

RECIPROCAL USE AGREEMENT

FOR

SADDLEBROOKE HOMEOWNERS ASSOCIATIONS

This Reciprocal Use Agreement for SaddleBrooke Homeowners Associations ("Agreement") is entered into this 10 day of September, 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 plats of SaddleBrooke Two. SaddleBrooke Two transitioned from developer control and management on January 1, 2018.

D. SaddleBrooke One and SaddleBrooke Two both operate clubhouses and various community and recreational facilities in their common areas, as well as private streets and roads shown on their respective plats.

E. The parties desire to enter into a Reciprocal Use Agreement upon the following terms and conditions.

AGREEMENTS

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

1. Reciprocal Use of Common Areas and Facilities.

- a) All residents and owners of lots in SaddleBrooke One shall have the right to use all of the SaddleBrooke Two Property, including all recreational and other facilities constructed thereon, upon the same terms, and subject to the same rules and



regulations as are prescribed by SaddleBrooke Two for the residents and owners of lots in SaddleBrooke Two.

- b) All residents and owners of lots in SaddleBrooke Two shall have the right to use all of the SaddleBrooke One Property, including all recreational and other facilities thereon, upon the same terms, and subject to the same rules and regulations, as are prescribed by SaddleBrooke One for the residents and owners of lots in SaddleBrooke One.
- c) By this provision, the parties intend that residents and owners of lots in SaddleBrooke One and SaddleBrooke Two shall be able to use all common areas and all recreational and other facilities in SaddleBrooke One and SaddleBrooke Two in the same manner as if there were only one homeowner association in SaddleBrooke.
- d) The parties agree that no separate fees may be charged for use of the clubhouses, arts and crafts facilities, tennis facilities, fitness centers, and other facilities and amenities in SaddleBrooke One and SaddleBrooke Two except for the golf courses. Neither Association may charge a fee of any kind to owners or residents of the other Association that it does not charge to its own owners or residents.
- e) Residents and owners using either the SaddleBrooke One Property or the SaddleBrooke Two Property shall be subject to all rules and regulations while using such Property, including posted speed limits, and will be subject to all fines and penalties which may be assessed by either Association to its own members for failing to follow such rules and regulations.
- f) Clubs may charge membership fees for participation by residents of SaddleBrooke One and SaddleBrooke Two. These membership fees may not discriminate and must be the same for members of both Associations. The membership policies and other policies of clubs and organizations operated by either Association shall not discriminate against the members of one Association in favor of the members of the other Association.
- g) Notwithstanding any other terms in this Agreement each Association may choose to allow persons residing outside of SaddleBrooke to use that Association's amenities.
- h) Nothing in this agreement shall prevent SaddleBrooke One and SaddleBrooke Two from collaborating to design, develop, fund, and/or operate new, modified or expanded amenities for use by residents and lot owners of both Associations.
- i) Notwithstanding any other terms in this agreement the owner of each golf course shall have the right, but not the obligation, to permit members of either Association to use the golf facilities, including but not limited to driving ranges and putting greens, on such terms



and conditions as such owner shall specify in its discretion. These terms and conditions offered to one Association may be different from those offered by such owner to members of the other Association or to the public. Without limiting the foregoing, SaddleBrooke Two shall have the right, but not the obligation, to permit members of SaddleBrooke One to purchase annual memberships and/or use of the driving ranges and putting greens in SaddleBrooke Two on such terms and conditions and in such limited numbers as shall be determined by SaddleBrooke Two. Similarly, SaddleBrooke One shall have the right, but not the obligation, to permit members of SaddleBrooke Two to purchase annual memberships, and/or use of the driving range and putting green in SaddleBrooke One on such terms and conditions and in such limited numbers as shall be determined by SaddleBrooke One.

2. Notices.

All notices or other communications required or provided to be given by any party to another 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, and shall be effective when hand-delivered or delivered by courier, or when deposited in the mail as provided above and addressed to the parties at the following addresses, or to such other address as may be specified by any party by written notice to the other parties:

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

3. Terms.

The reciprocal rights shall terminate on the eighth (8th) anniversary of the date of this agreement; provided however, that such reciprocal rights automatically shall be extended for five (5) year periods unless, on or before the seventh (7<sup>th</sup>) anniversary of the date of this Agreement, or the fourth (4<sup>th</sup>) anniversary of the commencement of the five-year

extension term then in effect, one Association notifies the other Association in writing that it wishes to terminate or renegotiate such reciprocal rights. Termination of the Agreement or failure of the Associations to reach a renegotiated agreement shall terminate all reciprocal rights.

#### 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 American 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 the 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. Integration:

This Agreement contains the entire agreement of the parties hereto with respect to its subject matter and supersedes the Agreement of 2 October, 1996 and all 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.

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7. Governing Law:

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

8. Severability:

Whenever possible, each provision of this Agreement shall be interpreted so as to be valid under applicable law, but if any provision of the 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.

9. Time of Essence:

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

10. 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. As used in this Agreement, "business day" means any day, other than a Saturday, Sunday or legal holiday.

11. 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.

12. 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 all of its counter parts so executed shall be deemed for all purposes to be a single agreement.

13. Headings:

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

14. 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.

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15. Inurement:

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

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

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

By Charlote Cassman

Its President

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

By Bob L. Kater

Its President

RJK