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WASATCH COUNTY CORPORATION
For: THE CROSSINGS AT LAKE CREEK

the **Crossings**
AT LAKE CREEK

Master Declaration of
Covenants, Conditions and Restrictions

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I – DEFINITIONS	1
1.01 "Architectural Control Committee" and "ACC"	1
1.02 "Assessment" or "Assessments"	2
1.03 "Association"	2
1.04 "Building Pad"	2
1.05 "Code"	2
1.06 "Common Area" or "Common Areas"	2
1.07 "Declarant"	2
1.08 "Declaration" and/or "CC&Rs"	2
1.09 "Development and Sale Period"	2
1.10 "Dwelling"	2
1.11 "Governing Documents."	2
1.12 "Improvements"	3
1.13 "Lot"	3
1.14 "Management Committee"	4
1.15 "Member"	4
1.16 "Neighborhood Area"	4
1.17 "Neighborhood Declaration"	4
1.18 "Neighborhood Homeowner Association"	4
1.19 "Outbuilding"	4
1.20 "Owner"	4
1.21 "Planned Residential Development"	5
1.22 "Plans"	5
1.23 "Property"	5
1.24 "Recorded Neighborhood Plat"	5
1.25 "Supplemental Neighborhood Declarations"	5
1.26 "Town Homes"	5
ARTICLE II – DESCRIPTION OF PROPERTY	5
2.01 Type of Property	5
2.02 Phases	5
ARTICLE III – THE HOMEOWNERS ASSOCIATION.....	6
3.01 Status and General Authority of Association	6
3.02 Master and Neighborhood Homeowner Associations Described	6
3.03 Neighborhood Concepts	6
3.04 Master Homeowners Association Purposes	7
3.05 Membership	7
3.06 Secondary Memberships	8

3.07	Bylaws	8
ARTICLE IV – HOMEOWNER COVENANTS AND ASSESSMENTS		8
4.01	Creation of the Lien and Personal Obligation of Assessments	8
4.02	Purpose of Assessment	9
4.03	Exempt Property	9
4.04	Special Assessments for Capital Improvements	9
4.05	Voting	9
4.06	Uniform Rate of Assessment	9
4.07	Date of Commencement of Annual Assessments/Due Dates	9
4.08	Effect of Nonpayment of Assessments/Remedies of the Association	10
4.09	Subordination of the Lien to Mortgages	10
ARTICLE V – ARCHITECTURAL CONTROL COMMITTEE.....		10
5.01	Purpose and Members	10
5.02	Voting	11
5.03	Duties and Scope	11
5.04	Compensation	11
5.05	Variances	11
5.06	Liability	11
5.07	Written Records	12
5.08	Architectural Control Committee Fee	12
5.09	Concrete Damage and Cleanup Bond	12
5.10	Architectural Performance Guarantee Bond	12
5.11	Landscape and Sprinkler Performance Bond	13
ARTICLE VI – PROPERTY AND USE RESTRICTIONS.....		15
6.01	Use	15
6.02	Residential Use	15
6.03	Sales Purposes	15
6.04	Residential and Related Uses	15
6.05	Leasing	15
6.06	Lot Maintenance and Cleanliness	16
6.07	Unsightly Storage and Materials	16
6.08	Utility Easements	17
6.09	Underground Utility Lines	17
6.10	Parking	17
6.11	Remodeling and Alteration	17
6.12	Temporary Structures	17
6.13	Signs	17
6.14	Antennas	18
6.15	Improper Activities	18

6.16 Use of Common Areas18
6.17 Animals18
6.18 Rules and Regulations18
6.19 Irrigation18

ARTICLE VII – CONSTRUCTION INFORMATION AND RESTRICTIONS19

7.01 Style19
7.02 Building Location19
7.03 Modification of Natural Contours and Grading and Drainage19
7.04 Foundation19
7.05 Soil Conditions and Drainage20
7.06 Exterior Materials20
7.07 Windows20
7.08 Soffits, Fascia and Rain Gutters.....20
7.09 Chimneys and Vents20
7.10 Balconies, Porches, and Decks20
7.11 Mailboxes21
7.12 Vegetation21
7.13 Additional Restrictions21

ARTICLE VIII – CONSTRUCTION INFORMATION AND RESTRICTIONS RESPECTING PARTICULAR AREAS22

8.01 Lot Usage.....21
8.02 Dwelling Height and Size21
8.03 Setbacks, Side Yards, Home Orientation, and Elevation Design.22
8.04 Roofs.....23
8.05 Garages and Required Off-Street Parking23
8.06 Restrictions on Additional Off-Street Parking.....24
8.07 Ridge Line Requirements24
8.08 Outbuildings.....25
8.09 Animals.....26

ARTICLE IX – EASEMENTS AND CONSTRUCTION27

9.01 Easements in Common Area27
9.02 Easements for Utilities and Other Infrastructure27
9.03 Easements for Development28
9.04 Easements for Maintenance, Emergency, and Enforcement29
9.05 Easements for Lake and Pond Maintenance and Flood Water29
9.06 Easements for Cross-Drainage30
9.07 Rights to Stormwater Runoff, Effluent, and Water Reclamation30

ARTICLE X – CONSTRUCTION.....	30
10.01 Construction	30
10.02 ACC Approval for Building	30
10.03 Occupancy Permit	31
10.04 Construction Timing	31
10.05 Construction Site Cleanliness, Rules and Requirements	31
10.06 Improvements and Landscaping	32
10.07 Fencing	32
10.08 Fencing and Sight Distance at Intersections	32
10.09 Exterior Lighting	33
10.10 Energy Star Efficiency	33
ARTICLE XI – ENVIRONMENTAL RESPONSIBILITY.....	33
11.01 Garbage Removal and Toxic Waste	33
11.02 Fire Protection	33
11.03 Open Space	33
11.04 Trail System	33
11.05 No Camping or Open Fires	33
11.06 Waiver of Damage Claims	33
ARTICLE XII – EXTERIOR MAINTENANCE.....	34
12.01 Maintenance of Building Exteriors	34
12.02 Improvements	34
ARTICLE XIII – INSURANCE.....	34
13.01 Declarant/Association Insurance	34
13.02 Fire and Casualty Insurance	34
13.03 Public Liability and Property Damage Insurance	34
13.04 Contractors’/Subcontractors’ Insurance	34
13.05 Lessee	35
ARTICLE XIV – VIOLATIONS AND ENFORCEMENT.....	35
14.01 ACC and Association Powers and Enforcement	35
14.02 Complaint Procedures	35
14.03 Enforcement by Others	35
14.04 Animals	35
14.05 Failure to Comply	36
14.06 Fines	36
14.07 Dispute Resolution	37
14.08 Dispute Resolution Procedures	38

14.09	Arbitration	39
ARTICLE XV – DURATION AND AMENDMENT		39
15.01	Duration	39
15.02	Amendment	39
ARTICLE XVI – GENERAL PROVISIONS		40
16.01	Severability	40
16.02	Singular Includes Plural	40
16.03	Covenants, Etc., Shall Run With the Land	40
16.04	Liability	40
16.05	Wildlife	40
16.06	Additional Governmental Requirements	40
16.07	Declarant's Disclaimer of Representations	40
16.08	No Warranty of Enforceability	41
ARTICLE XVII – EXPANSION OF THE COMMUNITY.....		41
17.01	Annexation by Declarant	41
17.02	Filing Supplemental Declarations	41
17.03	Effect of Filing Supplemental Declaration	41
ARTICLE XVIII – ADDITIONAL RIGHTS RESERVED TO DECLARANT		42
18.01	Withdrawal of Property	42
18.02	Marketing and Sales Activities	42
18.03	Right to Approve Changes in Governing Documents	42
18.04	Community Systems	42

**MASTER DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
THE CROSSINGS AT LAKE CREEK**

THIS MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS is made this 1st day of December, 2005 by **THE CROSSINGS AT LAKE CREEK, LLC**, a Utah limited liability company, as Declarant”.

WITNESSETH:

WHEREAS, Declarant is the owner of certain Property located in Wasatch County, State of Utah, which is particularly described on Exhibit “A” hereto. The Property shall be developed as a Planned Residential Development to be referred to as **THE CROSSINGS AT LAKE CREEK** (“The Crossings”); and

WHEREAS, Declarant desires and intends to develop a Planned Residential Development for Single Family and Town Home Dwellings within the Property and to provide for the preservation of the natural amenities and values of the Property and to develop the Property consistent with and in harmony with the natural environment; and

WHEREAS, Declarant has deemed it necessary to establish covenants, conditions, and restrictions which are imposed upon the Property and each and every Lot, Town Home, and portion thereof and upon the use, occupancy, and enjoyment thereof, all for the purpose of enhancing and preserving the value, desirability and attractiveness of said Property; and pursuant to the provisions of this Declaration, to create a Homeowners Association, Neighborhood Homeowners Association, and an Architectural Control Committee which shall be delegated and assigned the powers of administering and enforcing these covenants;

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

ARTICLE I

DEFINITIONS

1.01. "Architectural Control Committee" and "ACC" shall mean and refer to **THE ARCHITECTURAL CONTROL COMMITTEE**, a subcommittee under the jurisdiction of the Association or Declarant, whose rights and responsibilities are set forth in ARTICLE V.

1.02. **"Assessment" or "Assessments"** shall mean and refer to any monthly assessment, special assessment, or any other fees, fines, or charges assessed by the Management Committee pursuant to this Declaration or the Bylaws of the Association.

1.03. **"Association"** shall mean and refer to **THE CROSSINGS AT LAKE CREEK HOME OWNERS ASSOCIATION, INC.**, a Utah corporation, its successors and assigns.

1.04. **"Building Pad"** shall mean and refer to the only portion of the Lot on which a Dwelling may be constructed. Building Pads are either defined by the existing building code or on the Recorded Neighborhood Plat. The Building Pad, if defined on the Recorded Neighborhood Plat, will take precedence over the Code.

1.05. **"Code"** shall mean and refer to Section 16.04.1700 of the 1997 Wasatch County Code, under which this Property was planned and approved together with any amendments thereto.

1.06. **"Common Area" or "Common Areas"** shall mean and refer to all Property and common facilities owned by the Association for the common use and enjoyment of the Owners.

1.07. **"Declarant"** shall mean and refer to Wasatch Communities, Inc., its successors and assigns.

1.08. **"Declaration" and/or "CC&Rs"** shall mean and refer to this Master Declaration of Covenants, Conditions, and Restrictions for The Crossings at Lake Creek, together with any subsequent amendments or declarations, and shall include the Recorded Neighborhood Plat(s) referred to in Section 1.24 hereof.

1.09. **"Development and Sale Period"** shall mean the period during which Declarant or any entity controlled by Declarant owns real property within the Property or has an unexpired option to unilaterally annex property into the Property.

1.10. **"Dwelling"** shall mean and refer to all structures contained within the Property designed expressly for primary residential use. If a casitas or studio is attached to the Dwelling by a breezeway or a courtyard, or if it is within ten (10) feet, it is considered part of the Dwelling.

1.11. **"Governing Documents."** The Governing Documents for The Crossings consist of the following, as each may be amended:

GOVERNING DOCUMENTS	
Covenants, Conditions & Restrictions (recorded)	Creates obligations that are binding upon the Association and all present and future owners of property in The Crossings
Neighborhood Covenants, Conditions & Restrictions or Neighborhood Declaration (recorded)	May impose additional obligations or restrictions on certain Neighborhood Areas within the Association

GOVERNING DOCUMENTS	
Articles of Incorporation (filed with the Utah Department of Commerce)	Establish the Association as a non-profit corporation under Utah law
By-Laws (Declarant adopts; Management Committee oversees)	Govern the Association's internal affairs, such as voting rights, elections, meetings, officers, etc.
Design Guidelines (Declarant adopts)	Establish architectural standards and guidelines for improvements and modifications to Lots, including structures, landscaping, and other items on Lots
Management Committee Resolutions and Rules (Management Committee adopts)	Establish rules, policies, and procedures for internal governance and Association activities; regulate operation and use of Common Areas

Additional covenants that are more restrictive than the provisions of this Declaration may be imposed on certain Neighborhoods within the Property. In such case, the more restrictive provisions control. However, during the Development and Sale Period, no Person shall record any additional covenants, conditions, or restrictions affecting any portion of the Property without Declarant's written consent. Thereafter, the Management Committee's consent is required. Any instrument recorded without the required consent shall be void and of no force and effect.

If there are conflicts among Utah law, the Declaration, the Articles, and the By-Laws, Utah law, the Declaration, the Articles, and the By-Laws (in that order) shall prevail.

The Governing Documents apply to all Owners and any occupants of a Lot. They also apply to tenants, guests, visitors, and invitees.

If any court determines that any provision of this Declaration or any other Governing Document is invalid, or invalid as applied in a particular instance, such determination shall not affect the validity of other provisions or other applications of the provision.

Diagrams in the Governing Documents are intended to illustrate concepts and assist the reader and are for illustrative purposes only. If there is a conflict between any diagram and the text of the Governing Documents, the text shall control.

1.12. "Improvements" shall include but not be limited to all landscaping, fencing, driveways, hard surface areas, tennis courts, corrals, sheds less than 150 sq ft., flag poles, mailbox structures, exterior lighting, water features, swimming pools and small pool houses, retaining walls, decorative rocks, and all other manmade changes made to the Property other than Dwellings and Outbuildings.

1.13. "Lot" shall mean and refer to any plot of land within the Property expressly designed for single family Dwellings or Town Homes. These Lots are shown on the Recorded Neighborhood Plats. The Lots are of varying sizes, and uses of the Lots will be governed by the

sizes and locations of the Lots. Lot usage restrictions based upon Lot sizes are based upon approximate sizes and the ACC may deviate from otherwise applicable restrictions for Lots that are either slightly larger or smaller than designated distinctions.

1.14. **"Management Committee"** shall mean and refer to the governing body of the Association.

1.15. **"Member"** shall mean and refer to the Owner of any Lot or Town Home within the Property who has, by virtue of such ownership, a voting right in the Association.

1.16. **"Neighborhood Area"** shall mean and refer to each of several different parcels of the Property as defined by the Declarant, each of which shall be created as Neighborhood Areas, with different restrictions and characteristics in each. These Neighborhood Areas will include Custom Home lots (including equestrian lots), Cottage Homes, and Town Homes.

Supplemental Neighborhood Declarations for each of the Neighborhood Areas will contain specific information relating to such Neighborhood and will be recorded with the Wasatch County Recorder, against the Property in such Neighborhood.

1.17. **"Neighborhood Declaration"** shall mean any site-specific set of covenants, conditions, and restrictions filed on a Development Parcel, including any Declaration of Condominium as defined in the Utah Condominium Ownership Act. A Neighborhood Declaration may provide for annexation that would permit one or more adjoining Development Parcels to be added to and become subject to the Neighborhood Declaration initially filed with respect to only one Development Parcel.

1.18. **"Neighborhood Homeowner Association"** shall mean an association of owners within one or more Development Parcels that is established by a Neighborhood Declaration or Condominium Declaration for such Development Parcel(s) for the purpose of managing those amenities and providing those services that are unique to the Development Parcel(s) specifically made subject to that Neighborhood Declaration. A Neighborhood Homeowner Association is always referred to herein as such or by reference to the particular Neighborhood Homeowner Association (e.g., The Lindsay Hill Neighborhood Homeowner Association, etc.); any reference to simply "Association" means the Master Association.

1.19. **"Outbuilding"** shall mean and refer to all enclosed structures erected on Lots and detached from Dwellings, including but not limited to residential accessory buildings, barns, garages, and sheds larger than 150 square feet.

1.20. **"Owner"** shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot or Town Home that is a part of the Property.

1.21. **"Planned Residential Development"** shall mean and refer to a planned residential development as defined in the Code and located upon the Property.

1.22. **"Plans"** shall mean and refer to all information designated in Sections 10.02 and 10.06 as necessary for Committee approval of construction, remodeling, or alteration of a Dwelling, Outbuilding, or Improvement.

1.23. **"Property"** shall initially mean and refer to that certain real Property more particularly described on Exhibit "A" that constitutes Phase I of a Planned Residential Development, known as **THE CROSSINGS AT LAKE CREEK**. The term "Property" shall include such additions thereto as may hereafter be brought within the jurisdiction of the Association at such times as they are annexed.

1.24. **"Recorded Neighborhood Plat"** shall mean and refer to the plats of the individual phases within the various Neighborhood Areas of the Planned Residential Development that will be recorded with the County Recorder of Wasatch County, Utah, and any amendments thereto.

1.25. **"Supplemental Neighborhood Declarations"** shall mean and refer to additional documents for each of the Neighborhood Areas that support and enhance this Master Declaration for each respective phase of the Planned Residential Development, and which will be recorded with the County Recorder of Wasatch County, Utah, and any amendments thereto.

1.26. **"Town Homes"** shall mean and refer to attached "condominium type" Dwellings located within a particular Neighborhood Area

ARTICLE II

DESCRIPTION OF PROPERTY

2.01. **Type of Property.** The Property shall be developed as an approved Planned Residential Development under the Code. It has been planned to be developed in a series of phases into five hundred and thirty-eight (538) Lots for attached and detached housing. Four hundred and ninety-nine (499) of the Lots are for detached housing. It is intended that the Property will ultimately have approximately eighty-five (85) acres of open space. The open space will be subject to protective restrictions as set forth in ARTICLE XI. The Property is located two (2) to three (3) miles east of the center of Heber City, Utah. The four (4) entrances to the Property will be on 1200 South Lake Creek Road, 2400 East and 3600 East. A legal description of the property is attached as Exhibit "A."

2.02. **Phases.** The Crossings is intended to be developed in a series of phases. The first phase consists of 47 Lots, as set forth on the Recorded Neighborhood Plat attached hereto as Exhibit "A." Declarant may but shall have no obligation to annex additional property. After such annexation, if any, the annexed property shall be subject to this Declaration.

ARTICLE III

THE HOMEOWNERS ASSOCIATION

3.01. **Status and General Authority of Association.** The Association will be incorporated as a non-profit corporation under the laws of the State of Utah. The Association, acting

on behalf of the Owners and Declarant for their benefit, shall be responsible for the exclusive management and control of the Common Areas. To the best of its ability and funds permitting, the Association shall keep the Common Areas in attractive, safe, sanitary condition and in reasonable order and repair.

3.02. Master and Neighborhood Homeowner Associations Described. All Neighborhood Areas and all of the Property will be subject to this Master Declaration. All Owners of Lots and Town Homes in all Neighborhood Homeowner Associations shall have Memberships in the Master Association. Some Neighborhood Areas may additionally be subject to a Neighborhood Declaration and may have membership in a Neighborhood Homeowner Association.

(a) The Master Association is a body comprised of the Members who are Owners of Lots or Town Homes. The Master Association, through the Architectural Control Committee, is intended to provide general design review in compliance with the Architectural Design Guidelines for the Property. The Master Association shall also be responsible for management, operation, maintenance, and control of those amenities and common facilities that are for the use and benefit of all of the Owners within The Crossings, and to enforce the Architectural Covenants within the Property. Each of the Neighborhood Areas shall be entitled to have no more than two (2) of their Owners serve as representatives on the Management Committee at any time. Individual Owners shall be Members of the Master Association upon acquisition of a Lot or Town Home that is subject to assessment under this Declaration. Until such acquisition by an individual Purchaser, the Membership rights attaching to a Lot shall be exercised by the Declarant.

(b) Within at least some Neighborhood Areas, it is anticipated that additional Covenants, Conditions and Restrictions (a Neighborhood Declaration) may be created by the Declarant, which Neighborhood Declaration shall be consistent with the provisions of this Declaration. In those Neighborhood Areas where the Improvements are Condominium Units, a Declaration of Condominium may be the only Neighborhood Declaration filed. Neighborhood Declarations may create Neighborhood Homeowner Associations which shall manage, operate, and maintain those amenities that are of a neighborhood nature, and not available for the general use and benefit of all Crossings Owners, and shall enforce Covenants, Conditions or Restrictions that are unique to that Neighborhood Area.

3.03. Neighborhood Concepts. Within The Crossings, there shall be three (3) principle types of Neighborhood Areas, with two (2) distinct types of Lots and Town Homes, with different amenities in each. These concepts, as anticipated as of the recordation of these Covenants, Conditions and Restrictions, include:

(a) Custom Lots. The Custom Lot neighborhoods will feature jogging paths, equestrian trails, and a wide variety of dedicated open space and planned amenities. Owners may defer building for any amount of time and they may select and hire their own builders. Owners will be responsible to provide their own landscaping and maintenance. Roads will be maintained by Wasatch County. Owners will pay the basic Association assessment to cover the expenses common to the entire Association.

(b) Cottages. The Cottage neighborhoods will feature tree-lined streets with sidewalks, wide parking strips, and several neighborhood parks. There may be two hundred (200) or more of these Lots and each of these detached homes will be sold complete with landscaping, sprinkling systems, hardscape, and fencing. The Association will maintain the landscaping and sprinkling systems on these Lots and Owners will pay a mandatory assessment for these services in addition to the basic Association assessment.

(c) Town Homes. The Town Home neighborhoods will feature tree-lined streets and approximately thirteen (13) Town Home buildings with several condominium-type units per building. Each Town Home will have an attached two-car (2-car) garage. The Neighborhood Homeowner Association associated with these Town Homes will be responsible for the maintenance of the Common Areas of these Neighborhood Associations. Owners will pay a mandatory assessment for these maintenance services, in addition to the basic Association assessment.

3.04. Master Homeowners Association Purposes. To effectively enforce these Covenants, Conditions and Restrictions, the Declarant may create a Utah nonprofit corporation named The Crossings at Lake Creek Home Owners Association, Inc. There will be one Membership in the Association for each Owner of The Crossings. The Association is established to perform through its Management Committee all of the functions and exercise all of the rights and powers set forth below and available under law for the benefit of the Owners and the enforcement of these Covenants.

3.05. Membership. Members of the Association shall be record Owners of Lots and/or Town Homes contained within the Property, as such Owners are shown on the records of the County Recorder of Wasatch County, State of Utah. The term "Owner" shall not mean or include a mortgagee or beneficiary or trustee under a deed of trust or any person purchasing a condominium under contract unless and until such a party has acquired legal title.

Each Owner shall be entitled and required to be a Member of the Association. Membership shall begin immediately and automatically upon becoming an Owner and shall terminate immediately and automatically upon ceasing to be an Owner.

Each membership shall be appurtenant to the Lot or Town Home to which it relates and shall be transferred automatically by sale of that Lot or Town Home. Ownership of a Lot or Town Home within the Property cannot be separated from membership in the Association. Membership in the Association may not be transferred except in connection with the transfer of a Lot or Town Home.

The term Owner shall not include any mortgagee, trustee, or beneficiary under any mortgage, trust deed, or other security instrument by which a Lot or Town Home or any part thereof, is encumbered unless such mortgagee, trustee, or beneficiary has acquired title through legal foreclosure. Nor shall the term Owner include persons or entities purchasing a Lot or Town Home under contract, until such contract is fully performed and legal title is conveyed, unless such persons or entities and Owner of record agree in writing to transfer responsibility for payment of all Association fees. In that case, the rights and privileges of the Association shall

be transferred accordingly. Such a document will be notarized and delivered to the Management Committee. In the absence of a notarized document, the Management Committee will assume the Owner of record to be the responsible party.

3.06. Secondary Memberships. A few additional memberships in the Association may be available for adjacent landowners and/or other landowners in the general area at the discretion of the Management Committee or the Declarant and will be known as Secondary Memberships. With the payment of the initial nonrefundable membership fee (set by the Board or Declarant) these Secondary Members will have all the rights and privileges of membership as long as monthly Assessments are current. These secondary memberships shall be further established and defined by Rules to be established by the Declarant and/or the Management Committee.

3.07. Bylaws. The Declarant will create and adopt a set of bylaws.

ARTICLE IV

HOMEOWNER COVENANTS AND ASSESSMENTS

4.01. Creation of the Lien and Personal Obligation of Assessments. The Owner of any Lot or Town Home, by acceptance of a deed, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association all Assessments, including but not limited to: (1) annual Assessments or charges, which shall be paid on a monthly or quarterly basis, as established by the Management Committee; and (2) any special Assessments as approved by the Association, such Assessments to be established and collected as hereinafter provided, and (3) any other fees, fines, charges or bonds imposed by the Association, including but not limited to the Assessments imposed by this ARTICLE IV, the bonds imposed by ARTICLE V, and Fines as imposed pursuant to Section 14.06. The annual and special Assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon each Lot or Town Home against which such Assessment is made. The Association may exercise their right to foreclose on such liens. Each such Assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot or Town Home at the time when the Assessment fell due. Any and all delinquent Assessments must be made current by the current Owner, and Owners shall remain liable for all Assessments which became due while they owned a Lot or Town Home, notwithstanding any attempted assignment to or assumption by a subsequent Owner.

4.02. Purpose of Assessment. The Assessments levied by the Association shall be used exclusively to promote the enjoyment, recreation, health, safety, and welfare of the Owners and for the capital improvements and maintenance of the Common Areas under the control of the Association.

4.03. Exempt Property. All Common Areas dedicated to, and accepted by, a local public authority shall be exempt from the Assessments created herein. However, no Property or improvements devoted to individual Dwelling use shall be exempt from said Assessments.

4.04. Special Assessments for Capital Improvements. In addition to the annual Assessments authorized above, the Association may levy special Assessments for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement related to the Common Areas. The Association will have the authority to determine how such special Assessment funds are allocated and the timing of such allocation.

4.05. Voting. A regular yearly meeting of all Association members will be held and all Association members will be notified by mail thirty (30) days prior to the meeting. An agenda will be included in the notification. When possible any special Assessment issues will be dealt with at this annual meeting. However, if it becomes necessary to consider a special Assessment at another time, the Association is authorized to call such a meeting in accordance with the provisions of the Association's Bylaws.

A vote cast at any Association meeting by any Owner or Owners of a Lot or Town Home, whether in person or by proxy, shall be conclusively presumed to be the vote attributable to the Lot or Town Home concerned unless an objection is immediately made by another Owner of the same Lot or Town Home. In the event such an objection is made, the vote involved shall not be counted for any purpose whatsoever other than to determine whether a quorum exists. All additional voting procedures and rules will be established in the Bylaws and/or established by the Management Committee.

4.06. Uniform Rate of Assessment. Both annual and special Association Assessments must be fixed at a uniform rate for all Lots and Town Homes. Mandatory landscaping assessments will apply to Lots in The Cottages and mandatory landscaping and common area assessments will apply to the Town Home Neighborhood Areas and shall be paid monthly along with the regular Association Assessments. Additional Assessments may be established by the Neighborhood Homeowner Associations. The Supplemental Neighborhood Declarations for specific Neighborhood Areas may designate additional obligations regarding Assessments applicable to specific Neighborhood Areas.

4.07. Date of Commencement of Annual Assessments/Due Dates. The annual Assessments provided for herein shall begin at such time as the Association's secondary irrigation system becomes operable and/or when the open space landscaping maintenance commences. The first year's budget may be established on an annual basis, but prorated for the remaining months of the calendar year. The Association shall fix the amount of the annual Assessment against each Lot and Town Home at least thirty days (30) in advance of each annual Assessment period. Written notice of the annual Assessment shall be sent to every Owner subject thereto. The Association shall establish the due dates. The Association will, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association stating that the Assessments on a specified Lot or Town Home have been paid.

4.08. Effect of Nonpayment of Assessments/Remedies of the Association. Any Assessment not paid within thirty days (30) after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the Assessments provided for herein by nonuse of the Common Area or abandonment of his Lot or by rental or leasing of his

Dwelling, although the Association may restrict an Owner from using the Common Area facilities and/or from exercising the votes appurtenant to his Lot or Town Home in the event that the Owner is delinquent in payment of an Assessment.

4.09. Subordination of the Lien to Mortgages. The Assessments lien provided for herein shall be subordinate to the lien of any first mortgage. The voluntary sale or transfer of any Lot shall not affect the Assessment lien. However, the sale or transfer of any Lot or Town Home pursuant to a mortgage foreclosure of a first lien against a Lot or Town Home shall extinguish the lien of such Assessments only as to the payments that become due prior to such sale or transfer. No sale or transfer shall relieve such Lot or Town Home from liability for any Assessments thereafter becoming due or from the lien thereof.

ARTICLE V

ARCHITECTURAL CONTROL COMMITTEE

5.01. Purpose and Members. In order to protect the quality and value of the homes built on the Property, and for the continued protection of the Owners thereof, an Architectural Control Committee (the "ACC") is hereby established consisting of three (3) members appointed by Declarant, who may or may not be Owners and, if the Declarant so chooses, one (1) alternate member also appointed by the Declarant. The three (3) initial members of the ACC will determine when and how the alternate member of the ACC will be involved. At such time as escrow has closed on sale of fifty percent (50%) of the Lots and Town Homes, the ACC shall consist of two (2) members and one (1) alternate selected by the Declarant with the one remaining member being selected by the majority vote of the Association.

At such time as escrow has closed on sales of eighty percent (80%) of the Lots and Town Homes or in ten (10) years, whichever comes first, the ACC shall consist of one (1) member and one (1) alternate selected by the Declarant and two (2) members elected by the majority vote of the Association. At the end of the Declarant Control Period, the Declarant's right to select members and one (1) alternate will expire. At any time during this process, Declarant may relinquish the selection of the ACC solely to the Association.

5.02. Voting. Two (2) members of the ACC shall constitute a quorum for conducting the business of the ACC. The ACC shall act by a majority vote of those present in any meeting called for conducting the official business of the ACC.

5.03. Duties and Scope. No Dwellings, Outbuildings, or Improvements shall be commenced, erected, or altered on any Lot and no modification shall be made to any Town Home until the ACC has given written approval to the Owner, following compliance with Section 10.02 and all other provisions of these Covenants, Conditions and Restrictions and of the ACC's Rules and Regulations..

The ACC shall endeavor to approve the location of each Dwelling, Outbuilding, and Improvement to insure minimum interference with the views of other Lots insofar as is practical. Understanding that it cannot control all interference with views of other Dwellings or aesthetic objections, the ACC will try to accommodate the Owners' interests consistent with each

Owner's concerns, and expect a compromise to their respective objectives. The Owners will be bound by the ACC's decision.

The ACC or the Management Committee and, in appropriate cases, the Neighborhood Homeowner Associations may adopt rules and will be responsible to monitor and enforce the cleanliness of building sites, construction noise restrictions, disposal of construction debris and any and all issues that develop during construction.

5.04. Compensation. ACC members will be compensated for their services with funds generated by the architectural fees paid when Plans are submitted. The ACC may, at its sole discretion, employ an outside professional architect or engineer or other consultants or professionals to assist in its functions, and include the fees for such employment in the Assessments that Owners will pay.

5.05. Variances. The ACC has the authority to deviate from the requirements contained herein and in other Governing Documents when, in the reasonable opinion of the ACC, extenuating circumstances exist, or if strict compliance would create an unreasonable hardship or burden for a Lot or Town Home Owner. A majority of the members of the ACC must approve any variance. The ACC does not, however, have authority to allow deviation from governmental requirements and restrictions, including, but without limitation, the Code. Furthermore, the approval of the ACC of any plans or specifications submitted for approval as herein specified for use on any Dwelling shall not be deemed to be a waiver by the ACC of its rights to object to any of the features or elements embodied in such plans and specifications, if or when the same features or elements are embodied in any subsequent plans and specifications submitted for approval as herein provided for use on other Dwellings, Outbuildings and Improvements.

5.06. Liability. No member of the ACC shall be liable to any person for a decision or failure to act in making a decision as a member of the ACC. The ACC shall not be responsible in any way for defects in any Plans submitted, revised, or approved by the ACC nor for any defects in any work performed upon the Property. The ACC shall have the authority to define standards, set regulations, and determine restrictions in accordance with the intent of this Declaration and within their stated purpose and to change or modify the foregoing as necessary. The ACC may, from time to time find it necessary to waive, amend, or modify rules or standards on a case-by-case basis. Such action by the ACC will in no way invalidate previous approvals and shall not provide for a waiver of rules or standards in future or different situations.

The ACC shall not be liable for damages to any Owner, representative of Owner, or mortgagee, by reason of any action, failure to act, approval, or disapproval with regard to submitted plans. Any person or entity acquiring title to any Lot or Town Home in the Property or any Owner submitting plans to the ACC for approval, agrees and covenants that they will not bring any action or suit to recover damages against the ACC, its members, as individuals, or its advisors, employees, or agents. Owners, the ACC, and the Association will be required to participate, in good faith, in the mediation of any and all disputes related to the activities of the ACC, prior to either party taking legal action.

5.07. Written Records. The ACC shall keep and safeguard complete written records of all applications for approval including one set of all Plans, etc. and records of approval or

disapproval and all other actions taken by it under the provisions of this Declaration. Such records shall be maintained for a minimum of seven (7) years after approval or disapproval.

5.08. Architectural Control Committee Fee. The non-refundable ACC fee for primary Dwellings, landscaping, and sprinklers shall be established by the ACC. This must be paid at the time the plans are submitted for approval. Fees for all other plans for structures and improvements not included with the Primary Dwelling plans will have an additional fee that will also be set by the ACC.

5.09. Concrete Damage and Cleanup Bond. At the settlement of each Lot, each Owner agrees to deposit in escrow one thousand dollars (\$1,000) per Lot, with Declarant's title company on behalf of the Declarant or its designated agent. When construction and cleanup is completed, the Owner shall notify the Declarant or its designated agent. The Declarant or its designated agent will then inspect the Lot (including the sidewalks, curb and gutter, water boxes, and all surrounding Lots and roadways) and the Dwelling. At that time, all or part of the escrowed funds may be used by the Declarant for the following: replacement of damaged sidewalks, curb and gutter; replacement of missing water box lids and/or rings; cleaning of streets and neighboring Lots where construction debris has accumulated; removal of washout from cement trucks, and any and all damage or cleaning caused by Owner's construction project. Deductions from the escrowed monies will require NO authorization or signature from the Owner. The Declarant or its designated agent will make all decisions and such decisions shall be final. After Wasatch County has completed final inspections and released the Declarant's final Guarantee Bond for the specific phase where the house is located and after all construction is completed (whichever occurs last), any remaining funds will be returned to the Owner.

5.10. Architectural Performance Guarantee Bond. The amount of the Architectural Performance Bond shall be established by the ACC and must be in place to receive final approval from the ACC and before plans are submitted to Wasatch County for a building permit. This bond will be released no later than one hundred eighty (180) days after the ACC is notified that Wasatch County has issued a Certificate of Occupancy and if there are no outstanding compliance issues.

In order to ensure the quality and value of the Property, all Dwellings, Outbuildings, Improvements, and remodeling or alterations must strictly comply with what the ACC has approved. Simultaneously with ACC approval of the plan, or with any construction going forward at a future date, of any Outbuildings, Improvements, remodeling or alteration, and to ensure completion, an Owner must do one of the following:

- (a) Post a cash bond to be held by the ACC.
- (b) Furnish the ACC with a bank commitment letter. This will be an unconditional letter of credit, in form satisfactory to the ACC, guaranteeing the availability of funds and with the ACC named as the beneficiary of the funds. The ACC is authorized to use the funds if it becomes necessary for the ACC to complete or modify the Dwelling, Outbuildings, Improvements, remodeling or alterations in accordance with this Declaration.

If variations to what has been approved by the ACC occur, or if construction, remodeling or alterations are undertaken without compliance with Section 10.02, such construction, remodeling or alterations of a Dwelling, Outbuilding or Improvement will be deemed to have been undertaken without the required approval of the ACC. If the ACC becomes aware that construction is not adhering to what has been approved or construction has not been approved, the ACC will immediately notify the Lot Owner and file a cease and desist order with Wasatch County to stop construction.

If notification occurs, the Owner shall have fifteen (15) days to communicate in writing with the ACC to resolve the issue. After a period of thirty (30) days from the notice date, the ACC shall have authority to record a notice of interest or notice of lien in the office of the Wasatch County Recorder. Thereafter, mediation or legal proceedings will be instituted to enforce compliance and the ACC and/or the Association will then have the right to enter upon the Owner's property and expend either the cash bond or exercise the bank letter of credit to fund all changes necessary to ensure conformity to what the ACC has approved or would have approved if the construction was not taken to the ACC for approval. Any additional charge incurred by the ACC and/or the Association shall be an Assessment against the Lot Owner and a lien against such Lot enforceable as set forth elsewhere in the Governing Documents.

5.11. Landscape and Sprinkler Performance Bond. The ACC must receive and approve the landscaping and automatic sprinkling plans for all Lots that include plant materials, species, sizes, sprinkling system requirements, and acceptable hard surface materials.

The Landscape and Sprinkler Bond will be calculated by the ACC at the time the plans are submitted for approval and the bond amount will be established by the ACC on a square footage basis for the Area that must be landscaped. (Refer Section 10.06.) The ACC decision on the bond amount will be final. The bond must be in place before any landscaping is started and before the ACC will give final approval to Wasatch County to issue a Certificate of Occupancy. When all the required landscaping is complete, the Owner will notify the ACC. Within thirty (30) days an inspection will take place, and if the approved landscaping has been completed, the bond will be released. Owners are required to complete all landscaping and automatic sprinkling systems in a timely manner. Specific deadlines for completion are set forth in Section 10.06. Simultaneously with ACC approval of the landscape plan, and to ensure completion, an Owner must do one of the following:

- (a) Post a cash bond to be held by the ACC.
- (b) Furnish the ACC with a bank commitment letter. This will be an unconditional letter of credit, in form satisfactory to the ACC, guaranteeing the availability of funds to perform the required work and with the ACC named as the beneficiary of the funds. The ACC is authorized to use the funds if it becomes necessary for the ACC to complete the improvements in accordance with these Covenants, Conditions and Restrictions.

Posted funds must be sufficient to landscape all of the front and side yard areas. Side yards in this instance are calculated as being half the distance from the front corner of the home to the back corner of the home, with the exception of corner lots which will need to have

the entire exposed side yard completed. This bond will assure landscape completion. The amounts to be bonded shall be established by the ACC.

If the deadline for the completion has passed and Owner has failed to complete the landscape plan and sprinkler system as approved by the ACC, the ACC shall serve Owner with a written "Notice to Perform". If upon the thirtieth day after the Notice to Perform is mailed, the Owner continues to be out of conformity, with conformity being defined as completion of the landscaping and automatic sprinkling system and all other improvements approved by the ACC in conjunction with such landscape plan, the ACC and/or the Association will then have the right to enter upon the property of the Owner and to complete the landscaping plan originally submitted to the ACC by the Owner. The ACC and/or the Association shall have the right to pay for all the required landscaping and auto sprinkling system using either the cash bond or exercising the bank letter of credit to fund such improvements. Any additional charge incurred by the ACC and/or the Association shall be an Assessment against the Lot Owner and a lien against such Lot enforceable in the manner provided as set forth elsewhere in the Governing Documents.

Fifty percent (50%) of the bond shall be released upon completion of the landscaping of the front and side yard landscaping (see Section 10.06), and the remainder of the bond shall be released upon completion of all of the remaining landscaping as set forth in the Landscaping Plan under Section 10.06.

ARTICLE VI

PROPERTY AND USE RESTRICTIONS

6.01. Use. Each Lot and Town Home shall be used only for the purposes consistent with this Declaration and the Code. If there is a conflict between the Code and this Declaration, the more restrictive provisions will apply.

6.02. Residential Use. Each Lot and Town Home shall be occupied and used for a Dwelling for residential use by the Owner, his family, tenants, and social guests.

6.03. Sales Purposes. The Declarant or its duly authorized agent may use any Lot or Town Home, Dwelling, Outbuilding, or sales trailer owned or leased by the Declarant as a sales office, sales model, office, parking lot, or for any other temporary marketing uses as deemed necessary by Declarant and for a period of time to be determined solely by the Declarant but not to go beyond the Declarant Control Period.

6.04. Residential and Related Uses. Lots and Town Homes shall be used primarily for residential and related purposes. No business shall be conducted in, on, or from any Lot or Town Home, except that an Owner or another resident of the Lot or Town Home may conduct business activities on such Lot if the business activity is ancillary to the primary residential occupancy of the Lot or Town Home and:

- (a) is not apparent or detectable by sight, sound, or smell from outside of a permitted structure;

- (b) complies with applicable zoning requirements;
- (c) does not involve regular visitation of the Lot or Town Home by clients, customers, suppliers, or other business invitees, or door-to-door solicitation within the Property, as further defined in (a) and (d); and
- (d) is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of others, as determined in the Management Committee's sole discretion.

"Business" shall have its ordinary, generally accepted meaning and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves providing goods or services to Persons other than the family of the producer and for which the producer receives a fee, compensation, or other form of consideration, regardless of whether (i) such activity is engaged in full or part time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required. Leasing a dwelling for residential purposes is not a "business" within the meaning of this subsection.

6.05. Leasing. "Leasing" is the continuous, exclusive occupancy of a dwelling by any Person other than the Owner, for which the Owner receives any consideration or benefit, including a fee, service, or gratuity. The principal dwelling on Lots and/or Town Homes may be leased only in its entirety (*e.g.*, separate rooms within the same dwelling may not be separately leased). Leasing shall be for residential purposes only.

No Lot or Town Home may be leased or subleased to more than one (1) tenant during any consecutive ten-day (10-day) period. For example, consecutive leases of ten (10) days each may be entered into; however, if an Owner leases the Unit or Lot for less than ten (10) days, the next lease occupancy may not commence until eleven (11) days following the first day of the original rental.

All leases shall be in writing. All leases must require that tenants and all occupants of the leased Lot or Town Home are bound by and obligated to comply with the Governing Documents; provided, the Governing Documents shall apply regardless of whether such obligation is specifically set forth in the lease. The restrictions on lease terms set forth in this paragraph shall not apply to Lots and Town Homes owned by Declarant. The Management Committee may adopt and provide a recommended lease or leases (short- and long-term) to Owners, and may, by rule, mandate specific provisions to be included in any leases.

Within ten (10) days of a long-term lease (any lease in excess of forty-five (45) days) being signed, an Owner shall notify the Management Committee or the Association's managing agent of the lease and provide any additional information the Management Committee may reasonably require. The Owner is responsible for providing copies of the Governing Documents to the tenant. In addition to this Section, the Management Committee may adopt reasonable rules and regulations regulating leasing and subleasing, and the Neighborhood Declarations may provide additional restrictions on leasing and subleasing. The Management Committee may also adopt rules and regulations to clarify the rights and obligations of Owners who lease their Lots or Town Homes on a short-term basis.

Every Owner shall cause anyone occupying or visiting his or her Lot or Town Home to comply with the Governing Documents and shall be responsible for all violations and losses they cause to the Common Areas, notwithstanding the fact that such Persons are also responsible for complying and may be sanctioned for any violation.

6.06. Lot Maintenance and Cleanliness. Each Lot and Town Home Owner shall be responsible to maintain their Property in a clean and attractive manner so as to not detract from the Property and neighbors. Vacant Lots shall be clean in appearance and free from refuse, debris, unsightly weeds and potential fire hazards. If construction is not going to commence immediately, the Declarant recommends that "No Dumping" signs be posted on the Lot. Furthermore, the Declarant reserves the right, during the period of Declarant Control, to place such signs in the event the Owner fails to do so. The Association will notify Lot Owners if Lot cleaning or maintenance is required. If Lot Owners have not remedied the problem within fourteen (14) days of notification, the Association may perform said maintenance and may assess the Lot Owner for all associated costs.

6.07. Unsightly Storage and Materials. All storage and refuse containers, compost piles, air conditioning equipment, utility pipes, etc., must be stored or placed at the rear of the Dwelling or located so as to not be visible from any roadway. To preserve and protect the appearance of the Property, trash piles, broken or unfinished buildings, unused building materials, broken or inappropriate fencing, and any or all unsightly objects must not be allowed to accumulate and must be disposed of in a timely fashion. Livestock feed shall be stored in a permanent covered structure. Brightly colored tarps and/or plastic covers are not acceptable for livestock feed, wood piles, vehicles or other items. Vacant Lots are not to be used as storage areas. Clotheslines and the drying of clothes, bedding, towels, etc. on any Lot in a location visible from a roadway are not permitted. Large and small storage units may be available for rent on the Property.

6.08. Utility Easements. Easements for the installation and maintenance of utilities and slope drainage are reserved, and may be shown on the Recorded Neighborhood Plat, over the Common Areas and each Lot. Landscaping and fencing, and the maintenance thereof, shall be allowed in these easements, provided that they do not interfere with the utilities and drainage. Landscaping and fencing may have to be disturbed or removed to facilitate utility maintenance.

6.09. Underground Utility Lines. All water, gas, electrical, telephone, television cables and all other utility lines within the limits of the Property must be buried underground and may not be exposed above the surface of the ground.

6.10. Parking. No inoperable or unlicensed automobiles shall be stored or parked on any Lot or in any Common Areas at any time. No commercial vehicles with a load capacity of greater than one (1) ton or construction vehicles, including but not limited to back hoes, front loaders, dump trucks, etc., shall be stored or parked on any Lot or in any Common Area unless it is for the express purpose of construction on that same Lot. No vehicles of any kind shall be parked on lawn areas or other locations not designed for parking purposes for more than four (4) hours. Recreational vehicles including boats can be parked on the roadway for a maximum period of forty eight (48) hours for the purpose of loading and unloading only. The Supplemen-

tal Neighborhood Declarations for each Neighborhood Area may designate specific allowances, restrictions and information on parking and parking pads applicable to each Neighborhood Area.

6.11. Remodeling and Alteration. Except for signs and antennas, no Owner shall make structural alterations or modifications to his Lot or Town Home without the prior written approval of the ACC. The ACC shall not approve any alterations, decorations or modifications that would jeopardize or impair the soundness, safety or appearance of the Property. Solar panels or other new technologies will be considered by the ACC on a case-by-case basis.

6.12. Temporary Structures. No structure of a temporary nature or use, including but not limited to, a trailer, mobile or manufactured home, basement foundation, tent, shack, garage, or camper shall be used on any Lot at any time as a Dwelling, either temporarily or permanently. No old or secondhand structures shall be moved onto any Lots for use as a Dwelling or Outbuilding, it being the intention that all Dwellings erected on the Lots and within the Property shall be new construction of quality workmanship and materials.

6.13. Signs. No sign of any kind shall be displayed to the public view on any Lot except one (1) temporary sign of not more than six (6) square feet designating that the Lot or Town Home is being sold or rented. Owners may install temporary political signs. Declarant may install signs designating roadways and Common Areas. Wasatch County and the Declarant may install any other signs that are, at their sole discretion, deemed necessary.

6.14. Antennas. All antennas must be enclosed within a building and not roof mounted, with the exception of one (1) regular local television antenna per Lot. Installation of not more than two (2) satellite dishes shall be permitted; the dishes shall be twenty-four inches (24") or less in diameter. No ham radio receiver or transmitter antenna or other similar device shall be attached to or installed on the exterior portion of any Dwelling, Outbuilding, or Improvement, or placed on any Lot within the Property.

6.15. Improper Activities. Unlawful activities are not permitted on any Lot, in any Town Home, or in the Common Areas, nor shall anything be done that may be a nuisance to the Owners or create a noise level that is disturbing to Owners. No Owner shall store dangerous explosives or excessive amounts of flammable materials on or around their Property, on the Common Areas, or permit anything to be done that will increase risk to persons or property within the Planned Residential Development. The use of motorized recreational vehicles off roadways, if permitted at all, shall be subject to rules and regulations to be adopted by the Association. The use and ignition of fireworks is prohibited on all areas of the Property.

6.16. Use of Common Areas. Except as specifically designed and designated therefor, the Common Areas shall not be used for storage of supplies, horses, hay, personal property, trash or refuse of any kind. Entrances, sidewalks, yards, driveways, and parking areas shall not be obstructed in any way nor shall unauthorized persons use them for other than their intended purposes. Times of use and noise restrictions will be determined by the Management Committee and specific restrictions may be adopted in some of the Neighborhood Areas. The Management Committee may also set such additional rules and regulations relating to use of the Common Areas as it may deem necessary or advisable.

6.17. Animals. No wild or dangerous animals, cows, swine, peacocks, or poultry of any kind shall be raised, bred, or kept on any Lot or in any Town Home. Dogs, cats or other household pets may be kept, provided they are kept in accordance with the Code, and are not kept, bred or maintained for any commercial purposes. See Section 8.09 and the Supplemental Neighborhood Declarations for types and numbers of animals allowed in different Neighborhood Areas of the Property and other animal information. The ownership, possession, and control of animals is subject to the rules and regulations of the Association, and, in some situations, of the Neighborhood Associations.

The Owner of any animal(s) shall be personally liable for any and all damages or inconveniences resulting to other Owners or third parties from an Owner's animal(s). Pets shall not be allowed to roam unrestrained through the Property or neighboring properties. Without exception, all dogs shall be restrained on a leash when off the Owner's Lot or out of Town Homes, except in leash-free zones as established and clearly marked by the Association. Animal Owners are responsible to immediately pick up all animal droppings that are deposited on the Property outside of their own Lot. Excessive and annoying barking, bird noises, or other animal noises, etc. will not be allowed. Dogs must not harass wildlife. Refer to ARTICLE XIV for enforcement.

The ACC must approve the plans for construction of shelter facilities and fencing for all animals. Chain link fencing may not be used to confine animals unless it is completely concealed from view during all seasons of the year. Invisible fencing may be used where appropriate.

6.18. Rules and Regulations. All Owners, by acquiring and retaining a Lot or Town Home specifically agree that in the event of resale, the new Owner, as a condition thereof, shall agree to and abide by the terms of the Association's Governing Documents, and any and all amendments or changes that may be made to the foregoing.

6.19. Irrigation. Secondary irrigation shall be provided to each lot in a specified amount for each size of lot depending upon the square footage, topography and location. The amount of irrigation water provided to each lot is based upon a normal water year and regional availability and is not guaranteed. The Association and/or the Irrigation District providing the secondary water shall have the right to restrict, reduce, regulate or curtail the amount and timing of delivered secondary water. In order to manage limited water resources, the Association and/or Irrigation District may choose to specify days, times and amounts of water to be used by Lot Owner(s).

The specified amount of secondary irrigation provided to each specific Lot Owner may be billed and regulated by use of a meter, at the discretion of the Irrigation Company. Overage uses of water beyond the specific allocation for a lot will be addressed by the Irrigation Company and/or Association and may include, but is not limited to: overage charges, usage curtailment and/or service disconnection.

The secondary irrigation allocated to each Lot shall remain with the Lot and cannot be traded, sold or otherwise reallocated to another Lot or person without the written consent of the Home Owner's Association and Wasatch County.

ARTICLE VII

CONSTRUCTION INFORMATION AND RESTRICTIONS

7.01. Style. All Dwellings, Improvements, and Outbuildings throughout the Project must be reviewed and approved, in advance, by the ACC. The style, design, alterations or additions must conform to standards to be determined by the ACC. The following architectural styles are strictly prohibited: 1) A-frame structures; 2) Geodesic dome structures; and 3) Mobile homes or manufactured homes or any similarly constructed buildings.

7.02. Building Location. One (1) Primary Dwelling will be built on each Lot. With the written approval of the ACC, and subject to such restrictions as may be imposed by the ACC, two Lots may be combined into one (1) Lot. Any such combination of Lots, once approved, shall be permanent and such Lots, once combined, may only be partitioned, subdivided, or severed with the written consent of the ACC. In the event that two (2) Lots are combined, the resulting Lot shall have the votes of, and be responsible for assessments of, two (2) Lots.

Each Dwelling shall be sited upon the Lot with approval of the ACC in consideration of the following factors: 1) proximity to other Lot lines; 2) proximity to neighboring Dwellings; 3) location of the driveway associated with the Dwelling and contours, 4) the aesthetic effect of the proposed siting in the context of the natural contours of the Lot; and 5) the anticipated development of surrounding Lots. The ACC will consider the effect of clustering Dwellings near Lot lines. The Supplemental Neighborhood Declarations for each Neighborhood Area identify certain Lots with predetermined building envelopes. Setbacks, side yard, and back yard requirements for all other Lots will be identified in the Supplemental Neighborhood Declarations.

7.03. Modification of Natural Contours and Grading and Drainage. The natural contours of any Lot shall not be modified in excess of four (4) vertical feet without prior written ACC approval. In any location where cuts exceed a three to one (3/1) slope, Lot Owners are responsible to do one of the following until the disturbed Neighborhood Area is properly re-vegetated: (1) use silt fencing; or (2) use an erosion blanket; or (3) as approved by the ACC, construct a decorative wall or use natural rock. All disturbed areas must be covered with natural soil and planted with grasses or other appropriate plant material. Owners must retain or mitigate cuts or fills that impact any adjacent Lots. Owners have total responsibility to assure that all drainage issues are handled appropriately during grading and construction to avoid flooding of neighboring Lots and Owner's construction site or finished Dwelling. Each Owner is responsible to grade his Lot to required specifications and shall not hold the Declarant responsible for any drainage on or off the Lot. Each Lot Owner will be responsible to minimize surface water run-off within his own Lot boundary. All grading associated with construction of a Dwelling shall be completed prior to occupancy. Section 8.08 and 8.09 and certain of the Supplemental Neighborhood Declarations identify the equestrian Lots and provide information regarding animal waste issues associated with those Lots.

7.04. Foundation. A concrete or masonry foundation wall must form a complete enclosure around the perimeter of each Dwelling or Outbuilding. Excessive exposed foundation

walls over two feet are not allowed unless covered with rock or other decorative material as approved by the ACC. In place of foundations, concrete slabs are acceptable.

7.05. Soil Conditions and Drainage. Historically, prior to development of The Crossings, some Areas of the Project were prone to seasonal runoff, natural drainage channels, and/or high water tables. Additionally, several years preceding the recordation of the Declaration have been characterized by drought conditions and it is thus conceivable that adverse soil and ground conditions may exist that are not currently visible or apparent. Owners and their builders should consider the possibility of water table and drainage changes in the event of increased precipitation. The Declarant strongly recommends that the Owner and building contractor take action to minimize the risk of water and settlement problems. Possible steps include expert soil and/or drainage reports, careful siting of the house outside of any visible drainage areas, appropriate elevation of the foundation, installation of French drains around the foundation, and precautions to ensure that all landscaping and downspouts drain away from the house.

The Developer has had certain engineering studies conducted that may be beneficial to Owners and builders, and those studies will be made available to Owners, upon written request and prior to commencement of construction.

7.06. Exterior Materials. White trim is permitted but white, bright or dramatic colors must not be used as primary exterior colors. Earth tones are strongly encouraged. All exterior colors and materials must be approved by the ACC. Exterior construction materials shall be stone, brick, stucco, natural wood siding, wood shingles, composite/concrete siding, or composite/concrete shingles. Log homes will be considered by the ACC on a case by case basis; the ACC will solely determine if the quality and esthetic value are appropriate. The Neighborhood Declarations for each Neighborhood Area may designate additional specific exterior materials requirements.

7.07. Windows. All windows must be at least double glazed. No mirrored or reflective glass will be allowed. Any trapezoidal windows must follow the shape of the roof or walls surrounding them.

7.08. Soffits, Fascia and Rain Gutters. Aluminum, vinyl, or metal siding may be used only on soffits or fascia and fascia must be at least six inches (6") in width. Aluminum, vinyl or metal rain gutters and downspouts may be used. However, the Declarant strongly suggests that, wherever possible, the chain down system (downspout alternative) should be used. All trim materials and colors must be approved by the ACC.

7.09. Chimneys and Vents. Chimneys must be enclosed and no exposed metal flues are permitted.

7.10. Balconies, Porches, and Decks. Any balcony, porch, or deck that is more than twenty-four inches (24") above natural grade must be constructed in compliance with the following: All posts or pillars supporting any balcony, porch, or deck must be a minimum of eight inches (8") in width. The space under any deck shall not be used for storage unless it is landscaped or screened.

7.11. Mailboxes. On Custom Home Lots, where allowed by the Postmaster, each Dwelling must have a permanent mailbox structure that harmonizes with the style of the Dwelling. The address must be permanently engraved or attached to the Dwelling and the mailbox and preferably lighted on the Dwelling. Mailboxes should be of sufficient size to accommodate large parcels and several days' mail. Optional newspaper holders may be included within the mailbox structure. On Cottage Lots and in the Town Homes Neighborhood, there will be common mailbox locations. The ACC must approve all mailboxes and may, by rule, establish pre-approved mailboxes.

7.12. Vegetation. Lot Owners should carefully consider the preservation of any natural vegetation and existing trees on their Property.

7.13. Additional Restrictions. The ACC may, from time to time, adopt, amend, and repeal rules and regulations to be known as "Design Guidelines." Said guidelines shall interpret and implement the provisions of the Declaration by setting forth the standards and procedures for the review and approval of proposed Improvements; guidelines for architectural design and placement of any work or Improvement; or color schemes, exterior finishes, and materials; and similar features that are recommended for use within the Property, provided that said guidelines shall not be in derogation of the minimum standards required by the Declaration. In the event of any conflict between the Design Guidelines and the Declaration, the Declaration shall prevail.

ARTICLE VIII

CONSTRUCTION INFORMATION AND RESTRICTIONS RESPECTING PARTICULAR AREAS

General Note Respecting Particular Areas: The provisions in this Section and the Neighborhood Declaration restrict the uses of Lots based upon the size and location of Lots. All sizes referred to herein are approximate, and the ACC has the discretion to adjust the applicable restrictions in the case of Lots that are slightly smaller or greater than the designated cut-off sizes.

8.01. Lot Usage.

(a) **Custom Home Lots:**

The Custom Homes will be built on Lots ranging from approximately ten thousand (10,000) square feet to 2.07 acres. Lot Owners will be responsible to install their own landscaping, sprinkling systems, hardscape, and fencing.

(b) **Cottage Lots:**

The Cottages will be built on Lots with a minimum size of approximately six thousand (6,000) square feet. They will be sold complete with landscaping, sprinkling systems, hardscape, and fencing.

8.02. Dwelling Height and Size. The Neighborhood Declarations for certain Neighborhood Areas designate ridge line requirements for specific Lots. Maximum height for all

homes is thirty-five feet (35") according to Wasatch County Code, with the exception of ridge line Lots. See Section 0.

Dwelling	Lot Size (Approximate)	Single-Story (Minimum sq ft)	Two-Story (Minimum sq ft)	Multi-Level (Minimum sq ft)
Cottage Homes	6,000 to 8,000 sq ft	1,400 sq ft	1,200 sq ft main	2,200 sq ft
Cottage Homes	8,000 to 10,500 sq ft	1,600 sq ft	1,400 sq ft main	2,400 sq ft
Custom Home	10,500 to 13,000 sq ft	1,800 sq ft	1,600 sq ft main	2,800 sq ft
Custom Home	13,000 + sq ft	2,200 sq ft	2,000 sq ft main	3,000 sq ft

Square foot minimums do not include garages.

The ACC will make final decisions regarding minimum square footages on a case-by-case basis, considering roof pitch, elevations, and position/ size of garages. All two-story homes must avoid unbroken vertical elevations. On larger lots, all two-story homes are encouraged to step from level to level and emphasize horizontal lines by architectural design, balconies, decks, overhangs, etc.

8.03. Setbacks, Side Yards, Home Orientation, and Elevation Design.

(a) Custom Home Lots:

The front of the Dwellings on **Lots 144, 145, and 146** must face Lindsay Hill Road. However, Lot 146 may have a garage or Outbuilding that is entered from the west on the cul-de-sac. Driveway access from the rear public road is prohibited on **Lots #101,102,103,104,105, 106, 113,114,121,122,123,124.**

The minimum setback from the front plane of the Dwelling on each Lot is thirty (30) feet from the front Lot line. As per the recorded plat for Phase I of the Property, the following lots will be allowed to have different setbacks than either the 1997 Code or the current County Code allows: **Lots 107, 108, 109, and 117** are allowed 20' front setbacks due to slope related issues.

The minimum setback from the front plane of a Dwelling built on a corner Lot must be thirty (30) feet in the front yard. Corner lots in Phase I are allowed to have 20' street side setbacks which affects the following lots: 101, 110, 119, 124, 132, 133, 134, 138, and 147.

Together, the two side yards must be a minimum of thirty (30) feet with a minimum of ten (10) feet on one side. On a case by case basis a variance from the ACC may be given to decrease the minimum to twenty (20) feet total for the two side yards together. The minimum distance from the back Lot line to the Dwelling must be thirty (30) feet. On a case by case hardship basis a variance from the ACC may allow the distance from the back Lot line to the Dwelling to be decreased to twenty (20) feet.

(b) Cottage Lots:

For Lots between approximately six thousand (6,000) square feet and approximately ten thousand (10,500) square feet, side yards and rear yards are defined as 20' between buildings. Minimum setback for the front plane of the home will be determined by Wasatch County.

8.04 Roofs. Care and consideration should be given to snow and ice sliding from roof areas. Care and consideration should also be given to snow and ice accumulation and the associated weight and roof leakage problems

All roof materials shall complement the design and encourage compatibility with the surrounding environment. No brightly colored, highly visible, or reflective materials will be allowed. All roof colors and materials must be submitted to the ACC for approval. All roof metal such as flashing, vent stacks, gutters, and chimney caps will be made of anodized aluminum, copper or galvanized metal painted to match adjoining roof material.

(c) Custom Home Lots:

The primary roofs of all Dwellings, Outbuildings, Guest Houses, Casitas, and Studios must be a minimum of a seven/twelve (7/12) pitch; roofs of an eight/twelve (8/12) pitch to ten/twelve (10/12) pitch are strongly encouraged. The ACC may approve different pitches for aesthetic considerations or to facilitate height restrictions. If used, asphalt shingles must be Architectural Design and warranted for a minimum of twenty-five (25) years.

(d) Cottage Home Lots:

The primary roof must be a minimum six/twelve (6/12) pitch. The ACC may approve different pitches for limited portions for aesthetic considerations or to facilitate height restrictions. The same shingles must be used throughout each cottage phase.

8.05 Garages and Required Off-Street Parking. Lot Owners are strongly encouraged to minimize the visual effect of large garages by using a side entry plan or placing the garage towards the rear of the Dwelling. Three-car garages that face the roadway shall be avoided whenever possible. Front-facing garages with more than two (2) bays must offset the additional bay doors. If the topography of the Lot dictates a 'garage under' style, the location of the garage in relationship to the plane of the house or porch will be considered on a case-by-case basis by the ACC. If a side entry garage is used in a Cottage Lot, the setback shall be twelve and one-half (12½) feet from the top back of the rolled curb.

Dwelling or Lot Type	Required Attached Garages (Minimum)	Required Off-Street Parking Places (Minimum)*
Town Homes	Two-Car (2-Car)	N/A
Cottage Homes	Two-Car (2-Car)	Two (2) (10' x 20')
Custom Homes	Three-Car (3-Car)**	Three (3) (10' x 22')**

* Driveway space may be used to meet this requirement.

** On Custom Home Lots from approximately ten thousand (10,000) square feet up to approximately fourteen thousand (14,000) square feet, the ACC may allow two-car (2-car) garages and require only two (2) off-street parking spaces when the width of the Lot is an issue. On such Lots, Owners are strongly encouraged to design a double deep three-car (3-car) garage.

8.06 Restrictions on Additional Off-Street Parking. Hardsurface parking in excess of the minimums set forth in Section 0, and in addition to driveway space, shall be allowed only as permitted by the ACC and shall be limited as follows:

Dwelling	Lot Size (Approximate)	Maximum Parking Pads Allowed
Town Homes	N/A	None
Cottage Homes	6,000 to 8,000 square feet	None
Cottage Homes	8,000 to 10,000 square feet	One (1) ACC will consider additional pads on a case-by-case basis
Custom Homes	10,000 to 13,000 square feet	One (1) ACC will consider additional pads on a case-by-case basis
Custom Homes	13,000 to 27,860 square feet	Two (2) ACC will consider additional pads on a case-by-case basis
Custom Homes	27,860 square feet and larger	Two (2) ACC will consider additional pads on a case-by-case basis

The ACC must approve all parking pads and will consider each pad's location in relation to the attached garage, driveway, property lines, and visibility issues. Parking pads should be aligned with the front plane of the garage or in another location that is not a primary focus. All parking pads must be constructed of hard surface materials. Cars, trucks, recreational vehicles, trailers, or boats may be parked on parking pads. These pads must be screened from roadways and adjacent neighbors' views by fences, walls, or landscaping.

8.07 Ridge Line Requirements. The Neighborhood Declarations for certain Neighborhood Areas designate ridge line requirements for specific Lots.

Ridge line requirements apply to **Lots 112, 113, 114, 115, and 116**. The building pads for these Custom Home Lots are on the Phase I recorded plat. The ridge line is defined as the highest elevation of the building pad (designated below for each Lot). The highest point of the roof on these Lots may not exceed thirty-five (35) feet above these elevations. No two-story homes will be allowed on these Lots, but finished

space may be incorporated into the roof area with dormers, etc. as long as the total height does not exceed thirty-five (35) feet above the highest elevation of the building pad. Buildings on the ridgeline shall step from level to level as possible, avoiding unbroken vertical elevations. Elevations shall be designed to emphasize horizontal lines by use of stepped levels and/or balconies and decks. Additionally, as the building steps down from level to level, the building shall not exceed 35' from the natural grade at each level (excluding a chimney or other approved extensions). The Wasatch County Planning Staff must approve all Dwellings and Outbuildings on these Lots for aesthetic design, landscaping, and exterior lighting.

Lot 112 6,032.74 feet Lot 115 6,032.69 feet
 Lot 113 6,037.65 feet Lot 116 6,019.94 feet
 Lot 114 6,029.31 feet

8.08 Outbuildings.

(e) Custom Home Lots:

The ACC must approve all Outbuildings. All Outbuildings must be sited according to Title 16, Wasatch County Code. No corral shall be constructed or maintained closer than twenty (20) feet to any open waterway that drains into a natural stream. Surface drainage from corrals shall not be permitted to drain into a live waterway that drains into a natural stream. The building materials must be harmonious with the Dwelling and the roof materials must be the same as the roof materials used on the Dwelling. The location of Outbuildings must not detract from the Dwelling; the siting of the primary Dwelling should always be the focus. The ACC will approve the height and size of each Outbuilding based on its siting and proportion to the primary Dwelling. The Neighborhood Declarations for each Neighborhood Area determine the number of Outbuildings permitted on Lots in different Neighborhood Areas of the Property.

Dwelling	Lot Size (approximate)	Maximum Outbuildings Allowed
Cottage Homes	6,000 to 10,500 square feet	None
Custom Homes	10,500 to 13,000 square feet	ACC will consider on a case-by-case basis.
Custom Homes	13,000 to 27,860 square feet	One (1)
Custom Homes	27,860 square feet and up	One (1) ACC will consider additional Outbuildings on a case-by-case basis.

(f) Cottage Home Lots:

No Outbuildings will be allowed on Cottage Home Lots. Sheds or playhouses (less than 150 square feet) will be allowed and must be approved by the ACC.

8.09 Animals

Large animals are horses, llamas, donkeys, and burros. Small animals are dogs, sheep, and goats. Additionally, a maximum of two (2) cats are allowed on all Lots up to .64 acres (27,860 square feet) and four (4) cats are allowed on all Lots larger than .64 acres (27,860 square feet).

The Owners of the Equestrian Lots will be responsible to contain all animal waste products and must submit a plan for such containment to the ACC along with the Dwelling and Outbuilding plans.

Dirt or riding corrals and irrigated pastures may not be constructed of traditional chain link and/or barbed wire. The ACC will determine acceptable fencing materials. Dirt or riding corrals will not be permitted in front yards and side yards on corner Lots. Irrigated pastures may be permitted in front and side yards. The location of all animal enclosures must be approved by the ACC.

Dwelling	Lot Size (approximate)	Small Animals (Maximum Allowed)	Large Animals (Maximum Allowed)
Cottage Homes	6,000 to 8,000 sq ft	2 dogs and up to 2 cats	None
Cottage Homes	8,000 to 10,000 sq ft	2 dogs and up to 2 cats	None
Custom Home	10,000 to 13,000 sq ft	2 dogs and up to 2 cats	None
Custom Home	13,000 to 27,860 sq ft	2 dogs and up to 2 cats	None
Custom Home	.64 acres (27,860 sq ft) to .75 acres (32,670 sq ft)	2 small animals and up to 2 cats	None
Custom Home	Larger than .75 acres (32,670 sq ft)	4 small animals and up to 4 cats	None
Equestrian Lot #s 125, 126, & 127	1 to 1.5 acres	4 small animals and up to 4 cats	2
Equestrian Lot #s 128, 133, & 134	1.5 to 1.9 acres	4 small animals and up to 4 cats	3
Equestrian Lot #s 129, 130, 131, 132, & 143	1.9 to 2.1 acres	4 small animals and up to 4 cats	4

Additional equestrian lots may be added in future phases.

ARTICLE IX

EASEMENTS AND CONSTRUCTION

9.01. Easements in Common Area. Declarant grants to each Owner a right and easement of use, access, and enjoyment in and to the Common Area, subject to:

- (a) The Governing Documents and any other applicable covenants;
- (b) Any restrictions or limitations contained in any deed conveying the property to the Association; and
- (c) The Management Committee's right to:
 - (i) adopt rules regulating Common Area use, including rules limiting the number of guests who may use the Common Area, and charge use fees for such use;
 - (ii) suspend the right of an Owner to use any Common Area amenity (A) for any period during which any assessment or other charge against the Owner's Lot remains delinquent, and (B) for a period not to exceed 30 days for a single violation, or for a longer period in the case of any continuing violation, of the Governing Documents; provided, the Management Committee may not impair an Owner or occupant's access to his or her Lot;
 - (iii) dedicate or transfer all or any part of the Common Area, subject to any approval requirements set forth in this Declaration;
 - (iv) rent any portion of any clubhouse or other Common Area recreational facilities on an exclusive or non-exclusive short-term basis to any Person;
 - (v) permit use by the general public, which use may be subject to admission charges, membership fees, or other user fees established in the Management Committee's discretion; and
 - (vi) mortgage, pledge, or hypothecate any or all of the Common Area as security for money borrowed or debts incurred.

Any Owner may extend his or her right to use the Common Area to the members of his or her family, tenants, and social invitees, as applicable, subject to reasonable Management Committee regulation. An Owner who leases his or her Lot or Town Home shall be deemed to have assigned all such rights to the tenants of such Lot or Town Home for the lease term.

9.02. Easements for Utilities and Other Infrastructure.

- (a) Installation and Maintenance. Declarant reserves for itself, during the Development and Sales Period, and grants to the Association, and utility providers, easements (which shall be perpetual unless specifically limited, and non-exclusive unless

made exclusive) throughout the Property (but not through a structure) to the extent reasonably necessary to:

- (i) install utilities and infrastructure, cable and other systems for sending and receiving data and/or other electronic signals, drainage systems, and security and similar systems to serve The Crossings;
- (ii) install walkways, pathways, and trails, street lights, and signage on property which Declarant or the Association owns or within public rights-of-way or easements reserved for such purpose on a Plat;
- (iii) inspect, maintain, repair, and replace the utilities, infrastructure, and other improvements described above; and
- (iv) access and read utility meters.

Notwithstanding the above, Declarant reserves the right to deny access to any utility or service provider, to the extent permitted by law, or to condition such access on negotiated terms.

(b) Specific Easements. Declarant also reserves for itself the non-exclusive right and power to grant and record such specific easements as may be necessary, in Declarant's sole discretion, to develop property as a part of The Crossings. The location of the easement shall be subject to the written approval of the burdened property Owner, which approval shall not unreasonably be withheld, delayed, or conditioned.

(c) Minimal Interference. All work associated with the exercise of the easements described in subsections (a) and (b) of this Section shall be performed in such a manner as to minimize interference with the use and enjoyment of the property burdened by the easement. Upon completion of the work, the Person exercising the easement shall restore the property, to the extent reasonably possible, to the condition existing prior to the work. The exercise of these easements shall not extend to permitting entry into the structures on any Lot, nor shall it unreasonably interfere with the use of any Lot and, except in an emergency, entry onto any Lot shall be made only after reasonable notice to the Owner or occupant.

9.03. Easements for Development. Declarant reserves for itself and its duly authorized agents, successors, assigns, and mortgagees, a non-exclusive easement over the Common Area for enjoyment, use, access, and development of The Crossings, including portions not subject to this Declaration. This easement includes, but is not limited to, a right of ingress and egress over the Common Area for (a) making, constructing, and installing improvements (within the Common Areas or elsewhere), as it deems appropriate in its discretion, (b) construction of roads, and (c) connecting and installing utilities.

If the above easement grants permanent access to any property that is not submitted to this Declaration, Declarant, or its successors or assigns, shall enter into a reasonable agreement with the Association to share the cost of maintenance that the Association provides

for the benefit of the easement holder. The shared maintenance costs may include maintenance to or along any roadway providing access to the benefited property.

9.04. Easements for Maintenance, Emergency, and Enforcement. Declarant grants to the Association non-exclusive easements over the Property, including the Lots, as necessary to fulfill their respective maintenance responsibilities. The Association shall also have the right, but not the obligation, to enter upon any Lot or into any Town Home for emergency reasons, to perform maintenance, and to inspect for the purpose of ensuring compliance with and enforcing the Governing Documents. Any member of the Management Committee, and its duly authorized agents and assignees, and all emergency personnel in the performance of their duties may exercise such rights. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner.

Without limiting the generality of the foregoing, the Association shall have the following specific easements over certain Lots: (a) an easement over those Lots which border on a lake, trail, or similar improvement as necessary to perform maintenance; (b) an easement over any Lot that borders on the Open Space as necessary for maintenance of such Open Space; and (c) an easement over such other portions of the Lots subject to, or adjacent to, such specific easement areas as reasonably necessary to access such easement areas.

Declarant grants to the Association, subject to any required notice, an easement and right to enter a Lot to abate a Governing Document violation and/or to remove any structure, thing, or condition that violates the Governing Documents.

9.05. Easements for Lake and Pond Maintenance and Flood Water. Declarant grants to the Association, and its successors, assigns, and designees, the nonexclusive right and easement, but not the obligation, to enter upon bodies of water and wetlands located within the Property to (a) install, operate, maintain, and replace pumps to supply irrigation water to the Common Areas; (b) construct, maintain, and repair structures and equipment used for retaining water; and (c) maintain such areas. The Association, and its successors, assigns, and designees shall have an access easement over and across any portion of the Property as is reasonably necessary to exercise such rights under this Section.

Declarant further grants to the Association, and its successors, assigns, and designees, a perpetual, nonexclusive right and easement of access and encroachment over the Common Area and Lots (but not inside a dwelling or other structure) adjacent to or within one hundred (100) feet of bodies of water and wetlands within The Crossings, in order to (a) temporarily flood and back water upon and maintain water over such portions of The Crossings; (b) alter in any manner and generally maintain the bodies of water and wetlands within the Common Areas; and (c) maintain and landscape the slopes and banks pertaining to such areas, including irrigating and mowing lawns, described in this Declaration and shown on a Plat. Anyone exercising these easements shall use reasonable care in and repair any damage resulting from his or her intentional exercise of the easements. Nothing herein shall be construed to make the Association or any other Person liable for damage resulting from flooding due to natural occurrences or other occurrences not reasonably foreseeable or under the control of the Association or such other Person.

9.06. Easements for Cross-Drainage. All portions of the Property shall be burdened with easements for natural drainage of stormwater runoff from other portions of The Crossings; provided, no Person shall alter the natural drainage on any Lot to increase materially the drainage of stormwater onto adjacent properties without the consent of the Owner(s) of the affected property, the Management Committee, and Declarant during the Development and Sale Period.

9.07. Rights to Stormwater Runoff, Effluent, and Water Reclamation. Declarant reserves for itself and its designees all rights to ground water, surface water, stormwater runoff, and effluent located or produced within the Property, and each Owner agrees, by acceptance of a deed to a Lot, that Declarant shall retain all such rights unless and until it assigns such rights to the Association, as applicable. Such rights shall include the reservation of an easement over the Property for access, and for installation and maintenance of facilities and equipment to capture and transport such water, runoff, and effluent. This Section may not be amended without Declarant's consent, and the rights created in this Section shall survive termination of this Declaration.

ARTICLE X

CONSTRUCTION

10.01. Construction. Approval of construction plans is a two step process.

First Step: Get ACC approval

Second Step: Get a Wasatch County building permit. Wasatch County will not issue a building permit without the ACC's advance approval. No construction of any kind shall commence without approval in writing from both the ACC and Wasatch County.

10.02. ACC Approval for Building. At the time of submission of Plans, a nonrefundable fee, set by the ACC and subject to change, shall be paid to the ACC to cover costs of review, approvals, and ongoing inspections and monitoring for both the house plans and the landscape/sprinkler plans.

Two (2) sets of the following must be submitted to the ACC along with the applicable fee:

- (a) Complete Plans and specifications for any proposed construction, remodeling, or alterations of a Dwelling, Outbuilding, or Improvement;
- (b) Site plan together with topography and elevations; and
- (c) A written description of proposed exterior materials including colors, roof, walls, trim, and porch, etc.

One (1) set of a colored rendering or photographs, or brochures, paint color chips, etc. must be submitted to the ACC – these may be mounted on a sample board or contained in a large manila envelope. The ACC acknowledges the difficulty in choosing colors and materials at

the time this is submitted is difficult. The ACC will accommodate a reasonable number of changes but will not approve changes that decrease the value of the home in any way.

All Dwellings, Outbuildings, and Improvements submitted to the ACC must be corner staked for onsite ACC inspection prior to ACC final approval of plans.

The ACC shall approve or disapprove Plans within twenty-one (21) days after the receipt of the Plans. If the ACC fails to approve, disapprove or contact the Owner during the twenty-one (21) day period, such Plans shall be considered approved. In the event of disapproval, the ACC shall, when possible, provide recommended alterations to the Plans. The ACC will endeavor to review re-submittals as promptly as possible, but re-submittals are subject to the same time periods and restrictions as original applications. The ACC shall have the right to disapprove any Plans submitted to it on any reasonable basis including but not limited to the following: the Plans are not in accordance with all the provisions of these restrictions as to design or color scheme; the Plans are not in harmony with the neighborhood and adjacent buildings; the Plans are incomplete; the Plans are contrary to the interests, welfare, or rights of all or any part of the Property or the Owners. After a reasonable appeal process, determined by the Association, the decisions of the ACC are final.

10.03. Occupancy Permit. No Dwelling shall be occupied until the Owner shall first have obtained written approval from the ACC stating that the Owner has completed the Dwelling and complied with all approved Plans and is entitled to occupancy. The Owner will then take the ACC's written approval to Wasatch County, and Wasatch County will then do its inspection and issue a Certificate of Occupancy. An Owner must have both the ACC approval and the Certificate of Occupancy before taking occupancy. No Lot shall be used for human occupancy, either temporarily or permanently, until water and sewer are provided, connected, and available for use on the Lot.

10.04. Construction Timing. The construction of the Dwelling shall be completed within a period of twelve (12) months following the commencement of construction (the initial excavation for footings, foundation or retaining walls). Exterior construction may only take place between 7:00 a.m. and sunset. Every reasonable effort must be made to mitigate noise, dust, debris, and not to inconvenience neighbors in the construction process.

10.05. Construction Site Cleanliness, Rules and Requirements. The construction site must be kept reasonably clean and all rubbish and construction debris must be contained and not allowed to blow or collect on neighboring Lots. Commercial dumpsters or fenced and covered garbage areas must be provided for each building site. The Lot must be kept clean continuously throughout the construction process. No broken concrete, rocks, or fill dirt may be disposed of anywhere within the Property. Wash out of cement trucks will not be allowed anywhere except on the Lot where the cement was poured. Roadways must be kept free from debris and dirt and construction entrances must be used when available. From the date of settlement, each Lot Owner is responsible for any damages (including sidewalk, curb, gutter, water meter boxes, missing water box lids, rings, etc.) and street cleaning for excess mud and dirt from trucks and equipment, or debris on vacant Lots or Common Areas and for not abiding with the requirement to maintain a trash receptacle during construction. Each Owner further agrees to be responsible for cleaning of sidewalk and/or streets with respect to any debris or dirt from Owner's contrac-

tors, sub-contractors, etc. including landscape contractors. Declarant recommends that Lot Owners require builders to provide dirt ramps over concrete curb, gutter, and sidewalks to protect Improvements during construction. It is the Owner's responsibility to see that all of the above guidelines are followed by contractors and subcontractors. This section will be strictly enforced in accordance with Section 5.09.

10.06. Improvements and Landscaping. A Plan for all of the Improvements including, but not limited to, landscaping, automatic sprinklers, hard surface areas, fencing, and outdoor lighting, a list of building materials being used, and a cost estimate must be submitted to the ACC for approval, either at the same time the building plans are submitted or no later than sixty (60) days prior to the date when Owner plans to begin to install such Improvements. This is to allow time for review and possible revision. The Plan must include an automatic sprinkler plan, a combination of trees, plantings, grass, hard surface materials and layout, fencing, and all other appropriate detail. All trees and plants should be identified by name and size. Owners must take into consideration the mature size of all trees and plants and the eventual impact on neighbors' views. Construction may not begin without written approval from the ACC and payment of the Landscape and Sprinkler Performance Bond as explained in Section 5.11.

If a Certificate of Occupancy is issued between September 1 and March 31, all front and side yard landscaping must be completed no later than July 1. If the Certificate of Occupancy is issued between April 1 and August 31, all front and side yard landscaping must be completed within ninety (90) days of issuance of the Certificate of Occupancy. Side yards in this instance are calculated as being half the distance from the front corner of the home to the back corner of the home, with the exception of corner lots which will need to have the entire exposed side yard completed.

Landscaping in backyard and remaining side yard areas, including sprinkling systems, trees, plant material, grass, hard surfaces, recreational areas, etc. must be completed within twelve (12) months from receipt of the Certificate of Occupancy.

10.07. Fencing. All fences, screens or walls, including fencing designed and used for animal enclosures, must be approved by the ACC. Traditional chain-link fencing may not be used for primary fencing; it may only be used to confine animals within a yard if it is completely concealed from view during all seasons of the year. Fences and walls shall not exceed six (6) feet in height in side yards or backyards. Fences, walls or hedges should not exceed three (3) feet in front yards or in side yards from the average front line of the Dwelling forward. The ACC encourages open fencing.

10.08. Fencing and Sight Distance at Intersections. No fence, wall, hedge or shrub planting in excess of three (3) feet in height above road grade shall be placed on any corner Lot within a triangular area formed by the streets at the Property line and a line connecting them at points twenty-five (25) feet from the intersection of the street lines, except a reasonable number of trees pruned enough to permit automobile drivers an unobstructed view. The same sightline limitations shall apply on any Lot within ten (10) feet from the intersection of a street Property line with a driveway. This shall not require changes in the natural grade on the site. If a necessary traffic or street sign is proposed to be placed near an intersection, the ACC may apply different standards. Wasatch County standards will apply if they are more restrictive.

10.09. Exterior Lighting. Any light used to illuminate Dwellings, garages, patios, parking areas, landscaping or for any other purpose shall be directed, to the extent reasonably possible, to reflect light away and downward with minimal glare from adjacent Dwellings and Out-buildings and away from the vision of passing motorists.

10.10. Energy Star Efficiency. It is required that all homes be designed and built to be Energy Star certified.

ARTICLE XI

ENVIRONMENTAL RESPONSIBILITY

11.01. Garbage Removal and Toxic Waste. Owners will place their garbage in an approved container and location and it will be collected on a scheduled basis by Wasatch County. All garbage cans or containers must be stored at the rear of the Dwelling or located so as to not be visible from any roadway. Garbage cans are not to be left in the collection location for more than twenty-four (24) hours. All toxic and/or environmentally sensitive waste must be properly disposed of and absolutely shall not be put in the sewer or storm drain system.

11.02. Fire Protection. Fire protection will be provided by the Wasatch County Fire Department.

11.03. Open Space. The Declarant has identified Open Space on the Plat. The Open Space shall be accessible to all Owners of the Property, subject to reasonable rules and restrictions of the Association. Nothing shall be built or developed on this Open Space, other than improvements built by the Declarant during the development process.

11.04. Trail System. The Association may, in its discretion, construct trail Improvements within the Open Space parcels. Trail Improvements, if constructed, shall be used only for hiking, bicycling, cross-country skiing, skiing, horse back riding, and other non-motorized travel. No motor vehicles of any kind or description may be operated on the trail system except for authorized vehicles engaged in the construction or maintenance of the trail or Improvements within the trail. Reasonable appurtenances to the trail system are permitted, such as benches, informational or regulatory signs, trash containers, drinking fountains, exercise stations, bicycle racks, and similar items for the use and enjoyment of persons making use of the trails; provided, however, that this shall not be construed as allowing trailhead parking lots, rest rooms, maintenance buildings, or any other enclosed structure.

11.05. No Camping or Open Fires. The Open Space is not to be used for camping at any time. No open fires or similar burning may occur in the Open Space.

11.06. Waiver of Damage Claims. Each Owner for himself and his successors and assigns and his guests and invitees waives all claims for damages, injuries, or any other claim resulting from the Owner's use of the Open Space, including claims for damages resulting from the gross negligence of the Association in the management and maintenance of the Open Space.

ARTICLE XII

EXTERIOR MAINTENANCE

12.01. Maintenance of Building Exteriors. The exterior maintenance of all the Town Homes is the responsibility of the Association. Additional information respecting the obligations of ownership in the Town Homes shall be set forth in the Supplemental Neighborhood Declaration for the Town Homes Neighborhood Area. In all of the other Neighborhood Areas, the exterior maintenance of the Dwellings and all Outbuildings is the responsibility of each individual Owner. All maintenance of the Common Areas is the responsibility of the Association.

12.02. Improvements. All Improvements including, but not limited to, sprinkling systems, trees, shrubs, flowers, grass, groundcover, fences, and hard surface areas, including maintenance thereof, are the responsibility of each individual Owner of a Custom Lot. The Supplemental Neighborhood Declarations and the Homeowners Association By-Laws for The Cottages and the Town Homes will define the maintenance obligations for those specific Neighborhood Areas.

ARTICLE XIII

INSURANCE

13.01. Declarant/Association Insurance. The Association shall obtain from insurance companies licensed to do business in the State of Utah, and shall keep in full force and effect at all times, the following types of insurance covering Open Spaces and the Common Area and shall pay the premiums thereon as a common expense.

13.02. Fire and Casualty Insurance. The Association shall obtain a policy or policies of insurance on the Common Areas of the Property in such amounts as shall provide for the maximum insurable replacement thereof in the event of damage or destruction. Such insurance shall include fire and extended coverage, vandalism and malicious mischief, and such other risks and hazards against which the Association shall deem it appropriate to provide insurance protection. The Association shall elect such "deductible" provisions as in the Association's opinion is consistent with good business practice.

13.03. Public Liability and Property Damage Insurance. The Association shall obtain a broad form of comprehensive liability insurance coverage, in such amounts and in such forms, as it deems advisable to provide adequate protection against liability for personal injury, death, and property damage. Coverage shall include without limitation liability for operation of automobiles on behalf of the Association and all activities in connection with the ownership, operation, maintenance, and other use of the Property or any portion thereof.

13.04. Contractors'/Subcontractors' Insurance. All contractors and subcontractors who provide any services on any of the Lots, Town Homes, or Common Areas of the Property are required to provide and maintain adequate liability, personal injury, project, risk, and hazard insurance for the duration of their services. Written proof of such insurance must be provided to the Declarant, the ACC, or the Association prior to the commencement of services.

13.05. Lessee. Any individual or business entity that leases and operates either the RV Storage Facility or the Equestrian Center or parts of these entities or any other portion of the Property, must secure and maintain adequate liability, personal injury, project, risk and hazard insurance for the duration of their services. The ACC shall have the right to adopt rules establishing specific amounts and types of insurance that must be maintained. Written proof of such insurance must be provided to the Association prior to the commencement of services.

ARTICLE XIV

VIOLATIONS AND ENFORCEMENT

14.01. ACC and Association Powers and Enforcement. Enforcement under this Declaration may be accomplished by any lawful means, including proceeding at law or in equity against any person or persons violating or attempting to violate any provision herein, either to restrain or eliminate the violation or recover damages. The violator shall be required to pay the expenses incurred therein, including reasonable attorney fees. As set forth in ARTICLE IV, the Association may enforce failure of Owners to pay Assessments through recording a Notice of Lien with the Wasatch County Recorder and foreclosing the lien against the applicable Lot in accordance with the provisions relating to foreclosure of trust deeds under Utah law, or under any other laws relating to lien enforcement. The Association may also enforce the Assessments through personal action against the Owners, or through any other remedy available at law or in equity. No liability shall attach to the Declarant, the ACC, or the Association in acting pursuant to the provisions of this Declaration.

14.02. Complaint Procedures. The Declarant, the ACC, or any Owner has the right to file a complaint with the ACC or Association regarding any other Owner's noncompliance with the terms of this Declaration. All complaints must be written, dated, signed, and mailed by registered mail to the ACC or Association. The Association or the ACC shall have the right, but not the obligation, to pursue any complaint. Upon receiving a complaint, the Association or the ACC shall have a limited right of entry upon such a Lot to view the exterior only of a Dwelling, Outbuilding or any other Improvements for the purpose of assessing compliance with the Declarations herein. Reasonable notice (except in cases of emergency) shall be fifteen (15) days after Owner is notified in writing. Agents of the Association and/or of the Neighborhood Associations shall also have the right, as set forth in the Supplemental Neighborhood Declaration for the Town Home Neighborhood Areas, to enter those Town Homes for purposes of inspection and maintenance of Common Areas, as necessary.

14.03. Enforcement by Others. Owners may bring a legal action for damages, specific performance, or injunctive relief against any other defaulting Owner, and in addition may sue to enjoin any violation of this Declaration.

14.04. Animals. Should any animal become an ongoing nuisance to other Owners, the Owner of the animal will be subject to a fine as established by the Association, which shall be an Assessment on the monthly Assessment for which a lien may be filed against the Owner's Lot. If the Owner of the offending animal or animals refuses to solve the problem within a reasonable time (as set by the Association), the Association may direct the removal of any animal or animals

that detract from the natural surroundings, adversely affect property values or impinge on the quiet enjoyment of any Owner.

14.05. Failure to Comply. Any Owner's failure to comply with any of the provisions in this Declaration or rules or regulations adopted pursuant thereto shall be grounds for relief that may include, without limiting the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof. The terms of this Declaration shall be liberally construed to effectuate their purposes in creating conditions that are supportive of maintaining the environment and a spirit of comity among neighbors, and any violation of this Declaration shall be deemed to be a nuisance or unreasonable annoyance. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision or any other provisions hereof.

If, after due notice, an Owner fails to remedy a violation, the ACC, the Association, or the Declarant may (in addition to other lawful remedies available to it) cause such violation or condition to be remedied and the cost thereof shall be charged to the Owner of the Lot, in which event such costs shall be treated as a special Assessment to such Owner and shall attach to his Lot, and shall be subject to levy, enforcement and collection by the ACC or Association in accordance with the Assessment lien procedure provided for in ARTICLE IV and Section 14.06 of this Declaration.

Each Owner specifically agrees that in the event the Declarant or Association is compelled to enforce the terms hereof, in Court or otherwise, that the Owner shall pay all costs arising from his/her default or failure to abide by all the terms and conditions imposed, including reasonable attorney fees.

14.06. Fines. The Management Committee may assess a fine or fines against an Owner or Owners for a violation of the Association's rules and regulations. Before assessing a fine, the Management Committee shall give notice to the Owner(s) of the violation and inform the Owner(s) that a fine will be imposed if the violation is not cured within a time period determined by the Management Committee, which shall be at least forty-eight (48) hours.

Fines assessed by the Management Committee shall:

- (a) be made only for a violation of a rule or regulation that is specifically listed in the Governing Documents as an offense that is subject to a fine;
- (b) be in the amount specifically provided for in the Governing Documents for that specific type of violation, not to exceed Five Hundred Dollars (\$500.00) per month; and
- (c) accrue interest and late fees as provided in the Governing Documents.

Cumulative fines for a continuing violation may not exceed Five Hundred Dollars (\$500.00) per month.

An Owner who is assessed a fine by the Management Committee may request an informal hearing to protest or dispute the fine within thirty (30) days from the date the fine is assessed. The hearing shall be conducted in accordance with the standards provided in the Governing Documents. No interest or late fees may accrue until after the hearing has been conducted and a final decision has been rendered.

An Owner may appeal a fine assessed by the Management Committee by initiating a civil action within one hundred eighty (180) days after a hearing has been held and a final decision has been rendered by the Management Committee, or the time to request an informal hearing has expired without the Owner having properly requested a hearing.

A fine assessed under this provision that remains unpaid after the time for appeal has expired becomes a lien against the Owner's interest in the property in accordance with the same standards as a lien for the nonpayment of common expenses under Utah Code Ann. § 57-8-20.

14.07. Dispute Resolution.

(a) The Association, the Management Committee, Owners, and other persons subject to these CC&Rs agree that it is in the best interests of all concerned to encourage the amicable resolution of disputes involving the Association without the emotional and financial costs of litigation. Accordingly, each of the foregoing agrees not to file suit in any court with respect to a Claim described in subsection (b), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 14.08 in a good faith effort to resolve such Claim.

(b) As used in this Section, the term "Claim" shall refer to any claim, grievance, or dispute arising out of or relating to:

- (i) the interpretation, application, or enforcement of the Governing Documents;
- (ii) the rights, obligations, and duties of anyone arising from the Association's CC&Rs or Bylaws;
- (iii) the design or construction of improvements within the Association;

except that the following shall not be considered "Claims" unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in Section 14.08:

- (1) any suit by the Association to collect assessments or other amounts due from any Owner;
- (2) any suit by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of the Governing Documents;

(3) any suit between Owners, which does not include the Association as a party, if such suit asserts a Claim that would constitute a cause of action independent of the Association's Governing Documents;

(4) any suit in which any indispensable party is not bound hereby; and

(5) any suit as to which any applicable statute of limitations would expire within one hundred and eighty (180) days of giving the Notice required in Section 14.08(a), unless the party or parties against whom the Claim is made agree to toll the statute of limitations as to such Claim for such period as may reasonably be necessary to comply with this Article.

14.08. Dispute Resolution Procedures.

(a) Notice. A person asserting a Claim ("Claimant") against another person subject to this Section ("Respondent") shall give written notice to each Respondent and to the Management Committee stating plainly and concisely:

(i) the nature of the Claim, including the persons involved and the Respondent's role in the Claim;

(ii) the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);

(iii) the Claimant's proposed resolution or remedy; and

(iv) the Claimant's desire to meet with the Respondent to discuss in good faith ways to resolve the Claim.

(b) Negotiation. The Claimant(s) and Respondent(s) shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Management Committee may appoint a representative to assist the parties in negotiating a resolution of the Claim.

(c) Mediation. If the parties have not resolved the Claim through negotiation within thirty (30) days of the date of the Notice described in Section 14.08(a) (or within such other period as the parties may agree upon), the Claimant(s) shall have thirty (30) additional days to submit the Claim to mediation with an individual or entity designated by the Association (if the Association is not a party to the Claim) or to an independent agency providing dispute resolution services in the Park City or State of Utah area.

If the Claimant(s) does not submit the Claim to mediation within such time, or does not appear for the mediation when scheduled, the Claimant(s) shall be deemed to have waived the Claim, and the Respondent(s) shall be relieved of any and all liability to the Claimant(s) (but not third parties) on account of such Claim.

If the parties do not settle the Claim within thirty (30) days after submission of the matter to mediation, or within such time as determined reasonable by the mediator, the mediator shall issue a notice of termination of the mediation proceedings, indicating that the parties are at an impasse and the date that mediation was terminated. The Claimant(s) shall thereafter be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate.

Each party shall bear its own costs of the mediation, including attorneys' fees, and each party shall share equally all fees charged by the mediator.

(d) **Settlement.** Any settlement of the Claim through negotiation or mediation shall be documented in writing and signed by the parties. If any party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate administrative proceedings to enforce such agreement without the need to again comply with the procedures set forth in this Section. In such event, the party taking action to enforce the agreement or award shall, upon prevailing, be entitled to recover from the non complying party (or if more than one non complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, attorneys' fees and court costs.

14.09. Arbitration. Any claim or controversy that cannot be resolved pursuant to Section 14.07 or 14.08 between any person bound by these CC&Rs and the Association or a representative of the Association that arises out of or relates to the ownership and use of a Lot or Town Home or the Common Areas of the Association, other than actions brought by and on behalf of the Association for 1) the collection of assessments and fines, or 2) respecting the enforcement of these CC&Rs by or on behalf of the Management Committee, shall be submitted to arbitration according to regulations prescribed by the Association's Management Committee. In the absence of any such regulations, arbitration shall proceed pursuant to the Commercial Arbitration Rules of the American Arbitration Association ("AAA"), although such arbitration need not proceed with the AAA. Each Owner, by acquiring or maintaining an ownership interest in the Association, agrees to arbitrate all such disputes according to this provision and the regulations prescribed by the Management Committee pursuant to this provision, and agrees that judgment on the award rendered by the arbitration may be entered in any court having jurisdiction thereof.

ARTICLE XV

DURATION AND AMENDMENT

15.01. Duration. This Declaration shall continue in full force for a term of twenty-five (25) years from the date hereof, after which time the same shall be automatically extended for successive periods of ten (10) years, unless a declaration of termination is recorded with the County Recorder, meeting the requirements of an amendment to this Declaration as set forth in Section 15.02.

15.02. Amendment. During the Declarant Control Period, Declarant may at any time amend this Declaration to qualify the Property with lending institutions or for any other purposes

Declarant deems desirable or necessary. Declarant shall have the sole right to terminate or modify this Declaration during the period of Declarant Control by recordation of an amendment. The Declarant will notify the Association of said amendment no later than the next regularly scheduled Association meeting if meetings are being held, otherwise the only required notice shall be the recordation of the amendments. After the Declarant Control Period, the Association may amend the Declaration by vote of two-thirds (2/3) of the Owners. Any amendment shall be effective upon recording with the County Recorder of Wasatch County.

ARTICLE XVI

GENERAL PROVISIONS

16.01. Severability. Invalidation of any one of these covenants and restrictions by judgment or court order shall not otherwise affect any other provisions that shall remain in full force and effect.

16.02. Singular Includes Plural. Whenever the context of the Declaration requires it, the singular shall include plural, and the masculine shall include the feminine.

16.03. Covenants, Etc., Shall Run With the Land. All of the limitations, restrictions, easements, conditions, and covenants herein shall run with the land and shall be binding on and for the benefit of all the Property and all parties having or acquiring any right, title or interest in the Property or any part thereof, and shall inure to the benefit of each Owner and are imposed upon the Property as a servitude in favor of each Lot thereof as the dominant tenement or tenements.

16.04. Liability. Neither the Declarant, its assignee, or delegate, nor the ACC or Association, nor any member of the ACC, nor any member of the Management Committee of the Association shall be liable to any person for any action or failure to act hereunder where such action or failure was taken in good faith.

16.05. Wildlife. Lot Owners should expect that wildlife will frequent the area and likely be on their Lots. Owners should be aware that their landscaping might possibly be damaged by wildlife. Owners should take measures to protect themselves, families, guests, pets, landscaping, etc. using methods that will not injure or affect the property rights of other Owners.

16.06. Additional Governmental Requirements. Notwithstanding anything else herein contained to the contrary, if any part or provision of this Declaration shall be adjudged unconstitutional, invalid or unenforceable by a court of competent jurisdiction, such determination shall not affect any other part or provision of this Declaration, except that part or provision so adjudged to be unconstitutional, invalid, or unenforceable. Also, in the event that a part or provision of this Declaration shall be adjudged unconstitutional, invalid, or unenforceable, Declarant and their successors and assignees shall be absolved from enforcing said part or provision.

16.07. Declarant's Disclaimer of Representations. Anything to the contrary in this Declaration notwithstanding, and except as otherwise may be expressly set forth on a Recorded Neighborhood Plat or other instrument recorded in the office of the County Recorder of Wasatch

County, Utah, Declarant makes no warranties or representations whatsoever that the plans presently envisioned or the complete development of the Property can or will be carried out, or that any land now owned or hereafter acquired by Declarant is or will be subjected to this Declaration or any other declaration, or that any such land (whether or not it has been subjected to this Declaration) is or will be committed to or developed for a particular (or any) use, or if that land is once used for a particular use, such use will continue in effect. Not as a limitation of the generality of the foregoing, Declarant expressly reserves the right at any time and from time to time to amend the development plans for the Planned Residential Development.

16.08. No Warranty of Enforceability. While Declarant has no reason to believe that any of the provisions contained in this Declaration are or may be invalid or unenforceable for any reason or to any extent, Declarant makes no warranty or representation as to the present or future validity or enforceability of any of the provisions of this Declaration. Any Owner acquiring a Lot in the Property in reliance on one or more of the provisions in this Declaration shall assume all risks of the validity and enforceability thereof and by acquiring any Lot agrees that Declarant shall have no liability therefore.

ARTICLE XVII

EXPANSION OF THE COMMUNITY

17.01. Annexation by Declarant. Declarant may, from time to time, subject additional adjacent properties to this Declaration by a recorded Supplemental Declaration that describes the property being subjected. A Supplemental Declaration recorded pursuant to this Section shall not require the consent of any Person except the owner of such property, if other than Declarant.

Declarant's right to annex property pursuant to this Section expires upon the earlier of: (a) ten (10) years from the recordation of this document; or (b) when Declarant voluntarily terminates such right. Any such termination, transfer, or assignment shall be memorialized in a recorded instrument executed by Declarant.

Nothing in these CC&Rs shall require Declarant or any successor to subject additional property to this Declaration.

17.02. Filing Supplemental Declarations. To evidence the incorporation or annexation of additional property, Declarant shall record a Supplemental Declaration that shall incorporate this Declaration by reference. Following such incorporation or annexation and the recordation of such additional plat or maps, then and thereafter the Owners of all Lots in the Property shall have the rights, privileges, and obligations set forth in this Declaration and each applicable Supplemental Declaration.

17.03. Effect of Filing Supplemental Declaration. Unless otherwise specified, a Supplemental Declaration shall be effective upon the earlier of (a) notice to the Persons who are affected by such Supplemental Declaration; or (b) recording. The Lots subjected to this Declaration by Supplemental Declaration shall have equal voting rights in the Association and equal pro rata liability for Regular Assessments with all other Lots.

ARTICLE XVIII

ADDITIONAL RIGHTS RESERVED TO DECLARANT

18.01. Withdrawal of Property. Declarant reserves the right to amend this Declaration, during the Declarant Control Period, to remove any unimproved portion of the Property from the coverage of this Declaration. "Unimproved" means that no permanent structure has yet been built on the property. Such amendment shall not require the consent of any Person other than the Owner(s) of the property to be withdrawn, if other than the Declarant.

18.02. Marketing and Sales Activities. Notwithstanding anything in the Governing Documents to the contrary, Declarant, its Affiliates, and builders may construct and maintain upon portions of the Common Area and other property they own, such facilities, activities, and things as, in Declarant's opinion, may reasonably be required, convenient, or incidental to the construction or sale of Lots or Town Homes. Such permitted facilities, activities, and things shall include business offices, signs, flags (whether hung from flag poles or attached to a structure), model homes, sales offices, holding or sponsoring special events, and exterior lighting features or displays. In addition, if reasonably required, convenient, or incidental to construction or sales activities, Declarant, Declarant's Affiliates, and builders may park vehicles in areas other than garages or driveways, including on streets. Builder's rights under this Section are subject to Declarant's approval.

18.03. Right to Approve Changes in Governing Documents. No amendment to or modification of the Governing Documents shall be effective without prior notice to and the written approval of Declarant during the Development and Sale Period.

18.04. Community Systems. Declarant reserves for itself, its Affiliates, successors, and assigns, a perpetual right and easement to install and operate within The Crossings such improvements as Declarant, in its discretion, deems appropriate to service the improvements and the structures within any Lot or other portion of the Property. Such right shall include, without limitation, Declarant's right to select and contract with companies licensed to provide telecommunications, cable television, and other services in the Property, and to charge individual users a reasonable fee not to exceed the maximum allowable charge for such service, as from time to time is defined by the laws, rules, and regulations of the relevant government authority, if applicable.

LOTS 401-426

THE CROSSINGS AT LAKECREEK PHASE 4

OWC- 1425-5

OWC- 1437-K