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 Patsy Jenney-Colon, Recorder
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**FIRST AMENDMENT TO THE
 DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
 FOR THE OAKS AT THE RANCH**

This First Amendment To The Declaration of Covenants, Conditions and Restrictions for The Oaks at the Ranch (the "Amendment") is made to be effective as of December 1, 2002.

WITNESSETH:

WHEREAS, a Declaration of Covenants, Conditions, and Restrictions for The Oaks at the Ranch was recorded on March 28, 1994, at Instrument Number 9418572 in Book 2802, Page 839, in the Official Records of Yavapai County, Arizona (the "Declaration"); and

WHEREAS, the Declaration failed to stipulate any procedure or mechanism for future amendments to the Declaration; and

WHEREAS, the Declaration failed to stipulate that it superceded and replaced in their entirety to previous declarations that had been recorded by predecessors to the Declarant under the Declaration, to wit: (1) the Declaration of Covenants, Conditions and Restrictions for The Ranch at Prescott Amended Unit Two, Townhomes, recorded on May 5, 1986 as Instrument Number 16287 in Book 1817, Page 307, in the Official Records of Yavapai County, Arizona, and (2) the Declaration of Covenants, Conditions and Restrictions for The Ranch at Prescott Unit Two, Townhomes, recorded on August 1, 1985 as Instrument Number 25550 in Book 1742, Page 275, in the Official Records of Yavapai County, Arizona (together, the "Superceded Declarations")

WHEREAS, the purpose of this Amendment is to insert into the Declaration a formal amendment mechanism and to stipulate that the Declaration, as amended, supercedes and replaces the Superceded Declarations in their entirety, such that the Superceded Declarations are of no further legal effect.

WHEREAS, consent and approval of this Amendment has been provided by Owners of all Lots within The Oaks at the Ranch, as evidenced by the Consent of Owner instruments attached hereto.

NOW, THEREFORE, the Declaration is hereby amended as follows:

1. A new Article 17 is hereby added to the Declaration and shall read as follows:

17. Amendment of Declaration

17.1 Amendment By Owners. Except as provided in paragraph 17.2 below, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Owners representing 75% of the total votes in the Association as described in paragraph 3.4 of this Declaration.

17.2 Amendments Regarding Age Restriction. Notwithstanding paragraph 17.1 above, no amendment to the Declaration and/ or the Articles and Bylaws of the Association purporting to impose any age restriction on residency or ownership in The Oaks at the Ranch shall be effective without written approval of one-hundred percent (100%) of the Owners.

17.2 Validity and Effective Date. If an Owner consents to any amendment to this Declaration, it will be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment. Any amendment shall become effective upon recording, unless a later effective date is specified in the amendment. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

2. It is hereby stipulated and agreed that the Superseded Declarations as identified above have been superseded and replaced in their entirety by the Declaration as amended hereby, and the President of the Association is hereby directed to execute and record a formal Notice of Rescission with respect to the Superseded Declarations in the Official Records of Yavapai County Arizona.

3. All capitalized terms used but not specifically defined in this Amendment shall have the meaning prescribed by the Declaration. Except as specifically modified by this Amendment, the Declaration shall remain in full force and effect in accordance with its terms. In the event of any conflict or inconsistency between the terms of this Amendment and the Declaration, the terms of this Amendment shall control.

NOTARIZED CONSENT FORMS APPROVING THE FOREGOING
AMENDMENT EXECUTED BY ALL OWNERS APPEAR IMMEDIATELY
FOLLOWING THIS PAGE