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SHERYL L. WHITE, DAVIS CNTY RECORDER  
2001 MAY 2 8:38 AM FEE \$1.00 DEP DJW  
REC'D FOR EARNSHAW ENTERPRISES INC

DECLARATION

OF COVENANTS, CONDITIONS, RESTRICTIONS, AND BYLAWS

OF

LEGACY VILLAGE PLANNED RESIDENTIAL UNIT DEVELOPMENT

Units 101 thru 0112 + Common Area  
Legacy Village Phase 1 P.R.U.D  
10-229-0101 thru 0113

This Declaration, made on the date hereinafter set forth by Earnshaw Enterprises, Inc. hereinafter referred to as "Declarant", pursuant to the provisions of the Utah Condominium Ownership Act.

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Layton City, County of Davis, State of Utah, which is more particularly described as:

PART OF THE NORTHWEST QUARTER OF SECTION 20, TOWNSHIP 4 NORTH, RANGE 1 WEST, SALT LAKE BASE & MERIDIAN, U.S. SURVEY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF 1000 NORTH STREET, SAID POINT BEING NORTH 89°54'50" EAST ALONG THE SECTION LINE 197.80 FEET, AND SOUTH 00°05'10" EAST ~~93.89~~ FEET FROM THE ~~92.00~~ NORTHWEST CORNER OF SAID SECTION 20, TOWNSHIP 4 NORTH, RANGE 1 WEST, SALT LAKE BASE & MERIDIAN; THENCE SOUTH 00°11'20" WEST 125.26 FEET; THENCE SOUTH 87°39'18" EAST 176.13 FEET; THENCE SOUTH 78°09'53" EAST 157.24 FEET; THENCE NORTH 00°11'20" EAST 165.22 FEET TO SAID SOUTH LINE OF 1000 NORTH STREET; THENCE SOUTH 89°54'50" WEST ALONG SAID SOUTH LINE 330.01 FEET TO THE POINT OF BEGINNING.

WHEREAS, the aforesaid property consists of the land, together with two (2) buildings, comprised of six (6) townhouse Units each with garage, main floor and upper floor, and Common Areas and improvements to be constructed.

NOW THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I  
Definitions

Section 1 "Act" shall mean and refer to the Utah Condominium Ownership Act (Title 57, Chapter 8, Utah Code Annotated, 1963) as the same may be amended from time to time.

Section 2 "Association" shall mean and refer to LEGACY VILLAGE ASSOCIATION, its successors and assigns.

Section 3 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Unit which is a part of the Properties; including contract sellers, but excluding those having such interest merely as security for the performance of any obligation.

Section 4 "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association, which is named Legacy Village P.R.U.D., and as set forth on the Record of Survey Map filed simultaneously herewith, prepared and certified by Randall J. Williford, license # 159437. The Properties are subject to expansion as set forth herein. Declarant shall convey title to the Properties to the Association upon Seventy-five (75%) of the Units being sold.

Section 5 "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance is of the first Unit is described as follows:

- A. All private roads and drives as platted on the Record of Survey Map;
- B. All walks required for required public use (not those leading to any home within any particular unit);
- C. All drainage easements, dams, flood easements and rights-of-way or easements as may be necessary for water, sewer or other utility shall be common areas;
- D. All other parts of the project normally in common use or necessary or convenient to its use, existence, maintenance, safety, or management;
- E. All common areas and facilities as defined in the Act, whether or not expressly listed herein, including those areas through expansion of the properties.

Section 6 "Unit" shall mean and refer to each individual townhouse, consisting of wood frame construction with siding and brick veneer, as more particularly described, outlined, and numerically designated on the Record of Survey Map of the Properties, with the exception of the Common Area. The Units shall have the percentage ownership based upon square footage as set forth on Appendix A.

Section 7 "Declarant" shall mean and refer to Earnshaw Enterprises, Inc. its successors and assigns if such successors or assigns should acquire more than one undeveloped Unit from the Declarant for the purpose of development.

Section 8 "Agent for Service of Process" shall be David Earnshaw at 1774 North Earnshaw, Salt Lake City, Utah 84116. The agent may be changed by the Board of Directors.

**ARTICLE II**    § 1658136 B 2799 P 165  
Property Rights

Section 1    Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Unit subject to the following provisions:

A.        the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

B.        the right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which any assessment against his Unit remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

C.        the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility, for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by 2/3rds of each class of members has been recorded.

Section 2    Delegation of Use. Any owner may delegate, in accordance with the Bylaws herein, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

**ARTICLE III**  
Membership and Voting Rights

Section 1    Every owner of a Unit which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment.

Section 2    The Association shall have two classes of voting membership:

**Class A.**        Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Unit owned. When more than one person holds an interest in any Unit, all such persons shall be members. The vote for such Unit shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Unit.

**Class B.**        The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Unit owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a)        when Seventy-five (75%) percent of the Units are deeded to Unit owners; or

(b) on September 1, 2002.

ARTICLE IV

Covenant for Maintenance Assessments

Section 1 Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Unit owned within the Properties, hereby covenants, and each Owner of any Unit by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2 Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area.

Section 3 Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Unit to an Owner, the maximum annual assessment shall be \_\_\_\_\_ Dollars (\$\_\_\_\_) per Unit.

A. After January 1 of the year immediately following the conveyance of the first Unit to an Owner, the maximum annual assessment may be increased each year not more than ten percent (10%) above the maximum assessment for the previous year without a vote of the membership;

B. From and after January 1 of the year immediately following the conveyance of the first Unit to an Owner, the maximum annual assessment may be increased above ten percent (10%) by a vote of 2/3rds of each class of members who are voting in person, or by proxy, at a meeting duly called for this purpose.

C. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4 Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting, in person or by proxy at a meeting duly called for this purpose.

Section 5      Notice and Quorum for Any Action Authorized Under Sections 3 and

4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast fifty-one percent (51%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (½) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6.      Uniform Rate of Assessment. Both annual and special assessments

must be fixed at a uniform rate for all Units and may be collected on a monthly basis; provided, however, that until a Unit has been both fully improved with all utilities installed and occupied for the first time as a residence, the monthly assessment applicable to such Unit shall be fifty percent (50%) of the monthly assessment fixed for other Units.

Section 7      Date of Commencement of Annual Assessments: Due Dates. The

annual assessments provided for herein shall commence as to all Units on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified Unit have been paid. A properly executed certificate of the Association as to the status of assessments on a Unit is binding upon the Association as of the date of its issuance.

Section 8      Effect of Non-payment of Assessments: Remedies of the Association.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eight percent (8%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability herein by non-use of the Common Area or abandonment of his Unit.

Section 9      Subordination of the Lien to Mortgages. The lien of the assessments

provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Unit shall not affect the assessment lien. However, the sale or transfer of any Unit pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Unit from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V  
Architectural Control

No building, fence, wall, or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or 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 location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board, as well as Layton City. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VI  
Use Restrictions

Section 1 All Units in the tract and in such property as may be annexed thereto shall be known and described as single family residential units and shall be used for no purpose other than single family residential purposes.

Section 2 There shall be no obstructions of the Common Areas by the owners, their tenants, guests or invitees without the prior written consent of the Board of Directors and Layton City. The Board of Directors may by rules and regulations prohibit or limit the use of the Common Areas as may be reasonably necessary for protecting the interests of all the owners or protecting the Units or the Common Areas. Nothing shall be kept or stored on any part of the Common Areas without the prior written consent of the Board of Directors except as specifically provided herein. Nothing shall be altered on, constructed in, or removed from the Common Areas except upon the prior written consent of the Board of Directors and Layton City.

Section 3 Nothing shall be done or kept in any Unit or in part thereof which would result in the cancellation of the insurance on the project or any part thereof or increase of the rate of the insurance on the project or any part thereof over what the Board of Directors but for such activity, would pay, without the prior written consent of the Board of Directors. Nothing shall be done or kept in any Unit or in the Common Areas or any part thereof which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any government body. No damage to, or waste of, the Common Areas or any part thereof shall be committed by any owner or any invitee, and each owner shall indemnify and hold the Board of Directors and the other owners harmless against all loss resulting from any such damage or waste caused by him or his invitees; provided, however, that any invitee of the Declarant shall not under any circumstances be deemed to be an invitee of any other owner. No noxious, destructive or offensive activity shall be carried on in any Unit or in the Common Areas or any part thereof, nor shall anything be done therein which may be or may become an annoyance or nuisance to any other owner or to any person at any time lawfully residing in the Project.

Section 4 No sign or billboard of any kind shall be displayed to the public view on any portion of the properties or any Unit, except as designated by the Board of Directors or

Declarant, its successors or assigns, to advertise the property during the construction and sales period.

Section 5 No noxious or offensive trade or activity shall be carried on in any Unit or any part of the properties, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood, or which shall in any way interfere with the quiet enjoyment of each of the owners of his respective dwelling Unit or which shall in any way increase the rate of insurance.

Section 6 No structure of a temporary character, trailer, basement, tent shack, garage, barn, or other out building shall be used in connection with any Unit at any time as a residence, either temporarily or permanently. No trailer, camper, boat, or truck larger than 3/4 ton, or similar equipment, shall be permitted to remain upon any property within the project, unless placed on a designated off-street parking area.

Section 7 No animals, livestock, reptiles or poultry of any kind shall be raised, bred or kept in or around any Unit or the Common Area., except usual and ordinary dogs, cats, birds and other household pets may be kept in or around any Units subject to the rules and regulations adopted by the Association, provided, that they are not kept, bred or maintained for commercial purposes or in unreasonable quantities. As used in this Declaration, "unreasonable quantities" shall ordinarily mean more than two (2) pets per household; provided, however, that the Association (or the architectural committee or such other person or entity as the Association may from time to time designate) may determine that a reasonable number in any instance may be more or less. The Association shall have the right to prohibit maintenance of any animal which constitutes, in the opinion of the Board of Directors a nuisance to any other owner. Animals belonging to owners, occupants or their licensees, tenants or invitees within the properties must be either kept, within an enclosure, an enclosed patio or on a leash being held by a person capable of controlling the animal. The enclosure must be so maintained that the animal cannot escape therefrom and shall be subject to the approval of the Architectural Committee. Should any animal belonging to an owner be found unattended out of the enclosure and not being held on a leash by a person capable of controlling the animal, such animal may be removed by Declarant (for so long as it owns any interest in the properties) or a person designated by Declarant to do so, or the Board of Directors, to a pound under the jurisdiction of the local municipality in which the properties are situated and subject to the laws and rules governing said pound, or to a comparable animal shelter. Furthermore, any owner shall be absolutely liable to each and all remaining owners, their families, guests, tenants, invitees, for any unreasonable noise or damage to person or property caused by animals brought or kept upon the properties by an owner or by members of his family, his tenants, or his guests and it shall be the absolute duty and responsibility of each such owner to clean up after such animals which have used any portion of the Common Area.

Section 8 No rubbish, trash or garbage or other waste material shall be kept or permitted upon or around any Unit or Common Areas not screened and concealed from view, and no odor shall be permitted to arise therefrom so as to render the properties or any portion thereof unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. There shall be no exterior fires whatsoever, except barbecue fires contained within receptacles therefor and fire pits in the patios designed in such a manner that they do not create a fire hazard. No clothing or household fabrics shall be hung, dried, or aired in such a way in the

properties as to be visible to other property, and no lumber, grass, shrub or tree clippings or plant waste, metals, bulk materials or scrap or refuse or trash shall be kept, stored or allowed to accumulate on any portion of the properties except within an enclosed structure or appropriately screened from view.

Section 9 No fence, hedge, wall or other dividing instrumentality shall be constructed, planted or maintained, except those that are approved by the Architectural control committee. The Committee may allow such as are compatible with its architectural plans, and total development of the project.

Section 10 No television, radio, or other electronic antenna or device of any type shall be erected, constructed, placed or permitted to remain on any of the Units or structures in said Properties unless and until the same have been approved in writing by the Architectural Committee of the Association.

## ARTICLE VII

### By - Laws

#### Section 1 Meeting of Members:

A. **Annual Meeting.** The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of \_\_\_\_\_ o'clock, p.m. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

B. **Special Meeting.** Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

C. **Notice of Meetings.** Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

D. **Quorum.** The presence at the meeting of members entitled to vote, or of proxies entitled to vote, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting the members entitled to vote thereat shall have power to adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.



E. **Proxies.** At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

Section 2      Board of Directors: Section: Term of Office:

A. **Number.** The affairs of this Association shall be managed by a Board of five (5) directors, who need not be members of the Association.

B. **Term of Office.** At the first annual meeting, the members shall elect two (2) directors for a term of one year, two (2) directors for a term of two years, and one (1) director for a term of three years; and at each annual meeting thereafter the members shall elect the applicable number of directors for a term of three years.

C. **Removal.** Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

D. **Compensation.** No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

E. **Action Taken Without a Meeting.** The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

Section 3      Nomination and Election of Directors:

A. **Nomination.** Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members of non-members.

B. **Election.** Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 4      Meetings of Directors:

A. **Regular Meetings.** Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

B. **Special Meetings.** Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

C. **Quorum.** A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 5      Power and Duties of the Board of Directors:

A. **Powers.** The Board of Directors shall have power to

[a]      adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

[b]      suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;

[c]      exercise for the Association all power, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

[d]      declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

[e]      employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

B. **Duties.** It shall be the duty of the Board of Directors to

[a]      cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth ( $\frac{1}{4}$ ) of the Class A members who are entitled to vote;

[b]      supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

[c] as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

[d] issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

[e] procure and maintain adequate liability and hazard insurance on property owned by the Association;

[f] cause all officer or employees having fiscal responsibilities to be bonded, as may deem appropriate;

[g] cause the Common Area to be maintained.

Section 6      Officers and Their Duties:

A.      **Enumeration of Offices.** The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

B.      **Election of Officers.** The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

C.      **Term.** The officers of this Association shall be elected annual by the Board and each shall held office for one (1) year, unless he shall sooner resign, or shall be removed, or otherwise disqualified.

D.      **Special Appointment.** The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

E.      **Resignation and Removal.** Any officer may be removed from office, with or without cause, by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such

notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

F. **Vacancies.** A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

G. **Multiple Offices.** The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 6(B) of this Article.

H. **Duties.** The duties of the officers are as follows:

President

[a] The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments shall co-sign all checks and promissory notes.

Vice-President

[b] The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

[c] The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members, keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

[d] The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the members.

Section 7 Committees:

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In

addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

Section 8      Books and Records:

The books, records and papers of the Association shall, at all times during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at a reasonable cost.

**ARTICLE VIII**

Option to Expand Properties

Section 1      Option.    Declarant reserves the option to expand the Properties without the consent of any Unit owners and upon the FHA/VA determining that the expanded property is in accordance with the general plan heretofore approved. The option to expand the Properties shall be in effect for a period not to exceed seven (7) years from the date of the recording of the Declaration or upon written notice by Declarant to the Association.

Section 2      Expansion.    The option to expand the Properties shall be within the legal description set forth below and comprise a total of up to an additional 42 Units and recreational facilities, improvements and Common Areas. The Properties to be contained in the expansion shall be accomplished in up to three (3) phases of twelve (12) to eighteen (18) Units each. The Declarant shall have total control as to which portions of the additional land may be added to the Properties. The legal description is as follows:

BEING A PART OF THE NORTHWEST QUARTER OF SECTION 20, TOWNSHIP 4 NORTH, RANGE 1 WEST, SALT LAKE BASE & MERIDIAN, U.S. SURVEY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH LINE OF 1000 NORTH STREET, SAID POINT NORTH 89°54'50" EAST ALONG THE NORTH LINE OF SAID SECTION 20, 197.84 FEET AND SOUTH 00°05'10" EAST 33.00 FEET FROM THE NORTHWEST CORNER OF SAID SECTION; THENCE SOUTH 00°11'20" WEST 643.50 FEET TO A POINT ON THE NORTH LINE OF LAYTON CROSSING COMMERCIAL SUBDIVISION AMENDED II; THENCE NORTH 89°54'50" EAST ALONG SAID LINE 330.01 FEET TO A POINT ON THE WEST LINE OF SAID SUBDIVISION; THENCE NORTH 00°11'20" EAST ALONG SAID WEST LINE AND ITS EXTENSION 643.50 FEET TO SAID SOUTH LINE OF 1000 NORTH STREET; THENCE SOUTH 89°54'50" WEST ALONG SAID LINE 330.01 FEET TO THE POINT OF BEGINNING.

Section 3      Representations / Assurances.    Declarant makes no representations or assurances as to the location of any additional improvements to the Properties. Each of the Units constructed on the additional Properties shall be consistent with the existing Units in size and quality of construction with the intent to maintain uniformity throughout the Properties. However, Declarant makes no assurances in these regards. Declarant makes no assurances as to what Common Area improvements will be made on any portion of the additional land.

Section 4 Recreational Facilities / Common Areas. Declarant reserves the right to construct recreational facilities and Common Areas in the additional land which will be subject to the Association's rules and regulations and provisions for assessments as contained herein.

**ARTICLE IX**  
General Provisions

Section 1 Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3 Amendment. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) years period by an instrument signed by not less than two-thirds (2/3rds) of the Unit Owners. Any amendment must be recorded.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 30 day of ~~March~~ 2001.

*APRIL*

EARNSHAW ENTERPRISES, INC.

By: *David H. Langford*

Its: *President*

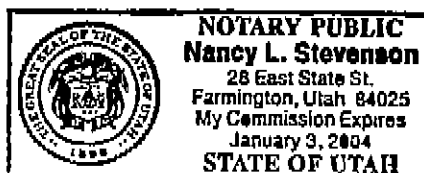
*EARNSHAW ENTERPRISES INC.*

STATE OF UTAH )  
 )  
 ) :SS.  
COUNTY OF Davis )

On the 30<sup>th</sup> day of ~~March~~ April 2001, personally appeared before me David Earnshaw, whose identity is personal know to me (or proved to me on the basis of satisfactory evidenc) and who by me duly sworn, did say that he is the president of Earnshaw Enterprises, Inc., and that said document was signed by him in behalf of said corporation by authority of its bylaws and said David Earnshaw acknowledged to me that said corporation executed the same.

Nancy L. Stevenson  
Notary Public

Residing at: Farmington, Utah  
My Commission Expires 1-9-2004



**LEGACY VILLAGE P.R.U.D.**

**Appendix A**

Units No. 101 through 112

Square Footage of each Unit: 1,543 sq. ft.

Percentage of each Unit's Ownership in Common Area: 8.33%