## IN THE SUPERIOR COURT OF THE STATE OF ARIZONA IN AND FOR THE COUNTY OF MOHAVE

NANCY KNIGHT,

PLAINTIFF,

OCASE No. CV-2018-04003

and

ORAL ARGUMENT

GLEN LUDWIG and PEARL LUDWIG,

Trustees of THE LUDWIG FAMILY

TRUST; FAIRWAY CONSTRUCTORS, INC.;

MEHDI AZARMI; JAMES B. ROBERTS and )

DONNA M. ROBERTS, husband and wife;)

JOHN DOES 1-10; JANE DOES 1-10;

ABC CORPORATIONS 1-10; and

XYZ PARTNERSHIPS 1-10.

## Before the Honorable Derek Carlisle, Judge

Monday, April 2, 2018

2:00 p.m.

Lake Havasu City, Arizona

## REPORTER'S PARTIAL TRANSCRIPT OF PROCEEDINGS

Reported by: Dawn M. Duffey, Registered Professional Reporter, Arizona Certified Court

Reporter No. 50039, California Certified Court Reporter No. 10491, Nevada Certified Court Reporter No. 722, Iowa Certified

Reporter No. 1357

1	APPEARANCES:
2	
3	FOR THE PETITIONER:
4	Pro Per
5	
6	
7	FOR THE RESPONDENT:
8	Daniel Oehler, Esq.
9	DANIEL J. OEHLER LAW OFFICES
10	2001 Highway 95
11	Bullhead City, Arizona 86442
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	

1	LAKE HAVASU CITY, ARIZONA
2	MONDAY, APRIL 2, 2018
3	2:00 P.M.
4	* * * *
5	(Whereupon, follows a partial transcript
6	requested by the Plaintiff.)
7	THE COURT: This is CV-2018-4003. This is Nancy
8	Knight, Plaintiff, versus Glen Ludwig, et al., Defendants.
9	This is the time set for oral argument on the Defendant's
10	Motion to Dismiss which the Court is treating as a Motion for
11	Summary Judgment because there were attachments ultimately I
12	think there were attachments for both sides.
13	And I understand that public documents I
14	probably don't need to convert it to a Motion for Summary
15	Judgment. I'm not convinced necessarily that all the documents
16	would have been public documents. Anyway, so I'm treating it
17	as a Motion for Summary Judgment.
18	Show for the record and are you Nancy Knight?
19	THE PLAINTIFF: Yes.
20	THE COURT: the presence of the Plaintiff,
21	Nancy Knight, representing herself. Mr. Oehler is representing
22	the Defendants.
23	And who do you have with you, Mr. Oehler?
24	MR. OEHLER: Your Honor, we have here today Jim
25	and Donna Roberts, the homeowners of the home in question.

- 1 THE COURT: All right. Show for the record the
- 2 presence of two of the Defendants, Jim and Donna Roberts.
- And this is the time set for the argument on the
- 4 Motion for Summary Judgment. I guess I didn't specifically say
- 5 it in the Order that went out. I generally give people ten
- 6 minutes per side to argue a case. That's basically how much
- 7 time we have on the local rules.
- Because it's your Motion to Dismiss, I will let
- 9 you go first and last. So I don't know if you want me to give
- 10 you your full ten minutes at this point or just to let you know
- 11 when eight minutes have gone by or how you want to approach
- 12 that, Mr. Oehler.
- MR. OEHLER: Thank you, Your Honor.
- I think I'll probably just spend a minute or two
- 15 and the balance of the time for the reply --
- THE COURT: All right.
- 17 MR. OEHLER: -- if that pleases the Court.
- 18 Your Honor, thank you very much. Again, we are
- 19 here representing all of the Defendants, including, of course,
- 20 the homeowners, Mr. and Mrs. Roberts.
- Your Honor, the Roberts' home was constructed I
- 22 believe in 2016. They, I think, took occupancy in about the
- 23 middle of 2016. Their home clearly and unarguably is located
- 24 in what we call A Tract, Tract 4076-A.
- The single issue that is before the Court today

- 1 is whether or not the Plaintiff has standing to bring this
- 2 litigation. I think it is unarguable and there is certainly
- 3 nothing before the Court that would indicate otherwise that
- 4 Ms. Knight and her husband own a property in a completely
- 5 different tract, a completely different subdivision than that
- 6 in which the Roberts and the other Defendants are involved.
- 7 We are not here today, Your Honor, or this
- 8 afternoon to discuss whether or not there are a multitude of
- 9 violations that create the declaration in question -- or
- 10 declarations in question to be voidable.
- 11 We are here exclusively to review and contest
- 12 whether or not Mrs. Knight living in a subdivision that was
- 13 created about 12 years or thereabouts, I believe it was after
- 14 the 4076-A Tract was -- was built, has standing to argue that
- 15 the Roberts' property has any impact whatsoever or that she has
- 16 any right to argue what is happening in a tract that was
- 17 created a multitude of years prior to the property and the
- 18 subdivision, the separate tract, separate subdivision, in which
- 19 Mrs. Knight and her husband live.
- 20 These are not properties that -- that adjoin one
- 21 another. I don't believe that Mrs. Knight can even see the
- 22 project that my clients reside in. Similarly, Your Honor,
- 23 we're not here to discuss or take exception to the fact that
- 24 the timing of Mrs. Knight's request to have my clients' house
- 25 dismantled or torn down is relevant, germane, or can be

- 1 enforced or would be enforced under Arizona law.
- 2 Again, issue being whether or not Mrs. Knight
- 3 has any appropriate and proper standing before this Court to
- 4 attempt to enforce the subdivision restrictions of a completely
- 5 separate subdivision from the one in which she resides.
- 6 THE COURT: All right. And do you have any
- 7 disagreement that the tract that she lives in which is now
- 8 numbered apparently 4163 was previously a part of 4076-B?
- 9 Not -- and I'm not saying A. I'm saying that it was previously
- 10 a part of 4076-B.
- MR. OEHLER: It absolutely was, Your Honor. It
- 12 was a separate parcel -- a separate parcel in the B Tract. And
- 13 that particular parcel in the B Tract, when the Court as I'm
- 14 sure it already has reviews the CC&Rs for the B Tract will find
- 15 that there are no setback requirements of any type whatsoever
- 16 referring to the parcel that ultimately was sold, I think,
- 17 either to two or three times prior to the final purchaser who
- 18 developed T & M Ranching I believe it was, that developed the
- 19 parcel in 2002 or 2004, whatever it was.
- 20 My point there being, Your Honor, there have
- 21 never been -- there has never been in any subdivision with
- 22 which we're dealing, any front or side setback requirements for
- 23 the -- for the property in which Mrs. Knight now resides, a
- 24 different contractor, a different developer, a project that has
- 25 no CC&Rs whatsoever.

- In other words, T & M when they resubdivided 1 this parcel that was originally in the B Tract did not record 2 any Codes, Covenants, or Restrictions. You know, Your Honor, 3 4 and I apologize for taking this much time at the opening, but, 5 you know, if in fact the Court is concerned with the fact that 6 Mrs. Knight resides in a tract on a parcel of ground that was involved in the B Tract, not the A Tract, but the B Tract, I would point out, Your Honor, that perhaps what the Court needs 9 to do upon application being delivered to the Court is wipe out all of the single-family residences in the tract that 10 Mrs. Knight currently resides in, because the B Tract, of 11 12 course, Your Honor, no restrictions whatsoever as far as side 13 or front setbacks for this parcel, but what it did say is that it was reserved for multi-family residential. Mrs. Knight does 14 15 not live in a multi-family residential tract, rather it was 16 resubdivided by a different owner, by a different developer. 17 So, you know, if you want to take Mrs. Knight's
- argument to this Court into heart, then, in fact, the entire tract in which she resides is a violation of the CC&Rs. And, of course, I suppose according to the Knight theory, her house
- and all her neighbors, just like my clients' house, needs to be
- 22 torn down because it's not a multi-family residential property.
- 23 Indeed, Your Honor, that argument is just fallacious.
- We're dealing with an original B Tract property
- 25 that was sold in bulk and resubdivided. Even if you want to

- 1 utilize the B Tract CC&Rs, Your Honor, even if the Court
- 2 chooses to do that, use the front and side setbacks that are
- 3 set forth in the B Tract for this particular parcel and you'll
- 4 find there is no restriction whatsoever.
- 5 My point being, Your Honor, that -- that these
- 6 are separate projects developed by separate developers at
- 7 separate times, and every one of the Desert Lakes tracts have
- 8 their own Codes, Covenants, and Restrictions, every one of
- 9 them.
- 10 And the law that I cited to the Court in my
- 11 reply memorandum from multiple jurisdictions generally
- 12 utilizing the restatement third clearly indicate that unless
- 13 they're -- unless one can prove that there is a common scheme
- 14 by common developers, then the person in Ms. Knight's position
- does not have standing to argue what the neighboring
- 16 subdivision can or cannot do.
- To enforce, which is the case here,
- 18 Mrs. Knight's effort to force down a separate tract developed
- 19 by a different developer at a different point in time with its
- 20 own CC&Rs, those are the litmus tests that are used. And in
- 21 each instance, Your Honor, we have a separate developer, a
- 22 separate tract, separately identified even though it came out
- 23 of one property, each of which has its own separately recorded
- 24 Codes, Covenants, and Restrictions. Those are the tests that
- 25 are used, and those tests fail when they are imposed or

- 1 attempted to be imposed by Mrs. Knight.
- 2 Thank you.
- 3 THE COURT: All right. And you ended up using
- 4 most of your time. You only have about a minute left, so --
- 5 MR. OEHLER: Thank you, Judge.
- 6 THE COURT: All right. Ms. Knight, you get to
- 7 use all your time at once, so --
- 8 THE PLAINTIFF: And I'd like to say I hate to
- 9 feel railroaded, but I -- I brought -- I did a lot of research.
- 10 Thank you for this chance for oral arguments, and, however, the
- 11 time is so limited.
- I did a lot of research to get more documents
- 13 available for you to look at. The original developer, I got
- 14 his original A.D.R.E. reports, and I got more -- I got -- I
- ordered from the recorder more of the CC&Rs for all the tracts,
- 16 so we've got all -- there are six tracts and seven -- no, seven
- 17 tracts and six versions of the CC&Rs, but it's a main
- 18 boilerplate for all of them with just a little bit of specifics
- 19 for -- within a tract if they had flooding issues or drainage
- 20 issues, whoever would purchase those particular lots had to be
- 21 informed of that.
- 22 Anyway, I put together -- I've got this whole
- 23 packet of exhibits for you, and my oral arguments, and my list
- 24 of exhibits. I didn't know how to file it with the Court, but
- 25 I have this available for you to look at, and I'll try to get

- 1 through my oral arguments.
- There is something in the CC&Rs on the last page
- 3 of every one of them, the grammatical change argument. And, by
- 4 the way, this is a single 300-acre development, Desert Lakes
- 5 Golf Course and Estates, AKA is written in many of the
- 6 documents that -- and the county calls it the Desert Lakes
- 7 Subdivision. Everybody calls it the subdivision. We didn't
- 8 purchase something in a tract to be isolated from the whole
- 9 project.
- 10 We -- and the golf course -- the original
- 11 4076-A had a golf course, a clubhouse, and sewage treatment
- 12 plant all included in that original tract. That -- and we were
- 13 all connected to that same -- all those lots were connected to
- 14 that same sewer. That makes it one uniform development.
- And we should be looking at it -- the last page,
- 16 and I want to get to it because I might run out of time, the
- 17 grammatical change argument. In all the recorded CC&Rs,
- 18 declarations, whether cited in provision 21 or 22 -- because
- one of the documents had an extra paragraph that had to be
- 20 included.
- 21 So it states "the singular wherever used herein
- 22 shall be construed to mean the plural when applicable and" --
- 23 this is important -- "the necessary grammatical changes
- 24 required to make the provisions hereof apply either to
- 25 corporations or individuals, men or women, shall in all cases

- 1 be assumed as though in each case fully expressed."
- 2 That was the portion of the -- to prevent what
- 3 happened for whoever that was that -- the 1961 case that he
- 4 cited where that poor women is sitting with a -- she -- she
- 5 assumed everyone's got a five-foot setback and the Court said,
- 6 no, you're in two different tracts within this one subdivision,
- 7 that case that he brought up, this part of our CC&Rs prevents
- 8 that from happening to us.
- 9 In all cases -- you shall in all cases assume
- 10 that it's fully expressed that this -- this whole subdivision,
- 11 the Desert Lakes Golf Course and Estates Subdivision, comes
- 12 under these CC&Rs. And I brought case law that I was gonna if
- 13 I had if time to read it all to you. And with limited time, I
- 14 can't go through my whole thing, but let me -- let me find my
- 15 case law.
- And, by the way, an interest of a higher
- 17 authority had me advise this case. It's not just me. This is
- 18 not self-serving motive at all. The Attorney General's Office
- 19 was interested in it. They advanced it to their special
- 20 investigations section, and that -- it even went to the F.B.I.
- 21 So -- and I've got -- I brought some emails, this packet if you
- 22 wanted to have a look at it maybe when there's time just to
- 23 prove that I'm not lying. So the -- I'm looking for the law.
- Oh, the master planned community, he argued
- 25 that. He brought up some -- some law about planned community.

- 1 No, we are not a planned community. We are a master planned
- 2 community, and it wasn't just T & M that called it that.
- 3 Mr. Angelo Rinauldi (phonetic) who is a main player in this
- 4 whole development, he was -- he was there from the start, he
- 5 was appointed to the architectural control committee, he was --
- 6 he's cited in every one of our CC&Rs, and he even purchased a
- 7 small section of another subdivision, Mohave Mesa Acres, and
- 8 adjoined a few lots into the Golf Course and Estates. And in
- 9 his A.D.R.E. reports he says it's a master planned community.
- 10 So I just want to make that clear.
- Because some of the law that I was going to --
- 12 if I can find it quickly, law argument. Okay.
- 13 Leonard (phonetic) -- Leonard (phonetic) v. Jet Homes, it is
- 14 cited, where restrictive covenants are imposed upon an area
- included within a single subdivision or plan of development,
- and that's what we've got, a single plan of development,
- 17 300 acres with a golf course in the middle, a clubhouse, and a
- 18 sewer treatment plant -- the restrictions are characterized as
- 19 real rights running with the land and not merely rights
- 20 personal to the vendor. They inure to the benefit and are
- 21 consequently enforceable by all other grantees of property in
- 22 the subdivision in which come under the same plan of
- 23 development. Every one of our homes are under the same plan of
- 24 development. So that was cited in that part that he didn't
- 25 cite for you in his arguments.

- 1 Determining what constitutes a general plan of
- 2 development creating these reciprocal rights and what area is
- 3 included therein, certain standards are applied among which
- 4 are that an intent on the part of the original grantor -- which
- 5 is that original developer, and you will see he's called --
- 6 he's called a developer in his A.D.R.E. reports -- to establish
- 7 such a plan must be found from either his language or
- 8 conduct -- you can see from the CC&Rs one boilerplate was used
- 9 for the whole thing -- and the area covered by the scheme must
- 10 be described so as to clearly be ascertainable.
- 11 So my comment in here, the area covered by the
- 12 scheme is the entire area surrounding the developer's golf
- 13 course. It's easily ascertainable that AKA Desert Lakes Golf
- 14 Course and Estates, had an established plan, especially
- 15 considering it even had its own sewage plant. There was not a
- 16 separate and distinct plan for each of the tracts.
- 17 The master plan is a single plan of development
- 18 that was designed by the subdivider of lots and parcels in the
- 19 various tracts and who was the original developer, which -- and
- 20 it's Desert Lakes Development, L.P., Limited Partnership. The
- 21 remedy of one grantee to -- this is another part of law -- one
- 22 grantee to prevent a violation of or to enforce compliance with
- 23 the restrictions by another is by injunction.
- 24 And I'm saying the Defendants have thumbed their
- 25 noses -- Medhi isn't here, especially Medhi -- thumbed their

- 1 noses at their contract and at the rights of every property
- 2 owner coming under the same plan of development within Desert
- 3 Lakes Golf Course and Estates Subdivision, enforcement of the
- 4 restrictions and remedies by injunction is essential to
- 5 justice.
- 6 As was said in Murphy v. Marino -- I'll give you
- 7 the scripts so you can see one section of the law -- in order
- 8 to create a binding covenant running with the land in a
- 9 subdivision which is enforceable by any purchaser of a property
- 10 therein, there should be a uniform plan of restriction
- 11 applicable to the subdivision as a whole or to a particular
- 12 part known to each purchaser and thereby by reference or by
- implication forming a part of his contract with the subdivider.
- 14 The uniform plan of restriction -- restrictions
- 15 which are pertinent parts of this matter at hand and are
- 16 applicable to the Desert Lake Golf and Estates master planned
- 17 subdivision as a whole is for the 20-foot regular setbacks and
- 18 no signage on unimproved lots.
- These and many other uniform plans of
- 20 restrictions are applicable to the Desert Lakes Subdivision as
- 21 a whole, such as the life of the document and perpetuity,
- 22 invalidations by a Court Order, consequences for violations or
- 23 attempted or threatened violations -- which is another thing
- 24 that Medhi did -- conflicts with zoning ordinances, and the
- 25 very important last provision which I stated before, the

- 1 necessary grammatical change were all specified uniformly
- 2 throughout the five tract versions of the CC&Rs and therefore
- 3 applied to the entire Desert Lakes master planned subdivision
- 4 as a whole.
- I don't know if I -- I can't get through all of
- 6 my pages because I know it took me an hour and a half to read
- 7 it to my husband and you only gave us 30 minutes.
- We couldn't have a continuance, could we maybe?
- 9 THE COURT: (Shakes head.)
- 10 THE PLAINTIFF: No. Okay. So let's see. Where
- 11 these principals must be applied to determine one's right to
- 12 enforce a covenant it becomes --
- 13 THE COURT REPORTER: You are going to have to
- 14 slow down. I know you are limited on time, but I can't keep
- 15 up. I apologize.
- 16 THE PLAINTIFF: I can give you the script, you
- 17 know, I've got it.
- 18 THE COURT REPORTER: If you could just try
- 19 again, please.
- THE PLAINTIFF: From the law of property where a
- 21 tract of land is subdivided into lots and burdened with
- 22 restrictive covenants, real rights are created running with the
- 23 land in favor of each and all of the grantees.
- The basis of the creation of this right is the
- 25 mutuality of burden and the mutuality of benefit as between the

- 1 grantees arising out of the imposition of such restrictions on
- 2 the land itself. This mutuality of burden and benefit
- 3 constitutes reciprocal promises between the grantees each
- 4 supported by that of the other. The --
- 5 THE COURT: All right. Sorry to interrupt,
- 6 Ms. Knight. You've used up your time. And I know that
- 7 Mr. Oehler used more of his time than he anticipated. I do
- 8 have another hearing. I can probably give you each another
- 9 five minutes if you want.
- 10 Mr. Oehler, do you have any objection to that?
- MR. OEHLER: No, Your Honor.
- 12 THE COURT: All right. I'll give you five more
- 13 minutes so -- but I'm not gonna go beyond the five minutes.
- 14 THE PLAINTIFF: Just one question.
- May I give you the evidence and the script
- 16 maybe?
- 17 THE COURT: Generally, even on a Motion to
- 18 Dismiss --
- 19 THE PLAINTIFF: A Summary Judgment where we
- 20 could, you know, written, but you said it was oral, so I
- 21 prepared this. I did all that research.
- 22 THE COURT: Generally on a Motion to Dismiss I
- 23 wouldn't consider any evidence. On a Motion for Summary
- 24 Judgment I would consider the evidence that's submitted with
- 25 the pleadings. So either way, even if I granted oral argument,

- 1 I'm not generally going to consider additional evidence. So if
- 2 you -- so, no, I guess would be the short answer.
- THE PLAINTIFF: I quess you get a minute.
- 4 THE COURT: You've got five more minutes, so --
- 5 THE PLAINTIFF: I have five more?
- THE COURT: Yeah.
- 7 THE PLAINTIFF: Oh. Okay. And thus far the
- 8 Defendant's motion has avoided the critical --
- 9 THE COURT REPORTER: I'm not gonna be able to do
- 10 it, five minutes or not.
- 11 THE COURT: Ms. Knight --
- 12 THE PLAINTIFF: I know. I can't speak slow and
- 13 try to get it all in.
- 14 THE COURT: Well, then you need to figure out
- 15 what's the most important things for you to say because --
- 16 THE PLAINTIFF: Okay. The government even
- joindered, in the legal language, 762 of the property owners'
- 18 lots for -- in the Desert -- what they call the Desert Lakes
- 19 Subdivision by a proposed B.O.S. resolutions 2016-125 and
- 20 2016-126.
- So even the government took out the whole Desert
- 22 Lakes Golf Course Estates Community, we're gonna do a B.O.S.
- 23 resolution, and adjoined all of our lots into one what they
- 24 call the Desert Lakes Subdivision and sent out mailing notices.
- 25 I brought -- I brought in all the notices that came to my

- 1 house. I'm part of -- I'm part of the tract, the Desert Lakes
- 2 Golf Course and Estates.
- And I had to argue to get them to deny that
- 4 B.O.S. resolution that was gonna change the setbacks in the
- 5 entire subdivision when most of our lots are already built, and
- 6 it was gonna take the views away from other people which is
- 7 what happened when Mehdi did this with their home and, you
- 8 know -- I'm sorry this happened to you, and I'm not asking to
- 9 tear down the whole house. And there -- there were some --
- 10 there were some options that could happen in mediation that,
- 11 you know, for how they might remedy their problem. They've got
- 12 a problem.
- And if we had to appeal, if I find -- you want
- 14 me to bring in other Plaintiffs that live in 4076-A, you know,
- 15 this could -- this could go on forever, and I don't know. My
- 16 time is almost up. I leave you the floor.
- 17 THE COURT: All right. You still have three
- 18 minutes left if you have anything else you want to say.
- 19 THE PLAINTIFF: Oh, there's lots, but -- so if
- 20 you're not gonna take any more evidence, I mean, the master
- 21 planned subdivision I was gonna show you Rinauldi's (phonetic)
- 22 statement on that. You already know the -- the road
- 23 department, the planning commission, Glen Ludwig's own
- 24 statement that it's a master -- it's a subdivision -- Desert
- 25 Lakes Golf Course and Estates is a subdivision, and that's part

- of your evidence packet, which, by the way, I asked your clerk,
- 2 Mary King, she's not in here, if you had gotten my Plaintiff's
- 3 objections to his evidence offered in reply or something and
- 4 she said, yes, it was on your desk.
- 5 And when you -- when the notice came out for
- 6 this hearing today, this oral arguments, it wasn't among the
- 7 filed documents that you -- so I'm hoping you have this packet
- 8 as well and the evidence that I did submit. It was filed.
- 9 THE COURT: I've considered that.
- 10 THE PLAINTIFF: Okay. Very good. So you've got
- 11 a lot of that. So you've got my title insurance policy that
- 12 shows that I -- I have CC&Rs. They want to argue I have no
- 13 CC&Rs and I have no setback restrictions, that's not true. We
- 14 all -- we all -- every -- every lot has 20-foot front and rear
- 15 setbacks, and that's where, you know, some people want to take
- 16 advantage of other people and break the rules.
- 17 I think I can't -- I can't qive
- 18 you -- I've got too much here to try to figure out which is
- 19 most important.
- 20 THE COURT: All right. Thank you, Ms. Knight.
- Mr. Oehler, any final argument?
- MR. OEHLER: Briefly, Your Honor.
- I don't think anyone is saying that there are no
- 24 front or side setback requirements. The issue is whether they
- 25 are derivative of the Codes, Covenants, and Restrictions, not

- 1 whether they are derivative of Mohave County setback
- 2 requirements. Of course, Mohave County adjusted the setback
- 3 requirements on the Roberts' home. It went through the hearing
- 4 process and the setbacks were changed to specifically provide
- 5 authority for the Roberts' home as it was built.
- So the argument, Your Honor, is not whether
- 7 there are no setback requirements. The Roberts built their
- 8 home in accordance with the county law. The county grantor
- 9 granted amendment to the then existing county requirement --
- 10 minimum requirements.
- The issue is, Your Honor, whether or not the
- 12 declaration in question can be enforced by this Plaintiff.
- 13 Your Honor, Mrs. Knight is exactly correct, Desert Lakes Tract
- 14 4076-A is a subdivision as is the B Tract, the C Tract, the
- 15 D Tract, the tract in which Mrs. Knight resides.
- The problem, Your Honor, is that each one of
- 17 those subdivisions are a separate subdivision in and of itself
- 18 and that is precisely why each of them with the exception of
- 19 the youngest, the one in which Mrs. Knight resides, has their
- 20 own separate Codes, Covenants, and Restrictions. Every one of
- 21 them do, Your Honor. And I believe there were three or four
- 22 separate owners, separate developers. There is no master set
- 23 of CC&Rs.
- Laughlin Ranch, for instance, and many other
- 25 major subdivisions have an umbrella set of CC&Rs, and then they

- 1 have separate within that master set. That did not occur here.
- 2 We're dealing with independent, independently owned, and
- 3 independently developed subdivisions.
- 4 Mrs. Knight does not live in the A Tract.
- 5 The -- she does not live in the B Tract. She has no standing
- 6 to bring this litigation against my clients. Your Honor, the
- 7 argument that there is one sewer system is, again, simply a red
- 8 herring.
- 9 You know, I would suggest to the Court that
- 10 there is one sewer system in the city of Lake Havasu. At the
- 11 present time there is one sewer system in the city of Bullhead
- 12 City. The fact that there is a single sewer system, even one
- that is privately developed, such as two that my own company
- 14 has developed over the years, because they serve XYZ Tract and
- 15 FGH Tract is irrelevant. It does not bring those subdivisions
- into a master umbrella set of CC&Rs and none was created.
- 17 The law, Your Honor, that we have presented is
- 18 in accordance with the restatement second -- or third, excuse
- 19 me, of property and servitudes, and the Court decisions, even
- 20 though they are not in general from the state of Arizona, all
- 21 clearly specify what it takes for a Plaintiff to bring
- 22 litigation such as that brought by Mrs. Knight, and it gives
- 23 this Court the litmus test of if these elements are present,
- 24 separate CC&Rs, separate developers, separate subdivisions
- 25 developed in separate periods of time, in this case over a

1	12- or 13-year period of time, these were all indications that
2	they are dealt with and to be dealt with separately.
3	And somebody that lives in Subdivision A cannot
4	bring an action to enforce Subdivision A's CC&Rs if they live
5	in Subdivision X, and that's precisely what is before the Cour
6	and the only law that has been presented to this Court in
7	regard to the issues before you today.
8	Thank you, Your Honor.
9	(The proceedings were concluded at 2:49 p.m.)
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
2.5	

1	CERTIFICATE OF REPORTER
2	
3	I, Dawn M. Duffey, Official Reporter in the Superior
4	Court of the State of Arizona, in and for the County of Mohave,
5	do hereby certify that I made a shorthand record of the
6	proceedings had at the foregoing entitled cause at the time and
7	place hereinbefore stated;
8	That said record is full, true, and accurate;
9	That the same was thereafter transcribed under my
10	direction; and
11	That the foregoing (22) typewritten pages constitute
12	a full, true, and accurate transcript of said record, all to
13	the best of my knowledge and ability.
14	Dated at Lake Havasu City, Arizona, this 3rd day of
15	April 2019.
16	
17	
18	
19	
20	
21	
22	Dawn M. Duffey, Registered Professional
23	Reporter, Arizona Certified Reporter No. 50039, California Certified Reporter No. 10401, Navada Cartified Reporter No. 722
24	10491, Nevada Certified Reporter No. 722 Iowa Certified Reporter No. 1357
25	