

FRONT ENTRANCE AGREEMENT

FOR

SADDLEBROOKE HOMEOWNERS ASSOCIATIONS

This Front Entrance Agreement for SaddleBrooke Homeowners Associations ("Agreement") is entered into this 9th day of November, 2021, by: SADDLEBROOKE HOMEOWNERS ASSOCIATION #1, INC., an Arizona nonprofit corporation ("SaddleBrooke One") and SADDLEBROOKE HOMEOWNERS ASSOCIATION NO. 2, INC., an Arizona non-profit corporation ("SaddleBrooke Two"). SaddleBrooke One and SaddleBrooke Two are each sometimes referred to in this Agreement as an "Association".

RECITALS

- A. SaddleBrooke One and SaddleBrooke Two are the homeowners associations for neighboring master planned communities in southern Pinal County
- B. SaddleBrooke One is the homeowners association for the real property and the common areas ("SaddleBrooke One Property") designated on various Plats of SaddleBrooke One. SaddleBrooke One transitioned from Developer control and management on January 1, 1999.
- C. SaddleBrooke Two is the homeowners association for the real property and the common areas ("SaddleBrooke Two Property") designated on the various plots of SaddleBrooke Two. SaddleBrooke Two transitioned from developer control and management on January 1, 2018.
- D. The parties desire to enter into this Agreement to establish their respective responsibilities with respect to the maintenance of the entrance to the SaddleBrooke communities at the intersection of Highway 77 and SaddleBrooke Boulevard.

AGREEMENTS

In consideration of the matters set forth herein, the parties to this Agreement agree as follows:

1. Maintenance.

SaddleBrooke Two shall be responsible for maintaining the SaddleBrooke monument sign and entrance area by the intersection of SaddleBrooke Boulevard and Highway

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77, other than maintaining the roadway. Notwithstanding the foregoing, all expenses of maintaining the SaddleBrooke monument sign and entrance area by the intersection of SaddleBrooke Boulevard and Highway 77, other than the cost of maintaining the roadway, shall be shared equally by the parties. Prior to October 1st of each year, SaddleBrooke Two shall provide to SaddleBrooke One a budget for the expenses expected to be incurred by SaddleBrooke One pursuant to this Paragraph, and such budget shall be subject to SaddleBrooke One's approval, which shall not be unreasonably withheld. SaddleBrooke Two shall provide to SaddleBrooke One, invoices and/or other documentation of expenses incurred for the maintenance in a timely manner. SaddleBrooke One will pay all invoices presented by SaddleBrooke Two in a timely manner. Unless otherwise agreed by both parties in writing, the SaddleBrooke monument sign and entrance area shall be maintained substantially in the same manner that exists on the date of this Agreement.

2. Notices.

All notices or other communications required or provided to be given by a party to the other party pursuant to this Agreement shall be in writing and shall be hand-delivered, delivered by courier, or sent via United States first class (or registered or certified) mail, postage prepaid. A notice or other communication shall be effective when hand-delivered or delivered by courier, or when deposited in the mail as provided above and addressed to the respective parties at the following addresses, or to such other address as may be specified by any party by written notice to the other party:

If to SaddleBrooke One: SaddleBrooke One
 64500 East SaddleBrooke Blvd.
 Tucson, AZ 85739
 Attn: General Manager

If to SaddleBrooke Two: SaddleBrooke Two
 38735 South Mountain View Blvd.
 Tucson, AZ 85739
 Attn: Executive Director

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3. Term.

This Agreement shall remain in effect as long as SaddleBrooke One and SaddleBrooke Two exist or as otherwise agreed by the parties.

4. Dispute Resolution.

If a dispute, controversy or claim arises out of or relates to this Agreement, or the breach thereof, the parties agree to try in good faith to resolve the matter by negotiation. If the matter cannot be settled through negotiation among the parties, before resorting to legal action or other dispute resolution procedure, the parties agree first to try in good faith to resolve the matter by mediation administered by a mediator agreed to by all parties in accordance with the chosen mediator's procedures. If the parties cannot agree on a mediator, the mediation will be administered by the America Arbitration Association in accordance with its commercial mediation procedures and using one of its mediators. If resolution is not reached within four (4) months after service of a written demand for mediation, any unresolved controversy or claim may be resolved by legal action. Mediation costs will be equally shared by both Associations.

5. Jurisdiction; Venue; Attorney Fees; Jury Waiver.

In the event of a legal proceeding involving this agreement, (a) the parties consent to exclusive jurisdiction of any state or federal court located in Pima County, Arizona; and (b) the unsuccessful party shall pay to the prevailing party all costs of suit, including but not limited to reasonable attorney fees as determined by the court. The parties each waive their respective rights to a jury trial of and claim or cause of action based upon or arising out of this agreement or any of the transactions contemplated herein, including contract claims, tort claims, breach of duty claims and all other common law or statutory claims.

6. Severability.

Whenever possible, each provision of this Agreement shall be interpreted so as to be valid under applicable law, but if any provision of this Agreement is void or unenforceable, such provision shall be ineffective to the extent it is void or unenforceable, which shall not invalidate the remainder of such provision or the remaining provisions of this Agreement.

7. Time of Essence.

Time is of the essence of each and every provision of this Agreement.

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8. Performance Dates.

In the event that the time for performance of any obligation hereunder expires on a Saturday, Sunday or legal holiday, the time for performance shall be extended to the next day that is not a Saturday, Sunday or legal holiday.

9. Integration.

This Agreement contains the entire agreement of the parties hereto with respect to its subject matter and supersedes all pertinent prior arrangements and understandings between the parties. No agreement, statement or promise made by a party to this Agreement with respect to the subject matter of this Agreement shall be binding or valid unless set forth in this Agreement.

10. Amendments.

This Agreement may be amended or modified only by a written amendment executed by a duly authorized representative of each of the parties to this Agreement.

11. Counterparts.

This Agreement may be executed by the signing in counterparts of this instrument. The execution by each party signing a counterpart of this instrument shall constitute a valid execution, and this instrument and its counterparts so executed shall be deemed for all purposes to be a single agreement.

12. Headings.

The headings used in this Agreement are for convenience only and shall not affect the meaning or interpretation of any of the terms of this Agreement.

13. Representation by Counsel.

All parties to this Agreement have been or have had the opportunity to be represented by legal counsel in connection with this Agreement. This Agreement is the product of extensive negotiations and the fact that this Agreement was prepared by one of the parties or its legal counsel shall not affect the interpretation or application of this Agreement.

14. Inurement.

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

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15. Governing Law.

The terms of this Agreement shall be governed by and construed in accordance with the laws of the State of Arizona.

The parties have executed this Agreement as of the date set forth above.

SADDLEBROOKE HOMEOWNERS ASSOCIATION # 1, INC, an Arizona Non-Profit Corporation

By Charlotte Crossman

Its President

SADDLEBROOKE HOMEOWNERS ASSOCIATION # 2, INC, an Arizona Non-Profit Corporation

By Robert L. Kolbe

Its President

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