

WHEN RECORDED RETURN TO:

Gary M. Wright
GMW Development, Inc.
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Layton, UT 84041
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Tax I.D.#s 14-186-0001 thru 0029, inclusive.

**DECLARATION OF PROTECTIVE COVENANTS FOR THE VILLAS AT
STONE CREEK SUBDIVISION**

This Declaration of Protective Covenants for The Villas at Stone Creek Subdivision (the "Declaration") is executed by GMW DEVELOPMENT, INC., a Utah corporation of 1572 N. Woodland Park Dr., Suite 505, Layton, UT 84041 (the "Declarant"), with reference to the following:

RECITALS

- A. Declarant is the owner of certain real property located in Davis County, Utah described more particularly on Exhibit "A" attached hereto and incorporated herein by this reference (the "Property").
- B. Declarant has subdivided the Property into a subdivision consisting or to consist of twenty-nine (29) Lots.
- C. The Property is an area of unique, natural beauty featuring distinctive terrain.
- D. Declarant desires to provide a general plan for the development of all of the Property and for the establishment of covenants, conditions, and restrictions to enhance and protect the value and attractiveness of this uniquely attractive residential property, all in accordance with the provisions of this Declaration.
- E. The development of the Property and the construction of the improvements thereon has been, or is to be, performed in accordance with the plans contained in the Final Plat recorded or to be recorded concurrently herewith.
- F. Declarant intends to sell to various purchasers the fee title to the individual Lots contained in the Subdivision.
- G. The Declarant desires by filing this Declaration of Protective Covenants to submit The Villas at Stone Creek and all improvements now or hereafter constructed thereon to the terms, covenants, conditions, and restrictions set forth below which shall constitute equitable servitudes and shall run with the land.
- H. There are no common areas, private roads, or homeowners associations in this

Subdivision.

COVENANTS, CONDITIONS AND RESTRICTIONS

NOW, THEREFORE, for the reasons recited above, the Declarant hereby covenants, agrees, and declares that the Property shall be subject to the following covenants, conditions, and restrictions:

1. Definitions. The following definitions shall apply to this Declaration:
 - a. "Accessory Building" shall mean and refer to any structure which is not the preliminary structure, contains at least 120 square feet, requires a building permit, is not a shed, shack, or other out-building (for which a building permit is not required), and qualifies as such under the totality of the circumstances.
 - b. "Builder" shall mean Declarant, an Owner, or a contractor who obtains a construction or occupancy permit for one or more Buildings or Homes.
 - c. "Building" shall mean an edifice or structure designed to stand more or less permanently.
 - d. "City" shall mean the City of Bountiful, a municipal corporation, located within Davis County, Utah.
 - e. "Entry" shall mean the entry way into the Project.
 - f. "Final Plat" shall mean the recorded "Plat Map of The Villas at Stone Creek Subdivision" on file in the office of the County Recorder of Davis County, as amended or supplemented from time to time.
 - g. "Home" shall mean and refer to the home, dwelling, residence, living unit, or separate physical part of a Lot intended for independent occupancy and use. Mechanical equipment and appurtenances located within any one Home, or located without said Home but designated and designed to serve only that Home, such as appliances, electrical receptacles and outlets, air conditioning compressors, furnaces, water heaters, apparatus, systems or equipment, fixtures and the like, shall be considered part of the Home. All pipes, wires, conduits, or other utility lines or installations constituting a part of the Home or serving only the Unit, and any structural members, parts, components, or any other property of any kind, including fixtures or appliances within any Home shall be deemed to be part of the Home.
 - h. "Lot" shall mean the subdivided and recorded lot within Property, and where the context so requires any Building or Home constructed thereon.

i. "Lot Number" shall mean the number and/or letter used to identify a particular Lot.

j. "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot, excluding those having such interest merely as security for the performance of an obligation.

k. "Plans and Specifications" shall mean and refer to any and all documents designed to guide or control the construction of an Improvement, or alterations, modifications, changes, additions and the like thereto, including without limitation, all documents indicating the size, shape, configuration, and/or materials to be incorporated; all site plans, excavation and grading plans, elevation drawings, floor plans, techniques, samples of exterior colors, plans for utility services, and all other documentation or information relevant to the improvement or proposal in question.

l. "Project" shall mean The Villas at Stone Creek Subdivision.

m. "Property" shall mean all of real property and real property interest comprising the Subdivision.

n. "Single Family" shall mean and refer to a "single family" as that term is defined by City ordinance. In the absence of a City ordinance the term shall mean one of the following: (1) a single person, or (2) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, or (3) a group of not more than three (3) unrelated persons who maintain a common household, to be distinguished from a group occupying a boarding house, club, fraternity, or hotel. A Single Family may include an additional natural person or persons approved in writing by the Board of Directors, such as a caretaker or domestic help.

o. "Subdivision" shall mean The Villas at Stone Creek Subdivision according to the Final Plat.

2. Description, Legal Status, and Residential Nature of the Project. The Final Plat shows the Lot Number of each Lot in the Project and its location. All Lots shall be capable of being independently owned, encumbered, and conveyed, subject to all easements and encumbrances of record. It is intended that there will be twenty-nine (29) Lots in the Project, numbered 1-29, inclusive. This is a residential subdivision and only single family residences are allowed.

3. Area of Application. This Declaration shall apply to all of the Property.

4. Right to Expand Application. The Declarant shall have the unilateral right to expand the application of this Declaration to other property by written amendment to this Declaration duly recorded, and without additional Owner approval required.

5. Easements. Declarant hereby reserves to itself and grants:
- a. Common Easement. A perpetual right-of-way and non-exclusive easement over, across, and through the Project for use in common by the Declarant and Owners, subject to all of the terms, covenants, conditions and restrictions set forth herein.
 - b. Private Easement. A perpetual private non-exclusive easement for the exclusive use and benefit of the Declarant and Owners.
 - c. Declarant's Easement. An exclusive easement to the Declarant, for itself and its affiliates and assignees, to make such use of the Project as may be necessary or convenient to perform the duties and functions hereunder, including, by way of illustration but not limitation, the construction of the improvements, Lots, and Homes in the Project.
 - d. Construction Easements. A temporary construction easement to the Declarant, for itself and its affiliates and assignees, over, under, across, and through the Project for the purpose of doing all things that are reasonably necessary as a part of constructing any new improvements for the Project including all physical improvements as well as all Lots and Homes. The Owners do hereby acknowledge and agree that there will be construction activities, traffic, noises, odors, and vibrations which may temporarily disrupt their quiet enjoyment of their Lots and Homes until all improvements are complete, and such Owners do hereby waive any right to object to such construction activity; provided, however, Declarant shall endeavor to use reasonable efforts to minimize the adverse impact of such construction activities on the Owners, Lots, and Homes. Declarant's construction activities pursuant to the easement granted hereunder shall not be deemed to be a violation of the Use Restrictions.
 - e. Locations of Facilities Easements. A non-exclusive easement to the Declarant, for itself and its affiliates and assignees, to construct, operate, maintain, repair, and replace all types of telecommunication facilities, including but not limited to, roof antennas, within suitable locations for such facilities (the "Locations of Facilities") within the Project. Declarant further reserves a right of access to the Locations of Facilities over, across, under, and through the Project in order to access the Locations of Facilities to exercise the rights established herein. Declarant reserves the perpetual right to transfer by easement, license agreement, or other conveyance the rights reserved hereunder to one or more telecommunication facilities providers. Declarant may exercise all of such rights unilaterally and without the consent of any Owner.
 - f. Non-Exclusive Utility Easement. A non-exclusive easement to the Declarant, and its affiliates and assignees, over, across, through, and under the Property for ingress to, egress from, and installation, replacement, repair, and maintenance of all utility and service lines and systems, including, without limitation, water, sewer, gas, telephone, electricity, and cable communication that service the Property or any portion thereof as well as any such lines and systems which service property owned by the Declarant.

g. Duty to Maintain Integrity of Established Drainage Pattern. Within these easements and rights of way, no structure, planting, or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in, on or about the easements and rights of way, or which may obstruct or retard the flow of water through the drainage channels in the easements and rights of way. The easement and right of way area of each Lot and all improvements within said area shall be maintained continuously by the Owner, excepting those improvements for which a public authority or utility company is expressly responsible. For purposes of this subsection, the term "established drainage pattern" shall mean the drainage pattern, facilities, and improvements in existence at the time a Lot is conveyed to a home purchaser by the Declarant, its successor or assign. No Owner shall interfere or attempt to interfere with the land drain system or the established drainage pattern established by the Declarant and City or their successors or assigns; provided, however, Owners may develop, improve, and landscape their Lots in a manner consistent with the land drain system and the established drainage pattern, and so as not to detract from, interfere with, or impair the land drain system or the established drainage pattern on any other Lot within the Project. No material changes to the land drain system or the established drainage pattern on any Lot shall be permitted without the prior written consent of the City. No structure, plant, improvement, or other material may be placed or permitted to remain, or other activities undertaken which may damage or interfere with established Lot ratios, create erosion or sliding problems, or which may change the direction or flow of drainage channels, or obstruct or retard the flow of water through the channels. The slope control area of each Lot and all improvements therein shall be maintained continuously by the Owner of the Lot, excepting those improvements for which a public authority or utility company is expressly responsible. It shall be the responsibility of the Owner to see that his or her Lot strictly conforms with the grading and drainage plan established by the Declarant, Davis County, and Bountiful City

h. Encroachments. If any part of a Lot or Home encroaches or shall hereafter encroach upon an adjoining Lot or Home, then an easement for such encroachment and for the maintenance of the same shall and does exist. Such easements shall extend for whatever period the encroachment exists. Such encroachments shall not be considered to be encumbrances on the affected Lots or Homes. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of any improvement constructed or to be constructed within the Project, by error in the Plat, by settling, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project or any part thereof.

i. Open Space Easement. Declarant hereby reserves to itself and hereby grants to the Owners and City, who will be benefitted by the easement herein granted, a perpetual non-exclusive open space easement (the "Open Space Easement"). The Open Space Easement is intended to be an easement of enjoyment for the benefit of the Lots (the "Benefitted Parcels") as well as the Owners and City, and their successors and assigns. In the event that Davis County or the City of Bountiful shall adopt an ordinance which contains a definition of the term "open space" and which makes such definition applicable to the Burdened Parcel, that definition shall

be incorporated into this easement by this reference. On the other hand and in the absence of such a definition, the term "Open Space" shall mean land on which improvements and activities shall be permitted and/or prohibited as designated in subsections (1) and (2), respectively. It is intended that the Open Space area will be so designated and identified on the Final Plat and by this narrative.

1. Permitted. The following improvements and activities shall be permitted: Landscaping, grass, open and green space appropriate for a detention pond.

2. Prohibited. The following improvements and activities shall be prohibited: temporary or permanent buildings or building-type structures or any kind, impervious surfaces other than those used only for activities permitted by subsection (1) hereof, operation, parking or storage of motorized vehicles of any kind except those used for landscaping maintenance, machinery which is affixed to the property and which can be seen or heard from adjacent property, noxious or offensive activities of any kind, any activity which is or which may become a nuisance, and dumping or storage of refuse, garbage or other waste. No Owner shall do or permit anything which would impair the nature, scope or integrity of the Open Space.

The "Open Space" easements may not be terminated and this subsection may not be amended without the express prior written consent of the City, Declarant and *all* Lot Owners and may be terminated or amended only by the recording of the appropriate document in the Office of the County Recorder of Davis County, Utah, which document must be executed by Declarant, the City, and all of the Owners as of the date of the execution of such document.

j. Landscaped Area Easement. Declarant hereby reserves to itself and hereby grants to the Owners and City, who will be benefitted by the easement herein granted, a perpetual non-exclusive Landscaped Area Easement. The Landscaped Area Easement is intended to be an easement of enjoyment for the benefit of the Lots (the "Benefitted Parcels"), the Owners and City, and their successors and assigns. In the event that Davis County or the City of Bountiful shall adopt an ordinance which contains a definition of the term "landscaped area" and which makes such definition applicable to the Burdened Parcel, that definition shall be incorporated into this easement by this reference. In the absence of such a definition, the term "Landscaped Area" shall mean land on which improvements and activities shall be permitted and prohibited as designated in subsections (1) and (2), respectively. It is intended that the Landscaped Area will be so designated and identified on the Final Plat and by this narrative.

1. Permitted. The following improvements and activities shall be permitted: trees, shrubs, bushes, grass, flower beds, planting beds and other aesthetic vegetation appropriate for a highly visible and high-traffic area.

2. Prohibited. The following improvements and activities shall be prohibited: temporary or permanent buildings or building-type structures or any kind, impervious

surfaces, parking or storage of motorized vehicles, watercraft or trailers of any kind, machinery, appliances, household furniture and furnishings, or other monuments which can be seen from adjacent property, noxious or offensive activities of any kind, any activity which is or which may become a nuisance, and dumping or storage of refuse, garbage or other waste. No Owner shall do or permit anything which would impair the nature, scope or integrity of the Landscaped Area.

The Landscaped Area Easement may not be terminated and this subsection may not be amended without the express prior written consent of the City, Declarant and *all* Lot Owners and may be terminated or amended only by the recording of the appropriate document in the Office of the County Recorder of Davis County, Utah, which document must be executed by Declarant, the City, and all of the Owners as of the date of the execution of such document.

k. Easements Appurtenant. Each and all of the easements and rights granted or created herein are appurtenances to the Benefitted Parcels, all of the other Lots in the Project, and none of the easements and rights may be transferred, assigned or encumbered except as an appurtenance to such Benefitted Parcels. The Benefitted Parcels shall constitute the dominant estate, and the Burdened Parcel shall constitute the servient estate. Each and all of the easements, covenants, restrictions and provisions contained in this Agreement create equitable servitudes upon, and constitute covenants running with, the land. The easements shall bind every person or entity having any fee, leasehold or other interest in any portion of the Burdened Parcels at any time or from time to time.

l. Indemnification. By acceptance of a deed or other document of title, each Owner agrees to save, indemnify and hold harmless the Declarant, City and *all* of the other Owners (and their successors and assigns) from and against all liabilities, claims, judgments, awards, costs, expenses, losses, damages, attorneys fees, etc., which may arise by virtue of his violation of the foregoing easements.

m. Waiver. The waiver by the Declarant, City or Owner of a breach of any provision of this easement shall not be deemed a continuing waiver or waiver of any subsequent breach.

n. No Partnership. Nothing in this Section shall be deemed or construed to create the relationship of principal and agent or partnership or joint venture or of any other similar association between the parties hereto.

o. Reservation of Rights. The deeds or other documents of conveyances for any Lot or Home within the Project hereafter made, whether by Declarant or otherwise, shall be construed to grant and reserve such easements and/or licenses as are provided herein, even though no specific reference to such easements appears in any such conveyance.

6. Zoning. All land use and buildings shall be in compliance with all zoning and land use ordinances as well as all regulations of the municipalities and agencies governing the

Subdivision land use and buildings.

7. Integrity of Common Design Scheme. Protective covenants are not only worthwhile they are absolutely necessary for everyone's comfort and enjoyment. No Owner shall be permitted to disrupt the integrity of the Declarant's original design scheme for the Subdivision, including aesthetic considerations.

8. Liability of Owners for Damages. Owners shall be strictly liable for any loss, damage, or claim caused to person or property in the Project caused by his negligence or carelessness, or that of his or her family members, tenants, renters, lessees, residents, occupants, guests, visitors, invitees, or permittees of his or her Lot or Home.

9. Minimum Requirements for Homes. No Home shall be constructed or altered unless it meets the following minimum requirements:

- a. Types of Homes. Only single family residential Homes are allowed.
- b. Height of Homes. The height of any Home shall not exceed two (2) stories above ground.
- c. Slab on Grade. Slab on grade Homes are permitted.
- d. Basements. Basements are permitted.
- e. Garages. Garages shall provide for not less than two (2) motor vehicles.
- f. Home Exteriors/Construction Materials. The Home exteriors, in their entirety, must consist of brick, masonry, stone, hardiboard, maintenance free stucco or other construction material expressly approved by the Declarant in writing. No aluminum or vinyl is permitted.
- g. Setbacks. The front yard set-backs on all Lots shall be twenty-five feet (25'). The rear set-back on all Lots shall be twenty feet (20'). The side yard set backs on all corner Lots next to the street shall be twenty feet (20). The side yards on all Lots with the exception of Lots 27, 28, 29, 19, 20, 21 and 22, shall be six feet (6'). The side yards on Lots 27, 28, 29, 19, 20, 21 and 22 shall be eight feet (8') because the City required the retention of the existing zoning on these seven Lots. If there is a dispute of any kind whatsoever a Lot is a corner Lot or which side of a corner Lot is the front, the decision of the Declarant shall in all instances be final, conclusive, and binding.
- h. Fencing. No fence or similar structure shall be placed in any front yard. No fence or similar structure shall be placed in any side or rear yard in excess of six (6) feet. No fencing is allowed in the front yards. Chain link fencing is strictly prohibited.
- i. Prefabricated Homes. No Owner may move or attempt to move an

existing or prefabricated home or building onto the Property.

j. Lot 2 Landscaping Requirement. The Declarant shall improve a landscaped area located within the boundaries of Lot 2 at its sole expense and the Owner of Lot 2 shall thereafter maintain the sprinkler system, landscaped area and planting beds, trees, shrubs, bushes, grass and other plants in good condition and strictly in accordance with the Declarant's original design scheme, and at the Owner's sole expense.

k. Lot 29 Landscaping Requirement. The Declarant shall improve a landscaped area and install a vinyl fence located within the boundaries of Lot 29 at its sole expense and the Owner of Lot 29 shall thereafter maintain the fencing and the sprinkler system, landscaped area and planting beds, trees, shrubs, bushes, grass and other plants in good condition and strictly in accordance with the Declarant's original design scheme, and at the Owner's sole expense.

l. Lot 1 Driveway Requirement. Lot 1 shall have a one-half (1/2) circle driveway or hammer-head driveway.

m. Lot 27 Landscaping Requirement The Declarant shall improve a landscaped area located within the boundaries of Lot 27 at its sole expense and the Owner of Lot 27 shall thereafter maintain the sprinkler system, landscaped area and planting beds, trees, shrubs, bushes, grass and other plants in good condition and strictly in accordance with the Declarant's original design scheme, and at the Owner's sole expense.

n. Lot 5 and Detention Pond Requirement. The Declarant shall install a detention pond located within the boundaries of Lot 5 at its sole expense and the Owner of Lot 5 shall thereafter maintain the dish-landscaped area in good condition and strictly in accordance with the Declarant's original design scheme, and at the Owner's sole expense.

10. Preliminary Plans. The Declarant may require, as a minimum, the following additional items:

- a. Plot plan to scale of entire site with buildings located and elevation of floors shown above or below a designated point on the street.
- b. Floor plans of each floor level to scale.
- c. Elevations to scale of all sides of the Home.
- d. One major section through Home.
- e. A perspective (optional).
- f. Specifications of all outside materials to be used on the exterior of the Home.

11. Final Plans and Specifications and Working Drawings. The Declarant may also require, as a minimum, the following:

a. Plot plans to scale showing the entire site, building, garages, walks, drives, fence, carriage lights, and retaining walls with elevations of the existing and finished grade and contours including those at the outside corners of the buildings and at adjacent property lines and street fronts, and elevations of floors from a designated point on the street.

b. Detailed floor plans.

c. Detailed elevations, indicating all materials and showing existing and finished grades.

d. Detailed sections, cross and longitudinal.

e. Details of cornices, porches, windows, doors, garages, garden walls, steps, patios, fences, carriage lights, etc. Specifications shall give a complete description of materials to be used with supplements, addenda, or riders noting the colors of all materials to be used on the exterior of the Home.

f. All Lot landscaping must be completed within nine (9) months of the date of completion of the date of closing on the sale of the Lot.

1. Landscaping shall include, by way of illustration but not limitation, the planting of a lawn and/or other appropriate ground cover, planting beds and flower beds, appropriate bushes and shrubs, and the planting of trees.

2. Trees, lawns, shrubs, or other plantings placed on a Lot shall be properly nurtured, maintained, and replaced by the Owner and at his or her sole expense.

3. Any weeds or diseased or dead lawn, trees, ground cover, bushes, or shrubs shall be removed and replaced by the Owner and at his or her sole expense.

4. The landscaping of a Lot may not adversely affect the value or use of any other property or detract from the original design scheme and appearance of the subdivision.

5. No concrete, cement or masonry products, pavers, brick, stone, cobblestone, tile, terrazzo, slabs, slate, rocks, pebbles, gravel, permeable pavements and so forth or other artificial or impermeable surfaces (collectively "controlled surfaces") may be installed or constructed as landscaping in the front, side or rear yards of a Lot without the express prior written consent of the Declarant. In the event of a dispute the decision of the Declarant shall be conclusive, binding and final.

6. Front, side, or rear yards constructed primarily or substantially of controlled surfaces are prohibited.

7. Should any Owner fail to comply with the provisions of this paragraph, the Declarant or an aggrieved Owner shall have the right to seek an order from a court of proper jurisdiction requiring specific performance to comply with the provisions hereof or to recover damages, or both, and shall also have the authority but not the obligation to complete the landscaping or restore the property to its original condition without being guilty of a trespass, and require the Lot Owner to pay the cost of labor and materials.

8. The costs and expenses incurred, including a reasonable attorneys fee, whether or not a lawsuit is filed, shall be considered the personal obligation of the Lot Owner and shall constitute a lien on the interest of the Owner in such property, enforceable at law or equity, until payment is made.

12. Accessory Buildings. There is no right to construct or install a detached structure or an Accessory Building on a Lot because detached structures or Accessory Buildings are considered conditional uses; accordingly, express prior written approval by the Declarant is required. Each application to construct or install a detached structure or an Accessory Building will be evaluated separately by the Declarant subject to the following guidelines:

a. Any detached structure or Accessory Building must conform in design and construction materials with the primary residential Home; and

b. The maximum height of an Accessory Building shall be twelve (12) feet.

c. Tin sheds are not allowed.

d. If there is a dispute of any kind whatsoever, including whether a structure is an Accessory Building, the decision of the Declarant shall in all instances be final, conclusive, and binding.

13. Approval. In the event that the Declarant fails to approve any application in writing within thirty (30) days after submission of all information and materials reasonably requested, the application shall be considered "denied."

14. No Waiver of Future Approvals. The approval of the Declarant of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of Declarant, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters whatever subsequently or additionally submitted for approval or consent.

15. Variance. The Declarant may authorize variances from compliance with any of the architectural guidelines when circumstances such as topography, natural obstructions, hardship,

aesthetic, or environmental considerations require, but only in accordance with its duly adopted rules and regulations, and prior written consent of the City Board of Adjustment. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing, (b) be contrary to the restrictions set forth in the body of this Declaration, or (c) estop the Declarant from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of financing shall not be considered a hardship warranting a variance.

16. Limitation of Liability. Neither the Declarant nor any of its employees, agents, representatives, or consultants shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the provisions of this Declaration, nor for any structural or other defects in any work done according to such plans and specifications. By accepting a deed or other document of conveyance to a Lot, each Owner agrees to and shall defend, indemnify, save and hold the Declarant and its employees, agents, representatives, or consultants harmless from any and all loss, damage, or liability he or she may suffer, including defense costs and attorney fees, as a result of any claims, demands, actions, costs, expenses, awards or judgments arising out of their review or approval of architectural designs, plans, and specifications.

17. Enforcement of Architectural Guidelines. Any construction, alteration, or other work done in violation of this Declaration shall be considered to be nonconforming. Upon written request from the Declarant an Owner shall, at his or her own cost, and expense remove such non-conforming construction, alteration, or other work and shall restore the land to substantially the same condition as existed prior to the non-conforming construction, alteration, or other work. Should an Owner fail to remove and restore as required hereunder, the Declarant shall have the right to enter the property, remove the violation, and restore the property to substantially the same condition as existed prior to the construction, alteration, or other work, without being deemed to be a trespasser.

18. Contractors. Any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the terms and provisions of this Declaration may be excluded by the Declarant from the Project, subject to the notice and the opportunity to be heard. In the event of sanctions after notice and hearing, neither the Declarant nor its employees, agents, representatives, or consultants shall be held liable to any person for exercising the rights granted by this Section.

19. Use Restrictions and Nature of the Project. The Property is subject to the following initial use restrictions, which shall govern both the architecture and the activities within the Project:

a. Single Family Residence. No Lot shall be used except for residential purposes. That means no more than one single family may reside in a Home.

b. Business Use. No resident may operate a commercial trade or business in or from his or her Lot with employees of any kind or with customers who are not residents of the Project, or which create or maintain a nuisance. No commercial trade or business may store any

inventory over 250 cubic feet, and it must be contained within the Lot. No commercial trade or business may be conducted in or from a Lot unless (1) the business activity conforms to all home occupation and zoning requirements governing the Project; (2) the operator has a city issued business license; and (3) the business does not create a nuisance.

c. Motor Vehicles. No motor vehicle or trailer, including but not limited to any car, automobile, truck, van, or any other transportation device of any kind may be parked or stationed in such a manner so as to block access to any driveway or Home or to create an obstacle or potentially dangerous condition. Motor vehicles shall be parked in the garage or driveway. No resident shall repair or restore any vehicle of any kind in, on or about any Lot, except for emergency repairs, and then only to the extent necessary to enable movement thereof to a proper repair facility. No garage may be altered in such a manner that the number of motor vehicles which may reasonably be parked therein after the alteration is less than the number of motor vehicles that could have been reasonably parked in the garage as originally designed and constructed. All garages shall be used primarily for the parking and storage of vehicles. Parking on the street overnight is prohibited. Except for purposes of loading or unloading passengers or supplies, for a period of time not to exceed twenty-four (24) hours, all recreational, commercial, and oversized vehicles must be stored in the garage or on a parking pad; provided, however that (a) the motor vehicle is in good running condition, (b) the motor vehicle or trailer is properly licensed and registered, (c) the parking pad is located in the rear yard, which means behind the geometric plane of the front of the house, and (d) a parking pad fence has been installed in accordance with the approved plans. Eighteen wheeled semi-trailers or other similar transportation devices are not allowed. No temporary carport or canopy may be installed in the front, side, or rear of the Lot.

d. Trash Pick-Up. No Lot shall be used as a dumping ground. All trash, garbage, debris, rubbish, or other waste shall be kept in a sealed, sanitary bag or container, and stored out of sight except for a twenty-four (24) hour period on pick-up days.

e. Aerials, Antennas, and Satellite Systems. All exterior aerials, antenna and satellite dishes (collectively "antenna") must be installed and positioned in accordance with FCC guidelines, rules and regulations, as they may be amended or supplemented from time to time.

f. Animals and Pets. Large animals as that term is defined by City ordinance are not allowed. No pets, animals, livestock, or poultry of any kind may be commercially bred in the Subdivision. Animal limitations are in accordance with the Bountiful City Animal Ordinance. In the event there is not city ordinance, up to two (2) domestic pets as that term is defined by city ordinance per Lot are allowed; provided, however, pets must be properly licensed and registered. Pets may not create a nuisance or violate City ordinance.

g. Laws. Nothing shall be done or kept in, on or about any Lot or any part thereof, which would be a violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body.

h. Damage or Waste. Each Owner shall repair any damage he or she or any other residents, guests, or invitees of his or her Lot may cause to another Owner, Lot, or Home, and promptly restore the property to its original condition.

j. Zoning. All land use and buildings shall be in compliance with all zoning and land use ordinances as well as all regulations of the municipalities and agencies governing the Project land use and buildings.

k. Nuisances. No noxious or offensive activity shall be carried on, in or about the Property, nor shall anything be done or permitted thereon which may be or may become an annoyance, disturbance, bother, or nuisance to the neighborhood, or which might interfere with the right of other residents to the quiet and peaceful enjoyment of their property. A violation of any use restriction set forth herein shall be considered a nuisance.

l. Temporary Structures. No structure of a temporary nature or character, including but not limited to any trailer, shack, shed, tent, garage, barn, or other out-building shall be constructed, installed, or used on any Lot at any time as a residence.

j. Signs. No signs, billboards, or advertising structures or devices of any kind may be built, installed or displayed on the Property or any Lot except for a single sign with a maximum size of 2' x 2' for specific purpose of advertising the sale of a Home; provided, however, this restriction does not apply to and is not binding upon the Declarant, who may use whatever signs it deems appropriate to market its Lots. "For Rent" or "For Lease" signs on a Lot or showing from a Home are strictly prohibited.

20. Leases. No Owner shall be permitted to lease his or her Home for an initial term of less than six (6) months. Daily or weekly rentals are expressly prohibited. No Owner may lease individual rooms to separate Persons or less than the entire Home. "For Rent" or "For Lease" signs are prohibited. Other than as stated in this Section, there is no restriction on the right of any Owner to lease or otherwise grant occupancy rights to his or her Home.

21. View Impairment. The Declarant does not guarantee or represent that any view over and across any property, including any Lot or Building will be preserved without impairment. Any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

22. Common Utilities. The Declarant may provide water and power utility services to the Entry and other common elements at its expense (the "Common Utility Service"); provided, however, it may elect to provide such Common Utility Services through a meter or meters on an individual Lot or Lots and, if so, each such Owner agrees, by accepting a deed or other document of conveyance to such Lot, to provide, and not terminate, delay, or interrupt, and pay for those Common Utility Services.

23. **City Oversight Inspection Authority.** The Owner hereby grants permission to the City, its authorized agents and employees, to enter upon the Property and to inspect the Storm Water Facilities whenever deemed necessary by the City. Such inspections shall be conducted in a reasonable manner and at reasonable times, as determined appropriate by the City. The purpose of the inspection shall be to determine and ensure that the Storm Water Facilities are being adequately maintained, are continuing to perform in an adequate manner, and are in compliance with the City, State and Federal law and the Development Plan.

24. **Notice of Deficiencies.** If the City finds that the Storm Water Facilities contain any defects or are not being maintained adequately, the City shall send Owner written notice of the defects or deficiencies and provide Owner with a reasonable time to cure such defects or deficiencies. Such notice shall be hand-delivered to the Owner or sent certified mail to the Owner.

25. **Owner to Make Repairs.** The Owner shall, at its sole cost and expense, make such repairs, changes or modifications to the Storm Water Facilities as may be determined as reasonably necessary by the City within the required cure period to ensure that the Storm Water Facilities are adequately maintained and continue to operate as designed and approved.

26. **City's Corrective Action Authority.** In the event the Owner fails to adequately maintain the Storm Water Facilities in good working condition acceptable to the City, after due notice of deficiencies as provided herein, the City may enter upon the Property and take whatever steps necessary to correct deficiencies and to charge the costs of such repairs to the Owner. It is expressly understood and agreed that the City is under no obligation to maintain or repair the Storm Water Facilities, and in no event shall this Agreement be construed to impose any such obligation on the City. The actions described in this Section are in addition to and not in lieu of any and all legal remedies available to the City as provided by law for Owner's failure to remedy deficiencies or any other failure to perform under the terms and conditions of this Agreement.

27. **Reimbursement of Costs.** In the event the City, pursuant to this Agreement, performs work on any nature, or expends any funds in performance of said work for labor, use of equipment, supplies, materials, and the like, the Owner shall reimburse the City upon demand, within thirty (30) days of receipt hereof for all actual costs incurred by the City. After said thirty (30) days, such amount shall be deemed delinquent and shall be subject to interest at the rate of ten percent (10%) per annum. Owner shall also be liable for any collection costs, including attorney's fees and court costs, incurred by the City in collecting of delinquent payments.

28. **Declarant's Sales Program.** Anything to the contrary notwithstanding, for so long as Declarant continues to own a Lot in the Subdivision the following provisions shall be deemed to be in full force and effect. No Owner or occupant shall interfere or attempt to interfere with the completion of improvements, promotion and/or sale of Lots owned by Declarant or Homes

constructed thereon. Declarant shall have the right to maintain one (1) or more sales offices and one (1) or more model Homes at any one time. Such office and/or models may be one or more of the Homes owned by the Declarant, one or more separate structures or facilities placed on the Property for the purpose of aiding Declarant's sales effort, or any combination of the foregoing. Declarant shall have the right to maintain a reasonable number of promotional, advertising and/or directional signs, banners or similar devices at any place or places on the Property. Declarant shall have the right from time to time to locate or relocate any of its sales offices, models, signs, banners, or similar devices. Declarant shall have the right to remove from the Project any signs, banners, or similar devices and any separate structure or facility which was placed on the Property for the purpose of aiding Declarant's sales effort. All of the rights of Declarant under this Declaration may be assigned or transferred either by operation of law or through a voluntary conveyance, transfer, or assignment. Any Mortgage covering all Lots or Buildings in the Project, title to which is vested in Declarant shall, at any given point in time and whether or not such Mortgage does so by its terms, automatically cover, encumber, and include all of the then unexercised or then unused rights, powers, authority, privileges, protections, and controls which are accorded to Declarant (in its capacity as Declarant) herein.

29. Interpretation. To the extent Utah law is consistent with this Declaration, such provisions shall supplement the terms hereof and are incorporated herein. The captions which precede the Articles and Sections of this Declaration are for convenience only and shall in no way affect the manner in which any provision hereof is construed. Whenever the context so requires, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include both other genders. The term *shall* is mandatory and the term *may* is permissive. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof.

30. Covenants to Run with Land. This Declaration and all the provisions hereof shall constitute covenants to run with the land or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of the Declarant, all other signatories hereto, all parties who hereafter acquire any interest in a Lot, the Subdivision or the Property, and their respective grantees, transferees, heirs, devisees, personal representative, successors, and assigns. Each Owner or occupant of a Lot shall comply with, and all interests in all Lots shall be subject to, the terms of this Declaration and the provisions of any rules, regulations, agreements, instruments, supplements, amendments, and determinations contemplated by this Declaration. By acquiring any interest in a Lot in the Project, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.

31. Enforcement and Right to Recover Attorneys Fees. Should the Declarant or an aggrieved Owner be required to take action to enforce or construe the Declaration or to pursue any remedy provided hereunder or by applicable law, including a claim for injunctive relief or damages, whether such remedy is pursued by filing suit or otherwise, the prevailing party shall be entitled to recover his reasonable attorneys fees, costs and expenses which may arise or accrue, regardless of whether a lawsuit is filed.

32. Limitation of Liability. This Declaration of covenants, conditions and restrictions is established for the benefit of the Property and the Owners. Any damage, loss, claim or liability which might arise due to any decision, act, or failure to act of Declarant or its agents, representatives, and employees shall be exempt from any civil claim or action, including an action for negligence, brought by any person owning or having an interest in any Lot.

33. Amendments. This Declaration may be amended upon the affirmative written approval of at least a majority of the Owners and shall be valid immediately upon recording of the document amending the Declaration in the office of the County Recorder of Salt Lake County, Utah; provided, however, so long as the Declarant shall own at least one (1) Lot in the Subdivision, no amendment shall be valid or enforceable without Declarants prior written consent.

34. Duration. The covenants and restrictions of this Declaration shall endure for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years.

Dated the 4th day of January, 2013.

DECLARANT:
GMW DEVELOPMENT, INC.

By: *Gary M. Wright*
Name: Gary M. Wright
Title: President

ACKNOWLEDGEMENT

STATE OF UTAH)
 :ss.
COUNTY OF DAVIS)

The foregoing instrument was acknowledged, subscribed and sown to before me the 4th day of January, 2013 by Gary M. Wright, who is the President of GMW Development, Inc., a Utah corporation duly acknowledged to me that he executed the same pursuant to a Resolution of its Board of Directors, Articles of Incorporation and Bylaws.

Chasaleena Snow Baxter
NOTARY PUBLIC

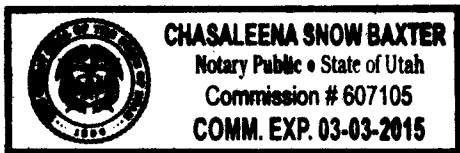


EXHIBIT "A"
LEGAL DESCRIPTION

The Property referred to in the foregoing document is located in Davis County, Utah and is described more particularly as follows:

BOUNDARY DESCRIPTION

BEGINNING AT A POINT ON THE EAST LINE OF 400 EAST STREET AT A POINT WHICH IS SOUTH 0°10'58" EAST 973.50 FEET ALONG THE MONUMENT LINE OF 400 EAST STREET AND SOUTH 89°58'58" EAST 33.00 FEET FROM THE MONUMENT AT 900 NORTH AND 400 EAST STREET, SAID MONUMENT IS SOUTH 89°52'42" EAST 71.00 FEET ALONG THE SECTION LINE AND SOUTH 0°08'37" EAST 552.89 FEET ALONG THE CENTER LINE OF 400 EAST STREET FROM THE NORTHWEST CORNER OF SECTION 20, TOWNSHIP 2 NORTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN, DAVIS COUNTY, UTAH AND RUNNING THENCE SOUTH 0°10'58" EAST 385.01 FEET ALONG THE EAST LINE OF 400 EAST STREET; THENCE SOUTH 89°52'42" EAST 225.00 FEET ALONG A LINE PARALLEL TO AND 1911.32 FEET SOUTH FROM THE NORTH LINE OF SECTION 20; THENCE NORTH 0°10'58" WEST 95.00 FEET; THENCE SOUTH 89°52'42" EAST 298.48 FEET; THENCE SOUTH 0°10'58" EAST 202.82 FEET; THENCE NORTH 89°00'41" EAST 69.43 FEET; THENCE NORTH 89°43'38" EAST 170.37 FEET; THENCE SOUTH 89°21'53" EAST 77.91 FEET; THENCE NORTH 0°07'18" EAST 199.01 FEET; THENCE SOUTH 89°52'42" EAST 112.51 FEET TO A FENCE LINE AND THE WEST LINE OF THE PROPERTY OWNED BY WEST BOUNTIFUL CITY; THENCE NORTH 0°23'14" EAST 293.72 FEET ALONG SAID LINE AND THE WEST LINE OF THE LDS CHURCH PROPERTY TO THE SOUTH LINE OF FOOTHILL ACRES PLAT C; THENCE NORTH 89°58'58" WEST 948.66 FEET ALONG SAID SOUTH LINE AND SAID LINE EXTENDED TO THE POINT OF BEGINNING, CONTAINING 8.29 ACRES.