

ARTICLE 9
USE OF FUNDS; BORROWING POWER

9.1 Purposes for which Master Association's Funds May Be Used. The Master Association shall apply all funds and property collected and received by it (including the Annual Assessments, Reduced Assessments, Special Assessments and Deficiency Assessments, fees, loan proceeds, surplus funds and all funds and property received by it from any other source) for the common good and benefit of the Property and the Members and Residents by devoting said funds and property, among other things, to the acquisition, construction, alteration, maintenance, provision and operation, by any manner or method whatsoever, of any and all land, properties, improvements, facilities, services, projects, programs, studies and systems, within or without the Property, which may be necessary, desirable or beneficial to the general common interests of the Property, the Members and the Residents. The following are some, but not all, of the areas in which the Master Association may seek to aid, promote and provide for such common benefit: maintenance of landscaping on Master Common Areas and public rights-of-way and drainage areas within or serving the Property, maintaining the Master Common Areas as provided in this Declaration, obtaining of liability insurance, supplying of utilities and other public services, providing for communication and transportation within and dissemination of information concerning the Property, obtaining legal and accounting services for the Master Association, indemnification of officers and directors of the Master Association and generally protecting the health and safety of the Members and the Residents. The Master Association may also expend its funds for any purposes which any municipality may expend its funds under the laws of the State of Arizona or such municipality's charter.

9.2 Borrowing Power. The Master Association may borrow money in such amounts, at such rates, upon such terms and security and for such period of time as is necessary or appropriate; provided, however, that no portion of the Master Common Areas shall be mortgaged or otherwise encumbered without the approval of at least two-thirds (2/3) of the Members other than Declarant so long as Declarant is a Class B Member. Notwithstanding anything contained in the foregoing to the contrary, if ingress and egress to any Owner's Lot is over or through any Master Common Area which will be mortgaged or otherwise encumbered as provided in the foregoing, any such mortgage or encumbrance shall be subject to such Lot Owner's right and easement for ingress and egress.

9.3 Master Association's Rights in Spending Funds From Year to Year. The Master Association shall not be obligated to spend in any year all the sums received by it in such year (whether by way of Assessments, Deficiency Assessments, Special Assessments, fees or otherwise), and may carry forward as surplus any balances remaining. The Master Association shall not be obligated to reduce the amount of the Annual Assessment in the succeeding year if a surplus exists from a prior year and the Master Association may carry forward from year to year such surplus as the Board in its discretion may determine to be desirable for the greater financial security of the Master Association and the accomplishment of its purposes.