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After Recording, Return to:
CW Management, Inc.
Attn: Chris McCandless
9071 South 1300 West, No. 201
West Jordan, UT 84088

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09/07/2001 02:57 PM 82.00
Book - 8498 Pg - 2526-2548
GARY W. OTT
RECORDER, SALT LAKE COUNTY, UTAH
SUNRISE VALLEY
9071 S 1300 W #201
WEST JORDAN UT 84088
BY: SLH, DEPUTY - WI 23 P.

DECLARATION OF COVENANTS, CONDITIONS,
AND RESTRICTIONS AND RESERVATION OF EASEMENTS
for REDFEATHER ESTATES, P.U.D.,
a Planned Unit Development in
Sandy, Utah

This Declaration is made and executed this day 9 of August, 2001, by Sunrise Capital, L.L.C., a Utah limited liability company, for itself, its successors, grantees and assigns (hereinafter referred to as "Developer").

RECITALS

A. Developer is the record owner of that certain tract of Property more particularly described in Article 2. 1 of this Declaration (the "Property"). The Developer desires to create on the Property a planned unit development, upon the terms and conditions set forth herein.

B. Developer desires to provide for preservation of the values and amenities in said development and for the maintenance of the Common Areas to be located on the Property. To this end and for benefit of the Property and of the Owners thereof, the parties desire to subject the Property to the covenants, conditions, restrictions, easements, charges, and liens hereinafter set forth all of which are for the benefit of and shall pass with the Property, and each and every parcel and Lot thereof, and shall apply to and bind the successors in interest, and any owner thereof.

C. Developer deems it desirable, for the efficient preservation of the values and amenities in the Property and any other real property which may be annexed hereto pursuant to the provisions of this Declaration, to create a corporation under the Utah Non-Profit Corporation and Co-operative Association Act to which should be delegated and assigned the powers of owning, maintaining and administering the Common Areas, private roadways, and alleys and certain other improvements in the Property and administering and enforcing these covenants, conditions and restrictions and collecting and disbursing the assessments and charges hereafter created.

D. Developer will develop and convey all of the Property pursuant to a general plan for all of the Property and subject to those certain protective covenants, conditions, restrictions, reservation of easements, equitable servitudes, liens and charges, all running with the Property as hereinafter set forth, including, but not limited to restrictions regarding ownership, residency and habitation of any Lot and improvements thereon

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including residential units, based upon the minimum age of 55 years, as more specifically set forth.

E. Developer may execute, acknowledge, and record a Supplemental Declaration affecting only a "Phase" so long as the Developer owns all the real property to be affected by such Supplemental Declaration and so long as such Supplemental Declaration shall not conflict with the provisions of this Declaration, although it may impose further conditions, covenants and restrictions for the operation, protection and maintenance of the Property.

F. Developer hereby declares that all of the Property shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the following covenants, conditions, restrictions, easements and equitable servitudes, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of the Property, in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Property, or any portion thereof.

G. Notwithstanding any of the foregoing recitals, no provisions of this Declaration shall be construed as to prevent or limit the Developer's right to complete development of the Property and construction of improvements thereon, nor the Developers's rights to maintain model homes, construction, sales or leasing offices, or similar facilities on any portion of the Property owned by the Developer of the Association, nor Developer's right to post signs incidental to such construction, sales or leasing.

NOW, THEREFORE, for the foregoing purposes, Developer declares that the Property, as more particularly described in Article 2.1 of this Declaration, is and shall be held, transferred, sold, conveyed, and occupied subject to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth.

I. DEFINITIONS

When used in this Declaration (including in that portion hereof headed "Recitals") the following terms shall have the meaning indicated.

1.1 "Declaration" shall mean this Declaration of Covenants, Conditions, and Restrictions and Reservation of Easements.

1.2 "Plat" shall mean the subdivision plat covering the Property, entitled "Redfeather Estates, a Planned Unit Development" executed and acknowledged by Developer on the ___ day of _____ 2001, prepared and certified by _____, and filed for record in the office of the County Recorder of Salt Lake County, Utah, concurrently with the filing of this Declaration.

1.3 "Property" shall mean the entire tract of real property covered by the Plat, the legal description of which is set forth in Article II of this Declaration, subject to the exclusions, reservations, and easements stated in this Declaration.

1.4 "Lot" shall mean any of the Twenty-five (25) separately numbered (Lot Nos. 1 through 25, inclusive) and individually described parcels of land that are part of the P.U.D., as shown on the

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Plat. The foregoing notwithstanding, Developer shall have the right to expand the number of Lots in the future.

1.5 "Common Areas" shall mean that part of the Property that is not included within the Lots, but including interior and incidental roadways, sidewalks, walkways, curbs, and landscaping within or adjacent to the Lots, together with all improvements other than utility lines which are now or hereafter constructed or located thereon, owned or to be owned by the Association for the common use and enjoyment of the Owners. The Common Areas to be so owned by the Association at the time of the conveyance of the first Lot shall also include the property described as Common Areas on the Plat Map. Additional Common Areas may be transferred to the Association in the future pursuant to the terms of Article X. The Common Areas located within any future subdivision or portion thereof, shall be conveyed, lien free, to the Association prior to the sale of the first Lot within any future subdivision, or portion thereof, to the public.

1.6 "Residential Unit" shall mean a structure or portion of a structure on a Lot that is designed and intended for residential use, together with all improvements located on such Lot that are used or intended to be used in conjunction with such Residential Unit. For purposes of this P.U.D., initially two (2) plans only will be authorized for the Residential Units. However, the Developer may authorize additional plans from time to time in its discretion.

1.7 "Owner" shall mean the person who is the owner of record (in the office of the County Recorder of Salt Lake County, Utah) of a fee or an undivided fee interest in any Lot. Notwithstanding any applicable theory relating to a mortgage, deed of trust, or like instrument, the term "Owner" shall not mean or include a mortgagee or a beneficiary or trustee under a deed of trust unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof. An Owner may be more than one person so long as all such Owners are a Family as described in Paragraph 1.16 herein.

1.8 "Association" shall mean the Redfeather Estates, P.U.D., Property Owners Association, a Utah nonprofit corporation, which has been incorporated or will be incorporated substantially contemporaneously with the recording of this Declaration.

1.9 "Member" shall mean every person who holds membership in the Association.

1.10 "Mortgage" shall mean both a first mortgage on any Lot and a first deed of trust on any Lot, and Mortgagee shall mean both a mortgagee under a first mortgage on any Lot and a beneficiary under a first deed of trust on any Lot.

1.11 "Architectural Committee" shall mean the committee created and defined in Article IX of this Declaration.

1.12 "Common Assessments" shall mean the charges against each Owner and the corresponding Lot, representing a portion of the total costs to the Association for maintaining, improving, repairing, replacing, managing and operating the Property, which charges are to be paid uniformly and equally by each Owner to the Association, as provided in Article V herein.

1.13 "Special Assessments" shall mean the charges, including interest and penalties, against a particular Owner and the corresponding Lot, directly attributable to the Owner, equal to the cost incurred by the Association for corrective action performed pursuant to the provisions of this Declaration.

1.14 "Board" shall mean the Governing Board of the Association, the members of which shall be elected in accordance with the By-Laws of the Association. The term "Members" of the Governing Board shall be synonymous with the term "Trustees" as used in the Utah Non-Profit Corporation and Co-operative Association Act.

1.15 "Common Expenses" shall mean the actual and estimated costs of maintenance, management, operation, repair and replacement of the Common Areas (including unpaid Assessments of any type), including those costs not paid by the Owner responsible for payment; costs of management and administration of the Association including, but not limited to, attorneys and other professionals, employees and consultants; the costs of all utilities, landscaping and other services benefiting the Common Areas, and all recreational facilities thereon; the costs of fire, casualty and liability insurance covering the Property; and the cost of bonding of the Members of the Governing Board of the Association; taxes paid by the Association; amounts paid by the Association for discharge of any lien or encumbrance levied against the Property, or portions thereof; and the cost of any other item or items designed by, or costs incurred by, the Association for any reason whatsoever in connection with the Property, for the benefit of all of the Owners.

1.16 "Family" shall mean (1) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, or (2) a group of not more than three (3) natural persons not so related, inclusive of their domestic servants, who maintain a common household in a residence on a Lot.

1.17 "Improvement" shall mean all structures and appurtenances thereto of every type and kind, (and any alteration or addition thereto), including but not limited to buildings, out buildings, walkways, sidewalks, sprinkler systems, garages, carports, roads, alleys, driveways, parking areas, fences, screening walls, retaining walls, protective screens and awnings required by governmental entities, stairs, decks, landscaping, hedges, windbreaks, planting trees and shrubs, poles, or signs.

1.18 "Notice of Hearing" shall mean written notice of a hearing before a quorum of the Board, at which the Owner concerned shall have an opportunity to be heard in person or by counsel at the Owner's expense.

1.19 "Supplemental Declaration" shall mean any declaration of covenants, conditions and restrictions which may be recorded by Developer pursuant to Article X of this Declaration.

1.20 "Minimum Age" shall mean 55 years of age.

1.21 "Resident" or "Inhabitants" shall mean a person who occupies or has a legal or equitable right to occupy a Residential Unit for more than seven (7) consecutive 24 hour periods or who occupies a Residential Unit for three (3) consecutive 24 hour periods more than four times in a twelve-month period.

The foregoing definitions shall be applicable to this Declaration and also to any Notice of Addition of Property, Supplemental Declaration or Declaration of Amendment, unless otherwise expressly provided and recorded pursuant to the provisions of this Declaration.

II. PROPERTY DESCRIPTION

2.1 Property Description. The Property that is and shall be held, conveyed, and occupied subject to the provisions of this Declaration is located in Salt Lake County, State of Utah as described in that certain plat map entitled "Redfeather Estates, a Planned Unit Development", recorded in the official records of the office of the County Recorder of Salt Lake County, State of Utah as Entry No. _____, at Book _____, Pages _____ (the "Plat Map") and is more particularly described as follows:

Beginning at a point on the west line of 1700 East Street, said point being North 0°32'18" West 391.00 feet along the quarter section line and North 89°56'51" West 33.00 feet from the Center of Section 21, Township 3 South, Range 1 East, Salt Lake Base and Meridian, and running;

thence North 89°56'51" West 150.00 feet;
thence South 0°32'18" East 59.98 feet;
thence North 89°56'51" West 553.11 feet;
thence North 01°41'03" East 303.06 feet;
thence North 85°36'06" East 202.02 feet west line of Sunrise Valley Subdivision as found and on file in the Salt Lake County Recorders Office, Book 2000-P, Page 31;
thence South 00°13'45" East 40.69 feet along the west line of said Sunrise Valley Subdivision to the south line of said Sunrise Valley Subdivision;
thence South 89°57'10" East 490.00 feet along the south line of said Sunrise Valley Subdivision to the west line of 1700 East Street;
thence South 0°32'18" East 218.00 feet along the west line of 1700 East Street to the point of beginning.
Contains 191,550 sq. ft., 4.40 acres.

2.2 Subject to Taxes, Instruments of Record. The Property subjected to this Declaration is subject to all liens for current and future taxes, assessments, and charges imposed or levied by governmental or quasi-governmental authorities; all patent reservations and exclusions; all instruments of record which affect the Property or any portion thereof including, without limitation, any mortgage or deed of trust; all visible easements and rights-of-way; and all easements and rights-of-way of record.

2.3 Taxes. Each Owner shall execute such instrument and take such action as may reasonably be specified by the Association to obtain a separate real estate tax assessment of each Lot. If any taxes or assessments may, in the opinion of the Association, nevertheless be a lien on more than one Lot not under common ownership, or any part thereof, they may be paid by the Association and each Owner shall be obligated to pay or to reimburse the Association for, as the case may be, the taxes and assessments assessed by the County Assessor or other taxing authority against his own Lot and interest, if any, in the Common Area.

III. MEMBERSHIP AND VOTING RIGHTS

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3.1 Membership. Every Owner shall be a Member of the Association. Membership in the Association shall be mandatory, shall be appurtenant to the Lot in which the Owner has the necessary interest, and shall not be alienable from the Lot to which it appertains. Neither the issuance nor the holding of shares of stock shall be necessary to evidence membership in the Association.

3.2 Voting Rights. The Association shall have the following described classes of voting membership:

(a) Class A. Class A Members shall be all Owners other than the Developer until the Class B membership ceases, at which time the Developer shall become a Class A Member with respect to any Lot or Lots that the Developer may own at that time or from time to time. Class A Members shall be entitled to one (1) vote for each Lot owned.

(b) Class B. The Class B Member shall be the Developer. The Class B Member shall be entitled to six (6) votes for each Lot owned. The Class B membership shall automatically cease and be converted to Class A membership on the first to occur of the following events:

(1) When the total number of votes held by all Class A Members equals the total number of votes held by the Class B Member; or

(2) The expiration of thirty (30) years after the date on which this Declaration is recorded in the Salt Lake County Recorder's office.

(c) When more than one person holds an interest in any Lot (a "co-owner"), all such co-owners shall be Members and may attend any meetings of the Association, but only one such co-owner may exercise the vote (or votes in the case of a Class B member) to which the Lot is entitled. Such co-owners may from time to time designate in writing one of their number to vote. Fractional votes shall not be allowed, and the Class A Member's vote (or votes for Class B members) shall be exercised, if at all, as a unit. When no voting co-owner is designated or if such designation has been revoked, the vote for such Lot shall be exercised as the majority of the co-owners of the Lot mutually agree. Unless the Board receives a written objection from a co-owner, it shall be presumed that the corresponding voting co-owner is acting with the consent of his or her co-owners.

(d) Minimum Age required for Ownership, Habitation and/or Residency. Redfeather Estates is intended to be a planned development for those of mature years. Therefore, every Lot owned by any person other than the Developer shall be owned, at least in part, by a person who had attained the Minimum Age at the time of purchase. Futhermore, all Owners, Residents or Inhabitants of a Residential Unit must be a Family as defined in Paragraph 1.16 herein and have attained the Minimum Age or be related by marriage to an Owner of the Unit who has attained the Minimum Age and who is also a Resident or Inhabitant.

3.3 Transfer. The Association Membership held by any Owner of a Lot shall not be transferred, pledged or alienated in any way, except upon the sale or encumbrance of such Lot, and to make a prohibited transfer is void, and will not be reflected upon the books and records of the Association. A Class A Member who has sold his Lot to a contract purchaser under an agreement to

purchase such Membership, shall be entitled to assign to such contract purchaser his right of enjoyment of the Common Area and facilities as provided in Article II and such Member's voting proxy rights in the Association, but as between the Association and such Member, the Member may not delegate his Membership obligations. Such assignment and/or proxy shall be in writing and shall be delivered to the Board before such contract purchaser may use the Common Area and facilities or vote, as the case may be. The contract seller shall remain liable for all charges and assessments accruing to his Lot until fee simple title to the Lot sold is conveyed. In the event the Owner of any Lot shall fail or refuse to transfer the Membership registered in his name to the purchaser of such Lot upon transfer of fee simple title thereto, the Board shall have the right to record the transfer upon the books of the Association. Upon any transfer, pledge, or alienation of a Lot, the Board shall have the right to charge a reasonable Transfer Assessment against any new Owner, and his Lot.

IV. PROPERTY RIGHTS IN COMMON AREAS

4.1 Easement of Enjoyment. Each Member shall have a right and easement of ingress and egress and enjoyment in, to and over the Common Areas which shall be appurtenant to and pass with title to every Lot, subject to the following provisions:

- (a) The right of Developer to annex additional Common area thereto pursuant to the terms of Article X.
- (b) The right of the Association to reasonably limit the number of guests of Owners using the Common Area facilities and the frequency thereof.
- (c) The right of the Association to establish uniform rules and regulations pertaining to the use of the Common Areas and the recreational facilities thereof, including, but not limited to, the right and obligation of the Association to enforce all parking restrictions within the Common Areas.
- (d) The right of the Association to charge uniform and reasonable admission and other fees for the use of the recreational facilities, if any, situated upon a portion of the Common Areas; provided, however, that none of the Common Area facilities, recreational facilities, parking spaces or other amenities in the Property shall be leased to the Owners or any other parties.
- (e) The right of the Association in accordance with its Articles of Incorporation, By-laws and this Declaration, with the vote of or written assent of two-thirds (2/3) of the Class A members, to borrow money for the purpose of improving the Common Areas and facilities and in aid thereof, and subject to the provisions of this Declaration, to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, provided that the rights of any Mortgagee shall be subordinated to the rights of the Owners.
- (f) Except for the right of ingress and egress to an Owner's Lot, the Association shall have the right to suspend the voting rights and use of the Common Area

facilities by an Owner for any period during which any assessment against his Lot remains unpaid and delinquent, and for a period not to exceed thirty (30) days for any single infraction of the published rules and regulations of the Association. Such action may be made only by the Board, after Notice of Hearing, and an opportunity for a hearing before a quorum of the Board.

- (g) The right of the Developer (and its sales agents, customers and representatives) to the nonexclusive use of the Common Area and the facilities thereof, without charge, for sales, display access, ingress, egress and exhibit purposes, which right the Developer hereby reserves.
- (h) The right of Salt Lake County, Sandy City and any other governmental or quasi-governmental body having jurisdiction over the Property to access, and rights of ingress and egress over and across any parking area, walkway, or open area contained within the Property for purposes of providing police and fire protection, and providing any other governmental or municipal service; and
- (i) The right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the Association. Any such dedication or transfer must, however, be assented to by two-thirds (2/3) of the vote of each class of membership in which Members are present in person or by proxy and are entitled to cast at a meeting duly called for the purpose. Written or printed notice setting forth the purpose of the meeting and the action proposed shall be sent to all Members at least ten (10), but not more than thirty (30), days prior to the meeting date.

4.2 Transfer of Title. Developer agrees that it shall, at or prior to the time the first Lot is conveyed by Developer, convey to the Association title to the Common Areas free and clear of all liens (other than those matters identified herein, including the lien of current general taxes and the lien of any assessments, charges, or taxes imposed by governmental or quasi-governmental authorities, or for easements or rights of way reserved to the Developer or otherwise enforceable in law or equity).

4.3 Assignment of Use. Any Owner may assign, in accordance with the By-laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside in his Residential Unit, subject to reasonable regulation by the Board.

4.4 Easements for Parking. Temporary guests shall be permitted within the Common Area only within spaces and areas clearly marked for this purpose. The Association is empowered to establish "parking" and "no parking" areas within the Common Area, and parking limitations and/or restrictions, as well as to enforce such parking areas limitations and restrictions by all lawful means, including the removal of an offending vehicle by those empowered by the Association. At a minimum, no parking will be allowed along Redfeather Lane or along private roadways limited to driveways (24 hours only) and designated locations. The Association may modify all such limitations and restrictions upon approval of 60% of all classes of voting members.

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4.5 Utility Easement. The Developer, for itself and its successors and assigns, including but not limited to the Association, hereby grants easements over, under, in, on and through the Common Area for the installation, construction, reconstruction, relocation, removal, maintenance, repair, operation and inspection of sewer, water, drainage, electric, gas and telephone facilities and wires, lines, cables, conduits, pipes and other necessary and proper attachments therewith, for the benefit of the Property or any part thereof, to the Developer, the Association, any federal, state or local authority, commission or agency having jurisdiction there over and any corporation, be it public, quasi-public or private, supplying or servicing such facilities.

4.6 Form for Conveyancing. Any deed, lease, mortgage, deed of trust or other instrument conveying or encumbering title to a Lot shall describe the interest, or the estate involved substantially as follows:

Lot No. ____, contained within the REDFEATHER ESTATES, P.U.D., as the same is identified in the Plat recorded in the office of the County Recorder of Salt Lake County, Utah, as Entry No. _____, in Book _____, at Page _____, and in the "Declaration of Covenants, Conditions, and Restrictions and Reservation of Easements of the REDFEATHER ESTATES, P.U.D." recorded in the office of the County Recorder of Salt Lake County, Utah, as Entry No. _____, in Book _____, at Page _____, TOGETHER WITH a right and easement of use and enjoyment in and to the Common Areas described, and as provided for, in said Declaration of Covenants, Conditions, and Restrictions and Reservation of Easements.

Whether or not the description employed in any such instrument is in the above-specified form, however, all provisions of this Declaration shall be binding upon, and shall inure to the benefit of any party who acquires any interest in a Lot.

4.7 Reservation to Developer for Construction. There is reserved unto Developer, its employees, agents, and successors, such easements and rights of ingress and egress over, across, through, and under the Property, and any improvements now or hereafter constructed thereon as may be reasonably necessary for the Developer, its employees, agents and successors (in a manner not inconsistent with the provisions of this Declaration) to engage in construction upon or to improve, reconstruct, remodel, replace or repair any improvement or portion of the Common Areas with such structures and facilities (including, but not limited to parking areas, sidewalks, parking area and sidewalk lighting, and various landscaped areas) designed for the use and enjoyment of all the Members as Developer may reasonably determine to be appropriate. If, pursuant to this reservation, the Property or any improvement thereon is traversed or partially occupied by a permanent improvement or utility line, a perpetual easement for such improvement or utility line shall exist. With the exception of such perpetual easements, the reservation hereby effected shall, unless sooner terminated in accordance with its terms, expire thirty (30) years after the date on which this Declaration is filed for record in the office of the County Recorder of Salt Lake County, Utah.

V. ASSESSMENTS

5.1 Personal Obligation and Lien. Each Owner shall, by acquiring or in any way becoming vested with his interest in a Lot, be deemed to covenant and agree to pay to the Association the assessments described in this Article, together with all other fines, penalties, interest and costs of collection as described in this Declaration. All such amounts shall be, constitute, and remain: (i) a charge and continuing lien upon the Lot with respect to which such assessment is made; and (ii) the personal obligation of the person who is the Owner of such Lot at the time the assessment falls due. No Owner may exempt himself or his Lot from liability for payment of assessments by waiver of his rights concerning the Common Areas or by abandonment of his Lot.

5.2 Purpose of Assessments. Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of the Property and for the improvement and maintenance of the Common Areas. The use made by the Association of funds obtained from Assessments may include payment of the cost of advertising for the common benefit of the Owners, taxes and insurance on the Common Areas, water, sewer, maintenance, repair, and improvements of the Common Areas, management and supervision of the Common Areas, establishing and funding a reserve to cover major repair or replacement of improvements within the Common Areas, and any expense necessary or desirable to enable the Association to perform or fulfill its obligations, functions, or purposes under this Declaration or its Articles of Incorporation or By-laws. Assessments shall be comprised of the regular monthly assessment described in Article 5.3, the Road Repair and Maintenance Fund assessment described in Article 5.4, and any special assessments imposed pursuant to Article 5.5.

5.3 Initial Maximum Monthly Assessment; Increases. Until January 1 of the second calendar year immediately following the conveyance of the first Lot to an Owner (other than the Developer), the monthly assessment shall be determined by the Association and tied to the actual costs for the Common Area maintenance and repairs and all other benefits described in Article 5.2 of this Declaration, assessed on a per lot basis. Assessments shall be paid to the Association by Owners on a monthly basis, however, the Board of the Association shall have the authority to collect the assessments on another periodic basis, such as quarterly, if they deem it advisable.

(a) From and after January 1 of the second calendar year immediately following the conveyance of the first Lot to an Owner (other than the Developer), the monthly assessment may be increased each year by the Association without a vote of the Members by an amount not more than 5% above the maximum monthly assessment for the previous year.

(b) From and after January 1 of the second year immediately following the conveyance of the first Lot to an Owner (other than the Developer), the maximum monthly assessment may be increased more than 5% above the maximum monthly assessment for the previous year only if the increase is approved by sixty percent (60%) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose. Written notice setting forth the purpose of the meeting shall be sent to all Members at least ten (10), but not more than thirty (30), days prior to the meeting date.

(c) The Trustees of the Association may from time to time and in their discretion set the amount of the monthly assessment at any sum not in excess of the then applicable maximum amount. As provided in Article 5.7 below, the Trustees shall establish a landscape maintenance component of the monthly assessment which shall be based upon a per lot basis.

5.4 Road Repair and Maintenance Fund.

(a) Upon incorporation of the Association and recording of this Declaration, Developer shall pay to the Association the sum of Five Thousand (\$ 5000.00), which, together with the assessments provided in this Article 5.4 and any earnings or interest on said funds, shall constitute the "Road Repair and Maintenance Fund" (hereinafter referred to in this Article 5.4 as the "Fund"). The Fund shall be deposited by the Association in a segregated bank account at an FDIC insured banking institution, and shall be held and disbursed in accordance with this Article 5.4. In the discretion of the Association, the Fund may be invested in a certificate of deposit or similar account.

(b) After sale by the Developer to an Owner, each Lot shall be assessed \$ 10.00 per month (the "Road Assessment"), which shall be deposited by the Association in the Fund on a periodic basis. The Developer shall not be subject to the Road Assessment. The Road Assessment may not be diminished by the Association unless and until the Fund reaches the sum of Twenty Thousand (\$ 20,000.00), at which time the Road Assessment may (but is not required) to be decreased or curtailed by the Association. If the Fund thereafter falls below \$ 15,000.00, the Association shall recommence the Road Assessment at the rate of \$ 10.00 per month.

(c) The Fund shall be used by the Association to pay for repairing, maintaining, replacing, and/or rebuilding any roadways, curb, gutters, and sidewalks located in the Common Areas, including any engineering, permits, or professional fees associated therewith. The Association may transfer any portion of the Fund in excess of \$20,000 to its general fund, to be used for such other purposes as the Association may determine.

5.5 Special Assessments. In addition to the assessments authorized above, the Association may levy special assessments for the purpose of defraying, in whole or in part: (i) any expense or expenses not reasonably capable of being fully paid with funds generated by monthly assessments; or (ii) the cost of any construction, reconstruction, or unexpectedly required repair or replacement of an improvement or of personal property upon the Common Areas. Any such special assessment must be assented to by sixty percent (60 %) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose. Written notice setting forth the purpose of the meeting shall be sent to all Members at least ten (10), but not more than thirty (30), days prior to the meeting date.

5.6 Quorum Requirements. Written notice of any meeting called for the purpose of taking any action on which a vote of the Members is authorized or required under this Declaration shall be sent to all Members at least ten (10), but not more than thirty (30), days prior to the meeting date. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present at the first meeting or any subsequent meeting, another meeting may be called, subject to the notice requirement set forth herein, at which a quorum shall be one-half (1/2) of the quorum which was required at the immediately preceding meeting. No such subsequent meeting shall be held more than forty-five (45) days following the immediately preceding meeting.

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5.7 Uniform Rate of Assessment. Both monthly and special assessments shall be fixed at a uniform rate, as set forth herein. All costs, including landscape maintenance, shall be allocated among the Owners on a per Lot basis.

5.8 Monthly Assessment Due Date. The monthly and special assessments provided for herein shall commence as to all Lots on the first day of the second month following conveyance of the Common Areas to the Association. At least fifteen (15) days prior to such commencement date, and at least fifteen (15) days prior to the effective date of any change in amount of the monthly assessment, the Association shall give each Owner written notice of the amount and first due date of the modified assessment.

5.9 Certificate Regarding Payment. Upon the request of any Owner or prospective purchaser or encumbrancer of a Lot, the Association shall, for a reasonable charge, issue a certificate stating whether or not all assessments respecting such Lot, are current and, if not current, the amount of the delinquency. Such certificate shall be conclusive in favor of all persons who in good faith rely thereon.

5.10 Lien. Effect of Nonpayment. Remedies. The monthly and special assessments, and all other charges to an Owner provided in this Declaration (including interest and costs of collection), shall be a charge on the Owner's Lot and shall be a continuing lien upon the Lot against which each such assessment or charge is made, regardless of whether a notice of lien is recorded with the County Recorder. The person who is the Owner of the Lot at the time the assessment falls due shall be and remain personally liable for payment. Such personal liability shall not pass personally to the Owner's successors in title unless expressly assumed by them. If the assessment is not paid within thirty (30) days after the date on which it becomes delinquent, the amount thereof shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum, and the Association may bring an action either against the Owner who is personally liable or to foreclose the lien described in Article 5.1 above against the Lot. A suit to recover a money judgment against the Owner may be maintained without foreclosing or waiving the lien provided herein. Upon delinquency, the Association may but is not required to record a notice of lien against the Lot. The Association may avail itself of any nonjudicial remedy then available under Utah law to foreclose or otherwise realize upon the lien, including the exercise of a private power of sale in accordance with the law governing the sale or foreclosure of deeds of trust. The Association shall be entitled to recover from the Owner, and the lien shall secure, the Association's reasonable attorney's fees, court costs, and each and every other expense incurred by the Association in enforcing its rights.

5.11 Exception for Developer. Notwithstanding anything to the contrary contained in this Declaration, the rate of all assessments made upon Lots owned by the Developer shall be one-half (1/2) the amounts specified in Articles 5.3 and 5.5 and charged to other Owners, and such Lots shall not be subject to the Road Assessment. The terms of this Article 5.11 shall continue in operation and effect as to any Lot retained by the Developer until the Developer sells, leases, or otherwise conveys any interest in such Lot or in any Residential Unit erected thereon.

VI. ASSOCIATION DUTIES AND POWERS/OPERATION AND MAINTENANCE

6.1 General Association Duties and Powers. The Association, acting through the Board, shall have all powers and duties granted in this Declaration, the Articles of Incorporation and the By-laws, including, but not limited to the power and duty to:

(a) Maintain, repair and otherwise manage the Common Areas and all facilities and improvements, and replace those elements of the Common Areas that must be replaced on a periodic basis, including but not limited to the improvements and landscaping thereon, in accordance with the provisions of this Article VI.

(b) Maintain all private roads and alleys within the Common Areas, all sidewalks within the Common Areas, and all public roads, streets, landscaping and bridges which are located within the Property and which are not maintained by any governmental entity, and all roads and greenscape areas located on easements, including cleaning, snow removal, sign maintenance, landscape maintenance and periodic resurfacing.

(c) Grant easements, rights of way, or strips of land, where necessary, for utilities and sewer facilities over the Common Areas to serve the Common Areas and the Lots.

(d) Maintain such policy or policies of insurance as may be permitted or allowed in this Declaration, the Articles of Incorporation, and the By-laws.

(e) Employ or contract with a professional manager or management company to perform all or any part of the duties and responsibilities of the Association, and to delegate its powers to committees, officers and employees as permitted by law. Any such agreement shall be for a term not in excess of three (3) years, subject to cancellation by either party without cause or payment of a termination fee, upon ninety (90) days written notice. A non-professional manager may be designated only upon the affirmative vote of seventy-five percent (75%) of the Members.

(f) After fifteen (15) days written notice, without being liable to any Owner, enter upon any Lot, for the purpose of enforcing by peaceful means, the provisions of this Declaration, or maintaining or repairing any such area as required by this Declaration.

(g) Maintain all sidewalks located upon the Common Areas, including cleaning, snow removal, and periodic repairs.

(h) Maintain and repair all fences within the Common Areas and all landscaping installed by Developer and/or the Association on all Lots, including sprinkling systems, both within the Common Areas and on unfenced areas of the Lots.

(i) Provide for snow removal for driveways and sidewalks on all Lots up to the front entrance of improvements on the Lots and maintain and have the right, but not the duty, to repair the exterior surfaces of improvements if not taken care of by Owners of Lots, reserving the right to assess special assessments for such repairs and maintenance.

(j) Provide for and perform all such other duties and functions deemed to be beneficial to the Property in the discretion of the Association.

6.2 Responsibility to Rebuild or Repair. Because the physical condition of each Residential Unit affects the value of every other Residential Unit, the Owner of each Unit shall maintain its Residential Unit in such a manner that it shall have the continued capacity to be used as a Residential Unit, and thus benefit the other Residential Units. The Owner shall not cause or permit to occur any damage, loss or injury to the Owners of the benefited Residential Units or their tenants by or as a result of any act of negligence or any willful, wanton or reckless act on its part or on the part of its tenant with respect to the Owner's Residential Unit. Should any Residential Unit be damaged or destroyed by fire, flood, wind, snow or any other cause of whatever nature, the Owner shall cause the Residential Unit upon the Lot owned by him to be repaired or rebuilt. Such repair or rebuilding shall commence not later than ninety (90) days after the occurrence of the damage or destruction and shall be completed not later than one (1) year after such occurrence.

6.3 Liability for Physical Damage. Notwithstanding anything to the contrary contained in this Article VI, the Owner, in the course of building, rebuilding, repairing, maintaining or otherwise working or causing work to be done upon his Lot, shall be liable to the Owners of any adjacent Lots and to the Association with respect to the Common Areas for any physical damage to any other Lot or Residential Unit and for any physical damage to any Common Area. The Owner shall cause any such damage to be repaired and the Lot, Residential Unit or Common Area affected to be placed in the same state or condition that it was in prior to said damage. All such repairs shall be subject to the approval of the Board of the Association.

6.4 Maintenance of Residential Units. Each Residential Unit shall be maintained by the Owner thereof at his own cost and expense so as not to detract from the appearance of the Property and so as not to affect adversely the value or use of any other Residential Units. The Association shall have no obligation regarding maintenance or care of Residential Units, however, if in the judgement of the Board the Owner of a Residential Unit is not adequately maintaining his Residential Unit so as not to detract from the appearance of the Property, the Board may send written notice to that effect, specify the maintenance required, provide an opportunity for a hearing and provide a date not less than 45 days thereafter by which the specified items must be completed or a hearing scheduled. If following the date specified for a hearing or completion of the specified items the items have not been completed, the Association may complete the items and assess the Owner the reasonable costs thereof, including which labor and materials, and all such costs shall be paid within 45 days or shall become a personal obligation of the Owner and a lien as set forth in Article 5.1 of this Declaration.

6.5 Operation and Maintenance by Association. The Association shall provide for such maintenance and operation of the Common Areas as may be necessary or desirable to make them appropriately usable in conjunction with the Lots and to keep them clean, functional, attractive, and generally in good condition and repair. In addition, the Association shall provide for maintenance and upkeep of any portion of any Lot which lies between the extremities of the Residential Unit situated thereon and the boundaries of the Lot.

6.6 Liability of Owner During Construction. The Owner, in the course of building shall not be liable to the Owners of adjacent Lots affected by such work for any inconvenience, annoyance, or disturbance to such Owners by the performance of such work, unless occasioned by the negligence of the Owner of the improvement with respect to which the work in question was being performed,

or the negligence of the Owner's agents, contractors or employees; however, the Owner of the Lot or Residential Unit with respect to which such work is being performed shall make all reasonable efforts to keep any such inconvenience, annoyance, disturbance, or loss of business to the minimum reasonably required by the work in question.

VII. INSURANCE

7.1 Casualty Insurance on Insurable Common Areas. The Association shall keep all insurable improvements and fixtures of the Common Areas insured against loss or damage by fire for the full insurable replacement cost thereof, and may obtain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other property, whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable. The insurance coverage with respect to the Common Areas shall be written in the name of, and the proceeds thereof shall be payable to, the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are common expenses and shall be paid from the Assessments made by the Association.

7.2 Liability Insurance. The Association shall also maintain an insurance policy or policies insuring the Owners, the Association, and its directors, board members, officers, agents, and employees against any liability incident to the ownership, use, or operation, of the Common Areas which may arise among themselves, to the public, and to any invitees or tenants of the Property or of the Owners, with such limits as may be determined by the Association. Such policies shall be issued on a comprehensive liability basis and shall provide a cross-liability endorsement pursuant to which the rights of the named insureds as between themselves are not prejudiced.

7.3 Other Insurance. The Association shall maintain a policy of insurance covering those employees hired by the Association to handle Association funds in amounts as determined by the Board of the Association. The Association shall have the authority to obtain and maintain other insurance, and shall maintain such insurance, such as worker's compensation insurance, if required by applicable law.

7.4 Miscellaneous Insurance Provisions. The Association shall have the authority to adjust losses. Insurance secured and maintained by the Association shall not be brought into contribution with insurance held by the individual Owners or their mortgagees. Each policy of insurance obtained by the Association shall, if reasonably possible, provide: (i) a waiver of the insurer's subrogation rights with respect to the Association, the Owners, and their respective directors, officers, agents, employee invitees, and tenants; (ii) that it cannot be canceled, suspended, or invalidated, due to the conduct of any particular Owner or Owners; (iii) that it cannot be canceled, suspended or invalidated due to the conduct of the Association or of any director, board member, officer agent, or employee of the Association without a prior written demand that the defect be cured; and (iv) that any "no other insurance" clause therein shall not apply with respect to insurance held individually by the Owners.

7.5 Owners' Insurance. In addition to coverage obtained by the Association, Owners of individual Lots shall obtain and maintain policies of fire and casualty insurance and a policy or

policies covering against liability incident to the ownership of their separate Lots and improvements thereon. These policies shall contain all the provisions set forth above where possible and applicable.

VIII. USE RESTRICTIONS

8.1 Use of Common Areas. The Common Areas shall be used only in a manner consistent with the planned unit residential concept and with the use restrictions applicable to Lots and Residential Units.

8.2 Use of Lots and Residential Units. All Lots are intended to be improved with Residential Units and are restricted to such use. No Lot or Residential Unit shall be used, occupied, or altered in violation of law, so as to jeopardize the support of any other Residential Unit, so as to create a nuisance or interfere with the rights of any Owner, or in a way which would result in an increase in the cost of any insurance covering the Common Areas.

8.3 Non-harmonious Use. No use or operation will be made, conducted or permitted on any Lot, or any portion of a Lot, which is obnoxious to or out of harmony with the residential use of all property in the Redfeather Estates, P.U.D. Prohibited activities include, but are not limited to, the following: any public or private nuisance; any noise or sound that is objectionable due to its intermittent character, beat; frequency, shrillness or loudness; any obnoxious odor, any noxious, toxic, caustic or corrosive fuel or gas; any dust dirt or fly ash in excessive quantities; any unusual fire explosion or other damaging or dangerous hazards; any assembly, manufacture or distillation operation; and the raising of animals except as generally permitted in residential developments in the city in which the Property is located and in Salt Lake County, Utah.

8.4 Recreational Vehicles. A snowmobile, recreational vehicle, recreational equipment, watercraft, including, but not limited to a boat, wave-runner and jet ski, trailer, or camper, or any truck larger than one (1) ton, or any other similar equipment may only be parked on a driveway or in a garage and not on the street or in the designated parking areas. Such vehicles and items shall only be permitted to remain upon any driveway for a twenty four (24) hour period, unless written approval is granted by the Association. The Association may levy a fine for violation of this paragraph 8.4 of up to Fifty Dollars (\$50.00) for each day the violation continues or may have the offending vehicle or item towed and stored at the expense of the owner. Any such vehicle or item may be parked without restriction in a closed garage.

8.5 Parking. Parking is allowed only in designated parking areas or in driveways. The Association may levy a fine for any violation of this paragraph 8.5 of up to Fifty Dollars (\$50.00) for each day the violation continues.

8.6 Garages Required. Each home within the Property shall have, at a minimum, a two-car garage.

8.7 Use of Garage. Any garage constructed on a Lot is intended for the parking of motor vehicles. Although incidental storage in a garage otherwise used for the parking of motor vehicles is permitted, no garage may be used for storage to such an extent or in such manner that the storage prohibits or otherwise interferes with its primary use in the parking of motor vehicles. The Association may from time to time prescribe detailed rules regarding the use of garage space for

storage. The Association may levy a fine for any violation of this paragraph 8.7 or the rules issued by the Association of up to Fifty Dollars (\$50.00) for each day the violation continues.

8.8 Height Limitation. No dwelling shall exceed the height limitations specified by the municipality in which the Property is located for the zoning in effect at the time of recordation of the Plat.

8.9 Landscaping. Fully landscaped yards shall be installed prior to occupancy of each Residential Unit. All major variations from the Developers landscape plan including removal of sod or planting of trees shall require approval of the Architectural Committee.

8.10 Fencing. Fencing of individual Lots shall be restricted to the fencing installed by the Developer or as approved by the Architectural Committee.

8.11 Temporary Structures and Equipment. No structure of a temporary character, trailer, basement, tent shack, garage, barn, or other out building shall be used on any Lot at any time as a Residential Unit either temporarily or permanently, unless approved in writing by the Association. No trailer, camper, boat, truck larger than one (1) ton, or similar equipment shall be permitted to remain upon any Lot, unless written approval is given by the Association; provided, however, that this sentence shall not apply to any Lot during the construction of a Residential Unit thereon, except as to any camper or boat.

8.12 Electronic Antennas. No television, radio or other electronic antenna shall be erected, constructed, placed or permitted to remain on any of the Lots unless and until the same shall have been approved in writing by the Architectural Committee; provided, however, that the approval shall not be withheld unreasonably.

8.13 Exception for Developer. Notwithstanding the restrictions contained in this Article VIII, for the five (5) year period following the date on which this Declaration is filed for record in the office of the County Recorder of Salt Lake County, Utah, Developer shall have the right to use any Residential Unit owned by it, and any part of the Common Areas reasonably necessary or appropriate, in furtherance of any construction, marketing, sales, management promotional, or other activities designed to accomplish or facilitate improvements of the Common Areas or improvement and/or sale of all Lots owned by Developer.

IX. ARCHITECTURAL CONTROL

9.1 Architectural Committee. The Architectural Committee shall consist of three (3) members. The initial members shall be representatives of the Developer. Each of said members shall hold office until the election of the first Board by the Membership of the Association, thereafter, new members of the Committee shall be appointed by the Board and shall hold office until such time as they have resigned or have been removed or their successor has been appointed as provided herein. Members of the Committee may be removed at any time by the Board, with or without cause. The function of the Committee shall be to insure that all improvements and landscaping within the Property harmonize with the existing surroundings and structures. The Committee may act with two (2) members constituting a quorum thereof and shall meet from time to time or may act without a meeting with the consent of a quorum. Members of the Committee may

be compensated reasonably for their services and no approval of any plan or improvement in one instance may be construed as a waiver or approval of similar plans or improvements.

9.2 Submission to Committee. No Residential Unit, accessory or addition to a Residential Unit, including, but not limited to a fence, wall, deck, patio cover, dog run, front storm door, satellite dish, driveway, front yard landscaping or other improvement or fixture, may be commenced, painted, erected or maintained upon the Property, nor shall any exterior addition, change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and color and location in relation to surrounding structures and topography by the Architectural Committee. The Architectural Committee shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction, alterations or additions contemplated thereby in the locations indicated will not be detrimental to the appearance of the surrounding area of the Property as a whole, that the appearance of any structure affected thereby will be in harmony with the surrounding structures, and that the upkeep and maintenance thereof will not become a burden on the Association. The Architectural Committee may condition its approval of proposals or plans and specifications on such changes therein as it deems appropriate, or upon the agreement by the Owner submitting the same to grant appropriate easements to the Association for the purpose of maintenance, and may require submission of additional plans and specifications or other information and agreements prior to approving or disapproving material submitted. The Architectural Committee may also issue rules or guidelines setting forth procedures for the submissions of plans for approval, requiring a fee payable to the Association to accompany each application for approval, or additional factors which it will take into consideration in reviewing submissions. The Architectural committee may require such detail in plans and specifications submitted for its review as it deems proper. Until receipt by the Architectural committee of any required plans and specifications, the Committee may postpone review of any plans submitted for approval. The judgment and decision of the Architectural Committee shall be final in all cases.

9.3 Two Plans. Only two (2) building plans will be authorized for construction of Residential Units. However, the Developer may authorize additional plans from time to time in its discretion.

9.4 Approval Procedure. Subject to Article 9.2 of the Declaration, any plans and specifications submitted to the Committee shall be approved or disapproved by it in writing within thirty (30) days after submission. In the event the Committee fails to take any action within such period, it shall be deemed to have disapproved the material submitted.

9.5 Building Materials. All building materials shall be of standard quality (new materials). Masonry shall consist of real brick, stone, or stucco, as applicable.

9.6 No Liability for Damages. Neither the Committee, the members of the Committee nor the Association shall be held liable for damages by reason of any action, inaction, approval, or disapproval by it with respect to any request made pursuant to this Article IX.

9.7 Inspection of Improvement. Inspection of an Improvement and the correction of defects therein shall proceed as follows:

(a) In the event an Improvement is placed upon a Lot without Committee approval, it may be removed by the Owner within ten (10) days following notice from the Committee or the Board. If the Improvement is not removed within such time, it may be removed by the direction of the Committee or Board and all costs associated therewith shall be assessed to the Owner.

(b) Within sixty (60) days following completion of an authorized Improvement, the Committee may conduct an inspection. If the Committee finds that the Improvement was not done within substantial compliance of the approved plans, it shall notify the Owner in writing of such noncompliance, specifying the particulars of noncompliance, and shall require the Owner to remedy the same and provide notice to the Board of such requirement. If following thirty (30) days after notification of noncompliance, the Owner fails to remedy the noncompliance, the Committee shall notify the Board of such failure and the Board shall cause a Notice of Hearing to be delivered to the Owner and provide the details of the noncompliance and provide at least ten (10) days notice prior to the hearing on the issue. If following a hearing the Board determines that the Improvement was not in substantial compliance with the approved plans, the Owner shall have thirty (30) days from the date of the determination to remedy the nonconformity after which time the Association may remedy the nonconformity or remove the Improvement and may charge all related costs to the Owner as a special assessment.

9.7 Exception for Developer. The foregoing provisions of this Article IX shall not apply to any improvement, construction, landscaping, or alteration which is carried out by Developer on any Lot or on any part of the Common Areas and which occurs at any time during the twenty (20) year period following the date on which this Declaration is filed for record in the office of the County Recorder of Salt Lake County, Utah.

X. ANNEXATION OF ADDITIONAL PROPERTY

Additional real property may be annexed to the Property and such additional real property may become subject to this Declaration by any of the methods set forth hereinafter:

10.1 Additions by Developer. If the Developer, its successors or assigns, shall develop, or cause to be developed, additional real property (the "Annexed Property") which is contiguous to the Property or accessible by public streets and not more than one thousand (1,000) feet from the Property, the Developer, or its successors or assigns, shall have the right from time to time to add the Annexed Property or any portion or portions thereof to the Property and to bring the Annexed Property within the general plan and scheme of the Declaration without the approval of the Association, its Board, or Members; provided that such right of the Developer, its successors and assigns, shall terminate ten (10) years from the date of recording this Declaration.

10.2 Other Additions. In addition to the provisions for annexation specified above, additional real property may be annexed at any time to the Property by the Developer or its assigns and brought within the general plan and scheme of this Declaration upon the approval by vote or written consent of Members entitled to exercise no less than two-thirds (2/3) of the voting power of the Class A Members, excluding the votes of the Developer.

10.3 Title to Common Area. Prior to the conveyance of any Lot within the Annexed Property to any individual purchaser thereof, whether such annexation was accomplished by either

method set forth above, title to the Common Area, if any, within such Annexed Property shall be conveyed to the Association, free and clear of any and all encumbrances and liens, subject to reservations, easements, covenants, conditions and restrictions then of record, including those set forth in this Declaration.

10.4 Notice of Addition of Annexed Property. The additions authorized above shall be made by filing of record a Notice of Addition of Property, or other similar instrument (which Notice or instrument may contain the Supplemental Declaration, if any affecting each Subdivision), with respect to the Annexed Property which shall be executed by the Developer or the owner thereof and shall extend the general plan and schemes of this Declaration to the Annexed Property. The filing of record of said Notice of Addition shall constitute and effectuate the annexation of the Annexed Property described therein, and thereupon the Annexed Property shall become and constitute a part of the Property, become subject to this Declaration and encompassed within the general plan and scheme of covenants, conditions, restrictions, reservations of easements and equitable servitudes contained herein, and become subject to the functions, powers and jurisdiction of the Association; and the Owners of Lots in the Annexed Property shall automatically become Members of the Association. Such Notice of Addition may contain such additions and modifications of the covenants, conditions and restrictions, reservations of easements and equitable servitudes contained in this Declaration as may be necessary to reflect the different character, if any, of the Annexed Property, or as the Developer may deem appropriate in the development of the Annexed Property, and as are not inconsistent with the general plan and scheme of this Declaration. In no event, however, shall such Notice of Addition revoke, modify or add to the covenants, conditions, restrictions, reservations of easements, or equitable servitudes established by this Declaration as the same shall pertain to the Property. No addition of property shall substantially increase assessments or substantially increase the burden upon the Common Areas.

XI. MISCELLANEOUS

11.1 Notices. Any notice required or permitted to be given to any Owner or Member under the provisions of this Declaration shall be deemed to have been properly furnished if mailed postage prepaid to the person who appears as a Member or Owner, at the latest address for such person appearing in the records of the Association at the time of mailing.

11.2 Rules and Regulations. The Association shall have authority to promulgate and enforce such reasonable rules, regulations, and procedures as may be necessary or desirable to aid the Association in carrying out any of its functions or to insure that the Property is maintained and used in a manner consistent with the interests of the Owners.

11.3 Amendment. Any amendment to this Declaration shall require: (i) the affirmative vote of at least two-thirds (2/3) of the Class A membership votes of Class A Members who are voting in person or by proxy at a meeting duly called for such purpose, and, so long as the Class B membership exists, (ii) the written consent of Developer. Written notice setting forth the purpose of the meeting and the substance of the amendment proposed shall be sent to all members at least ten (10), but not more than thirty (30), days prior to the meeting date. Any amendment authorized pursuant to this Declaration shall be accomplished through the recordation of an instrument executed by the Association (and by the Developer if the Class B membership then exists).

11.4 Consent in Lieu of Vote. In any case in which this Declaration requires for authorization or approval of a transaction, the assent or affirmative vote of a stated percentage of the votes present or represented at a meeting, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such action or transaction from Members entitled to vote at least the stated percentage of all membership votes outstanding in connection with the class of membership concerned.

11.5 Mortgage Protection. From and after the time that a Mortgagee makes written request to the Association therefor, the Association shall give written notice to such Mortgagee in the event an Owner neglects for a period of sixty (60) or more days to cure any failure on his part to perform any of his obligations under this Declaration. The lien for unpaid assessments provided for under Article V shall be subordinate to a Mortgage affecting a Lot, but only to the extent of assessments which become due prior to foreclosure of the Mortgage, exercise of a power of sale available thereunder, or deed or assignment in lieu of foreclosure. Unless all holders of Mortgages on the individual Lots have given their prior written approval, neither the Association nor any other party shall be entitled to:

- (a) Alter the provisions of Article 5.7 (pertaining to uniform rate of assessment);
- (b) Partition or subdivide any Lot or the Common Area or dedicate or transfer all or any part of the Common Areas; or
- (c) By act or omission seek to abandon or materially alter the arrangement that is established by this Declaration.

11.6 Developer's Rights Assignable. The rights of Developer under this Declaration or in any way relating to the Property may be assigned. Upon assignment, references to the "Developer" contained herein shall refer to such assignee.

11.7 Enforcement. This Declaration, the Articles of Incorporation and the By-laws may be enforced by the Association as follows:

- (a) Breach of any of the covenants contained in this Declaration, the Articles of Incorporation or the By-laws and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal or equitable proceedings by an Owner, the Association or the successors-in-interest of the Association. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorney's fees in an amount as the court may deem reasonable in favor of the prevailing party, as well as the amount of any delinquent payment, interest thereon, costs of collection and court costs.
- (b) The result of every act or omission whereby any of the covenants contained in this Declaration, the Articles of Incorporation or the By-laws are violated in whole or in part is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance either public or private shall be applicable against every such result and may be exercised by any Owner, by the Association or its successors-in-interest.

(c) The remedies herein provided for breach of the covenants contained in this Declaration, the Articles of Incorporation or in the By-laws shall not constitute a waiver of the right to enforce the same thereafter.

(d) A breach of the covenants, conditions or restrictions contained in this Declaration, the Articles of Incorporation or in the By-laws shall not affect or impair the lien or charge of any bonafide first Mortgage made in good faith and for value on any Lot of Residential Unit, provided, however, that any subsequent Owner of such Lot or Residential Unit shall be bound by said covenants, whether such Owner's title was acquired by foreclosure in a trustee's sale, or otherwise.

11.8 Interpretation. 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 invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof. This Declaration shall be liberally construed to effect all of its purposes,

11.9 Covenants to Run with Land. This Declaration and all the provisions hereof shall constitute covenants running with the land or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of Developer, all parties who hereafter acquire any interest in the Common Areas, and their respective grantees, transferees, heirs, devisees, personal representatives, successors, and assigns. Each Owner or occupant of a Lot or Residential Unit shall comply with, and all interests in all Lots or in the Common Areas shall be subject to, the terms of this Declaration and the provisions of any rules, regulations, agreements, instruments, and determinations contemplated by this Declaration. By acquiring any interest in a Lot or in the Common Areas, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.

11.10 Effective Date. This Declaration and any amendment hereof shall take effect upon its being filed for record in the office of the County Recorder of Salt Lake County, Utah.

11.11 Minimum Age of Owner. An Owner of a Residential Unit must be at least fifty five years of age.

EXECUTED the day and year first above written.

"DEVELOPER"

SUNRISE CAPITAL, L.L.C., a Utah limited liability company.

By: *CW Management Corporation*

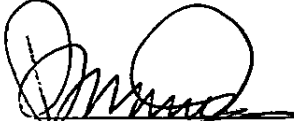
Its: *Manager*

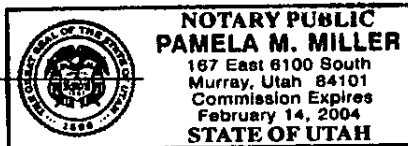
By: *Christopher J. Casellas*
President

STATE OF UTAH)

COUNTY OF SALT LAKE)

ON THE 9th DAY OF AUGUST, 2001, PERSONALLY APPEARED BEFORE ME, CHRISTOPHER K. MCCANDLESS, KNOWN TO ME TO BE THE PRESIDENT OF CW MANAGEMENT CORPORATION, WHO BEING BY ME DULY SWORN DID SAY, THAT HE, THE SAID CHRISTOPHER K. MCCANDLESS, AS PRESIDENT OF CW MANAGEMENT CORPORATION, IS THE SAID MANAGING MEMBER OF SUNRISE CAPITAL, L.L.C., A UTAH LIMITED LIABILITY COMPANY AND THAT THE WITHIN AND FOREGOING INSTRUMENT WAS SIGNED ON BEHALF OF SAID LIMITED LIABILITY COMPANY BY AUTHORITY OF ITS OPERATING AGREEMENT, AND ACKNOWLEDGED TO ME THAT SAID LIMITED LIABILITY COMPANY EXECUTED THE SAME.


NOTARY PUBLIC



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