LAND GUIDELINES

THE COVENANTS

Covenants, Conditions, Restrictions, and Easements:

Definitions, Assessments, and Use Restrictions

DECLARATION OF THE PROTECTIVE COVENANTS CONDITIONS, RESTRICTIONS, AND EASEMENTS FOR RIVER RANCH ESTATES HOMEOWNERS ASSOCIATION, LLC.

THIS DECLARATION is made this of day of August, by RIVER RANCH ESTATES LLC, a Utah limited liability company ("Declarant").

RECITALS:

Declarant makes this Declaration based upon the following facts and intentions:

- A. Declarant is the owner of the real property located in Weber County, Utah, described in Exhibit "A" attached.
- B. Declarant plans to subdivide and develop the Property for residential homesites, and impose thereon-beneficial protective covenants under a general plan of improvement for the benefit of such real property, every part thereof and interest therein.

NOW, THEREFORE, Declarant hereby declares that the Property shall be held, sold, conveyed, encumbered, used, occupied, and improved subject to the following easements, restrictions, covenants, liens, and conditions, all of which are in furtherance of a uniform plan of development, improvement, and sale of said real property and are established for the purpose of enhancing the value, desirability, and attractiveness of the real property and every part thereof. The easements, restrictions, covenants, liens, and conditions hereof shall run with the Property subject to this Declaration and shall be binding on and enforceable by all parties having or acquiring any possessory right, title, or interest in the described

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properties or any part thereof, and shall be for the benefit of each owner of any portion thereof, and inure the benefit of and be binding upon each heir, successor, or assignee in interest of such owners.

MEMBERSHIP AND VOTING:

- 1. Function of Association. The Association shall be the entity responsible for management, maintenance, operation, and control of the Common Areas within the Property, the enforcement of the Declaration and such reasonable rules regulating use of the Property as the Board of Directors or Association may adopt. The Association shall be responsible for administrating and enforcing the architectural standards and controls set forth in this Declaration and in the Development Guidelines. The Association shall perform its functions in accordance with this Declaration, the Bylaws and Articles of the Association and
- 2. Membership. Every Owner shall be a Member of the Association. Membership in the association shall be appurtenant to, and may not be separated from, the ownership of any Lot or parcel of property subject to assessment. Declarant shall be a Member of the Association so long as it has any voting right under this
- 3. Voting Rights. The Association shall have two (2) classes of voting Memberships, which shall vote on all matters as a single class unless express expressly provided to the contrary in this Declaration. The classes shall be as follows:
 - a. Class "A". Class "A" shall be all those Members as hereinbefore defined, except the Declarant. Class "A" Members shall be entitles to one (1) vote for each Lot in which they hold the interest required for membership. When more than one (1) person or entity is the Owner of a Lot, the vote for such Lot shall be exercised as such persons among themselves determine, but in no event shall more than one (1) Class "A" vote be cast with respect to any Lot. If the common or joint Owners do not unanimously agree on how to cast their vote, the Association, at its option, may refuse to recognize such vote.
 - b. Class "B". The Declarant shall be the Class "B" Member; The Declarant shall be entitled to three (3) votes for each Lot in which it holds the interest required for membership.
 - c. Single Class. The distinction between classes of Membership shall terminate on the happening of the following event:

When the total outstanding votes in Class "A" Membership equals the total outstanding votes in class "B" Membership, or to seven (7) years whichever occurs first. Then such distinction of classes shall terminate, all Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for Membership. When more than one (1) person holds interest in any Lot, the vote for such Lot shall be exercised as such persons among themselves determine, but in no event shall more that one (1) vote be cast with respect to any Lot.

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d. Proxies. At any meeting of the Members, a Member entitled to vote may vote by proxy executed in writing by the Member. No proxy shall be valid after (11) months from the date of execution. A proxy may be canceled by notice executed by the Member with like formality. Proxies shall not be binding on purchasers of property from the grantor of the proxy.

ASSESSMENTS

- 1. Purpose of Assessments. The assessments levied by the Association shall be used Exclusively to promote the recreation, health, safety, and welfare of the residents on the Property including, but not limited to, repair, improvement, and maintenance of a common irrigation system, fences, gates, roads, pathways, and other improvements to the Common Area, and expenses of enforcing the terms of this Declaration against violators. All invoices shall be generally itemized, and funds be collected for particular assessments, dues, and/or service charges shall be disbursed only in payment for expenses for such systems. Assessments may not be levied for the initial development, original construction, installation of infrastructure, original capital improvements, or other original construction costs unless approved by the majority of outstanding Class "A" votes.
- Time of Assessment. The Association shall make no annual assessments until after July 31, 2003. The amount of the annual assessments shall be fixed by the Board of Directors of the Association after due consideration of current maintenance costs and future anticipated needs of the Association, including reserves.
- 3. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Board of Directors 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, re construction, repair, or replacement of capital improvements for the benefit of the Lots or the Property.
- 4. Specific Assessments. The Board of Directors shall have the power to levy specific assessments against a particular Lot or Lots constituting less than all Lots within the Property, as follows:
 - a. To cover the costs, including overhead and administrative costs, of providing benefits, items, or services to the Lot or occupants thereof upon request from the Owner pursuant to a menu of special services which the Board of Directors may from time to time authorize to be offered to Owners which might include, without limitation, landscape maintenance, handyman service, pest control, etc.), which assessments may be levied in advance of the provisions of the requested benefit, item, or service as a deposit against charges to be incurred by the Owner: and
 - b. To cover costs incurred in bringing the Lot into compliance with the terms of this Declaration, any applicable Supplemental Declaration, the Bylaws or rules, or costs incurred as a consequence of the conduct of the Owner or occupants of the Lot, their licensees, invitees, or guests; provided, the

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Board of Directors shall give the Lot Owner prior written notice and an opportunity for a hearing before levying in specific assessment under this subsection (b).

- 5. Notice and Quorum for Any Action Authorized under Assessment Section of this document. Written notice of taking any action authorized under this section shall be sent to all Members then entitled to voting rights not less than thirty (30) days nor more than sixty (60) days prior to the beginning of the fiscal year for which it is to be effective. Such assessment shall become effective unless disapproved at a meeting by voting Members representing at least seventy-five (75) percent of the total Class "A" votes in the Association and seventy-five (75) percent of the total number of voting Members, and by the Class "B" Member, if such exists. There shall be no obligation to call a meeting for the purpose of considering the assessment except on petition of the voting Members as provided for special meetings in the Bylaws, which petition must be presented to the Board of Directors within ten (10) days after delivery of notice of assessment.
- Uniform Rate of Assessment. Both annual and special assessments for Members
 must be fixed at a uniform rate for all Lots or parcels of property and may be
 collected on a monthly, quarterly, or annual basis at the discretion of the Board of
 Directors.
- 7. Date of Commencement of Annual Assessments: Due Dates. The Board of Directors shall fix the amount of annual assessment against each Lot at least thirty (30) days in advance of each annual assessment. Written notice of the annual assessment shall be sent to every Owner or Member subject thereof. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessment on a specific Lot has been paid.
- 8. Effect of Nonpayment 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 a rate of ten (10) percent per annum and said assessment together with interest thereon, shall become a continuing lien on the Lot which shall run with the land. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot. As a part of any such proceeding, the Association shall be entitled to reimbursement of all costs of collection, including court costs and attorney fees. No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of the Owner's Lot, or conveyance or transfer of title to the Lot. In addition to all other remedies for nonpayment of assessments, the Association may suspend, as to Lots and/or Owners in question, all services or use of Association-managed facilities, for which assessments are levied. Prompt restoration of such privileges shall resume upon full payment of the delinquent payments, interest, and collection costs.
 - 9. Subordination of the Lien to Mortgages. The lien of assessments provided for herein shall be subordinate to the lien of any bonafide agreement for deed from Declarant to the Lot Owner and any first mortgage made in good faith and for value. However, the sale or transfer of any Lot pursuant to mortgage foreclosure

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or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments, which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

 Exempt Property. The Common Area shall be exempt from payment of assessments.

RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

 Common Area. The Association, subject to the rights of the Owners set forth in this Declaration, shall manage and control the Common Area and all improvements therein (including, without limitation, equipment, and common landscaped areas), and shall keep it in good, clean, attractive, and sanitary condition, order, and repair consistent with this Declaration.

2. Personal Property and Real Property for Common Use. The Association may require, hold, and dispose of tangible and intangible personal property and real property. Declarant may convey to the Association improved or unimproved real estate located within their property, personal property and leasehold, and other property interest. Such property shall be accepted by the Association and thereafter be maintained as Common Area by the Association at its expense for the benefit of its members, subject to any restrictions set forth in the deed.

3. Rules. The Association, through its Board of Directors, may make and enforce reasonable rules and guidelines governing the use of Property, in addition to further defining or limiting, and where specifically authorized hereunder, creating exceptions to those covenants and restrictions set forth in this Declaration. Such rules shall be binding upon all Owners, occupants, invitees, and licensees until and unless repealed or modified in a regular or special meeting by vote of voting Members representing two-thirds (2/3) of the total Class "A" votes in the Association and by the Class "B" Member, so long as such membership exists.

4. Enforcement. The Association may impose sanctions for violations of this Declaration, the Bylaws, or rules and guidelines in accordance with procedures set forth in the Bylaws, including reasonable monetary fines and suspension of the right to vote. In addition, in accordance with the Bylaws the Association may exercise self-help to cure violations, and may suspend any services it provides to the Lot of any Owner who is more than thirty (30) days delinquent in paying any assessment or other charge due to the Association. The Board of Directors may seek relief in any court for violations or to abate nuisances. The Association, by contract or other agreement, may enforce county and city ordinances, if applicable, and permit Weber County to enforce applicable ordinances on the Property for the benefit of the Association and its Members.

Implied Rights; Board Authority. The Association may exercise any other right
or privilege given to it expressly by this Declaration or the Bylaws, or
reasonably implied from, or reasonably necessary to, effectuate any such right or

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- privilege. Except as otherwise specifically provided in this Declaration, the Bylaws, Articles, or law may exercise all rights and powers of the Association exercised by the Board of Directors without a vote of the Membership.
- 6. Indemnification. The Association shall indemnify every officer, director, and committee member against all expenses, including counsel fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, or committee member. The officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association.
- 7. Dedication of Common Areas. The Association may dedicate portions of the Common Area to Weber County, Utah or to any other local, state, or federal governmental entity or conservation land management group, subject to such approval as may be required in this Declaration.

MAINTENANCE

- Association's Responsibility. The Association shall maintain and keep in good repair the Common Area, which shall include, but not be limited to:
 - All landscaping, and other flora, signage, and improvements and common area streets.
 - Landscaping, sidewalks, street lights, and signage within public rightof-way within or abutting the Property;
 - c. Such portions of any additional property included within any Common Area as may be dictated by this Declaration, any Supplemental Declaration, or any contract or agreement for maintenance thereof entered into by the Association; and
- 2. Owner's Responsibility. Each Owner shall maintain his or her Lot and all structures, parking area, and other improvements on the Lot in a clean, safe, attractive and slightly condition and in good repair, unless such maintenance responsibility is otherwise assumed by, or assigned to, the Association pursuant to any Supplemental Declaration or other declaration of covenants applicable to such Lot. In addition to any other enforcement rights, if an Owner fails properly to perform his or her maintenance responsibility, the Association may perform such maintenance responsibilities and assess all costs incurred by the Association against the Lot and the Owner in accordance of this agreement. The Association shall afford the Owner reasonable notice and an opportunity to cure the problem prior to entry, except when entry is required due to an emergency situation.

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INSURANCE AND CASUALTY LOSSES

The Association acting through its Board of Directors or its duly authorized agent, shall obtain blanket all-risk property insurance, if reasonably available, for all insurable improvements on the Common Area and on other portions of the Common Area to the extent that it has assumed responsibility for maintenance, repair and/or replacement in the event of loss. The Association shall have the authority to and interest in insuring any privately or publicly owner property for which the Association has maintenance or repair responsibility. Such property shall include, by way of illustration and not limitation, any insurable improvements on or related to, right-of way, medians, easements, roads, lighting which the Association is obligated to maintain. If blanket all-risk coverage is not generally available at reasonable cost, then the Association shall obtain fire and extended coverage, including coverage for vandalism and malicious mischief. The face amount of the policy shall be sufficient to cover the full replacement cost of the insured property. The cost of such insurance shall be allocated among all Lots subject to assessment as part of the annual assessment. The Association also shall obtain a public liability policy on the Common Area, insuring the Association and its Members for the damage or injury caused by negligence of the Association or any of its members, agents, or contractors while acting on its behalf. If generally available at reasonable cost, the public liability policy shall have at least one million dollar (\$1,000,000) combined single limit as respects bodily injury and property damage and at least a three million dollar (\$3,000,000) limit per occurrence and in the aggregate.

USE GUIDELINES AND RESTRICTIONS

1. Plan of Development: Applicability: Effect. Declarant has created River Ranch Estates as a residential development and, in furtherance of its and every other Owner's interest, has established a general plan of development for River Ranch Estates. The Property is subject to land development, architectural, and design guidelines as set forth in this agreement. The Property is subject to guidelines and restrictions governing land use, individual conduct, and uses of or actions upon the Property as provided in this portion of the agreement... This Declaration and resolutions the Board of Directors or the voting Members may adopt and establish affirmative and negative covenants, easements, and restrictions (the Use Guidelines and Restrictions) for the Property. All provisions of this Declaration and of any Association rules shall apply to all occupants, tenants, guests, and invitees of any Lot. Any lease on any Lot shall provide the lessee and all occupants of the leased Lot shall be bound by the terms of this Declaration, the Bylaws, and rules of the Association. The Property shall only be used for residential and related purposes (which may include, without limitation, offices for development manager consistent with this Declaration and any Supplemental Declaration). Any Supplemental Declaration or additional covenants imposed on the Property may impose stricter standards than those contained in this agreement

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and the Association shall have standing and the power to enforce such standards.

2. Owner's Acknowledgement. All Owners are subject to the Use Guidelines and Restrictions and are given notice that (a) their ability to use the privately owned property is limited thereby, and (b) the Board of Directors and/or the voting Members may add, delete, modify, create exceptions to, or amend the Use Guidelines and Restrictions in accordance with this agreement. Each Owner by acceptance of a deed acknowledges and agrees that the use and enjoyment and marketability of his or her property can be affected by this provision and that the Use Guidelines and Restrictions and implementing rules may change by, the Board of Directors.

3. Initial Use Guidelines and Restrictions. The following activities are prohibited within the Property unless expressly authorized by, and then subject to such

conditions as may be imposed by, the Board of Directors.

a. Business and Industries. No Lot or building or improvement erected thereon shall at any time be used for the purpose of conducting any industry, trade, profession, manufacturing, or business of any description, except that nothing herein shall preclude an Owner from maintaining and operating and in-home occupation out of the residence for example, but not limited to, computer business, sales, or professional business as long as visitor or client parking is not required. This restriction shall not apply to the Declarant with respect to the sales of the Lots.

b. Vehicle Parking. Improvements on each Lot shall provide for off-street parking and no motor vehicles, trailers, etc. shall be placed or parked so as to impede or obstruct pedestrians, vehicular traffic, view sheds, or the environmental quality along any road easement within the property. Recreational or similar vehicles shall be stored in such a way that they cannot be seen from adjacent Lots or streets. No heavy equipment shall be kept on the Property, except during periods of construction activity thereon, unless the same are kept in an enclosed building. No vehicle may be parked along any road easement except in cases of emergencies.

c. Sign Control. No signs, real estate signage, billboards, posters, or other advertising devices of any kind or character may be erected or displayed upon any of the Lots or the Common Areas except for the Declarant's subdivision promotion signs, and property addresses and

mail box with name identification.

d. Fencing. Fences must be well-constructed, neat in appearance, well maintained and meet the requirements of the River Ranch Estates development expectations. Any wire mesh to or similar material to contain small animals must be attractively incorporated with the privacy fence. It is the intent of this provision to assure aesthetically pleasing fences in harmony with the surrounding environment and that do not obstruct views. Fencing is discouraged within close proximity of the natural river corridor in order to encourage the natural

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movement of wildlife that frequents the river and its adjoining shoulders. (50 feet from rivers edge is the minimum suggested however 150 feet in recommended).

Temporary Structures. No structure of a temporary character, including but not limited to trailers, mobile homes, modular homes, tents, shacks, barns, or outbuildings other than as described in the Development Guidelines, shall be constructed, placed or occupied on any Lot at any time as a residence. Residential structures shall not be occupied until the exterior is completed and the water supply and sewer systems are completed with the written approval of the local health authority or without County approval. Construction trailers will be considered on a case-by-case basis by the Design Review Committee and/or the Board of Directors.

f. Trash and Debris. No uncovered trash, debris, or organic and inorganic wastes shall be permitted to accumulate so as to offend the senses on any Lot of Common Area or in any easement adjacent thereto, but shall be promptly and efficiently disposed. No dump ground or burial pit shall be used on any part of the Property. No lumber, metal, bulk materials, refuse, or trash shall be kept, stored, or allowed to accumulate on any Lot, except building materials during construction, or materials or substances used in reasonable agricultural activities and kept in a reasonable and orderly manner. No machinery or equipment shall be placed or operated upon any Lot except such machinery as is used in the maintenance of a private residence or in agricultural or personal farming operations and provided that such machinery is enclosed by an enclosure which precludes visibility of such machinery or equipment from the streets or neighboring properties. At no time shall abandoned equipment or machinery, junk, vehicles, or other trash or debris of any description be allowed to accumulate including compost and/or manure piles.

g. Excavation. Mining, quarrying, oil drilling, or excavation developments of any kind shall not be allowed on any Lot except for such excavation as may be necessary in connection with the construction or placement of improvements thereon in accordance with

this Declaration.

h. Septic Systems. No cesspool, septic tank, or other sewage system or device shall be installed, maintained, or used upon a Lot without prior approval of Weber County Sanitation and Health or any other government bodies having jurisdiction.

i. Noxious Weeds. No noxious weeds shall be allowed to accumulate on

any purchased Lot.

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Noxious Activities. No noxious or offensive activity shall be carried on upon any Lot, no shall anything be done or placed on any Lot, which is or may become a nuisance or cause embarrassment, disturbance, or annoyance to others. Only normal family living shall be allowed, and communal living in any form or to any extent is expressly forbidden.

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k. Hazardous Activities. No activities shall be conducted on any Lots and no improvements constructed thereon which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the forgoing, no firearms shall be discharged upon any Lot, except in cases of self-defense of personal property, animals or family or in conjunction with normal ranching and farming operation.

Safety or Security Lighting. No light shall be emitted from any Lot, which is unreasonably bright. No dusk-to-dawn security/mercury

lights will be allowed.

m. Unreasonable Sounds and Odors. No sound shall be emitted from any Lot, which is unreasonably loud or annoying. No odor shall be emitted from any Lot, which is noxious or offensive to others.

n. Subdividing of Lots. No Lot, or other property area created under any Supplemental Declaration, may be divided or subdivided or a fractional portion thereof sold or conveyed so as to be held in divided ownership without the approval of the Board of Directors.

- o. Adjoining Lot Ownership. Two (2) or more adjoining Lots or other parcels of property of the same land classification which are under the same ownership may be combined and developed as one parcel. A new building envelope for the combined Lots may be designated with the written consent of the Design Review Committee, and required governmental agency, if the Design and Review Committee finds and determines that any improvements to the structure within these setback lines will not cause unreasonable diminution of the view from the other property. If setback lines are removed or easements changed along the common boundary lines of combined parcels, the combined parcels shall be deemed one parcel and may not thereafter be split and developed as two parcels without the approval of the Board of Directors. However, the combined Lots shall be considered to be separate Lots for the purpose of voting and assessments.
- p. Farm Animals. There may be no more than five (5) farm animals per lot. No swine or goats are allowed and no farm animals are allowed on any of the other Lots without permission of the Board of Directors. This restriction may be further limited on a lot-by-lot basis if it is determined by the Board of Directors that over-grazing has or will become a problem.
- Ditches. All current ditches utilized by the Felt, Petersen, Slater Water Company that pass thru any Lot cannot be diverted or changed in anyway, including, no fences crossing over the ditch or too close to the ditch, and no trees within root zone, or other structures restricting the flow or maintenance of the ditch, (unless it is piped in those locations) without the written permission of the Felt, Petersen, Slater Water Company and/or the Board of Directors. Piping or other improvements to the ditch is encouraged.

r. Wildlife. Local, State and Federal laws must be followed regarding all native wild animals that occupy the Lots from time to time.

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Homeowners Association encourages each lot owner to be good stewards of nature and prohibits the elimination of existing wildlife habitat, except as it becomes required for human safety such as the reduction of fire hazard, and or to be in compliance with the U.S. Forest Service or County Fire laws, such as requirements or recommendations to reduce "fire fuel" i.e. dead fall and other fire hazard natural material. Further, wherever there is an approved or required removal of habitat, the Lot Owner will be required to replace or mitigate it with the replacement of equal, improved or more habitats. Each Lot owner is strongly admonished to utilize the assistance of the State of Utah Department of Natural Resources Division of Wildlife Species Biologist, and Federal Government Wildlife Management Resources if needed and as necessary for advice on protecting all natural resources existing on the respective Lot, prior to any excavation or construction. Every effort should be made to mitigate and minimize change to animal habitat and every effort be made to increase or benefit habitat with the landscaping of the Lot with positive habitat specific plants, (i.e. Utah DWR recommendations specific to the area), open areas, use of ponds etc. Further it is also recommended that Lot Owners where and when appropriate consider specific area Conservation Easements for the protection and enjoyment of the wildlife. (Reference fencing requirements in item d. for additional info.)

- s. Household Pets. Household pets such as dogs and cats are restricted to their Owner's property and will be subject to expulsion from the Property upon complaints by two (2) or more Owners, and upon finding by the Board of Directors (or an individual or committee designated for such purpose by the Board of Directors) that said animal creates a continuing nuisance, i.e. roaming, barking, etc.
- t. Utility Lines. All utilities upon any Lot for the transmission of utilities, telephone service, the reception of audio or visual signals or electricity, and all pipes for water, gas, sewer, drainage, or other purposes shall be installed and maintained below the surface of the ground. Satellite T.V. dishes are acceptable if property screened; size, location and color must be approved by the Design Review Committee. An exception in the event of emergency situation will be review by the Board or Design Review Committee.
- u. Landscaping. Landscaping shall generally be confined to the "building envelopes" and personal or common road entrances on all Lots; the balance of the Lots shall be utilized for agricultural, viewing purposes or future potential conservation easements for the protection of the existing and future wildlife. Trees may be removed if dead and not harmful to the natural habitat. No trees may be added outside the building envelope without the approval of the Design Review Committee. The intent of this provision is to insure proper preservation of a precious resource and maintenance of given views.

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- v. Irrigation of Lot. Irrigation must be done where ever possible on the Lots so that a green appearance is maintained throughout the Project. Should any such Owner fail to adequately irrigate the Lot, the Association has the right to hire someone to irrigate said Lot, the cost of which shall be borne by said Owner. Further it is recommended that each Lot Owner water/irrigate the natural area of their Lot to increase natural plant growth, enhance wildlife habitat and reduce fire hazards.
- w. Christmas Lights and Similar Lighting Decoration. Lighting decoration is permitted on any Lot for a period limited for a period limited to December 1 through Jan 3. Lighting decoration is prohibited outside of these dates. Excessive or unsightly lighting decoration, as defined by the Board of Directors on a case-by-case basis, is prohibited.
- 4. Structures and Improvements. No improvements (including clearing, grading, and planting) shall be commenced and no structures shall be placed, installed or erected on any Lot or any Common Area, unless it meets the following minimum standards and complies with the Development Guidelines adapted by the Declarant and as amended by the Board of Directors. Except as expressly permitted by the Board of Directors, none of the Lots may be used or improved for other than private residential purposes, and no more than one (1) single-family dwelling and garage housing a maximum of five (5) motor vehicles, and usual and necessary out buildings such as quest homes, barns etc., where permitted shall be erected, placed or maintained on any Lots. All newly constructed single family dwellings shall have a minimum floor area, exclusive of basements, open porches, or garages as follows;
 - a minimum floor area of three thousand five hundred (3,500) square feet, exclusive of basements, open porches, or garages.
 - b. no residential structures over the maximum height of forty (40) feet from existing natural grade without prior consent of the Board of Directors and the Design Review Committee. Any such approval shall take into consideration the site location of the proposed structure, aesthetics, and compliance with covenants. The above does not include reasonably sized chimneys, weather vanes, etc. All dwelling houses, garages, outbuildings, and other structures are subject to approval of the Design Review Committee. The Board of Directors or the Design Review Committee shall construct no building outside the designated building envelope as determined and no outbuilding shall exceed a height of thirty six (35) feet from existing natural grade; unless otherwise approved by the Board of Directors and the Design Review Committee. All structures shall be completed within eighteen (24) months from start of construction. Agricultural and outbuildings shall be located to the rear of sites only in locations approved by the Board of Directors and the Design Review Committee. Building design and materials on new construction shall be consistent and compatible with

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other housing in the project or intended for the project, and must be approved by the Design Review Committee.

WATER RIGHTS AND IRRIGATION

- Irrigation water for the Property may be available through various sources, Weber Basin Water, wells, and Felt Peterson, Slater Water Company.
- There shall be an expressed easement across each Lot for the placement, maintenance, removal and replacement, repair, or operation of the ditch or pressurized irrigation system. (Refer to item 3 q.)
- 3. All Owners shall pool the use of their irrigation water to obtain the most beneficial use of said water for the Association, in any given area, subject to the rules and regulations of the State, County, or Irrigation company applicable, and all rules applicable by the Association.
- The times and frequency of such irrigation by Owners shall be established by the Association and each Owner agrees to abide by these rules.
- Every Owner shall timely pay for any irrigation charges or assessments required, or if so deemed by the Association shall pay the Association who will then pay the irrigation charges.

DECLARANT'S RIGHTS

Any or all of the special rights and obligations of the Declarant set forth in this Declaration or the Bylaws may be transferred to other persons, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained in this Declaration or the Bylaws, until the termination of the distinction between classes of membership. No such transfer shall be effective unless it is in a written instrument signed by the Declarant and duly recorder in the land records of Weber County, Utah.

So long as construction and initial sales of Lots shall continue, The Declarant and builders authorized by Declarant may maintain and carry on upon portions of the Common Areas such facilities and activities as, in the sole opinion of the Declarant, may be reasonably required, convenient, or incidental to the construction of such Lots.

DISPUTE, RESOLUTION, AND LIMITATION ON LITIGATION

Agreement to Avoid Costs of Litigation and to Limit Right to Litigate
 Disputes. The Association, Declarant, all persons subject to this Declaration,
 and any person not otherwise subject to this Declaration who agree to submit
 to this Section (collectively, "Bound Parties") agree to encourage the amicable
 resolution of disputes involving the Property, and to avoid the emotional and
 financial costs of litigation if at all possible. Accordingly, each Bound Party
 covenants and agrees that all claims, grievances, or disputes arising out of or
 relating to the interpretation, application, or enforcement of this Declaration,

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the Bylaws, the Association rules, or the Articles of Incorporation (collectively "Claim"), except for those Claims authorized in this agreement, shall be subject to procedures set forth in this agreement.

GENERAL PROVISIONS

1. Term. This Declaration shall run with and bind the Property, and shall inure to the benefit of and shall be enforceable by the Association or any Owner, their respective legal representatives, heirs, successors, and assigns, for a term of forty (40) years from the date of this Declaration is recorded. After such time, this Declaration shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by a majority of the then Owners, has been recorded within the year preceding each extension, agreeing to amend, in whole or in part, or terminate this Declaration, in which case this Declaration shall be amended or terminated as specified therein.

Amendment.

By Declarant. Until the termination of the distinction between the classes of Membership, Declarant may unilaterally amend this Declaration for any purpose. Therefore, the Declarant may unilaterally amend this Declaration if such amendment is necessary to bring any provision into compliance with any applicable governmental statutes, rule, regulation, or judicial determination; necessary to enable any reputable title insurance company to issue title insurance coverage on the Lots; or required mortgage loans, to enable it to make, purchase, insure or guarantee mortgage loans on the Lots; or otherwise necessary to satisfy the requirement of any governmental agency. However any such amendment shall not adversely affect the title to any Lot unless the Owner shall consent thereto in writing. So long at Declarant still owns property, it may unilaterally amend this Declaration for any other purpose, provided the amendment has no material adverse effect upon any right of any

3. Compliance. Every Owner and occupant of any Lot shall comply with this Declaration, the Bylaws, and the rules of the Association. Failure to comply shall be grounds for an action to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, by the Association or, in a proper case, by any aggrieved Lot Owner(s).

Notice of Sale or Transfer of Title. Any Owner desiring to sell or otherwise transfer title to his or her Lot shall give the Board of Directors at least seven (7) days prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board of Directors may reasonably require. The transferor shall continue to be jointly and severally responsible with the transferee for all obligations of the Owner of the Lot, including assessment obligations, until the date upon which such notice is received by the Board, notwithstanding the transfer of title.

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IN WITNESS WHEREOF, the undersigned being the Declarant herein has executed this Declaration this day of
RIVER RANCH ESTATES By JOHN-T. RHEES
John T. Rhees
STATE OF UTAH)
: 85. County of Weber)
On this 5 day of AUGUST 2003 before me, the undersigned a Notary Public for the State of Utah, personally appeared ANT Rhees, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written. Notary Public for the State of Utah Residing at Where County
Residing at When County
NOTARY PUBLIC SHERRI SPLLITOE 2330 Washington Blvd. Coden, Utub 84401 My Commission expires June 18, 200 G

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