

**GREEN VALLEY RECREATION, INC.**  
**CORPORATE BOUNDARY DOCUMENT**

This document is in accordance with the current Bylaws of Green Valley Recreation, Inc. approved at the Annual Meeting, March 19, 1997 (Exhibit 1). Article I, Section 5, Jurisdiction of the Corporation, states:

- A. The Jurisdiction of the Corporation shall include only the real property designated within the Corporate Boundary Document kept on file at the office of the Corporation. The initial boundaries for this document shall be the boundaries defined in the Bylaws in place on January 1, 1994 (Exhibit 2).
- B. Additional real property may be brought within the jurisdiction of the Corporation by a majority affirmative vote of the Green Valley Recreation, Inc. members voting and the amendment to the Corporate Boundary Document shall be certified by the President or the Secretary.

The Bylaws of Green Valley Recreation, Inc. amended at the Annual Meeting, March 24, 1993 (Exhibit 2) are the Bylaws that were in place January 1, 1994. Article I, Section 2, Page 2, A,B,C & D, Jurisdiction of the Corporation, states:

The jurisdiction of the Corporation shall include only the following described real property:

- A. All of the real property within the original boundaries of Green Valley as shown on the plat or plan prepared by Blanton & Cole as its Drawing No. R-61-260M (Exhibit 3) (which includes Green Valley Country Club Vistas No. 3), including all updates, and the drawing prepared by Wheeler, Petterson and Coffeen as its Work Order No. 9428 (Exhibit 4) and,
- B. All of the real property hereafter developed by Fairfield Development, within the area known as Green Valley South, and legally described (Exhibit 5) to the Merger Agreement (Exhibit 6) referred to herein.
- C. All of the real property within the area known as Madera Vistas Townhouses Subdivision and legally described (Exhibit 7) to the Merger Agreement referred to herein, under conditions described in Article III, Section 2, "Classifications and Requirements for Membership," and, all of the real property within the area known as Esperanza Estates Subdivision, and legally described (Exhibit 7) referred to herein, and all of the real property within the area known as the Villages Subdivision, and legally described (Exhibit 7) to the Merger Agreement referred to herein.
- D. All of the real property owned by Fairfield within the area known as Colonia de Los Alamos Subdivision and legally described (Exhibit 8) to the Merger Agreement referred to herein.

The 1995 Boundary Expansion/Bylaws Referendum (Exhibit 9) vote to the general membership proposed an expansion of Green Valley Recreation's boundaries and provided Bylaw amendments to incorporate the New Housing Development Criteria. Article I, Section 6 - A,B,C,D,E, F of the Bylaws was approved March 19, 1997 and states: The jurisdictional boundaries of Green Valley Recreation, after January 1, 1996, may be expanded for additional subdivision development of new residential homes in conformance with the following criteria:

- A. Each subdivision must agree to place a Master Deed Restriction of Green Valley Recreation within their CCR's requiring perpetual membership in the Corporation.
- B. Each subdivision must verify a commitment to "age restriction" with regard to familial status exemptions as outlined by Housing and Urban Development (HUD).
- C. Each owner and developer must give guaranty through financial assurances that it will make contributions to Green Valley Recreation in terms of front-end cash or donation of land to Green Valley Recreation free of encumbrances, whichever serves the best interest of the membership as determined by the Board of Directors. Any cash contributions shall be made up front, in advance. Both cash contributions and donations of land and improvements shall be based, at a minimum, upon the grand total of the Initial Fees and Land Equivalency Fees charged in connection with potential homes in each development. In the case of

the donation of land and improvements, adequate security shall first be furnished to Green Valley Recreation in the form of a letter of credit, certificate of deposit, bond or other commercially reasonable and adequate security.

- D. The Board of Directors will negotiate on behalf of the membership with each new development and uniquely bind each developer with independent contracts.
- E. Each new development must be adjacent/contiguous to the existing Green Valley Recreation boundaries at the time of entry.
- F. The Board of Directors is granted the power to develop policy to implement the New Housing Development Criteria.

The New Housing Criteria began a chain of events leading to the demise of the old Merger Agreement between Fairfield and Green Valley Recreation, Inc. (Exhibit 6). Once the Merger Agreement was invalidated, Green Valley Recreation was free to negotiate with other Developers within the Board's 10-year Master Plan. Upon approval of the 1995 Referendum (Exhibit 9), The Developer Member Agreement (Exhibit 10) did indeed replace the Merger Agreement in 1995. The Developer Member agreement Page 1, #1 and #2 states:

- 1. Developer Member and Green Valley Recreation are parties to that certain Green Valley Recreation Merger Agreement dated September 18, 1978 (Exhibit 6), which embodied, among other things, the terms and provisions relating to the merger of corporations formerly known as Community Recreation Association of Green Valley, Inc. and Green Valley Community Club, Inc.

2. It is the intention of the parties to provide additional social and recreational facilities in Green Valley for the benefit and use of the residents of Green Valley. In that connection, the parties do hereby wish to provide for the continued economic health and prosperity of Green Valley Recreation by canceling the Merger Agreement and replacing it with a new agreement which will provide greater flexibility to Green Valley Recreation while, at the same time, providing basic protections, both to Green Valley Recreation and Developer Member and its affiliates, that the social and recreational facilities of Green Valley Recreation will continue to reflect in the future, as they have in the past, a standard of high quality and integrity.

The Developer Member Agreement (Exhibit 10) including Fairfield Green Valley, Inc., Green Valley Recreation, Inc., Fairfield Canoa Ranch L.L.C. and WLC-Green Valley Limited Partnership signed November 11, 1995, extended the jurisdiction of Green Valley Recreation. Page 2, Section A, #1 of the Developer Member Agreement states:

1. Green Valley Recreation shall restrict its membership to real property, which lies within the jurisdiction of Green Valley Recreation. The jurisdiction of Green Valley Recreation consists of the real property designated within the Corporate Jurisdiction Boundary Document kept on file at the office located at 1070 S. Calle de las Casitas, Green Valley, Arizona, 85614. The jurisdiction of Green Valley Recreation shall, subject to the provisions of this Agreement, now extend

to the property described as Las Campanas (Exhibit 11), Canoa Ranch West (Exhibit 12) and Portillo Place & Portillo Ridge (Exhibit 13).

Pierce Construction is the owner of two subdivisions known as Portillo Place and Portillo Ridge (Exhibit 13). The Pierce Developer Agreement (Exhibit 14) dated November 16, 1995, includes Portillo Place and Portillo Ridge into Green Valley Recreation boundaries, which was approved by the 1995 Boundary Expansion/Bylaws Referendum (Exhibit 9).

The October 1996 Santa Rita Springs Boundary Referendum (Exhibit 15) approved the extension of the existing Green Valley Recreation boundaries to include eight (8) subdivisions, about 1,170 of a potential total of 1,800 homes within the Santa Rita Springs Development. This was in accordance with the 1996 Agreement between Santa Rita Springs, LLC. (David Grounds) and Green Valley Recreation, Inc. (Exhibit 16). The boundary expansion included Sunrise Pointe Lots 1 through 135, Blocks 1,3,4 & 5, Common Areas A, B,C,D & E; Sunrise Point Vistas Phase 1, Lots 1 through 106, Common Areas A & B; (Parcel F) (Exhibit 17), The Springs Phase 1, Roadhaven Resorts, Lots 1 through 425 and Common Areas A & B (Exhibit 18) and The Greens at Santa Rita Springs, Lots 1 through 142, Common Areas A and C, Parcel B (Exhibit 19).

The Fall 1997 Santa Rita Springs Boundary Referendum (Exhibit 20) approved the extension of the existing Green Valley Recreation boundaries by two subdivisions of 149 homes within the Santa Rita Springs Development. This resulted in \$286,080 for the privilege of Green Valley

Recreation membership for these homes. This expansion was in accordance with the 1997 Agreements between Michael Dorn and Green Valley Recreation, The Springs at Santa Rita Springs and Green Valley Recreation and Paul G. Warthen and Green Valley Recreation (Exhibit 21). The boundary expansion included The Links at Santa Rita Springs, Lots 1 through 35 (Exhibit 22), The Links at Santa Rita Springs, Lots 36 through 93 (Exhibit 23) and The Springs II 1st Phase, Lots 53 through 108 and Common Area B (Exhibit 24).

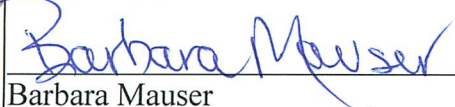
The Summer 1999 Santa Rita Springs Boundary Referendum (Exhibit 25) approved the extension of the existing Green Valley Recreation boundaries by four subdivisions of 257 lots within the Santa Rita Springs Development. This resulted in \$508,860 for the privilege of Green Valley Recreation membership for these lots. This expansion was in accordance with the 1999 Agreements between Santa Rita Springs L.L.C and Green Valley Recreation, Inc., Dorn Builders, Inc. and Green Valley Recreation, Inc., The Springs at Santa Rita Springs L.L.C. and Green Valley Recreation, Inc., and Green Valley I Associates General Partnership and Green Valley Recreation, Inc. (Exhibit 26). The boundary expansion included Parcel E (Dorn Builders) (Exhibit 27), The Springs II (The Springs at Santa Rita Springs L.L.C.) (Exhibit 28), Silver Springs Assisted Living (Green Valley Associates General Partnership) (Exhibit 29), and Silver Springs II, Golf Casitas at Santa Rita Springs (Santa Rita Springs L.L.C.) (Exhibit 30). As of September, 1999, Green Valley Recreation, Inc. was an eight-mile linear community bisected by Interstate 19 with the boundaries of Duval Road to the North, South line Canoa Ranch to the South, West Boundary San Ignacio de la Canoa Land Grant to the West and the Santa Cruz River to the East (Exhibit 31).

The summer 2015 Boundary Expansion Referendum approved by GVR members (Exhibit 32) extended Green Valley Recreation's jurisdictional boundaries to include eight existing subdivisions (Exhibit 33). Five of the added subdivisions are located to the west of the Santa Cruz River: Madera Reserve (Exhibit 34); Madera Foothills Estates and Madera Shadows (Exhibit 35); Pasadera (Exhibit 36); and Colonia Real (Exhibit 37); and three are contiguous to GVR subdivisions east of the Santa Cruz River: Magi Estates (Exhibit 38); Valle Verde (Exhibit 39); and Primavera (Exhibit 40). As a result of this expansion of GVR's boundaries, lot owners within these subdivisions may voluntarily deed-restrict their properties to GVR membership. Once an owner voluntarily deed-restricts a property to GVR membership, the GVR membership runs with the land and binds subsequent owners of that property.

Green Valley Recreation, Inc. is a nonprofit leisure service organization servicing more than 13,400 members living on both sides of Interstate 19. Green Valley Recreation, Inc. owns and operates twelve (12) geographically dispersed recreational facilities which provide recreational, cultural and educational programs for the enjoyment of Green Valley Recreation members and their guests.

The undersigned hereby certify that this is the true and correct Corporate Boundary Document of Green Valley Recreation, Inc. as of the 18 day of September, 2015.

  
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Joseph Gunton  
GVR Board President

  
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Barbara Mauser  
GVR Board Secretary