural Area remains untouched.

Salvage plants must be specifically designated on the landscape plan, including, but not limited to, the size, variety, source and maintenance details. If approved by the Architectural Review Committee, additional salvage trees and plants from other “local area” sources may also be planted if they are native and planted in such a way as to appear as natural undisturbed existing landscape native to the site. Prior to any salvage and replant activities, specific Architectural Review Committee approval must be obtained.

For these reasons a “native plants salvage expert” must be consulted when considering salvaging or replanting any native plant. The Architectural Review Committee will maintain a list of approved native plant salvage contractors and consultants. It is the Owners responsibility to insure compliance with all applicable laws concerning the salvage and planting of native plants.

4.6 REVEGETATION OF DISTURBED AREAS

Disturbance of existing home site landscape may only occur within the Building Setbacks for construction purposes and only in areas approved by the Architectural Review Committee. Once construction is completed, the home site will be re-landscaped according to the approved landscape plan. The size, variety, and location of all existing trees and plants and other site features must be shown on the landscape plan, including, but not limited to, a detailed description of ground plane character. The Transition Areas must be fully restored to match the Natural Area. The Architectural Review Committee may require more landscaping than that destroyed in order to appear as natural as possible. Close In Zone areas must either match the natural area or blend landscape close to the architecture to achieve a more native landscaped Natural Area or Transition Area edges.

Restoration means replicating all features of the existing natural landscape. This includes the first step of restoring or creating natural appearing grading shapes that blend to existing drainage ways, landforms, and site construction. No artificial or arbitrary shapes will be approved. Next, the finished exposed ground surface must match. Each home site has its own

unique pattern and colors of soil, sand, decomposed granite, and surface rock of all sizes and patterns to be identified and replicated. No other surface treatment, such as non-site colored rock in decorative, geometric artificial shapes and patterns will be approved. Finally, trees and plants, including, but not limited to, native grasses, must be selected from a palette of existing varieties already established on site.

In addition, plant and tree spacing, mix, density and arrangement must follow the existing natural theme of the site. Other elements such as adding trees, native grassy areas, leaf litter, dry waterways and matched rock outcroppings may be needed. In some cases, piñon trees may be added outside the Building Setbacks to create privacy, but only by approval of the Architectural Review Committee.

Blending is the transitioning from the native landscape to a more dense arrangement of plants. This allows an enhanced landscape to be created immediately adjacent to the architecture for screening, shaping views, sun control, or to soften and transition architecture and constructed improvements into the site. Enhanced landscape is described as denser groupings and mixing of varieties and creating landform features that appear natural but which might not normally occur where proposed. The interest features of these enhanced areas should be directed towards the home with the more natural appearance to the outside.

Any unsightly disturbance or damage to the home site landscape must be repaired. Damage may occur naturally, with approved future improvements or for undetermined reasons. All restored landscape must be approved whether required by the Architectural Review Committee or requested by the Owner.

All revegetation landscaping will require sufficient temporary irrigation to reestablish the native landscape environment. Each plant will have separate water needs and, as such, the irrigation system must be flexible enough to allow for both a managed reduction in the amount of water used and also the independent selection of plants to be irrigated. Although at some point supplemental irrigation can be terminated, the irrigation system will be in place long enough to require a permanent quality year round underground system. All irrigation equipment must be located or screened in such a way that it is not visible from adjacent properties.

It is the intention of this section that every effort is given by the Owner to return all disturbed areas to the overall appearance of native undisturbed natural landscape as quickly and completely as possible.

4.7 APPROVED PLANT LIST

The Architectural Review Committee has approved a list of plants and trees deemed to be inherently compatible with the natural Sterling Ranch landscape, including, but not limited to, indigenous and non-indigenous species. Such plants are listed in Appendix A (the "Approved Plant List") of these Design Guidelines and landscaping of any area is expressly limited to these species. Turf, when used, must not be a dominant component of the landscape.

4.8 PLANT DENSITY

Each plant has a natural arrangement and spacing that must be replicated in order for the proposed landscape to achieve the desired natural look. Although this may vary from location to location, the arrangement of the plants in the adjacent undisturbed natural area will provide the model for plant group arrangements and spacing (plant density). Sufficient information about these existing natural areas must be placed on the landscape plans in order for the Architectural Review Committee to determine how closely the proposed plant spacing and sizes relate to the existing landscape.

Final plant spacing will also be dependent upon the initial size of plants and their respective growth rates. Generally, smaller plants require closer spacing with possible thinning in the future if the landscape appears crowded. Also taken into account will be the individual home site detail planting areas and their respective orientation, topography, soil conditions, available water, and other conditions that may increase or decrease appropriate plant spacing.

The various native trees, shrubs, groundcovers, and grasses also grow in differing and varying combinations throughout Sterling Ranch. For this reason, appropriate density or plant spacing is site specific and depends upon the proposed mix of plant varieties. Density within the Transition Area replicates the neighboring Natural Area. Denser planting may be approved by the Architectural Review Committee for specific purposes in the Transition Area Close In Zone. In the Private Zone density is as desired by the Owner for plants not visible from adjacent properties.

4.9 GROUNDCOVER

Some locations on the home site may be approved by the Architectural Review Committee for an introduced or enhanced plant groundcover area and may only be developed in the following ways:

1. As an extension of those occurring naturally in the adjacent native landscape.
2. If, in the opinion of the Architectural Review Committee, they present the appearance of occurring naturally. The Architectural Review Committee will not approve any proposal for groundcover areas that present the appearance of traditional turf or groundcover front or side yard improvements.

Groundcover may be open, natural looking, seasonal native grass areas, or low growing seasonal native plants or vines. Seasonal plant variation, natural growth patterns and meandering natural edges are required for these areas to be successful, along with an appropriate site comprised of logical contouring, area definition, and a natural appearing reason for this area to be present. The Architectural Review Committee will also consider home orientation, architecture, and other site improvements.

Inorganic or rock groundcovers may only be used in the Transition Area as they exist naturally on the adjacent native undisturbed Natural Area surfaces. When used, they must replicate the native color, shape, and mix of sizes and materials exactly. The existing ground plane must remain natural in appearance and may not be raked in visible patterns, cleaned, manicured or otherwise modified. No designed pattern, decorative, artificially shaped, or arrangement of any inorganic material, such as sand, decomposed granite, gravel screened rock, or boulders may be used as groundcover for ground plane improvements. Any ground plane groundcover improvement not visible from neighboring property may be used in the Private Area.

Organic groundcovers such as manufactured non-native bark chips, compost and prepared mulches may not be used in the Transition Area. Native piñon pine needles, native leaf and branch litter, and other forest debris may only be used as it appears naturally and replicates existing Natural Area conditions.



4.10 TURF

Turf is allowed in Sterling Ranch home sites within the Private and “Close In” Transition Zones. The use of turf is discouraged as it is a high contrasting non-native vegetation requiring more water, nutrients, and maintenance than the natural landscape. It is the intent of the Design Guidelines that all visible home site landscape appears native and natural in appearance.

Approved turf varieties are the hybrid non-seeding types. Wherever turf is approved, it shall be maintained or irrigated in such a way that it does not adversely affect any Sterling Ranch improvement, facility, neighboring property, wildlife, or native plants. If, however, at any time the Architectural Review Committee determines that previously approved turf varieties have become a nuisance for any reason, the Architectural Review Committee may require existing turf to be eliminated or replaced with another approved variety.

Low screen walls or other approved improvements will be required to contain turf and prevent intrusion into areas outside the approved turf area.

4.11 HARDSCAPE

Hardscape is any non-architectural inorganic improvement or modification to the home site natural surface within the Natural Area or Building Setbacks. This includes improvements such as paths, walks, on-site parking, improved drainage ways, and hard surface landscape areas and similar improvements not discussed in the Design Guidelines Sections of Grading and Drainage, Driveways, Entrances and Courtyards, or Porches, Terraces, and Decks. All such improvements require Architectural Review Committee approval prior to start of construction or installation, including, but not limited to, proposed location, materials, colors, and any changes to the existing site or landscape.



As with all home site landscape improvements, the landscape related hardscape must also appear natural and appropriate in the native landscape. Natural surface materials such as decomposed granite and surface rock must match the existing native color and textures. Manufactured products such as brick, pavers or patterned and colored concrete must closely match the adjacent natural surface color. Whether natural or manmade, they must be installed or placed in natural patterns with native grasses or compatible groundcovers planted to soften the improved area.

Walks and pathways must be narrow, 2 feet to 4 feet in width, and follow the natural contours. Patios must be naturally shaped and located with minimal site modification. The finished patio must appear as if carefully sited and shaped to fit a naturally occurring location.

Avoid any improvement such as elevated surfaces, curbing, swales, piping, or grading that alters the approved drainage plan for the home site. These modifications may redirect, concentrate, or pond storm water causing erosion or water damage. Porous materials and installation methods will help reduce water runoff and damaging concentrated water flows.

Ancillary hardscape improvements or associated modifications, such as revised grading, added landscaping, low walls, built-in seating, and lighting must also be carefully considered by the Owner or builder and approved by the Architectural Review Committee. It is intended that any such constructed improvements feel as an extension of and relate to the approved architecture and any site and landscape improvements relate to the approved adjacent landscape character.

4.12 FIRE PREVENTION THINNING

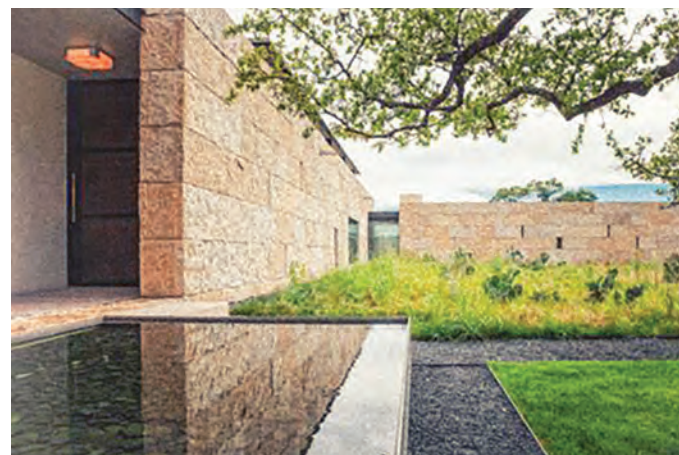
The Transitional Area of the home site is that area where fire prevention thinning may occur. Removal of the native vegetation down to raw earth for the purpose of fire prevention thinning is not allowed. When the native vegetation is removed within the Transitional Area, it must be replaced with landscape material listed in Appendix A.

4.13 WATER FEATURES

Constructed water features are not allowed in the Natural Area or Transition Area of any home site. Although visually attractive if correctly designed, any water artificially introduced into the natural environment may be disruptive and is discouraged. However, with the following considerations, water features may be constructed if specifically approved by the Architectural Review Committee in the Private Area where not visible from neighboring property.



Water features must be designed to be in scale and relationship to the home site architecture and designed landscape theme. All water feature mechanical equipment must be screened from view. Water features must be designed to minimize water use in both normal operation and maintenance.



Water features, including, but not limited to, the lighting, mechanical equipment,

water spray, drainage, must be constructed and maintained so as to not adversely affect neighboring property, native plants, or animals in any way. In addition, the water feature may not create a nuisance either by its mechanical operation or by its attracting animals, insects, or by supporting non-native plants.

4.14 GARDEN PLOTS

Non-native planting areas may only be established and maintained within the Private Area not visible from neighboring property. This includes natural appearing decorative gardens emphasizing flowering plants or gardens comprised of organized arrangements of flowers, non-native shrubs or vegetables.

All garden associated improvements such as tool and equipment storage or growing areas such as greenhouses must be designed as integral to the home architecture and require approval by the Architectural Review Committee. No trash storage, compost areas, screens, netting or other animal barriers, lighting, irrigation, or mechanical equipment may be visible from neighboring property.

In addition, no gardens or planting areas may be maintained in any form anywhere on the home site if they contain plants listed on the Prohibited Plant List set forth in Appendix A. Plants not on the Approved Plant List also require specific approval prior to planting. In addition, no plant may be maintained on the home site if it is determined by the Architectural Review Committee that such a plant has created a nuisance through excessive water use or runoff, excessive litter, seeds or plant debris, or by attracting animals, insects or threatening existing native landscaping.

Other visible decorative plantings such as those in architectural planters, pots or other building related improvements may be approved if the Architectural Review Committee considers them architectural design or theme elements integrated into the constructed improvements and not appearing as site related landscaping enhancements.





Orchards and vineyards are allowed on lots 5 acres or greater, but must be within the rear yard of the Buildable Setbacks. These types of trees and vines are not on the Approved Plant List; however, the Architectural Review Committee will consider specific trees and vines on a case-by-case basis.

4.15 ACCESS TO PATH SYSTEM

In general, all access to approved designated Sterling Ranch pathways will only be approved at specifically designated trailheads. In some cases, however, access from an individual home site to a Sterling Ranch pathway may be approved by the Architectural Review Committee. In addition to other site-specific requirements, the following general conditions must be met for approval of access to Sterling Ranch pathways from individual home sites:

1. All costs of the Owner access improvements, maintenance, removal, and restoration are the responsibility of the Owner.
2. The individual home site must be adjacent to a designated open space containing the Sterling Ranch pathway designed trailhead. The Architectural Review Committee must approve the specific location and access improvements across the open space to the Sterling Ranch pathway.
3. Owner access to the Sterling Ranch pathway does not encroach upon adjacent home sites.
4. The location and use of the Owner access to the Sterling Ranch pathway may not create a nuisance to neighboring property or home sites.
5. Owner's access is to be used only by the Owner for access to the Sterling Ranch pathway and may not, through use or appearance, become a general use "addition" to the Sterling Ranch pathway.
6. Owner access surface must be the natural existing native surface material. Access definition will be determined through use. No created delineation such as rock edges or raked surfaces may be used or any material of any kind may be added.
7. Owner access must appear to be unobtrusive and natural in appearance. For example, "game trail" in scale and character and follow the natural undisturbed topography. No vegetation may be removed. The access may not cause erosion. No site features may be disturbed.
8. Signage or graphics may be required in order to avoid confusion regarding Owner access and the Sterling Ranch pathway.

Owner access approval is temporary. The Architectural Review Committee may request the access be repaired, modified, or removed and restored to natural conditions at any time the Architectural Review Committee considers the access incompatible with the intent of the Talking Rock path system.

4.16 LANDSCAPE INSTALLATION TIMING

Should harsh winter weather conditions exist that are not compatible with the requirements of proper landscape installation, flexibility may be granted on a case-by-case basis as to when landscaping is completed. In no case can landscape installation be delayed for any other reason than seasonal weather. The timing of landscape installation must be resolved prior to the granting of a final approval.



Section 5

CONSTRUCTION REGULATIONS

The preservation of the natural areas of Sterling Ranch is critical to the community. In order to ensure that the natural area of each home site is preserved to the maximum extent possible and the nuisances inherent to any construction process are kept to a minimum, the following regulations shall be strictly enforced during the construction period of all improvements at Sterling Ranch. The Owner of a home site shall be responsible for violations of the Design Guidelines, including, but not limited to, construction regulations contained therein, by any contractor, subcontractor, agent, or employee performing any activities on behalf of the Owner within Sterling Ranch, whether located on the home site or elsewhere within Talking Rock.

5.1 BUILDING SETBACKS AND FENCING REQUIREMENT

The Building Setbacks, the limit of development on each home site, is also the area within which all construction activities related to the improvements must be confined. To this end, the approved area of disturbance must be staked and fenced in with a minimum 4-foot high construction fence during the full duration of construction. Construction fencing enclosing the Building Setbacks must also extend along both sides of the access drive and for the full street frontage so that no contractors or suppliers park in the natural area.

When a utility trench does not follow the driveway, the trench area must have a construction fence no wider than 8 feet along the route, on each side, and be fully re-vegetated wherever the natural area is disturbed.

5.2 OSHA COMPLIANCE

All applicable Occupational Safety and Health Act (OSHA) regulations and guidelines must be observed at all times.

5.3 CONSTRUCTION SITE PLAN AND CONSTRUCTION TRAILERS

As part of the final submittal, a construction site plan must be prepared and approved which indicates construction access, parking areas off of the street, sanitary facilities, concrete washout area, trash dumpster, material storage, and approved access drives for construction activities on any home site.

Upon approval of the construction site plan, a construction trailer or portable field office may be located on the building site within the Building Envelope, clear of all setbacks. The type, size and color of any portable office must be approved by the Architectural Review Committee as part of the construction site plan. The field office, including, but not limited to, installation of temporary power and telephone service, may not be placed onsite earlier than two weeks prior to the actual onset of continuous construction activity, but in no event before final design approval is granted.

by the Architectural Review Committee or before a building permit is issued. A construction trailer may not remain on site for a period of time exceeding six months without written approval of the Architectural Review Committee.

5.4 CONSTRUCTION TRASH RECEPTACLES AND DEBRIS REMOVAL

Owners and builders shall clean up all trash and debris at the end of each day; an approved trash receptacle must remain on the site at all times for this purpose to contain all lightweight materials or packaging. The receptacle must be positioned on the site alongside the access drive, clear of side and rear setbacks, adjacent road rights-of-way and neighboring properties. Trash receptacles must be emptied on a timely basis to avoid overflow of refuse; disposal shall be at a suitable offsite facility. Owners and builders are prohibited from dumping, burying, or burning trash anywhere on the home site or in Sterling Ranch. Heavy debris, such as broken stone, wood scrap, or the like, must be removed from the site immediately upon completion of the work of each trade that has generated the debris.

All concrete washouts from both trucks and mixers must occur within a contained area of the Building Envelope of the home site in a location where it will be ultimately concealed by structure or covered by backfill. Concrete washout in road rights-of-way, setbacks, or on adjacent properties is strictly prohibited and subject to a significant fine.

During the construction period, each construction site shall be kept neat and shall be properly policed to prevent it from becoming a public eyesore or detriment to other home sites or open space. Any cleanup costs incurred by the Architectural Review Committee or the Association in enforcing these requirements shall be payable by the Owner. Dirt, mud, or debris resulting from activity on each construction site shall be promptly removed from public or private roads, open spaces, driveways, or other portions of Sterling Ranch.

5.5 SANITARY FACILITIES

Each Owner or builder shall be responsible for providing adequate sanitary facilities for construction workers. Portable toilets must be located within the Building Envelope, clear of all setbacks and in a discreet location approved on site by the Architectural Review Committee.

5.6 CONSTRUCTION ACCESS

The access drive approved by the Architectural Review Committee will be the only construction access to any home site.

5.7 VEHICLES AND PARKING AREAS

Construction crews are not allowed to park on or otherwise use undeveloped portions of home sites or open space. All vehicles shall be parked within an agreed upon area by the Architectural Review Committee. During very busy construction periods involving multiple trades such that all construction vehicles cannot be confined to the site proper, the overflow vehicles may be temporarily parked along the shoulder of the roadway in locations and for time periods solely as approved by the Architectural Review Committee. During these periods the road must allow continual unconstrained access by normal traffic and emergency vehicles, including, but not limited to, fire trucks. Where parking on the shoulder occurs, all damage to the shoulder and landscape must be repaired by the contractor continually and not left for the end of construction. Vehicles may not be parked on neighboring home sites, on nearby driveways, or on open space. Changing oil or other vehicle maintenance or fixing is prohibited.

5.8 CONSERVATION OF NATIVE LANDSCAPE

Trees and all natural areas which are to be preserved must be marked and protected by flagging, fencing, or barriers. The Architectural Review Committee shall have the right to flag major terrain features or plants which are to be fenced for protection. Any trees or branches removed during construction must be promptly cleaned up and removed from the construction site.

5.9 EROSION CONTROL

During construction, measures must be taken to eliminate erosion. The following outlines the required, in-the-field construction methods that must be performed by the contractor. All contractors should familiarize themselves with Yavapai County ordinances as all measures utilized must comply with same.

1. Temporary runoff channels must be built to drain construction zone. In areas draining 2 acres or less, channels must have silt screens installed at appropriate locations; silt screens should be stretched across and anchored to the bottom of the channels with hay bales placed on the upstream side of the fabric. Where watershed above the site exceeds two acres, temporary earthen berms or ditches for channeling must be used in conjunction with silt screens.
2. All storm drain inlet structures must be protected by a filter berm until the area is stabilized with vegetation or the base course of pavement is installed.
3. Weather permitting, all embankments constructed as part of cut/fill operations will be seeded and mulched within one week of final grading completion. Note: this is work that is better performed in the fall.
4. Weather permitting, all building site areas must be seeded and mulched within one week of final grading completion.

5.10 EXCAVATION MATERIALS AND BLASTING

If any blasting is to occur, the Architectural Review Committee must be notified two weeks in advance and appropriate approvals must be obtained from Yavapai County and the Architectural Review Committee. Blasting at Sterling Ranch may only be done by licensed demolition personnel, with all requisite insurance coverage as mandated by Yavapai County and state statutes. The Association and Harvard Simon I, L.L.C. must be named as an additional insureds. The Architectural Review Committee shall have the authority to require in writing documentation of anticipated seismic effects, with confirmation such effects will not be injurious to other persons or properties, public or private, and that all appropriate protective measures have been utilized. The Architectural Review Committee may require additional insurance to cover potential damages from blasting to subdivision improvements and common areas. All excess material resulting from blasting, as well as all other excess excavation materials, must be promptly removed from Sterling Ranch.

5.11 DUST AND NOISE CONTROL

The contractor shall be responsible for controlling dust and noise from the construction site, including, but not limited to, the removal of dirt and mud from public or private roads that is the result of construction activity on the site.

The sounds of radios or any other audio equipment used by construction personnel must not be audible beyond the property perimeter of any home site; repeated violations of this provision will precipitate a total prohibition of any onsite use of radios or audio equipment during construction.

5.12 MATERIAL DELIVERIES

All building materials, equipment, and machinery required to construct a residence on any home site at Sterling Ranch must be delivered to and remain within the Building Envelope of each home site, clear of all setbacks. This includes all building materials, earth-moving equipment, trailers, generators, mixers, cranes, and any other equipment or machinery that will remain at Sterling Ranch overnight. Material delivery vehicles may not drive across adjacent home sites or common area parcels to access a construction site.

5.13 FIREARMS

The possession or discharge of any type of firearm by construction personnel on any construction site, home site, common area parcel, or right-of-way at Sterling Ranch is prohibited. Anyone in possession of a firearm will be fined and permanently restricted from Sterling Ranch and Talking Rock.

5.14 ALCOHOL AND CONTROLLED SUBSTANCES

The consumption of alcohol or use of any controlled substance by construction personnel on any construction site, home site, common area parcel, or rights-of-way at Sterling Ranch is prohibited and subject to a fine.

5.15 FIRES AND FLAMMABLE MATERIALS

Careless disposition of cigarettes and other flammable materials, as well as the buildup of potentially flammable materials constituting a fire hazard, are prohibited. At least two 20-pound ABC-rated dry chemical fire extinguishers shall be present and available in a conspicuous place on the construction site at all times.

No onsite fires are allowed, except for small, confined, attended fires for the purposes of heating masonry water.

5.16 PETS

No pets, particularly dogs, may be brought into Sterling Ranch by a member of any construction crew.

5.17 PRESERVATION OF PROPERTY

The use of or transit over any other home site, common area, or amenity is prohibited. Similarly, the use of or transit over the natural area or setbacks outside the Building Envelope of any home site is prohibited. Construction personnel shall refrain from parking, eating, depositing rubbish or scrap materials (including, but not limited to, concrete washout) on any neighboring home sites, common area parcels, or rights-of-way.

5.18 PROTECTION OF SUBDIVISION IMPROVEMENTS AND RESTORATION OF PROPERTY

Each Owner shall be responsible for the protection of all subdivision improvements, roadways, common areas, or improvements of any other home site which may be damaged by the activities of such Owner's contractor, subcontractor, agents, or employees.

Upon completion of construction, each Owner and builder shall clean the construction site and repair all property which has been damaged including, but not limited to, restoring grades, planting shrubs and trees as approved or required by the Architectural Review Committee, and repair of streets, driveways, pathways, drains, culverts, ditches, signs, lighting, and fencing.

In addition, the Owner and general contractor shall be held financially responsible for site restoration/re-vegetation and refuse removal necessitated on any and all adjacent properties as a result of trespass or negligence by their employees or subcontracted agents.

5.19 CONSTRUCTION AND REAL ESTATE SIGNAGE

Temporary construction signs shall be limited to one standardized sign per site. A copy of the standardized sign requirements will be given out during the pre-construction conference along with a list of sign companies permitted to make the sign. This sign is intended for job site identification only; therefore, it must be located within the Building Envelope, facing the street frontage of the home site. The construction sign may not be erected on a site earlier than two weeks prior to the onset of continuing construction activity and must be removed within two weeks of the issuance of a certificate of occupancy by Yavapai County or immediately upon the passage of 30 calendar days without significant construction activity.

Individual signs or construction sign attachments identifying individual sub-contractors, tradesmen, or suppliers are prohibited; identification of licensed tradesmen, when required by state or Yavapai County statutes, shall be confined to the posting location of the building permit.

Attachment of signs or similar material to trees is strictly prohibited.

5.20 DAILY OPERATIONS

Daily working hours for each construction site shall be from 30 minutes before sunrise to 30 minutes after sunset. Construction activity which generates noise audible from the boundaries of any home site, such as hammering, sawing, excavation work, concrete delivery, must be confined to the hours of 7:00 a.m. to 7:00 p.m., Monday through Friday, and 8:00 a.m. to 7:00 p.m. on Saturday. Noisy activity is prohibited on Sunday of each week.

5.21 SITE VISITATIONS

Due to the inherent danger associated with an active construction site, visitors to any site should be limited to those persons with official business relating to the construction activity, such as construction workers and tradesmen, building officials, security staff, Architectural Review observers, sales personnel, and the Owner. Construction personnel should not invite or bring family members or friends to the job site.

5.22 CONSTRUCTION INSURANCE REQUIREMENTS

All contractors and subcontractors must post evidence of insurance with their home site Owner, prior to entering the construction premises. Confirmation shall be evidenced in the form of a valid certificate of insurance naming the home site Owner, the Association, and Harvard Simon I, L.L.C. as additionally insureds. The required insurance must provide coverage not less than the applicable limits of coverage relating to comprehensive general liability, automobile liability, and workers' compensation. The minimum limits of liability shall not be less than \$500,000.00 each for general liability and automobile liability. General liability coverage shall contain provisions for contractual liability and broad form property damage. The certificate shall provide for 30-day notice to the certificate holders in the event of cancellation or material change in the limits of coverage.

5.23 VEHICULAR ACCESS

Prior to the start of construction activity at Sterling Ranch, each general contractor shall meet with security staff and prepare a "contractors vehicle pass list" and the supporting information related to the description and identification of construction/employee vehicles. No person or vehicle will be allowed past the guardhouse until the requisite documents are on file and the appropriate passes have been issued. The Architectural Review Committee or the security staff may require proof of acceptable insurance as a condition of entry.



Section 6

DESIGN REVIEW PROCEDURES

Site sensitive, site specific design shall be fundamental at Sterling Ranch. Design drawings should evolve from the careful and thorough analysis of a site's specific setting and features. Therefore, Owners and/or their designers should refrain from approaching a site with a predetermined design expecting to "make it fit" with little regard to natural constraints. Sterling Ranch has established this review procedure to assist the applicant through the design process in its appropriate sequence. Licensed Architects are required for all homes at Sterling Ranch. Should an Owner wish to use a design professional who is not licensed to practice architecture, he or she must contact the Architectural Review office to gain approval. Approvals will only be given should the non-registered designer show a portfolio of work that the Design Review Committee deems appropriate in design quality for Sterling Ranch. The decision of the Design Review Committee is final. This approval must be gained before any design work is begun on the lot. Plans and specifications shall be submitted to the Architectural Review Committee in accordance with the following conference and submittal requirements and review procedures.

6.1 PRE-DESIGN CONFERENCE

Prior to preparing preliminary plans for any proposed improvement, it is mandatory that the Owner and the architect meet with a representative of the Architectural Review Committee to discuss proposed plans and to resolve any questions regarding building requirements at Sterling Ranch. This informal review is to offer guidance prior to initiating preliminary design and should occur on site. In some cases, this may occur by conference call at the discretion of the Architectural Review Committee.

The parameters and directives identified at each pre-design conference remain valid for one year only. If the submittal of a preliminary design does not occur within twelve months of a pre-design conference, a supplementary pre-design conference is required as well as payment of additional fees to review any changes in site conditions or revisions to the Design Guideline which may have occurred.

6.2 PRELIMINARY DESIGN SUBMITTAL

A preliminary design submittal must follow within twelve months of the fulfillment of the requisite pre-design conference. Review by the Architectural Review Committee will not commence until the preliminary design submittal is complete. The preliminary design submittal must include all of the following exhibits in order to be complete:

1. Site plan (scale no smaller than 1"=30') showing the entire home site, location of the proposed Building Envelope, the residence and all buildings, driveway, parking area, existing and proposed topography, preliminary grading plan, proposed finished floor elevations, all trees, all clusters of native shrubs, and special terrain features to be preserved such as rock outcroppings.
2. Survey (scale no smaller than 1"=30') by a registered land surveyor or licensed civil engineer showing home site boundaries and dimensions, topography (2 feet contours or less), major terrain features, all trees, edge of pavement or curb, and utility locations.
3. A grading and drainage plan by an Arizona licensed civil engineer.

4. Floor plans (scale 1/4" or 1/8"=1') showing proposed finished floor elevations.
5. All exterior elevations (scale 1/4" or 1/8"=1') showing both existing and proposed grade lines, plate heights, ridge heights, roof pitch and a preliminary indication of all exterior materials and colors.
6. A 1/8-inch scale model that shows topography (minimum 2 foot contours) of the entire home site. Models at other scales cannot be accepted, as the models are often viewed and compared with other models of nearby home sites. Items such as roof overhangs, windows, mullions, doors, balconies, posts, and exposed beams must be modeled three-dimensionally, rather than being simply drawn onto the model base. Landscaping must be shown to illustrate how it relates to the design.
7. The model can be of single poster board construction. A highly detailed model is not required. The purpose of the model is to discuss form; it should be expected changes may be made as a result of the design review process.
8. A computer-generated three-dimensional model is an acceptable alternative to a built architectural model. Confirm with the Architectural Review Committee that the type of program that you intend to use is acceptable.
9. Any other drawings, materials, or samples requested by the Architectural Review Committee. The preliminary submittal shall consist of two sets of prints which shall be retained by the Architectural Review Committee. The model will be returned.
10. A design review fee of Two-Thousand Three Hundred no/100 Dollars (\$4000.00) and a road impact fee of One-Thousand no/100 Dollars (\$1,000.00).
11. Architectural Review Application in the form attached hereto as Appendix C.

6.3 PRELIMINARY DESIGN REVIEW

The Architectural Review Committee will review the preliminary design submittal and respond, in writing, no later than 30 days after a submittal is complete.

Results of reviews may be discussed over the telephone by a representative of the Architectural Review Committee with an Owner or his architect or builder should there be any questions regarding the Architectural Review Committee's comments. The Architectural Review Committee's approval of a preliminary design is valid for 12 months, after which the design must be resubmitted for re-approval along with a new review fee.

6.4 FINAL DESIGN SUBMITTAL

A final design submittal must follow within twelve months of the Architectural Review Committee's granting of approval for a preliminary design. Review of the final design submittal by the Architectural Review Committee will not commence until it is completed. In order for the final design submittal to be complete, it must include all of the following exhibits:

1. Site plan (scale no smaller than 1"=30') showing the entire home site, location of the Building Envelope, the residence and all buildings, driveway, culverts, drainage channels, parking area, existing and proposed topography, finished floor elevations, all protected plants or special terrain features to be preserved, trees to be removed, all utility sources and connections, and site walls.
2. Floor plans (scale 1/4"=1'-0") showing finished floor elevations.
3. Roof plan (scale 1/4"=1'-0") showing all roof pitches.
4. Building section (scale 1/4"=1'-0" or larger) indicating existing and proposed grade lines.
5. All exterior elevations (scale 1/4"=1'-0") showing both existing and proposed grade lines, plate heights, roof pitch, all gutters and leaders, and an indication of exterior materials and colors.
6. Paint samples and literature as requested by the Architectural Review Committee depicting and describing all exterior materials.
7. Complete landscape plan (scale no smaller than 1"=30') showing size and type of all proposed plants, irrigation system, decorative materials or borders, and retained plants.
8. Final drainage report and grading-drainage plan stamped by an Arizona licensed civil engineer.
9. Onsite staking of all building corner and other improvements, if requested by the Architectural Review Committee.
10. Construction site plan as described in paragraph 5.3.
11. Cut sheets of all exterior lighting.
12. Performance deposit of Five Thousand and no/100 Dollars (\$5,000.00) made payable to Talking Rock Ranch Association for Community Preservation and signed Performance Deposit Agreement in the form attached hereto in Appendix "D".
13. Performance bond of Ten Thousand and no/100 Dollars (\$10,000.00) in the form attached hereto in Appendix D and issued to Talking Rock Ranch Association for Community Preservation. In lieu of a bond, a cash deposit may be made.
14. Notice of Voluntary Lien in the form attached hereto in Appendix D.

The final design submittal shall consist of three sets of prints which shall be retained by the Architectural Review Committee.

A final design submittal must be received at the designated address of the Architectural Review Committee (see Section 7.2) by noon of the Friday preceding a scheduled meeting of the Architectural Review Committee in order to be included on the agenda for consideration.

6.5 DEFERRAL OF MATERIAL OR COLOR SELECTION

An Owner may wish to delay the confirmation of landscaping intentions (if any) and final color or stonework selections until some point in time after the start of construction in order to better visualize landscape considerations or to test an assortment of potential colors with actual material intended for use. The Architectural Review Committee will cooperate with the Owner in this regard, provided that no landscape work may be started nor color or material applied until such time as the Architectural Review Committee has had the opportunity to review and consent to the final selections. The final selections should be approved before the placement of any orders for materials to avoid potential restocking costs in the event of denial of the submitted item(s). Further, the provision stated here shall be a condition of final design approval; therefore, application of any material, coating, or finish without the requisite resubmittal to the Architectural Review Committee shall have the effect of voiding the approval in its entirety.

6.6 SITE INSPECTION

As soon as the submittal of final plans is complete, a representative of the Architectural Review Committee will inspect the home site to determine that the conditions as depicted in the final submittal are accurate and complete.

6.7 FINAL DESIGN REVIEW

The Architectural Review Committee will review the plans and respond in writing no later than 30 days after a submittal is complete.

Results of reviews may be discussed over the telephone by the representative of the Architectural Review Committee with an Owner or his architect or builder, but no Owner, architect or builder shall have the right to attend any meeting of the Architectural Review Committee unless specifically requested by the Architectural Review Committee.

The Architectural Review Committee's approval of the final design is valid for twelve months.

6.8 RESUBMITTAL OF PLANS

In the event of any disapproval by the Architectural Review Committee of either a preliminary or final design submittal, a resubmission of plans should follow the same procedure as original submittals. An additional design review fee shall accompany each such submittal as required by the Architectural Review Committee.

Design approvals for each review step remain valid for one year only. Failure to complete any step within the stated time periods will require it to be repeated unless waived by the Architectural Review Committee.

6.9 PRE-CONSTRUCTION CONFERENCE

Prior to commencing construction, the builder must meet with a representative of the Architectural Review Committee to review construction procedures and coordinate construction activities in Sterling Ranch.

6.10 COMMENCEMENT OF CONSTRUCTION

Upon receipt of final approval from the Architectural Review Committee, and having satisfied all Yavapai County review processes, the Owner shall satisfy all conditions and commence the construction or any work pursuant to the approved plans within one year from the date of such approval.

If the Owner fails to begin construction within this time period, any approval given shall be deemed revoked.

The Owner shall, in any event, complete the construction of any improvement on the home site within one year after commencing construction except if, and for so long as, such completion is rendered impossible or would result in greater hardship to the Owner due to labor strikes, fires, national emergencies, or natural calamities. If the Owner fails to comply with this schedule, the Architectural Review Committee shall have the right to either have the exterior of the improvement completed in accordance with approved plans or remove the improvement, with all expenses incurred to be reimbursed to the Association by the Owner.

6.11 INSPECTIONS OF WORK IN PROGRESS

A representative of the Architectural Review Committee will inspect all work in progress twice a month during a meeting with the contractor. The purpose of this meeting is to make the release process smoother and to identify issues early for easier resolution. Absence of such inspection or notification during the construction period does not constitute an approval by the Architectural Review Committee of work in progress or compliance with these Design Guidelines.

6.12 SUBSEQUENT CHANGES

Additional construction or other improvements to a residence or home site or changes during construction or after completion of an approved structure, including, but not limited to, landscaping and color modification, must be submitted to the Architectural Review Committee for approval prior to making such changes or additions.

6.13 FINAL RELEASE

Upon completion of any residence or other improvements, the Owner shall give written notice of completion to the Architectural Review Committee.

Within 10 days of such notification, a representative of the Architectural Review Committee shall inspect the residence or other improvements for compliance. If all improvements comply with the Design Guidelines, the Architectural Review Committee shall issue a written approval to the Owner, constituting a final release of the improvements by the Architectural Review Committee, said release to be issued within 30 days of the final inspection. If it is found that the work was not done in strict compliance with approved plans or any portion of these Design Guidelines, the Architectural Review Committee may issue a written notice of non-compliance to the Owner, specifying the particulars of non-compliance; said notice to be issued within 30 days of the final inspection.

The Owner shall have 30 days from the date of notice of non-compliance within which to remedy the non-compliant portions of the improvement(s). If, by the end of this time period, the Owner has failed to remedy the non-compliance, the Architectural Review Committee may take action to remove the non-compliant improvement(s) as provided for in these Design Guidelines, including, but not limited to, without limitation, injunctive relief or the imposition of a fine.

6.14 NON-WAIVER

The approval by the Architectural Review Committee of any plans, drawings or specifications for any work done or proposed shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, or specification subsequently or additionally submitted for approval. Failure to enforce any of these Design Guidelines shall not constitute a waiver of same.

6.15 RIGHT OF WAIVER

The Architectural Review Committee reserves the right to waive or vary any of the procedures set forth herein at its discretion for good cause shown.

6.16 EXEMPTIONS

Utility and maintenance buildings, structures, and cabinets located on non-residential tracts owned by the land developer, utility companies, or the Association, are exempted from these Design Guidelines. However, the Architectural Review Committee will endeavor to attain as high a level of conformance with these standards as is practical for these types of facilities.

6.17 DESIGN REVIEW FEE

The Design Review Fee of Four Thousand and no/100 Dollars (\$4,000.00) will be paid at the Preliminary Submittal. Additional design review fees may be assessed due to resubmittals, remodels, or other special circumstances. The full design review fee will be paid at the time of the preliminary design submittal. Consult with the Architectural Review Committee for the latest fee structure for resubmittal, remodeling, or other special circumstances. All checks must be made out to: TALKING ROCK RANCH ASSOCIATION FOR COMMUNITY PRESERVATION.

6.18 PERFORMANCE DEPOSIT RULES

Concurrent with final plan submittal, the Owner shall deposit with the Association or the management company, the sum of Five Thousand and no/100 Dollars (\$5,000.00) (the Performance Deposit). Furthermore, Owner shall execute and deliver to the Association, a performance deposit agreement in the form attached hereto in Appendix D. The Performance Deposit shall be held pending the completion (including, but not limited to, clean up) of all improvement(s) described in the final approved plans and constructed on the Owner's home site.

In the event that the Owner, builder, contractor or their respective agents, representatives or employees (i) cause any damage or (ii) fail to construct the improvements in accordance with the approved plans or (iii) fail to comply with the Design Guidelines, the CC&Rs or any rules or regulations adopted or promulgated by either the Association or the Architectural Review Committee, the Association may use the Performance Deposit to, among other things, (a) repair and/or rectify the damage or (b) enforce the Design Guidelines, the CC&Rs and any other rule or regulation thus violated and cure any defect or problem caused by said non-compliance. Following the Association's use of all or any portion of the Performance Deposit, the Owner shall immediately pay to the Association, as the case may be, an amount sufficient to replenish the Performance Deposit to the sum initially deposited. Failure to replenish the Performance Deposit within seven (7) days following the Association's delivery of written demand shall be deemed a material breach of the Design Guidelines and the CC&Rs and shall entitle the Association to (i) deny builder/contractor's access to the community (including, but not limited to, any of builder's/contractor's suppliers, subcontractors, employees and

material men) and (ii) lien the home site in an amount equal to the Performance Deposit deficiency. Upon tendering the Performance Deposit, the Owner shall execute and deliver to the Architectural Review Committee a notice of voluntary lien in the form attached hereto in Appendix D.

Upon completion of the improvements approved by the Architectural Review Committee (including, but not limited to, clean up), the Owner shall certify in a letter to the Architectural Review Committee (the "Certification") that:

1. The improvements constructed upon the home site have been built in compliance with (a) approved plans, (b) CC&Rs, (c) Design Guidelines and all other the rules and regulations adopted for the community;
2. All appropriate cleanup has been made;
3. All required landscaping improvements have been completed; and,
4. Neither the Owner, the builder/contractor, nor their respective agents, employees, or representatives have caused any damage or, in the alternative, that all damage caused by said individuals/entities has been repaired or rectified to the satisfaction of the Architectural Review Committee and the Association.

The Certification shall be delivered by certified mail, return receipt requested, to the address so designated by the Association, which body shall have fifteen (15) days from the receipt thereof to (a) return the Performance Deposit less any funds expended in enforcement and/or correction or (b) refuse to return such funds or portion thereof and specifically state in writing how such party is not in compliance. In the event that the Association refuses to return all or a portion of the Performance Deposit due to the Owner's non-compliance, the Owner shall have the opportunity to resubmit a supplemental Certification upon remedying the issues/problems identified in the Association's notice of non-compliance.

Builder/contractor and Owner hereby agree to indemnify the Association, the Architectural Review Committee, the management company and Harvard Simon I, L.L.C. and to defend and hold those same parties harmless from all claims, costs, fees (including, but not limited to, court costs and witness and attorneys' fees), expenses, loss, damage, and liability of any kind, including, but not limited to, without limitation, mechanics' or material men's liens, which may be asserted against or incurred by the Association, the Architectural Review Committee, the management company or Harvard Simon I, L.L.C. as a result of the construction activities by builder/contractor or Owner or any damage caused by builder/contractor, Owner, or their respective agents, representatives, and employees. This indemnity shall survive the final completion of the construction activities conducted on the Owner's home site.

6.19 PERFORMANCE BOND

Concurrent with the submittal of final plans, the builder/contractor designated by the Owner shall deliver to the Architectural Review Committee a duly issued performance bond in the amount of Twenty Five Thousand and no/100 Dollars (\$25,000.00) (the "Performance Bond"). The Performance Bond shall be purchased solely for the protection of the Association and Harvard Simon I, L.L.C. and shall secure the builder's/contractor's full and faithful compliance with all approvals given by the Architectural Review Committee. The Performance Bond shall remain in full force and effect until such time as the approved improvements (including, but not limited to, clean up) are completed. All premiums associated with the acquisition and maintenance of the Performance Bond shall be borne by the builder/contractor or Owner. The Performance Bond shall be executed solely by a surety company or companies holding a certificate of authority to transact surety business in the State of Arizona (said certificate issued by the Director of the Arizona Department of Insurance pursuant to Title 20, Chapter 2, Article I of Arizona Revised Statutes). Furthermore, the surety company shall be acceptable to the Architectural Review Committee in its sole and absolute discretion. The Performance Bond shall be in substantially the same form as Appendix E attached hereto.

Alternatively, the Owner may submit a written request to the Architectural Review Committee to post a Twenty Five Thousand and no/100 Dollars (\$25,000.00) cash deposit (the "Additional Performance Deposit") in lieu of the Performance Bond. The Architectural Review Committee will approve or disapprove of such request within five (5) days of receipt of such request. The Additional Performance Deposit shall not be confused with, and is a separate obligation from, the \$5,000.00 Performance Deposit. The Additional Performance Deposit shall secure the Owner's full and faithful compliance with all approvals given by the Architectural Review Committee. The Additional Performance Deposit shall remain in full force and effect until such time as the approved improvements (including, but not limited to, clean up) are completed. Furthermore, if the Architectural Review Committee approves the Owner's use of the Additional Performance Deposit in lieu of the Performance Bond, the Owner must execute the documents attached hereto in Appendix D.

Should an Owner move in to the residence before final release is granted in writing, the \$25,000.00 bond or cash deposit is forfeited and another \$5,000.00 deposit must be made within 15 days.

SHOULD ANY INFORMATION CONTAINED HEREIN CONFLICT WITH THE PROVISIONS OF A.R.S §33-1817 [EFFECTIVE AUGUST 2, 2012], THE PROVISIONS OF A.R.S §33-1817 SHALL GOVERN.



Section 7

ARCHITECTURAL REVIEW COMMITTEE ORGANIZATION

7.1 MEMBERS

The Architectural Review Committee shall consist of three (3) to seven (7) members, appointed by the Developer so long as the Developer owns any home sites in Talking Rock and thereafter by the Board of Directors of the Association. Each member shall hold office until such time as he/she has resigned, been removed, or his/her successor has been appointed.

7.2 ADDRESS OF ARCHITECTURAL REVIEW COMMITTEE

The address of the Architectural Review Committee shall be the address established for giving notice to the Association unless otherwise specified by the Architectural Review Committee. Such address shall be the place for the submittal of plans and specifications and the place where the current Design Guidelines shall be kept.

The present address for the Architectural Review Committee is:

HOAMCO	Clint Poteet
3205 Lakeside Village	15075 N. Talking Rock Ranch Road
Prescott, AZ 86301	Prescott, AZ 86305

7.3 RESIGNATION OF MEMBERS

Any member of the Architectural Review Committee may at any time resign from the Architectural Review Committee upon written notice delivered to the Developer or the Board.

7.4 DUTIES

It shall be the duty of the Architectural Review Committee to consider and act upon such proposals or plans related to the development of Sterling Ranch that are submitted pursuant to these Design Guidelines; to enforce the Design Guidelines; and, to amend the Design Guidelines when and in a manner deemed appropriate by the Architectural Review Committee.

7.5 MEETINGS

The Architectural Review Committee shall meet from time to time as necessary to properly perform its duties. The vote of a majority of the members shall constitute an act by the Architectural Review Committee. The Architectural Review Committee shall keep on file all submittals and copies of all written responses to Owners to serve as record of all actions taken.

7.6 COMPENSATION

Unless authorized by the Association, the members of the Architectural Review Committee shall not receive any compensation for services rendered.

All members shall be entitled to reimbursement for reasonable expenses incurred by them in connection with the performance of their duties. Professional consultants and representatives of the Architectural Review Committee retained for assistance in the review process shall be paid such compensation as the Architectural Review Committee determines.

7.7 AMENDMENT OF DESIGN GUIDELINES

The Architectural Review Committee may, from time to time and at its sole discretion, amend or revise any portion of the Design Guidelines. All such amendments or revisions shall be appended to and made a part of the Design Guidelines. Administrative changes may be made in like manner by the Architectural Review Committee; changes of a substantial nature may be recommended by the Architectural Review Committee for consideration by the Developer or the Board of Directors of the Association.

7.8 NON-LIABILITY

Neither the Architectural Review Committee, any member thereof, nor the Developer, shall be liable to the Association or to any Owner or other person for any loss or damage claimed on account of any of the following:

1. The approval or disapproval of any plans, drawings, and specifications, whether or not defective.
2. The construction or performance of any work, whether or not pursuant to approved plans, drawings, and specifications regardless of any inspections by the Architectural Review Committee during the course of construction.
3. The development or manner of development of any property within Sterling Ranch.

Every Owner or other person, by submission of plans and specifications to the Architectural Review Committee for approval, agrees that he will not bring any action or suit against the Architectural Review Committee, any of its members, or the Developer regarding any action taken by the Architectural Review Committee.

Neither approval of any plans, improvements or actual construction at Sterling Ranch by the Architectural Review Committee, any of its members, or the Developer constitutes a representation or warranty that the plans, improvements, or construction comply with applicable governmental regulations/requirements or applicable engineering, design, or safety standards. Approval by the Architectural Review Committee, any of its members, or the Developer of any plans, improvements, or actual construction at Sterling Ranch only refers to the Design Guidelines. It shall be the sole responsibility of the Owner to comply with all applicable government ordinances or regulations including, but not limited to, zoning ordinances and local building codes.

7.9 ENFORCEMENT

The Architectural Review Committee may, at any time, inspect a home site or improvement and, upon discovering a violation of these Design Guidelines, provide a written notice of non-compliance to the Owner, including, but not limited to, a reasonable time limit within which to correct the violation. A notice of violation may also be recorded in Yavapai County by the Architectural Review Committee after the expirations of the time limit. If an Owner fails to comply within this time period, the Architectural Review Committee or its authorized agents may enter the home site and correct the violation at the expense of the Owner of such home site, said expense to be secured by a lien upon such home site for the amount claimed enforceable in accordance with the CC&Rs.

In the event of any violation of these Design Guidelines, the Architectural Review Committee may, at its sole discretion and in addition to restoration expenses, impose without limitation a punitive fine commensurate with the severity of the violation. In the event the Architectural Review Committee deems it necessary to retain legal counsel in connection with the enforcement of these Design Guidelines, the Owner against whom such enforcement is sought shall be liable for all legal fees and other out-of-pocket expenses incurred by the Architectural Review Committee or the Association in enforcing these Design Guidelines.

7.10 SEVERABILITY

If any provision of these Design Guidelines, or any section, clause, sentence, phrase or word, or the application thereof in any circumstance, is held invalid or unenforceable, the validity of the remainder of these Design Guidelines and of the application of any such provision, section, sentence, clause, phrase, or word in any other circumstances, shall not be affected thereby, and the remainder of these Design Guidelines shall be construed as if such invalid or unenforceable part were never included therein.

7.11 DELEGATION OF AUTHORITY

The Developer or Architectural Review Committee may delegate any or all of its Architectural Review responsibilities to one or more of its members, acting as a subcommittee of the Architectural Review Committee, and/or professional design consultant(s) retained by the Architectural Review Committee on behalf of the Association. Upon such delegation, the actions of such members or consultant(s) shall be equivalent to action by the Architectural Review Committee as a whole.

7.12 DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

These Design Guidelines are promulgated pursuant to the terms and conditions of the CC&Rs. However, in the event of any inconsistency between the provisions of these Design Guidelines and the provisions of such CC&Rs, the provisions of these Design Guidelines shall apply.

7.13 DESIGN GUIDELINE UPDATES

These Design Guidelines are subject to change. It is the Owner's responsibility to ensure they have the most current edition of the Guidelines and have carefully reviewed all applicable sections including, but not limited to, the CC&Rs. These Guidelines are binding on any persons, company, or firm that intends to construct or, in the future, reconstruct or modify any permanent improvements in Sterling Ranch.





Section 8

STERLING RANCH GREEN BUILDING INITIATIVE

Sterling Ranch, from the beginning stages of land planning and design, has always embodied planning and design principles that seek to minimize its impact on the environment. As a tool to help Owners continue along that road, included in the Design Guidelines are these Green Design Principles so that the homes at Sterling Ranch can also minimize their impact on the environment.

This portion of the Design Guidelines is advisory and Owners are requested to consider these elements for their homes as they proceed through the design process.

A green home is a much better home for several different reasons. A green home is more comfortable, retains its resale value better, lowers utility costs, provides better indoor health, and is a good thing for the future.

The following is not meant to be technical in nature nor provide all of the details or specifications; it is more of a checklist of items to consider in making a home green.

8.1 SITE PLAN

As you design your site plan consider:

1. The orientation of your house to the sun: protect it from the east and west exposures and open it up to south and north exposures.
2. Minimizing the area you disturb on your site.
3. Protecting and saving existing vegetation.
4. Paving with permeable surfaces.
5. Minimizing water consuming landscaping while still having a quality nature design.
6. Mulch up the vegetation you need to remove and distribute it onsite to help plants retain the rainwater.
7. Planting trees in areas that require further protection from the sun.
8. Minimizing the size of your driveway and paved surfaces.
9. Creating a drainage system that directs roof runoff water to your trees and vegetation.

8.2 FLOOR PLAN

As you design your floor plan consider:

1. Making an efficient floor plan and one that is as small as possible while still achieving your needs.
2. Minimizing windows that are not shaded, particularly the ones on the east and west exposures.
3. Designing exterior walls that can be well insulated.

8.3 ELEVATIONS, FRAMING PLAN, AND ROOF PLAN

As you design your elevations, framing plan and roof plan consider:

1. Shading devices and wide overhang that protect the house from east and west exposure.
2. Developing framing plans that are as efficient as possible and minimize lumber waste. Reuse what lumber waste you have for blocking or details. Minimize what needs to go to a landfill.
3. Age-old materials for walls like adobe or rammed earth.
4. Designing a roof plan that can incorporate solar panels and still be a beautiful roof. Usually this is accomplished with the panels being built on the same plane as the roof or integrated in some other way rather than having them look like an afterthought.
5. Designing your walls and roof for extra insulation.
6. Ventilating your roof well so heat buildup in the summer is minimized.
7. Allowing as many windows as possible to open up for natural cross ventilation.
8. Designing exterior walls that can be well insulated.

8.4 MATERIALS, APPLIANCES, LIGHTING, EQUIPMENT, AND FINISHES

As you specify your materials, appliances, lighting, equipment, and finishes consider:

1. Energy efficiency of all equipment and appliances.
2. Minimizing or eliminating interior wall and floor materials that give off gases that become unhealthy when in enclosed spaces.
3. Using toilets and showerheads that minimize water use.
4. Minimizing lighting and using as many compact fluorescent or LED bulbs as possible.
5. Insulating all of your windows and providing window coverings that can keep the heat in during the winter and the heat out in the summer.
6. Motion sensor light switches that keep lights off when not needed.
7. Buying materials made locally to minimize the fuel cost it takes to transport them far distances.
8. Well sealed mechanical ducts to minimize any air leakage.

8.5 LEED ARCHITECTS

New owners may want to hire a LEED architect to design their home. The definition of LEED is as follows:

“LEED (Leadership in Energy and Environmental Design) is an ecology-oriented building certification program run under the auspices of the U.S. Green Building Council (USGBC). LEED concentrates its efforts on improving performance across five key areas of environmental and human health: energy efficiency, indoor environmental quality, materials selection, sustainable site development, and water savings.”

LEED certification provides independent, third-party verification that a building project meets the highest green building and performance measures. All certified projects receive a LEED plaque, which is the nationally recognized symbol demonstrating that a building is environmentally responsible, profitable, and a healthy place to live and work.

There are both environmental and financial benefits to LEED certification.

LEED certified buildings:

1. Lower operating costs and increase asset value.
2. Reduce waste sent to landfills.
3. Conserve energy and water.
4. Healthier and safer for occupants.
5. Reduce harmful greenhouse gas emissions.
6. Qualify for tax rebates, zoning allowances, and other incentives in hundreds of cities.
7. Demonstrate an owner’s commitment to environmental stewardship and social responsibility.

8.6 GREEN PRODUCT LIST

- | | |
|--------------------------------------|----------------------------------|
| 1. Site Work and Landscaping | 12. Windows |
| 2. Decking | 13. Doors |
| 3. Outdoor Structures | 14. Flooring and Floor Coverings |
| 4. Structural Systems and Components | 15. Interior Finish and Trim |
| 5. Foundations, Footers and Slabs | 16. Plumbing |
| 6. Sheeting | 17. Lighting |
| 7. Insulation | 18. Electrical |
| 8. Exterior Finish and Trim | 19. Caulks and Adhesives |
| 9. Mechanical Systems/HVAC | 20. Appliances |
| 10. Roofing | 21. Furniture and Furnishings |
| 11. Paints and Coatings | 22. Renewable Energy |

Green buildings include all components of design, materials, and equipment. The green building industry provides an exhaustive product list in the following categories. Go to the web site of www.BuildingGreen.com to learn more about building green.

This list is by no means complete, but it provides a starting place. Go to bookstores or websites which have more information on building green houses and incorporate as many of the concepts as you can. In so doing, Talking Rock will be a better place for you and all future generations.



Appendix A

APPROVED PLANT LIST

NATURAL AREA AND TRANSITIONAL AREA

INDIGENOUS AND NATIVE TREES

BOTANICAL NAME	COMMON NAME
EVERGREEN TREES	
Cupressus arizonica	Arizona Cypress*
Juniperus deppeana	Alligator Juniper
Juniperus osteosperma	Utah Juniper
Pinus edulis	Piñon Pine
Pinus ponderosa	Ponderosa Pine
Quercus arizonica	Arizona Oak
Quercus emoryi	Emory Oak
Quercus gambelii	Gambel Oak
Quercus grisea	Gray Oak
Quercus undulata	Wavyleaf Oak

DECIDUOUS TREES	
Celtus reticulata	Netleaf Hackberry
Cercis occidentalis	Western Redbud
Chilopsis occidentalis	Desert Willow
Fraxinus velutina	Arizona Ash*
Juglans major	Arizona Walnut*
Prunus virginiana	Chokecherry
Robinia neomexicana	New Mexican Locust

* Can be planted only in riparian areas as defined by the Architectural Review Committee.

INDIGENOUS AND NATIVE SHRUBS / CACTUS / ACCENTS

BOTANICAL NAME	COMMON NAME
EVERGREEN	
Agave parryi	Parry's Agave
Arctostaphylos pungens	Pointleaf Manzanita
Artemisia filifolia	Sand Sagebrush
Artemisia ludoviciana	Prairie Sagebrush
Artemisia tridentate	Big Sagebrush
Berberis fremontii	Fremont Barberry
Berberis haematocarpa	Red Barberry
Ceanothus greggi	Gregg Ceanothus

INDIGENOUS AND NATIVE SHRUBS / CACTUS / ACCENTS (CONTINUED)

BOTANICAL NAME	COMMON NAME
EVERGREEN (CONTINUED)	
<i>Ceanothus integerrimus</i>	Deerbrush
<i>Ceraiiodes lantana</i>	Winterfat
<i>Cowania mexicana</i>	Cliffrose
<i>Dasyliirion wheeleri</i>	Sotol, Desert Spoon
<i>Ephedra viridis</i>	Mormon Tea
<i>Ericameria laricifolia</i>	Turpentine Bush
<i>Hesperaloe parviflora</i>	Red Yucca
<i>Garrya wrightii</i>	Wright Silktassel
<i>Gutierrezia sarothrae</i>	Snakeweed
<i>Nolina microcarpa</i>	Beargrass
<i>Opuntia engelmannii</i>	Engelmann's Prickly Pear
<i>Opuntia macrorhiza</i>	Big Root Prickly Pear
<i>Opuntia phaeacantha</i>	Tulip Prickly Pear
<i>Opuntia whipplei</i>	Whipple's Cholla
<i>Rhamnus crocea</i>	Hollyleaf Buckthorn
<i>Purshia tridentata</i>	Antelope Bitterbrush
<i>Quercus Turbinella</i>	Scrub Live Oak
<i>Yucca elata</i>	Soaptree Yucca
<i>Yucca baccata</i>	Banana Yucca
<i>Yucca glauca</i>	Soapweed Yucca

DECIDUOUS	
<i>Amelanchier utahensis</i>	Utah Serviceberry
<i>Amorpha fruticosa</i>	False Indigo Bush
<i>Cercocarpus ledifolius</i>	Curl-leaf Mountain Mahogany
<i>Cercocarpus montanus</i>	Alderleaf Mountain Mahogany
<i>Chamaebatiaria millefolium</i>	Fernbush
<i>Chrysothamnus nauseosus</i>	Rabbitbrush
<i>Dalea Formosa</i>	Feather Dalea
<i>Fallugia paradoxa</i>	Apache Plume
<i>Fendlera rupicola</i>	Cliff Fendlerbush
<i>Forestiera neomexicana</i>	New Mexican Olive
<i>Holodiscus dumosus</i>	Mountain Spray
<i>Lycium pallidum</i>	Pale Wolfberry
<i>Perovskia atriplicifolia</i>	Russian Sage

DECIDUOUS (CONTINUED)	
<i>Philadelphus microphyllus</i>	Little-Leaf Mock Orange
<i>Potentilla fruticosa</i>	Shrubby Cinquefoil
<i>Rhus trilobata</i>	Three Leaf Sumac
<i>Ribes aureum</i>	Golden Currant
<i>Ribes cereum</i>	Wax Currant
<i>Rosa arizonica</i>	Arizona Rose
<i>Salix exigua</i>	Coyote Willow
<i>Salvia greggii</i>	Autumn Sage
<i>Symphoricarpos rotundifolius</i>	Roundleaf Snowberry

INDIGENOUS AND NATIVE GROUNDCOVERS AND VINES / ACCENTS

BOTANICAL NAME	COMMON NAME
<i>Achillea millefolium var lanulosa</i>	Western Yarrow
<i>Allium cernuum</i>	Nodding Onion
<i>Asclepius tuberosa</i>	Butterfly Weed
<i>Berberis repens</i>	Creeping Mahonia
<i>Berlandiera lyrata</i>	Chocolate Flower
<i>Calochortus kennedyi</i>	Desert Mariposa
<i>Calylophus hartwegii</i>	Hartweg Evening Primrose
<i>Castilleja integra</i>	Indian Paintbrush
<i>Datura metaloides</i>	Sacred Datura
<i>Dyssodia acerosa</i>	Dogweed
<i>Erigeron divergens</i>	Fleabane
<i>Eriogonum umbellatum</i>	Sulphur Flower
<i>Eschscholtzia mexicana</i>	Mexican Gold Poppy
<i>Gaillardia pulchella</i>	Blanketflower
<i>Heuchera sanguinea</i>	Coral Bells
<i>Ipomopsis aggregata</i>	Scarlet Gila
<i>Linum lewisii</i>	Lewis Flax
<i>Lupinus argenteus</i>	Silverleaf Lupine
<i>Melampodium leucanthum</i>	Blackfoot Daisy
<i>Mirabilis multiflora</i>	Wild Four O'clock
<i>Oenothera caespitosa</i>	Tufted Evening Primrose
<i>Oenothera hookeri</i>	Hooker Evening Primrose

INDIGENOUS AND NATIVE GROUNDCOVERS AND VINES / ACCENTS (CONTINUED)

BOTANICAL NAME	COMMON NAME
Parthenocissus inserta	Arizona Creeper
Penstemon barbatus	Scarlet Bugler
Penstemon eatonii	Firecracker Penstemon
Penstemon linearoides	Narrowleaf Penstemon
Penstemon palmeri	Palmer's Penstemon
Penstemon pseudospectabilis	Arizona Penstemon
Penstemon spectabilis	Royal Penstemon
Penstemon strictus	Rocky Mountain Penstemon
Psilostrophe tagetina	Paper Flower
Ratibida columnaris	Mexican Hat
Sphaeralcea parvifolia	Littleleaf Globemallow
Verbena bipinnatifida	Dakota Verbena
Verbena rigida	Sandpaper Verbena
Viguiera multiflora	Goldeneye
Vitis arizonaica	Canyon Grape
Zinnia grandiflora	Prairie Zinnia

INDIGENOUS AND NATIVE GRASSES

BOTANICAL NAME	COMMON NAME
WARM SEASON	
Aristida longiseta	Red Three Awn
Aristida neallyi	Blue Three Awn
Aristida purpurea	Purple Three Awn
Bouteloua gracilis	Blue Grama
Bouteloua curtipendula	Sideoats Grama
Bouteloua hirsuta	Hairy Grama
Buchloe dactyloides	Buffalo Grass
Eragrostis intermedia	Plains Lovegrass
Festuca arizonica	Arizona Fescue
Festuca glauca	Blue Fescue
Hilaria jamesii	James' Galleta
Hilaria mutica	Tobosa
Muhlenbergia capillaris	James' Galleta
Muhlenbergia emersleyi	Bullgrass
Muhlenbergia repes	Aparejo Grass
Muhlenbergia rigens	Deer Grass
Panicum obtusum	Vine Mesquite
Schizachyrium scoparium	Little Bluestem
Sporobolus airoides	Alkali Sacaton
Sporobolus Cryptandrus	Sand Dropseed
COOL SEASON	
Elymus elymoides	Bottlebrush Squirreltail
Festuca ovina	Sheep Fescue
Pascopyrum smithii	Western Wheatgrass



Appendix A

PROHIBITED PLANT LIST

NATURAL AREA AND TRANSITIONAL AREA

It is the intent of this list to prohibit all non-indigenous native plants (except approved native and arid adapted listed on the approved plant lists) within the Natural and Transitional Areas of the home site. Other plants may be planted in the Private Area only if not seen from neighboring property.

It is also the intent to prohibit in all areas any plant that, in the opinion of the Architectural Review Committee; threatens native plants or animals, hosts or promotes plant diseases, requires excessive water, requires high maintenance, may have an excessive mature size, or is not compatible with the Sterling Ranch indigenous native plant landscape theme. Any plant that creates a disturbance or nuisance by attracting animals are also prohibited. Such plants may be added to the prohibited list at any time. If a plant is not listed as approved or prohibited, its status must be reviewed by the Architectural Review Committee. The following plants are specifically prohibited:

TREES

BOTANICAL NAME	COMMON NAME
Acacia spp	Acacia
Acer spp	Maple
Betula	Birch
Cedrus and Cupressus spp	All except Arizona Cypress
Elaeagnus augustifolia	Russian Olive
Fraxinus	All except Arizona Ash
Gleditsia	All Locust
Juniperus spp	All except Alligator Juniper, One-seed Juniper, and Utah Juniper
Koelreuteria paniculata	Goldenrain Tree
Leucaena retusa	Goldenball Leadtree
Malus spp	Crabapple
Morus spp	Mulberry
Picea spp	Spruce, Fir
Pistacia chinensis	Chinese Pistache
Populus spp	All except Fremont Cottonwood
Prunus spp	Plum
Pinus spp	All except Piñon and Ponderosa Pine
Salix spp	Willow
Sequoiadendron giganteum	Sequoia
Tamarix spp	Tamarisk

BOTANICAL NAME	COMMON NAME
Quercus spp	All except Arizona Oak, Canyon Live Oak, Emory Oak, Gambel Oak, Gray Oak, and Wavyleaf Oak
Ulmus spp	All Elm
Vitex agnus-castus	Lilac Chaste Tree
Other Trees (General)	All fruit trees, non-native flowering trees, non-native deciduous broadleaf trees, non-native pines, cedars, and junipers

SHRUBS, GROUNDCOVER, ACCENTS AND OTHER PLANTS

All varieties of the following non-native plant species are prohibited unless specifically listed as approved on the Approved Plant List.

BOTANICAL NAME	COMMON NAME
Amelanchier	Serviceberry
Berberis	Barberry
Caragana	Peashrub
Cotoneaster	Cotoneaster
Deutzia	Deutzia
Euonymus	Euonymus
Forsythia	Forsythia
Hedera	Ivy
Juniperus	Juniper
Kolkwitzia	Beauty Bush
Ligustrum	Privet
Lonicera	Honeysuckle
Mahonia	Mahonia
Photinia	Photinia
Pinus	Pine
Prunus	Stone Fruits
Pyracantha	Pyracantha
Rhus	Sumac
Ribes	Currant

BOTANICAL NAME	COMMON NAME
Rosa	Rose
Salix	Willow
Sophora	Sophora
Tamarix	Tamarisk
Taxus	Yew
Viburnum	Viburnum
Yucca	Yucca

GRASSES

It is intended that only native grasses indigenous to the home site be used in the Native and Transitional Areas and all other grasses are prohibited. In Private Areas the Architectural Review Committee must specifically approve other grasses. To be considered for approval, they must, in the opinion of the Architectural Review Committee, not be invasive, displace, or otherwise threaten native grasses. Examples of prohibited grasses are listed below.

BOTANICAL NAME	COMMON NAME
Baccharis	Desert Broom
Bromus	Brome except as approved
Cortaderia selloana	Pampas Grass
Cynodon dactylon	Bermuda Grass
Pennisetum	Fountain Grass

FLOWERS

Color plants such as annuals, flowers, and wildflowers not native to the home site are prohibited in the Natural Area and Transitional Area unless specifically approved by the Architectural Review Committee. Flowers, wildflowers, annuals, and other non-native flowering or color plants must not be invasive, displace, or otherwise threaten native plants, animals, or cause a nuisance by attracting animals and must be specifically approved by the Architectural Review Committee.



Appendix B

ARCHITECTURAL REVIEW SUBMITTAL CHECKLIST

STEP 1

PRE-DESIGN CONFERENCE ON SITE WITH ARCHITECT AND OWNER (BEFORE ANY DESIGN BEGINS)

- Review Design Guidelines
- Discuss Driveway Configuration
- Answer all questions related to process

STEP 2

PRELIMINARY DESIGN SUBMITTAL

- Site Plan Survey with Topography and Preliminary Grading/Drainage Plan
- Floor Plans
- All Exterior Buildings Elevations
- Model or Computer-Generated Three-Dimensional Model
- Supplemental Drawings Requested in Pre-Design
- Architectural Review Fee and Application

STEP 3

FINAL DESIGN SUBMITTAL

- Complete Construction Documents
- Time Schedule for Construction
- Construction Site Plan
- Final Grading Plan Stamped by an Arizona Licensed Civil Engineer
- Landscaping Plan
- Sample of all Exterior Materials, Colors, and Glass Specifications
- Exterior Lighting Plan and Lighting Cut Sheets
- Performance Deposit and Notice of Voluntary Lien
- Proof of Performance Bond

STEP 4

YAVAPAI COUNTY BUILDING PERMIT

STEP 5

PRE-CONSTRUCTION CONFERENCE

- Builder Must Meet With a Representative of the Architectural Review Committee Prior to Commencement of Construction
- Approval From the Architectural Review Committee Must Be Obtained Prior to Delivering Any Construction Trailer or Field Office to the Home site
- Agreed Upon Area Must Be Fenced with Chain Link Fencing

STEP 6

CERTIFICATE OF FINAL CONSTRUCTION APPROVAL

- Issued by the Architectural Review Committee upon Completion of Construction, all Required Inspections, and Approvals.



APPLICANT TO COMPLETE THE INFORMATION BELOW
HOME SITE LOCATION

HOME SITE # (Lot and Phase) _____

STREET ADDRESS _____

CITY _____ STATE _____ ZIP _____

OWNER INFORMATION

NAME _____

MAILING ADDRESS _____

CITY _____ STATE _____ ZIP _____

EMAIL ADDRESS _____

PHONE _____ FAX _____

ARCHITECT

FIRM/ARCHITECT _____

MAILING ADDRESS _____

CITY _____ STATE _____ ZIP _____

EMAIL ADDRESS _____

PHONE _____ FAX _____

BUILDER/CONTRACTOR

COMPANY/BUILDER NAME _____

MAILING ADDRESS _____

CITY _____ STATE _____ ZIP _____

EMAIL ADDRESS _____

PHONE _____ FAX _____

HOUSE INFORMATION

ENCLOSED LIVABLE: _____ SQ. FT.

ENCLOSED TOTAL: _____ SQ. FT.

COVERED / UNDER ROOF TOTAL: _____ SQ. FT.

BUILDING COLOR (NAME AND NUMBER): _____

MFG _____

LVR _____

Description of Submittal: Attach all necessary drawings and information.

Applicant: As Applicant, either as Owner or Owner's Agent, I have read and understand the Design Guideline and the CC&R's concerning design and construction in Talking Rock. I also acknowledge that the Design Review Fee is non-refundable.

APPLICANT'S SIGNATURE DATE

PRINT NAME

FOR ARCHITECTURAL REVIEW COMMITTEE USE ONLY

RESERVED BY: _____ Preliminary _____ Approved

DATE: _____ Final _____ Approved w/ Stipulations

SCHEDULED MEETING DATE: _____

PRE-DESIGN MEETING DATE: _____

PRELIMINARY APPROVAL DATE: _____

FINAL APPROVAL DATE: _____



Appendix D

PERFORMANCE DEPOSIT RULE

PERFORMANCE DEPOSIT RULE AGREEMENT

In compliance with the rules adopted by the Architectural Review Committee (the "ARC") and the Board of Directors of the Talking Rock Association for Community Preservation (the "Association"), _____ (the "Owner"), does hereby deposit with the Association for the benefit of the Association the sum of Five Thousand and no/100 Dollars (\$5,000.00) (hereinafter referred to as the "Performance Deposit") and agrees to the following terms and conditions:

1. The Performance Deposit shall be held as security against any (i) failure to construct the improvements in accordance with the approved plans or (ii) failure to comply with the Design Guidelines, the CC&Rs, or any rules or regulations adopted or promulgated by either the Association or the ARC or (iii) damage caused by the acts and/or omissions of Owner, his general contractor, and/or their respective employees, agents or subcontractors in connection with the construction of improvements on the Owner's Lot (collectively, "Damages").
2. Upon the occurrence of any such Damages, the Association, from time to time and without prejudice to any other remedy, may use the Performance Deposit to, among other things, (a) repair and/or rectify the Damages or (b) enforce the Design Guidelines, the CC&Rs, and any other rule or regulation thus violated or (c) cure any defect or problem caused by said non-compliance. It is expressly understood that the use of any or all of the Performance Deposit shall not be considered a measure of the Damages nor release the Owner from paying additional amounts if the total Damages exceeds \$5,000.00.
3. Following the Association's use of all or any portion of the Performance Deposit, the Owner shall immediately pay to the Association an amount sufficient to replenish the Performance Deposit to the sum initially deposited. Failure to replenish the Performance Deposit within seven (7) days following the Association's delivery of written demand shall be deemed a material breach of the Design Guidelines and the CC&Rs and shall entitle the Association to (i) deny builder's/contractor's access to the community (including, but not limited to, any of builder's/contractor's suppliers, subcontractors, employees, and material men) and (ii) lien the Lot in an amount equal to the Performance Deposit deficiency.
4. Concurrent with the delivery of the Performance Deposit, the Owner shall execute and deliver to the ARC a Notice of Voluntary Lien in the form attached hereto as Exhibit A.
5. Neither the ARC, the Board, the Association nor any member thereof shall be liable to the Owner or any other person for any loss, damage, or injury arising out of the payment or non-payment of the Performance Deposit funds unless such loss, damage, or injury is due to willful misconduct or bad faith of the ARC, the Association, the Board or the respective members thereof, as the case may be.

- 6. Upon (i) completion of the construction of Owner’s residence as per the approved plans and specifications, (ii) delivery of the Certification (as defined in Section 6.18 of the Design Guidelines) to the ARC and (iii) a final inspection by the ARC satisfactorily indicating that no Damages as set forth in paragraph I remain and that all construction has been completed pursuant to the approved plans and specifications, including, but not limited to, landscaping plans, the Performance Deposit, or any balance thereof shall be returned to the Owner.
- 7. No interest shall be payable on the Deposit.
- 8. This Performance Deposit is forfeited if the owner moves into the Residence before Final Release and another \$5,000.00 deposit must be made within 15 days.
- 9. By signature below, the Association acknowledges receipt of the sum of Five Thousand and no/100 Dollars (\$5,000.00) in the form of _____.

Executed on the _____ day of _____, 20____.

OWNER: _____

NAME: _____

ADDRESS: _____

PHONE: _____

TALKING ROCK RANCH ASSOCIATION FOR COMMUNITY PRESERVATION

BY: _____

ITS: _____

When recorded, return to:

ATTENTION: _____

NOTICE OF VOLUNTARY LIEN

On _____, 20____, the undersigned, as Owner of Lot _____ of Sterling Ranch at Talking Rock (see legal description attached hereto as Exhibit A), entered into that certain Performance Deposit Agreement with Talking Rock Ranch Association for Community Preservation (the “Association”), an Arizona not-for-profit corporation, which provides, among other things, that in the event of the failure of the undersigned to timely replenish the Five Thousand and no/100 Dollars (\$5,000.00) Performance Deposit mandated in the Performance Deposit Agreement, there shall be recorded this “Notice of Voluntary Lien” in respect of the real property more particularly described on Exhibit A (the “Benefited Property”).

The amount due and owing from the undersigned, as of the date of recordation hereof, is _____ (the Unpaid Deposit). The undersigned hereby covenant and agree that the Association shall have a voluntary, consensual lien upon the Benefited Property in the amount of the Unpaid Deposit, said lien to continue until such time as the Association receives full payment of the Unpaid Deposit.

Properly interested parties may inspect a copy of the Performance Deposit Agreement by contacting the Association at _____, Attention: _____

The undersigned herewith represents and warrants that, as of the date of execution hereof, the undersigned own(s) fee simple title to the Benefited Property. This Notice of Voluntary Lien constitutes a continuing lien upon the Benefited Property and shall continue in full force and effect until released by a properly recorded instrument executed by the Association.

Dated this _____ day of _____, 20____.

“OWNERS”: _____

STATE OF ARIZONA, COUNTY OF: _____

On this ____ day of _____, 20____, before me, the undersigned officer, personally appeared ____ and _____, known to me to be the person(s) whose name(s) is (are) subscribed in the foregoing instrument and acknowledged that he/she/they executed the same for the purposes herein contained.

In witness hereof, I hereunto set my hand and official seal.

Notary Public

My Commission Expires:



Appendix E

FORM OF PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, that we _____ of _____ hereinafter referred to as the Principal, and _____, a corporation organized under the laws of the State of _____ and authorized to do business in the State of Arizona, as Surety, are held and firmly bound unto Talking Rock Ranch Association For Community Preservation, hereinafter referred to as Obligee, in the sum of TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00), lawful money of the United States of America, for the payment of which sum, well and truly to be made, we bind ourselves, executors, administrators, successors and assigns, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, THAT

WHEREAS, the Principal has entered into a certain permit with the above named Obligee to guarantee performance of the construction regulations of the Talking Rock Design Guidelines regarding Lot _____ in Phase _____ the cost of any remedy for violation, as set forth by these regulations, as they apply to the lot; will be charged against the bond upon demand of the Obligee.

NOW, THEREFORE, if the Principal shall faithfully observe and comply with such Design Guidelines as required by this bond, then this obligation shall become void; Otherwise to remain in full force and effect.

SIGNED, SEALED, AND DATED this _____ day of _____, 20_____.

"PRINCIPAL" (INSURANCE COMPANY NAME)

By: _____ By: _____



TALKING ROCK™
PRESCOTT