

When Recorded, Please Return To:

General Construction and Development Inc.
3214 North University Avenue, #605
Provo, UT 84604

Ent 354600 Bk 1005 Pg 0462-0523
ELIZABETH M PALMIER, Recorder
WASATCH COUNTY CORPORATION
2009 NOV 30 8:33am Fee 150.00 JP
FOR EMPIRE LAND TITLE, INC.
ELECTRONICALLY RECORDED

NEIGHBORHOOD DECLARATION OF COVENANTS, CONDITIONS,
EASEMENTS AND PROTECTIVE COVENANTS
FOR
PARK'S EDGE

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THIS NEIGHBORHOOD DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND PROTECTIVE COVENANTS FOR THE TOWNHOMES AT THE RETREAT (this "**Declaration**") is made as of this 17 day of November, 2009, by General Construction and Development, Inc., a Utah corporation ("**Declarant**").

RECITALS:

- A. Declarant holds legal title to certain real property located in the County of Wasatch, State of Utah, described as Parcel A, E, K of Iroquis Phase 6 to be known as "Park's Edge" which property is described in Exhibit A, attached hereto and incorporated herein (the "**Property**" and/or the "**Neighborhood**").
- B. The Property is part of a larger community known as The Retreat at Jordanelle (the "**Community**"). The Community, including the Property, is subject to the terms and subject to that certain Master Declaration of Covenants, Conditions, Easements and Protective Covenants for The Retreat at Jordanelle recorded on 13 Nov 2007 with the official records of Wasatch County, Utah as entry number 328422 Book 953 at page 2350-2432 (the "**Master Declaration**"). Pursuant to the Master Declaration, this Declaration represents the Neighborhood Declaration applicable to the Property. A Plat showing the Parcels comprising the Neighborhood and the Community is attached hereto and incorporated herein as Exhibit B.
- C. To establish efficient management and to preserve the value and appearance of the Neighborhood, the Declarant desires to create a nonprofit corporation that would be assigned the powers and delegated the duties of (i) managing certain aspects of the Neighborhood, (ii) maintaining and administering the Neighborhood Common Areas, (iii) administering, collecting and disbursing funds pursuant to the provisions regarding assessments and charges hereinafter created and referenced, and (iv) performing such other acts that generally benefit the Neighborhood and the Owners. The Townhomes at the Retreat Owners Association, a Utah nonprofit corporation, has or will be incorporated under the laws of the State of Utah for the purpose of exercising the powers and functions aforesaid.
- D. Declarant desires to establish for its own benefit and for the mutual benefit of all future Owners, Mortgagees, Residents, occupants or other holders of an interest in the Neighborhood, or any part thereof, certain easements and rights and certain mutually beneficial covenants, restrictions and obligations with respect to the proper development, use and maintenance of the various parcels within the Neighborhood.
- E. Declarant desires and intends that the Owners, Mortgagees, Lessees, Occupants, Residents and other persons hereafter acquiring any interest in or otherwise utilizing

property within the Neighborhood, shall at all times enjoy the benefits of, and shall hold their interest subject to the rights, easements, privileges, covenants and restrictions hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the aesthetic and cooperative aspects of the Neighborhood and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Neighborhood.

- F. By this Declaration, Declarant intends to establish a common scheme and plan for the possession, use, enjoyment, repair, maintenance, restoration and improvement of the Neighborhood and the interests therein conveyed and to establish thereon a planned community.
- G. In order to cause this Declaration to run with the land comprising the Neighborhood and to be binding upon the Neighborhood and the Owners thereof from and after the date of this Declaration is Recorded, Declarant hereby makes all conveyances within the Neighborhood, whether or not so provided in the conveying instruments, subject to the Covenants herein set forth; and by accepting deeds, leases, easements or other grants or conveyances to any portion of the Neighborhood, the Owners and other transferees for themselves and their heirs, executors, administrators, trustees, personal representatives, successors and assigns, agree that they shall be personally bound by all of the Covenants (including but not limited to the obligation to pay Assessments) hereinafter set forth except to the extent such persons are specifically excepted herefrom.

NOW, THEREFORE, Declarant does hereby declare and establish the following covenants, conditions, easements, and protective covenants:

ARTICLE I

Definitions

1.1 “**Additional Land**” means and consists of any other real property located not more than two miles from the exterior boundaries of the real property described in Exhibit A that Declarant or Declarant’s Affiliate now owns or in the future may own. This Declaration is not intended as and should not be deemed to constitute any lien, encumbrance, restriction, or limitation upon the Additional Land unless and until such land is incorporated as part of the Neighborhood in accordance with the provisions of this Declaration.

1.2 “**Architectural Control Committee**” or “**ACC**” means the Architectural Control Committee established by the Association.

1.3 “**Architectural Guidelines**” mean those guidelines described in, Section 12.5 of this Declaration.

1.4 “**Area of Common Responsibility**” means the Common Area, together with those areas, if any, which by the terms of this Declaration, Master Plan, a development agreement or other agreement with a Municipal Authority become the responsibility of the Association, such as any public parks, trails, etc. The office of the property manager contracting with the Association, if located within the Neighborhood, or any public rights-of-way within or adjacent

to Neighborhood, may be part of the Area of Common Responsibility.

1.5 “Articles of Incorporation” or “Articles” mean the Articles of Incorporation of The Townhomes at the Retreat Owners Association, Inc., a Utah nonprofit corporation, as filed with the Secretary of State of the State of Utah.

1.6 “Association” means The Townhomes at the Retreat Owners Association, Inc., a Utah nonprofit corporation, its successors or assigns.

1.7 “Base Assessment” means the assessments levied against all Units in the Neighborhood to fund Common Expenses.

1.8 “Board” means the Board of Directors of the Association.

1.9 “Bulk Provider” means a private, public or quasi-public utility or other company which provides, or proposes to provide, cable television, satellite television, high speed internet, security monitoring or other electronic entertainment, information, communication or security services, or concierge or other personal services to the Owners, Occupants, or Units within the Neighborhood pursuant to a Bulk Service Agreement.

1.10 “Bulk Service Agreement” means an agreement between the Association and a Bulk Provider pursuant to which the Bulk Provider would provide cable television, satellite television, high speed internet, security monitoring or other electronic entertainment, information, communication or security services, or concierge or other personal services, to Owners, Occupants or Units within the Neighborhood.

1.11 “By-Laws” mean and refer to the By-Laws of the Association, attached hereto as Exhibit C and incorporated herein by reference, as they may be amended from time to time.

1.12 “Common Area” means all real and personal property that the Association now or hereafter owns or otherwise holds for the common use and enjoyment of all Owners exclusively within the Neighborhood, which Common Area is so designated by Declarant, in Declarant’s sole discretion.

1.13 “Common Expenses” mean and include the actual and estimated expenses incurred by the Association for the general benefit of all Owners within the Neighborhood, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the By-Laws, and the Articles of Incorporation of the Association, and may include, without limitation, when determined by the Board, expenses incurred in bringing or defending lawsuits and other litigation expenses.

1.14 “Community” means The Retreat at Jordanelle, and any Additional Land which is hereafter made subject to the Master Declaration.

1.15 “Community-Wide Standards” means those standards of aesthetics, environment, appearance, architectural design and style, maintenance, conduct and usage generally prevailing within the Community as set forth in the Master Declaration.

1.16 “Declarant” means collectively General Construction and Development, Inc., a Utah corporation, and its successors or assigns which take title to any portion of the Neighborhood for the purpose of development and/or sale and who are designated as Declarant hereunder in a recorded instrument executed by the immediately preceding Declarant.

1.17 “Declarant Control Period” means a period of time commencing as of the date of this Master Declaration and expiring upon the first to occur of: (a) the date that Declarant no longer owns a Unit in the Neighborhood, or (b) the date that is ten (10) years from the date this Declaration is recorded in the Official Records of Wasatch County.

1.18 “Equivalent Units” means a unit of residential density allocated by the Final Approval to the Neighborhood and then assigned to each Unit, as provided in Sections 12.1 and 11.2 of this Declaration, for purposes of allocating Base Assessments and Special Assessments among the Units subject to such assessments, as provided in Article XII.

1.19 “Exclusive Common Area” means any Common Area located on a Parcel within the Neighborhood that exclusively serves the Units located on such Parcel within the Neighborhood and that is designated as Exclusive Common Area by Declarant or the Association.

1.20 “Final Approval” means the Final Approval for the Neighborhood adopted by the Wasatch County, Utah, as amended from time to time.

1.21 “Governing Documents” means all documents and applicable provisions thereof as set forth in this Declaration, any Supplemental Declaration, the By-Laws and Articles Incorporation of the Association, Rules and Regulations, Architectural Guidelines, all written decisions and resolutions of the ACC and Board, and any lawful amendments to any of the foregoing.

1.22 “Improvements” means any improvement now or hereafter constructed within the Neighborhood and includes anything that is a structure and appurtenances thereto of every type and kind, including but not limited to any (a) Townhouse, building, shed, guest house, screening wall, accessory building, fence, or wall; (b) any walkway, garage, road, driveway or parking area; (c) any mailbox, sign, covered patio, stairs, deck, fountain, artistic work, craft work, figurine, ornamentation or embellishment of any type or kind (whether or not affixed to a structure or permanently attached to a Unit); (d) any radio or television antenna or receiving dish; (e) any paving, exterior lights, curbing, trees, shrubs, hedges, grass, windbreak, or other landscaping improvements of every type and kind; (f) any excavation, fill, retaining wall or other thing or device which affects the natural flow of surface water or the flow of water in a natural or artificial stream, wash or drainage channel, and related fixtures and equipment, and (g) any other structure of any kind or nature.

1.23 “Lessee” means the lessee or tenant under a lease, oral or written, of any Unit, including an assignee of the lessee’s or tenant’s interest under a lease.

1.24 “Limited Common Area” means that portion of the Common Area immediately adjacent to a Unit that is designated by the Board as limited common area for the use of the

Owner of the adjacent Unit, for such purposes as the construction and use of a patio, hot tub, or similar type of improvement.

1.25 “Master Association” means The Retreat at Jordanelle Owners Association, Inc., a Utah nonprofit corporation, its successors or assigns.

1.26 “Master Plan” means that certain Master Plan for Phase 6 of the Iroquis Development duly recorded in the Office of the Wasatch County Recorder, State of Utah, as Entry No ____, as the same may be amended from time to time.

1.27 “Member” means a Person entitled to membership in the Association, as provided herein.

1.28 “Mortgage” means a mortgage, a deed of trust, a deed to secure debt, or any other form of security deed.

1.29 “Mortgagee” means a beneficiary or holder of a Mortgage.

1.30 “Mortgagor” means any Person who gives Mortgage.

1.31 “Municipal Authority” means any applicable governmental entity or municipality that has jurisdiction over all or some part of the Neighborhood including without limitation Wasatch County, Utah.

1.32 “Neighborhood” collectively means the three parcels that comprise the Neighborhood (i.e., Parcels B, C, F, G, L, M, N, O, and P of Iroquis Phase 6) together with all easements, rights-of-way, and other rights appurtenant to or accompanying the above-referenced real property.

1.33 “Neighborhood Assessments” means assessments levied against the Units within a particular Neighborhood to fund the costs and expenses incurred by either the Association regarding Areas of Common Responsibility or Exclusive Common Areas within such Neighborhood.

1.34 “Occupant” means any Person other than an Owner, who has actual use, possession or control of a Unit or any portion thereof, or any other Improvement located within the Neighborhood.

1.35 “Owner” shall mean and refer to one (1) or more Persons who hold the record title to any Unit within the Neighborhood, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Unit is subject to a written lease with a term in excess of one (1) year and the lease specifically so provides, then upon filing a copy of the lease with the Board the lessee (rather than the fee owner) will be considered the Owner for the purpose of exercising all privileges of membership in the Association.

1.36 “Parcel” means one of the three parcels of land comprising the Property (i.e., Parcels A, E, and K of Iroquis Phase 6).

1.37 “**Person**” means a natural person, a corporation, a partnership, a trustee, or any other legal entity.

1.38 “**Plat**” means that certain plat entitled as PARK’S EDGE, duly Recorded, as the same may be amended from time to time, and which is incorporated herein by this reference.

1.39 “**Public View**” means, as to each Unit, visibility of a location on the lot or exterior of the Unit from a Street or Common Area.

1.40 “**Record,**” “**Recording,**” “**Recorded**” and “**Recordation**” means placing or having placed an instrument of public record in the official records of Wasatch County, Utah.

1.41 “**Regulated Modification**” means (without implication that any particular matter is permitted or prohibited by this Declaration and without limitation as to Article XII of this Declaration as set forth below) the commencement, placement, construction, reconstruction or erection of, or modification, alteration, or addition to, any building, structure, improvement, thing or device, and any usage thereof, whether temporary or permanent, which may affect, modify or alter the aesthetics, environment, architectural scheme, appearance or standards, patterns of usage, or grades or topography generally prevailing within the Neighborhood as of the date of establishment of the Regulated Modification, excluding any such matters or activities conducted by Declarant or Association, but including by way of illustration and not of limitation:

1.41.1 any building, garage, porch, shed, bathhouse, coop or cage, covered or uncovered patio, children’s play fort or play set and any other recreational devices or equipment used outside of a Unit, fence, wall or other screening device, curbing, paving, wall, trees, shrubbery and any other landscaping, fountains, statuary, lighting fixtures, signs or signboard, or any temporary or permanent living quarters, and any other temporary or permanent modification or alteration;

1.41.2 any other building, structure, improvement, thing or device, and any activities related thereto and any usage thereof, as specified from time to time by applicable Architectural Guidelines, whether temporary or permanent, which may affect, modify or alter the aesthetics, environment, architectural scheme, appearance or standards, patterns of usage, or grades or topography generally prevailing in the Neighborhood.

1.42 “**Related Parties**” means and applies as follows:

1.42.1 Lessees or other Occupants of each Owner’s Unit are Related Parties of that Owner, and with respect to each such Owner, tenant or other occupant, Related Parties include: (i) their respective family and other household members (including in particular but without limitation all children and other dependents), (ii) their respective guests, invitees, servants, agents, representatives and employees, and (iii) all other Persons over which each has a right of control or under the circumstances could exercise or obtain a right of control.

1.42.2 Related Parties of the Association, ACC and Declarant include their respective officers, directors, partners, co-venturers, committee members, servants, agents, representatives and employees regarding all acts or omissions related to any of the foregoing representative capacities.

1.43 “**Residential Tract**” means a legally subdivided lot of real property within the Neighborhood intended for independent ownership.

1.44 “**Rules and Regulations**” shall mean the current applicable Rules and Regulations as same may be supplemented, amended, modified or repealed as provided in Section 9.3 of this Declaration.

1.45 “**Special Assessment**” shall mean and refer to assessments levied in accordance with Section 12.3 of this Declaration.

1.46 “**Special Service Districts**” means one or more special service districts, including without limitation the Jordanelle Special Service Districts, which may be or have been established to provide the Neighborhood with, among other things, waste water treatment and disposal services, fire protection service, road maintenance, emergency services, special lighting facilities for nonstandard street lights, culinary water and facilities including pump stations, snow plowing and school bus stop shelters.

1.47 “**Supplemental Declaration**” shall mean an amendment or supplement to this Declaration executed by or consented to by Declarant which subjects additional property to this Declaration. A Supplemental Declaration may, but need not, impose, expressly or by reference, additional restrictions and obligations on the land described therein, or may modify or delete any restriction or obligation of this Declaration as same applies to the land described therein. The term shall also refer to the instrument recorded by the Association pursuant to Section 10.2 of this Declaration to subject Additional Property to this Declaration.

1.48 “**Townhouse(s)**” means any dwelling unit situated within the Neighborhood and attached to one or more other dwelling units in a row of at least two such units in which each unit has its own front access to the outside, no unit is located over another unit, and each unit is separated from any other unit by one or more common party wall, designed and intended for separate, independent use and occupancy as a townhouse secondary residence, or for overnight or longer residential accommodations. The term “Townhouse” shall include the exterior elements of a Townhouse that constitute part of the Common Areas.

1.49 “**Unit**” means a Residential Tract and any Townhome or Improvements constructed or located thereon, including, but not limited, to all exterior elements of the Townhome and the Improvements. A Unit shall exclude any Common Areas.

1.50 “**Visible Location**” means a location in the Neighborhood which is in Public View.

ARTICLE II

Declaration

2.1 **Declaration.** Declarant hereby declares that all of the real property described in Exhibit “A” and any Additional Land which is hereafter subjected to this Declaration by a Supplemental Declaration shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the desirability of

and which shall run with the real property subjected to this Declaration and which shall be binding on all parties having any right, title, or interest in the Neighborhood or any part thereof, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each owner thereof. All of the property within the Neighborhood shall be held, sold and conveyed subject to this Declaration, including any of the Additional Land hereafter made subject to this Declaration by the recordation of a Supplemental Declaration. By acceptance of a deed or by acquiring any interest in any of the property subject to this Declaration, each Person, for himself, herself or itself, and his, her or its heirs, personal representatives, successors, transferees and assigns, binds himself, herself or itself, and his, her or its heirs, personal representatives, successors, transferees and assigns, to all of the provisions, restrictions, covenants, conditions, rules and regulations now or hereafter imposed by this Declaration. In addition, each such Person by so doing acknowledges that this Declaration sets forth a general scheme for the development and use of the Neighborhood and evidences his, her or its agreement that all the restrictions, conditions, covenants, Rules and Regulations contained in this Declaration shall run with the land and be binding on all subsequent and future Owners, grantees, purchasers, assignees, lessees and transferees thereof. Furthermore, each such Person fully understands and acknowledges that this Declaration shall be mutually beneficial, prohibitive and enforceable by the Association and all Owners.

2.2 Development of Neighborhood. Notwithstanding the foregoing, no provision of this Declaration shall be construed or enforced to prevent or limit the Grantor's right to complete development of the Neighborhood in accordance with the plan therefor as the same exists or may be modified from time to time by the Declarant nor prevent normal construction activities during the construction of Improvements within the Neighborhood. No development or construction activities shall be deemed to constitute a nuisance or violation of this Declaration by reason of noise, dust, presence of vehicles or construction machinery, erection of temporary structures, posting of signs or similar activities, provided that the same are actively, efficiently and expeditiously pursued to completion. In the event any dispute concerning the foregoing shall arise, a temporary waiver of the applicable provision(s) of this Declaration may be granted by the Architectural Control Committee, provided that such waiver shall be for a reasonable period of time. Any such waiver need not be recorded and shall not constitute an amendment of this Declaration.

2.3 Allocation of Equivalent Units. Pursuant to the Master Plan and the Final Approval, certain Equivalent Units were assigned to the various parcels comprising the Neighborhood. Subject to the approval of the controlling Municipal Authority, Declarant, its successors and assigns, may unilaterally transfer the Equivalent Units from one parcel to other parcels within the Neighborhood, provided that such transfer or assignment does not enlarge the total maximum number of Equivalent Units allocated by the Municipal Authority to the Neighborhood and does not increase the total number of Townhouses to be developed within the Neighborhood as approved in the Final Approval and the Master Plan.

2.4 Conflicts with Law. In the event of any conflicts between the provisions of this Declaration and the requirements of the applicable ordinances of any Municipal Authority, the more restrictive provisions shall control.

2.5 No Condominium. Declarant and each Owner hereby agree and understand that the Neighborhood is not, by execution and recording of this Declaration, being submitted to the provisions of the Condominium Ownership Act (U.C.A. §57-8-1, et seq.). This Declaration does not constitute a declaration as provided for in the Act and the provisions of the Act shall not be applicable to Neighborhood or any portion thereof, including without limitation all or a portion of the Additional Land made subject to this Declaration by the recordation of one or more Supplemental Declarations.

2.6 Development. Unless otherwise determined by Declarant, Declarant in its sole and exclusive discretion, intends to and shall have the right to construct all Townhomes within the Neighborhood. A purchaser, transferee or an Owner of a Residential Tract shall not have the right to independently construct a Townhome thereon, or approve or supervise the construction of any Townhome. Notwithstanding the foregoing intention to construct all of the Townhomes, Declarant reserves the right to sell, convey, transfer, assign or otherwise dispose of any Residential Tract, without first constructing a Townhome thereon.

2.7 Readjustment of Parcel and Residential Tract Boundaries. Declarant hereby reserves for itself, Declarant Affiliates and Declarant's successors and assigns, the right to effectuate minor realignment and adjustment of the boundary lines between Parcels and/or Residential Tracts for purposes of proper configuration and final engineering of the Neighborhood; provided that any such realignment and adjustment does not affect any existing Townhome or Improvement (other than landscaping) on the affected Residential Tract. The authority to realign and adjust such Parcel and/or Residential Tract boundary lines shall be exclusively reserved to the Declarant, Declarant Affiliate and Declarant's successors or assigns, in their sole and reasonable discretion, subject to the other provisions of this Section 2.6. All Owners specifically acknowledge and agree that they shall cooperate with Declarant to effectuate such minor realignment and adjustment of their respective Residential Tract boundary lines by deed in form and content as requested by the Declarant for the purposes of proper configuration and final engineering of the Parcels and Residential Tracts in relationship to the development of the Neighborhood. Further, all Owners acknowledge and agree that no amendment to this Declaration or the Master Plat shall be required to effectuate any Parcel or Residential Tract boundary line adjustments so long as such adjustments are made pursuant to Utah Code Ann. §17-27-808(7), as amended. More particularly, boundary line adjustments between adjacent Parcels/Residential Tracts may be executed upon the approval of the appropriate Municipal Authority and upon recordation of an appropriate deed if:

(a) No new Townhouse or Improvement results from the Residential Tract boundary line adjustment and exchange of title;

(b) The appropriate Municipal Authority and adjoining property Owners consent to the boundary line adjustment (such Owners' consent to be granted as described above);

(c) The adjustment does not result in violation of applicable Municipal Authority zoning requirements; and

(d) The appropriate Municipal Authority Records a notice of approval in

accordance with Utah Code Ann. §17-27-808(7)(c), as amended.

2.8 Development Plan. Notwithstanding any other provision of this Declaration to the contrary, and subject to the appropriate Municipal Authority, Declarant, without obtaining the consent of any other Owner or Person, shall have the right to make changes or modifications to its plan of development with respect to any Parcels or Residential Tracts owned by the Declarant in any way which the Declarant desires including, but not limited to, changing all or any portion of the Parcels or Residential Tracts owned by the Declarant or changing the nature or extent of the uses to which such Parcels or Residential Tracts may be devoted.

ARTICLE III **Property Rights**

3.1 Common Area. Every Owner shall have a right and nonexclusive easement of use, access and enjoyment in and to the Common Area, subject to:

(a) this Declaration as it may be amended from time to time, any applicable Supplemental Declaration, and any restrictions or limitations contained in any deed conveying the Common Area to the Association;

(b) the right of the Board to limit the number of guests who may use the Common Area, and to adopt other rules regulating the use and enjoyment of the Common Area;

(c) the right of the Board to suspend the right of an Owner to use recreational facilities within the Common Area (i) for any period during which any charge against such Owner's Unit remains delinquent, and (ii) for a period not to exceed thirty (30) days for a single violation or for a longer period in the case of any continuing violation, of this Declaration or the other Governing Documents, after notice and a hearing pursuant to the By-Laws;

(d) the right of the Association, acting through the Board, to dedicate or transfer all or any part of the Common Area to the extent expressly authorized herein;

(e) the right of the Board to impose membership requirements and charge admission or other fees for the use of any recreational facility situated upon the Common Area;

(f) the right of the Board to permit nonmember use of any recreational facility situated on the Common Area upon payment of use fees established by the Board;

(g) the right of the Association, acting through the Board, to mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred; and

(h) the right of Declarant or the Association to grant to certain Owners the exclusive use of portions of the Common Areas, which areas are designated Exclusive Common Areas, as more particularly described in Section 3.2 below.

Any Owner may delegate his or her right of use and enjoyment to his or her Related

Parties, subject to reasonable regulation by the Board and in accordance with procedures it may adopt. An Owner who leases his or her Unit shall be deemed to have delegated all such rights to the Unit's lessee.

3.2 Exclusive Common Areas. Declarant, in Declarant's sole discretion, may designate portions of the Common Areas as "Exclusive Common Areas" which are reserved for the exclusive use of Owners and their Related Parties within a particular Parcel within the Neighborhood. All costs associated with operation, maintenance, repair, replacement and insurance of Exclusive Common Areas shall be assessed as a Parcel Assessment, as defined herein, against the Owners of Units located on such Parcel for whose benefit the Exclusive Common Areas are designated. By way of illustration and not limitation, Exclusive Common Areas may include recreational facilities intended for the exclusive use of Owners of Units located on a particular Parcel and supported exclusively by Parcel Assessments against such Parcel(s) within the Neighborhood.

Declarant may designate any Exclusive Common Areas as such, and assign the exclusive use thereof, by any of (a) the deed conveying the Common Area to the Association, (b) the Supplemental Declaration covering the particular Parcel benefited by the Exclusive Common Area, or (c) the recorded Plat covering the particular Parcel(s). Further, Declarant, during the Declarant Control Period, or thereafter, the Association, may convert one or more areas of Common Area to Exclusive Common Area for one or more particular Parcels within the Neighborhood, or may convert Exclusive Common Area to Common Area. Any such action by the Association will require the vote of both (i) a majority of the total Association votes, and (ii) a majority of the votes within the Parcel(s) to which the Exclusive Common Areas either is to be assigned or from which Exclusive Common Area is to be converted to Common Areas.

Notwithstanding the above, any Supplemental Declaration establishing a Neighborhood may establish Exclusive Common Areas. Any Exclusive Common Area designated to a particular Parcel within the Neighborhood will be maintained by the Association pursuant to the terms and conditions of the Supplemental Declaration, and the Owners within such Parcel shall be responsible to pay the costs thereof through assessments to the Association.

ARTICLE IV

Membership and Voting Rights

4.1 Membership. Every Owner shall be deemed to have a membership in the Association. No Owner, whether one (1) or more Persons, shall have more than one (1) membership per Unit owned. In the event the Owner of a Unit is more than one (1) Person, the vote for such Unit shall be exercised as provided below. The membership rights of a Unit owned by a corporation or partnership shall be exercised by the individual designated from time to time by the Owner in a written instrument provided to the secretary of the Association, subject to the provisions of this Declaration and the By-Laws.

4.2 Voting. The Association shall have two (2) classes of membership, Class "A" and Class "B" as follows:

4.2.1 Class "A". Class "A" Members shall be all Owners, including Declarant,

with the exception of the Class “B” Member, if any. Each Class “A” Member shall be entitled to one (1) equal vote for each Unit in which they hold the interest required for membership under Section 4.1 hereof (without adjustment for Equivalent Units); there shall be only one (1) vote per Unit.

4.2.2 Class “B”. The Class “B” Member shall be Declarant. The Class “B” Member has the right to disapprove actions by the Board. Other rights of the Class “B” Member, including the right to approve actions taken under this Declaration and the other Governing Documents, are specified elsewhere in this Declaration and the other Governing Documents. During the Declarant Control Period, the Declarant as the sole owner of the Class “B” shares shall be the sole entity entitled to vote on all matters and to appoint the members of the Board. Since the Declarant has the sole voting rights during the Declarant Control Period, the annual meeting during the Declarant Control Period shall solely include the Declarant and shall not include any Class “A” Members, and the Declarant shall not be obligated to provide any notices of any meetings of the Class “B” Member to any of the Class “A” Members. Upon expiration of the Declarant Control Period, the Class “B” Membership shall cease, and only Declarant’s Class “A” Membership shall remain. Declarant, in Declarant’s sole discretion, by a notice filed in the Official Public Records of Wasatch County, Utah, may elect to terminate the Declarant Control Period at any time, but shall not be required to do so.

4.2.3 Suspension of Voting Rights. The Board may elect to prohibit an Owner from exercising any voting rights as a Member of the Association during any period in which the Owner is delinquent in the payment of any Assessments.

4.3 Multiple Owners. When more than one Person holds an ownership interest in a Unit (such as husband and wife,), all such Persons are Members, but in no event will they be entitled to more than one vote with respect to each particular Unit owned. The single vote, approval, or consent of such joint Owners must be cast or given in accordance with the decision of a majority, or if such joint Owners cannot reach a majority decision, then none of the joint Owners will be permitted to vote, approve, or consent as to any such matter upon which a majority decision cannot be reached. The vote, approval or consent of any single Owner from among such joint Owners is conclusively presumed to be cast or given in accordance with the decision of the majority of the joint Owners and with their full authority, but the Unit’s vote shall be suspended if more than one (1) Person seeks to exercise it.

4.4 Appurtenant Right. Membership shall be appurtenant to and shall run with the property interest which qualifies the Owner thereof for membership, and membership may not be severed from, or in any way transferred, pledged, mortgaged, or alienated except together with the title to such property interest.

ARTICLE V

Maintenance

5.1 Association’s Responsibility. The Association shall use a reasonable standard of care in providing for the maintenance, repair, and replacement of: (a) the Area of Common Responsibility, which shall include the following: (i) all landscaping and other flora, including, but not limited to lawns, shrubs, trees, irrigation systems, etc., (ii) all paved surfaces, including,

but not limited to, any private streets or drives, sidewalks, walkways, driveways to Units, etc., (iii) fences or walls, (iv) any recreation equipment, and (v) landscaped medians within public rights-of-way throughout the Neighborhood (subject to the terms of any license agreements pertaining thereto); and (b) the exterior elements of all Units, including, but not limited to, exterior walls, roofs, rain gutters and downspouts, overhangs, gables and eaves, exterior side of outside doors and garage doors, exterior lighting, porches, decks (installed as part of the original construction), railings, patios, etc., including, but not limited to, all necessary routine maintenance inspections, maintenance, and repairs. The Association's maintenance of any paved surfaces shall include the removal of any snow and ice thereon in a timely manner. The Association shall inspect the decks and roofs and appurtenant features annually for any needed maintenance and shall perform any needed maintenance in a timely fashion to prevent leaks and any possible water damage. The Association's obligations shall be subject to the Association's and the Owner's repair and restoration obligations in the event of any damage or destruction as discussed more particularly in Article VII. The Association may maintain other property which it does not own, including, without limitation, property dedicated to the public, such as park strips, if the Board determines that such maintenance is necessary or desirable in its discretion.

Except as otherwise specifically provided herein, all costs associated with maintenance, repair and replacement of the Area of Common Responsibility and the exterior elements of Units shall be a Common Expense to be allocated among all Units as part of the Base Assessment, notwithstanding that the Association may be entitled to reimbursement from the Owner(s) of certain portions of the Area of Common Responsibility pursuant to this Declaration, other recorded covenants, or agreements with the owners) thereof. If any Owner causes damage to the Area of Common Responsibility either through negligence or intentional act, the Association may assess the cost and expense to repair such damage to the Owner as a Special Assessment.

5.2 Owners' Responsibilities.

5.2.1 General. Each Owner must maintain the interior of its Unit in a good, attractive, clean, and sanitary condition. Notwithstanding the Association's responsibilities for snow and ice removal, to the extent feasible under the circumstances each Owner will immediately remove any snow or ice on the walkways immediately adjacent to the Unit to minimize the risk of accident or injury. Each Owner shall comply with any and all applicable laws and shall not cause or permit any private or public nuisance on its Unit, such as excessive noise, odor, dust, vibration, or any other activity that would reasonably disturb other Owners and Occupants within the Neighborhood or Community. It is represented and acknowledged that decks that may be attached to Units are not designed to handle heavy loads, such as spas and plants, and deck surfaces are not designed to have regular watering of plants, which will each soil additives onto the deck and damage the deck. The Association reserves the right to establish and promulgate a maintenance manual regarding the maintenance of decks and other items. The Owner shall comply with the requirements set forth in such maintenance manual relating to items of Owner's responsibility. The Owner releases the Association, the Developer, any architects, contractors and suppliers for any damage to the decks resulting from Owner's actions or failure to comply with the maintenance recommendations related to the Unit, any decks, and any other element of the Unit or the Townhouse.

5.2.2 Landscaping. Any landscaping, shrubbery, trees, flowers, etc. to be placed

on the Common Areas must be reviewed and approved by the ACC. If any Owner installs any landscaping, flowers or vegetation on the Common Area immediately outside of such Owner's Unit and if such landscaping requires special care, such Owner shall provide any additional care need for such landscaping.

5.2.3 Owners' Insurance; Casualty. Each Owner shall maintain a home owner's policy of insurance insuring its Unit and the contents thereof.

5.2.4 Disturbance of Common Area. An Owner shall not disturb or damage any portion of the Common Area without first obtaining the approval of the ACC or the Board, as the case may be.

5.2.5 Right of Entry and Inspection; Owner's Default. In the event the Board or ACC determines that: (i) an Owner may have or has failed or refused to discharge properly the Owner's maintenance obligations as provided in this Article, (ii) the need for maintenance, repair, or replacement which is the responsibility of the Association hereunder may have or has been caused through the intentional or negligent act or omission of an Owner, or the Owner's Related Parties, or (iii) a condition exists on a Unit which may increase the possibility of a fire or other hazards, then the Association may conduct inspections of any affected Unit and the residence and all buildings, structures and other improvements thereon (a "**Compliance Inspection**") and/or perform the repair, replacement or maintenance (the "**Required Work**") in accordance with the following:

5.2.5.1 If the Board or ACC determines that a violation of this Article may exist, the Board or ACC and their representative may inspect the Unit, and to conduct such tests, measurements and other investigative work as may be reasonably required to confirm that a violation does or does not exist. Except in the event of an emergency, the Association must give written notice of the Association's intent to conduct a Compliance Inspection. The notice must state generally the nature of the suspected violations. The notice must also state the name, address and telephone number of a contact with whom to schedule a date and time for the inspection within ten (10) days of the date of the notice (or such longer time as may be stated in the notice), and must state that if a date and time is not so scheduled the Compliance Inspection may be conducted at any time within forty-five (45) days after the date of the notice.

5.2.5.2 Except in the event of an emergency, the Association must give written notice of the Association's intent to provide Required Work. The notice must set forth the Required Work with reasonable particularity. The Owner of the Unit to which the notice of Required Work pertains will have ten (10) days within which to complete the Required Work as set forth in such notice, or, in the event the Required Work is not capable of completion within a ten-day period, to commence the Required Work within ten (10) days and to complete same within a reasonable time not to exceed thirty (30) days unless otherwise specifically approved by the Board or ACC. The affected Owner must give written notice of the completion of Required Work stating in detail the Required Work which has been completed. The Board or ACC may also conduct a Compliance Inspection to confirm completion of all Required Work.

5.2.5.3 A Compliance Inspection notice and a notice as to

Required Work must be delivered or mailed to the street address of the affected Unit.

5.2.5.4 If any Owner fails to schedule an inspection pursuant to a Compliance Inspection notice, the Association has the right (but not the obligation), through its designated representatives, to inspect the Unit. If any Owner fails fully to comply with a notice as to Required Work, the Association has the right (but not the obligation), through its designated representatives, to do all things to the exterior of the Unit and the exterior of any other Improvements, and to all other portions of the Residential Tract to commence and complete the Required Work. In case of emergency the Association has the right (but not the obligation), through its designated representatives, to immediately take all actions reasonably necessary to abate the emergency.

5.2.5.5 The good faith determination by the Board or ACC as to the need for a Compliance Inspection and as to all aspects of Required Work is final and conclusive, and extends to any thing or condition as to any Unit, or which adversely affects any other Unit or any Common Area. Neither the Association nor any of its representatives may be held liable for trespass or any other tort or claim for damages in connection with any actions or failure to act pursuant to this Section.

5.2.5.6 If a violation is confirmed, all reasonable costs and expenses as to conducting a Compliance Inspection and as to all aspects of Required Work which is performed by the Association pursuant to this Section, as determined in the sole opinion of the Board or ACC, shall be paid by the Owner of the Unit, and are secured by the continuing assessment lien established by this Declaration against such Owner's Unit.

5.2.5.7 The provisions hereof are cumulative of the provisions of this Declaration, and otherwise as set forth in this Declaration.

5.3 Party Walls.

5.3.1 General Maintenance of Party Walls. Each Owner shall maintain and repair the surface and non-structural elements of any party wall that separates any two (2) adjoining Units facing such Owner's Unit.

5.3.2 Structural Repair and Maintenance. The costs to maintain and repair the structural elements of any party wall that separates any two (2) adjoining Units shall be equally shared by the adjoining Unit Owners.

5.3.3 Damage and Destruction. If a party wall is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any adjoining Unit Owner may repair and restore the party wall. If any adjoining Unit Owner thereafter makes use of the party wall, such Unit Owner shall contribute its proportionate share toward the cost of repair and restoration. Notwithstanding the above, the Owner who repaired and restored the party wall may require a larger contribution from any Owner under any rule of law regarding liability for negligent or willful acts or omissions. In the event any damage or destruction is covered by insurance, the party receiving any insurance proceeds hereby waives right of recovery and of subrogation against the other adjoining Unit Owner(s).

5.3.4 Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

5.3.5 Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Section, each Owner will attempt in good faith to amicably resolve the dispute, including participating in mediation. If the dispute cannot be resolved informally or amicably, each Owner agrees to participate in arbitration to resolve the dispute. Each Owner involved in the dispute shall appoint one (1) arbitrator. Should any Owner refuse to appoint an arbitrator within ten (10) days after written request by the Board, the Board shall appoint an arbitrator for the refusing Owner. The arbitrators will then mutually appoint one (1) or two (2) additional arbitrators so that the total number of arbitrators is an odd number. The decision by a majority of the arbitrators shall be binding upon the Owners and shall be a condition precedent to any right of legal action that either Owner may have against another Owner. The costs of the arbitrators and the arbitration shall be assessed against the non-prevailing Owner(s) in the arbitration.

5.4 Utility Lines. Any utility lines that exclusively serve a Unit shall be maintained and repaired by the Owner of the Unit served by such utility lines. Any utility lines that service more than one Unit shall be maintained and repaired by the Association, and the cost of such maintenance and repair shall be allocated either among all the Units as part of the Base Assessments or to the Owners of the Units that are served by such utility lines in an equitable manner as decided by the Association in its sole discretion as part of a Special Assessment. Notwithstanding the above, to the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

5.5 Security. The Association may, but shall not be obligated to, maintain or support, certain activities within the Neighborhood designed to make the Neighborhood safer than it otherwise might be. NEITHER THE ASSOCIATION AND THE BOARD, THE DECLARANT, THE ACC (COLLECTIVELY, THE "**NEIGHBORHOOD GOVERNING BODIES**") SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE NEIGHBORHOOD OR THE COMMUNITY, AND THE NEIGHBORHOOD GOVERNING BODIES SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS, OCCUPANTS, LESSEES, GUESTS AND INVITEES OF ANY OWNER OR OCCUPANT, AS APPLICABLE, ACKNOWLEDGE THAT THE NEIGHBORHOOD GOVERNING BODIES DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM OR BURGLAR ALARM SYSTEM DESIGNATED BY OR INSTALLED ACCORDING TO THE DESIGN GUIDELINES MAY NOT BE COMPROMISED OR CIRCUMVENTED, THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP, OR OTHERWISE NOR THAT FIRE PROTECTION OR BURGLARY ALARM SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER, OCCUPANT, TENANT, GUEST OR INVITEE OF AN OWNER OR OCCUPANT, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS

THAT THE NEIGHBORHOOD GOVERNING BODIES ARE NOT INSURERS AND THAT EACH OWNER, OCCUPANT, LESSEE, GUEST AND INVITEE ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO RESIDENTIAL TRACTS, TO PERSONS, TO UNITS, TO IMPROVEMENTS AND TO THE CONTENTS OF UNITS AND IMPROVEMENTS AND FURTHER ACKNOWLEDGES THAT THE NEIGHBORHOOD GOVERNING BODIES HAVE NOT MADE REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER, OCCUPANT, LESSEE, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER, OCCUPANT, LESSEE, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE COMMUNITY OR THE NEIGHBORHOOD.

5.6 Bulk Service Agreements.

5.6.1 Contracting. The Board, acting on behalf of the Association, shall have the right, power and authority to enter into one or more Bulk Service Agreements with one or more Bulk Providers, for such term(s), at such rate(s) and on such other terms and condition as the Board deems appropriate, all with the primary goals of providing to Owners and Occupants of Units both within the Neighborhood, or within one or more portions thereof, cable television, community satellite television, high speed Internet, security monitoring or other electronic entertainment, information, communication or security services, or any concierge or other personal services: (a) which might not otherwise be generally available to such Owners and Occupants; (b) at rates or charges lower than might otherwise generally be charged to Owners and Occupants for the same or similar services; (c) otherwise on terms and conditions which the Board believes to be in the interests of Owners and Occupants generally; or (d) any combination of the foregoing. Notwithstanding the above, the Board's right to enter into any Bulk Service Agreements shall be subordinate to the right of the Master Association to enter into any Bulk Service Agreements for services that serve the entire Community.

5.6.2 Assessments. If all Units within the Neighborhood are to be served by a particular Bulk Service Agreement, the Board shall have the option either to: (a) include the Association's costs under such Bulk Service Agreement in the budget for each applicable fiscal year and thereby include such costs in the Base Assessments for each such applicable year; or (b) separately bill to each Owner his, her or its proportionate share of the Association's costs under such Bulk Service Agreement, as reasonably determined by the Board, and with such frequency as may be determined by the Board, but no more often than monthly. Such "separate billing" may be made as one or more separate line items on billings or invoices from the Association to the affected Owner(s) for Assessments or other charges. If not all Units within the Neighborhood will be served by a particular Bulk Service Agreement the Board shall have only the billing option described in clause (b) above.

5.6.3 No Avoidance of Payment. No Owner of a Residential Tract covered by a Bulk Service Agreement shall be entitled to avoid or withhold payment of amounts charged by the Board to such Owner or such Owner's Unit under this Section 5.6 whether on the basis that

such Owner does not use, accept or otherwise benefit from the services provided under such Bulk Service Agreement, or otherwise. Notwithstanding the above, the Board shall have the right, at its option, to exempt a Unit from payment of an assessment related to the Bulk Service Agreement if such Unit is not serviced by such Bulk Provider.

5.6.4 Approval of Bulk Service Agreement. The Board shall not without the approval of at least fifty-one percent (51%) of the Members then entitled to vote, represented in person or by proxy at an annual or special meeting of the Association, enter into a Bulk Service Agreement which imposes on the Association or the Members any obligation to pay the direct costs of construction of any cable, lines or other facilities or equipment for any cable television, community satellite television, high speed internet, security monitoring or electronic entertainment, information, communication or security services. Notwithstanding the above, nothing in this Section shall prevent the Board from entering into, or require approval by the Members of any Bulk Service Agreement which imposes on the Association or the Owners installation, connection, service charge or similar charges or fees which do not exceed those generally prevailing at the time within the greater Wasatch County, Utah area, or which includes as a component of the monthly fee charged by the Bulk Provider amortization of some or all of its capital costs and related costs in providing services under the Bulk Service Agreement.

ARTICLE VI

Insurance

6.1 Association's Insurance. Commencing no later than the time of the first conveyance of a Residential Tract to an Owner other than Declarant or a Declarant Affiliate, the Association shall obtain and thereafter maintain, to the extent reasonably available, the following insurance coverage:

6.1.1 Commercial Property Insurance. Commercial property insurance on the Common Areas insuring against all risk of direct physical loss in an amount equal to one hundred percent (100%) of the current replacement cost of the insured property (less reasonable deductibles), exclusive of the land, excavations, foundations and other items normally excluded from a property policy. All commercial property insurance policies shall have an inflation guard endorsement, if reasonably available, and, if the policy contains a co-insurance clause, it shall also have an agreed amount endorsement. The Association shall arrange for an annual review of the sufficiency of insurance coverage by one or more qualified persons, at least one of whom must be in the real estate industry and familiar with construction in Salt Lake, Summit and/or Wasatch County area.

6.1.2 Commercial General Liability Insurance. Commercial General liability insurance providing coverage on an occurrence basis with limits reasonably determined by the Board, but not less than \$1,000,000 "Combined Single Limit." Such insurance shall cover all occurrences commonly only insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Areas and other portions of the Neighborhood, which the Association is obligated to maintain under this Declaration.

6.1.3 Workers' Compensation Insurance. Workers' compensation insurance to the extent necessary to meet the requirements of applicable law.

6.1.4 Employer's Liability Insurance. If applicable, employer's liability: (a) bodily injury by accident with limits of \$100,000.00 each accident; (b) bodily injury by disease with a \$500,000 policy limit; and (c) bodily injury by disease with limits of \$100,000 each employee.

6.1.5 Fidelity Insurance/Bonds. The Board, in the Board's discretion, may obtain fidelity insurance coverage against dishonest acts on the part of directors, officers, managers, trustees, agents, employees, agents, employees or other individuals responsible for handling funds belonging to or administered by the Association. If funds of the Association are handled by a management agent, fidelity insurance coverage may also be obtained for the officers, employees or agents thereof handling or responsible for Association funds. The fidelity insurance must name the Association as the named insured and shall be written to provide protection in an amount not less than the lesser of (a) one-half times the Association's estimated annual operating expenses and reserves, (b) a sum equal to three months' aggregate Base Assessments plus reserves, or (c) the estimated maximum amounts of funds, including reserves, in the custody of the Association (or its management agent) at any one time. In connection with this coverage, an appropriate endorsement to the policy to cover any individual who serves without compensation shall be added if the policy would not otherwise cover volunteers. Any such coverage must also name the Association as an obligee.

6.1.6 D&O Insurance. A policy of "directors and officers" liability insurance, including errors and omissions coverage for the Board.

6.1.7 Other Insurance. Such other insurance as the Board shall determine from time to time to be appropriate to protect the Association or the Owners.

6.2 Authorized Companies. All policies shall be written with a company authorized to do business in Utah which holds a Best's rating of A or better and is assigned a financial size category of XI or larger as established by A. M. Best Company, Inc., if reasonably available, or, if not available, the most nearly equivalent rating which is available.

6.3 Authority to Adjust Losses. Exclusive authority to adjust losses under policies obtained by the Association on the Neighborhood shall be vested in the Board; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

6.4 Insurance Requirements. The Board shall be required to use reasonable efforts to secure insurance policies that will provide the following:

6.4.1. Secondary. The insurance maintained by the Association shall be secondary to and non-contributing with any insurance maintained by any Owner, Occupant, or Mortgagee, which insurance shall be primary.

6.4.2 Waiver of Subrogation. Subject to the primary nature of the insurance to be maintained by any Owner, Occupant, or Mortgagee pursuant to Section 6.4.1 above, the insurer issuing such policy shall waive any rights of subrogation with respect to claims arising from the acts or omissions of the Declarant, the Association or its agents, servants or employees, or the Owners or Occupants.

6.4.3 Severability of Interest. The insurance maintained by the Association shall contain a "severability of interest" clause or endorsement, which precludes the insurer from denying the claim of the Association, Declarant, Owner, Occupant because of the negligence or other acts of another insured party or canceling, invalidating, suspending, or refusing to renew a policy on account of any one or more individual Owners;

6.4.4 Curable Violation. The insurance maintained by the Association shall contain a statement or endorsement that no policy may be canceled, invalidated, suspended, or subject to non-renewal on account of any curable defect or violation without prior demand in writing delivered to the Association to cure the defect or violation and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, its manager, any Owner, or Mortgagee.

6.4.5 Insured Party. The Association shall be the named insured under the insurance maintained by the Association. The Board may elect to include other parties as either named or additional insureds under its commercial general liability insurance policy.

6.4.6 Mortgagee Notification. For policies of hazard insurance, a standard mortgagee clause providing that the insurance carrier shall notify any Mortgagee named in the policy at least ten (10) days in advance of the effective date of any substantial modification, reduction or cancellation of the policy.

6.4.7 Other Insurance. The insurance maintained by the Association shall contain a statement or endorsement that any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and

6.4.8 Notification. The insurance maintained by the Association shall contain a statement or endorsement that the Association will be given at least thirty (30) days' prior written notice of any cancellation, substantial modification, or non-renewal.

6.5 Coordination with Master Association. The Association shall coordinate the maintenance of insurance with the Master Association whereby single insurance policies may be issued insuring both the Association and the Master Association; provided, however, the Association shall have the right to obtain and maintain its own insurance policies, in the Association's sole discretion. If the Association and the Master Association agree to coordinate their respective obligations related to insurance, such coordination may include having the Association and the Master Association both being named as insured parties under liability insurance policies, and having the Association being endorsed as a loss payee under commercial property insurance policies to the extent that any proceeds are made available based upon any loss or damage to any Common Areas or Areas of Common Responsibility located within such Neighborhood and/or for which the Association would be responsible to repair and restore

pursuant to the terms and conditions of this Declaration.

6.6 Insurance Costs. The cost to obtain and maintain the insurance carried by the Association, including reasonable deductibles, shall be included as part of the Base Assessments.

6.7 Owner's Insurance. By virtue of taking title to a Unit subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry a homeowner's insurance policy on such Owner's Unit(s) and structures constructed thereon insuring for \$25,000 of the interior of the units and 100% of the content of personal property contained in the unit.

6.8 Deductible. The deductible on a claim made against the Association's insurance policy shall be paid by the party who would be liable for the loss, damage, claim, or repair in the absence of insurance, and in the event multiple homes are damaged then the deductible will be the sole responsibility of the owner of the unit where the loss originated. If the loss, damage, or claim results from a peril affecting the exterior of the building the deductible will be paid equally by all owners affected by the loss. The Association's deductible shall not exceed \$5,000 unless 30 day written notice is mailed to all owners. Owners are encouraged to purchase insurance to cover the Association's deductible.

6.9 Earthquake & Flood Insurance shall not be required unless requested by at least Seventy Five percent (75%) of the Members of the Association.

ARTICLE VII

Damage and Restoration

7.1 Common Area Damage and Destruction.

7.1.1 Adjustment of Claims. Immediately after damage or destruction by fire or other casualty to all or any part of the Common Areas covered by insurance where the Association is the insured party or a loss payee, the Board or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed portions of the Common Areas within the Neighborhood. Repair or reconstruction, as used in this paragraph, means repairing or restoring the Common Areas to substantially the same condition in which they existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes.

7.1.2 Repair. Any damage or destruction to the Common Area or property owned by the Association shall be repaired or reconstructed unless both Declarant (unless the Declarant Control Period has expired) and the Owners representing at least seventy-five percent (75%) of the total Class "A" votes of the Association vote within sixty (60) days after the casualty, at a special meeting called for that purpose in accordance with the By-Laws, not to repair or reconstruct; provided, however, that if for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates

of the cost of repair or reconstruction, or both, are not made available to the Association within said period, then the period for voting shall be extended until such funds or information shall be made available; provided, however, such extension shall not exceed sixty (60) additional days. Notwithstanding the above, the Association shall repair and restore any Common Area that is required to be restored by Wasatch County or any Municipal Authority. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to the Neighborhood shall be repaired or reconstructed.

7.1.3 No Repair. In the event that it should be determined in the manner described above that the damage or destruction to the Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the affected portion of the Neighborhood shall be cleared of all debris and ruins and maintained by the Association in a neat and attractive, landscaped condition consistent with the terms and conditions of this Declaration.

7.1.4 Disbursement of Proceeds. If the damage or destruction for which the proceeds of insurance policies held by the Association are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repair or reconstruction shall be retained by and for the benefit of the Association and placed in a capital improvements account. In the event no repair or reconstruction is made, any proceeds remaining after making such settlement as is necessary and appropriate with the affected Owner or Owners and their Mortgagee(s), as their interests may appear, shall be retained by and for the benefit of the Association and placed in a capital improvements account. This is a covenant for the benefit of any Mortgagee of a Unit and may be enforced by such Mortgagee.

7.1.5 Insufficient Proceeds. If the damage or destruction to the Common Area for which insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board shall, without the necessity of a vote of the Members, levy a Special Assessment against the Owners of Units. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction.

7.2 Repair and Reconstruction of Units. Each Owner covenants and agrees that in the event of a partial loss or damage resulting in less than total destruction of structures comprising the Owner's Unit, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction of such Unit or such other plans and specifications as are approved by the ACC and the Association. The Association reserves the right to promulgate requirements regarding the standards for rebuilding or reconstructing structures on the Units within the Neighborhood and the standard for returning the Units to their natural state in the event the structures are not rebuilt or reconstructed. In the event a Unit is totally destroyed, the Owner of such Unit shall proceed promptly to rebuild in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article XIII of this Declaration. Notwithstanding the Owner's obligation to maintain a policy of home owner's insurance and to repair and restore any damage or destruction to such Owner's Unit, the Association may elect to insure the structural elements of the Units

within the Neighborhood. In such an event, the Association shall be obligated to repair and restore the structural elements of the Unit in the event of any fire or other casualty so long the Association's insurance covers such risk.

ARTICLE VIII

No Partition

8.1 No Partition. There shall be no judicial partition of the Common Area or any part thereof, nor shall any Person acquiring any interest in the Neighborhood or any part thereof seek any judicial partition unless the Neighborhood has been removed from the provisions of this Declaration. This Article shall not be construed to prohibit the Board from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Declaration, nor shall it be construed to preclude Declarant from withdrawing any portion of the Neighborhood in accordance with Article X below.

ARTICLE IX

Condemnation

9.1 Taking. Whenever all or any part of the Common Area shall be taken (or conveyed by the Board in lieu of and under threat of condemnation), each Owner shall be entitled to notice thereof. A decision by the Board to convey a part of the Common Area under threat of condemnation shall be binding on the Association so long as it is made in good faith. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows:

If the taking involves a portion of the Common Area on which recreational improvements have been constructed, then, unless within sixty (60) days after such taking, both Declarant (if during the Declarant Control Period), and the Owners representing at least seventy-five percent (75%) of the total Class "A" votes of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available therefor, in accordance with plans approved by the Board. Neither the Board nor Declarant shall have any obligation to obtain or dedicate any Common Area in order to accomplish such a repair or restoration if such land is not available at the time of the condemnation. If such improvements are to be repaired or restored, the above provisions in Article VI hereof regarding the disbursement of funds in respect to casualty damage or destruction which is to be repaired shall apply. Notwithstanding the above, the Association shall restore any Improvements or property required to be restored by Wasatch County or any other applicable Municipal Authority.

If the taking does not involve any recreational improvements on the Common Area, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board shall determine.

ARTICLE X

Annexation or Withdrawal of Additional Property

10.1 Annexation By Declarant. During the Declarant Control Period, Declarant, acting without the consent or approval of the Association or any other Owner, shall have the right to bring within the scheme of this Declaration additional land (an “**annexation**”) within the area defined as Additional Land herein, so long as the owner of such land (if not Declarant) consents to such action. Such annexation shall be accomplished by filing in the Official Public Records of Wasatch County, Utah, a Supplemental Declaration annexing such property in the form prescribed below. Any such annexation shall be effective upon the filing for record of such Supplemental Declaration unless otherwise provided therein.

10.2 Annexation By Association. Subject to the consent of the owner thereof, the Association may annex real property into the Neighborhood at any time upon the affirmative vote of both Declarant (if during the Declarant Control Period) and Members representing a majority of the Class “A” votes of the Association present at a meeting duly called for such purpose. Such annexation shall be accomplished by filing of record in the Official Public Records of Wasatch County, Utah, a Supplemental Declaration in the form described below, signed by the President and the Secretary of the Association, and by the owner of the property being annexed. Any such annexation shall be effective upon filing unless otherwise provided therein.

10.3 Form of Supplemental Declaration. Each Supplemental Declaration must state that land is being annexed, and must contain at least the following provisions: (i) a reference to this Declaration, which reference shall state the document number under which this Declaration is recorded in the Official Public Records of Wasatch County, Utah; (ii) statement that the provisions of this Declaration shall apply to the annexed land, except as expressly provided otherwise therein; (iii) a legal description of the annexed land; and (iv) if Declarant or the Association is not the owner of the land being annexed, the signatures of both such owner and Declarant, if during the Declarant Control Period or the Association, if after the Declarant Control Period. A Supplemental Declaration may, but need not, contain a description of any Common Area within the annexed land. The Supplemental Declaration may incorporate the terms and conditions of a Neighborhood Declaration or a separate Neighborhood Declaration may be filed against the Additional Land. Each Supplemental Declaration shall contain such additional matters as may be required by Wasatch County or other applicable government entity.

10.4 Common Area. At any time and from time to time during the Declarant Control Period, Declarant may convey to the Association fee simple or easement interests in real property, improved or unimproved. Upon such conveyance to the Association, such real property interest shall be accepted by the Association as Common Area and thereafter shall be maintained by the Association at its expense.

10.5 Withdrawal of Property. During the Declarant Control Period, Declarant shall have the right at any time to remove or withdraw lands then owned by Declarant (or other Persons with Declarant’s consent) from the Neighborhood, so long as such withdrawal is not prohibited by Wasatch County or other Municipal Authority. Upon any such withdrawal this Declaration and the covenants, conditions, restrictions and obligations set forth herein shall no longer apply to the lands withdrawn. In order to withdraw lands from the Neighborhood hereunder, Declarant shall be required only to record in the Official Public Records of Wasatch County, Utah, a notice of withdrawal of land which contains: (i) a reference to this Declaration

(including the document number under which this Declaration is recorded in the Official Public Records of Wasatch County, Utah); (ii) a statement that the provisions of this Declaration shall no longer apply to the withdrawn land; (iii) if Declarant is not the owner of the land so withdrawn, the signatures of both such owner and Declarant; and (iv) a legal description of the withdrawn land.

ARTICLE XI

Rights and Obligations of the Association

11.1 Common Area/Exterior of Units. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and all Improvements thereon (including, without limitation, furnishings and equipment related thereto and common landscaped areas) and the exterior elements of the Units, and shall keep them in good, clean, attractive, and sanitary condition, order, and repair, pursuant to the terms and conditions hereof and consistent with the Community-Wide Standards.

11.2 Personal Property and Real Property for Common Use. The Association, through action of its Board, may acquire, hold, and dispose of tangible and intangible personal property and real property. The Board, acting on behalf of the Association, shall accept any real or personal property, leasehold, or other property interests within or benefiting the Neighborhood conveyed to it by Declarant.

11.3 Rules and Regulations. The Board is hereby specifically authorized to promulgate, supplement, modify, amend and/or delete such reasonable Rules and Regulations applicable to the operation and use of the Common Areas within the Neighborhood. The Association shall have the right from time to time to promulgate rules and regulations that it deems beneficial to the Neighborhood, including, but not limited to: (i) traffic and parking regulations and other traffic control procedures; (ii) procedures and reasonable restrictions and limitations on the right to use any Common Area; and (iii) all procedural and substantive aspects for the establishment, levy, collection and payment of fines for any violations of any Governing Documents. Rules and Regulations are of equal dignity with and may be enforceable in the same manner as the provisions of this Declaration; provided:

(a) Rules and Regulations may not be enacted retroactively (except that if any activity is subsequently covered by Rules and Regulations and such activity ceases after enactment of the Rules and Regulations covering same, then the Rules and Regulations will apply to the activity thereafter);

(b) Rules and Regulations may not be incompatible with the provisions of this Declaration or any Supplemental Declaration; and

(c) Rules and Regulations will not become effective until ten (10) days after notice thereof is given to all Members or such later date as stated in the notice (certification by the Association that proper notice was given in accordance with this Section to be conclusive absent proof of fraud).

11.4 Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or the other Governing Documents, and every other right or privilege reasonably to be implied from the existence of any right or privilege so given to it or reasonably necessary to effectuate any such right or privilege.

11.5 Governmental Interests. During the Declarant Control Period, Declarant shall have the right to designate sites within the Neighborhood, which may include Common Area owned by the Association, for fire, police, water, and sewer facilities, public schools and parks, and other public facilities.

11.6 Enforcement.

11.6.1 General. Declarant, the Association, and their successors and assigns, and any Owner, have the right to enforce observance and performance of all restrictions, covenants, conditions and easements set forth in this Declaration and in all other Governing Documents, and in order to prevent a breach thereof or to enforce the observance or performance thereof have the right, in addition to all legal remedies, and all other rights and remedies set forth in this Declaration, to an injunction either prohibitive or mandatory.

11.6.2 Right to Inspect and Cure Defaults. The provisions of Section 5.2.8 apply to any breach of this Declaration and any other applicable Governing Documents. In addition and without prior notice, the Association may photograph any violation or suspected violation at any time and otherwise obtain evidence to confirm the existence or non-existence of any suspected violation in any reasonable manner without liability in trespass or otherwise.

11.6.3 No Estoppel, Waiver or Liability. Failure of Declarant, the Association or any Owner to enforce any of the provisions of this Declaration or any other Governing Documents will in no event be deemed a waiver of the right to do so thereafter (including without limitation as to the same or similar violation whether occurring prior or subsequent thereto). No liability may attach to Declarant, the Association, or their respective Related Parties or committee members, for failure to enforce any provisions of this Declaration or any other Governing Documents.

11.6.4 Cumulative Rights and Remedies. Each right and remedy set forth in this Declaration and each other Governing Document is separate, distinct and non-exclusive, and all are cumulative. The pursuit of any right or remedy so provided or as provided by law, or the failure to exercise a particular right or remedy, will not be construed as a waiver of such right or remedy or any other right or remedy. Without limitation of the foregoing, the provisions of this Section are declared specifically to be cumulative of the provisions of Section 5.2 of this Declaration as hereinabove set forth and in the By-Laws.

11.6.5 Liability for Conduct of Related Parties. Each Owner, Lessee and Occupant must ensure that their respective Related Parties strictly comply with all applicable provisions of this Declaration and all other Governing Documents. Each Owner, Lessee, and Occupant is liable for all consequences of any such violation by such party's Related Parties, and each Owner, Lessee and Occupant are jointly and severally liable for all consequences of any such violation by the Lessee's and Occupant's Related Parties. To the same extent as aforesaid

each Owner, Lessee and Occupant must indemnify and hold harmless Declarant, the Association and their respective Related Parties from any and all claims, liabilities, damages, loss, costs, expenses, suits and judgments of whatsoever kind, including reasonable attorney's fees whether incurred prior to, during or after proceedings in a court of competent jurisdiction, resulting, directly or indirectly, from any such violation.

11.6.6 Obligation for Payment of Costs and Expenses Resulting from Violations. Each Owner, Lessee and/or Occupant found to have committed, or who is responsible for, a violation or violations of any of the provisions of this Declaration or any other Governing Documents is jointly and severally liable for payment to the Association for, and to indemnify and to hold and save harmless the Association and its Related Parties from, any and all claims, liabilities, damages, loss, costs, expenses, suits and judgments of whatsoever kind, including reasonable attorney's fees whether incurred prior to, during or after proceedings in a court of competent jurisdiction, incurred or attributable to any such violation(s), and must pay over to the Association all sums of money which the Association or its representatives may pay or become liable to pay as a consequence, directly or indirectly, of such violation(s). All such sums are secured by the continuing assessment lien established by this Declaration. All such sums are due and payable upon demand by the Association or its representative without the necessity of any other or further notice of any act, fact or information concerning the Association's rights or such Owner's or their tenant's liabilities under this Section; provided, in the case of indemnification the demand shall contain a statement setting forth the Association's payment or liability to pay the claim with sufficient detail to identify the basis for the payment or liability to pay.

11.6.7 Notice and Opportunity to be Heard. Substantial compliance with the procedures set forth in the By-Laws is sufficient whenever this Declaration or other Governing Documents require notice and opportunity to be heard regarding any alleged violation of the Governing Documents. The right of appeal to the Board as provided in the By-Laws includes appeal from the decisions of any Association committee except the ACC.

11.6.8 Filing of Notices of Non-Compliance. At any time the Board determines in good faith there probably exists any noncompliance with any provisions of this Declaration or any other Governing Documents, the Board may at its option direct that a notice of noncompliance be filed in the Official Public Records of Wasatch County, Utah covering the affected Unit or Units and the Owner(s) thereof at the sole cost and expense of such Owner(s). All such costs and expenses are due and payable upon demand, and are secured by the Association's continuing assessment lien.

ARTICLE XII

Assessments

12.1 Creation of Assessments. There are hereby created assessments for Association expenses as may from time to time specifically be authorized by the Board, to be commenced at the time and in the manner set forth in Section 12.8. There shall be two (2) types of assessments: (a) Base Assessments to fund Common Expenses for the benefit of all Members of the Association; and (b) Special Assessments as described in Section 12.4. Each Owner, by acceptance of a deed is deemed to covenant and agree to pay these assessments.

All assessments, together with interest at the lower of fifteen percent (15%) per annum or the maximum rate allowed by Utah law as computed from the date the delinquency first occurs, late charges, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Unit against which each assessment is made until paid. Each such assessment, together with interest, late charges, costs, and reasonable attorney's fees, shall also be the personal obligation of the Person who was the Owner of such Unit at the time the assessment arose, and, in the event of a transfer of title, his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance, except no first Mortgagee who obtains title to a Unit pursuant to the remedies provided in the Mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title.

The Association shall, upon demand at any time, furnish to any Owner liable for any type of assessment a certificate in writing setting forth whether such assessment has been paid as to any particular Unit. Such certificate shall be conclusive evidence of payment to the Association of any assessments therein stated to have been paid. The Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board. Unless the Board otherwise provides, the Base Assessment and any Neighborhood Assessment shall be due and payable on the first day of each fiscal year. If any Owner is delinquent in paying any assessments or other charges levied on his Unit, the Board shall require any unpaid installments of the annual assessment and/or any other assessments to be paid in full immediately, unless exceptional circumstances exist (as determined by the Board in its sole discretion).

No Owner may waive or otherwise exempt himself from liability for the assessments provided for herein, including, by way of illustration and not limitation, by non-use of Common Areas or abandonment of the Unit. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of any assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the Governing Documents, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

The Association is specifically authorized to enter into subsidy contracts or contracts for "in kind" contribution of services or materials or a combination of services and materials with Declarant or other entities for the payment of some portion of the Common Expenses.

12.2 Computation of Base Assessment. It shall be the duty of the Board, at least sixty (60) days before the beginning of each fiscal year, to prepare a budget covering the estimated Common Expenses of the Association during the coming year. The budget shall include a capital contribution establishing a reserve fund in accordance with a budget separately prepared, as provided in Section 12.7 of this Article.

The Base Assessments shall be equally allocated to all Units within the Neighborhood.

Notwithstanding the above, the Board may, in its sole discretion, reduce the Base Assessments determined pursuant to the above formula by taking into account:

- (a) other sources of funds available to the Association; and
- (b) assessments to be levied upon additional Units reasonably anticipated to become subject to assessment during the fiscal year.

During the Declarant Control Period, Declarant may elect on an annual basis, but shall not be obligated, to reduce the resulting Base Assessments for any fiscal year by payment of a subsidy (in addition to any amounts paid by Declarant under Section 12.1 above); provided, any such subsidy shall be conspicuously disclosed as a line item in the income portion of the Common Expense budget and shall be made available to the membership. The payment of such subsidy in any year shall under no circumstances obligate Declarant to continue payment of such subsidy in future years.

The Board shall cause a copy of the Common Expense budget and notice of the amount of the Base Assessment to be levied against each Unit for the following year to be delivered to each Owner at least thirty (30) days prior to the beginning of the fiscal year. Such budget and assessment shall become effective unless disapproved at a meeting of the Members by both Members representing at least a majority of the total Class "A" vote in the Association, and by the Class "B" Member, if such exists. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition as provided for special meetings in the By-Laws, which petition must be presented to the Board within ten (10) days of delivery of the notice of assessments.

Notwithstanding the foregoing, however, in the event the proposed budget is disapproved or the Board fails for any reason so to determine the budget for any year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the immediately preceding year shall continue for the current year.

12.3 Special Assessments.

12.3.1 Entire Membership. The Association may levy Special Assessments against all the Members as follows:

- (a) for purposes of defraying, in whole or in part, the cost of any action or undertaking on behalf of the Association in connection with, or the cost of, any construction or replacement of, a specific capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto; provided, however, that without the vote of a majority of a quorum (as specified in the Bylaws) of the Class A Members, and, if during the Declarant Control Period, the written consent of Declarant, the Association shall not impose a Special Assessment for the purposes described in this Section 12.3.1 in an amount that in any one year exceeds ten percent (10%) of the estimated annual Common Expenses for that year; and
- (b) for purposes of providing any necessary funds for restoration and repair of damaged or destroyed Common Area or Areas of Common Responsibility in accordance with the provisions hereof, unless the Owners elect not to repair same pursuant to Section 7.1.2 of this

Declaration.

Special Assessments levied against all the Members shall be equally allocated to the Units unless the Board determines that another method is more equitable. Special Assessments pursuant to this paragraph shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines.

12.3.2 Less Than All Members. The Association may levy a Special Assessment against any Member individually and against such Member's Unit to reimburse the Association for costs incurred in bringing a Member and his Unit into compliance with the provisions of this Declaration and the other Governing Documents, which Special Assessment may be levied upon the vote of the Board after compliance with Section 11.7.

Special Assessments as aforesaid shall also include, without limitation of the foregoing:

- (a) reasonable charges for:
 - i. providing a statement of assessments or indebtedness, including resale certificates;
 - ii. transfer fees to reflect changes of ownership, tenancy or occupancy on the records of the Association; and
 - iii. processing of applications for architectural approval;
- (b) admission or usage fees applicable to any Common Area as from time to time established by applicable Rules and Regulations;
- (c) fines as from time to time established by applicable Rules and Regulations for any violation of this Declaration or other Governing Documents; and
- (d) all other monetary obligations established by or pursuant to this Declaration or other Governing Documents which are intended to apply to one or several Units but not to all Units, including all Compliance Assessments.

12.3.4 Payment; Waiver. Special Assessments as authorized by Section 12.4.2 are due and payable immediately upon the occurrence of the event giving rise to liability for payment of same. Failure of the Association (or managing agent as applicable) to impose or collect any Special Assessment is not grounds for any action against the Association, any managing agent, or their respective directors, officers, agents or employees, and does not constitute a waiver of the right to exercise authority to collect any Special Assessments in the future. For good cause shown as determined in the sole opinion of the Board, the Board may waive, wholly or partially, imposition of any special Assessment authorized by Section 12.4.2, provided, any such waiver must be conditioned upon payment in full of all remaining monetary obligations or receipt of written commitment that same will be paid within a specified period of time.

12.4 Lien for Assessments. All assessments provided for herein which are not paid when due, together with late fees, interest and collection costs and expenses as herein provided, shall be secured by a continuing lien and charge in favor of the Association on the Unit subject to such assessment, which shall bind such Unit and the Owner thereof and such Owner's heirs, devisees, personal representatives, successors or assigns. The obligation to pay assessments hereunder is part of the purchase price of each Unit when sold to an Owner, and an express vendor's lien is hereby retained to secure the payment thereof and is hereby transferred and assigned to the Association. Additionally, a lien with a power of sale is hereby granted and conveyed to the Association to secure the payment of such assessments. Except as expressly stated in this Declaration, such liens shall be superior to all other liens and charges against such Unit. To evidence any assessment lien hereunder, the Association may prepare a written Notice of Assessment Lien setting forth the amount of the unpaid assessments, the name of the Owner of the Unit subject to such assessments and a description of such Unit, which shall be signed by an officer of the Association and may be recorded in the Official Public Records of Wasatch County, Utah. Any assessment lien hereunder shall attach with the priority set forth herein from the date payment is due.

12.5 Transfer in Trust. Each Owner, by acceptance of a deed to his Unit, hereby expressly recognizes the existence of such lien as being prior to his ownership of such Unit and hereby vests in the Board the right and power to bring all actions against such Owner or Owners personally for the collection of such unpaid assessments and other sums due hereunder as a debt, and to enforce the aforesaid lien by all methods available for the enforcement of such liens the same as the enforcement of a lien created through a Deed of Trust, including both judicial and non-judicial foreclosure (such as through the power of sale) pursuant to Utah Code Ann. §57-1-23 (as amended from time to time). By acceptance of the deed to a Unit, each Owner, as trustor, expressly GRANTS, BARGAINS, SELLS AND CONVEYS to Steven L. Whitehead, Esq., a member of the Utah State Bar, as trustee (and to any substitute or successor trustee as hereinafter provided for) such Owner's Unit, and all rights, title, and interest appurtenant thereto, in trust pursuant to Utah Code Ann. §57-1-20 (as amended from time to time) for the purpose of securing the aforesaid assessment, and other sums due hereunder remaining unpaid hereunder by such Owner from time to time to the Association, which shall be the beneficiary under such conveyance. The trustee herein designated may be changed any time and from time to time by execution of an instrument in writing signed by the President or Vice President of the Association and attested to by the Secretary of the Association and filed in the Official Public Records of Wasatch County, Utah pursuant to Utah Code Ann. §57-1-22 (as amended from time to time). In the event of the election by the Board to foreclose the liens herein provided for nonpayment of sums secured to be paid by such lien, then it shall be the duty of the trustee, or his successor, as hereinabove provided, at the request of the Board (which request shall be presumed by a request by the President of the Association) to enforce this trust and to sell such Unit, and all rights appurtenant thereto, at the door of the County Courthouse of Wasatch County, Utah, on the first Tuesday in any month between the hours of 10:00 a.m. and 4:00 p.m. to the highest bidder for cash at public venue after the trustee and the Board, respectively, shall have given notice of the proposed sale in the manner hereinafter set forth and to make due conveyance to purchaser or purchasers through a trustee's deed to such purchaser or purchasers. The trustee shall give notice of such proposed sale by posting a written notice of time, place and terms of the sale in accordance with the provisions of Utah Code Ann. §57-1-25 (as amended from time to time), and, by serving written notice on each Owner or Owners of such Unit at the address

reflected in the records of the Association. Service of such notice shall be completed upon deposit of the notice properly addressed to such Owner or Owners at the most recent address as shown by the records of the Association, in a post office or official depository under the care and custody of the United States Postal Service. The affidavit of any person having knowledge of the facts to the effect that such service was completed shall be prima facie evidence of the fact of such service.

At any judicial foreclosure or sale through the exercise of the power of sale, the Association shall be entitled to bid up to the amount of the sum secured by its lien, together with interest, costs, and expenses of sale, including trustee's and attorney's fees and other amounts due and owing, and to apply as a cash credit against its bid all sums due to the Association covered by the lien foreclosed. From and after any such foreclosure, the occupants of such Unit shall be required to pay a reasonable rent for the use of such Unit and such occupancy shall constitute a tenancy-at-sufferance, and the purchaser at such foreclosure shall be entitled to the appointment of a receiver to collect such rents and, further, shall be entitled to sue for recovery of possession of such Unit by forcible detainer without further notice.

This Section is intended to comply with the provisions of Utah Code Ann. § 57-1-19 through 57-1-44 relating to Deeds of Trust and the judicial and non-judicial sales by power of sale. In the event of an amendment to applicable Utah law regarding this matter, the President of the Association, acting without joinder of any other Owner or Mortgagee or other person may, by amendment to this Declaration filed in the Official Public Records of Wasatch County, Utah, amend the provisions hereof so as to comply with said amendments to the applicable Utah law.

During any period in which a Unit is owned by the Association following foreclosure or sale in lieu thereof: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be levied on it; and (c) each other Unit shall be charged, in addition to its usual assessment, its equal pro rata share of the assessment that would have been charged such Unit had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid Common Expenses and attorney's fees shall be maintainable without foreclosing or waiving the lien securing the same.

12.6 Reserve Budget and Capital Contribution. The Board shall annually prepare a reserve budget to take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution in an amount sufficient to permit meeting the projected needs of the Association, as shown on the budget, with respect both to amount and timing by annual Base Assessments over the period of the budget. The capital contribution required, if any, shall be fixed by the Board and included within and distributed with the applicable budget and notice of assessments, as provided in Section 12.2.

12.7 Date of Commencement of Assessments. The obligation to pay the assessments provided for herein shall commence as to each Unit on the first day of the month following the annexation of the Unit into the Neighborhood. Assessments shall be due and payable in a manner and on a schedule as the Board may provide. The first annual Base Assessment levied on a Unit shall be adjusted according to the number of months remaining in the fiscal year at the time assessments commence on the Unit.

12.8 Subordination of the Lien. The lien of assessments, including interest, late charges (subject to the limitations of Utah law), and costs (including attorney's fees and costs) provided for herein, shall be subordinate to tax liens and to the lien of any first Mortgage upon any Unit. The sale or transfer of any Unit shall not affect the assessment lien. However, the sale or transfer of any Unit pursuant to judicial or non-judicial foreclosure (i.e., power of sale) of a first Mortgage shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer unless the Owner against whom the original assessment was made is the purchaser at the foreclosure sale (in which event such lien shall remain in full force and effect). No sale or transfer shall relieve such Unit from lien rights for any assessments thereafter becoming due. Where the Mortgagee holding a first Mortgage of record or other purchaser of a Unit obtains title pursuant to judicial or non-judicial foreclosure of the Mortgage, it shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Unit which became due prior to such acquisition of title. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all the Units, including such acquirer, its successors and assigns.

12.9 Exempt Property.

12.9.1 Common Areas. Notwithstanding anything to the contrary herein, the following property shall be exempt from payment of Base Assessments and Special Assessments:

- (a) all Common Area; and
- (b) all property dedicated to and accepted by any governmental authority or public utility, including, without limitation, public schools, public streets, and public parks, if any.

12.9.2 Declarant Property. Notwithstanding anything to the contrary herein, any property and Units owned by the Declarant and not occupied, such as model homes and Units for sale, shall be exempt from payment of Base Assessments.

12.10 Property Manager. The Board shall contract with an independent third-party professional property manager to provide the services and/or to perform the duties of the Association herein, and in connection therewith, by contract or resolution, assign to such managing agent the right to set the amounts of and to receive payments of the applicable charges. The property manager so engaged shall be an independent contractor and not an agent or employee of the Association. The obligation to contract with a property manager may not be waived, cancelled, modified, or amended in any way. The right and authority of any property manager to set the amounts and receive payment as aforesaid is deemed to be assigned by virtue of contracting with a property manager to provide the associated functions and services for so long as the applicable contract remains in effect unless the applicable contract expressly provides otherwise. A property manager must give written notice to the Board as to the initial establishment of, and as to any subsequent increase in the amount of, charges under, Section 12.4.2(a). Subject to the aforesaid notice requirement as to a property manager and as required regarding Rules and Regulations, the Board or its property manager, as applicable, may adopt, amend, revise and repeal any such charges from time to time without notice.

ARTICLE XIII

Architectural Standards and Review Committees

13.1 Architectural Control Committee.

13.1.1 Organization. There is hereby established an Architectural Control Committee (herein sometimes referred to as the "ACC"). The ACC shall be composed of three persons who will be appointed by the Board. Members of the ACC need not be Members of the Association. The ACC may from time to time designate any one of its members to act in its stead. After the Declarant Control Period a majority of the persons serving on the ACC must be Owners. All such persons serving on the ACC serve at the discretion of the Board. All decisions of the ACC are subject to review and modification by the Board except as herein otherwise expressly provided, including specifically the right of any Owner to appeal any decision of the committee to the Board as provided in the By-Laws. In the event of the death or resignation of any person serving on the ACC, the Board shall designate a successor or successors who will have all of the authority and power of his or their predecessor(s). Until such successor has been appointed, the remaining member or members have full authority to exercise all rights, duties and powers of the ACC. The ACC shall keep the Board informed as to its activities on a continuing basis, and shall submit a written report to the Board regarding same semi-annually or as otherwise required by the Board.

13.1.2 Jurisdiction. The ACC has exclusive jurisdiction on behalf of the Association regarding: (a) implementation of all provisions of this Article XIII; and (b) promulgation of all Architectural Guidelines pertaining to the development and construction of Improvements within the Neighborhood.

13.1.3 Compensation. No person serving on the ACC is entitled to compensation for services performed; provided, the ACC may employ one or more architects, engineers, attorneys or other consultants to assist the ACC in carrying out its duties, and the Association shall pay such consultants for services rendered. Members of the ACC may also be reimbursed for reasonable expenses in such manner and amounts as may be approved by the Board.

13.2 Submission of Plans Required. No Regulated Modification may be commenced, constructed, erected, placed, maintained or made upon any Unit or within or upon any part of the Neighborhood unless and until complete plans and specifications have been submitted to and approved in writing by the ACC, as applicable, as to compliance with applicable Architectural Review Criteria as set forth in Section 13.5. Two complete sets of plans and specifications must be submitted with each request for approval. In addition to any other applicable requirements per applicable Architectural Guidelines, any plans and specifications to be submitted must specify, in such detail and form as the ACC may reasonably require:

(a) the location upon the Unit or within the Neighborhood where the Regulated Modification will occur or be placed;

(b) the dimensions, nature, kind, shape, height, and color scheme of, and all materials to be used in connection with, the Regulated Modification;

(c) appropriate information concerning structural, mechanical, electrical, plumbing, grading, paving, decking and landscaping details;

(d) intended uses; and

(e) such other information, plans or specifications as may be requested or required by the ACC that in the sole opinion of the ACC is reasonably necessary to fairly and fully evaluate all aspects of the proposed Regulated Modification.

13.3 Architectural Guidelines. The Board or the ACC, subject to Board approval, may, from time to time, effective immediately, adopt, modify, amend and repeal such reasonable Architectural Guidelines applicable to the Neighborhood, including Units and any Common Area. Such authority includes, but is not limited to, the right to specify:

(a) specific procedural guidelines for submission of requests for, and plans, specifications and other information and documentation necessary to obtain, ACC approval, and procedural requirements for the conducting of all activities necessary to accomplish same;

(b) the amount and manner of payment of any fees or charges reasonably anticipated to cover administrative costs, fees for architectural, engineering, construction, legal or other expert advice or consultation, and all other costs and expenses in connection with review and evaluation of an application (such costs and expenses herein referred to as the “*Architectural Review Fee*”);

(c) specific types of Regulated Modifications which may be commenced, constructed, erected or maintained upon any Unit or anywhere within the Neighborhood;

(d) a limited number of acceptable exterior materials and finishes that may be utilized in construction or repair of a Regulated Modification;

(e) minimum setbacks;

(f) the location, height, and extent of fences, walls or other screening devices, walks, decks, patios or courtyards;

(g) the orientation of structures and landscaping with respect to streets, walks, driveways and structures on adjacent properties; and

(h) in general, all requirements reasonably deemed necessary to maximize compliance with Architectural Guidelines as set forth in Section 13.8.

WITHOUT LIMITING THE GENERALITY OF THE PRECEDING SENTENCE, THE ARCHITECTURAL GUIDELINES MAY PROVIDE FOR A FINE OF UP TO \$10,000.00 AGAINST ANY OWNER AND UNIT SUBJECT TO THIS DECLARATION FOR FAILURE TO OBTAIN REQUIRED APPROVAL FROM THE ACC OR FOR FAILURE TO COMPLY WITH ANY APPROVAL OF THE ACC, OR MAY REQUIRE A SECURITY DEPOSIT TO ASSURE COMPLIANCE WITH APPLICABLE REQUIREMENTS.

13.4 Manner and Effect of Adoption of Architectural Guidelines. The Association shall make Architectural Guidelines available to Owners upon request. Architectural Guidelines may also be (but are not required to be) filed in the Official Public Records of Wasatch County, Utah. Architectural Guidelines are of equal dignity with, and shall be enforceable in the same manner as, other provisions of this Declaration, provided: (a) such Architectural Guidelines shall not be deemed a waiver, modification, or repeal of any of the provisions of this Declaration; (b) such Architectural Guidelines shall not be enacted retroactively except that all repairs, modifications or maintenance performed subsequent to adoption shall be performed in such manner as to bring the Regulated Modification, so far as practicable, in compliance with all then applicable Architectural Guidelines; and (c) such Architectural Guidelines shall not conflict with this Declaration.

13.5 Architectural Review Criteria. The ACC will evaluate all submitted applications for approval on the individual merits of the particular application, and based on evaluation of the compatibility of the proposed Regulated Modification with Community-Wide Standards as of the date of submission of an application and compliance with applicable Governing Documents, including this Declaration and applicable Architectural Guidelines and other Rules and Regulations. The ACC must use reasonable efforts to achieve consistency in the approval or disapproval of specific types of Regulated Modifications. To this end, consideration will be given to (but the ACC is not bound by) similar applications for architectural approval and the decisions and actions of the ACC with regard thereto.

13.6 Disapproval by ACC. It is understood and agreed by each Person having or acquiring an interest in the Neighborhood that the ACC will include aesthetic judgment in its decision making process, and approval of submitted plans will not be required simply because the plans satisfy stated objective requirements. The ACC may disapprove any request for approval for any reasons, including the following: (i) failure to comply with any applicable Architectural Review Criteria as set forth in Section 13.8; (ii) lack of sufficient information, plans or specifications as reasonably determined by the ACC to enable the ACC to fairly and fully evaluate the proposed Regulated Modification or the uses thereof; or (iii) failure to include any information, plans or specifications required by applicable Governing Documents, or as may be reasonably requested by the ACC. In the event of disapproval, the ACC shall so notify the applicant in writing; and if disapproval is based on lack of sufficient information, plans or specifications, then the ACC shall also notify applicant of the additional information, plans or specifications required.

13.7 Approval and Conditional Approval by ACC.

13.7.1 Manner. The ACC may fully approve any request for approval or approve any such request subject to compliance with conditions stated in a conditional approval. Conditions for approval may include, without limitation, requirements for modifications to plans and specifications such as upgrading or other changes as to materials or changes as to color or design or location, or requirements for addition of other improvements such as sight barrier landscaping or other devices to screen a proposed Regulated Modification from Public View. A conditional approval is effective only upon full compliance with the stated condition(s). The ACC shall notify the applicant in writing of such approval (together with any qualifications or conditions of approval).

13.7.2 Effect. Except for fraud, misrepresentation, accident or mistake, the ACC's approval or conditional approval is final as to each Regulated Modification covered thereby, and may not be revoked or rescinded once given except as stated in Section 13.7.1 regarding conditional approvals. Except as to compliance with this Article XIII, the ACC's approval or conditional approval of an application does not constitute a waiver, modification or repeal of any Covenant contained in this Declaration or other Governing Documents, or preclude by estoppel or otherwise full enforcement of all provisions hereof. The ACC's approval or conditional approval of an application may not be deemed a waiver of the right of the ACC to subsequently disapprove similar requests for approval, or any of the features or elements included therein.

13.8 Submission and Response; Failure of ACC to Act.

13.8.1 Submission and Response. Applications for ACC approval are deemed submitted to the ACC only upon actual receipt. All responses by the ACC shall be in writing, and are deemed given when delivered to, or when deposited in the United States mail, postage prepaid and addressed to, the applicant at the address specified in the application or the last known address of the applicant according to the records of the Association. The ACC has no duty to respond to, and the provisions of this Section do not apply regarding, any application if the Person(s) identified in the application do not appear as Members or Owners according to the books and records of the Association unless and until receipt of such confirmation of ownership as is satisfactory in the sole opinion of the ACC. Lessees/Occupants shall file applications or requests for variance in the name of the Owner, and such Owner shall either appoint the Lessee/Occupant as their agent in a letter to the ACC or join the application. Where more than one Owner applies for approval, the delivery or mailing of a response to any one of the Owners as aforesaid constitutes notice to all such Owners.

13.8.2 Failure to Respond. In the event the ACC fails to approve, conditionally approve or disapprove an application or fails to request additional information and/or documentation reasonably required within sixty (60) days after receipt of the application, then the application shall be deemed denied.

13.9 Variances. In the event an Owner is denied approval for a Regulated Modification by the ACC, within ten (10) calendar days after denial the Owner may apply for a variance from the ACC's decision with the Board. Failure of an Owner to timely apply for a variance shall be deemed a waiver of the Owner's right to seek a variance. Applications for variances are deemed submitted to the Board only upon actual receipt. The Board may grant specific variances to Architectural Guidelines and to any architectural or use restrictions set forth in this Declaration upon specific findings of compliance with the grounds for granting of a variance as set forth hereafter. The Board may grant a variance only in writing and only with respect to specific instances upon written request therefore, is not binding with respect to any other request for a variance whether or not similar in nature, and does not constitute a waiver, modification or repeal of any of the provisions of this Declaration or other Governing Documents except for the limited purpose of and to the extent of the specific variance expressly granted. The Board may grant a variance only upon specific findings that the variance is necessary due to unusual circumstances that are reasonably beyond the control of the applicant to mitigate or rectify, and that the granting of a specific variance will not materially and adversely

affect the architectural, aesthetic or environmental integrity of the Neighborhood or the scheme of development therein. The Board's decision to grant or deny an application for a variance is final. In the event the Board fails to approve, conditionally approve or deny a request for a variance or to request additional information and/or documentation reasonably required within sixty (60) days after receipt of the request for a variance, then the request for a variance shall be deemed denied.

13.10. Implied Conditions of Approval.

13.10.1 Applicability. Unless expressly waived or modified by the ACC (or the Board as to variances) in writing, each and every approval or conditional approval of a Regulated Modification is subject to all provisions of this Article XIII whether or not stated in the approval or conditional approval.

13.10.2 Commencement and Completion of Work. Approval of an application for a Regulated Modification is effective for one (1) year from the date of approval or grant of a variance. If work on a Regulated Modification is not commenced within one (1) year after approval or conditional approval or grant of a variance, such approval or grant will become null and void and the Owner must submit a new application and obtain a new approval for the Regulated Modification. Prior approval of a Regulated Modification shall not bind the ACC or the Board or require the ACC or the Board to approve a re-submitted application for the same Regulated Modification. Upon commencement, the Owner must diligently prosecute and complete all work as soon thereafter as reasonably possible. The ACC (or the Board as to variances) is authorized to set specific schedules for completion of a Regulation Modification on a case by case basis and/or pursuant to applicable Architectural Guidelines.

13.10.3 New Construction Materials Required. Only new construction materials may be used in construction of any Regulated Modification except as otherwise approved by the ACC (such as the use of used brick). Any Regulated Modification shall be done in good and workmanlike manner using licensed contractors.

13.10.4 Compliance With Plans. All work on a Regulated Modification must proceed in strict compliance with: (i) the application and plans and specifications approved by the ACC (or variance granted by the Board), (ii) any and all conditions stated by the ACC (or the Board as to variances) in the approval, (c) any and all applicable governmental laws, rules, regulations, ordinances, and building codes, and (c) all applicable Governing Documents.

13.10.5 Permit Requirements. Each Owner is solely responsible for full compliance with all permitting requirements of all governmental agencies having jurisdiction, and shall apply for and diligently pursue obtaining of all required permits promptly after approval or conditional approval is received. Without limitation of the foregoing, the ACC may deny approval pending, or conditional approval upon, prior compliance with applicable permitting requirements or upon receipt of certification satisfactory to the ACC that no such permitting requirements exist.

13.10.6 Compliance With Laws and Governing Documents. Each applicant is solely responsible for insuring that (and nothing in the Governing Documents or any written

decision of the ACC (or the Board as to variances) shall be construed as a covenant, representation, guaranty or warranty that) any proposed Regulated Modification will be in compliance with applicable governmental laws, ordinances or regulations (including building codes or permit or licensing requirements), or with applicable requirements of the Governing Documents except as provided in Section 13.7.2.

13.11. Inspection Rights. Upon reasonable notice (oral or written), any member of the ACC or the Board, or their designated representatives, may enter a Unit without liability for trespass or otherwise for purposes of inspecting work in progress and/or as to completion of any Regulated Modification in compliance with the approved plans, specifications, information and documentation for same, and as to compliance with any applicable provisions of the Governing Documents.

13.12. Records. The ACC is not required to maintain records of any of its meetings. The ACC and the Board, however, must keep and maintain records evidencing their respective final decision(s) regarding all requests for approval and requests for variance for not less than four years. The ACC must also maintain a record of all current Architectural Guidelines, and must provide copies to Owners upon request.

13.13. Limitation of Liability. Neither Declarant, the Association, the Board, the ACC, nor their respective Related Parties, are liable to any Owner, Lessee, Occupant, or any of their Related Parties, or to any other Person for any actions or failure to act or in connection with any approval, conditional approval or disapproval of any application for approval or request for variance, including without limitation, mistakes in judgment, negligence, malfeasance, or nonfeasance. No approval or conditional approval of an application or related plans or specifications and no publication of Architectural Guidelines may ever be construed as representing or implying that, or as a covenant, representation, warranty or guaranty that, if followed, the Regulated Modification will comply with applicable legal requirements, or as to any matters relating to the health, safety, workmanship, quality or suitability for any purpose of the Regulated Modification. The provisions hereof are cumulative of the provisions of Section 15.15.

13.14. Limitation of Applicability; Amendment. None of the provisions of this Article XIII apply to any activities of Declarant or the Association.

ARTICLE XIV

Architectural and Use Restrictions

14.1 Signs.

14.1.1 General. No signs, billboards, posters, banners, pennants or advertising devices of any kind, including without limitation business, professional, promotional or institutional signs, are permitted on any Unit or within any Unit if in Public View, or within or upon any portion of the Neighborhood without the prior written consent of the ACC except as otherwise provided in this Section. The Board or ACC may remove or cause to be removed any sign, billboard, poster, banner, pennant or advertising device of any kind which is not approved as aforesaid or is otherwise prohibited under this Declaration or other Governing Documents and

may dispose of same as debris without liability for trespass or otherwise.

14.1.2 Prohibited Signs. No sign is permitted which is vulgar, obscene or otherwise patently offensive to persons of ordinary sensibilities. Permitted signs must be professionally printed and prepared, and must be properly installed and maintained, to avoid unsightly appearance. The good faith determination of the Board or ACC as to any of the foregoing is final. No sign is permitted to be larger than four square feet. No sign may be illuminated. No sign may be placed on any Common Area closer than ten feet from any street or any side or back lot line, or within any traffic sight line area as defined in Section 14.16. No Owner (or their tenants, guests or invitees) is permitted to place any sign on another Owner's Unit or upon any Common Area. Distressed, foreclosures and bankruptcy references are specifically prohibited.

14.1.3 Permitted Signs. To the extent required by law or in any event upon prior approval of the ACC, but subject to applicable provisions of Section 14.1.2 above, each Owner is permitted to place upon (and only upon) such Owner's Unit or upon the lawn/landscaping within the Common Area immediately in front of such Owner's Unit (i) one sign advertising the particular Unit on which the sign is located for sale or for rent, (ii) "political signs" whereby such Owner is promoting a political candidate, party or issue, (iii) "school" signs at the discretion of the Board and (iv) security monitoring signs. The ACC may reasonably regulate the period(s) of time political signs may be permitted, and the number of permitted political signs and in relationship thereto their size and location. The Declarant may construct, place, install, and maintain such signs, billboards, banners, pennants, and advertising devices as are customary in connection with the sale of newly constructed residential dwellings.

14.2 Parking, Garages and Prohibited Vehicles.

14.2.1 Parking. No garage shall be enclosed, modified or otherwise used so as to reduce its capacity for parking vehicles below that originally approved by the ACC, nor may any portion of a garage be diverted to any use other than the parking of vehicles and other generally accepted and customary uses of a garage. Garages may not be used for general storage and must accommodate, in addition to any belongings, two automobiles. In particular, but not in limitation of the foregoing, no portion of any garage may be used as a residence or as living quarters. Notwithstanding the foregoing, however, Declarant may temporarily convert a garage into a sales or construction office, provided that it is converted back to a garage within thirty (30) days after cessation of construction and sale of new homes within the Neighborhood by Declarant. All vehicles must be parked within the garage for a Unit or temporarily on the driveway servicing the Unit. No vehicles may be parked on the streets (public or private) within the Neighborhood.

14.2.2 Prohibited Vehicles. Commercial vehicles, vehicles with commercial writing on their exteriors (except those of a size to be parked in a home's garage), vehicles primarily used or designed for commercial purposes, tractors, mobile homes, recreational vehicles, trailers (either with or without wheels), campers, camper trailers, boats and other watercraft, and boat trailers shall be parked only in enclosed garages or areas, if any, designated by the Board or by the Association, if any, having jurisdiction over parking areas within a particular Neighborhood. Stored vehicles and vehicles which are either obviously inoperable or

do not have current operating licenses shall not be permitted on the Neighborhood except within enclosed garages. Notwithstanding the foregoing, vehicles that become inoperable while on the Neighborhood must be removed within seventy- two (72) hours thereof. For purposes of this Section, a vehicle shall be considered "stored" if it is put up on blocks or covered with a tarpaulin and remains on blocks or so covered for fourteen (14) consecutive days without the prior approval of the Board. Notwithstanding the foregoing, service and delivery vehicles may be parked in the Neighborhood during daylight hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Unit or the Common Area. Any vehicle parked in violation of this Section or parking rules promulgated by the Board may be towed in accordance with the By-Laws.

14.3 Occupants Bound. All provisions of this Declaration or any other Governing Documents which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all Related Parties of any Owner. Each Owner shall comply, and shall cause all of such Owner's Related Parties to comply, with this Declaration and the other Governing Documents, and shall be responsible for all violations thereof and/or all damage or loss to the Association caused by such occupants, notwithstanding the fact that such Related Parties are fully liable and may be sanctioned for any violation of this Declaration or the other Governing Documents. Any failure in compliance shall be grounds for an action to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, maintainable by the Association or, in a proper case, by any aggrieved Unit Owner or Owners. In addition, the Association may avail itself of any and all remedies provided in this Declaration or the other Governing Documents.

14.4 Animals and Pets. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any portion of the Neighborhood, except that dogs, cats, or other usual and common household pets, not to exceed the number as may be permitted in a Unit pursuant to the laws, codes, and ordinances of Wasatch County, Utah. However, those pets which are permitted to roam free, or, in the sole discretion of the Association, endanger the health or safety of persons, make objectionable noise, or constitute a nuisance or inconvenience to the Owners of other Units or the owner of any portion of the Neighborhood shall be removed upon request of the Board; if the owner fails to honor such request, the pet may be removed by the Board. No pets shall be kept, bred, or maintained for any commercial purpose. Dogs shall at all times whenever they are outside a Unit be confined on a leash held by a responsible person or attached to a secured pole or other fixed Improvement.

14.5 Quiet Enjoyment; Nuisances. No portion of the Neighborhood shall be used, in whole or in part, for the storage of any property or thing that will cause it to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any portion of the Neighborhood that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might unreasonably disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. Noise typically associated with ball fields and recreational centers, normal amounts of dogs barking and children playing is not prohibited.

No noxious, illegal, or offensive activity shall be carried on upon any portion of the Neighborhood, nor shall anything be done thereon tending to cause embarrassment, discomfort,

annoyance, or nuisance to any person using any portion of the Neighborhood. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Neighborhood. No outside burning of wood, leaves, trash, garbage or household refuse shall be permitted within the Neighborhood. No speaker, horn, whistle, bell or other sound device, except alarm devices used exclusively for security purposes, shall be installed or operated on any Unit. The use and discharge of firecrackers and other fireworks is prohibited within the Neighborhood.

14.6 Unsightly or Unkempt Conditions. It shall be the responsibility of each Owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her Unit. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Neighborhood. Notwithstanding the above, the disassembly and assembly of motor vehicles to perform repair work shall be permitted provided such activities are not conducted on a regular or frequent basis, and are either conducted entirely within an enclosed garage or, if conducted outside, are begun and completed within twelve (12) hours.

14.7 Antenna and Satellite Dish Systems. No exterior antennae, aerials, satellite dish receivers or other devices designed to transmit or receive television, radio, satellite or other signals of any kind shall be placed, allowed or maintained upon a Visible Location unless a Visible Location is the only location on a Unit where signals may be received or transmitted without substantial interference with reception. If a Visible Location is the only location on a Unit where signals may be received or transmitted without substantial interference with reception, such a device may be placed in a Visible Location approved by the ACC, which approval shall not be unreasonably withheld. The ACC may require screening of any device placed in a Visible Location, unless such screening (i) unreasonably delays installation or unreasonably increases the cost of installation, maintenance or use of the antenna, or (ii) precludes reception of an acceptable quality signal. To the extent permitted by the Telecommunications Act of 1996, as amended from time to time (the “*Telecommunications Act*”), without ACC approval: (a) no direct broadcast satellite dish or multipoint distribution service antenna larger than one (1) meter in diameter will be allowed on a Residential Tract, (b) no television broadcast antenna mast may extend above the height of the center ridge of the roof of the residence on the Unit, and (c) no multipoint distribution service antenna mast may exceed the height of twelve feet (12’) above the center ridge of the roof. This Section 14.7 shall be interpreted to be as restrictive as possible, while at all times complying with the provisions of the Telecommunications Act. Terms used in this Section 14.7, shall be deemed to have the meanings set forth in the Over-The-Air Reception Devices Rule (“*OTARD*”) promulgated under the Telecommunications Act or other rules and regulations promulgated pursuant thereto, and where OTARD, the Telecommunications Act, or any other rule or regulation promulgated thereunder requires the ACC to act reasonably, or respond promptly, such obligation shall be deemed a part of the ACC’s obligations under this provision. In the event of an amendment to the Telecommunications Act which conflicts with this provision, the conflicting provision herein automatically shall be deemed deleted, and Declarant, without the joinder of any other Owner(s), may amend this provision so as to comply with the amended Telecommunications Act.

14.8 Clotheslines, Garbage Cans, Tanks, Etc. No clotheslines shall be erected or installed in a Visible Location and no clothing, linens or other material shall be aired or dried in a Visible Location. All garbage cans, above-ground storage tanks, mechanical equipment, woodpiles, yard equipment and other similar items on Units shall be located or screened so as to be concealed from Public View. The Owners shall place all rubbish, trash, and garbage in rat-proof garbage cans or containers, which will be stored inside each Unit (such as in the garage), and shall cause such garbage cans or containers to be placed on the curb or other area for pick-up/emptying when the garbage is scheduled to be picked-up and emptied. In the event Wasatch County or the applicable governmental entity will only pick-up and empty dumpsters servicing the Neighborhood, each Owner shall cause any rubbish, trash and garbage to be regularly deposited in the dumpsters servicing the Neighborhood.

14.9 Subdivision of Unit and Time Sharing. No Unit shall be subdivided or its boundary lines changed except with the prior written approval of the Board. Declarant, however, hereby expressly reserves the right to replat any Unit or Units owned by Declarant without Board approval. No division, boundary line change, or replatting shall violate applicable subdivision or zoning regulations. No Unit shall be made subject to any type of timesharing, fraction-sharing or similar program whereby the right to exclusive use of the Unit rotates among members of the program on a fixed or floating time schedule over a period of years, except that Declarant hereby reserves the right for Declarant and its assigns to operate such a program with respect to Units which it owns.

14.10 Firearms. The discharge of firearms within the Neighborhood is prohibited. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types, regardless of size. Notwithstanding anything to the contrary contained herein or in the By-Laws, the Association shall not be obligated to take action to enforce this Section.

14.11 Pools. No swimming pools shall be erected, constructed or installed on any Unit or on any Common Area adjacent to a Unit.

14.12 Irrigation. No sprinkler or irrigation systems of any type which draw upon water from creeks, streams, rivers, lakes, ponds, canals or other ground or surface waters within the Community shall be installed, constructed or operated within the Neighborhood, except that the Association shall have the right to draw water from such sources for the purpose of irrigating the Common Area. All sprinkler and irrigation systems serving Units shall draw upon public water supplies only and shall be subject to approval in accordance with Article XIII of this Declaration. Private irrigation wells are prohibited within the Neighborhood. This Section 14.12 shall not apply to Declarant or its activities within the Neighborhood.

14.13 Tents, Mobile Homes and Temporary Structures. Except as may be permitted by Declarant or the ACC during initial construction within the Neighborhood and except as set forth in Article XVII, no tent, shack, mobile home, or other structure of a temporary nature shall be placed upon a Unit or any part of the Neighborhood. The foregoing prohibition shall not apply to restrict the construction or installation of a single utility or similar outbuilding to be permanently located on a Unit, provided it receives the prior approval of the ACC, as appropriate, in accordance with Article XIII hereof. In addition, party tents or similar temporary structures may be erected for a limited period of time for special events with prior written

approval of the Board.

14.14 Drainage and Septic Systems. Catch basins, drainage swales, and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Person other than Declarant may obstruct or rechannel the drainage flows after location and installation of drainage swales, storm sewers, or storm drains. No Owner may interfere with the established drainage pattern over any part of the Neighborhood unless adequate provision is made for property drainage and is approved in advance by the ACC. Established drainage shall mean and refer to the drainage which exists at the time the overall grading and development of the Neighborhood is completed by Declarant. Septic tanks and drain fields, other than those installed by or with the consent of Declarant, are prohibited within the Neighborhood. No Owner or its Related Parties shall dump grass clippings, leaves or other debris, petroleum products, fertilizers or other potentially hazardous or toxic substances, in any storm drain, drainage ditch, stream, pond or lake within the Neighborhood.

14.15 Tree Removal. No trees shall be removed, except for diseased or dead trees and trees needing to be removed to promote the growth of other trees or for safety reasons, unless approved in accordance with Article XIII of this Declaration. In the event of an intentional or unintentional violation of this Section, the violator may be required, by the committee having jurisdiction, to replace the removed tree with one (1) or more comparable trees of such size and number, and in such locations, as such committee may determine necessary in its sole discretion, to mitigate the damage.

14.16 Sight Distance at Intersections. All property located at street intersections shall be landscaped so as to permit safe sight across the street corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain where it would create a traffic or sight problem.

14.17 Air Conditioning Units. There shall not be installed or operated in any Unit any window mounted air-conditioning or heating units.

14.18 Lighting. Except for traditional holiday decorative lights located on the exterior roof line or around windows of a Townhome, which may be displayed for two (2) months prior to and one (1) month after any commonly recognized holiday for which such lights are traditionally displayed, all exterior lights must be approved in accordance with Article XIII of this Declaration. No holiday decorative lights are permitted on the roof of any Townhome or on the landscaping or lawn within the Common Area in front of or adjacent to any Unit without the prior approval of the ACC.

14.19 Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation or permanent flagpoles shall be permitted in a Visible Location on a Unit. No exterior sculpture, holiday displays, fountains, flags and temporary flagpoles (except on traditional flag flying holidays such as the 4th of July and Memorial Day), birdhouses, birdbaths, other decorative embellishments or similar items shall be permitted on any Unit or on any Common Area adjacent to a Unit unless approved in accordance with Article XIII of this Declaration.

14.20 Energy Conservation Equipment. No solar energy collector panels or attendant

hardware or other energy conservation equipment shall be constructed or installed on any Unit unless it is an integral and harmonious part of the architectural design of a structure, as determined in the sole discretion of the appropriate committee pursuant to Article XIII hereof. No windmills, wind generators or other apparatus for generating power from the wind shall be erected or installed on any Unit.

14.21 Playground. No jungle gyms, trampolines, basketball standards, sport courts, tennis courts, swing sets, club houses, or similar playground equipment shall be erected or installed on the Common Area adjacent to any Unit, except as installed by Declarant.

14.22 Fences/Walls. No hedges, walls, dog runs, animal pens or fences of any kind shall be permitted on any Unit or within the Common Area adjacent to any Unit, except as approved in accordance with Article XIII of this Declaration.

14.23 Patios, Barbeques, Hot-tubs. Owners, at their sole cost and expense, may install patios, decks, hot tubs, fixed barbeque equipment (i.e., not readily mobile), and other such outdoor improvements ("***Patio Improvements***") on their Residential Tract or Limited Common Areas appurtenant to their respective Unit, in accordance with the following requirements:

14.23.1 The Owner shall submit an application to the Board requesting that a portion of the Common Area adjacent to the Unit be converted from Common Area to Limited Common Area. The application shall include a plan showing the exact location of the Limited Common Area and a description of the proposed Patio Improvements to be placed thereon.

14.23.2 The Owner shall be solely responsible for all costs and expenses associated with or relating to such Patio Improvements, including, without limitation, all costs and expenses of installation, design, permits, construction, maintenance, repair, and replacement thereof, and the Limited Common Area and the Patio Improvements shall otherwise be considered part of the Unit for purposes of maintenance, repair, reconstruction, and insurance.

14.23.3 The Owner shall obtain the required approvals from the ACC and comply with the requirements of Article XIII; provided, however, that the ACC may only withhold approval for installation of Patio Improvements if:

(a) The ACC has reason to believe that the Limited Common Area, patio, deck or other supporting structure will not support the size or weight of the Patio Improvements. If the ACC has such concerns, the Owner may overcome the same and obtain approval if the Owner, at the Owner's sole cost and expense, obtains and submits to the committee a written opinion from a licensed structural engineer providing the ACC with reasonably satisfactory assurances that the Limited Common Area, patio, deck or other supporting structure will structurally support the proposed Patio Improvements;

(b) The proposed Patio Improvements has a color scheme that detracts from and is not reasonably consistent with the appearance and colors of the exteriors of the Units in the Neighborhood; or,

(c) The size of the proposed Patio Improvements is unusually large for the

proposed location, such that it detracts from the consistency and aesthetic visual appeal of the Neighborhood.

14.23.4 The Owner shall be responsible for ensuring that the patio, deck or other limited common area on which the proposed Improvement will be located will structurally support the proposed Improvement, and that the proposed Improvement will not jeopardize the structural integrity of the Limited Common Area or the Unit.

14.23.5 The Owner shall indemnify, hold harmless, and agree to defend the Association, and Declarant from and against any and all claims or liabilities arising from or relating to the installation, use, repair, removal or any other use of the Patio Improvements.

14.23.6 The Owner, at its sole cost and expense, shall obtain and maintain adequate and appropriate insurance coverage relating to the Patio Improvements. The Association shall not have any responsibility to obtain any form of insurance coverage relating to the Patio Improvements.

14.23.7 If the Owner removes the Patio Improvements, the Owner shall be responsible for all costs of removal. The Owner shall restore the Limited Common Area or the Unit on which the Patio Improvements were located to its original condition, and shall pay for all costs and expenses relating to such restoration.

14.24 Chimneys. All wood or coal burning chimneys will be equipped with appropriate spark screens as approved by the ACC.

14.25 Use.

14.25.1 General. The Neighborhood shall be used only for residential, recreational, and related purposes (which may include, without limitation, offices for any property manager retained by the Association or business offices for Declarant or the Association). The Association may impose more stringent use prohibitions and standards within the Neighborhood. The Association, acting through its Board, shall have standing and the power to enforce such standards. Except for uses by Declarant or the Association, as described in the preceding sentences, each and every Unit is hereby restricted to residential use only. All Units shall comply with the applicable zoning and land use laws, including restrictions that may restrict the use as a single family dwelling, as such term may be defined by the applicable County ordinances.

14.25.2 No Business, Professional, Commercial or Manufacturing Use. No business, professional, commercial or manufacturing use may be made of any Unit or any improvement located thereon, even though such business, professional, commercial or manufacturing use be subordinate or incident to use of the Unit as a residence, and regardless of whether or not done for profit or remuneration. Notwithstanding the foregoing, an Owner or Owner's Related Parties residing in a Unit may conduct business activities within the Unit so long as:

- (a) the existence or operation of the business activity is not apparent or

detectable by sight, sound or smell from outside the Unit;

(b) the business activity conforms to all zoning requirements for the Unit;

(c) the business activity does not involve persons coming onto the Neighborhood or the Unit or door-to-door solicitation of residents of the Neighborhood or the Community; and

(d) the business activity is consistent with the residential character of the Neighborhood and the Community and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Neighborhood or the Community, as may be determined in the sole discretion of the Board.

14.25.3 Residential Use Only. Without limitation of the foregoing, as used herein the term “residential use” shall be construed to prohibit the use of any Unit or the residence thereon for operation of a boarding or rooming house or residence for transients, or the use of any garage or permitted outbuilding as an apartment or residential living quarters.

14.25.4 Maximum Occupancy. In addition to the limitations above set forth, in no event may a Unit be occupied by more persons than permitted by applicable law.

14.25.5 Additional Standards and Regulations. The Association, acting through the Board, shall have authority to make and to enforce additional Rules and Regulations governing the use of Units within the Neighborhood. Such Rules and Regulations shall be binding upon all Owners and their Related Parties until and unless overruled, canceled or modified in a regular or special meeting of the Association by the vote of both Members representing a majority of the total Class “A” votes in the Association and by the Class “B” Member, so long as such membership shall exist.

14.26 On-Site Fuel Storage. No on-site storage of gasoline, heating or other fuels shall be permitted on any part of the Neighborhood except that up to five (5) gallons of fuel may be stored on each Unit for emergency purposes and operation of lawn mowers and similar tools or equipment, and the Association shall be permitted to store fuel for operation of maintenance vehicles, generators and similar equipment.

14.27 Golf Carts/ATVs/Motorbikes. No gasoline-powered golf carts shall be operated within the Neighborhood. All golf carts shall be powered by electricity or by similar non-combustion means. All motorcycles, trail bikes, tree-wheel and four-wheel powered devices, automobiles, and two or four-wheel drive recreational type vehicles are to be operated only on established streets and parking areas and are specifically prohibited from all other portions of the Common Areas.

14.28 Leasing of Units. There is no restriction in this Declaration on the right of any Owner to lease, rent or otherwise grant occupancy rights to a Unit; provided, however, any Owners who rent their Units for an initial term of less than thirty (30) days shall use a professional rental management company, duly licensed and qualified in the State of Utah, which shall provide (a) 24-hour management services, and (b) have all necessary business and other licenses or permits required by the County or the State. **EACH OWNER BY ACCEPTANCE**

OF A DEED OR OTHER DOCUMENT OF CONVEYANCE ACKNOWLEDGES AND AGREES THAT THE UNITS WITHIN THE NEIGHBORHOOD AND/OR COMMUNITY MAY BE RENTED ON A NIGHTLY, WEEKLY, MONTHLY OR OTHER PERIODIC BASIS, AND THAT VACATION AND OTHER SHORT TERM RENTALS ARE PERMITTED BY THIS DECLARATION. Notwithstanding the above, the leasing of any Units is still subject to any applicable laws as set forth in Section 14.29 below. Units may be leased only in their entirety; no fraction or portion may be rented. All leases shall be in writing. Notice of any lease, together with such additional information as may be required by the Board, shall be given to the Board by the Unit Owner within ten (10) days of execution of the lease. The Lessee shall be subject to the terms and conditions of this Declaration and the other Governing Documents. The Board may adopt reasonable rules regulating Leasing and subleasing.

14.29 Laws and Ordinances. Every Owner and such Owner's Related Parties, shall comply with all laws, statutes, ordinances and rules of federal, state and municipal governments applicable to the Unit and the Neighborhood and the Community, including any and all applicable zoning and land use laws and ordinances, and any violation thereof may be considered a violation of this Declaration; provided, the Board shall have no obligation to take action to enforce such laws, statutes, ordinances and rules.

14.30 Unoccupied Residences. The Owner of a Unit with an unoccupied residence (including a vacant Residential Tract), including any mortgagee in possession and any mortgagee obtaining title to a Unit by foreclosure or by any deed or other arrangement in lieu of foreclosure, is liable for full observance and performance of all terms and conditions of this Declaration and all other Governing Documents, including in particular but without limitation: (i) proper maintenance of the Unit and all improvements thereon; (ii) securing of the unoccupied residence, including fastening of windows and locking of all entry and garage doors, and maintenance of appropriate curtains or other permitted window covers in order to prevent unauthorized entry or use; and (iii) such other maintenance as required to avoid an appearance of abandonment or other unsightly or unkempt appearance.

14.31 Maintenance of Utilities Required. All utility services intended to be provided to each Unit as originally constructed, including without limitation water, sewage, electric and gas services, must be maintained by the Owner at all times when a residence is occupied.

ARTICLE XV

General Provisions

15.1 Term. The covenants and restrictions of this Declaration shall run with and bind the Neighborhood, and shall inure to the benefit of and shall be enforceable by the Association, each Owner, and their respective legal representatives, heirs, successors, and assigns, for a term of forty (40) years from the date this Declaration is Recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by a majority of the then Owners, has been Recorded within the twelve month period preceding the renewal of this Declaration, agreeing to change said covenants and restrictions, in whole or in part, or to terminate the same, in which case this Declaration shall be modified or terminated as specified therein.

15.2 Amendment. During the Declarant Control Period, Declarant, acting alone, shall have the sole right to amend this Declaration. After the Declarant Control Period, this Declaration may be amended or terminated by the affirmative vote or written consent, or any combination thereof, of Owners of Units representing seventy-five percent (75%) of the total votes in the Association. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Any amendment or termination of this Declaration must be recorded in the Official Public Records of Wasatch County, Utah to be effective.

If an Owner consents to any amendment to or termination of this Declaration or the By-Laws, it will be conclusively presumed that such Owner has the authority so to consent and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

No amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant or the assignee of such right or privilege.

15.3 Easements for Utilities, Drainage, Etc. There is hereby reserved unto Declarant, during the Declarant Control Period, the Association, and the designees of each (which may include, without limitation, Wasatch County, Utah, and any water district, municipal utility district or other utility), blanket easements upon, across, over, and under all of the Neighborhood for ingress, egress, installation, replacing, repairing, and maintaining cable television systems, master television antenna systems, security, and similar systems, roads, walkways, bicycle pathways, lakes, ponds, wetlands, drainage systems (including altering drainage and water flow), levees, street lights, signage, and all utilities, including, but not limited to, water, sewers, meter boxes, telephones, gas, and electricity; provided, the exercise of this easement shall not unreasonably interfere with the use of any Unit and, except in an emergency, entry into any Unit shall be made only after reasonable notice to the Owner or occupant thereof.

Without limiting the generality of the foregoing, there are hereby reserved for the local water supplier, electric company, and natural gas supplier, easements across the Common Areas for ingress, egress, installation, reading, replacing, repairing, and maintaining utility meters and boxes. Notwithstanding anything to the contrary contained in this Section, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on the Neighborhood, except as may be approved by the Board or as provided by Declarant.

Should any entity furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, the Board shall have the right to grant such easement over the Common Area without conflicting with the terms hereof. The easements provided for in this Article shall in no way adversely affect any other recorded easement on the Neighborhood.

The Board shall have, by a two-thirds (2/3) vote, the power to dedicate portions of the Common Area to Wasatch County, Utah, or to any other local, state, or federal governmental entity.

15.4 Easements to Serve Additional Property. Declarant and its duly authorized

agents, representatives, and employees, as well as its successors, assigns, licensees and mortgagees, shall have and there is hereby reserved an easement over the Common Areas for the purposes of enjoyment, use, access and development of any Additional Property whether or not the Additional Property is made subject to this Declaration. This easement includes but is not limited to a right of ingress and egress over the Common Area for construction of roads and for tying in and installation of utilities on the Additional Property. Declarant agrees that if the easement is exercised for permanent access to the Additional Property and such Additional Property or any portion thereof is not made subject to this Declaration, Declarant, its successors, or assigns shall enter into a reasonable agreement with the Association to share the cost of maintenance of any access roadway serving the Additional Property. Such agreement shall provide for sharing of costs based on the ratio which the number of residential dwellings on that portion of the Additional Property which is served by the easement and is not made subject to this Declaration bears to the total number of residential dwellings within the Neighborhood and on such portion of the Additional Property.

15.5 Perimeter Wall Easement. There is hereby created an affirmative easement in favor of Declarant, the Association, and their Related Parties, upon, over and across each Residential Tract adjacent to the perimeter boundaries of the Neighborhood (and each Residential Tract adjacent to public right of way or the perimeter boundaries of the Neighborhood) for reasonable ingress, egress, installation, replacement, maintenance and repair of any perimeter wall that is located along a perimeter boundary of the Neighborhood or a public right of way.

15.6 Declarant Easement. There is hereby created a nonexclusive easement for ingress and egress over, for the right to go over, under and across, and for the right to enter and remain upon, all portions of the Neighborhood, including but not limited to, the Common Area (including, but not limited to any private streets and a right of access through any guard gates, key gates or other access control points) for the purpose of enabling Declarant, and Declarant's Related Parties and their respective invitees, licensees, contractors and guests to exercise Declarant's rights and obligations hereunder, and to engage in activities reasonably related to the development, management, administration, operation, maintenance, advertisement and sale or rental of the portions of the Neighborhood and the Additional Property owned by Declarant. This easement shall be in favor of Declarant and its Related Parties and appurtenance to portions of the Neighborhood and the Additional Property owned by Declarant. The rights of access established in this Section shall be exercised so as to reasonably minimize interference with the quiet enjoyment of a Unit by its Owner or any Occupant.

15.7 Association Easement. There is hereby created a nonexclusive easement in favor of the Association for ingress and egress over the entire Neighborhood (except the interior of an occupied dwelling unit) for the purpose of enabling the Association and its contractors and Related Parties to implement the provisions of this Declaration. The rights of access established in this Section shall be exercised so as to reasonably minimize interference with the quiet enjoyment of a Unit by its Owner and any Occupant. Every Unit is also hereby subjected to a nonexclusive easement for overspray and runoff of water from any irrigation systems serving the Common Area or Areas of Common Responsibility. Under no circumstance will the Association or any Related Part of the Association be responsible for any property damage or personal injury resulting from any overspray or from the operation of the irrigation systems serving the Common

Area or Areas of Common Responsibility.

15.8 Utility Cross Easements. Each Unit shall be subject to and benefit from easements under, above and through the Unit and adjoining Units for utilities, such as, culinary water, sanitary sewer, electricity, natural gas, air conditioner lines, ventilation lines, telecommunication lines, etc. to the extent necessary for the proper construction and operation of the Units in accordance with the design and architectural style of such Units and the Neighborhood. Such utilities shall be placed within the exterior walls, party walls, attic, and/or under the foundation. Any work performed related to such utilities shall be performed by the Association and an Owner shall not have the right to modify or interfere with such utilities. The Association shall have the benefit of the easements granted herein and shall have the right to reasonably access each Unit to the extent necessary to access, inspect, install, place, repair, maintain, and remove such utilities. The Association shall repair any damage to a Unit caused by such entry and activity by the Association. The Association shall provide prior written notice to the Owner of any Unit that is subject to any work related to the installation, placement, or maintenance of any such utilities. The Association shall use good faith efforts to minimize any disturbance to the Owner's use and enjoyment of the Owner's Unit related to the installation, placement, maintenance, or removal of such utilities.

15.9 Encroachment Easements. Each Unit shall be subject to and benefit from (a) an easement for encroachment of eaves, roof overhangs and other architectural and design features that may encroach over the vertical plane of any Unit; (b) an easement for storm water drainage from the roof and rain gutter from one Unit to another Unit and the natural drainage of water from Unit to Unit in accordance with the architectural design of the Units; and (c) an easement within party walls for utilities, electrical cables, telecommunication cables and lines, and other similar improvements that are commonly located in interior and/or exterior walls.

15.10 Access Control. The Association, or its duly delegated representative, may operate an access control system for the Neighborhood or any portion of the Neighborhood.

15.11 Severability. Invalidity of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

15.12 Right of Entry. In addition to any other rights set forth herein, the Association shall have the right, but not the obligation, to enter into any Unit for emergency, security, and safety reasons, which right may be exercised by the Board, or the Association's officers, agents, employees, or managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner consistent with the terms and conditions of this Declaration.

15.13 Perpetuities. If any of the covenants, conditions, restrictions or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death

of the last survivor of the now living descendants of Elizabeth II, Queen of England; provided, however, to the extent applicable, this Declaration is subject to the Utah Statutory Rule Against Perpetuities (U.C.A. §75-2-1201, et. seq.). The covenants, conditions, restrictions, or other provisions of this Declaration shall continue the longest period permitted by applicable law.

15.14 Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by Declarant (if during the Declarant Control Period) and a vote of seventy-five percent (75%) of the Class "A" Members. This Section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of assessments as provided in Article XII hereof, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association in proceedings instituted against it.

15.15 Cumulative Effect; Conflict. In the event of a conflict between or among the Master Declaration and this Declaration and the documents respective Governing Documents, the more restrictive covenants and restrictions shall govern; provided, however, the Master Association may only enforce the Community-Wide Standards and may not impose any additional standards or enforce the Neighborhood requirements as set forth in this Declaration.

15.16 Use of the Words "The Retreat at Jordanelle" or "PARK'S EDGE". No Person shall use the term "The Retreat at Jordanelle," "PARK'S EDGE" or any derivative thereof in any printed or promotional material without the prior written consent of Declarant. However, any Owner may use the term "The Retreat at Jordanelle" or "PARK'S EDGE" in printed or promotional matter where such term is used solely to specify that their particular property is located within "The Retreat at Jordanelle" or The "Park's Edge". The Association shall be entitled to use the term "PARK'S EDGE" in its name.

15.17 Limitation of Liability; Indemnification.

15.17.1 In General. To the maximum extent permitted by the Utah Revised Nonprofit Corporation Act (U.C.A §16-6a-101 et. seq.), the Association shall indemnify the following Persons against all expenses and liabilities actually incurred by such Persons in connection with a proceeding (as defined in U.C.A. §16-6a-102(37)), including but not limited to, attorney's fees, witness fees (including expert witness fees), costs, and litigation related expenses, reasonably incurred or imposed upon them in connection with any proceeding to which they may be parties, or in which they may become involved, by reason of their being or having served in those capacities on behalf of the Association (or by reason of having appointed, removed or controlled or failed to control members of the Board or the ACC), or any settlement of any such proceeding: (i) every director and officer of the Association, (ii) every member of the ACC or other committees of the Association, (iii) Declarant and the Declarant Related Parties, and (iv) all employees of the Association. The Board further may elect to indemnify any agent of the Association. Any Person described in phrases (i), (ii), (iii) and (iv) of the first sentence of this Section shall be entitled to indemnification whether or not such Person is serving in the specified capacity at the time the expenses are incurred, and the Association shall pay or reimburse reasonable expenses incurred by any such Person who was, is or is threatened to be made a party in a proceeding, in advance of the final disposition of the proceeding, to the

maximum extent permitted by the Section 16-6a-904 of the Utah Revised Nonprofit Corporation Act (as amended from time to time); provided, however, that payment or reimbursement of expenses pursuant to the procedures set forth in the Utah Revised Nonprofit Corporation Act may be conditioned upon a showing, satisfactory to the Board in its sole discretion, of the financial ability of the Person in question to make the repayment referred to in such Section. This right of indemnification shall be in addition to, and not exclusive of, all other rights to which the Person to be indemnified may be entitled at law or otherwise.

15.17.2 Non-Liability of Officials. To the fullest extent permitted by law, none of the following Persons (the “**Released Persons**”) shall be liable to any Member, Owner, Lessee, Occupant, the Association or any other Person for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval of plans or specifications (whether or not defective), course of action, act, inaction, omission, error, negligence or the like made in good faith and which the following Persons reasonably believed to be within the scope of their representative duties: (i) every director and officer of the Association, (ii) every member of the ACC, or other committees of the Association, (iii) Declarant and the Declarant Related Parties, and (iv) all employees of the Association. Each Owner, Occupant and other Person having any interest in the Neighborhood or entering upon or using any portion of the Neighborhood is deemed to acknowledge and accept the following:

(a) None of the Released Persons shall be liable or responsible for, or in any manner be guarantor or insurer of, the health, safety, or welfare of any Owner, Occupant or other Person entering upon or making use of any portion of the Neighborhood. Each Owner, Occupant and other Person assumes all risks associated with the use and enjoyment of the Neighborhood, including but not limited to, any recreational facilities upon or within the Neighborhood.

(b) None of the Released Persons shall be liable or responsible for any personal injury, illness or any other loss or damage caused by the presence or malfunction of any utility line, equipment or substation, adjacent to, near, over, or on the Neighborhood. Each Owner, Occupant and other Person assumes all risks of personal injury, illness or other loss or damage arising from the presence of malfunction of any utility line, equipment or substation adjacent to, near, over or on the Neighborhood.

(c) No provision of this Declaration or any other Governing Document shall be construed or interpreted as creating a duty by any of the Released Persons to protect or further the health, safety or welfare of any Person, even if funds of the Association are used for such a purpose.

15.17.3 Liability Arising From Conduct of Owners. Each Owner, Lessee, Occupant, and their respective Related Parties hereby indemnifies, holds harmless, and agrees to defend (with counsel reasonably acceptable to the indemnified party) the Declarant, the Association, and their Related Parties from and against all claims, damages, suits, judgments, court costs, attorney’s fees, attachments and all other legal actions caused through the willful or negligent act or omission of an Owner, a Lessee, an Occupant, or their respective Related Parties.

15.17.4 Subsequent Statutory Authority. If any applicable law, whether state or federal, is construed or amended to further eliminate or limit liability or authorizing further indemnification than as permitted or required by this Section 15.15, then liability will be limited or expanded to the fullest extent permitted by such applicable law.

15.17.5 No Impairment. Any repeal, amendment or modification of this Section 13.16 may not adversely affect any rights or protection existing at the time of the amendment.

15.18 Notice of Sale or Transfer of Title. In the event that any Owner desires to sell or otherwise transfer title to his or her Unit, such Owner shall give the Association at least seven (7) days prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board may reasonably require. Until such written notice is received by the Association, the transferor shall continue to be jointly and severally responsible for all obligations of the Owner of the Unit hereunder, including payment of assessments, notwithstanding the transfer of title to the Unit.

ARTICLE XVI

Mortgagee Provisions

The following provisions are for the benefit of holders of first Mortgages on Units in the Neighborhood. The provisions of this Article apply to both this Declaration and to the By-Laws, notwithstanding any other provisions contained therein.

16.1 Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage who provides written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Unit to which its Mortgage relates, therefore becoming an “*Eligible Holder*”), will be entitled to timely written notice of:

(a) any condemnation loss or any casualty loss which affects any Unit on which there is a first Mortgage held, insured, or guaranteed by such Eligible Holder or any Common Area serving the Neighborhood within which such Unit is located;

(b) any delinquency in the payment of assessments or charges owed on a Unit subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of sixty (60) days, or any other violation of this Declaration or other Governing Documents relating to such Unit or the Owner or occupant thereof which is not cured within sixty (60) days;

(c) any lapse, cancellation, or material modification of any insurance policy maintained by the Association and covering the Unit upon which there is a first Mortgage held, insured, or guaranteed by such Eligible Holder; or

(d) any proposed action which would require the consent of a specified percentage of Eligible Holders.

16.2 No Priority. No provision of this Declaration or the other Governing Documents

gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

16.3 Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Unit.

16.4 Applicability of Article XVI. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under this Declaration, By-Laws, or Utah law for any of the acts set out in this Article.

16.5 Neighborhood Splits/Consolidations. Declarant, during the Declarant Control Period, and thereafter, the Board, may elect to divide the Neighborhood into more than one (1) Neighborhood or to combine two (2) or more Neighborhoods into one (1) Neighborhood at any time. Upon a petition signed by a majority of the Owners of Units located in the Neighborhood(s) affected, the Neighborhood may apply to Declarant, during the Declarant Control Period, or thereafter, to the Board, to divide the property comprising such Neighborhood into two (2) or more Neighborhoods or to combine two (2) or more Neighborhoods into one (1) Neighborhood. Any such application shall be in writing and shall include a plat of survey of the entire parcel which indicates the boundaries of the proposed Neighborhood(s) or otherwise identifies the Units included within the proposed Neighborhood(s). Neighborhood consolidations shall automatically be deemed granted upon the applicant filing the required documents with the Board. Neighborhood divisions requested by a Neighborhood shall automatically be deemed granted unless the Board denies such application in writing within thirty (30) days of its receipt thereof. The Board may deny an application at its sole discretion. All applications and copies of any denials shall be filed with the books and records of the Association and shall be maintained as long as this Declaration is in effect.

ARTICLE XVII

Declarant's Rights

17.1 Transfer of Rights. Any or all of the special rights and obligations of Declarant set forth in this Declaration or the other Governing Documents may be transferred to other Persons, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein or in the other Governing Document, as applicable, and provided further, no such transfer shall be effective unless it is in a written instrument signed by Declarant and duly recorded in the public records of Wasatch County, Utah. Nothing in this Declaration shall be construed to require Declarant or any successor to develop any of the Additional Property in any manner whatsoever.

17.2 Construction and Sale Activity. Notwithstanding any provisions contained in this Declaration to the contrary, so long as construction and initial sale of Units shall continue, it shall be expressly permissible for Declarant and any builder designated by Declarant to maintain and carry on upon portions of the Common Area such facilities and activities as, in the sole opinion of Declarant, may be reasonably required, convenient, or incidental to the construction or sale of such Units, including, but not limited to, business offices, signs, model units, and sales

offices, and Declarant and such designated builder(s) shall have easements for access to and use of such facilities. The right to maintain and carry on such facilities and activities shall include specifically, without limitation, the right to use Units owned by Declarant and any clubhouse or community center which may be owned by the Association, as models and sales offices, respectively.

17.3 Application to Declarant. Notwithstanding anything contained in this Declaration to the contrary, none of the restrictions contained in this Declaration shall be construed or deemed to limit or prohibit any act of Declarant, Declarant's Related Parties or contractors, or parties designated by Declarant in connection with the construction, completion, sale or leasing of the Units, Common Areas, the Neighborhood, or the Additional Property (whether or not annexed under this Declaration). Without limiting the generality of this Article XVII in any way, and notwithstanding anything to the contrary contained in this Declaration, (a) Declarant is expressly exempted from the provisions of this Declaration requiring submission to or authorizations by the ACC, (b) Declarant shall have the right to erect, operate and maintain one or more administrative and sales offices on any portion of the Neighborhood owned by or leased to Declarant or the Association (including but not limited to Units), and (c) neither the provisions of Article XIII, nor the Architectural Guidelines, nor any comparable provisions in any Governing Document shall apply to Improvements built by Declarant, and any Improvements built by Declarant may have an architectural style and present general aesthetics that are quite different from the architectural style and aesthetics elsewhere in the Neighborhood or the Community.

17.4 No Recordation. So long as Declarant continues to have rights under this paragraph, no Person shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of the Neighborhood without Declarant's review and written consent thereto, and any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by Declarant.

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EXHIBIT "A"**IROQUOIS PHASE 6, PARCEL A:**

A parcel of land located in the Southwest Quarter of Section 6, Township 2 South, Range 5 East, Salt Lake Base and Meridian, more particularly described as follows: Beginning at a point on a Southeasterly corner of Iroquois Phase 5, as recorded in the office of the Wasatch County Recorder, and a point on a 15.50 foot radius curve to the right (center bears North 56°31'08" East), which point is 1140.71 feet South 00°28'52" West along the West line of said Section 6 and 330.23 feet South 89°31'08" East from the brass cap monument found marking the West Quarter corner of said Section 6 (basis of bearings being South 00°44'47" East 2643.77 feet along the Section line between the brass cap monuments found marking the Northwest and West Quarter corners of said Section 6), and running thence along the Southeasterly line of said Iroquois Phase 5 the following nine (9) courses: (1) Northeasterly 24.35 feet along the arc of said curve through a central angle of 90°00'00" (chord bears North 11°31'08" East 21.92 feet); (2) North 56°31'08" East 22.50 feet to the point of curvature with a 275.00 foot radius curve to the left; (3) Northeasterly 168.46 feet along the arc of said curve through a central angle of 35°05'51" (chord bears North 38°58'12" East 165.83 feet); (4) North 21°25'17" East 70.04 feet to the point of curvature with a 225.0 foot radius curve to the right; (5) Northeasterly 147.20 feet along the arc of said curve through a central angle of 37°29'06" (chord bears North 40°09'50" East 144.59 feet); (6) North 58°54'23" East 246.66 feet to the point of curvature with a 275.00 foot radius curve to the left; (7) Northeasterly 99.39 feet along the arc of said curve through a central angle of 20°42'30" (chord bears North 48°33'08" East 98.85 feet); (8) North 38°11'53" East 30.42 feet to the point of curvature with a 16.00 foot radius curve to the right; (9) Northeasterly 25.74 feet along the arc of said curve through a central angle of 92°11'30" (chord bears North 84°17'38" East 23.06 feet); thence South 49°36'37" East 246.01 feet; thence South 40°14'09" West 76.24 feet; thence South 33°07'38" East 89.94 feet; thence South 55°12'22" West 233.05 feet; thence North 36°21'32" West 38.20 feet; thence South 56°36'17" West 135.48 feet; thence North 79°27'43" West 16.04 feet; thence South 13°53'16" West 82.94 feet; thence South 79°11'26" West 86.08 feet; thence South 72°38'38" West 84.13 feet; thence South 66°13'05" West 93.05 feet; thence South 57°17'30" West 89.54 feet; thence North 30°23'55" West 61.37 feet to the point of curvature with a 525.00 foot radius curve to the left; thence Northwesterly 28.24 feet along the arc of said curve through a central angle of 03°04'57" (chord bears North 31°56'24" West 28.24 feet); thence North 33°28'52" West 47.98 feet to the point of beginning.

IROQUOIS PHASE 6, PARCEL E:

A parcel of land located in the Southwest Quarter of Section 6, Township 2 South, Range 5 East, Salt Lake Base and Meridian, more particularly described as follows: Beginning at a point 1653.83 feet South 00°28'52" West along the West line of said Section 6 and 1256.21 feet South 89°31'08" East from the brass cap monument found marking the West Quarter corner of said Section 6 (basis of bearings being South 00°44'47" East 2643.77 feet along the Section line between the brass cap monuments found marking the Northwest and West Quarter corners of said Section 6), and running thence North 89°22'39" East 280.19 feet to a 150.00 foot radius curve to the left (center bears North 82°38'37" East); thence Southeasterly 126.62 feet along the arc of said curve through a central angle of 48°21'52" (chord bears South 31°32'19" East 122.89 feet); thence South 55°43'15" East 59.21 feet to the point of curvature with a 100.00 foot radius curve to the right; thence Southeasterly 16.75 feet along the arc of said curve through a central angle of 09°35'53" (chord bears South 50°55'18" East 16.73 feet); thence South 89°22'39" West 234.67 feet; thence South 00°40'01" East 88.25 feet; thence South 89°19'59" West 31.70 feet to the point of curvature with a 15.50 foot radius curve to the right; thence Northwesterly 20.64 feet along the arc of said curve through a central angle of 76°18'42" (chord bears North 52°30'40" West 19.15 feet) to

the point of reverse curvature with a 50.00 foot radius curve to the left; thence Northwesterly 91.22 feet along the arc of said curve through a central angle of $104^{\circ}32'03''$ (chord bears North $66^{\circ}37'21''$ West 79.09 feet); thence North $52^{\circ}28'04''$ West 49.99 feet; thence North $04^{\circ}45'57''$ West 163.83 feet to the point of beginning.

IROQUOIS PHASE 6, PARCEL K:

A parcel of land located in the Southwest Quarter of Section 6, Township 2 South, Range 5 East, Salt Lake Base and Meridian, more particularly described as follows: Beginning at a point 2064.31 feet South $00^{\circ}28'52''$ West along the West line of said Section 6 and 1763.69 feet South $89^{\circ}31'08''$ East from the brass cap monument found marking the West Quarter corner of said Section 6 (basis of bearings being South $00^{\circ}44'47''$ East 2643.77 feet along the Section line between the brass cap monuments found marking the Northwest and West Quarter corners of said Section 6), and running thence North $04^{\circ}45'57''$ West 210.25 feet to the point of curvature with a 150.00 foot radius curve to the left; thence Northwesterly 133.40 feet along the arc of said curve through a central angle of $50^{\circ}57'18''$ (chord bears North $30^{\circ}14'36''$ West 129.05 feet); thence North $55^{\circ}43'15''$ West 59.21 feet to the point of curvature with a 100.00 foot radius curve to the right; thence Northwesterly 177.72 feet along the arc of said curve through a central angle of $101^{\circ}49'39''$ (chord bears North $04^{\circ}48'25''$ West 155.24 feet); thence North $46^{\circ}06'24''$ East 19.09 feet to the point of curvature with a 16.00 foot radius curve to the right; thence Southeasterly 25.09 feet along the arc of said curve through a central angle of $89^{\circ}50'56''$ (chord bears South $88^{\circ}58'08''$ East 22.60 feet) to the point of reverse curvature with a 1554.68 foot radius curve to the left; thence Southeasterly 21.70 feet along the arc of said curve through a central angle of $00^{\circ}47'59''$ (chord bears South $44^{\circ}26'39''$ East 21.70 feet); thence South $44^{\circ}50'50''$ East 207.21 feet; thence South $33^{\circ}24'11''$ East 260.77 feet; thence South $40^{\circ}04'07''$ East 161.54 feet; thence South $26^{\circ}17'06''$ East 130.96 feet; thence South $07^{\circ}02'36''$ East 93.04 feet; thence North $85^{\circ}37'58''$ West 47.02 feet; thence North $62^{\circ}24'32''$ West 162.02 feet; thence North $50^{\circ}56'32''$ West 70.20 feet; thence South $45^{\circ}23'25''$ West 96.94 feet to a 245.00 foot radius curve to the right (center bears North $50^{\circ}05'36''$ East); thence Northwesterly 150.26 feet along the arc of said curve through a central angle of $35^{\circ}08'27''$ (chord bears North $22^{\circ}20'10''$ West 147.92 feet) to the point of beginning.

EXHIBIT “B”
[Depiction of Parcels within Community]

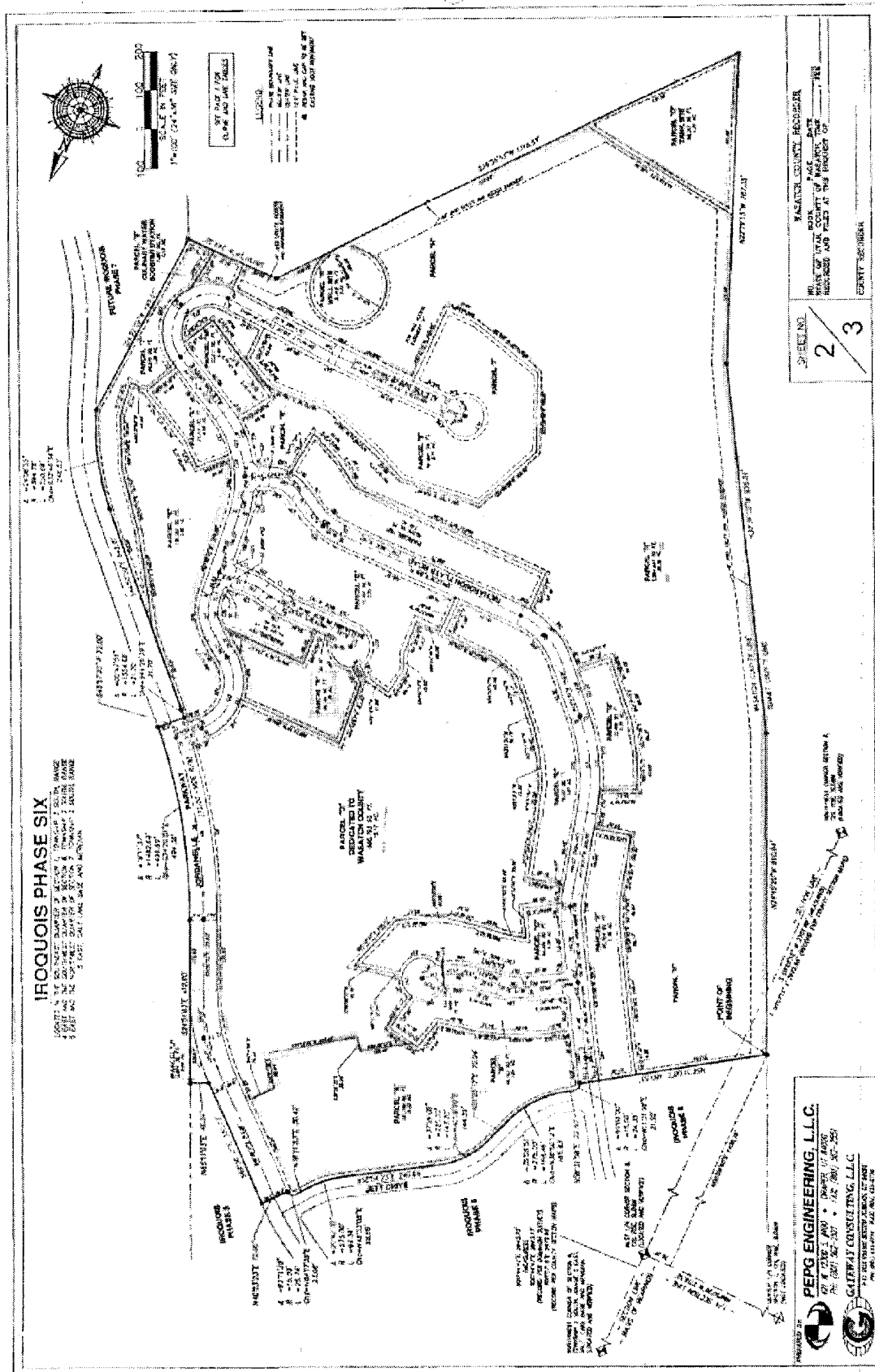


EXHIBIT “C”
[Bylaws]

990591/01