

WHEN RECORDED RETURN TO:

Salt Lake Neighborhood Housing Services, Inc. DBA NeighborWorks Salt Lake 622 West 500 North Salt Lake City, Utah 84116 12752704 04/13/2018 12:47 PM \$122.00 Book - 10664 Pg - 7827-7868 ADAM GARDINER RECORDER, SALT LAKE COUNTY, UTAH SALT LAKE NEIGHBORING HOUSING 622 W 500 N SALT LAKE CITY UT 84116 BY: MZA, DEPUTY - WI 42 P.

# DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS For Marmalade Court Townhomes A Master Community in Salt Lake County, Utah

This Declaration of Covenants, Conditions and Restrictions for Marmalade Court Townhomes, a Master Community ("Master Declaration") is made as of will be a sof will be a softward wil

#### **RECITALS**

- 1, This Master Declaration will take effect on the date recorded at the office of the Salt Lake County Recorder's Office (the "Effective Date").
- 2. Declarant owns fee simple title to that certain real property situated in Salt Lake County, Utah, described on Exhibit "A" attached hereto (the "Property"), which Property includes a total of 25 Townhomes and 6 Condominium Units ("Project"). The six (6) Condominium Units are located in one (1) Building, depicted on the Plat as Units instead of Lot (hereinafter "Condo Property") and are also subject to that certain Declaration of Covenants, conditions and Restriction for Marmalade Court Condominiums ("Condo Declaration") and the Utah Condominium Ownership Act, Utah Code § 57-8-1 et. al. Declarant intends to create a separate sub-association for the Condo Property. With the exception of the Condo Property, the remainder of the Property shall be subject to the Utah Community Association Act, Utah Code § 57-8a-101 et al, and the Property shall not constitute a cooperative.
- 3. Declarant has caused to be prepared a Plat to be recorded in Salt Lake County (the "Plat") depicting the "Marmalade Court Townhomes", which describes the Property and the Condo Property. Declarant desires to subject Property to the terms of this Master Declaration. Declarant intends to develop a residential master planned community. Declarant will develop and convey all of the Townhomes and Units within the Property subject to a general plan of development, and subject to certain protective covenants, conditions, restrictions and easements, as set forth in this Master Declaration, as amended from time to time, which are deemed to be covenants running with the land mutually burdening and benefitting each of the Townhomes and Units within the Project. Common Areas are those areas that are depicted in the recorded Plat(s), as amended, and as described in this Master Declaration.
- 4. Declarant has deemed it desirable, for the efficient preservation of the values and amenities of the Property, to create an entity which possesses the powers to maintain and administer the Common Areas and facilities and otherwise administer and enforce the provisions of this Master Declaration. For such purposes, contemporaneously with the recording of this

Master Declaration, Declarant will register with the Utah Department of Commerce Marmalade Court Homeowners Association, Inc. (the "Master Association").

- 5. Declarant desires to establish a general plan for the improvement and development of the Project as an attractive residential development for the purpose of enhancing and protecting the desirability and attractiveness of the Project and the quality of life within the Project, and, in furtherance of that plan, to subject the Project to the covenants, conditions, restrictions, reservations, easements, liens and charges hereinafter set forth. Declarant desires and intends to hold, own and convey the Property and Project subject to the covenants, conditions and restrictions set forth herein.
- 6. Declarant hereby submits the Property to the provisions of this Master Declaration and declares, covenants and agrees that the Property and each part thereof shall be held, encumbered, occupied, built on and otherwise used, improved, maintained, leased, sold, occupied and transferred subject to the following covenants, conditions, restrictions, reservations, easements, liens and charges, which shall (i) attach to and run with the land, (ii) be binding on the Property and all owners, lessees and other parties having, acquiring or otherwise at any time possessing any right, title or interest in or to the Property or any part thereof, or the right to use or occupy the Property or any part thereof, (iii) inure to the benefit of said owners, lessees and other parties, and (iv) be for the purpose of establishing a general plan for the improvement and development of the Property as an attractive residential development.
- Property, as the same will be remodeled and redeveloped by Declarant, to a Condominium pursuant to the Condo Act, and in furtherance thereof, makes and declares the restrictions contained in this Master Declaration, and Declarant hereby declares and agrees that the condominium and all of the Condo Units shall be held, conveyed, transferred, sold, leased, mortgaged, encumbered, occupied, used, and improved subject to the restrictions herein, which restrictions shall constitute covenants and conditions running with the land and shall be binding upon and inure to the benefit of Declarant, the Master Association, the Condo Association and each Owner of a Condo Unit, including their respective heirs, executors, administrators, personal representatives, successors and assigns. Each Condo Unit shall be subject to this Master Declaration and be members of both the Master Association and the Condo Association, as provided below. In addition to the provisions of this Master Declaration, which shall apply to the entire Project and the interest of the Condo Unit owners in the Project.
- 8. The Property is subject to liens for current and future taxes, assessments, and charges imposed or levied by governmental or quasi-governmental authorities; all patent reservation and exclusions; any mineral reservations of record and rights incident thereto; all instruments of record and rights incident thereto; all instruments of record which affect the above described Property or any portion thereof; all visible and necessary easements and rights-of-way; all easements and rights-of-way of record; any easements, rights-of-way, encroachments, or discrepancies shown on or revealed by the Plat or otherwise existing; an easement for each and every common area improvement, equipment, pipes, lines, cables, wires, utility systems, or similar facilities which traverse or partially occupy the above-described Property; and all easements necessary for servicing, repairing, ingress to, egress from, maintenance of, and

replacement of all such common area improvements, equipment, pipes, lines, cables, wires, utility systems, and similar facilities.

- 9. The Master Association is governed by the terms of the Master Declaration, the Articles of Incorporation for Marmalade Court Homeowners Association, Inc. ("Articles"), and the Bylaws for Marmalade Court Homeowners Association, Inc. ("Bylaws"), which Bylaws are attached hereto as **Exhibit "B"** and shall be recorded in the Salt Lake County Recorder's Office contemporaneously with the recording of this Master Declaration.
- 10. It is the purpose and intent of the provisions of this Master Declaration that the Master Association shall be charged with and be responsible for the management of all activities generally and Common Areas with the Project. The Master Association and Condo Association may coordinate where necessary and prudent with regard to the Condo Property. In addition to being bound by the terms of this Master Declaration, the Condo Association may adopt covenants and rules more restrictive than stated herein with respect to the Condo Property.
- 11. Notwithstanding the foregoing, no provision of this Master Declaration shall prevent the Declarant from doing any of the following, which shall be deemed to be among Declarant's reserved rights in addition to such rights as may be described elsewhere in this Master Declaration: (1) installation and completion of the Subdivision Improvements; (2) use of any Townhome or Unit owned by the Declarant as a model, or for the placement of a temporary construction or sales office; (3) installation and maintenance of signs incidental to sales or construction which are in compliance with applicable City or County ordinances; and (4) assignment of Declarant's rights under this Master Declaration in whole or part.
  - 12. These Recitals are made a part of this Master Declaration.

#### **ARTICLE 1**

#### **Definitions**

In addition to the terms defined elsewhere herein, the following terms are defined for purposes of this Master Declaration:

- 1.1 <u>"Act"</u> means the Condominium Ownership Act, Utah Code Ann. Sections 57-8-1 *et. seq.* for the Condo Property and Community Association Act, Utah Code Ann. Sections 57-8a-101 *et. seq.* for the Property.
- 1.2 "<u>Architectural Control Committee</u>" or "ACC" shall mean the Architectural Control Committee created by this Master Declaration, the Bylaws, and/or Articles of Incorporation.
- 1.3 "Assessment" shall mean any monetary charge, fine or fee imposed or levied against an Owner by the Master Association, as provided in the Governing Documents, regardless of whether said assessment is identified as a regular assessment, special assessment, individual assessment, reserve assessment, capital improvement assessment, fine, late fee or other charge.

- 1.4 "Bylaws" means the Bylaws adopted by the Master Association for the purpose of regulating the affairs of the Master Association, as the same may be amended from time to time, a copy of which are attached hereto as **Exhibit "B."**
- 1.5 "Common Area" means the common area property that shall be owned and maintained by the Master Association, as designated on the Plat as common areas, including, without limitation, the private roads, parking areas (except that the covered parking will be Limited Common Areas assigned to the Condo Units and Lots 24 and 25), pathways, easements, common utility connections, garbage bins, mail boxes, open lawn areas and other similar property for the general use of the entire Project.
- 1.6 "Condo Declaration" shall mean that certain Declaration of Covenants, Conditions and Restrictions for Marmalade Court Condominiums.
- 1.7 "Condo Property" shall mean that certain real property located in Salt Lake County, comprised of the building containing the following Units:

Unit 1	781 North 300 West, Salt Lake City, Utah 84103
Unit 2	785 North 300 West, Salt Lake City, Utah 84103
Unit 3	783 North 300 West, Salt Lake City, Utah 84103
Unit 4	787 North 300 West, Salt Lake City, Utah 84013
Unit 5	309 West 800 North, Unit A, Salt Lake City, Utah 84103
Unit 6	309 West 800 North, Unit B, Salt Lake City, Utah 84103

- 1.8 "County" means Salt Lake County, Utah.
- 1.9 "Dwelling" shall mean either a Townhome or Unit, as defined in the Master Declaration and/or Condo Declaration, together with all Improvements located on or with respect to the Lot/Unit concerned that are used in connection with such residence such as appliances, electrical receptacles and outlets, air conditioning compressors and other air conditioning apparatus, furnaces, stoves, fixtures, etc. serving that Dwelling shall be considered part of the Dwelling. All driveways, sidewalks, pipes, wires, conduits, or other public utility lines or installations constituting a part of the Dwelling or serving only the Dwelling shall be part of the Dwelling.
  - (a) <u>"Townhome"</u> shall mean the single-family residence built on Lots 1-25 of the Plat.
  - (b) <u>"Unit" or "Condo Unit"</u> shall mean one of the six, single-family Units located within the Condo Property.
- 1.10 "Governing Documents" shall mean this Master Declaration, Bylaws, Articles, Rules, and any other documents or agreements binding upon an Owner.
- 1.11 <u>"Improvement"</u> shall mean all structures and appurtenances of every type and kind, including but not limited to buildings, Dwellings, Townhome, Unit, garages, walkways,

retaining walls, driveways, fences, landscaping, decks, stairs, poles, lighting, signs, satellite dishes or other antennas, and any mechanical equipment located on the exterior of any building.

- 1.12 <u>"Limited Common Areas"</u> shall mean those areas designated on the recorded Plat or as described in this Master Declaration as Limited Common Area, being intended ultimately to be owned by the Master Association but for the exclusive use and enjoyment of one or more appurtenant Dwellings but fewer than all of the Dwellings, such as the assigned, un-covered parking areas.
- 1.13 "Lot" means any one of the separately numbered and individually described lots described on the Plat (i) which is intended to be owned individually, rather than by the Master Association, and (ii) which is intended to be used as the site of a Dwelling.
- 1.14 "Master Association" means the Marmalade Court Homeowners Master Association, Inc.
- 1.15 "Master Declaration" means this Master Declaration of Covenants, Conditions and Restrictions.
- 1.16 "Master Board" or "Board" means the Board of Directors of the Master Association elected pursuant to the Bylaws and serving as the management body of the Master Association.
- 1.17 "Member" means every person who holds a membership in the Master Association.
- 1.18 "Mortgage" means any mortgage, deed of trust, or other security instrument creating a security interest in real property.
- 1.19 "Mortgagee" means any person named as mortgagee of a mortgage, beneficiary of a deed of trust, or secured party in connection with a security interest.
- 1.20 "Owner" means the person or persons who are vested with record title of a Lot/Unit, and whose interest in the Lot/Unit is held in fee simple, according to the records of the County Recorder of Salt Lake County, Utah; provided, however, Owner shall not include a person who holds an interest in a Lot/Unit merely as security for the performance of an obligation. Declarant shall be considered the record Owner of any Lot/Unit prior to its initial conveyance by Declarant.
- 1.21 "Plat" means the record of survey map of the Property of record with the Salt Lake County, Utah, Recorder, a true and correct copy of which is attached hereto as **Exhibit** "C." "Plat" shall also refer to any additional plat which may be recorded with any supplemental Declaration. The Plat is hereby incorporated into, and made an integral part of, this Master Declaration and all requirements and specifications set forth on the Plat are deemed included in this Master Declaration.
  - 1.22 "Project" means the Marmalade Court Townhomes, as described on the Plat.

- 1.23 "Rules" mean any instrument adopted by the Master Board for the regulation and management of the Master Association as provided in the Governing Documents.
- 1.24 "Visible from Neighboring Property" means (i) an object that is or would be visible from any neighboring property (including neighboring Lots) to any person six (6) feet tall, who is standing on any part of such neighboring property that is actually at the same elevation as the base of the object; (ii) an object that is visible to neighbors of other Lots from their front porch or patio, or from a roof top patio, or (iii) an object that Declarant or the Master Board otherwise reasonably determines, in its sole discretion, is so conspicuous and unsightly that it should be deemed to be "Visible From Neighboring Property" for the purposes set forth herein.

#### **ARTICLE 2**

#### **Easements**

- 2.1 <u>Easement Concerning Common Area.</u> Each Owner shall have a nonexclusive right and easement of use and enjoyment in and to the Common Area. Such right and easement shall be appurtenant to and shall pass with title to each Lot and in no event shall be separated therefrom, or encumbered, pledged, assigned or otherwise alienated by an Owner. Any Owner may temporarily delegate the right and easement of use and enjoyment described herein to any family member, household guest, tenant, lessee, contract purchaser, or other person who resides on such Owner's Lot. Notwithstanding the foregoing, no Owner shall have any right or interest in any easements forming a portion of the Common Area except for the necessary parking, access, and utility easements for use in common with others.
- 2.2 <u>Limitation on Easement</u>. An Owner's right and easement of use and enjoyment concerning the Common Area shall be subject to the following:
  - (a) The right of the Master Association to govern by Rules the use of the Common Area for the Owners so as to provide for the enjoyment of said Common Areas by every Owner in a manner consistent with the preservation of quiet enjoyment of the Lots by every Owner, including the right of the Master Association to impose reasonable limitations on the number of guests per Owner who at any given time are permitted to use the Common Area;
  - (b) The right of the Master Association to suspend an Owner's right to the use of the Common Areas, or any amenities included therein, for any period during which an Owner is in violation of the terms and conditions of the Governing Documents or delinquent in the payment of a levied assessment or fee.
  - (c) The right of the City, County, and any other governmental or quasi-governmental body having jurisdiction over the Property, to enjoy access and rights of ingress and egress over and across any street, parking area, walkway, or open area contained within the Common Areas for the purpose of providing police and fire protection, utility access/installation, and providing any other governmental or municipal service.

- 2.3 Reservation of Access and Utility Easements. Declarant hereby reserves an easement for access and utilities (including but not limited to: electrical, gas, communication, phone, internet, cable, sewer, drainage and water facilities) over, under, along, across and through the Property, together with the right to grant to a City and County, or any other appropriate governmental agency, public utility or other utility corporation or Master Association, easements for such purposes over, under, across, along and through the Property upon the usual terms and conditions required by the grantee thereof for such easement rights, provided, however, that such easement rights must be exercised in such manner as not to interfere unreasonably with the use of the Property by the Owners and the Master Association and those claiming by, through or under the Owners or the Master Association; and in connection with the installation, maintenance or repair of any facilities as provided for in any of such easements, the Property shall be promptly restored by and at the expense of the person owning and exercising such easement rights to the approximate condition of the Property immediately prior to the exercise thereof. Each Owner in accepting the deed to a Lot expressly consents to such easements and rights-of-way and authorizes and appoints the Master Association as attorney-in-fact for such Owner to execute any and all instruments conveying or creating such easements or rights-of-way.
- 2.4 <u>Easements for Encroachments</u>. If any part of the Common Areas as improved by Declarant now or hereafter encroaches upon any Lot or if any structure constructed by Declarant on any Lot now or hereafter encroaches upon any other Lot or upon any portion of the Common Area, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. If any structure on any Lot shall be partially or totally destroyed and then rebuilt in a manner intended to duplicate the structure so destroyed, minor encroachments of such structure upon any other Lot or upon any portion of the Common Area due to such reconstruction shall be permitted; and valid easements for such encroachments and the maintenance thereof, so long as they continue, shall exist.
- 2.5 <u>Easements for Construction and Development Activities</u>. Declarant reserves easements and rights of ingress and egress over, under, along, across and through the Property and the right to make such noise, dust and other disturbance as may be reasonably incident to or necessary for the (a) construction of Dwellings on Lots, (b) to maintain sales or leasing offices, management offices and models throughout the Project and to maintain one or more advertising signs on the Common Area with respect to the sales of Lots, or other property in the Project, (c) improvement of the Common Area, and construction, installation and maintenance thereon of roadways, walkways, buildings, structures, landscaping, and other facilities designed for the use and enjoyment of some or all of the Owners, and (d) construction, installation and maintenance on lands within, adjacent to, or serving the Property of roadways, walkways, and other facilities, planned for dedication to appropriate governmental authorities.
- 2.6 <u>Easement in Favor of Master Association</u>. The Lots and Common Area are hereby made subject to the following easements in favor of the Master Association and its directors, officers, agents, employees and independent contractors:
  - (a) For inspection during reasonable hours of the Lots and Common Area in

order to verify the performance by Owners or other persons of all items of maintenance and repair for which they are responsible;

- (b) For inspection, maintenance, repair and replacement of portions of the Common Area;
- (c) For correction of emergency conditions on one or more Lots or on portions of the Common Area;
- (d) For the purpose of enabling the Master Association, the Architectural Control Committee or any other committees appointed by the Master Association to exercise and discharge during reasonable hours their respective rights, powers and duties;
- (e) For inspection during reasonable hours of the Lots and Common Area in order to verify that the Owners and occupants, and their guests, tenants and invitees, are complying with the provisions of the Governing Documents.
- 2.7 <u>Landscaping Easement.</u> The Master Association shall have an easement and related access rights in order to maintain the landscaping and snow removal, as set forth in this Master Declaration.

# ARTICLE 3 Common Areas

- 3.1 The Common Areas consist of areas designated as Common Areas on the recorded Plat(s) or described in this Master Declaration, including any structures related to the operation or maintenance of the Common Areas, together with any rights of way and utilities, as shown on the recorded Plat(s) except Condo Property and Common Area defined in the Condo Declaration.
- 3.2 The primary Common Areas that will be owned, maintained and governed by the Master Association are, without limitation, the master water and sewer system for the Project, the private roads within the Project (as depicted on the Plat), the parking areas (as depicted on the Plat), street and other lighting of the Project (not pertaining to a particular Dwelling), trash collection area, the other pathways and open common area depicted on the plat, the common mailbox area, underground storm water facilities, and other common areas depicted on the Plat. Without limitation, the Master Association will undertake to contract for snow removal for road and parking areas (and pathways), lawn care and landscaping for common areas, maintenance and replacement of paving for roads parking areas and pathways, maintenance and replacement of covered parking structures, maintenance of lighting in the Project, procuring insurance, and other costs associated with owning, maintaining and replacing utilities and improvements constituting or within common areas.
- 3.3 <u>Snow Removal.</u> The Master Association shall make reasonable and prudent efforts to contract with a third party for the removal of snow from sidewalks, driveways and Common Areas within the Subdivision. Owners shall be responsible for removing snow from

entryways, porches, patio areas, and other applicable areas on their Lot. Owners shall be responsible and take reasonable precautions with respect to ice and ice accumulation. The work of removing snow will be delegated to a third party, who will utilize its discretion in the frequency of the snow removal and the amount of accumulation meriting removal. The Master Association shall not be responsible or liable for said third party's discretion and removal of snow.

3.4 <u>Landscaping.</u> The Master Association shall perform general landscaping maintenance in the Project, which shall generally include mowing, edging, blowing of grass, raking and disposal of leaves. The Master Association shall maintain the original sprinkler system, as originally installed. Owner is responsible for any approved changes in sprinkler system, or other modifications to the landscaping from the original installation.

# ARTICLE 4 Owner's Maintenance Obligations

- 4.1 <u>Duty to Maintain</u>. It is the obligation of each Owner to maintain his Lot and Improvements located thereon in a clean and sanitary condition, free of pests and rodents, and uncluttered at all times in order to preserve and enhance the enjoyment of the Project.
- 4.2 Repairs by Master Association. In the event that an Owner permits his Lot or Improvements to fall into a state of disrepair that is dangerous, unsafe, unsanitary or unsightly condition or fails to comply with any other covenant or restriction in violation of this Master Declaration, the Master Association may give written notice to the Owner describing the condition complained of and demand that the Owner correct the condition within 30 days. If the Owner fails to take corrective action, the Master Association shall have the right, but not the obligation, to enter upon the offending Owner's Lot and take corrective action to abate the condition. All costs of abatement shall be charged to the Owner, who agrees to promptly pay the reasonable costs of any work performed under this provision, plus 15%. In addition, each Owner hereby grants to the Master Association a lien on the Lot and any improvements to secure repayment of any sums advanced pursuant to this section, which lien may be foreclosed at any time by the Master Association in the manner prescribed in Utah for the foreclosure of mortgages. Alternatively, without requiring foreclosure, the Master Association may seek collection of sums advanced directly from the Owner of the Lot in question. Unpaid amounts will bear interest from the date advanced at the lawful judgment rate under applicable state law.
- 4.3 <u>Alterations of Exterior Appearance</u>. The Owners will maintain their Lots and Improvements in substantially the same condition and appearance as that approved by the Board. No subsequent exterior alterations, improvements or remodeling, whether structural or changes in landscaping, paint color or materials will be made without the advance consent of the Board.
- 4.4 <u>Repair Following Damage</u>. In the event of casualty loss or damage to the improvements, the Owner will be entitled to reconstruct the Improvements as they existed prior to the damage or loss without review by the Board, provided however that alterations or deviations from the original approved plans will require review. Nothing in this Master Declaration is intended to prevent an Owner who has suffered property damage or loss from

taking temporary measures to secure the property and prevent injury or dangerous conditions following loss or damage, before re-construction begins. Such temporary measures may be taken without the consent or approval of the Board, provided that any such measure must be of a temporary nature, and repair or reconstruction must begin as soon as circumstances will permit. Unless delayed by City/County approval or insurance carrier approval, no damaged structure will be permitted to remain on any Lot for more than 90 days without repairs commencing and any damaged structure which does remain unrepaired after 90 days following the occurrence of damage is deemed a nuisance which may be abated by the Master Association.

4.5 Lots 24 and 25. Lots 24 and 25 shall be treated the same as the Townhomes with respect to access to, use of and assessment for the Common Areas. Each shall be allocated one un-covered parking stall for the exclusive use of Townhome. Unlike the other Townhome Lots, these Lots will have a small backyard area that shall be and remain fenced by a fence approved by the Board and no higher than six (6) feet. The Owner of the Lots shall be responsible to landscape the backyard area and maintain the backyard area in a manner that will not create a nuisance to other neighbors. The backyards of these Lots shall not be used to store personal property. Moreover, there shall be no long term housing of pets within the fenced area of the backyard area.

#### ARTICLE 5 Membership

5.1 Each Owner shall be a Member of the Master Association, so long as such Owner has an ownership interest in a Dwelling and such membership shall automatically terminate when the Owner cease to have an ownership interest in the Dwelling. Upon the transfer of an ownership interest in a Dwelling the new Owner succeeding to such ownership interest shall likewise succeed to such membership in the Association and Master Association. If titled ownership to a Dwelling is held by more than one Person, the membership appurtenant to that Dwelling shall be shared by all such Person in the same proportional interest and by the same type of tenancy in which title to the Dwelling is held. Notwithstanding the foregoing, the Declarant shall also be granted voting rights as a Class "B" Member, as defined below.

Owners of Units shall have an equal, one vote in the Master Declaration.

# ARTICLE 6 Voting

- 6.1 The Master Association shall have two (2) classes of voting membership, Class "A" and Class "B", as follows:
  - (a) <u>Class "A".</u> Class "A" Members shall be all Owners with the exception of Class "B" membership, if any. Class "A" membership shall be entitled to one vote per Lot. In order to be eligible to vote, an Owner must be current on all Assessments and charges at least 30 days in advance of the meeting, ballot or vote.
  - (b) <u>Class "B".</u> The Class "B" Member shall be Declarant. In all matters requiring a vote, the Class "B" membership shall receive ten hundred (10) votes for each

recorded Lot owned by Declarant. The Class "B" membership shall also be entitled to appoint the members of the Board and Master Association during the Class "B" Control Period.

## ARTICLE 7 Control Period

- 7.1 The Class "B" Control Period runs until after the first to occur of the following:
- (a) When Lots comprising 75% of the Allocated Interest has been sold to owners other than Declarant; or
  - (b) When, at its discretion, the Class B Member so determines.
- 7.2 Notwithstanding anything to the contrary in this Master Declaration, Declarant may exercise its discretionary termination of control in whole or in part as to any portion of the Subdivision at its sole election and determination. In doing so as to a portion of the Subdivision, it does not waive any reversionary or remaining control as to all other portions of the Subdivision, the control of which is not expressly terminated by Declarant.

## ARTICLE 8 Master Association

- 8.1 Organization. The Master Association has been created to effectively enforce the Governing Documents and shall operate as a non-profit corporation. The Master Association shall be comprised of the Owners within the Property, and is established for the benefit of the Owners and the enforcement of the Governing Documents. Membership in the Master Association is deemed an appurtenance to the Lot, and is transferable only in conjunction with the transfer of the title to the Lot. The Master Association shall serve as the organizational body for all Owners.
- Security. The Master Association may, but shall not be obligated to, maintain or 8.2 support any systems, programs or activities within the Project designed to make the Project safer than it otherwise might be. The cost of any security systems or measures adopted by the Master Association shall be paid for equally by the Owners within the Project. Neither the Master Association nor the Board shall in any way be considered insurers or guarantors of security within the Project, nor shall they be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. All Owners, as well as their guests and invitees, where applicable, acknowledge by taking occupancy of a Lot or entering the Project that neither the Master Association nor the Board represent or warrant that any security measures undertaken will insure their safety, and further acknowledge that neither the Master Association nor the Board are insurers or guarantors of their safety, and they hereby expressly assume all risks for loss or damage to their person or property, and they further acknowledge that neither the Master Association nor the Board have made any representations or warranties, nor have they relied upon any representations or warranties, expressed or implied, including any warranty or merchantability. The Owners and their respective guests shall remain

primarily liable for providing security for their applicable Dwellings, Lots, motor vehicles, and other property that may be stored or located within the Project.

- 8.3 Enforcement Powers. The Master Association shall have all powers granted to it by the Governing Documents and the Act to enforce these covenants and restrictions by actions in law or equity brought in the name of the Master Association, and the power to retain professional services needed to the enforcement of the Governing Documents and to incur expenses for that purpose, including but not limited to: (1) record, lien, foreclose and other enforcement and collection actions against an Owner and their Lot; (2) initiate legal or similar proceedings; (3) impose fines; (4) collect any rents directly from tenant for past due assessments; (5) terminate an Owners' right to receive utility service paid as a common expense (with the exception of water, sewer, power and natural gas); (6) terminate an Owner's right to utilize Common Area and/or amenities; and (7) any other action or remedy allowed by the Governing Documents or Utah law.
  - (a) The Master Association shall have the exclusive right to initiate enforcement actions in the name of the Master Association. The Master Association may appear and represent the interest of the Condo Property at all public meetings concerning zoning, variances, or other matters of general application and interest to the Owners.
  - (b) The Master Association shall have the authority to initiate and compromise claims and litigation on behalf of the Master Association resulting from the enforcement of the Governing Documents. In the event that the Master Association initiates legal action against a specific Owner or Owners to enforce these Governing Document, whether or not such action results in the commencement of a formal legal proceeding, the Master Association shall have the right to assess the costs of such litigation, dispute, or enforcement action, including reasonable attorney fees, against the Owner(s) or Lot(s) in question and collect those assessment in any manner authorized in the Governing Documents or Utah law.
  - (c) The Board shall be afforded discretion to utilize its reasonable judgment to determine whether and how to: impose fines, record liens, pursue legal action; otherwise enforce the Governing Documents; or when and how to settle or compromise claims.
- Assessments. Assessments will be made to meet the anticipated and recurring costs, expenses and Common Expenses of the Master Association. The Master Association has the power to levy assessments against each Lot as necessary to carry out its functions. Assessments shall be levied against all Lots within the Property, whether vacant or improved. Each Owner shall by acquiring or in any way becoming vested with his/her interest in a Lot, be deemed to covenant and agree to pay to the Master Association the assessments described in these covenants, together with late payment fees, interest and costs of collection (including reasonable attorney fees), if and when applicable.
  - (a) Master Association Assessments. All such amounts shall be, constitute and remain: (a) a charge and continuing lien upon the Lot with respect to which such assessment is made until fully paid; and (b) the personal, joint and several obligations of

the Owner or Owners of such Lot at the time the assessment fails due. No Owner may exempt himself or his Lot from liability for payment of assessments by waiver of his rights in the Common Areas or by abandonment of his Lot. In a voluntary conveyance of a Lot, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments, late payment fees, interest and costs of collection (including reasonable attorney fees) which shall be a charge on the Lot at the time of the conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor.

- (b) Special Assessment. The Master Association may levy special assessments for the purpose of defraying, in whole or in part: (a) any expense or expenses not reasonably capable of being fully paid with funds generated by monthly assessments; or (b) the cost of any construction, reconstruction, or unexpectedly required repairs or replacement of the Common Areas.
- (c) Individual Assessment. The Master Association may levy individual assessments on every Lot, Owner or occupant that shall cause any damage to the Condo Property or otherwise causes the Master Association to incur any individual expense for maintenance, repairs, or enforcement action taken under the provisions of the Governing Documents. The amount of any such individual assessments shall be determined by the cost of such repairs, maintenance or enforcement action, including all overhead and administrative costs (including reasonable attorney fees), and shall be allocated among the affected Owner(s) or Lot(s) according to the cause of damage, maintenance, repair work or enforcement action, as the case may be, which individual assessment may be levied in advance of the performance of work.
- (d) Master Association Assessment. The Master Association may levy and collect Assessments as set forth in the Master Declaration.
- (e) The Master Association may levy a reserve fund assessment, as set forth in this article.
- (f) The Master Association may levy other assessments or fees, as authorized by the Governing Documents.
- 8.5 <u>Budget</u>. The Board is authorized and required to adopt a budget annually, which shall be presented to the Owners at a meeting of members.
  - (a) The Board may revise the approved budged from time to time as necessary to accurately reflect actual and/or anticipated expenses that are materially greater than previously budget.
  - (b) The budget shall estimate and include the total amount for the Common Expenses, shall contain an appropriate amount for reserves, and may include an amount for other contingencies. The budget shall also be broken down into reasonably detailed expense and income categories.

- (c) Unless otherwise established by the Board, regular Assessments shall be paid in equal monthly installments.
- 8.6 Reserve Fund Analysis. Following the Class B Period, the Board shall cause a reserve analysis to be conducted no less frequently than every six (6) years to analyze the cost of repairing, replacing or restoring Common Area that have a useful life of three years or more and a remaining useful life of less than 30 years. This reserve analysis should be reviewed no less frequently than every three (3) years and updated if necessary. The Board may conduct a reserve analysis itself or may engage a reliable person or organization, as determined by the Board, to conduct the reserve analysis.
- 8.7 Reserve Fund Account Creation. The Board shall create a reserve fund account that is separate and distinct from the Master Association's general account, which account shall be funded from the reserve fund assessments. The amount of the reserve fund assessment shall be a separate line item in the approved budget. The Board shall cause an assessment to be made against all Owners in an amount sufficient, within the Board's discretion, to fund the reserve account.
- 8.8 Reinvestment Fee. The Master Board shall have power to levy a one-time reinvestment fee when a change in ownership of a Lot occurs in a maximum amount of \$500, unless a lesser amount is determined by the Board. When a transfer of a Condo Unit applies, ½ of the reinvestment fee shall be paid to the Condo Association.
- 8.9 <u>Date of Commencement of Assessments.</u> Assessments provided for herein shall commence as to each Lot on the first day of the first month following the effective date of the first budget. Assessments shall be due and payable in a manner and on a schedule, as the Board may provide. Notwithstanding, Assessments for those Lots owned by Declarant or its assigns, successors, subsidiaries, related construction entities, or other entities established by Declarant, or Declarant's members, for the purpose of constructing Lots (collectively "Declarant Related Entities") shall not commence until the completed Lot is conveyed to an Owner that is not the Declarant or Declarant Related Entity.
- 8.10 <u>Fines.</u> Following notice as required by the Act, the Master Association shall have the power to assess a fine against an Owner (or their Lot) for a violation of the terms and conditions of the Governing Documents in an amount set by the Board.
- 8.11 <u>Hearing Process.</u> The Board shall have authority to create a reasonable hearing process, consistent with the Act, applicable when the Master Association takes an adverse action related to any particular Owner(s).
- 8.12 <u>Master Association Rules</u>. The Board from time to time and subject to the provisions of the Governing Documents, may adopt, amend, repeal and enforce Rules governing: (a) the use of the Common Areas; (b) the use of any facilities owned by the Master Association; (c) the collection and disposal of refuse; (d) the maintenance of animals in the Condo Property; (e) collection policies and procedures; and (f) other matters concerning the use and enjoyment of

the Condo Property and the conduct of residents, as deemed necessary by the Board. The Rules may supplement, clarify and add detail to issues addressed in Governing Documents. However, the Rules may not contradict the Governing Documents. During the Class B Period, Declarant shall be exempt from the rule making procedure required by Utah Code § 57-8a-217.

- 8.13 Statement of Account & Payoff Information. Upon a written request from an Owner that the Master Association provide the Owner with a statement of his/her account, the Master Association may charge a fee, not to exceed \$10.00, for providing such statements. In addition, when a request is made to the Master Association to provide payoff information needed in connection with the financing, refinancing, or closing of a Lot Owner's sale of his/her Lot, the Master Association may charge a fee not to exceed \$50.
- 8.14 <u>Availability of Documents.</u> The Master Association shall make appropriate documents available to Owners (and their lenders, insurers and/or authorized agents) consistent with the Act and the Utah Revised Non-Profit Act. The Board may adopt a record retention policy to govern it record retention procedures.
- 8.15 <u>Indemnity of Master Association Board and Officers</u>. The Master Association will indemnify the officers, agents and Board of the Master Association against any and all claims arising against them personally which are a result of the good faith exercise of the powers, duties and responsibilities of their office under the Governing Documents.
- 8.16 <u>Election, Notice of Election, Notice of Meeting and Special Meetings</u>. Election procedures and notice of any meeting shall be conducted as set forth in the Articles of Incorporation and Bylaws of the Master Association.
- 8.17 <u>Number of Board, Term of Office</u>. The appointment, election and term of the Members of the Board are set forth in the Bylaws and Articles. Members of the Board of Directors may serve consecutive terms, and may also serve as officers of the Master Association.
- 8.18 <u>Independent Accountant/Bookkeeper</u>. The Master Association may retain the services of an independent accountant or bookkeeper to assist the Board of Directors and officers to maintain accurate financial records of the Master Association.

# ARTICLE 9 Nonpayment of Assessments

- 9.1 <u>Delinquent Assessment.</u> Any assessment not timely paid shall be delinquent, and the Master Association may invoke any and all remedies to recover said delinquent assessments including by: suit, judgment, lien, foreclosure, or other remedy authorized by the Governing Documents or the Act.
- 9.2 <u>Due Date, Charges & Interest.</u> Unless otherwise established by the Board, monthly assessments shall be due and payable on the first of each month and late if not received by the 10<sup>th</sup> of each month. The Board may charge a late fee in an amount set by the Board, for each unpaid or late assessment. In addition to late fees, interest shall accrue on all unpaid

balances, including prior, unpaid interest and attorney fees (resulting in compounding interest), late fees, and assessments at 18% per annum or 1.5% per month. The Board may also impose other reasonable charges imposed by a Manager related to collections.

- 9.3 <u>Lien.</u> Upon recording of a notice of lien on any Lot, there shall exist a perfected lien for unpaid assessments prior to all other liens, except: (1) all taxes, bonds, assessments, and other levies which by law would be superior thereto; and (2) the lien or charge of any first or second mortgage of record made in good faith and for value recorded prior to a recorded notice of lien by the Master Association.
- 9.4 <u>Foreclosure</u>. The Master Association shall have the power to bid for the Lot at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which a Lot is owned by the Master Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be charged or levied on it; and (c) each other Lot shall be charged, in addition to its usual assessment, its equal pro rata share of the assessment that would have been charged had such Lot not been acquired by the Master Association as a result of foreclosure. Suit to recover a money judgment for unpaid assessments and attorney fees shall be maintainable without foreclosing or waiving the lien securing the same.
- 9.5 Other Remedies. All rights and remedies of the Master Association shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy. The "One Action Rule" shall not be a defense to the enforcement of all rights and remedies of the Master Association. The Master Association may elect to bring an action to recover for a delinquent Assessment against the Owner or other obligee personally. Any attorney fees or costs incurred in these efforts shall also be assessed against the Owner(s), their Lot(s), and/or other obligees jointly and severally.
- 9.6 <u>Payment by Tenant.</u> The Master Association shall be entitled to demand and collect from a tenant of any Lot, the amount of any assessment that is more than sixty (60) days past due.
- 9.7 <u>Attorney Fees.</u> In addition to the recovery of costs and attorney fees as provided herein, the Master Association shall be entitled to recover all reasonable attorney fees and costs incurred as a result of an Owner breach of the Governing Documents, including meetings, research, memoranda, monitoring and other legal work incurred in response to an Owner breach or violation of the Governing Documents. These fees may be collected by special or individual assessment against the subject Owner(s) or Lot(s).
- 9.8 <u>Appointment of Trustee</u>. The Declarant hereby conveys and warrants pursuant to U.C.A. Sections 57-1-20 and 57-8a-402 to Burt R. Willie, Esq., a licensed member of the Utah State Bar, with power of sale, the Lot and all Improvements to the Lot for the purpose of securing payment of assessments under the terms of this Master Declaration.

# ARTICLE 10 Architectural Control Committee

- 10.1 <u>Architectural Control Committee</u>. The Board shall appoint a three member Architectural Control Committee, the function of which shall be to insure that all improvements and landscaping within the Property harmonize with existing surroundings and structures. The Board (or certain Board Members) may decide, in its discretion, to serve as the Architectural Control Committee. The Architectural Control Committee shall be composed of Owners.
- 10.2 <u>Submission to Architectural Control Committee</u>. No Dwelling, accessory building or structure or addition to a Dwelling and no landscape additions and changes shall be constructed or maintained, and no alteration, repainting, or refurbishing of the exterior of any Dwelling shall be performed, unless complete plans and specifications therefor have first been submitted to and approved by the Architectural Control Committee. All such plans and specifications shall be consistent with architectural guidelines which shall be from time to time adopted by the Board.
- 10.3 <u>Standard</u>. In deciding whether to approve or disapprove plans and specifications submitted to it, the Architectural Control Committee shall use its best judgment to insure that all improvements, construction, landscaping and alterations on Lots within the Property conform to and harmonize with existing surroundings and structures and that such proposed improvements enhance the value and aesthetics of the Project.
- Approval Procedure. Any plans and specifications submitted to the Architectural Control Committee shall be submitted on a form provided by the Architectural Control Committee and in triplicate. A preliminary review of design drawings will be required with a final review to be made of working drawings. Upon completion of each review, one set of plans will be retained by the Master Association, one set will be retained by the reviewing architect (if any) and the remaining set of plans will be returned to the Owner. The architectural review fees (made payable to the Master Association) are required with the submittal of plans and specifications and shall not exceed Five Hundred Dollars (\$500.00) (which figure shall increase with the measured rate of inflation starting after the recordation of this Master Declaration) for architectural, landscaping, fencing and lighting drawings. The Architectural Control Committee may, in the exercise of its reasonable discretion, modify the architectural review fees from time to time. All plans and specifications shall be approved or disapproved in writing within thirty (30) days after submission. The decision of a majority of the Architectural Control Committee on any matter shall be deemed the decision of the Architectural Control Committee. In the event the Architectural Control Committee fails to take any action within such period it shall be deemed to have approved the material submitted.
- 10.5 <u>Bond/Security Deposit</u>. The Architectural Control Committee may require that each Owner post a reasonable bond, cash security deposit or irrevocable letter of credit in a form satisfactory to the Architectural Control Committee, in an amount not to exceed Five Thousand Dollars (\$5,000.00) (which figure shall increase with the measured rate of inflation starting after the recordation of this Master Declaration), in favor of the Master Association, as a condition to approving any proposed work or improvement. No person shall commence any work or improvement until any and all such bonds, security deposits and letters of credit have been

properly posted with the Architectural Control Committee. The deposit is intended to assure the proper cleanup of dirt and debris and the repair of any damage to the landscaping, streets or other property within the Project, caused by the Owner or his agents in the construction of improvements.

10.6 <u>Address for Submittal</u>. Plans and specifications for the construction and installation of any and all improvements within the Project shall be submitted and approved by the Architectural Control Committee (prior to submittal to any required governmental agency) to the address of the Master Association at such time, or at such other address as may be designated from time to time by the Architectural Control Committee.

# ARTICLE 11 Use and Appearance Restrictions; Miscellaneous Covenants

- 11.1 <u>Residential Use</u>. All Lots are intended to be improved with Dwellings and are restricted to such use. Each Dwelling shall be used only as a single-family residence. No Lot or Dwelling shall be used, occupied, or altered in violation of law, so as to jeopardize the support of any other Dwelling or to create a nuisance or interfere with the rights of any Owner.
- 11.2 <u>Garages, Sheds, and Other Outbuildings</u>. The construction, installment and/or placement of any garage, shed, patio structure, trellis, sunshade, gazebo or any other appurtenant building or structure is subject to the prior approval of the Architectural Control Committee. Any such additional structure shall be constructed of the same materials and be of the same and similar color to, the existing Dwellings (i.e., if a home's exterior is stucco, a proposed shed must have stucco exterior that matches the home, and must have a roof with shingles of the same color and appearance as the home).
- 11.3 Exterior Building Wall Materials. Brick, stone, stucco, vinyl and wood are permitted for the exteriors of Dwellings, provided that all colors for all Dwellings and accessory buildings shall be approved by the Architectural Control Committee. The use of any other materials for such buildings shall require the prior approval of the Architectural Control Committee.
- 11.4 <u>Roof, Soffit and Facia</u>. Roof, soffit and facia material shall be restricted to materials approved by the Architectural Control Committee. The use and design of roof, soffit and facia materials are subject to the approval of the Architectural Control Committee.
- 11.5 <u>Chimneys</u>. Chimneys of approved exterior materials may not exceed the height required by appropriate governmental agencies. Exposed metal flues are prohibited.
- 11.6 <u>Mailboxes</u>. Mailboxes for any Dwelling shall be initially installed by the developer of the Dwelling. Any change to a mailbox's location, height, design or color is subject to the prior approval of the Architectural Control Committee.
- 11.7 <u>Fences and Walls</u>. Fencing must be approved by the Architectural Control Committee prior to being installed. Fencing and walls shall be masonry, stone, wood, vinyl or black wrought iron only and may not exceed six (6) feet in height.

- 11.8 <u>Paving</u>. Driveway and other flat paved areas may be concrete, exposed aggregate concrete, stamped concrete, asphalt, quarry tile, brick, or paving blocks. Unimproved driveways are not permitted without the prior written approval of the Architectural Control Committee.
- 11.9 Antennas. All antennas are restricted to the attic or interior of the residence. Satellite dish antennas shall be allowed provided they are located in such areas as may be designated by the Board, which locations shall be where the dish can connect to the pre-installed wiring (to the extent possible while still obtaining reception) and where the placement will be most safe and minimize the impact to the structural features. One (1) small and inconspicuous satellite dish antenna having a diameter of 18" or less, which is installed adjacent to any Dwelling and is integrated with the Lot structure and surrounding landscape shall be permitted per Lot. A satellite dish larger than 18" in diameter, shall be reviewed by the Board on a case-by-case basis, so that the committee can ensure that the dish is located in a manner that will not damage the structure or present a safety concern. The Board may adopted rules establishing a preferred hierarchy of alternative locations and required screening of all dishes or other similar devises so long as such rules do not unreasonable increase the cost of installation, maintenance or use of the dish or devises.
- 11.10 <u>Skylights</u>. Skylights are subject to the approval of the Architectural Control Committee.
- 11.11 <u>Windows and Window Coverings</u>. No aluminum foil, newspapers, reflective film coatings, or any other similar materials may be used to cover the exterior windows of any Dwelling or garage. Sun shades and tinted windows are allowed. All windows and window panes in the Project shall be harmonious, and comparable in size, design and quality, so as not to detract from uniformity in appearance and construction.
- 11.12 <u>Sheet Metal. Flashing and Vents</u>. All sheet metal, flashing, vents and pipes must be colored to match the material to which they are attached or from which they project.
- 11.13 <u>Mechanical Equipment</u>. All air conditioning, heating equipment, swamp coolers and soft water tanks must be screened from view so as not to be Visible from Neighboring Property or from the street directly in front of the home or town-home, and shall be insulated for sound. Air conditioning units and swamp coolers are subject to the approval of the Architectural Control Committee and are not permitted on roofs or through windows unless they are not Visible from Neighboring Property or from the street.
- 11.14 <u>Gas and Electric Meters</u>. Meter locations are to be designed into the architecture of the Dwelling and shall not be Visible from Neighboring Property.
- 11.15 <u>Landscape Site Preparation Guidelines</u>. All clearing, stripping of soil and grading shall be subject to the approval of the Architectural Control Committee.
- 11.16 <u>Pets</u>. No horse, cow, pig, sheep, goat or other animal, bird, fowl, poultry or livestock of any kind shall be maintained on any Lot, unless it is a generally recognized house or yard pet, and then only if it is kept thereon solely as a domestic pet and not for breeding or other commercial purposes ("<u>Permitted Pet</u>"). No Permitted Pet shall be allowed to make an unreasonable amount of noise, smell, or to become a nuisance. Upon the written request of any

Owner, the Board shall conclusively determine, in its sole and absolute discretion, whether, for the purposes of this Section, a particular animal, bird, fowl, poultry, or livestock is a generally recognized house or yard pet, whether such a pet is a nuisance, and whether the number of animals or birds on any such property is reasonable. Any decision rendered by the Board shall be enforceable in the same manner as other restrictions contained herein. In no event shall an Owner have more than two (2) Permitted Pets on any Lot, without the prior written consent of the Board. All Permitted Pets shall be indoor pets only, and Owners shall not be permitted to house overnight any Permitted Pets on balconies, roof top patios, backyards, or in other facilities located outside any Lot. Any service or assistance animal shall count toward the number of Permitted Pets. The Board may adopt application and procedures with regard to Permitted Pets and service/assistance animals.

- 11.17 <u>Machinery and Equipment</u>. No machinery or equipment of any kind shall be placed, used, operated or maintained in or adjacent to any Lot except such machinery or equipment as is usual and customary in connection with the residential use, maintenance or construction of a Dwelling or appurtenant structures. Any woodworking, non-hand tools, and other similar equipment shall be stored and used in an enclosed garage or shed. No Owner may use any power tools (whether heavy or small hand tools, including, without limitation, lawn mower and trimmers), saws, hammers, or other noisy tools between the hours of 9:00 p.m. and 9:00 a.m. The pursuit of hobbies or other activities, including but not limited to the assembly and disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Project.
- 11.18 <u>Nuisances</u>. No rubbish or debris of any kind shall be placed or permitted by an Owner upon or adjacent to any Lots, so as to render such Lot or portion thereof unsanitary, unsightly, offensive, or detrimental to other Owners. No Dwelling or Lot shall be used in such a manner as to obstruct or interfere with the enjoyment of occupants of other Dwellings or Lots. Without limiting any of the foregoing, no exterior speakers, horns, whistles, bells or other sound devices (except security devices used exclusively for security purposes) shall be located or placed on Lots or in Dwellings.
- 11.19 Sports Equipment; Large Toys. Sports equipment (including, by way of example and not by limitation, volleyball nets, soccer goals, etc.), trampolines, swing sets, jungle gyms, sand boxes, and other similar sports equipment or large toys shall not be in left outside any Lot for a continuous period in excess of 24 hours. Portable basketball standards are not permitted in the Project. Use of sports equipment or large toys which results in noticeable noise shall be prohibited between the hours of 9:00 p.m. and 9:00 a.m.
- 11.20 <u>Lighting</u>. Each Dwelling shall maintain adequate lighting on front porches and in front of driveways. Each Owner shall be responsible, at Owner's expense, for replacing light bulbs and fixtures, and shall ensure that porches and driveways do not remain without light for more than a continuous twenty-four (24) hour period. The Master Association may replace bulbs or replace light fixtures on porches and driveways, and assess the costs to the Owner, if an Owner fails to maintain adequate lighting (as determined by the Architectural Control Committee). The Board may impose additional rules on the color, brightness, location and

timing of lighting. Exterior lighting for Christmas shall be permitted, provided such lighting is not a nuisance, but only for the months of November through January.

- 11.21 <u>Signs</u>. No signs whatsoever (including, but not limited to, commercial, political and similar signs) which are Visible from Neighboring Property or from the street shall be erected or maintained on any Lot except:
  - (a) Religious and holiday signs, symbols or decorations displayed inside a Dwelling, provided that the Board may impose reasonable time, place and manner restrictions as permitted by law with respect to such displays visible from outside the Dwelling;
    - (b) Signs required by legal proceedings;
  - (c) Political signs displayed within a reasonable time prior to and five (5) days after a political election, provided that the Master Association may not regulate the context of the signs, but may impose reasonable time, place and manner restrictions as permitted by law;
  - (d) Identification signs for individual residences which have been approved by the Architectural Review Committee;
  - (e) Signs (including "for sale" and "for lease" signs) the nature, number, and location of which have been approved in advance and in writing by the Architectural Review Committee;
  - (f) See Utah Code Annotated § 57-8a-219 regarding displays of the United States Flag;
  - (g) Such other signs, which are in conformance with the requirements of Salt Lake County, Salt Lake City, or the applicable municipality and which have been approved in writing by the Architectural Review Committee as to size, colors, design, message content and location.
- 11.22 <u>Recreational and other Vehicles</u>. No boats, trailers, large trucks and commercial vehicles belonging to Owners or other residents of the Property shall be parked outside enclosed garages. No motor vehicle of any kind shall be repaired, constructed or reconstructed upon any Lot, street, parking area or common area within the Project, except emergency repairs to vehicles lasting no longer than 48 hours. Any motor or recreational vehicle must be kept in an enclosed garage, or a permitted parking stall (subject to the other rules herein).
- 11.23 <u>Firearms, Incendiary Devices and Graffiti</u>. The use of firearms and incendiary devices or the painting of graffiti, within the Project is prohibited. The term firearms includes but is not limited to all guns, pistols, handguns, rifles, automatic weapons, semi-automatic weapons, BB guns, pellet guns, sling shots, wrist-rockets, blow-dart guns, and other firearms of all types, regardless of size.

- 11.24 <u>Outdoor Clothes Washing and Drying</u>. No exterior clotheslines shall be erected or maintained and there shall be no outside drying or laundering of clothes.
- 11.25 <u>Business Use</u>. No commercial trade or business may be conducted on, in, or from any Lot unless: a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Dwelling; b) the business activity conforms to all zoning requirements for the Project; c) the business activity does not involve persons coming onto the Project who do not reside in the Project or door-to-door solicitation of residents of the Project; and d) the business activity is consistent with the residential character of the Project and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Project, as may be determined in the sole discretion of the Board. Notwithstanding the above, the leasing of a residence shall not be considered a trade or business within the meaning of this subsection.
- 11.26 <u>Solar Equipment</u>. No Owner may install any solar energy device, solar energy collector panels, or other energy conservation equipment or attendant hardware without the express written consent of the Architectural Control Committee.
- 11.27 <u>Damage or Waste</u>. No damage to, or waste of, the Common Area shall be committed by any Owner or resident of the Project or any invitee of any Owner or resident of the Project, and each Owner shall indemnify and hold the Board and the other Owners harmless against all loss resulting from any such damage or waste caused by that Owner or resident of the Project, or an invitee; provided, however, that any invitee of the Declarant shall not under any circumstances be deemed to be an invitee of any other Owner.
- 11.28 <u>Laws</u>. Nothing shall be done or kept in, on or about any Lot or Common Areas, or any part thereof, which would be a violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body.
- 11.29 Trash Containers and Collection. All such Owner's garbage and trash shall be placed and kept in covered containers of a type and style which shall be approved by the Architectural Control Committee. Such containers shall not be Visible from Neighboring Property or from the street except to make them available for collection and then only for the shortest time necessary to effect such collection. Each Owner must at all times and at such Owner's expense provide garbage cans and plastic liners therefor. All rubbish, trash, refuse, waste, dust, debris and garbage shall be regularly removed from the exterior of a Lot and shall not be allowed to accumulate thereon.
- 11.30 Roof Top Patios and Balconies. Certain Dwellings will be equipped with balconies or roof top patios. Roof top patios will be equipped for first sale by the Declarant with small walls or fences separating patios. No Owner shall be permitted to erect higher or different fences, walls or other barriers between roof top patios without the prior approval of the Architectural Control Committee. Owners shall not be allowed to make any permanent structural or aesthetic additions to the patios or balconies, or add additional lighting improvements, without prior Architectural Control Committee approval. Only propane or other safe gas fired grills shall be allowed on balconies or roof top patios, and charcoal or other open fire grills, or other items using open flames, are expressly prohibited. Owners shall not make

modifications or store items on the roof top patios or balconies in a way that impacts the drainage systems installed upon initial construction. Owners shall not use balconies or roof top patios for permanent storage of personal property, other than chairs, tables and other items typically found on patios. Owners shall insure that there is nothing on a balcony or patio, such as hammocks or umbrellas, which could blow off with high winds and potentially injure other Owners or guests. The Board may enact rules that regulate the use of roof top patios such as, for example, regulations for week day and weekend use of roof top patios for social gatherings.

- 11.31 Party Walls. An Owner who acquires two adjoining Dwellings may not remove or alter a party wall or partition between the two Dwellings, without first submitting a written proposal to the Board. The Board shall have ten (10) business days to respond to the written proposal and may, in the Board's sole discretion, require that the Owner submit, at the Owner's sole expense, a professional engineer's or registered architect's opinion as set forth in Utah Code Annotated § 57-8a-222, and the Board may enforce the Master Association's legal fees and expenses related to the proposed alteration of a party wall. The Owner shall not take the action to alter a wall if the action would impair the structural integrity or mechanical systems of the building or Dwelling, reduce the support of the wall as to common areas or another Lot, or constitute a violation of Section 57-8a-222(2)(c).
- 11.35 No Short Term or Nightly Rentals. Daily, nightly, weekly or monthly occupation is prohibited (whether pay or not), and Dwellings shall not be advertised or listed for short term rental on such sites as Airbnb, VRBO, HomeAway, Flipkey, Wimdu, House Trip and similar international, national or local providers.
- 11.36 <u>Long Term Leasing.</u> Long term leasing shall be for six months or longer and shall only be allowed under the following circumstances:
  - (a) An Owner in the military for the period of the Owner's deployment.
  - (b) A Dwelling occupied by an Owner's parent, child, or sibling.
  - (c) An Owners employer has relocated the Owner for no less than two years.
  - (d) A Dwelling owned by a trust or entity that is occupied by an individual who:
    - (i) Has voting rights under the organizing documents and has 25% or greater share of ownership, control and right to profits and losses of the entity; or
    - (ii) A trust or other entity created for the estate planning purposes if the trust or other estate planning entity was created for:
  - (e) Any long-term lease shall be in writing, shall be for an initial term of at least six months, and shall provide as a term of the agreement that the occupant shall comply with the Governing Documents, and that any failure to comply shall be a default

under the lease. If a lease does not include these provisions, they shall nonetheless be deemed to be part of the lease and binding on the Owner and the occupant.

- (f) An Owner shall provide the Board with information identifying the occupants, vehicles, phone numbers, and other applicable contact information.
- (g) A copy of any lease agreement shall be delivered to the Master Association upon request.
- (h) The Owner(s) of a Dwelling shall be responsible for the occupant's or any guest's compliance with the Governing Documents. In addition to any other remedy for noncompliance with this Master Declaration, the Master Association, following notice to the Owner, shall have the right to initiate a forcible entry and unlawful detainer action, or similar such action, with the purpose of removing the offending non-owner occupant. The Master Association, the Master Board, and the Manger shall not have any liability for any action taken pursuant to this subparagraph and the Owner shall indemnify and pay the defense costs of the Master Association, the Master Board, and the Manager arising from any claim related to any action taken in good faith by any of them pursuant to this subparagraph. For purposes of this subparagraph, each Owner in accepting the deed to a Dwelling expressly consents to such authority and authorizes and appoints the Master Association as attorney-in-fact for such Owner to execute any and all instruments and pursue any and all remedies available to remove the offending non-owner occupant.
  - (i) The Master Board may adopt Rules requiring:
    - (i) Reporting and procedural requirement related to non-owner-occupied Dwellings; and
    - (ii) Other reasonable administrative provisions consistent with, and as it deems appropriate to enforce, the requirements of this Master Declaration.
- Declarant, the Master Association, and such utility companies as may be designated by the Declarant or the Master Association upon, across, over and under each area of real property within the Project for ingress to, egress from, and the installation, replacement, repair and maintenance of all utility and service lines and systems, including, but not limited to water, sewer, gas, and electricity as such utilities are installed in connection with the development of the Project ("Utility Easements"). Pursuant to this easement, the Declarant or a providing utility or service company may install and maintain facilities and equipment on the Property and affix and maintain wires, circuits and conduits on, in and under the roofs and exterior walls of buildings on the Lots. This easement shall not extend under or encroach upon structures built prior to such utilities being installed, and it shall not permit utility installations under slabs or foundations of structures, unless approved by the Owner thereof. Declarant shall have the right to abandon an easement reserved by this Section 5.6, in whole or in part, at any time and without prior notice.

- 11.38 <u>Metering of Utilities</u>. Each Lot shall be separately metered for gas and electricity. Costs of gas and electric service to the Lots shall be paid by the individual Owners. Water and sewer for the individual Lots shall be master metered to the Project, and the costs for water and sewer services to the Lots shall be considered a common expense of the Master Association and assessed proportionately to the Owners.
- 11.39 Parking. As designated on the Plat, each of the Condo Units and Lots 24 and 25 are assigned one reserved, un-covered parking stall, for the exclusive use of the applicable Owner. Any cars parked by other Owners in a reserved stall may be towed by the Master Association, and the costs of towing charged as a special assessment and lien against such offending Owner. As indicated on the Plat, there will be additional uncovered parking spots within the designated Common Area that will be available for use of Owners on a first-come, first-served basis. No recreational or commercial vehicles or trailers may be parked or stored in any parking stall, on the private roads of the Project, or in any other manner that will create an obstacle or hazard. No Owners or their guests or tenants shall repair or restore any vehicle of any kind in the parking area, except for emergency repairs or a disabled vehicle, and then only for 48 hours to allow for movement to a repair facility. Guests or other temporary invitees may not park a vehicle in the general parking area for longer than 48 hours without approval from the Master Association. It is the intent that the general parking stalls shall be available to the Owners for parking of daily use vehicles, and no Owner, or any guest, tenant or invitee, may park any vehicle in a parking stall for longer than 72 consecutive hours without moving such vehicle. If an Owner, or any guest, tenant or invitee, is using a parking stall to store a vehicle for occasional use past the time period above, the Master Association will give such person an initial warning, and, after the first warning the Master Association may tow the vehicle the second time it is stored past the time period above, and the applicable Owner shall be responsible for all costs of towing (to be imposed as an Individual Assessment that may be enforced as provided herein the same as other Assessments).

# ARTICLE 12 Rights of Mortgagees

The lien of assessments, including interest, late charges (subject to the limitations of Utah law), and costs (including attorney fees) provided for herein, shall be subordinate to the lien of any institutional first or second mortgage of record made in good faith and for value, recorded prior to a recorded notice of lien by the Master Association. The sale or transfer of any Dwelling shall not affect the assessment lien. However, the sale or transfer of any Dwelling pursuant to foreclosure of a prior, recorded institutional first or second mortgage shall extinguish the lien of such assessments as to payments that became due prior to such sale or transfer; provided, that to the extent there are any proceeds of the sale on foreclosure of such mortgage or by exercise of such power of sale in excess of all amounts necessary to satisfy all indebtedness secured by and owed to the holder of such mortgage, the lien shall apply to such excess. No sale or transfer shall relieve such Dwelling from lien rights for any assessments thereafter becoming due. Where the mortgagee holding an institutional first or second mortgage of record or other purchaser of a Dwelling obtains title pursuant to remedies under the mortgage, its successors and assigns shall not be liable for the share of the assessments by the Master Association chargeable to such Dwelling that became due prior to the acquisition of title to such Dwelling by such acquirer. No foreclosure, sale or transfer shall relieve any Owner who was the Owner prior to such foreclosure, sale or transfer from personal liability for any assessments due and owing prior to such foreclosure, sale or transfer.

# ARTICLE 13 Amendments

- 13.1 Amendments by Declarant. Except as provided elsewhere in this Master Declaration, this Master Declaration and any amendments thereto may be amended or revoked by the execution by the Declarant of an instrument amending or revoking the same until the Turnover Date without obtaining the approval of Owners, the Master Association, or existing Mortgagees. Moreover, notwithstanding anything contained in this Master Declaration to the contrary, this Master Declaration may be amended unilaterally by the Declarant at any time if such amendment is (a) necessary to correct typographical errors or inadvertent omissions, (b) necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, regulation or judicial determination, or (c) reasonably necessary to enable any reputable title company to issue title insurance coverage with respect to any Dwellings or Lots, or to allow any reputable insurance company to issue marketable insurance on any Dwelling.
- 13.2 Amendments Necessary for FHA Compliance, etc. Notwithstanding anything to the contrary contained in this Master Declaration, if Declarant determines that any amendments to this Master Declaration or any amendments to the Articles of Incorporation or Bylaws of the Master Association shall be necessary in order for existing or future mortgages, deeds of trust, or other security instruments to be acceptable to the Veterans Administration, the Federal Housing Administration of the U.S. Department of Housing and Urban Development, the Federal National Mortgage Master Association or the Federal Home Loan Mortgage Corporation, Declarant shall have, and hereby specifically reserves, the right and power to unilaterally make and execute any such amendments without obtaining the approval of any other Owners, Members, or first lien Mortgagees.
- 13.3 <u>General Amendment Requirements</u>. Subject to the provisions of this Article after the Turnover Date, any amendment hereto shall require the approval of at least 2/3rds of the voting interests of the Members.
- 13.4 <u>Protection of Declarants' Rights</u>. An amendment shall not terminate or decrease any unexpired development rights of Declarant or period of control of Declarant unless Declarant approves or consents in writing.
- FHA/VA Approval. If this Master Declaration has been initially approved by FHA or VA in connection with any loan programs made available by FHA or VA and any loans which are insured or guaranteed by FHA or VA, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration (unless the need for such approval has been waived by FHA or VA): annexation of additional properties (except as already provided herein), mergers and consolidations, mortgaging of Common Area, public dedication of Common Area, and amendment of this Master Declaration. If this Master Declaration has not been so initially approved and no loans have been made which are insured or guaranteed by FHA or VA, a statement by Declarants to that effect shall be sufficient to eliminate the need for FHA/VA approval.

## ARTICLE 14 Insurance

14.1 <u>Insurance Requirement.</u> The Master Association shall obtain insurance as required in this Master Declaration and as required by applicable law. The Master Association may obtain insurance that provides more or additional coverage than the insurance required in this Master Declaration. Different policies may be obtained from different insurance carriers and standalone policies may be purchased instead of or in addition to embedded, included coverage, or endorsements to other policies.

#### As used in this Article:

- (1) "Covered Loss" means a loss, resulting from a single event or occurrence that is covered by the Master Association's property insurance policy.
- (2) "Dwelling Damage" means damage to any Dwelling or a combination of Dwellings.
- (3) "Dwelling Damage Percentage" means the percentage of total damage resulting in a covered loss that is attributable to each Dwelling damaged.

#### 14.2 Property Insurance.

- (a) <u>Blanket Policy of Property Insurance</u>. The Master Association shall maintain a blanket policy of property insurance covering all Common Areas and, if the Project contains Dwellings or structures that share Party Walls, blanket insurance on all attached Dwellings (including fixtures and building service equipment) is required.
  - (i) At a minimum, any required blanket policy shall afford protection against loss or damage by: (1) fire, windstorm, hail, riot, aircraft, vehicles, vandalism, smoke, and theft; and (2) all perils normally covered by "special form" property coverage.
  - (ii) Any blanket policy shall be in an amount not less than one hundred percent (100%) of current replacement cost of all property covered by such policy (including the Dwellings if applicable) at the time the insurance is purchased and at each renewal date. The actual replacement cost of the property shall be determined by using methods generally accepted in the insurance industry.
  - (iii) A blanket policy shall include either of the following endorsements to assure full insurable value replacement cost coverage: (1) a Guaranteed Replacement Cost Endorsement under which the insurer agrees to replace the insurable property regardless of the cost; or (2) a Replacement Cost Endorsement under which the insurer agrees to pay up to one hundred percent (100%) of the Property's insurable replacement cost but not more. If the policy includes a

coinsurance clause, it must include an Agreed Amount Endorsement which must waive or eliminate the requirement for coinsurance.

- (iv) Each property policy that the Master Association is required to maintain shall also contain or provide for the following: (i) "Inflation Guard Endorsement," if available (ii) "Equipment Breakdown," if the project has central heating or cooling or other equipment or other applicable fixtures, equipment, or installations, which shall provide that the insurer's minimum liability per accident at least equals the lesser of one million dollars (\$1,000,000) or the insurable value of the building containing the equipment.
- (b) Owner Responsibility for Payment of Deductible. If a loss occurs that is covered by a property insurance policy in the name of the Master Association and another property insurance policy in the name of an Owner:
  - (i) The Master Association's policy provides primary insurance coverage;
  - (ii) The Owner is responsible for the Master Association's policy deductible;
  - (iii) The Owner's policy, if any, applies to that portion of the loss attributable to the Master Association's policy deductible;
  - (iv) An Owner who owns a Dwelling and has suffered Dwelling Damage as part of Covered Loss is responsible for an amount calculated by applying the Dwelling Damage Percentage for that Dwelling to the amount of the deductible under the Master Association's property insurance policy; and
  - (v) If an Owner does not pay the amount required under this Article within 30 days after substantial completion of the repairs to, as applicable, the Dwelling or the appurtenant to the Dwelling, the Master Association may levy an assessment against the Owner for that amount.
- (c) <u>Flood Insurance</u>. If any part of the property insured by the Master Association comes to be situated in a Special Flood Hazard Area as designated on a Flood Insurance Rate Map, a policy of flood insurance shall be maintained. If the property insured by the Master Association is not situated in a Special Flood Hazard Area, The Master Association may nonetheless, if approved by a majority of Owners, purchase flood insurance to cover floods not otherwise covered by blanket property insurance.
- (d) <u>Earthquake Insurance</u>. The Master Association may nonetheless, if approved by a majority of Owners, purchase earthquake insurance to cover earthquakes not otherwise covered by blanket property insurance.
- (e) <u>Master Association's Obligation to Segregate Property Insurance Deductible.</u> The Master Association shall segregate an amount equal to the Master Association's property

insurance policy deductible or \$10,000, whichever is less. This requirement shall not apply to any earthquake or flood insurance deductible. If the amount held in this account is used to pay any deductible, it shall be replenished within twelve (12) months.

- (f) Master Association's Right to Not Tender Claims that are Under the Deductible. If, in the exercise of its business judgment, the Board of Directors determines that a claim is likely not to exceed the Master Association's property insurance policy deductible: (a) the Owner's policy is considered the policy for primary coverage to the amount of the Master Association's policy deductible; (b) an owner who does not have a policy to cover the Master Association's property insurance policy deductible is responsible for the loss to the amount of the Master Association's policy deductible; and (c) the Master Association need not tender the claim to the Master Association's insurer.
- (g) <u>Notice Requirement for Deductible.</u> The Master Association shall provide notice to each Owner of the Owner's obligation for the Master Association's policy deductible and of any change in the amount of the deductible.
- 14.3 <u>Comprehensive General Liability (CGL) Insurance.</u> The Master Association shall obtain CGL Insurance insuring the Master Association, the agents and employees of the Master Association, and the Owner, against liability incident to the use, ownership or maintenance of the Common Area, or membership in the Master Association. The coverage limits under such policy shall not be less than one million dollars (\$1,000,000) covering all claims for death of or injury to any one person or property damage in any single occurrence. Such insurance shall contain a Severability of Interest Endorsement or equivalent coverage which would preclude the insurer from denying the claim of an Owner because of the negligent acts of the Master Association or another Owner.
- 14.4 <u>Directors and Officers Insurance</u>. The Master Association shall obtain Directors and Officers liability insurance protecting the Board of Directors, the Officers, and the Master Association against claims of wrongful acts, mismanagement, failure to maintain adequate reserves, failure to maintain books and records, failure to enforce the Governing Documents, and breach of contract (if available). The policy shall:
  - (a) Include coverage for volunteers and employees;
  - (b) Include coverage for monetary and non-monetary claims;
  - (c) Provide for the coverage of claims made under any fair housing act or similar statute or that are based on any form of discrimination or civil rights claims; and
  - (d) Provide coverage for defamation. In the discretion of the Board of Directors, the policy may also include coverage for any manager and any employees of the manager and may provide that such coverage is secondary to any other policy that covers the manager or any employees of the manager.

- 14.5 <u>Insurance Coverage for Theft and Embezzlement of Master Association Funds.</u> The Master Association may obtain insurance covering the theft or embezzlement of funds that shall:
  - (a) Provide coverage for an amount of not less than the sum of three months regular assessment in addition to the prior calendar year's highest monthly balance on all operating and reserve funds; and
  - (b) Provide coverage for theft or embezzlement of funds by:
    - (i) Officers, Board of Directors, or Members of the Master Association;
    - (ii) Employees and volunteers of the Master Association;
    - (iii) Any manager of the Master Association; and
    - (iv) Officers, directors and employees of any manager of the Master Association.
- 14.6 <u>Certificates.</u> Any insurer that has issued an insurance policy to the Master Association shall issue a certificate of insurance to the Master Association and upon written request, to any Owner or Lender.
- 14.7 <u>Named Insured.</u> The named insured under any policy of insurance shall be the Master Association. Each Owner shall also be an insured under all property and CGL insurance policies.
- Proceeds. Insurance proceeds for a loss under the Master Association's property insurance policy shall be payable the Master Association and shall not be payable to a holder of a security interest. Insurance proceeds shall be disbursed first for the repair or restoration of the damaged property, if the property is to be repaired and restored as provided for in this Declaration. After any repair or restoration is complete and if the damaged property has been completely repaired or restored, any remaining proceeds shall be paid to the Master Association. If the property is not to be repaired or restored, then any proceeds remaining after such action as is necessary related to the property has been paid for, shall be distributed to the Owners and lien holders, as their interests remain with regard to the Dwellings. Each Owner hereby appoints the Master Association, as attorney-in-fact for the purpose of negotiating all losses related thereto, including: the collection, receipt of, and the execution of releases of liability, and the execution of all documents and the performance of all other acts necessary to administer such insurance and any claim. This power-of-attorney is coupled with an interest, shall be irrevocable, and shall be binding on any heirs, personal representative, successors or assigns of an Owner.
- 14.9 Owner Act Cannot Void Coverage Under Any Policy. Unless an Owner is acting within the scope of the Owner's authority on behalf of the Master Association and under direct authorization of the Master Association, an Owner's act or omission may not void an insurance policy or be a condition to recovery under a policy.

14.10 <u>Waiver of Subrogation against Owners and Master Association</u>. All property and CGL policies must contain a waiver of subrogation by the insurer as to any claims against the Master Association and the Owners and their respective agents and employees.

#### ARTICLE 15 Miscellaneous

- 15.1 <u>Declarant's Rights Assignable</u>. All or any portion of the rights of Declarant under this Master Declaration or in any way relating to the Property may be assigned.
- 15.2 <u>Interpretation</u>. The captions which precede the Articles and Sections of this Master Declaration are for convenience only and shall not 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 the other gender.
- 15.3 <u>Severability</u>. If any provision, paragraph, sentence, clause, phrase or word of this Master Declaration should under any circumstances be invalidated or deemed invalid by law, such invalidity shall not affect the validity of the remainder of the Master Declaration, and the application of any such provision, paragraph, sentence, clause, phrase or word. If such portion of the Master Declaration is invalid or deemed invalid by law, such provision shall be deemed modified only to the extent necessary to address such invalidity, without impacting the other provisions of this Master Declaration.
- 15.4 <u>Assignment</u>. Upon the assignment from any Declarant, at its sole option, to the Master Association, of such Declarant's rights and obligations hereunder, such Declarant thereafter shall be relieved from any further liability or obligation hereunder.

IN WITNESS WHEREOF, Declarant has executed this Master Declaration as of this 13th day of, 2018.
SALT LAKE NEIGHBORHOOD HOUSING SERVICES, INC. A Utah non-profit corporation DBA NeighborWorks Salt Lake
By: Maria Garciaz  Title: Executive Director
STATE OF UTAH  : ss.  COUNTY OF SALT LAKE  On this, the 13th day of 1001, 2018, before me, the undersigned officer, personally appeared Maria Garciaz, the Executive Director of Salt Lake Neighborhood Housing Services, a Utah non-profit corporation, DBA NeighborWorks Salt Lake and that she, being authorized so to do, executed the foregoing instrument for the purpose therein contained and in the capacity therein stated.
IN WITNESS WHEREOF I hereunto set my hand and official seal.  CLAUDIA CRUZ Notary Public State of Utah Comm. No. 685136 My Comm. Expires Sep 30, 2019

#### **EXHIBIT "A"**

#### **Legal Description of Property**

THE FOLLOWING DESCRIBED TRACT OF LAND INCLUDES PARCEL TAX ID NUMBERS; 08-25-451-004, 08-25-451-005, 08-25-451-006, 08-25-451-007, 08-25-451-008, 08-25-377-013, AND 08-26-377-014 ALSO DESCRIBED AS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 6 BLOCK 151 PLAT "A" SALT LAKE CITY SURVEY SAID POINT ALSO BEING SOUTH 89° 59′29″ WEST 63.96 FEET, AND SOUTH 00°01′05″ EAST 63.50 FEET FROM FRONT MONUMENT IN THE INTERSECTION OF 800 NORTH AND 300 WEST STREET, THENCE NORTH 89° 59′23″ WEST 83.00 FEET, THENCE SOUTH 00°01′05″ EAST 82.99 FEET, THENCE NORTH 89°59′35″ WEST 247.28 FEET, THENCE SOUTH 00°00′29″ WEST 82.48 FEET, THENCE NORTH 89°48′40″ WEST 33.03 FEET, THENCE SOUTH 00°02′37″ EAST 139.87 FEET, THENCE SOUTH 89°58′47″ EAST 32.91 FEET, THENCE SOUTH 00°00′29″ WEST 4.13 FEET, TO THE NORTH SIDE OF REED AVE, THENCE SOUTH 89°58′47″ EAST 181.79 FEET, THENCE NORTH 78.00 FEET, THENCE SOUTH 89°58′55″ WEST 16.50 FEET, THENCE NORTH 01°10′20″ EAST 65.43 FEET, THENCE SOUTH 89°48′40″ EAST 163.66 FEET, TO THE WEST SIDE OF 300 WEST STREET, THENCE NORTH 00°00′02″ WEST 166.53 TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL OF LAND CONTAINS 63,986.09 SQ.FT. IN AREA OR 1.469 ACRES MORE OR LESS.

#### **EXHIBIT "B"**

**Bylaws** 

# BYLAWS OF MARMALADE COURT HOMEOWNERS MASTER ASSOCIATION, INC.

The following are the Bylaws of Articles of Incorporation for Marmalade Court Homeowners Master Association, Inc. ("Bylaws"), a Utah nonprofit corporation ("Master Association"). Upon recordation of these Bylaws, they are binding upon the Master Association and all present and future Owners and/or occupants.

#### **ARTICLE I - DEFINITIONS**

Section 1.1 Definitions. All terms used but not defined herein shall have the meanings given them under that certain Declaration of Covenants, Conditions & Restrictions for Marmalade Court Planned Unit Development, a Master Community, of even date and recorded in the Official Records of the Salt Lake County Recorder's Office (hereinafter "Declaration"), and as the same may be amended from time to time as therein provided.

#### **ARTICLE II - MEETINGS OF OWNERS**

Section 2.1 Annual Meetings. An annual meeting of the Owners shall be held no less than once each calendar year at a location and time designated by the Board of Directors ("Board"). The Board may set the date, time and location of the annual meeting in accordance with Section 2.3 below.

Section 2.2 Special Meetings. Special meetings of the Owners may be called at the request of the Board, or upon written request of the Owners holding at least fifty-one percent (51%) of the total eligible membership of the Master Association. Notwithstanding, the Board remains the only authorized body to act for and in behalf of the Master Association.

Section 2.3 Notice of Meetings. Unless an Owner requests in writing that all notices be provided to said Owner by U.S. mail, all notices shall be given by, or at the direction of, the Board via email or other electronic communication. Notice shall be provided at least ten (10) days before a meeting, but no more than sixty (60) days, to each Owner at the email or electronic address provided by the Owner. Said notice is effective upon sending the email or electronic communication. Notices provided by U.S. mail shall be sent via U.S. First Class Mail and effective upon deposit in the mail. Such notice shall specify the location, day and time of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Upon becoming an Owner of the Master Association, or upon the written request by the Master Association, Owners shall provide a valid email address or other requested electronic information for purpose of notification related to the Master Association unless the Owner has opted out by providing a written request for notice by U.S. Mail.

Section 2.4 Quorum. The quorum required for any action by the Owners hereunder, unless otherwise specifically set forth in the Declaration, shall be as follows: at each scheduled meeting called, the presence of Owners holding, or holders of proxies entitled to cast, at least twenty percent (20%) of all outstanding votes shall constitute a quorum for the transaction of business. If a quorum is not met, the meeting shall be postponed to a date of not more than thirty (30) days and not less than twenty-four (24) hours at which time the Owners and proxies present shall constitute a quorum for transacting business. In the case of any postponement, no notice of such rescheduled meeting shall be required except an announcement thereof at the original meeting and an electronic notification with the new meeting time, date and location to those Owners who have previously provided an email or other electronic means to the Master Association for notice purposes.

Section 2.5 Proxies. At all meetings of Owners, each Owner may vote in person or by proxy. All proxies shall be in writing, signed by the Owner, and filed with the Board at or before said meeting. Notwithstanding, any proxy delivered to the Board at the meeting must be provided no later than any point in the meeting announced as the final time to deliver proxies. The proxy form provided with any notice of meeting may also provide an additional requirements and a deadline to return proxies. Every proxy shall be revocable and shall automatically terminate upon conveyance by the Owner of his Lot or Unit. If conflicting proxy votes for a Lot or Unit exist, said proxy votes will not be counted.

Section 2.6 Conduct of Meetings. The Board, or its authorized representatives, shall preside over all meetings. The Secretary or other authorized person shall keep and maintain minutes of all meetings. The Board may adopt further policies and procedures with regard to conduct at an Master Association meeting.

(a) **Recording.** No person, whether an Owner, occupant, owner representative, or other third party is permitted to record (whether audio, video, transcription or combination) any Master Association or Board meeting, work session, event, get-together, or similar event regardless of the location of such event.

Section 2.7 Action Taken Without a Meeting. Any action that may be taken at any annual or special meeting of Owners may be taken without a meeting and without prior notice, if one or more consents in writing, setting forth the action taken, are signed by the Owners having not less than the minimum voting power that would be necessary to authorize or take the action at a meeting at which all Owners eligible to vote on the action were present and voted, unless a different approval percentage for the action is specifically set forth in the Declaration. The Board may obtain such approvals and conduct business through mail or email/electronic ballots.

Ballots shall set forth each proposed action and provide the option of voting for or against each proposed action. The ballot must specify the period of time, up to 90 days, during which the Master Association shall accept written ballots. Following this period, the Master Association shall provide notice if such action was approved.

Section 2.8 Voting. Only an Owner that is current on all assessments and charges due and owing at least thirty (30) days prior a duly noticed meeting shall be deemed in good standing and eligible vote. The Master Association shall have two (2) classes of voting membership, Class "A" and Class "B," as set forth in the Declaration. Each Class A Member shall be given one vote per Lot or Unit.

The votes appurtenant to any one Lot/Unit may not be divided between Owners of such Lot/Unit and all such votes appurtenant to any one Lot/Unit shall be voted in one block. If the vote of a majority of the Owners of a Lot/Unit cannot be determined, no vote shall be cast in relation to such Lot/Unit. The Master Association shall honor the vote of: a duly authorized trustee or successor trustee of a trust that is an Owner; the duly authorized representative of a legal entity that is an Owner; and shall honor the vote of an individual that is a holder of a Limited or General Durable Power of Attorney with respect to an Owner as though such vote were the vote of the Owner.

#### ARTICLE III - BOARD, SELECTION AND TERM OF OFFICE

Section 3.1 Number & Tenure. Except for the Initial Board selected by Declarant, which consists of three members and their successors, that may hold office during the Class B Control Period, the affairs of the Master Association shall be managed by a Board of Directors composed of three (3) individuals. At the first meeting of the Owners at which the election of Directors will take place following the Class B Control Period, the candidate who receives the most votes shall serve as a Director for three (3) years. The candidate that receives the second highest number of votes shall serve as a Director for two (2) years, and the third candidate who receives the third highest number of votes shall serve as Director for one (1) year. At each annual election, the successor to the Director whose term shall expire in that year shall be elected to hold office for the term of (3) years. Any change in the number of Directors may be made only by amendment of these Bylaws. The members of the Board of Directors shall serve until their respective successors are elected, or until their death, resignation or removal.

Section 3.2 Eligibility. Following the Class B Control Period, all members of the Board shall be Owners or an Owners' spouse or legal partner that resides with Owner in the Dwelling. Notwithstanding, only one member of a single household can be a member of the Board at any one time.

Section 3.3 Resignation & Removal. A Director may resign at any time by delivering a written resignation to either the President or the Board. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any Director, except during Class B Control Period, may be removed from the Board, with or without cause, by a vote of at least (51%) of the Owners of the Master Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining Directors and shall serve for the unexpired term of his predecessor.

**Section 3.4 Compensation**. No Director shall receive compensation for any service he may render to the Master Association. However, any Director may be reimbursed for actual and approved expenses incurred in the performance of his duties.

Section 3.5 No Estoppel or Reliance. No one may rely upon any authorization (from the Board or otherwise) contrary to the terms and conditions of the Governing Documents regardless of circumstances. No claim of estoppel, waiver or similar equitable claims or defense may be raised by anyone related to any alleged reliance.

Section 3.6 Records Retention. The Board shall take appropriate action to develop, implement and update procedures for record retention. The Board should maintain documents in a manner to be easily accessible and copied. The Board may budget specifically for this expense and may seek the advice of consultants in developing retention procedures.

#### ARTICLE IV - NOMINATION AND ELECTION OF DIRECTORS

**Section 4.1 Nomination**. Following the Class B Control Period, nomination for election to the Board may be made by the Board or by Owners from the floor at the annual meeting.

Section 4.2 Election. Following the Class B Control Period, the election of Directors shall be by vote or written ballot, as determined at the discretion of the Board. The persons receiving the largest number of votes shall be elected. Cumulative voting is not authorized.

#### ARTICLE V - MEETINGS OF THE BOARD

Section 5.1 Regular Meetings. Regular meetings of the Board shall be held at least annually, or more frequently as determined by the Board. All notices shall be provided by email or other electronic means. Directors are required to provide an email or electronic address for purposes of notice of Board meetings. Notice shall be provided at least five (5) days before a meeting, but no more than thirty (30) days.

Owners, and Owner representatives (if designated in writing in advance) may attend Board meetings and may be present for all discussions, deliberations, and decisions except when the Board is in executive session. Owners shall comply with all reasonable rules established by the presiding officer for their attendance. The Board may limit Owners' comments and/or questions to a specific period of time within the meeting. The Board shall provide email notice in accordance with the Act to Owners that have requested, in writing, to be notified of Board Meetings and have provided a valid email address.

Section 5.2 Special Meetings. When, in the discretion of the President or two members of the Board, circumstances require that a meeting be held sooner than the required five (5) five' notice for a regular meeting, a special meeting may be called by the President or

by any two (2) Directors, after not less than twenty-four (24) hours' notice to each Director.

**Section 5.3 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 at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 5.4 Conduct of Meetings. The Board, or its authorized representatives, shall preside over all meetings. The Secretary or other authorized person shall keep and maintain minutes of all meetings. The Board may adopt further policies and procedures with regard to conduct at a Board meeting.

(a) **Recording.** No person, whether an Owner, occupant, owner representative, or other third party is permitted to record (whether audio, video, transcription or combination) any Master Association or Board meeting, work session, event, get-together, or similar event regardless of the location of such event.

Section 5.5 Action Taken Without a Meeting. The Directors may take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of a majority of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board.

#### ARTICLE VI - POWERS AND DUTIES OF THE BOARD

Section 6.1 Powers and Duties. The Board shall have all of the powers and duties necessary for the administration of the affairs of the Master Association in accordance with the provisions of the Governing Documents and Utah law. The Board may delegate its authority to manager(s), subject to any limitations or provisions contained in the Governing Documents.

#### **ARTICLE VII - OFFICERS AND THEIR DUTIES**

**Section 7.1 Enumeration of Officers.** The officers of this Master Association shall be a president, secretary, and treasurer, as designated by the Board.

Section 7.2 Election of Officers. The election/appointment of officers shall take place at the first Board meeting following the annual meeting of the Owners. Officers shall serve in their office for a period of one (1) year. Notwithstanding, nothing in these Bylaws prevent an officer or directors from being re-elected to their respective positions.

Section 7.3 Special Appointments. The Board may elect such other officers as the affairs of the Master 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. Appointed Officers may be removed by the Board with or without cause.

Section 7.4 Resignation and Removal. Any officer may resign at any time by delivering a written resignation to any Director or to any Manager. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any officer may be removed and replaced by a majority of the Board of Directors at any time, with or without cause. In the event of death, resignation or removal of an officer, his successor shall be selected by the Board and shall serve for the unexpired term of his predecessor.

**Section 7.5 Duties.** The Board may adopt policies and resolutions to define the respective duties of Directors and Officers.

#### ARTICLE VIII - CONTRACTS, LOANS & INVESTMENT

**Section 8.1.** Contracts. The Board may authorize any officer(s), agent(s), to enter into any contract or execute and deliver any instrument in the name of or on behalf of the Master Association, and such authority may be general or confined to specific instances.

**Section 8.2** Loans. Any loan entered into by the Master Association must be in accordance with the Declaration.

**Section 8.3 Deposits & Investments.** Master Association funds may only be deposited into institutions that are federally insured. The Board may deposit Master Association funds into savings accounts, money market accounts, or purchase certificates of deposits. Other investment options that may pose additional risks must be approved by at least 51% of the total eligible membership prior to the investment.

#### **ARTICLE IX - COMMITTEES**

Section 9.1 Committees. The Board may appoint such committees as deemed appropriate in carrying out its purposes. A committee shall not have any powers, duties, or responsibilities beyond those specifically assigned by the Board. The Board may terminate any committee at any time.

#### **ARTICLE X - MISCEANLEOUS**

Section 10.1 Waiver of Procedural Irregularities. All inaccuracies and irregularities in calls or notices of meetings, in the manner of voting, in the form of proxies, in the method of asserting persons present, in the method of making decisions, or in the method of accepting or counting votes shall be deemed waived under the following circumstances:

- (a) If the objecting person was in attendance at the meeting and the issue upon which the objection was based was perceptible and no objection to the particular procedural issue was made at the meeting.
- (b) If the objecting person was not in attendance at the meeting but had proper notice of the meeting.
- (c) If the objecting person was not in attendance at a meeting and had actual notice of the meeting before it occurred.

(d) If the objecting person who was not in attendance at the meeting and did not have proper or actual notice fails to assert the objection within 30 days of receiving notice of the circumstances giving rise to their objection.

Section 10.2 Requirements for Objections. All objections except those made at a meeting shall be in writing. Whenever made, objections must specifically describe the circumstances giving rise to the objection and reference the specific provision of the Governing Documents or law that is alleged to have been violated, with a brief statement of the facts supporting the claimed violation.

Section 10.3 Irregularities that Cannot Be Waived. Any irregularity that is the result of fraud or that was done knowingly and intentionally in violation the Governing Documents or Utah law.

**Section 10.4 Fiscal Year.** The fiscal year of the Master Association shall begin on the first day of January and end on the 31<sup>st</sup> day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

**Section 10.5 Amendment.** During the Class B Control Period, these Bylaws may be amended at any time by the Declarant. Following the Class B Control Period, these Bylaws may be amended by Owners holding at least fifty-one percent (51%) of the total eligible votes of the membership. An amendment to these Bylaws shall be effective immediately upon recordation in the Office of the Salt Lake County Recorder, State of Utah.

The foregoing Bylaws are adopted by the undersigned and made effective upon recordation in the Office of the Salt Lake County Recorder, State of Utah.

DATED this day of	April	, 2018.	
MARMALADE COURT HOME A Utah nonprofit corporation By:	EOWNERS	MASTER ASSOCIA	ATION, INC.
Munic Turlet			

**Board Member** 

EXHIBIT "C"

Plat