

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF
HUNTSVILLE MEADOWS SUBDIVISION

Dated June 24, 1998

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DOUG CROFTS, WEBER COUNTY RECORDER
02-JUL-98 1150 AM FEE \$57.00 DEP HB
REC FOR: RONDELL B. HANSON \$57.00

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I DEFINITIONS	1
1.1 "Architectural Committee"	1
1.2 "Articles"	2
1.3 "Assessment"	2
1.4 "Association"	2
1.5 "Association Rules"	2
1.6 "Governing Board" or "Board"	2
1.7 "Building Site"	2
1.8 "Bylaws"	2
1.8 "Common Area"	2
1.10 "Common Expense"	2
1.11 "Common Facilities"	2
1.12 "County"	3
1.13 "Declarant"	3
1.14 "Declaration"	3
1.15 "Governing Documents"	3
1.16 "Improvement"	3
1.17 "Irrigation Company"	3
1.18 "Irrigation Distribution System"	3
1.19 "Lot"	3
1.20 "Member"	3
1.21 "Mortgage"	3
1.22 "Owner"	3
1.23 "Owner of Record" and "Member of the Association"	3
1.24 "Permitted Fencing"	3
1.25 "Properties"	4
1.26 "Regular Assessment"	4
1.27 "Residence"	4
1.28 "Single Family Residential Use"	4
1.29 "Special Assessment"	4
1.30 "Special Individual Assessment"	4
1.31 "Subdivision Map"	4
ARTICLE II PROPERTY RIGHTS AND OBLIGATIONS OF OWNERS	4
2.1 Owners' Nonexclusive Easements of Enjoyment	4
2.2 Persons Subject to Governing Documents	5
2.3 Delegation of Use	5
(a) Delegation of Use and Leasing of Residences	5
(b) Discipline of Lessees; Exercise of Eviction Authority	5
(c) Due Process Requirements for Disciplinary Action	6

E: 1557393 BK1939 PG1292

	(d)	Recoverable Costs and Expenses	6
2.4		Obligations of Owners	6
	(a)	Owner's Duty to Notify Association of Tenants and Contract Purchasers	6
	(b)	Contract Purchasers	7
	(c)	Notification Regarding Governing Documents	7
	(d)	Payment of Assessments and Compliance With Rules.....	7
	(e)	Discharge of Assessment Liens	7
	(f)	Joint Ownership of Lots.....	7
	(g)	Prohibition on Avoidance of Obligations	7
	(h)	Termination of Obligations.....	7
2.5		Distribution of Irrigation Water	8
	(a)	The Association's Share of Water Rights	8
	(b)	Distribution of Water	8
	(c)	Owner's Rights to Irrigation Water; Enforcement of Distribution Procedure.	8
	(d)	Compliance with Irrigation Easement Agreement.....	8
ARTICLE III HOMEOWNERS ASSOCIATION			9
3.1		Initial Control of Association.....	9
3.2		Association Membership	9
3.3		One Class of Membership.....	9
3.4		Voting Rights of Members.....	9
3.5		Assessments	9
3.6		Transfer of Memberships.....	9
3.7		Powers and Authority of the Association	10
	(a)	Powers Generally	10
	(b)	Association's Limited Right of Entry.....	10
	(c)	Maintenance of Fire Cisterns	10
	(d)	Maintenance of Drainage Facilities and Drainage Retention Basin	11
	(e)	Maintenance of Street Trees.....	11
3.8		Association Rules.....	11
	(a)	Rule-Making Power	11
	(b)	Distribution of Rules.....	11
	(c)	Adoption and Amendment of Rules	11
3.9		Breach of Rules or Restrictions	11
3.10		Limitation on Liability of Association's Trustees and Officers.....	11
	(a)	Claims Regarding Breach of Duty	11
	(b)	Other Claims Involving Tortious Acts and Property Damage.....	12
ARTICLE IV ASSESSMENTS.....			12
4.1		Assessments Generally	12
	(a)	Covenant to Pay Assessments.....	12
	(b)	Extent of Owner's Personal Obligation for Assessments.....	12
	(c)	Creation of Assessment Lien	13
	(d)	No Avoidance of Assessment Obligations	13

E# 1557393 BK 1939 PG 1293

4.2	Regular Assessments	13
(a)	Preparation of Annual Budget: Establishment of Regular Assessments	13
(b)	Establishment of Regular Assessment by Board or Membership Approval Requirements	13
(c)	Assessments to Address Emergency Situations	13
(d)	Allocation of Regular Assessment	13
(e)	Assessment Roll	14
(f)	Mailing Notice of Assessment	14
(g)	Failure to Make Estimate	14
(h)	Payment of Assessment	14
4.3	Special Assessments	14
(a)	Purposes for Which Special Assessments May Be Levied	14
(b)	Special Assessments Requiring Membership Approval	15
(c)	Allocation and Payment of Special Assessments	15
4.4	Special Individual Assessments	15
(a)	Circumstances Giving Rise to Special Individual Assessments	15
(b)	Levy of Special Individual Assessment and Payment	16
4.5	Purpose and Reasonableness of Assessments	17
4.6	Exemption of Certain of the Properties From Assessments	17
4.7	Notice and Procedure for Member Approval Pursuant to Sections 4.2 and 4.3	17
4.8	Maintenance of Assessment Funds	18
(a)	Bank Accounts	18
(b)	Separate Accounts: Commingling of Funds	18
4.9	Collection of Assessments; Enforcement of Liens	19
(a)	Delinquent Assessments	19
(b)	Effect of Nonpayment of Assessments	19
4.10	Transfer of Lot by Sale or Foreclosure	19
4.11	Priorities	20
4.12	Common Area Taxes	20
ARTICLE V	ARCHITECTURAL CONTROL	21
5.1	Architectural Committee Approval of Improvements	21
(a)	Approval Generally	21
(b)	Modifications to Approved Plans Must Also Be Approved	21
5.2	Committee Membership	21
5.3	Duties of Committee	21
5.4	Meetings	21
5.5	Architectural Rules	21
5.6	Basis for Approval of Improvements	22
5.7	Procedures for Obtaining Architectural Committee Approval of Plans and Specifications	22
(a)	Application for Preliminary Approval	23
(b)	Application for Final Approval	24
(c)	Content of Plans and Specifications	24
(d)	Inspection Fee and Deposits	24
5.8	Time Limits for Approval or Rejection	25

5.9	Basis for Approval of Improvements.....	25
5.10	Employment of Architect or Engineer.....	26
5.11	Proceeding With Work	26
5.12	Failure to Complete Work	26
5.13	Inspection of Work by Architectural Committee.....	26
5.14	Landscaping.....	27
5.15	Enforcement.....	27
5.16	Variances.....	28
5.17	Nonconforming Use of Properties	29
5.18	Estoppel Certificate.....	29
5.19	Limitation on Liability.....	29
5.20	Compliance With Governmental Regulations	29
5.21	Appeals	30
ARTICLE VI MINIMUM CONSTRUCTION STANDARDS		30
6.1	Building Location	30
6.2	Licensed Contractor	30
6.3	Approval by Architectural Committee.....	30
6.4	Minimum Square Footage Requirements	30
6.5	Setback and Location of Structure.....	30
6.6	No Temporary Structures.....	30
6.7	Utility Lines	30
6.8	No Used Materials	30
6.9	Solar Heating Systems	31
6.10	Colors and Exterior Finishes.....	31
6.11	Prohibition on A-Frame, Geodesic Dome and Log Home Structures	31
6.12	Roofs	31
6.13	Siding Materials	31
6.14	Drainage	31
6.15	Modular and Prefabricated Housing; Mobilehomes	31
6.16	Antennas, External Fixtures, etc	32
6.17	Exterior Lighting and Fixtures.....	32
6.18	Glass and Skylights.....	32
6.19	Patios, Walkways and Driveways.....	32
6.20	Water Systems, Septic Systems and Pools	32
6.21	Garages	32
6.22	Fences	32
6.23	Landscaping	33
6.24	Chimneys and Vents.....	33
6.25	Balconies and Decks.....	33
6.26	Horse Facilities.....	33
ARTICLE VII USE OF PROPERTIES AND RESTRICTIONS		33
7.1	Use of Lots	34
7.2	Exterior Improvements	34
7.3	Common Areas	34

Et 1557393 BK1939 PG1295

7.4	Utility and Drainage Easements.....	35
7.5	Prohibition of Noxious Activities	35
7.6	Garbage	35
7.7	Machinery and Equipment.....	35
7.8	Diseases and Pests.....	35
7.9	Parking and Vehicle Restrictions.....	35
	(a) Restriction of Parking on Streets	35
	(b) Restriction on Vehicle Repairs and Maintenance	36
	(c) Maintenance of Driveways and Garages.....	36
	(d) Garage Conversions/Alternative Uses	36
	(e) Enforcement of Parking and Vehicle Restrictions	36
7.10	Restriction on Further Subdivision and Severability	36
7.11	Variances.....	36
7.12	Enforcement of Property Use Restrictions.....	37
ARTICLE VIII EXTERIOR MAINTENANCE RESPONSIBILITIES.....		37
8.1	Common Area; Common Facilities	37
8.2	Recovery of Costs of Certain Repairs and Maintenance	37
8.3	Cooperative Maintenance Obligations.....	37
ARTICLE IX EASEMENTS.....		38
9.1	Maintenance Easements.....	38
9.2	Other Easements	38
9.3	Priority of Easements.....	38
ARTICLE X INSURANCE.....		38
10.1	Types of Insurance Coverage.....	38
10.2	Copies of Policies	38
10.3	Individual Fire Insurance on Lot Improvements.....	38
10.4	Adjustment of Losses.....	38
ARTICLE XI DAMAGE OR DESTRUCTION.....		39
11.1	Common Facilities; Bids and Determination of Available Insurance Proceeds....	39
11.2	Common Facilities; Insurance Proceeds.....	39
11.3	Damage or Destruction of Residences	39
ARTICLE XII BREACH AND DEFAULT		39
12.1	Remedy at Law Inadequate.....	39
12.2	Nuisance.....	40
12.3	Costs and Attorneys' Fees.....	40
12.4	Cumulative Remedies	40
12.5	Failure Not a Waiver.....	40
12.6	Rights and Remedies of the Association	40
	(a) Rights Generally	40
	(b) Schedule of Fines	40
	(c) Definition of "Violation"	41

(d)	Limitations of Disciplinary Rights	41
(e)	Hearings	41
(f)	Notices	42
(g)	Rules Regarding Disciplinary Proceedings	42
12.7	Court Actions; Arbitration	42
ARTICLE XIII NOTICES		43
13.1	Mailing Addresses	43
13.2	Personal Service Upon Co-Owners and Others	43
13.3	Deposit in United States Mails	44
ARTICLE XIV NO PUBLIC RIGHTS IN THE PROPERTIES		44
ARTICLE XV AMENDMENT OF DECLARATION		44
15.1	Amendment in General	44
15.2	Effective Date of Amendment	44
15.3	Reliance on Amendments	44
ARTICLE XVI GENERAL PROVISIONS		44
16.1	Term	44
16.2	Construction of Declaration	44
(a)	Restrictions Construed Together	45
(b)	Restrictions Severable	45
(c)	Singular Includes Plural	45
(d)	Captions	45
(e)	Exhibits	45

**DECLARATION OF
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OF
HUNTSVILLE MEADOWS SUBDIVISION**

LT

21-076-0001 TO 0018

This Declaration is made this 24th day of JUNE, 1998, by Rondell B. Hanson, an individual ("Declarant"), with respect to the following recitals:

RECITALS

1. Declarant is the owner of that certain real property ("Properties") located in the County of Weber, State of Utah, which is more particularly described in Exhibit A attached hereto and incorporated herein by reference. Declarant also owns 62 shares of stock in the Irrigation Company, as more particularly described in this Declaration.

2. Declarant intends to convey the Properties, subject to certain easements, protective covenants, conditions, restrictions, reservations, liens and charges as set forth in this Declaration, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Properties and all of which shall run with the Properties and be binding on all parties having or acquiring any right, title or interest in the Properties, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

3. It is the further intention of the Declarant to sell and convey residential Lots to the Owners, subject to the protective covenants, conditions, restrictions, limitations, reservations, grants of easements, rights, rights-of-way, liens, charges and equitable servitudes between Declarant and such Owners which are set forth in this Declaration and which are intended to be in furtherance of a general plan for the subdivision, development, sale and use of the Properties as a planned development. Finally, it is the intention of Declarant that the "Common Areas" and "Common Facilities" be owned and maintained by the Association, but reserved exclusively for the use and enjoyment of the Members of the Association, their tenants, lessees, guests and invitees, all subject to the terms and conditions of the Governing Documents.

ARTICLE I

DEFINITIONS

I.1 "Architectural Committee" means the committee created in accordance with Article V of this Declaration.

I.2 "Articles" means the Articles of Incorporation of Huntsville Meadows Homeowner's Association, which are filed in the Office of the Utah Secretary of State, as such Articles may be amended from time to time.

E# 1557393 BK1939 PG1298

I.3 "Assessment" means any Regular, Special or Special Individual Assessment made or assessed by the Association against an Owner and his or her Lot in accordance with the provisions of Article IV of this Declaration.

I.4 "Association" means Huntsville Meadows Homeowner's Association, a Utah nonprofit corporation.

I.5 "Association Rules" means the rules, regulations and policies adopted by the Governing Board of the Association, pursuant to Section 3.8 of this Declaration, as the same may be in effect from time to time.

I.6 "Governing Board" or "Board" means the Governing Board of the Association.

I.7 "Building Site" means the area designated by the Declarant as the location on each Lot where a residence may be constructed. The Building Sites shall be marked on a permanent map which shall be kept in the records of the Association.

I.8 "Bylaws" means the Bylaws of the Association, as such Bylaws may be amended from time to time.

I.9 "Common Area" means all real property owned by the Association for the common use and enjoyment of the Owners. The Common Areas owned by the Association at the time of the recordation of this Declaration are described in Exhibit B, attached hereto. Unless the context clearly indicates a contrary intent, any reference herein to the "Common Areas" shall also include any Common Facilities located thereon.

I.10 "Common Expense" means any use of Common Funds authorized by the Governing Documents and includes, without limitation: (a) All expenses or charges incurred by or on behalf of the Association for the management, maintenance, administration, insurance, operation, repairs, additions, alterations or reconstruction of the Common Area, Common Facilities, (b) all expenses or charges reasonably incurred to procure insurance for the protection of the Association and its Governing Board, (c) any amounts reasonably necessary for reserves for maintenance, repair and replacement of the Common Areas and Common Facilities that the Association is obligated to maintain or replace, and for nonpayment of any Assessments, and (d) the use of such funds to defray the costs and expenses incurred by the Association in the performance of its functions or in the proper discharge of the responsibilities of the Board as provided in the Governing Documents.

I.11 "Common Facilities" means the trees, hedges, plantings, lawns, shrubs, landscaping, fences, utilities, berms, pipes, lines, lighting fixtures, structures, fire cisterns, the Irrigation Distribution System, drainage systems, retention basins and other facilities constructed or installed, or to be constructed or installed, or currently located within the Common Area.

I.12 "County" means the County of Weber, State of Utah, and its various departments, divisions, employees and representatives. If any portion of the Properties becomes a portion of an incorporated city, then the term "County" shall be deemed to include the city in which that portion of the Properties is located.

E 1557393 BK 1939 PG 1299

I.13 "Declarant" means the original developer of the Properties, namely Rondell B. Hanson, an individual.

I.14 "Declaration" means this instrument, as it may be amended from time to time.

I.15 "Governing Documents" is a collective term that means and refers to this Declaration and to the Articles, the Bylaws, and the Association Rules.

I.16 "Improvement" includes, without limitation, the construction, installation, alteration, or remodeling of any buildings, walls, decks, fences, swimming pools, landscaping, landscape structures, skylights, solar heating equipment, spas, antennas, utility lines, or any structure of any kind. In no event shall the term "Improvement" be interpreted to include projects which are restricted to the interior of any Residence.

I.17 "Irrigation Company" means the Huntsville Irrigation Company, a Utah nonprofit corporation.

I.18 "Irrigation Distribution System" means the pipes and other structures used to distribute irrigation water to the Lots.

I.19 "Lot" means any parcel of real property designated by a number on the Subdivision Map for any portion of the Properties. When appropriate within the context of this Declaration, the term "Lot" shall also include the Residence and other improvements constructed or to be constructed on a Lot.

I.20 "Member" means every person or entity who holds a membership in the Association and whose rights as a Member are not suspended.

I.21 "Mortgage" means any security device encumbering all or any portion of the Properties, including any deed of trust. "Mortgagee" shall refer to a beneficiary under a deed of trust as well as to a mortgagee in the conventional sense.

I.22 "Owner" means any person, firm, corporation or other entity which owns a fee simple interest in any Lot. The term "Owner" shall include the Declarant for so long as the Declarant possesses any Lot within the Properties, and, except where the context otherwise requires, the family, guests, tenants and invitees of an Owner.

I.23 "Owner of Record" and "Member of the Association" include an Owner and mean any person, firm, corporation or other entity in which title to a Lot is vested as shown by the official records of the Office of the County Recorder.

I.24 "Permitted Fencing" means fencing which complies with the restrictions of this Declaration and which has been approved by the Architectural Committee.

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I.25 "Properties" means all parcels of real property (Common Area and Lots) described in Recital 1 hereof, together with all buildings, structures, utilities, Common Facilities, and other improvements now located or hereafter constructed or installed thereon, and all appurtenances thereto.

I.26 "Regular Assessment" means an Assessment levied on an Owner and his or her Lot in accordance with Section 4.2 hereof.

I.27 "Residence" means a private, single family dwelling to be constructed on a Lot.

I.28 "Single Family Residential Use" means occupation and use of a Residence for single family dwelling purposes in conformity with this Declaration and the requirements imposed by applicable zoning or other applicable laws or governmental regulations limiting the number of persons who may occupy single family residential dwellings.

I.29 "Special Assessment" means an Assessment levied on an Owner and his or her Lot in accordance with Section 4.3 hereof.

I.30 "Special Individual Assessment" means an Assessment made against an Owner and his or her Lot in accordance with Section 4.4 hereof.

I.31 "Subdivision Map" means the Subdivision Map for the Properties referenced in Recital 1 of this Declaration, as recorded in Weber County.

ARTICLE II

PROPERTY RIGHTS AND OBLIGATIONS OF OWNERS

II.1 Owners' Nonexclusive Easements of Enjoyment. Every Owner and the Association shall have a nonexclusive right and easement of enjoyment in and to the Common Areas within the Properties, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following rights and restrictions:

(a) The right of the Association to adopt Association Rules as provided in Section 3.8 hereof, regulating the use and enjoyment of the Properties for the benefit and well-being of the Owners in common, and, in the event of the breach of such rules or any provision of any Governing Document by any Owner or Tenant, to temporarily suspend the voting rights and/or right to use the common facilities, by any Owner and/or the Owner's Tenants and guests, subject to compliance with the due process requirements of Section 12.6 hereof.

(b) The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the common area and common facilities and in aid thereof to mortgage said property; provided, however, that the rights of any such Mortgagee in said properties shall be subordinate to the rights of the Owners hereunder; and

E# 1557393 BK1939 PG1301

further provided that any such indebtedness shall be considered an expense of the Association for purposes of the Special Assessment provisions of Section 4.3 hereof.

(c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed by the Owners; provided, however, that no such dedication or transfer shall be effective unless an instrument, approved by at least two-thirds of the voting power of the Members, and their first Mortgagees consenting to such dedication or transfer has been recorded. Furthermore, no dedication shall be permitted that impairs the ingress and egress to any Lot. Said instrument may be executed in counterparts so long as each counterpart is in recordable form.

II.2 Persons Subject to Governing Documents. All present and future Owners, tenants and occupants of Lots within the Properties shall be subject to, and shall comply with, each and every provision of the Governing Documents, as the same or any of them shall be amended from time to time, unless a particular provision is specifically restricted in its application to one or more of such classes of persons (i.e., Owners, tenants, invitees, etc.). The acceptance of a deed to any Lot, the entering into a lease, sublease or contract of sale with respect to any Lot, or the occupancy of any Residence shall constitute the consent and agreement of such Owner, tenant or occupant that each and all of the provisions of this Declaration, as the same or any of them may be amended from time to time, shall be binding upon said person and that said person will observe and comply with the Governing Documents.

II.3 Delegation of Use.

(a) **Delegation of Use and Leasing of Residences.** Any Owner may delegate the Owner's rights to use and enjoy the Common Area and Common Facilities to members of the Owner's family or to the Owner's tenants, lessees or contract purchasers who reside in the Owner's Residence, provided that any rental or lease may only be to a single family for Single Family Residential Use. During any period when a Residence has been rented or leased, the Owner-lessor, his or her family, guests and invitees shall not be entitled to use and enjoy the Common Areas or Common Facilities of the Properties, except to the extent reasonably necessary to perform the Owner's responsibilities as a lessor of the Residence, provided that this restriction shall not apply to an Owner-lessor who is contemporaneously residing in another Residence within the Properties.

Any rental or lease of a Residence shall be subject to the provisions of the Governing Documents, all of which shall be deemed incorporated by reference in the lease or rental agreement. Each Owner-lessor shall provide any tenant or lessee with a current copy of all Governing Documents and shall be responsible for compliance by the Owner's tenant or lessee with all of the provisions of the Governing Documents during the tenant's/lessee's occupancy and use of the Residence.

(b) **Discipline of Lessees.** Subject to subparagraph (c) below, in the event that any tenant or lessee fails to honor the provisions of any Governing Document, the Association shall be entitled to take such corrective action as it deems necessary or

appropriate under the circumstances, which may include suspension of the tenant's privileges to use any Common Facilities, or the imposition of fines and penalties against the Owner or tenant.

Any fine or penalty levied pursuant to this Section 2.3 shall be considered a Special Individual Assessment as defined in Section 4.4, below. If a Special Individual Assessment is imposed as a result of the conduct of a renter or lessee, the renter or lessee agrees to be personally obligated for the payment of such assessments in the event the Owner-lessor fails to pay the assessments prior to the delinquency date. This provision, however, shall not be construed to release the Owner from any obligation, including the obligation to pay any duly imposed Special Individual Assessments, for which such Owner would otherwise be responsible. Any lessee charged with a violation of the Governing Documents is entitled to the same notice and hearing rights to which the Owner is entitled as provided in subparagraph (c) below. Any Owner who shall lease his or her Residence shall be responsible for assuring compliance by the lessee with the Governing Documents.

(c) Due Process Requirements for Disciplinary Action. Except for circumstances in which immediate corrective action is necessary to prevent damage or destruction to the Properties or to preserve the rights of quiet enjoyment of other Owners, the Association shall have no right to initiate disciplinary action against an Owner-lessor (or the Owner's lessee or tenant) on account of the misconduct of the Owner's lessee or tenant unless and until the following conditions have been satisfied: (i) The Owner has received written notice from the Board, if any, detailing the nature of the lessee's or tenant's alleged infraction or misconduct and advising the Owner of his or her right to a hearing on the matter in the event the Owner believes that remedial or disciplinary action is unwarranted or unnecessary; (ii) the Owner has been given a reasonable opportunity to take corrective action on a voluntary basis or to appear at a hearing, if one is requested by the Owner; and (iii) the Owner has failed to prevent or correct the tenant's objectionable actions or misconduct. Any hearing requested hereunder shall be conducted in accordance with Section 12.6 hereof.

(d) Recoverable Costs and Expenses. In the event of (i) damage to, or destruction of, Common Areas or Common Facilities by a tenant or lessee or the Owner of a leased Residence; (ii) the imposition of a fine or penalty against an Owner-lessor as a result of any act or omission of the Owner's tenant or lessee; or (iii) expenses incurred by the Association in the successful prosecution of an eviction proceeding pursuant to subparagraph (b), above, the Association shall be entitled to the Recoverable Costs and Expenses.

II.4 Obligations of Owners. Owners of Lots within the Properties shall be subject to the following:

(a) Owner's Duty to Notify Association of Tenants and Contract Purchasers. Each Owner shall notify the Association of the names of any contract purchaser or tenant of the Owner's Lot. Each Owner, contract purchaser or tenant shall also notify the Association of the names of all persons to whom such Owner, contract purchaser or tenant has delegated any rights to use and enjoy the Properties and the relationship that each such person bears to the Owner, contract purchaser or tenant.

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(b) **Contract Purchasers.** A contract seller of a Lot must delegate his or her voting rights as a Member of the Association and seller's right to use and enjoy the Common Area and Common Facilities to any contract purchaser in possession of the property subject to the contract of sale. Notwithstanding the foregoing, the contract seller shall remain liable for any default in the payment of Assessments by the contract purchaser until title to the property sold has been transferred to the purchaser.

(c) **Notification Regarding Governing Documents.** As soon as practicable before transfer of title or the execution of a real property sales contract with respect to any Lot, the Owner thereof must give the prospective purchaser (A) a current copy of the Governing Documents; (B) the Association's most current financial statement; (C) a true statement in writing from the Association ("**Delinquency Statement**") as to the amount of any delinquent Assessments, together with information relating to late charges, attorneys' fees, interest, and reasonable costs of collection which, as of the date the statement is issued, are or may become a lien on the Lot being sold; (D) a true statement in writing from an authorized representative of the Association as to the amount of the Association's current Regular and Special Assessments (if any) and fees; and (E) a notice of any change in the Association's current Regular or Special Assessments and fees that have been approved by the Board but that have not become due and payable as of the date that the information is provided.

(d) **Payment of Assessments and Compliance With Rules.** Each Owner shall pay when due each Regular, Special and Special Individual Assessment levied against the Owner and his or her Lot and shall observe, comply with and abide by any and all rules and regulations set forth in, or promulgated by the Association pursuant to, any Governing Document.

(e) **Discharge of Assessment Liens.** Each Owner shall promptly discharge any Assessment lien that may hereafter become a charge against his or her Lot.

(f) **Joint Ownership of Lots.** In the event of joint ownership of any Lot, the obligations and liabilities of the multiple Owners under the Governing Documents shall be joint and several. Without limiting the foregoing, this subparagraph (f) shall apply to all obligations, duties and responsibilities of Owners as set forth in this Declaration, including, without limitation, the payment of all Assessments.

(g) **Prohibition on Avoidance of Obligations.** No Owner, by non-use of the Common Area or Common Facilities, abandonment of the Owner's Lot or otherwise may avoid the burdens and obligations imposed on such Owner by the Governing Documents, including, without limitation, the payment of Assessments levied against the Owner and his or her Lot pursuant to this Declaration.

(h) **Termination of Obligations.** Upon the conveyance, sale, assignment or other transfer of a Lot to a new Owner, the transferor-Owner shall not be liable for any

Assessments levied with respect to such Lot which become due after the date of recording of the deed evidencing said transfer and, upon such recording, all Association membership rights possessed by the transferor by virtue of the ownership of said Lot shall cease.

II.5 Distribution of Irrigation Water. Owners of Lots within the Properties shall be entitled to a portion of the water available to the Properties from the Irrigation Company, subject to the following:

(a) **The Association's Share of Water Rights.** Each year, the Irrigation Company will provide to the Association a percentage of the total water available from the Irrigation Company for all properties serviced by the Irrigation Company.

(b) **Distribution of Water.** When water is allocated to the Association by the Irrigation Company, the water will be distributed to the Lots through the Irrigation Distribution System.

(c) **Owner's Rights to Irrigation Water; Enforcement of Distribution Procedure.** Each Owner will be entitled to irrigation water only when (i) such water has been distributed to the Association by the Irrigation Company and (ii) the Association has distributed the water to such Owner in accordance with the distribution procedures established by the Association. In no event shall any Owner be entitled to any irrigation water in addition to the irrigation water distributed to such Owner by the Association or during any time when irrigation water is not being distributed to the Properties by the Irrigation Company. If any Owner violates the distribution procedures established by the Association and uses irrigation water in violation of such procedures, the Association will be entitled to exercise any and all remedies available to the Association in the Governing Documents, at law or in equity. In addition, the Association shall be entitled to impose reasonable fines and penalties for the use of irrigation water in a manner inconsistent with this Section 2.5.

(d) **Compliance with Irrigation Easement Agreement.** The Board shall be responsible for ensuring compliance by the Association with that certain Irrigation Easement Agreement between the Declarant and the Irrigation Company attached hereto as Exhibit C.

E# 1557393 BK1939 PG1305

ARTICLE III

HOMEOWNERS ASSOCIATION

III.1 Initial Control of Association. Notwithstanding anything to the contrary contained herein, the Declarant shall have sole control of the Association until such time that 14 Lots have been sold or otherwise transferred by the Declarant. Within 120 days following satisfaction of this condition, the Declarant shall transfer control of the Association to the Members.

III.2 Association Membership. Every Owner of a Lot shall be a Member of the Association. Each Owner shall hold one membership in the Association for each Lot owned and the membership shall be appurtenant to such Lot. Ownership of a Lot or interest in it shall be the sole qualification for membership in the Association. Each Owner shall remain a Member of the Association until his or her ownership in all Lots in the Properties ceases, at which time his or her membership in the Association shall automatically cease. Persons or entities who hold an interest in a Lot merely as security for performance of an obligation are not Members until such time as the security holder comes into title to the Lot through foreclosure or deed in lieu thereof.

III.3 One Class of Membership. Once the Declarant has transferred control of the Association to the Members, the Association shall have one class of membership and the rights, duties, obligations and privileges of the Members shall be as set forth in the Governing Documents.

III.4 Voting Rights of Members. Each Member of the Association shall be entitled to one vote for each Lot owned by said Member. When more than one person holds an interest in any Lot, all such persons shall be Members, although in no event shall more than one vote be cast with respect to any Lot. Voting rights may be temporarily suspended under those circumstances described in Section 12.6 hereof.

III.5 Assessments. The Association shall have the power to establish, fix and levy Assessments against the Owners of Lots within the Properties and to enforce payment of such Assessments in accordance with Article IV of this Declaration. Any Assessments levied by the Association on its Members shall be levied in accordance with and pursuant to the provisions of this Declaration.

III.6 Transfer of Memberships. Membership in the Association shall not be transferred, encumbered, pledged or alienated in any way, except upon the sale or encumbrance of the Lot to which it is appurtenant and then only to the purchaser. In the case of a sale, membership passes automatically to the purchaser upon recording of a deed evidencing transfer of title to the Lot. In the case of an encumbrance of such Lot, a Mortgagee does not have membership rights until he or she becomes an Owner by foreclosure or deed in lieu thereof. Tenants who are delegated rights of use pursuant to Section 2.3 hereof do not thereby become Members, although the tenant and Members of the tenant's family shall, at all times, be subject to the provisions of all Governing Documents. Any attempt to make a prohibited transfer is void. In the event the Owner of any Lot should fail or refuse to transfer the membership registered in the Owner's name to the purchaser of his or her Lot, the Association shall have the right to record the transfer upon its books and thereupon any other membership outstanding in the name of the seller shall be null and void.

1557393 BK1939 PG1306

III.7 Powers and Authority of the Association.

(a) **Powers Generally.** The Association shall have the responsibility of owning, managing and maintaining the Common Areas and Common Facilities and discharging the other duties and responsibilities imposed on the Association by the Governing Documents. In the discharge of such responsibilities and duties, the Association shall have all of the powers of a nonprofit corporation organized under the laws of the State of Utah in the ownership and management of its properties and the discharge of its responsibilities hereunder for the benefit of its Members, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Governing Documents. The Association and its Governing Board shall have the power to do any and all lawful things which may be authorized, required or permitted to be done under and by virtue of the Governing Documents, and to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers of the Association for the peace, health, comfort, safety or general welfare of the Owners. The specific powers of the Association and the limitations thereon shall be as set forth in Article VIII of the Bylaws.

(b) **Association's Limited Right of Entry.** The Association, and/or its agents shall have the right, when necessary, to enter any Lot to perform the Association's obligations under this Declaration, including (i) exterior maintenance; (ii) obligations to enforce the architectural minimum construction standards, and land use restrictions of Article VI and Article VII hereof; (iii) any obligations with respect to construction, maintenance and repair of adjacent Common Facilities; or (iv) to make necessary repairs that an Owner has failed to perform which, if left undone, will pose a threat to, or cause an unreasonable interference with, Association property or the Owners in common.

The Association's rights of entry under this subparagraph (b) shall be immediate in case of an emergency originating in or threatening the Lot where entry is required, or any adjoining Lots or Common Area, and the Association's work may be performed under such circumstances whether or not the Owner or his or her lessee is present. In all nonemergency situations, the Association or its agents shall furnish the Owner or his or her lessee with at least 24 hours' written notice of its intent to enter the Lot, specifying the purpose and scheduled time of such entry and shall make every reasonable effort to perform its work and schedule its entry in a manner that respects the privacy of the persons residing within the Residence located on the Lot. In no event shall the Association's right of entry, as conferred hereunder, be construed to permit the Association or its agents to enter any Residence without the Owner's prior permission.

(c) **Maintenance of Fire Cisterns.** The Association and its Governing Board shall have the responsibility of maintaining the fire cisterns and insuring that the fire cisterns are kept full of water. The Association and its Governing Board shall keep the fire cisterns accessible at all times to fire protection agencies for inspection, repair or for use in fire suppression.

E# 1557393 BK1939 PG1307

(d) **Maintenance of Drainage Facilities and Drainage Retention Basin.** The Association and its Governing Board shall have the responsibility of maintaining the drainage facilities and the drainage retention basin so that all drainage waters can be diverted into the retention basin. The Association and its Governing Board shall maintain a drainage swale across the Properties so that drainage water from the upstream land can flow unimpeded to the westerly boundary of the Properties.

(e) **Maintenance of Street Trees.** The Association shall maintain all trees planted along streets within the Properties by the Declarant or the Association.

III.8 Association Rules.

(a) **Rule-Making Power.** The Board may, from time to time and subject to the provisions of this Declaration, propose, enact and amend rules and regulations of general application to the Owners of Lots within the Properties.

Notwithstanding the foregoing grant of authority, the Association Rules shall not be inconsistent with or materially alter any provision of the other Governing Documents or the rights, preferences and privileges of Members thereunder. In the event of any material conflict between any Association Rule and any provision of the other Governing Documents, the conflicting provisions contained in the other Governing Documents shall be deemed to prevail.

(b) **Distribution of Rules.** A copy of the Association Rules, as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner. A copy of the Association Rules shall also be available and open for inspection at all reasonable times upon prior arrangement with the Board.

(c) **Adoption and Amendment of Rules.** Association Rules may be adopted or amended from time to time by majority vote of the Board. Any duly adopted rule or amendment to the Rules shall become effective immediately following the date of adoption thereof by the Board, or at such later date as the Board may deem appropriate. Any duly adopted rule or rule amendment shall be distributed to the Owners by mail.

III.9 Breach of Rules or Restrictions. Any breach of the Association Rules or of any other Governing Document provision shall give rise to the rights and remedies set forth in Article XII hereof.

III.10 Limitation on Liability of Association's Trustees and Officers.

(a) **Claims Regarding Breach of Duty.** No trustee or officer of the Association (collectively and individually referred to as the "Released Party") shall be personally liable to any of the Association's Members, or to any other person, for any error or omission in the

discharge of their duties and responsibilities or for their failure to provide any service required hereunder or under the Bylaws, provided that such Released Party has, upon the basis of such information as may be possessed by the Released Party, acted in good faith, in a manner that such person believes to be in the best interests of the Association and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

(b) Other Claims Involving Tortious Acts and Property Damage.

No person who suffers bodily injury (including, without limitation, emotional distress or wrongful death) as a result of the tortious act or omission of a volunteer member of the Board or volunteer officer of the Association shall recover damages from such Board member or officer if all of the following conditions are satisfied:

- (i) The act or omission was performed within the scope of the volunteer Board member's or officer's Association duties;
- (ii) The act or omission was performed in good faith; and
- (iii) The act or omission was not willful, wanton, or grossly negligent.

The payment of actual expenses incurred by a Board member or officer in the execution of that person's Association duties shall not affect that person's status as a volunteer Board member or officer for the purposes of this Section. However, any trustee or officer who receives direct or indirect compensation from the Declarant or from a financial institution that acquired a Lot within the Properties as the result of a judicial or nonjudicial foreclosure proceeding is not a volunteer.

ARTICLE IV

ASSESSMENTS

IV.1 Assessments Generally.

(a) Covenant to Pay Assessments. Each Owner of one or more Lots, by acceptance of a deed or other conveyance therefor (whether or not it shall be so expressed in such deed or conveyance), covenants and agrees to pay to the Association (i) Regular Assessments, (ii) Special Assessments, and (iii) Special Individual Assessments. Each such Assessment shall be established and collected as hereinafter provided.

(b) Extent of Owner's Personal Obligation for Assessments. All Assessments, together with late charges, interest, and reasonable costs (including reasonable attorneys' fees) for the collection thereof, shall be a debt and a personal obligation of the Person who was the Owner of the Lot at the time the Assessment was levied. Each Owner who acquires title to a Lot (whether at judicial sale, trustee's sale or otherwise) shall be personally liable only for Assessments attributable to the Lot so purchased which become due and payable after the date of such sale, and shall not be personally liable for delinquent Assessments of

prior Owners unless the new Owner expressly assumes the personal liability. Any unpaid Assessment of a previous Owner shall remain the debt of such previous Owner against whom assessed.

(c) Creation of Assessment Lien. All Assessments, together with late charges, interest, and reasonable costs (including reasonable attorneys' fees) for the collection thereof, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which such Assessment is made. Any lien for unpaid Assessments created pursuant to the provisions of this Article may be subject to foreclosure as provided in Section 4.9 hereof.

(d) No Avoidance of Assessment Obligations. No Owner may exempt himself or herself from personal liability for Assessments duly levied by the Association, nor release the Lot or other property owned by him or her from the liens and charges hereof, by waiver of the use and enjoyment of the Common Area or any facilities thereon or by abandonment or non-use of his or her Lot or any other portion of the Properties.

IV.2 Regular Assessments.

(a) Preparation of Annual Budget: Establishment of Regular Assessments. Not less than 45 nor more than 60 days prior to the beginning of the Association's fiscal year, the Board shall estimate the total amount required to fund the Association's anticipated Common Expenses for the next succeeding fiscal year (including additions to any reserve fund established to defray the costs of future repairs, replacement or additions to the Common Facilities) by preparing and distributing to all Association Members a budget satisfying the requirements of Section 11.5 of the Bylaws.

(b) Establishment of Regular Assessment by Board or Membership Approval Requirements. The total annual expenses estimated in the Association's budget (less projected income from sources other than assessments) shall become the aggregate Regular Assessment for the next succeeding fiscal year, provided that, except as provided in subparagraph (a) above, and subparagraph (c) below, the Governing Board may not impose a Regular Assessment that is more than 20 percent greater than the Regular Assessment for the Association's immediately preceding fiscal year without the vote or written assent of Members, constituting a quorum, casting a majority of the votes at a meeting or election of the Association (see Section 4.7, below).

(c) Assessments to Address Emergency Situations. The requirement of a membership vote to approve Regular Assessment increases in excess of 20 percent of the previous year's Regular Assessment shall not apply to assessment increases necessary to address emergency situations.

(d) Allocation of Regular Assessment. The total estimated Common Expenses, determined in accordance with subparagraph (a), above, shall be allocated among, assessed against, and charged to each Owner according to the ratio of the square footage of each Lot within the Properties owned by the assessed Owner to the total square footage of all Lots within the Properties. Based upon this ratio, the percentage share of the total Regular

Assessment allocable to each Lot within the Properties shall be as set forth in Exhibit D attached hereto and incorporated herein by reference. It is the intent of this allocation to equitably allocate Assessments in proportion to the value of common services furnished to the Owner's separate interest.

(e) **Assessment Roll.** That portion of the estimated Common Expenses assessed against and charged to each Owner shall be set forth and recorded in an Assessment roll which shall be maintained and available with the records of the Association and shall be open for inspection at all reasonable times upon prior arrangement with the Board by each Owner for any purpose reasonably related to the Owner's interest as a property Owner or as a Member of the Association. The Assessment roll (which may be maintained in the form of a computer printout) shall show for each Lot the name and address of the Owner of Record, all Regular, Special and Special Individual Assessments levied against each Owner and his or her Lot, and the amount of such Assessments which have been paid or remain unpaid. The Delinquency Statement required by Section 2.4(c) hereof shall be conclusive upon the Association and the Owner of such Lot as to the amount of such indebtedness appearing on the Association's Assessment roll as of the date of such statement, in favor of all persons who rely thereon in good faith.

(f) **Mailing Notice of Assessment.** The Governing Board shall mail to each Owner at the street address of the Owner's Lot, or at such other address as the Owner may from time to time designate in writing to the Association, a statement of the amount of the Regular Assessment for the next succeeding fiscal year no less than 45 days prior to the beginning of the next fiscal year.

(g) **Failure to Make Estimate.** If, for any reason, the Governing Board fails to make an estimate of the Common Expenses for any fiscal year, then the Regular Assessment made for the preceding fiscal year, together with any Special Assessment made pursuant to Section 4.3(a)(i) for that year, shall be assessed against each Owner and his or her Lot on account of the then current fiscal year, and installment payments (as hereinafter provided) based upon such automatic Assessment shall be payable on the regular payment dates established by the Association.

(h) **Payment of Assessment.** The total Regular Assessment levied against each Owner and his or her Lot shall be all due and payable to the Association on or before January 1st of each year.

IV.3 Special Assessments.

(a) **Purposes for Which Special Assessments May Be Levied.** Subject to the membership approval requirements set forth in subparagraph (b) below, the Governing Board shall have the authority to levy Special Assessments against the Owners and their Lots for the following purposes:

(i) **Regular Assessment Insufficient in Amount.** If, at any time, the Regular Assessment for any fiscal year is insufficient in amount due to extraordinary

E# 1557393 BK1939 PG1311

expenses not contemplated in the budget prepared for said fiscal year, then, except as prohibited by Section 4.2(a), the Governing Board shall levy and collect a Special Assessment, applicable to the remainder of such year only, for the purpose of defraying, in whole or in part, any deficit which the Association may incur in the performance of its duties and the discharge of its obligations hereunder. The Board's assessment authority pursuant to this Section 4.3(a)(i) shall be subject to membership approval requirements under the circumstances described in Section 4.2(a).

(ii) **Capital Improvements.** The Board may also levy Special Assessments for additional capital improvements within the Common Area or for Common Facilities (i.e., improvements not in existence on the date of the first sale of a Lot that are unrelated to repairs for damage to, or destruction of, the existing Common Areas or Common Facilities).

(b) **Special Assessments Requiring Membership Approval.** No Special Assessments described in (i) Section 4.3(a) hereof, which in the aggregate exceed 20 percent of the budgeted gross expenses of the Association for the fiscal year in which the Special Assessment(s) is levied; or (ii) in the last sentence of Section 4.2(a), shall be made without the vote or written assent of Members, constituting a quorum, casting a majority of the votes at a meeting or election of the Association, provided that this membership approval requirement shall not apply to any Special Assessment levied to address "emergency situations" as defined in this Section 4.2(c).

(c) **Allocation and Payment of Special Assessments.** When levied by the Board or approved by the Members as provided above, the Special Assessment shall be divided among, assessed against and charged to each Owner and his or her Lot in the same manner prescribed for the allocation of Regular Assessments pursuant to Section 4.2(d), above. The Special Assessment so levied shall be recorded on the Association's Assessment roll and notice thereof shall be mailed to each Owner.

Special Assessments for purposes described in this Section 4.3(a)(i) shall be due as a separate debt of the Owner and a lien against his or her Lot, and shall be payable to the Association in equal monthly installments during the remainder of the then current fiscal year. Special Assessments for purposes described in this Section 4.3(a)(ii) shall be due as a separate debt of the Owner and a lien against his or her Lot, and shall be payable in full to the Association within 30 days after the mailing of such notice or within such extended period as the Board shall determine to be appropriate under the circumstances giving rise to the Special Assessment.

IV.4 Special Individual Assessments.

(a) **Circumstances Giving Rise to Special Individual Assessments.** In addition to the Special Assessments levied against all Owners in accordance with Section 4.3, above, the Governing Board may impose Special Individual Assessments against an Owner in any of the circumstances described in subparagraphs (i) through (iii) below, provided that no Special Individual Assessments may be imposed against an Owner pursuant to this Section

4.4 until the Owner has been afforded the notice and hearing rights to which the Owner is entitled pursuant to Section 12.6 hereof, and, if appropriate, has been given a reasonable opportunity to comply voluntarily with the Association's Governing Documents. Subject to the foregoing, the acts and circumstances giving rise to liability for Special Individual Assessments include the following:

(i) **Damage to Common Area or Common Facilities.** In the event that any damage to, or destruction of, any portion of the Common Area or the Common Facilities, is caused by the willful misconduct or negligent act or omission of any Owner, any member of his or her family, or any of his or her tenants, guests, servants, employees, licensees or invitees, the Board shall cause the same to be repaired or replaced, and all costs and expenses incurred in connection therewith (to the extent not compensated by insurance proceeds) shall be assessed and charged solely to and against such Owner as a Special Individual Assessment.

(ii) **Expenses Incurred in Gaining Member Compliance.** In the event that the Association incurs any costs or expenses, to accomplish (A) the payment of delinquent Assessments, (B) any repair, maintenance or replacement to any portion of the Properties that the Owner is responsible to maintain under the Governing Documents but has failed to undertake or complete in a timely fashion, or (C) to otherwise bring the Owner and/or his or her Lot into compliance with any provision of the Governing Documents, including, without limitation, Section 2.5 hereof, the amount incurred by the Association (including reasonable fines and penalties duly imposed hereunder, title company fees, accounting fees, court costs and reasonable attorneys' fees) shall be assessed and charged solely to and against such Owner as a Special Individual Assessment.

(iii) **Required Maintenance on Lots.** As more particularly provided in Section 3.7(b) (and without limiting the generality of that subparagraph), if any Lot is maintained so as to become a nuisance, fire or safety hazard for any reason, including without limitation, the accumulation of trash and junk automobiles; improper storage of vehicles; improper storage of farm equipment and other equipment of a similar nature; or improper weed or vegetation control, the Association shall have the right to enter said Lot, correct the offensive or hazardous condition and recover the cost of such action through imposition of a Special Individual Assessment against the offending Owner.

(b) **Levy of Special Individual Assessment and Payment.** Once a Special Individual Assessment has been levied against an Owner for any reason described, and subject to the conditions imposed, in this Section 4.4(a), such Special Individual Assessment shall be recorded on the Association's Assessment roll, notice thereof shall be mailed to the affected Owner and the Special Individual Assessment shall thereafter be due as a separate debt of the Owner payable in full to the Association within 30 days after the mailing of notice of the Assessment. Except as specifically prohibited by law, it is the intent of this Declaration that Special Individual Assessments (including without limitation those imposed to recover late payment penalties or to reimburse the association for the cost of repairing

damage to the Common Areas or Common Facilities for which the assessed Member is responsible), if not paid prior to delinquency, may be collected either in an action at law or by resort to the lien and foreclosure remedies set forth in Section 4.9(b), below.

IV.5 Purpose and Reasonableness of Assessments. Each Assessment made in accordance with the provisions of this Declaration is hereby declared and agreed to be for use exclusively (a) to promote the recreation, health, safety and welfare of individuals residing within the Properties; (b) to promote the enjoyment and use of the Properties by the Owners and their families, tenants, invitees, licensees, guests and employees; and (c) to provide for the repair, maintenance, replacement and protection of the Common Area and Common Facilities. Each and every Assessment levied hereunder is further declared and agreed to be a reasonable Assessment, and to constitute a separate, distinct and personal obligation (with respect to which a separate lien may be created hereby) of the Owner of the Lot against which the Assessment is imposed that shall be binding on the Owner's heirs, successors and assigns, provided that the personal obligation of each Owner for delinquent Assessments shall not pass to the Owner's successors in title unless expressly assumed by them.

IV.6 Exemption of Certain of the Properties From Assessments. The following real property subject to this Declaration shall, unless devoted to use as a residential dwelling, be exempt from the Assessments and the lien thereof provided herein:

- (a) Any portion of the Properties dedicated and accepted by a local public authority;
- (b) The Common Area and Common Facilities; and
- (c) Any Lot owned by the Association.

IV.7 Notice and Procedure for Member Approval Pursuant to Sections 4.2 and 4.3. In the event that Member approval is required in connection with any increase or imposition of Assessments pursuant to Sections 4.2 and 4.3, approval of the requisite percentage of the Members shall be solicited either by written ballot conducted in accordance with Section 4.5 of the Bylaws or at a meeting of the Members called for that purpose, duly noticed in accordance with Section 5.4 of the Bylaws. The quorum required for such membership action shall be a majority of the Members.

E# 1557393 BK1939 PG1314

IV.8 Maintenance of Assessment Funds.

(a) Bank Accounts. All sums received or collected by the Association from Assessments, together with any interest or late charges thereon, shall be promptly deposited in one or more insured checking, savings or money market accounts in a bank or savings and loan association selected by the Governing Board which has offices located within the State of Utah. In addition, the Board shall be entitled to make prudent investment of reserve funds in insured certificates of deposit, money market funds or similar investments consistent with the investment standards normally observed by trustees. The Board, and such officers or agents of the Association as the Board shall designate, shall have exclusive control of said account(s) and investments and shall be responsible to the Owners for the maintenance at all times of accurate records thereof.

To preclude a multiplicity of bank accounts, the proceeds of all Assessments may be commingled in one or more accounts and need not be deposited in separate accounts so long as the separate accounting records described herein are maintained. Any interest received on such deposits shall be credited proportionately to the balances of the various Assessment fund accounts maintained on the books of the Association as provided in subparagraph (b), below.

(b) Separate Accounts: Commingling of Funds. Except as provided below, the proceeds of each Assessment shall be used only for the purpose for which such Assessment was made, and such funds shall be received and held in trust by the Association for such purpose. Notwithstanding the foregoing, the Board, in its discretion, may make appropriate adjustments among the various line items in the Board's approved general operating budget if the Board determines that it is prudent and in the best interest of the Association and its Members to make such adjustments. If the proceeds of any Special Assessment exceed the amount required to accomplish the purpose for which such Assessment was levied, such surplus may, in the Board's discretion, be returned proportionately to the contributors thereof, reallocated among the Association's reserve accounts if any such account is, in the Board's opinion, under funded or credited proportionately on account of the Owners' future Regular Assessment obligations.

For purposes of accounting, but without requiring any physical segregation of assets, the Association shall maintain a separate accounting of all funds received by it in payment of each Assessment and of all disbursements made therefrom, provided that receipts and disbursements of Special Assessments made pursuant to this Section 4.3(a)(i) shall be accounted for together with the receipts and disbursements of Regular Assessments; and separate liability accounts shall be maintained for each capital improvement for which reserve funds for replacement are allocated.

Unless the Association is exempt from federal or state taxes, all sums allocated to capital replacement funds shall be accounted for as contributions to the capital of the Association and as trust funds segregated from the regular income of the Association or in any other manner authorized by law or regulations of the Internal Revenue Service and the

Utah Franchise Tax Board that will prevent such funds from being taxed as income of the Association.

IV.9 Collection of Assessments; Enforcement of Liens.

(a) **Delinquent Assessments.** If any installment payment of a Regular Assessment or lump sum or installment payment of any Special Assessment or Special Individual Assessment assessed to any Owner is not paid within 15 days after the same becomes due, such payment shall be delinquent and the amount thereof may, at the Board's election, bear interest at the maximum rate allowed by law beginning 30 days after the due date until the same is paid. In addition to the accrual of interest, the Governing Board is authorized and empowered to promulgate a schedule of reasonable late charges for any delinquent Assessments, subject to any limitations imposed by law.

(b) **Effect of Nonpayment of Assessments.**

(i) **Creation and Imposition of a Lien for Delinquent Assessments.** The amount of any delinquent Regular or Special, or Special Individual Assessment, together with any late charges, interest and costs (including reasonable attorneys' fees) attributable thereto or incurred in the collection thereof, shall become a lien upon the Lot of the Owner so assessed only when the Association causes to be recorded in the Office of the County Recorder of the County, a Notice of Delinquent Assessment executed by an authorized representative of the Association, setting forth (A) the amount of the delinquent Assessment(s) and other sums duly imposed pursuant to this Article IV, (B) the legal description of the Owner's Lot against which the Assessments and other sums are levied, (C) the name of the Owner of Record of such Lot, (D) the name and address of the Association, and (E) the name and address of the trustee authorized by the Association to enforce the lien by sale. Upon payment in full of the sums specified in the Notice of Delinquent Assessment, the Association shall cause to be recorded a further notice stating the satisfaction and release of the lien thereof.

(ii) **Remedies Available to the Association to Collect Assessments.** The Association may initiate a legal action against the Owner personally obligated to pay the delinquent Assessment, foreclose its lien against the Owner's Lot or accept a deed in lieu of foreclosure. Foreclosure by the Association of its lien may be by any means allowed under Utah law.

(iii) **Actions for Money Judgment.** In the event of a default in payment of any Assessment, the Association, in its name but acting for and on behalf of all other Owners, may initiate legal action, in addition to any other remedy provided herein or by law, to recover a money judgment or judgments for unpaid Assessments, costs and attorneys' fees without foreclosure or waiver of the lien securing same.

IV.10 Transfer of Lot by Foreclosure. The following rules shall govern the Association's rights to enforce its Assessment collection remedies following the sale or foreclosure of a Lot.

(a) Except as provided in paragraph (b), below, the sale or transfer of any Lot shall not affect any Assessment lien duly recorded with respect to that Lot before the sale or transfer, and the Association can continue to foreclose its lien in spite of the change in ownership.

(b) The Association's assessment lien shall be extinguished as to all delinquent sums, late charges, interest, and costs of collection incurred before the sale or transfer of a Lot under a foreclosure by the holder of a prior encumbrance (but not under a deed-in-lieu of foreclosure). A "prior encumbrance" means any first mortgagee or other mortgage or lien recorded before the Association's assessment lien.

(c) No sale or transfer of a Lot as the result of foreclosure shall relieve the new Owner of that Lot (whether it be the former beneficiary of the first mortgage or other prior encumbrance, or a third party acquiring an interest in the Lot) from liability for any assessments thereafter becoming due or from the lien thereof.

(d) Any assessments, late charges, interest, and associated costs of collection that are lost as a result of a sale or transfer covered by paragraph (b), above, shall be deemed to be a Common Expense collectible from the Owners of all of the Lots, including the person who acquires the Lot and his or her successors and assigns.

(e) No sale or transfer of a Lot as the result of foreclosure shall affect the Association's right to maintain an action against the foreclosed previous Owner of the Lot personally to collect the delinquent assessments, late charges, interest, and associated costs of collection incurred by that prior Owner prior to the sale or transfer.

IV.11 Priorities. When a Notice of Delinquent Assessment has been recorded, such notice shall constitute a lien on the Lot prior and superior to all other liens or encumbrances recorded subsequent thereto, except (a) all taxes, bonds, Assessments and other levies which, by law, would be superior thereto, and (b) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage or deed of trust with first priority over other Mortgages or deeds of trust) made in good faith and for value, provided that such subordination shall apply only to the Assessments which have become due and payable prior to the transfer of such property pursuant to the exercise of a foreclosure involving a default under such first Mortgage or deed of trust, or other prior encumbrance.

IV.12 Common Area Taxes. The Common Areas are located within non-exclusive easements across Lots 1, 4, 5, and 6. If the Association is not separately assessed for property taxes for the Common Areas, the Association shall reimburse the owners of Lots 1,4,5, and 6 for the portion of the property taxes assessed against those Lots that reasonably relates to Common Areas located on those lots. The amount reimbursed shall be a part of the annual budget and expense of the Association.

E# 1557393 BK1939 PG1317

ARTICLE V

ARCHITECTURAL CONTROL

V.1 Architectural Committee Approval of Improvements.

(a) **Approval Generally.** Before commencing construction or installation of any Improvement within the Properties, the Owner planning such improvement must submit to the Association's Architectural Committee a written request for approval. The Owner's request shall include structural plans, specifications and plot plans satisfying the requirements of Section 5.5. Unless the Committee's approval of the proposal is first obtained, no work on the Improvement shall be undertaken. The Architectural Committee shall base its decision to approve, disapprove or conditionally approve the proposed improvement on the criteria described in Section 5.6. No excavation, grading, filling, draining, landscaping, or installation or removal of existing vegetation shall be made without the advance written consent of the Architectural Committee.

(b) **Modifications to Approved Plans Must Also Be Approved.** Once a work of improvement has been duly approved by the Architectural Committee, no material modifications shall be made in the approved plans and specifications and no subsequent alteration, relocation, addition or modification shall be made to the work of Improvement, as approved, without a separate submittal to, and review and approval by, the Committee. If a work of Improvement, or any modification thereof, is proceeding without proper approval, the Association may exercise the enforcement remedies specified in Section 5.15.

V.2 Committee Membership. Until such time that the Declarant has sold or otherwise transferred 14 Lots, the Architectural Committee shall be composed of Declarant and any persons or entities appointed by Declarant. Once Declarant is no longer the Owner of any of the Lots, the Architectural Committee shall be composed of three Members of the Association appointed by the Board. The Board may serve as the Architectural Committee. Committee members shall serve for one-year terms subject to the Board's power to remove any Committee member and to appoint his or her successor. Neither the members of the Architectural Committee nor its designated representatives shall be entitled to any compensation for services performed pursuant hereto. The Committee shall establish a client relationship with a Utah licensed architect for the purpose of rendering advice with respect to plan submittals and other review matters before the Committee.

V.3 Duties of Committee. It shall be the duty of the Architectural Committee to consider and act upon the proposals and plans submitted to it pursuant to this Declaration, to adopt Architectural Rules pursuant to Section 5.5, to perform other duties delegated to it by the Governing Board and to carry out all other duties imposed upon it by this Declaration.

V.4 Meetings. The Architectural Committee shall meet from time to time as necessary to properly perform its duties hereunder. The vote or written consent of a majority of the Committee members shall constitute the action of the Committee and the Committee shall keep and maintain a written record of all actions taken.

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The Owner-Applicant shall be entitled to appear at any meeting of the Architectural Committee at which the Owner's proposal has been scheduled for review and consideration. The Owner shall be entitled to be heard on the matter and may be accompanied by his or her architect, engineer and/or contractor. Other Owners whose properties may be affected by the proposed Improvement shall also be entitled to attend the meeting.

Reasonable notice of the time, place and proposed agenda for Architectural Committee meetings shall be communicated before the date of the meeting to any Owner-Applicant whose application is scheduled to be heard. If the proposed Improvement will be visible from any neighboring Lot, the Owners of the other affected Residences shall be notified promptly of the Owner-Applicant's submittal and shall be furnished with notice of any Committee meeting where the application is scheduled to be heard.

V.5 Architectural Rules. The Architectural Committee may, from time to time and with approval of the Governing Board, adopt, amend and repeal rules and regulations to be known as "Architectural Rules." Said Rules shall interpret and implement the provisions hereof by setting forth (a) the standards and procedures for Architectural Committee review; and (b) the criteria and procedures for requesting variances from any property use restrictions that would otherwise apply to the proposed improvement under the Governing Documents (see Section 5.16 below). Notwithstanding the foregoing, no Architectural Rule shall be in derogation of the minimum standards required by this Declaration. In the event of any conflict between the Architectural Rules and this Declaration, the provisions of the Declaration shall prevail.

V.6 Basis for Approval of Improvements. When a proposed Improvement is submitted to the Architectural Committee for review, the Committee shall grant the requested approval only if the Committee, in its sole discretion, finds that all of the following provisions have been satisfied:

- (a) The Owner has complied with the provisions of Section 5.7 below;
- (b) The Owner's plans and specifications (i) conform to this Declaration and to the Architectural Rules in effect at the time such plans are submitted to the Committee; (ii) will result in the construction of an Improvement that is in harmony with the external design of other structures and/or landscaping within the Properties; and (iii) will not interfere with the reasonable enjoyment of any other Owner of his or her property, including, without limitation, the other Owner's rights to scenic and solar access free of unreasonable obstructions; and
- (c) The residence is within the Building Site.

The Committee shall be entitled to determine that a proposed Improvement or component thereof is unacceptable when proposed on a particular Lot, even if the same or a similar improvement or component has previously been approved for use at another location within the Properties if factors such as drainage, topography or visibility from roads, Common Areas or other Lots or prior adverse experience with the product or components used in construction of the Improvement, design of the Improvement or its use at other locations within the Properties mitigate against erection of the Improvement or use of a

particular component thereof on the Lot involved in the Owner's submittal. It is expressly agreed that the Committee shall be entitled to make subjective judgments and to consider the aesthetics of a proposal when considering an Owner's request so long as the committee acts reasonably and in good faith.

V.7 Procedures for Obtaining Architectural Committee Approval of Plans and Specifications.

(a) **Application for Preliminary Approval.** In order to afford an Owner who is proposing to make substantial Improvements an opportunity to obtain guidance and comment from the Architectural Committee prior to the expenditure of substantial sums on complete plans and specifications, an Owner shall apply to the Committee for preliminary approval of the proposed Improvement project. Applications for preliminary approval shall be considered and processed as follows:

(i) Any application for preliminary approval shall be in writing and shall present sufficient detail to apprise the Architectural Committee of the general nature, location, dimensions and contemplated exterior colors and finishes of the proposed Improvement.

(ii) Within 30 days after receipt of the application for preliminary approval, the Architectural Committee shall grant the preliminary approval only if the proposed Improvement, to the extent that its nature and characteristics are shown by the application, would be entitled to a final approval on the basis of a full and complete application. Failure of the Architectural Committee to act within 30 days from the filing date shall constitute a preliminary approval. In granting or denying approval, the Architectural Committee may give the applicant such directions or recommendations concerning the form and substance of the final application for approval as it may deem proper or desirable for the guidance of the Applicant.

(iii) Any preliminary approval granted by the Architectural Committee shall be effective for a period of 180 days from the date of issuance or such longer period as may, in the Committee's discretion, be granted. During said period, any application for final approval that presents complete plans and specifications for the proposed Improvements, consistent with the provisions of the preliminary approval and otherwise acceptable under the terms of this Declaration and the Architectural Rules, shall be approved by the Architectural Committee.

(iv) In no event shall any preliminary approval of a proposed Improvement be deemed to constitute final approval authorizing construction of the Improvement. Final approval shall be based on a complete submittal conforming to the requirements of subparagraphs (b) and (c), below, provided that the Committee may, in its preliminary approval, waive any requirements of subparagraph (c) which do not pertain to the proposed Improvement project.

(b) Application for Final Approval. All Owners who desire to undertake any work of Improvement must apply to the Architectural Committee and receive Final Approval. The application shall be in writing and shall contain all information that is necessary to reasonably evaluate the nature, design, location and extent of the proposed Improvement, including, at a minimum, two complete sets of plans and specifications for the Improvement project (satisfying the requirements set forth in subparagraph (c) below) and such additional information as the Committee may reasonably request, either by Architectural Rule or while the project is under review.

(c) Content of Plans and Specifications. In order to be complete, the plans and specifications for the proposed Improvement shall include:

(i) A professionally prepared plot plan, which indicates (A) the size of the Lot, (B) Lot contour lines, (C) the location of all existing and proposed Improvements, (D) the proposed drainage plan for the Lot, as improved, and (E) the location of all proposed utility installations.

(ii) A professionally prepared (prepared by an architect or licensed building designer) set of plans showing all (A) elevations (including foundation), (B) floor plans, (C) location of all heating and/or cooling equipment, (D) decking, (E) screening devices, and (F) retaining walls.

(iii) Description of exterior materials (if not included with above plans) and samples of roofing material and exterior colors.

(iv) A complete and professionally prepared landscape plan which includes the names, location, and sizes of all proposed trees, shrubbery, and lawn area(s), identifies any trees scheduled for removal and describes the Owner's plans for replanting trees and vegetation and for stabilizing slopes during and after construction.

(v) The Owner's proposed construction schedule.

If the contemplated Improvement project is of a nature that does not merit extensive plans and specifications, the Architectural Committee may (but shall not be obligated to) waive or modify any of the above plan and specification requirements upon receipt of a written request from the applicant to do so. Said request can be made as part of a preliminary approval submittal pursuant to subparagraph (a), above.

(d) Inspection Fee and Deposits. Once the Architectural Committee is under the control of the Association, the Architectural Rules may require that the submission of plans and specifications be accompanied by a reasonable fee.

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V.8 Time Limits for Approval or Rejection. Within 45 days after submission of plans and specifications satisfying the requirements of Section 5.7, above, the Architectural Committee shall return one set of such plans to the applicant, with either written notice of approval or disapproval or with written suggestions of changes required for approval or disapproval. If the Committee recommends that the plans and specifications be modified, the applicant may implement such changes to the plans, and within 30 days, resubmit plans incorporating such changes for approval to the Committee, which approval shall not be unreasonably withheld so long as the Owner has complied in all material respects with the requested changes. If no written notice of approval or disapproval is received by the Owner-applicant within 45 days after the Owner's plans and specifications (or revisions thereto) are submitted to the Committee, the plans shall be deemed to have been approved as submitted.

In approving a request for construction of an Improvement, the Architectural Committee may condition approval upon the adoption of modifications in the plans and specifications or observance of restrictions as to location, noise abatement, color or materials modifications or similar mitigating conditions.

V.9 Basis for Approval of Improvements. When a proposed work of Improvement is submitted to the Architectural Committee for review, the Committee shall grant the requested approval only if the Committee, in its sole discretion, finds that all of the following provisions have been satisfied:

(a) The Owner's plans and specifications: (i) conform to this Declaration and to the Architectural Rules in effect at the time those plans are submitted to the Committee; (ii) will result in the construction of an improvement that is in harmony with the external design of other structures and/or landscaping within the Properties; and (iii) will not interfere with the reasonable enjoyment of any other Owner of his or her Lot;

(b) The proposed improvement(s), if approved, will otherwise be consistent with the architectural and aesthetic standard prevailing within the Properties and with the overall plan and scheme of development of the Properties and the purpose of this Declaration.

Though it is recognized that the Committee's determination to approve or disapprove an improvement will, of necessity, be subjective to some degree, the members of the Committee shall act reasonably and in good faith. Factors commonly considered by the Committee in reviewing proposed improvements include the quality of workmanship and materials proposed for the improvement project; the harmony of the proposed improvement's exterior design, finish materials, and color with that of the existing structures; and the proposed location of the improvement.

The Committee shall be entitled to determine that a proposed improvement or component thereof is unacceptable in the context of a particular Lot, even if the same or a similar improvement/component has previously been approved for use at another location or locations within the Properties. Factors that may cause the Committee to reject a proposal that was previously approved at another site include: poor drainage; unique topography; visibility from roads, common areas, or other Lots; proximity to other residences or common

facilities; or prior adverse experience with the product or design of the proposed improvement or any component thereof.

V.10 Employment of Architect or Engineer. If at any time the Architectural Committee determines that it would be in the best interests of the Association and its Members for an applicant to employ an architect, licensed building designer or engineer to design or review any proposed Improvements or component thereof, the Committee shall advise the applicant in writing of its determination whereupon all plans and specifications so designated by the Architectural Committee must thereafter bear appropriate evidence of such preparation or review.

V.11 Proceeding With Work. Upon receipt of approval of an Improvement from the Architectural Committee, the Owner shall, as soon as practicable, (a) satisfy all conditions thereof, (b) obtain any necessary grading or building permits (grading and building permits shall not be obtained prior to receipt of approval from the Architectural Committee) and (c) diligently proceed with the commencement of construction and excavation, if required, pursuant to said approval. In all cases, work on an Improvement project shall commence within one year from the date of such approval. If the Owner fails to comply with this paragraph, any approval given pursuant to this Article V shall be deemed revoked unless the Architectural Committee, upon written request of the Owner prior to the expiration of the initial one-year period, extends the time for commencement or completion. No such extension shall be granted except upon a finding by the Architectural Committee that there has been no change in the circumstances upon which the original approval was granted and that the Owner has a bona fide intention and ability to complete the Improvement project within the time specified in the extension request.

V.12 Failure to Complete Work. Unless the Owner has been granted an extension of time to complete the project by the Architectural Committee, construction, reconstruction, refinishing or alteration of any such Improvement must be complete within two years after construction has commenced, except and for so long as such completion is rendered impossible or would result in great hardship to the Owner because of strikes, fires, national emergencies, natural calamities or other supervening forces beyond the control of the Owner or his or her agents. If the Owner fails to comply with this Section, the Architectural Committee shall notify the Board of such failure, and the Board shall proceed in accordance with the provisions of subparagraphs (c) and (d) of Section 5.13 below as though the failure to complete the Improvement was a noncompliance with approved plans.

V.13 Inspection of Work by Architectural Committee. Inspection of the work relating to any approved Improvement and correction of defects therein shall proceed as follows:

(a) During the course of construction, representatives of the Architectural Committee shall have the right to inspect the jobsite to confirm that the Improvement project is proceeding in accordance with the approved plans and specifications.

(b) Upon the completion of any work of Improvements for which Architectural Committee approval is required under this Article V, the Owner shall give the Architectural Committee a written notice of completion.

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(c) Within 30 days thereafter, the Architectural Committee, or its duly authorized representative, may inspect the Improvement to determine whether it was constructed, reconstructed, altered or refinished in substantial compliance with the approved plans. If the Architectural Committee finds that the Improvement was not erected, constructed or installed in substantial compliance with the Owner's approved plans, then within the 30-day inspection period the Committee shall give the Owner a written notice of noncompliance detailing those aspects of the Improvement project that must be modified, completed or corrected. If the violation or nonconforming work is not corrected, the Association and its Architectural Committee shall have the enforcement rights and remedies set forth in Section 5.15, below.

(d) If for any reason the Architectural Committee fails to notify the Owner of any noncompliance within 30 days after receipt of the Owner's notice of completion, the Improvement shall be deemed to have been constructed in accordance with the approved plans for the project, unless it can be demonstrated that the Owner knew of the noncompliance and intentionally mislead the Committee with respect thereto.

V.14 Landscaping. As specified in Section 5.1, landscaping shall be deemed to be a work of Improvement requiring Architectural Committee approval hereunder. Landscaping shall include lawns, shrubs, trees, flowers and any landscape structures. The use of artificial materials such as plastic plants, or flowers, astro turf, or gravel gardens will be disapproved by the Committee. All approved landscaping must be completed within 60 days after a notice of occupancy has been filed with the County for the Owner's Residence.

V.15 Enforcement.

(a) In addition to other enforcement remedies set forth in this Declaration, the Architectural Committee shall have enforcement rights with respect to any matters required to be submitted to and approved by it, and may enforce such architectural control by any proceeding at law or in equity. In addition, the Architectural Committee shall have the authority to order an abatement of any construction, alteration or other matter for which approval is required, to the extent that it has not been approved by the Committee or if it does not conform to the plans and specifications submitted to the Committee. No work for which approval is required shall be deemed to be approved simply because it has been completed without a complaint, notice of violation, or commencement of a suit to enjoin such work. If any legal proceeding is initiated to enforce any of the provisions hereof, the prevailing party shall be entitled to recover reasonable attorneys' fees in addition to the costs of such proceeding.

(b) If the Owner fails to remedy any noticed noncompliance within 30 days from the date of such notification, the Architectural Committee shall notify the Board in writing of such failure. The Board shall then set a date on which a hearing before the Board shall be held regarding the alleged noncompliance. The hearing date shall not be more than 30 days nor less than 15 days after the notice of the noncompliance is issued by the Board to the Owner, to the Architectural Committee and, in the discretion of the Board, to any other interested party.

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(c) At the hearing, the Owner, a representative(s) of the Architectural Committee and, in the Board's discretion, any other interested person may present information relevant to the question of the alleged noncompliance. After considering all such information, the Board shall determine whether there is a noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a noncompliance is determined to exist, the Board shall require the Owner to remedy or remove the same within such period or within any extension of such period as the Board, at its discretion, may grant. If the Owner fails to take corrective action after having a reasonable opportunity to do so, the Board, at its option, may either remove the noncomplying Improvement or remedy the noncompliance and the Owner shall reimburse the Association for all expenses incurred in connection therewith upon demand. If such expenses are not properly repaid by the Owner to the Association, the Board shall recover such expenses through the levy of a Special Individual Assessment against such Owner.

(d) The approval by the Architectural Committee of any plans, drawings or specifications for any work of Improvement done or proposed, or for any other matter requiring the approval of the Architectural Committee under this Declaration, or any waiver thereof, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval by the same or some other Owner. Different locations for Improvements, the size of the structure, proximity to other Residences or Common Facilities and other factors may be taken into consideration by the Committee in reviewing a particular submittal.

V.16 Variances. The Architectural Committee, in its sole discretion, shall be entitled to allow reasonable variances in any procedures specified in this Article V, the minimum construction standards specified in Article VI, or in any land use restrictions specified in Article VII to overcome practical difficulties, avoid unnecessary expense or prevent unnecessary hardship to Owner-applicants, provided that all of the following conditions are met:

(a) If the requested variance will necessitate deviation from, or modification of, a property use restriction that would otherwise be applicable under this Declaration, the Architectural Committee must conduct a public hearing on the proposed variance after giving prior written notice to the Board and to all Owners. The notice shall be mailed to the Owners at least 15 days prior to the date when the Architectural Committee is scheduled to act on the requested variance. No decision shall be made with respect to the proposed variance until the 15-day comment period has elapsed.

(b) The Architectural Committee must make a good faith written determination that the variance is consistent with one or more of the following criteria: (i) that the requested variance will not constitute a material deviation from any restriction contained herein or that the proposal allows the objectives of the violated requirement(s) to be substantially achieved despite noncompliance; or (ii) that the variance relates to a land use restriction or minimum construction standard otherwise applicable hereunder that is unnecessary or burdensome under the circumstances; or (iii) that the variance, if granted, will not result in a material detriment, or create an unreasonable nuisance with respect, to any other Lot or Common Area within the Properties.

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V.17 Nonconforming Use of Properties. In addition to its jurisdiction over the review and approval of new Improvements and regulation of the timely and proper completion of such Improvements, the Architectural Committee shall also be vested with authority and responsibility to regulate continued compliance on Lots with the provisions of Section 5.6, and Articles VI and VII of this Declaration. If the Architectural Committee has identified an architectural or a land use violation on any Lot, the Committee shall so notify the Owner, in writing. The notice shall detail the nature of the alleged violation and advise the Owner of his or her right to be heard on the matter in accordance with this Article V. If the Owner fails to make a timely request for a hearing, the Architectural Committee shall be entitled to make its own determination of whether a violation exists at the next regularly scheduled Committee meeting following expiration of the notice period.

V.18 Estoppel Certificate. Within 30 days after written demand is delivered to the Architectural Committee by any Owner, and upon payment to the Association of a reasonable fee (as established from time to time by the Board), the Architectural Committee shall record an estoppel certificate, executed by any two of its members, certifying (with respect to any Lot owned by the applicant Owner) that, as of the date thereof, either (a) all Improvements made and other work completed by said Owner comply with this Declaration or (b) such Improvements or work do not so comply, in which event the certificate shall also identify the noncomplying Improvements or work and set forth with particularity the basis of such noncompliance. Any purchaser from the Owner, or from anyone deriving any interest in said Lot through the Owner, shall be entitled to rely on the Association's estoppel certificate with respect to the matters therein set forth, such matters being conclusive as between the Association, all Owners and any persons deriving any interest through them.

V.19 Limitation on Liability. Neither the Association, its Architectural Committee nor any member thereof shall be liable to any Owner for any damage, loss or prejudice suffered or claimed on account of any mistakes in judgment, negligence or nonfeasance arising out of (a) the approval or disapproval of any plans, drawings and specifications, whether or not defective; (b) the construction or performance of any work of Improvement, whether or not pursuant to approved plans, drawings or specifications; (c) the development of any Lot within the Properties; or (d) the execution and filing of a Notice of Noncompliance pursuant to Section 5.17, above, or an estoppel certificate pursuant to Section 5.18 above, whether or not the facts therein are correct, provided that such member has acted in good faith upon the basis of such information as may be possessed by him or her. The Architectural Committee will not review or in any way be responsible for the adequacy and building code compliance of any structural plans, drawings and specifications. The Architectural Committee shall only review plans, drawings and specifications to determine if such drawings comply with appropriate community standards, including, without limitation, the standards and requirements listed in Articles VI and VII.

V.20 Compliance With Governmental Regulations. Review and approval by the Architectural Committee of any proposals, plans or other submittals pertaining to Improvements shall in no way be deemed to constitute satisfaction of, or compliance with, any building permit process or any other governmental requirements, the responsibility for which shall lie solely with the Owner who desires to construct, install, or modify the Improvement.

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V.21 Appeals. Appeals from decisions of the Architectural Committee may be made to the Governing Board, which may elect, in its discretion, to hear the appeal or, in the alternative, to affirm the decision of the Architectural Committee. The Association Rules shall contain procedures to process appeals pursuant to this Section 5.21.

ARTICLE VI

MINIMUM CONSTRUCTION STANDARDS

Unless a variance is requested from, and granted by, the Architectural Committee in accordance with Section 5.16 hereof, Improvements constructed on any Lot shall conform to the following minimum construction standards:

VI.1 Building Location. All Residences shall be constructed within the Building Site identified on each Lot for construction, as is shown on the map filed with the Association.

VI.2 Licensed Contractor. Residential structures shall be constructed by a contractor licensed under the laws of the State of Utah.

VI.3 Approval by Architectural Committee. No building, fence, wall or other permanent structure or Improvement shall be erected, altered or placed on any Lot until building plans, specifications and a plot plan showing the location of structures on the Lots have been submitted to the Architectural Committee for review and approval as described in Article V hereof.

VI.4 Single and Multiple Level Residences. Each single level Residence constructed on any Lot shall have a fully enclosed floor area (exclusive of roofed or unroofed porches, decks, terraces, garages, carports or other outbuildings) of not less than 2,000 square feet. Two level Residences shall contain a minimum of 3500 square feet, and the main floor shall contain a minimum of 2,500 square feet. The square footage of a second story shall not exceed 66% of the square footage of the main floor area. Horizontal wall elevations and vertical wall elevations on two level structures shall be broken with architectural elements and physical breaks in the façade. No vertical wall may extend without setback or variation more than the height of two stories above existing grade.

VI.5 Setback and Location of Structure. Setbacks for any permanent structure (whether or not attached to the Residence) shall be at least 75 feet from the street Lot line.

VI.6 No Temporary Structures. No recreational vehicle, trailer, mobile home, camper, tent, shack, used structures, structures of a temporary character, or other outbuildings shall be used on any Lot at any time, except as part of construction activities.

VI.7 Utility Lines. All utility lines within the Properties to Improvements constructed on any Lot shall be placed underground.

VI.8 No Used Materials. No used buildings or structures shall be placed on any Lot.

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VI.9 Solar Heating Systems. Subject to limitations imposed by Utah law, the Architectural Committee shall be entitled to adopt, as part of the Architectural Rules, reasonable regulations regarding the installation of solar heating systems. These rules may include limitations on placement and design of such systems to the extent necessary to avoid an unsightly appearance from neighboring Lots.

VI.10 Colors and Exterior Finishes. All exterior colors, textures and materials, including roof materials, must be adequately described in the plans and specifications (with an indication where the colors will be used upon the finished dwelling), must be uniform on all buildings, including without limitation, Residences, garages, barns and other outbuildings and approved in writing by the Committee prior to initiation of construction. Color samples shall be submitted to the Committee along with the plans and specifications. The Committee is authorized to maintain a chart of approved colors.

VI.11 Prohibition on A-Frame, Geodesic Dome and Log Home Structures. No Residence shall be constructed which utilizes an "A-frame," "geodesic dome" or "log home" design.

VI.12 Roofs. The roof design of all Residences must be approved by the Committee. Any approval by the Committee shall in no way imply any roof guarantee by such Committee. Every Residence constructed on any of the Lots shall have a minimum roof overhang of 30" including gutters, unless deviation for a specified design and/or feature is approved by the Architectural Committee. All visible roofing on any Residence shall be uniform in design and material. Buildings may be approved without the minimum roof overhang, provided that the lack of overhang is an integral part of the specific design.

VI.13 Siding Materials. The exterior walls of any Residence, garage or other structure shall be finished with natural wood, rock or brick. Textured plywood, metal, masonite or other manufactured siding shall not be permitted unless the Owner can demonstrate to the satisfaction of the Architectural Committee that the proposed siding material will present a natural appearance and be free of "buckling".

VI.14 Drainage. No Owner shall do any work, construct any Improvement, place any landscaping or suffer the existence of any condition whatsoever which shall alter or interfere with the drainage pattern for the Owner's or any adjacent Lots or parcels or Common Area as established in connection with the approval of the final subdivision applicable to the Properties by the County, except to the extent such alteration in drainage pattern is approved in writing by the Architectural Committee, the County and all other public authorities having jurisdiction. Plans and specifications submitted by an Owner to the Architectural Committee in connection with the construction of a Residence or other major structural Improvement shall include a drainage plan in sufficient detail to permit the Committee to assess the impacts, if any, of the Improvement on natural drainage courses.

VI.15 Modular and Prefabricated Housing; Mobilehomes. No modular housing unit or prefabricated housing unit assembled off the building site shall be permitted on any Lot.

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VI.16 Antennas, External Fixtures, etc. No television or radio poles, antennas, flagpoles, clotheslines, basketball standards, or other external fixtures except those approved by the Architectural Committee shall be constructed, erected or maintained on any Lot. No wiring, insulation, air-conditioning, or other machinery or equipment other than those approved by the Architectural Committee, and their duplicate replacements shall be constructed, erected or maintained on or within the exterior of any structure within the Properties.

VI.17 Exterior Lighting and Fixtures. Fluorescent, mercury vapor, sodium, or amber vapor lights, or standard outdoor lights of the type used for security must be enclosed in a manner that directs the light in a specific area without causing a visual impairment to passing motorists or a nuisance to neighboring properties. The issue of whether a nuisance exists shall be determined by the Architectural Committee in its sole discretion.

VI.18 Glass and Skylights. No natural aluminum type window or glass doors are permitted on any Residence or other building Improvement unless the frames are anodized or painted a neutral or earth tone color. All windows and glass doors with the appearance of divided lights from artificial muntin bars shall have muntin member exposed on the exterior and interior glass faces with a depth of a minimum of one-half inch. Certain architectural glass treatments such as octagon- or hexagon-shaped windows, sloped glass, greenhouses or sunrooms with radius roof or wall sections, extensive use of black or heavy tint glass, mirrored or reflective glass, or brightly colored glass or polycarbonate panels are not permitted without specific prior approval of the Architectural Committee. No screen type doors mounted over a hinged type door which is visible to the public view shall be permitted. No domed or "bubble" type skylights are permitted where visible from any eye level area within the public view.

VI.19 Patios, Walkways and Driveways. All driveways, patio, and walks materials shall be architecturally compatible to the design of the main structure. Driveways shall have a hard surface and be non-pervious. No natural soil or any unsecured finish is permitted.

VI.20 Water Systems, Septic Systems and Pools. No individual water supply system, on-site septic waste disposal system or swimming pool shall be permitted on any Lot unless such system is designed, located and constructed in accordance with the requirements, standards and recommendations of the appropriate public health authority and the Architectural Committee. Approval of such systems shall also be obtained, if required, by any responsible governmental agency.

VI.21 Garages. Each Residence shall have at least a two-car garage which may be either of an attached or detached design. Garage doors shall be of a roll-top design.

VI.22 Fences. All screening and fencing must be approved by the Architectural Committee and must be designed to conform to the design of the proposed or existing Residence; such screening must be architecturally designed. All screening and fencing must be maintained in a good sound structural manner, and painted or stained periodically so as not to have a shabby or unkempt appearance. Screening and fencing must be so designed as to face its most attractive side toward the street or toward any neighboring vacant Lots or Common Area. At the time of initial construction

E# 1557393 BK1939 PG1329

of any Residences, the builder of the Residence shall install and paint a low, open rail type fence (not to exceed four feet in height) at the street property line.

VI.23 Landscaping. As noted in Section 5.1, landscaping is a matter which is subject to review and regulation by the Architectural Committee. A landscape plan is required in conjunction with the construction of any Residence. Landscaping shall include lawns, shrubs, trees and flowers. The use of artificial materials such as plastic plants or flowers, artificial turf, or gravel gardens will be disapproved by the Committee, although nothing contained herein shall prohibit the use of large decorative rocks as a landscape element or the use of limited gravel and/or bark in flower beds between or under substantial vegetation. All approved landscaping must be completed within 60 days following receipt by the Owner of a Certificate of Occupancy for the Residence. In the event that the landscape Improvements are not completed by occupancy date, the Architectural Committee can require the Owner to post a bond in an amount not to exceed the estimated cost of completing the landscaping work.

VI.24 Chimneys and Vents. Chimneys must be enclosed in an approved siding material. No exposed metal flues are permitted. All chimney tops on any Residence must be of identical design. Vent stacks must be combined to the extent possible to minimize the number of roof penetrations and generally should not be visible from the street.

VI.25. Balconies and Decks. Any balcony or deck that is more than 24 inches above natural grade must be constructed in compliance with the following. All posts or pillars supporting any deck must be between 4 and 12 inches in width, including vertical members in railings. The area under any deck must either be landscaped or screened from view so that the view from adjoining Lots or streets is not of the unfinished underside of the deck. The area under any deck shall not be used for storage of equipment, firewood, building material, or similar material. The underside of any deck more than three feet above grade must either be completely screened with vertical lattice or siding, or, if exposed (as in the case of a second story deck or balcony), finished and painted or stained to match the house.

VI.26. Horse Facilities. The Architectural Committee shall develop and enforce design standards for barns. Each barn shall be treated as a separate building for review purposes by the Architectural Committee. A barn shall be located so as to minimize the adverse impact of the barn or any horses on adjacent Lot Owners. The Architectural Committee may impose and enforce rules to assure that the barn and any corrals are maintained so as to create a clean, attractive, and healthy environment for horses and adjoining Owners. Barns and other outlying buildings shall be constructed of materials compatible with the Residence and in a similar style and color.

ARTICLE VII

USE OF PROPERTIES AND RESTRICTIONS

In addition to the restrictions established by law or Association Rules promulgated by the Governing Board (consistent with this Declaration), the following restrictions are hereby imposed upon the use of Lots, Common Areas and other parcels within the Properties.

VII.1 Use of Lots.

(a) All Lots within the Properties shall be used solely for the construction of Residences whose occupancy and use shall be restricted to Single Family Residential Use as defined in Section 1.26 hereof. This Single Family Residential Use restriction is not intended to preclude construction of a "guest house" for the housing of occasional social guests or domestic employees on the premises.

(b) All Residence and related structures erected on any Lot shall conform to the minimum construction standards set forth in Article VI hereof, unless a variance has been granted by the Architectural Committee in accordance with Section 5.16 hereof.

(c) Each Lot shall be conveyed as a separately designated and legally described fee simple estate, subject to this Declaration. All Lots and the Residences and other Improvements erected or placed thereon (including, without limitation, landscaping) shall at all times be maintained in such a manner as to prevent their becoming unsightly.

(d) The vegetation and landscaping on any Lot shall be planted or maintained by the Owner or resident in such a manner as to reduce the risk of fire, prevent or retard shifting or erosion of soils, encourage the growth of indigenous ground cover and to cause the proper diversion of water into streets and natural drainage channels.

(e) No Improvement shall be constructed, erected, or placed on any Lot without the prior approval of the Architectural Committee. In no event shall any fence exceed six feet in height and fences constructed of metal, chain link (or similar fabric or plastic appearances) shall not be permitted; provided, however, that wrought iron fences may be erected with Architectural Committee approval.

(f) No advertising signs shall be displayed on any Lot or posted within or upon any of the Properties except that an Owner may post on his or her Lot a single "For Rent" or "For Sale" sign of reasonable dimensions and appearance as stated in the Association Policies.

(g) No drilling, refining, quarrying or mining operations of any kind shall be permitted on any Lot.

VII.2 Exterior Improvements. No Owner shall at his or her expense or otherwise make any material alterations or modifications to the exterior of the buildings, fences or railings containing the Owner's Residence without the prior written consent of the Association or the Architectural Committee, if any.

VII.3 Common Areas. The Common Areas shall be preserved as open space and used for recreational purposes and other purposes incidental and ancillary to the use of Lots. No Improvement, excavation or work which in any way alters any Common Area or Common Facility from its natural or existing state on the date such Common Area or Common Facility shall be made

or done except by the Association and then only in strict compliance with the provisions of this Declaration. Each Owner shall be liable to the remaining Owners for any damage to the Common Area or Common Facilities that may be sustained by reason of the negligence of that Owner, that Owner's family members, contract purchasers, tenants, guests, or invitees, but only to the extent that any such damage is not covered by casualty insurance in favor of the Association. Each Owner shall be responsible for the maintenance, repair, upkeep and replacement of the landscaping (other than the trees planted by the Association in the first 10 feet of the front Lot line setback which will be the responsibility of the Association) in the setback along the front Lot line of each Lot.

VII.4 Utility and Drainage Easements. No Owner shall construct any Improvements, place any structures or take any other actions that would impede full and unimpaired access by the Irrigation Company and any utility companies to the utility and drainage easements located around the perimeter of the Properties and shown on the Subdivision Map.

VII.5 Prohibition of Noxious Activities. No illegal, noxious or offensive activities shall be carried out or conducted upon any Lot or Common Area nor shall anything be done within the Properties which is or could become an unreasonable annoyance or nuisance to neighboring property Owners. Without limiting the foregoing, no Owner shall permit noise, including but not limited to barking dogs, the operation of excessively noisy air conditioners, stereo amplifier systems, television systems, motor vehicles or power tools, to emanate from an Owner's Lot or from activities within the Common Area, which would unreasonably disturb any other Owner's or tenant's enjoyment of his or her Lot or the Common Area.

VII.6 Garbage. No rubbish, trash, or garbage shall be allowed to accumulate on Lots. Any trash that is accumulated by an Owner outside the interior walls of a Residence shall be stored entirely within appropriate covered disposal containers and facilities which shall be located on the Owner's Lot and screened from view from any street, neighboring Lot or Common Area. Any extraordinary accumulation of rubbish, trash, garbage or debris (such as debris generated upon vacating of premises or during the construction of modifications and Improvements) shall be removed from the Properties to a public dump or trash collection area by the Owner or tenant at his or her expense. The Association shall be entitled to impose reasonable fines and penalties for the collection of garbage and refuse disposed in a manner inconsistent with this Section.

VII.7 Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Lot except such machinery or equipment as is usual or customary in connection with the use, maintenance or repair of a private Residence or appurtenant structures within the Properties.

VII.8 Diseases and Pests. No Owner shall permit any thing or condition to exist on his or her Lot, which shall induce, breed, or harbor infectious plant diseases, rodents or noxious insects.

VII.9 Parking and Vehicle Restrictions.

(a **Restriction of Parking on Streets.** Except for vehicles typically used in routine residential transportation by any guest, invitee, or contractor, there shall be no parking on any public street within or abutting the Properties of any vehicle or equipment

of any kind, other than emergency or law enforcement vehicles and equipment. One of the principal objectives of the restrictions imposed by this Section 7.10 is to restrict, to the greatest extent reasonably possible, the parking of any vehicles or equipment on the streets within or abutting the Properties.

(b) Restriction on Vehicle Repairs and Maintenance. Major repairs or restorations of vehicles within the Properties is not encouraged and shall only be permitted if conducted entirely within the Owner's or resident's garage and in a manner that does not cause another vehicle or trailer to be parked in violation of this Section 7.10. In any specific instance involving a vehicle repair project, the Board may prohibit the activity entirely if the Board determines that the activity is being conducted in a manner that constitutes a nuisance or an unreasonable interference with the quiet enjoyment of neighbors. The restrictions imposed by this subparagraph (e) are not intended to prohibit routine vehicle maintenance, such as the changing of oil, the replacement of an air filter or other similar routine vehicle maintenance activities that can be completed in a few hours, so long as that maintenance is conducted on the Owner's/resident's driveway or in the Owner's/resident's garage.

(c) Maintenance of Driveways and Garages. All driveways and garages shall be maintained in a neat and orderly condition and garage doors shall be kept in a closed position at all times except: (i) when the garage door must be opened to permit the ingress or egress of vehicles or trailers parked in the garage, or (ii) when an Owner or resident is working in the garage area.

(d) Enforcement of Parking and Vehicle Restrictions. The Association and its authorized agents shall have the right to enforce all parking restrictions set forth in this Section, and to remove or cause the removal of vehicles, trailers, or other equipment parked in violation of this Section 7.10 in accordance with applicable laws, codes, and statutes. To the extent required by law, the Association shall be authorized to post within the Common Areas all signage required by law to authorize the towing of vehicles parked in violation of these restrictions.

VII.10 Restriction on Further Subdivision and Severability. No Lot shall be further subdivided nor shall less than all of any such Lot be conveyed by an Owner thereof and no Owner of a Lot within the Properties shall be entitled to sever his or her Lot from the Common Area portion of the Properties.

VII.11 Variances. Upon application by any Owner, the Architectural Committee shall be authorized and empowered to grant reasonable variances from the property use restrictions set forth in this Article VII, if specific application of the restriction will, in the sole discretion of the Board, either cause an undue hardship to the affected Owner or fail to further or preserve the common plan and scheme of development contemplated by this Declaration. In considering and acting upon any request for a variance, the Committee shall follow the procedures set forth in Section 5.16 for the granting of architectural variances.

VII.12 Enforcement of Property Use Restrictions. The objective of this Declaration shall be to promote and seek voluntary compliance by Owners, and tenants with the environmental

standards and property use restrictions contained herein. Accordingly, in the event that the Association becomes aware of an architectural or property use infraction that does not necessitate immediate corrective action under Section 12.6 hereof, the Owner or Tenant responsible for the violation shall receive written notice thereof and shall be given a reasonable opportunity to comply voluntarily with the pertinent Governing Document provision(s). Such notice shall describe the noncomplying condition, request that the Owner or tenant correct the condition within a reasonable time specified in the notice, and advise the Owner or tenant of his or her appeal rights.

ARTICLE VIII

EXTERIOR MAINTENANCE RESPONSIBILITIES

VIII.1 Common Area; Common Facilities. The Association shall be solely responsible for all maintenance, repair, upkeep and replacement within the Common Area easements. The Association shall be responsible for the maintenance, repair, upkeep and replacement of the trees (but no other landscaping) planted in the first 10 feet of the setback located along the front Lot line of each Lot.

VIII.2 Recovery of Costs of Certain Repairs and Maintenance.

(a) In the event that the need for maintenance or repair, which would otherwise be the Association's responsibility hereunder is caused through the willful or negligent acts of an Owner, his or her family, guests, tenants, or invitees, and is not covered or paid for by Association insurance policies or any liability insurance maintained by the responsible Owner, the cost of such maintenance or repairs shall be subject to recovery by the Association through the imposition of a Special Individual Assessment against the offending Owner in accordance with Section 4.4 hereof.

(b) In the event that an Owner fails to perform maintenance functions for which he or she is responsible, the Association may give written notice to the offending Owner with a request to correct the failure within 15 days after receipt thereof. If the Owner refuses or fails to perform any necessary repair or maintenance, the Association may exercise its rights under Section 3.7(b) to enter the Owner's Lot and perform the repair or maintenance so long as the Owner has been given notice and the opportunity for a hearing in accordance with Section 12.6, hereof.

VIII.3 Cooperative Maintenance Obligations. To the extent necessary or desirable to accomplish the Association's maintenance obligations hereunder, individual Owners shall cooperate with the Association and its agents and maintenance personnel in the prosecution of its work.

ARTICLE IX EASEMENTS

E# 1557393 BK 1939 PG 1334

IX.1 Maintenance Easements. An easement is hereby granted to the Association, its officers, agents, employees, and to any management company selected by the Association to enter in or to cross over the Common Area and any Lot to perform the duties of maintenance and repair of the Lots, Common Area, or Common Facilities, provided that any entry by the Association or its agents onto any Lot shall only be undertaken in strict compliance with Section 3.7(b).

IX.2 Other Easements. Each Lot and its Owner, and the Association as to the Common Area, are hereby declared to be subject to all the easements, dedications and rights-of-way granted or reserved in, on, over and under the Properties and each and Common Area as shown on the Subdivision Map.

IX.3 Priority of Easements. Wherever easements granted to the County are, in whole or in part, coterminous with any other easements, the easements of the County shall have and are hereby granted priority over said other easements in all respects.

ARTICLE X

INSURANCE

X.1 Types of Insurance Coverage. The Association shall purchase, obtain and maintain, with the premiums therefor being paid out of Common Funds, such insurance as the Governing Board deems is necessary or desirable for the protection of the Properties and the Owners.

X.2 Copies of Policies. Copies of all insurance policies (or certificates thereof showing the premiums thereon have been paid) shall be retained by the Association and shall be available for inspection by Owners at any reasonable time.

X.3 Individual Fire Insurance on Lot Improvements. Each Owner shall obtain and maintain, at his or her own expense, fire and casualty coverage as may be required by the Owner's individual Mortgagee or, if no Mortgagee encumbers a Lot, fire and casualty coverage as may be determined by the Board, with respect to damage or destruction to improvements on the Owner's Lot. All such individually carried insurance shall also contain a waiver of subrogation rights by the carrier as to other Owners, the Association, and any institutional First Mortgagee of such Lot.

X.4 Adjustment of Losses. The Board is appointed attorney-in-fact by each Owner to negotiate and agree on the value and extent of any loss under any policy carried pursuant to Section 10.1. The Board is granted full right and authority to compromise and settle any claims or enforce any claim by legal action or otherwise and to execute releases in favor of any insured.

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ARTICLE XI

DAMAGE OR DESTRUCTION

XI.1 Common Facilities; Bids and Determination of Available Insurance Proceeds. In the event any Common Facilities are ever damaged or destroyed, then, and in such event, as soon as practicable thereafter the Governing Board shall (a) obtain bids from at least two reputable, licensed contractors, which bids shall set forth in detail the work required to repair, reconstruct and restore the damaged or destroyed portions of the Common Facilities to substantially the same condition as they existed prior to the damage and the itemized price asked for such work, and (b) determine the amount of all insurance proceeds available to the Association for the purpose of effecting such repair, reconstruction and restoration.

XI.2 Common Facilities; Insurance Proceeds. Subject to the provisions of Section 11.1 hereof, if, in the event of damage to or destruction of any portion of any Common Facility, the insurance proceeds available to the Association are sufficient to cover the costs of repair, reconstruction and restoration, then the Association may cause such facilities to be repaired, reconstruction and restored, provided that in the event of a total destruction of the Common Facility, the Association shall not be obligated to restore the facilitate to its prior appearance and condition if, in the Board's opinion, architectural or design modifications to the damaged Common Facilities will result in providing the Members with an improved facility available for substantially the same use and enjoyment as the destroyed Common Facility. If the insurance proceeds are insufficient, the balance shall be obtained by Special Assessment against the Lots.

XI.3 Damage or Destruction of Residences. In the event of damage or destruction by fire or other casualty affecting a Residence, the Owner thereof shall, within six months thereafter, either:

(a Diligently commence to rebuild the Residence in accordance with the terms hereof, including, without limitation, the architectural review provisions of Article V hereof; or

(b Clear and level the Lot, removing all wreckage, debris and remains of the Residence therefrom and leaving the same in a level, clean condition.

ARTICLE XII

BREACH AND DEFAULT

XII.1 Remedy at Law Inadequate. Except for the nonpayment of any Assessment, it is hereby expressly declared and agreed that the remedy at law to recover damages for the breach, default or violation of any of the covenants, conditions, restrictions, limitations, reservations, grants of easements, rights, rights-of-way, liens, charges or equitable servitudes contained in this Declaration are inadequate and that the failure of any Owner, tenant, occupant or user of any Lot, or any portion of the Common Area or Common Facilities, to comply with any provision of the Governing Documents may be enjoined by appropriate legal proceedings instituted by any Owner, the Association, its officers or Governing Board, or by their respective successors in interest.

XII.2 Nuisance. Without limiting the generality of the foregoing Section 12.1, the result of every act or omission whereby any covenant contained in this Declaration is violated in whole or in part is hereby declared to be a nuisance, and every remedy against nuisance, either public or private, shall be applicable against every such act or omission.

XII.3 Costs and Attorneys' Fees. In any action brought because of any alleged breach or default of any Owner or other party hereto under this Declaration, the court may award to any party in any such action such attorneys' fees and other costs as the court deems just and reasonable.

XII.4 Cumulative Remedies. The respective rights and remedies provided by this Declaration or by law shall be cumulative, and the exercise of any one or more of such rights or remedies shall not preclude or affect the exercise, at the same or at different times, of any other such rights or remedies for the same or any different default or breach or for the same or any different failure of any Owner or others to perform or observe any provision of this Declaration.

XII.5 Failure Not a Waiver. The failure of any Owner, the Governing Board, the Association or its officers or agents to enforce any of the covenants, conditions, restrictions, limitations, reservations, grants or easements, rights, rights-of-way, liens, charges or equitable servitudes contained in this Declaration shall not constitute a waiver of the right to enforce the same thereafter, nor shall such failure result in or impose any liability upon the Association or the Board, or any of its officers or agents.

XII.6 Rights and Remedies of the Association.

(a) **Rights Generally.** In the event of a breach or violation of any Association Rule or of any of the restrictions contained in any Governing Document by an Owner, his or her family, or the Owner's guests, employees, invitees, licensees, or tenants, the Board, for and on behalf of all other Owners, may enforce the obligations of each Owner to obey such Rules, covenants, or restrictions through the use of such remedies as are deemed appropriate by the Board and available in law or in equity, including but not limited to the hiring of legal counsel, the imposition of fines and monetary penalties, the pursuit of legal action, or the suspension of the Owner's voting rights as a Member of the Association; provided that the Association's right to undertake disciplinary action against its Members shall be subject to the conditions set forth in this Section 12.6. The initiation of legal action shall be subject to Section 12.7, below. The decision of whether it is appropriate or necessary for the Association to initiate enforcement or disciplinary action in any particular instance shall be within the sole discretion of the Association's Board or its duly authorized enforcement committee. If the Association declines to take action in any instance, any Owner shall have such rights of enforcement as may exist by virtue of any applicable laws, codes and statutes.

(b) **Schedule of Fines.** The Board may implement a schedule of reasonable fines and penalties for particular offenses that are common or recurring; in nature and for which a uniform fine schedule is appropriate (such as fines for late payment of Assessments, illegally parked vehicles or use of irrigation water in violation of Section 2.5 hereof). Once imposed, a fine or penalty may be collected as a Special Individual Assessment.

E# 1557393 BK 1939 PG1337

(c) **Definition of "Violation".** A violation of the Governing Documents shall be defined as a single act or omission occurring on a single day. If the detrimental effect of a violation continues for additional days, discipline imposed by the Board may include one component for the violation and, according to the Board's discretion, a per diem component for so long as the detrimental effect continues. Similar violations on different days shall justify cumulative imposition of disciplinary measures. The Association shall take reasonable and prompt action to repair or avoid the continuing damaging effects of a violation or nuisance occurring within the Common Area at the cost of the responsible Owner.

(d) **Limitations of Disciplinary Rights.**

(i) **Loss of Rights: Forfeitures.** The Association shall have no power to cause a forfeiture or abridgment of an Owner's right to the full use and enjoyment of his or her Lot due to the failure by the Owner (or his or her family members, tenants, guests or invitees) to comply with any provision of the Governing Documents or of any duly enacted Association Rule except where the loss or forfeiture is the result of the judgment of a court of competent jurisdiction, a decision arising out of arbitration or a foreclosure for failure of the Owner to pay Assessments levied by the Association, or where the loss or forfeiture is limited to a temporary suspension of an Owner's rights as a Member of the Association or the imposition of monetary penalties for failure to pay Assessments or otherwise comply with any Governing Documents so long as the Association's actions satisfy the due process requirements of subparagraph below.

(e) **Hearings.** No penalty or temporary suspension of rights shall be imposed pursuant to this Article unless the Owner alleged to be in violation is given at least 15 days prior notice of the proposed penalty or temporary suspension and is given an opportunity to be heard before the Governing Board or appropriate committee established by the Board with respect to the alleged violation(s) at a hearing conducted at least 5 days before the effective date of the proposed disciplinary action.

Notwithstanding the foregoing, under circumstances involving conduct that constitutes (i) an immediate and unreasonable infringement of, or threat to, the safety or quiet enjoyment of neighboring Owners; (ii) a traffic or fire hazard; (iii) a threat of material damage to, or destruction of, the Common Area or Common Facilities; (iv) the use by any Owner of irrigation water allocated to the Properties by the Irrigation Company in violation of the distribution procedures established by the Association in accordance with Section 2.5 hereof; or (v) a violation of the Governing Documents that is of such a nature that there is no material question regarding the identity of the violator or whether a violation has occurred (such as late payment of Assessments or parking violations), the Governing Board or its duly authorized agents may undertake immediate corrective or disciplinary action and, upon request of the offending Owner (which request must be received by the Association, in writing, within five days following the Association's disciplinary action), or on its own initiative, conduct a hearing as soon thereafter as reasonably possible.

If the Association acts on its own initiative to schedule a hearing, notice of the date, time and location of the hearing shall accompany the notice of disciplinary action. If the accused Owner desires a hearing, a written request therefor shall be delivered to the Association no later than five days following the date when the fine is levied. The hearing shall be held no more than 15 days following the date of the disciplinary action or 15 days following receipt of the accused Owner's request for a hearing, whichever is later. Under such circumstances, any fine or other disciplinary action shall be held in abeyance and shall only become effective if affirmed at the hearing.

(f) Notices. Any notice required by this Article shall, at a minimum, set forth the date and time for the hearing, a brief description of the action or inaction constituting the alleged violation of the Governing Documents and a reference to the specific Governing Document provision alleged to have been violated. The notice shall be in writing and may be given by any method reasonably calculated to give actual notice, provided that if notice is given by mail it shall be sent by first-class or certified mail sent to the last address of the Member shown on the records of the Association.

(g) Rules Regarding Disciplinary Proceedings. The Board shall be entitled to adopt rules that further elaborate and refine the procedures for conducting disciplinary proceedings. Such rules, when approved and adopted by the Board, shall become a part of the Association Rules.

XII.7 Court Actions; Arbitration.

(a) Court actions to enforce the Governing Documents may only be initiated on behalf of the Association upon approval of the Board. Before either the Association or an Owner initiates any court action seeking declaratory or injunctive relief to interpret or enforce the Governing Documents, the initiating party shall first determine whether the dispute is of a nature that it should be determined by binding arbitration in accordance with subparagraph (b), below. Notwithstanding the foregoing, the terms and conditions of this Section 12.7 shall in no way limit the right of the Association to enforce any lien assessed against any Lot by judicial or nonjudicial foreclosure.

(b) If the Association and an Owner are unsuccessful at resolving any dispute concerning any provision of Section 2.3, Article V, or Article VII, the dispute shall be submitted to, and conclusively determined by, binding arbitration in accordance with this subparagraph (c), provided, however, that the provisions of this subparagraph shall not preclude any party from seeking injunctive or other provisional or equitable relief in order to preserve the status quo of the parties pending resolution of the dispute, and the filing of an action seeking injunctive or other provisional relief shall not be construed as a waiver of that party's arbitration rights. Additionally, any disputes concerning any provisions of the Governing Documents other than those listed in this Section 12.7(b), including, without limitation, collection of unpaid assessments pursuant to Section 4.9 of this Declaration, shall not be governed by the provisions of this Section requiring mandatory arbitration.

E# 1557393 BK1939 PG1339

The arbitrators shall be selected and the arbitration conducted in accordance with the Commercial Arbitration rules of the American Arbitration Association. The parties shall submit to the arbitration all written, documentary, or other evidence and oral testimony as is reasonably necessary for a proper resolution of the dispute. Copies of all written submittals shall be provided to the arbitrator(s) and both parties. The arbitrator(s) shall conduct such hearings as (s)he/they consider necessary, may require the submission of briefs or points and authorities and may submit written questions to the parties. The parties shall respond to such questions in writing. If a question is addressed to less than all of the parties, copies of the question and the answer thereto shall be served on the other parties.

At the hearing, any relevant evidence may be presented by any party and the formal rules of evidence applicable to judicial proceedings shall not govern. Evidence shall be admitted or excluded in the sole discretion of the arbitrator(s). Except as provided above, Utah law governing arbitration procedures shall govern the arbitration proceedings.

The arbitration shall proceed with due dispatch and a decision shall be rendered within 90 days after appointment of the arbitrator(s). The arbitrator(s)' decision shall be in writing and in a form sufficient for entry of a judgment in any court of competent jurisdiction and in a form sufficient for entry of a judgment in a court of competent jurisdiction in the state of Utah. Any decision of the arbitrator(s) shall be subject to the limitations set forth in the immediately succeeding paragraph.

The arbitrator(s)' decision shall pertain, and shall be limited to, the granting of damages not to exceed any party's actual out-of-pocket expenses and the costs of undertaking any repairs, maintenance or reconstruction relating to the dispute and the award of any injunction or other equitable relief. In no event shall the arbitrator(s)' award include any component for punitive or exemplary damages. Costs of the arbitration proceeding shall be borne as determined by the arbitrator(s).

ARTICLE XIII

NOTICES

XIII.1 Mailing Addresses. Any communication or notice of any kind permitted or required herein shall be in writing and may be served, as an alternative to personal service, by mailing the same as follows:

If to any Owner: To the street address of his or her Lot or to such other address as he or she may from time to time designate in writing to the Association.

If to the Association: Huntsville Meadows Homeowner's Association at such address as the Association may from time to time designate in writing to the Owners.

XIII.2 Personal Service Upon Co-Owners and Others. Personal service of a notice or demand to one of the co-Owners of any Lot, to any general partner of a partnership which is the Owner of Record of the Lot, or to any officer or agent for service of process of a corporation which

is the Owner of Record of the Lot, shall be deemed delivered to all such co-owners, to such partnership, or to such corporation, as the case may be.

XIII.3 Deposit in United States Mails. All notices and demands served by mail shall be by first-class or certified mail, with postage prepaid, and shall be deemed delivered four days after deposit in the United States mail in Weber County, Utah.

ARTICLE XIV

NO PUBLIC RIGHTS IN THE PROPERTIES

XIV.1 Nothing contained in this Declaration shall be deemed to be a gift or a dedication of all or any portion of the Properties to the general public or for any public use or purpose whatsoever.

ARTICLE XV

AMENDMENT OF DECLARATION

XV.1 Amendment in General. This Declaration may be amended or revoked in any respect by the vote or assent by written ballot of the Owners owning at least 12 of the Lots. Notwithstanding the foregoing, the percentage of the voting power necessary to amend a specific clause or provision of this Declaration shall not be less than the percentage of affirmative votes prescribed for action to be taken under that clause.

XV.2 Effective Date of Amendment. The amendment will be effective upon the recording in the Office of the Recorder of Weber County a Certificate of Amendment, duly executed and certified by the president and secretary of the Association setting forth in full the amendment so approved and that the approval requirements of Section 15.1, above, have been duly met. Notwithstanding anything to the contrary herein contained, no such amendment shall affect the rights of the holder of any first deed of trust or Mortgage recorded prior to the recording of such amendment. If the consent or approval of any governmental authority, Mortgagee or other entity is required under this Declaration to amend or revoke any provision of this Declaration, no such amendment or revocation shall become effective unless such consent or approval is obtained.

XV.3 Reliance on Amendments. Any amendments made in accordance with the terms of this Declaration shall be presumed valid by anyone relying on them in good faith.

ARTICLE XVI

GENERAL PROVISIONS

XVI.1 Term. The covenants, conditions, restrictions, limitations, reservations, grants of easement, rights, rights-of-way, liens, charges and equitable servitudes contained in this Declaration shall run with, and shall benefit and burden the Lots and the Common Area as herein provided, and shall inure to the benefit of and be binding upon the Owners, the Association, its Governing Board, and its officers and agents, and their respective successors in interest, for the term of 60 years from

the date of the recording of this Declaration, after which time the same shall be automatically extended for successive periods of 10 years each unless, within 6 months prior to the expiration of the initial 60-year term or any such 10-year extension period, a recordable written instrument, approved by 50 percent of all Owners entitled to vote and holding at least 75 percent of the voting power of the Association terminating the effectiveness of this Declaration shall be filed for recording in the Office of the County Recorder of Weber County, Utah.

XVI.2 Construction of Declaration.

(a) **Restrictions Construed Together.** All of the covenants, conditions, and restrictions of this Declaration shall be liberally construed together to promote and effectuate the fundamental concepts of the development of the Properties as set forth in the Recitals of this Declaration. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce that provision in a subsequent application or any other provision hereof.

(b) **Restrictions Severable.** Notwithstanding the provisions of subparagraph (a) above, the covenants, conditions, and restrictions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision.

(c) **Singular Includes Plural.** The singular shall include the plural and the plural the singular unless the context requires the contrary, and the masculine, feminine or neuter shall each include the masculine, feminine and neuter, as the context requires.

(d) **Captions.** All captions or titles used in this Declaration are intended solely for convenience of reference and shall not affect the interpretation or application of that which is set forth in any of the terms or provisions of the Declaration.

(e) **Exhibits.** All exhibits to which reference is made herein are deemed to be incorporated herein by reference, whether or not actually attached.

Dated: 6-24-98

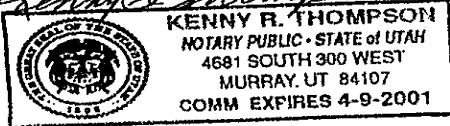
HUNTSVILLE MEADOWS HOMEOWNER'S ASSOCIATION, a Utah nonprofit corporation

By: 

Rondell B. Hanson, President

By: 

Robert Tempest, Secretary



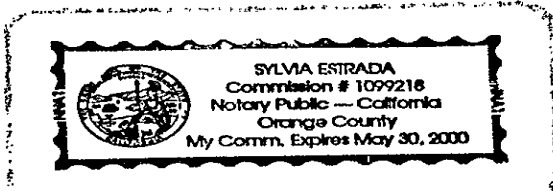
E# 1557393 BK1939 PG1342

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of Orange

On 6/24/98 before me, Sylvia Estrada, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appeared Rondell B. Hanson
Name(s) of Signer(s)

☒ personally known to me – OR – ☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Sylvia Estrada
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer
Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer
Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
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EXHIBIT A
DESCRIPTION OF THE PROPERTIES

The Huntsville Meadows Subdivision, being a part of the Northeast Quarter of Section 8, the Southeast Quarter of Section 9, the Southwest Quarter of Section 16, and the Northwest Quarter of Section 17, Township 6 North, Range 2 East, Salt Lake Base and Meridian, U.S. Survey:

Beginning at a point 1926.13 feet North 89 15'00" West (State Plane Grid Bearing) from the North Quarter Corner of said Section 16, running thence South 0 02'05" West 810.25 feet to the North right-of-way line of State Highway 39; thence North 88 32'37" West 1359.12 feet along said right-of-way line; thence North 0 15'30" East 1665.61 feet; thence South 88 45'07" East 1352.50 feet; thence South 0 02'05" West 860.44 feet to the point of beginning.

Contains 51.91 Acres.

E: 1557393 BK1939 PG1344

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EXHIBIT B

DESCRIPTION OF THE COMMON AREAS

The Common Areas shall be located within non-exclusive easements for the benefit of the Association and the Lot Owners. The non-exclusive easements are defined as:

1. The easements shown on the Subdivision Map of the Properties for the location of a retention basin on Lots 1 and 6.
2. An easement 75 feet in width along the most Southerly boundary of Lot 5.
3. An easement across Lot 4 which is 75 feet in width along the most Southerly boundary and fifty feet in width along the radius of the street at the most easterly boundary for a distance of 200 feet from the Southeast corner of the Lot.
4. An easement for the entrance walls, landscaping, and signs identifying the Properties from Highway 39. The easement shall be across Lots 3 and 18. Each easement shall be a square measuring 50 feet long on each side. The easements shall be at the Southeast corner of Lot 3 and the Southwest corner of Lot 18.
5. The easements for fire cisterns shown on the Subdivision Map.
6. The easements for installation of irrigation lines as shown on Irrigation Plan approved by the Huntsville Irrigation Company.

E# 1557393 BK1939 PG1345

EXHIBIT C
IRRIGATION EASEMENT AGREEMENT

E# 1557393 BK 1939 PG 1346

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EXHIBIT D
ALLOCATION OF REGULAR ASSESSMENTS

Lot Number	Percentage Share of the Total Regular Assessment
1	5.36%
2	5.36%
3	5.36%
4	5.39%
5	5.36%
6	5.37%
7	5.36%
8	5.36%
9	5.36%
10	5.39%
11	5.45%
12	5.45%
13	5.37%
14	5.37%
15	8.05%
16	5.9%
17	5.36%
18	5.38%

E# 1557393 BK 1939 PG 1347

IRRIGATION EASEMENT AGREEMENT

This Irrigation Easement Agreement is made and entered into as of the 28 day of April, 1998, by and between Rondell B. Hanson, P.O. Box 1960, Newport Beach, CA 92658 (the "Developer"), and the Huntsville Irrigation Company, Inc., a Utah nonprofit corporation, 9249 East 100 South, Huntsville UT 84317 (the "Company").

RECITALS

A. The Developer is the owner of certain real property located in the SE1/4 of Section 8, the SW1/4 of Section 9, the NW1/4 of Sec. 16 and the NE1/4 of Section 17, Township 6 North, Range 2 East, S.L.M., in Weber County, Utah, as more particularly described in Exhibit A, attached hereto and made a part hereof (the "Subject Property").

B. The Developer desires to subdivide the Subject Property and create the Huntsville Meadows Subdivision, to be comprised of lots numbered 1 through 18.

C. The Company is the owner of irrigation ditches and perpetual irrigation easements located upon the Subject Property.

D. The Developer and the Company desire to identify, confirm and agree upon the location, extent and nature of the irrigation easements held by the Company, and formally to establish and give notice of easements as a matter of public record.

E. The Developer and the Company also desire to establish as covenants running with the land the rights and obligations of the Developer with respect to the irrigation easements.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual benefits contained herein, the Developer and the Company hereby agree as follows:

1. Ownership of Property. The Developer represents and warrants that he is the owner of the Subject Property, subject to the irrigation easements of the Company described herein, and has the power and authority to enter into this Agreement.

2. Ownership of Irrigation Easements. The Company represents and warrants that it is the owner of the irrigation easements described herein, and has the power and authority to enter into this Agreement.

3. Confirmation and Conveyance of Easements. The Developer and the Company agree that the Company holds, and the Developer hereby confirms and grants to the Company, the following non exclusive described irrigation easements along and next to the Company's existing ditches for the purposes, and subject to the restrictions and covenants, described below:

E# 1557393 BK 1939 PG 1342

Lateral Ditch of the Grow Ditch:

An easement along and including the existing Lateral Ditch of the Company's Grow Ditch, 20 feet wide south, from the north property line of the Subject Property, beginning at the east boundary of the Subject Property and running west along the existing Lateral Ditch boundary 1,352.5 feet more or less to the west boundary of the Subject Property.

The Center Line of the Pipe within the ROW to be no closer than four feet from the edge of the ROW.

Main Ditch of the North Field Ditch:

An easement 20 feet wide, (ten feet on either side of the existing North Field Ditch) located in the State Highway right-of-way south of the south boundary of the Subject Property, and running west along the entire length of the Subject Property. (The Main Ditch of the North Field Ditch is located outside the boundaries of the Subject Property, but is nevertheless subject to the covenants of the Developer as described herein.)

North Branch of the North Field Ditch:

An easement along and including the existing Main Ditch of the Company's North Branch of the North Field Ditch 20 feet wide, East from the East boundary of the right-of-way of the "Farm Lane" (8760 East Street along the west boundary of the Subject Property) beginning at the south boundary of the Subject Property and thence along the existing Main Ditch northerly approximately 470.2 feet along the existing Main Ditch to a point 10 feet beyond the point where the ditch turns to the west. Also, from the point approximately 460.2 feet north of the south boundary of the Subject Property where the ditch turns to the west, thence westerly to a point on the west boundary of the Subject Property where the ditch crosses the west property line of the Subject Property.

The Center Line of the Pipe within the ROW to be no closer than four feet from the edge of the ROW.

4. Improvements by Developer. The Developer agrees, prior to the sale of any lots in the Subdivision, to install and/or construct the following improvements in accordance with the following requirements and specifications:

E# 1557393 BK1939 PG1349

a. Lateral Ditch of the Grow Ditch.

- i. Size of Pipe. The Developer shall install 15-inch pipe along the entire length of the easement for the Lateral Ditch of the Grow Ditch described above. The Developer shall also install 18-inch pipe from the inlet structure at the Main Ditch of the Grow Ditch approximately 150 feet north of the northeast corner of the Subject Property to the beginning of the pipe in the Lateral Ditch of the Grow Ditch. The Developer shall also construct a new ditch to carry water to the northeast corner of the Subject Property, on the west side of and at least three feet away from the new pipeline, to permit continued use by the landowner between the inlet structure and the northeast corner of the Subject Property.
- ii. Type of Pipe. The pipe shall be PVC, 80 PSI, SDR 51, or better; provided that the Developer shall install a reinforced concrete pipe or culvert where the pipe crosses under 8650 East Street and under the Farm Lane.
- iii. Inlet Structure. The Developer shall install a new concrete inlet structure (from the Main Grow Ditch) that will return unused water back into the Main Grow Ditch at any time the Developer's internal distribution system is not using all of the water in the ditch. The inlet will require a locked/removable "Trash Grate" acceptable to the Company with one-inch by one-inch openings to prevent trash and small animals from being pulled into the pipe system. The new inlet structure will be integrated with the current four-way outlet (one in and three outs), which will be rebuilt as necessary by the Developer to accommodate the new inlet structure.
- iv. Shutoffs on the Lateral. The Developer shall install a positive shut off valve at the end of the pipe on the west side of the Farm Lane. In the event the Company determines at any time that water may be diverted from the new pipeline at any point during the irrigation turns of downstream water users, the Developer shall install additional shut offs at the "Y" in the northeast corner of the Subject Property and/or at any outlets which may be used for lots which may be established along the north boundary of the Subject Property in order to ensure that the full flow of the lateral ditch is available to water users west of the Subject Property during their irrigation turns.
- v. Continuation of Lateral (West). The Developer shall extend the lateral pipe completely under the Farm Lane to the western boundary of the Farm Lane.
- vi. Depth of Pipe. The depth and load carrying capacity of the pipe under lots, 8650 East and the Farm Lane must be approved by the Company.
- vii. Maintenance. The Developer shall be responsible for maintaining and repairing the lateral and, in particular, for ensuring that the lateral remains

clear of plugs or obstructions.

- viii. Right-of-Way. The Developer shall show a right-of-way for the Lateral Ditch of the Grow Ditch 20 feet wide on the Subdivision Plat, and shall include an Owner's Dedication recital with respect to the right-of-way in form acceptable to the Company. If the right-of-way coincides with any common utility or drainage easement, the Subdivision Plat shall explicitly require that no buried or surface utility line, structure or facility shall be closer than five feet to any pipeline or the bank of any ditch in the easement.
- ix. Match of Grades. On the outlet end of the pipe, the pipe flow line must match the present grade to prevent silting up of the pipe.

b. Main Ditch of the North Field Ditch.

- i. Size and Type of Pipe. The Developer shall comply with the Utah Department of Transportation's Standard Specifications for Road and Bridge Construction dated 1994 in any construction, movement or crossing of the Main Ditch of the North Field Ditch in the right-of-way for State Highway U-89 along the south boundary of the Subject Property, including installation of at least a 24-inch reinforced concrete pipe.
- ii. Inlet Structure. The Developer shall install a flared metal end section inlet structure at the inlet to the pipe with a "self cleaning" grate with one-inch openings that can be locked, yet removable, to prevent trash and small animals from being pulled into the pipe system. The inlet structure shall include wings to channel water into the pipe and prevent erosion.
- iii. Clean Outs. The Developer shall install a man way approximately each 450 feet from the east inlet structure along any pipe, including three "on line" and one as part of the outlet structure at the west end of the pipe.
- iv. Outlet Structure. The Developer shall install a concrete structure at the west end of the pipe that can divert the entire ditch either north (to the North Branch of the North Field Ditch), or south along the continuation of the North Field Ditch. This structure shall be grated on the top to prevent accidental entry into the pipe, and the grate shall be removable for clean out purposes. The outlet pipe shall extend at least five feet south of the structure to prevent hydraulics from back washing around the concrete structure.
- v. Depth of Pipe. The depth and load carrying capacity of the pipe under lots, 8775 East and driveways must be approved by the Company.
- vi. Match of Grades. On the outlet end of the pipe, the pipe flow line must match

the present grade to prevent silting up of the pipe.

c. North Branch of the North Field Ditch.

- i. Size and Type of Pipe. The Developer shall install 18-inch PVC pipe, 80 PSI, SDR 51, in the easement for the North Branch of the North Field Ditch described above from the Main North Field Ditch in the right-of-way for State Road 39 to its exit on the west boundary of the Farm Lane; provided that the Developer shall install a reinforced concrete pipe or culvert where the pipe passes under the Farm Lane.
- ii. Inlet Structure. The inlet structure for the North Branch of the North Field Ditch shall be the same structure as the outlet structure on the west end of the Main North Field Ditch.
- iii. Turning Point Structure. The Developer shall install a concrete structure at the turning point of the ditch from north flowing to west flowing.
- iv. Clean Outs. The Developer shall install a man way in the turning point structure.
- v. Continuation of Lateral (West). The Developer shall extend the lateral pipe completely under the Farm Lane to the western boundary of the Farm Lane.
- vi. Depth of Pipe. The depth and load carrying capacity of the pipe under lots and under the Farm Lane must be approved by the Company.
- vii. Right-of-Way. The Developer shall show a right-of-way for the North Branch of the North Field Ditch 20 feet wide on the Subdivision Plat, and shall include an Owner's Dedication recital with respect to the right-of-way in form acceptable to the Company. If the right-of-way coincides with any common utility or drainage easement, the Subdivision Plat shall explicitly require that no buried or surface utility line, structure or facility shall be closer than five feet to any pipeline or the bank of any ditch in the easement.
- viii. Match of Grades. On the outlet end of the pipe, the pipe flow line must match the present grade to prevent silting up of the pipe.

d. North Field Ditch Lateral Return.

- i. Return of Excess Water. If the Developer installs a "pressure system" for the lots served by the North Field Ditch Lateral, then the Company will allow excess water to return flow into the North Field Ditch. This will require return piping along and west of the east boundary of the Subject Property, beginning

approximately 362.53 feet north of the south boundary and running thence south along the east boundary to the North Field Ditch, joining at the inlet to the 24-inch reinforced concrete pipe of the Main Ditch of the North Field Ditch.

- ii. Inlet Structure. At the point that the North Field Ditch Lateral enters the "pressure system," the Developer shall install a concrete inlet structure that will return unused water back into the Main North Field Ditch at any time that the Developer's internal distribution is not using all of the water in the ditch. The design of the inlet structure must be approved by the Company. The inlet will require a trash grate acceptable to the Company with one-inch by one-inch openings to help prevent blockage of the pipe system. A lock system shall be incorporated to prevent a person from being swept into the pipe.
- iii. Type of Pipe. The return pipe and any pipe installed east of the Subject Property on the lateral ditch to carry inflow to the pressure system shall be 18-inch PVC pipe, 80 PSI, SDR 51.
- iv. Clean Outs. The Developer shall install one or more clean outs on the North Field Ditch Lateral if pipe is used east of the Subject Property on the lateral ditch.
- v. Depth of Pipe. If pipe is used east of the Subject Property on the North Field Ditch Lateral, then the depth and load carrying capacity of the pipe must be approved by the Company.

5. Operation and Maintenance of Water System. The foregoing irrigation structures and improvements shall be used and maintained as follows:

a. Operation and Maintenance. The Developer shall own, operate and maintain the pipe in the Lateral Ditch of the Grow Ditch within the easement described above, subject to any reasonable requirements imposed by the Company in order to facilitate interconnection with and operation of the Company's facilities and subject to the Company's continuing right and easement to convey its water through the pipe. The remaining facilities described in the preceding paragraph shall be owned, operated and maintained by the Company.

b. Delivery and Use of Company Water. Nothing contained herein shall authorize the Developer or any other person to receive or use any water belonging to the Company in any amount or at any location except in accordance with the articles, bylaws and rules of the Company.

6. Rights of the Company. The Company shall have the right to undertake all actions reasonably necessary to maintain, protect and use irrigation works within the foregoing easements, including, without limitation, the right to excavate ditches and other works, to construct banks or berms, to install, maintain and remove headgates, to apply herbicides and to remove and/or burn weeds and other vegetation within the easements, and to operate heavy equipment along and

E# 1557393 BK1939 PG1353

within the easements.

7. Restrictions on Use.

a. Structures. No building or other structure may be placed within the easements or across any pipeline or ditch within the easements, and no bushes, trees or other vegetation may be planted in easements which might interfere with the use of the easements.

b. Excavation. No excavation shall be permitted within the easements other than (i) excavations by the Company or its members, permittees, successors or assigns in the exercise of their rights in the easements, and (ii) excavations by properly licensed contractors for utility companies within concurrent utility easements, and (iii) excavations by the Home Owners Associations licensed contractors, subject to paragraphs 4(a)(viii) and 4(b)(vi), above. No excavation shall be permitted on any of the Lots affected by the easements which might jeopardize the safety, stability or integrity of the irrigation works within the easements.

c. Driveways and Roads. No driveway or road parallel to a pipeline or ditch within an easement shall be closer than three feet to the pipeline or to the bank of the ditch. No driveway or road shall be constructed across any of the pipelines or ditches unless the lot owner or other person constructing the driveway or road places a reinforced concrete pipe or culvert over the pipeline, or places a 24-inch reinforced concrete pipe in any ditch, for the full width of the driveway or road in such a manner as will protect and preserve the integrity of the affected pipeline or ditch and will not impede the flow of water in the pipeline or ditch. The owner of the lot on which the driveway or road is located shall be responsible for the maintenance of the sleeve or concrete pipe, including ensuring that no blockage occurs at or within the sleeve or pipe. Except for the Public Roads of the proposed subdivision, and Lots One and Two, of that proposed subdivision, no driveway or lot within any easement shall be paved with asphalt or tar, but all such driveways or roads shall be surfaced with gravel only.

d. Debris and Drainage. No owner of any lot affected by the foregoing easements shall place or permit to be placed or disposed of, any trash, debris, waste or other materials of any kind, solid or liquid, in any of the pipelines or ditches or within any of the easements. No grading or construction shall be permitted on any lot affected by the easements which might cause drainage from the lot to enter any of the pipelines or ditches.

e. Fences and Gates. No fence may be constructed across any of the easements unless a gate is provided no less than 12 feet in width to permit ready access by construction equipment along the easement at all hours and seasons. No gate post or other fence post shall be closer than three feet to any pipeline or to the bank of any ditch. No such gate shall be locked unless a key to such lock is provided to the Company prior to the placement of the lock. The Company reserves the right to cut any lock for which it has not been provided with a key.

f. No Blockage or Diversion. No owner of any lot shall block, impede or divert the flow of water in the pipelines or ditches at any place other than at the official point of diversion,

and then only for the hours shown on the water ticket for that ditch system, or otherwise interfere with the Company's use of the easements

8. Covenants Running with the Land. The foregoing rights of the Company and restrictions on the use of the affected lands shall be covenants burdening and running with the Subject Property and with each separate lot in the proposed subdivision for the benefit of the Company and its members and their respective lands, and may be specifically enforced. In addition, prior to the sale or conveyance of any lot in the new subdivision, the Developer agrees to form a homeowners' association which shall include as members all owners of lots in the subdivision and which shall jointly and severally assume all of the Developer's obligations hereunder. The association shall have the power to assess lot owners for the costs necessary to carry out the Developer's duties hereunder and to maintain the irrigation system of the subdivision, and shall have the power to impose liens upon the lots of any owners who do not pay their assessments. The Developer agrees further to transfer any shares of the Company owned or held by the Developer to the association for the exclusive use and benefit of the Subject Property and the owners thereof.

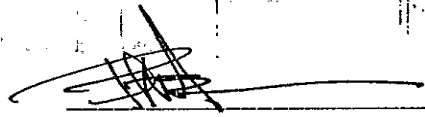
9. Subdivision Plat Requirements. The Subdivision Plat for the proposed subdivision shall include a separate sheet showing the irrigation plan for the subdivision, expressly including the easements and all improvements and features described herein. A copy of this Agreement shall also appear on the irrigation plan sheet of the official subdivision plat, and the Owner's Dedication for the subdivision shall expressly make any lots, roads and utility or other easements subject to the terms and conditions of this Agreement.

10. As Built Survey. Upon completion of the pipes and other structures described above, the Developer shall provide the Company with final, as-built legal descriptions of all easements, irrigation works and facilities described herein (including pipes, ditches, inlets, outlets, connections, valves and clean outs), identifying the affected lots in the subdivision and showing the as-built locations of any utility lines and other easements affecting the Company's easements.

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11. Successors and Assigns. This Agreement shall be binding on the parties hereto and on their respective successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.



Rondell B. Hanson

HUNTSVILLE IRRIGATION COMPANY, INC.

By Huntsville Irrigation Co.
Name: J. Moyer Green
Title: Pres of Co.

E# 1557393 BK1939 PG1356

EXHIBIT A

Subject Property

A part of the Northeast Quarter of Section 8, the Southeast Quarter of Section 9, the Southwest Quarter of Section 16 and the Northwest Quarter of Section 17, Township 6 North, Range 2 East, S.L.M.:

Beginning at a point 1926.13 feet North 89° West (State Plane Grid Bearing) from the North Quarter Corner of said Section 16, running thence South 0°02'05" West 810.25 feet to the North right-of-way line of State Highway 39; thence North 88°32'37" West 1359.61 feet along said right-of-way line; thence North 0°15'30" East 1665.61 feet; thence South 88°45'07" East 1352.50 feet; thence South 0°02'05" West 860.44 feet to the point of beginning.

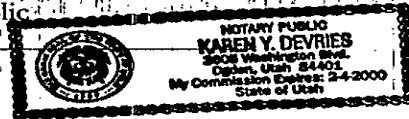
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STATE OF Utah)
COUNTY OF Weber ^{SS})

The foregoing instrument was acknowledged before me this day of 1998, by Rondell B. Hanson.

My commission expires:

Karen Y. DeVries
Notary Public
Residing at:



STATE OF UTAH)
COUNTY OF Weber ^{SS})

The foregoing instrument was acknowledged before me this 28th day of April, 1998, by J. Meyer Grow, the President of Huntsville Irrigation Company, Inc.

My commission expires:

Karen Y. DeVries
Notary Public
Residing at:



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E: 1557393 BK 1939 PG 1358