

#0401
CAPITAL TITLE AGENCY INC.

Unofficial Document

When Recorded Return To:

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RECIPROCAL USE EASEMENT AGREEMENT

This Reciprocal Use Easement Agreement (this "Agreement") is made this 27 day of January, 2005 by and between GARDEN VILLAGE AT GRAYHAWK, LLC, an Arizona limited liability company ("Garden Village") and VENU AT GRAYHAWK CONDOMINIUM ASSOCIATION, an Arizona nonprofit corporation (the "Venu Association").

RECITALS

A. The Venu Association is a nonprofit corporation whose members are the owners of condominium units within the condominium project known as Venu at Grayhawk Condominium ("Venu at Grayhawk") according to the Final Plat of Venu at Grayhawk Condominium recorded in Book 672, Page 43, and the Condominium Declaration for Venu at Grayhawk Condominium recorded at Recording No. 2004-0209062 in the records of the County Recorder of Maricopa County, Arizona (the "Venu Declaration"). Pursuant to the Venu Declaration, the Venu Association is responsible for the management and operation of the common elements of Venu at Grayhawk Condominium. The common elements of Venu at Grayhawk include certain recreational facilities and amenities including, but are not limited to, pools, spas, clubhouse and fitness centers (the "Venu Amenities").

B. Garden Village is the owner of certain real property described on Exhibit A attached hereto (the "Edge at Grayhawk Property"). Garden Village intends to submit the Edge at Grayhawk Property to a condominium to be known as Edge at Grayhawk Condominium ("Edge at Grayhawk"). Garden Village intends for Edge at Grayhawk to include certain common recreational facilities and amenities including, but not limited to, pools, spas, great room and fitness centers (the "Edge Amenities").

C. Garden Village desires to grant to the owners and residents of condominium units in the Venu at Grayhawk a non-exclusive, perpetual easement to use all of the Edge Amenities, and the Venu Association desires to grant to Garden Village and to the owners and residents of the condominium units within Edge at Grayhawk, a non-exclusive, perpetual easement to use all of the Venu Amenities.

AGREEMENT

NOW, THEREFORE, based on the foregoing Recitals, which are incorporated herein by reference, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Garden Village and Venu Association hereby agree as follows:

1. Grant of Easement.

(a) Venu Association grants to Garden Village and to each owner and resident of a condominium unit in Edge at Grayhawk, and their guests and family members (collectively, the "Edge at Grayhawk Users") a perpetual, non-exclusive easement to use and enjoy the Venu Amenities to the same extent as the owners and residents of condominium units in Venu at Grayhawk, and a non-exclusive perpetual easement over, upon and across all private drives within Venu at Grayhawk for the purpose of ingress and egress to and from the Venu Amenities. Use of the Venu Amenities shall be subject to all rules and regulations adopted by the Venu Association, which rules and regulations shall apply uniformly to all Edge at Grayhawk Users and to all owners and residents of condominium units in Venu at Grayhawk, and their guests and invitees. Venu Association shall provide Garden Village with a copy of all rules and regulations adopted by the Venu Association, and any amendments thereto, and Garden Village shall disseminate a copy of such rules and regulations, and any amendments thereto, to all owners and residents of condominium units in Edge at Grayhawk.

(b) Garden Village grants to each owner and resident of a condominium unit in Venu at Grayhawk, and their guests and family members (collectively, the "Garden Village Users") a perpetual, non-exclusive easement to use and enjoy the Edge Amenities to the same extent as the owners and residents of condominium units in Venu at Grayhawk, and a perpetual non-exclusive easement over, upon and across all private drives within Edge at Grayhawk for the purpose of ingress and egress to and from the Edge Amenities. Use of the Edge Amenities shall be subject to all rules and regulations adopted by the nonprofit corporation to be formed by Garden Village and whose members are the owners of condominium units within Edge at Grayhawk (the "Edge Association"), which rules and regulations shall apply uniformly to all Garden Village Users and to all owners and residents of condominium units in Edge at Grayhawk, and their guests and invitees. Garden Village shall provide Venu Association with a copy of all rules and regulations adopted by the Edge Association, and any amendments thereto, and Venu Association shall disseminate a copy of such rules and regulations, and any amendments thereto, to all owners and residents of condominium units in Venu at Grayhawk.

(c) Both Venu at Grayhawk and Edge at Grayhawk are gated communities with access restricted by a gate (an "Entrance Gate") at the entrance to each project. Venu Association and Garden Village agree that the Entrance Gate for each project shall be programmed with the same codes so that the Edge at Grayhawk Users can access Venu at Grayhawk by using the same code that the Edge at Grayhawk Users use to access Edge at Grayhawk, and the Garden Village Users can access Venu at

Grayhawk by using the same code that the Garden Village Users use to access Venu at Grayhawk.

2. Maintenance of Amenities. Garden Village shall maintain the Edge Amenities in a good and safe condition and in accordance with all applicable federal, state and local laws and regulations. Venu Association shall maintain the Venu Amenities in a good and safe condition and in accordance with all applicable federal, state and local laws and regulations.

3. Governing Law. The terms and conditions of this Agreement shall be governed and construed under the laws of the State of Arizona.

4. Entire Agreement. This Agreement and the exhibits hereto contain all of the representations and the entire agreement between the parties hereto with respect to the subject matter hereof. Any prior correspondence, memoranda or agreements between the parties hereto or any of them with respect to the subject matter hereof are merged herein and replaced by this Agreement.

5. No Dedication. No easement granted herein shall be deemed to be a gift or dedication of any portion of the Edge at Grayhawk Property or Venu at Grayhawk to or for the general public or for any public purposes whatsoever, it being the intention of the parties hereto that this Agreement shall be strictly limited to and for the purposes herein expressed.

6. Captions. The headings and ^{Unofficial Document} captions used in this Agreement are included for convenience only, and shall not be considered in the construction of any provision of this Agreement.

7. Binding Effect. The terms of this Agreement shall be binding upon Garden Village and Venu Association and their heirs, successors and assigns. The benefits and burdens of this Agreement shall run with the Edge at Grayhawk Property and Venu at Grayhawk and be appurtenant thereto. Garden Village may assign its rights, obligations and easements under this Agreement to the Edge Association, and upon the acceptance of such assignment and the assumption of all duties and obligations of Garden Village under this Agreement by the Edge Association, Garden Village shall be relieved of any further obligation under this Agreement.

8. Attorney Fees. In the event of any legal action between the parties hereto arising out of this Agreement, the prevailing party shall be entitled to recover from the other party, all attorney fees incurred by the prevailing party, both at the trial and appellate levels.

9. Amendment. This Agreement may only be terminated or amended by a written instrument signed by Garden Village and the Venu Association and recorded in the records of the County Recorder of Maricopa County, Arizona.

PARTIES:

GARDEN VILLAGE ASSOCIATES AT GRAYHAWK, L.P., a Delaware limited partnership

By: GARDEN VILLAGE INVESTMENTS AT GRAYHAWK, LLC, an Arizona limited liability company, General Partner

By: KINGSTON CAPITAL CO., LLC, an Arizona limited liability company, Member

By: _____
Name: David C. Dewar
Title: Manager

By: GRAYSTAR INVESTMENTS, LLC, an Arizona limited liability company, Member

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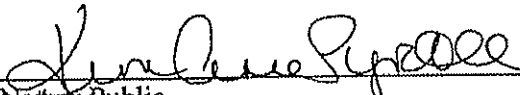
By: _____
Name: Kenneth K. Losch
Title: Manager

VENU AT GRAYHAWK CONDOMINIUM ASSOCIATION, an Arizona nonprofit corporation

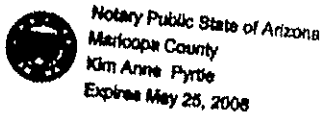
By: _____
Name: Kenneth K. Losch
Title: Director

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 27 day of January, 2005, by David C. Dewar, the Manager of Kingston Capital Co., LLC, an Arizona limited liability company, a Member of Garden Village Investments at Grayhawk, LLC, an Arizona limited liability company, the General Partner of Garden Village Associates at Grayhawk, L.P., a Delaware limited partnership, on behalf of the partnership.

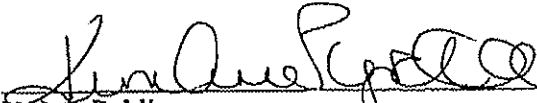

Notary Public

My Commission Expires:
May 25, 2008

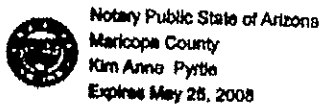


STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 27 day of January, 2005, by Kenneth K. Losch, the Manager of Graystar Investments, LLC, an Arizona limited liability company, a Member of Garden Village Investments at Grayhawk, LLC, an Arizona limited liability company, the General Partner of Garden Village Associates at Grayhawk, L.P., a Delaware limited partnership, on behalf of the partnership.


Notary Public

My Commission Expires:
May 25, 2008



STATE OF ARIZONA)
County of Maricopa) ss.

Subscribed and sworn to before me this 27 day of August 2005, by Kenneth Bosch the Director of Venu at Grayhawk Condominium Association, an Arizona nonprofit corporation, on behalf of the corporation.

Kim Anna Pyrtle
Notary Public

My Commission Expires:
May 25, 2008



Notary Public State of Arizona
Maricopa County
Kim Anna Pyrtle
Expires May 25, 2008

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EXHIBIT ALegal Description
(Edge at Grayhawk Property)

THOSE PORTIONS OF TRACTS 1L(a) AND 1L(b) AS SHOWN ON STATE PLAT NO. 46, CORE NORTH, ACCORDING TO BOOK 460 OF MAPS, PAGE 34, RECORDS OF MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBES AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID TRACT 1L(b), SAID POINT LYING ON A CURVE CONCAVE NORTHWESTERLY, THE RADIUS OF WHICH BEARS NORTH 26 DEGREES 45 MINUTES 36 SECONDS WEST A DISTANCE OF 2765.00 FEET;

THENCE SOUTHWESTERLY, ALONG THE NORTHERLY LINE OF SAID TRACT 1L(b) AND THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 01 DEGREES 01 MINUTES 43 SECONDS, A DISTANCE OF 49.64 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY THE RADIUS OF WHICH BEARS SOUTH 25 DEGREES 43 MINUTES 53 SECONDS EAST, A DISTANCE OF 20.00 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTHEASTERLY, LEAVING SAID NORTHERLY LINE ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 88 DEGREES 58 MINUTES 17 SECONDS, A DISTANCE OF 31.06 FEET TO A POINT OF TANGENCY;

THENCE SOUTH 26 DEGREES 45 MINUTES 36 SECONDS EAST 165.45 FEET;

THENCE SOUTH 63 DEGREES 14 MINUTES 24 SECONDS WEST 6.50 FEET;

THENCE SOUTH 14 DEGREES 17 MINUTES 08 SECONDS EAST, A DISTANCE OF 1223.49 FEET TO A POINT LYING ON THE SOUTHERLY LINE OF TRACT 1L(b);

THENCE SOUTH 59 DEGREES 28 MINUTES 04 SECONDS WEST, ALONG SAID SOUTHERLY LINE AND THE SOUTHERLY LINE OF SAID TRACT 1L(a), A DISTANCE OF 579.00 FEET;

THENCE NORTH 69 DEGREES 27 MINUTES 17 SECONDS WEST, ALONG SAID SOUTHERLY LINE, A DISTANCE OF 179.25 FEET;

THENCE NORTH 23 DEGREES 28 MINUTES 32 SECONDS EAST, LEAVING SAID SOUTHERLY LINE, A DISTANCE OF 168.22 FEET;

THENCE NORTH 14 DEGREES 17 MINUTES 08 SECONDS WEST, 374.05 FEET;

THENCE NORTH 27 DEGREES 45 MINUTES 50 SECONDS WEST, A DISTANCE OF 579.62 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 500.00 FEET;

THENCE NORTHWESTERLY, ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 16 DEGREES 11 MINUTES 04 SECONDS, A DISTANCE OF 141.24 FEET TO A POINT OF TANGENCY;

THENCE NORTH 11 DEGREES 26 MINUTES 53 SECONDS WEST, A DISTANCE OF 199.13 FEET TO A POINT LYING ON THE NORTHERLY LINE OF SAID TRACT 1L(a), SAID POINT LYING ON A CURVE CONCAVE NORTHWESTERLY THE RADIUS OF WHICH BEARS NORTH 11 DEGREES 26 MINUTES 53 SECONDS WEST, A DISTANCE OF 2765.00 FEET;

THENCE NORTHEASTERLY, ALONG SAID NORTHERLY LINE AND SAID NORTHERLY LINE OF TRACT 1L(b) AND THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 14 DEGREES 17 MINUTES 00 SECONDS, A DISTANCE OF 689.28 FEET TO THE TRUE POINT OF BEGINNING.

NET AREA:

CONTAINING 949,614.08 SQUARE FEET 21.800 ACRES

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