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South Jordan, UT 84095

**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS OF
West Temple Towns
A Planned Unit Development**

Tax ID:

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DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS OF
West Temple Towns
A Planned Unit Development

THIS DECLARATION made and executed this 1st day of October, 2018, by WEST TEMPLE TOWNS LC, a Utah limited liability company with its principal place of business located in South Jordan, State of Utah (hereinafter referred to as "Declarant").

RECITALS:

A. Declarant is the record owner of that certain tract of property more particularly described on Exhibit A attached hereto (hereinafter the "Property").

B. Declarant desires to provide for preservation of the values and amenities of the Property and for maintenance of the Common Areas. To this end, and for the benefit of the Property and of the Owners thereof, Declarant desires to subject the Property described in Article II of this Declaration and the various Lots now or hereafter contained within the entire tract hereinafter described to the covenants, restrictions, easements, charges, liens hereinafter set forth.

C. Declarant deems it desirable for the efficient preservation of the values and amenities of the Property, to create an entity which possesses the power to maintain and administer the Common Areas, to collect and disburse the assessments and charges hereinafter provided for, and otherwise to administer and enforce the provisions of this Declaration. For such purpose Declarant has, in conjunction with recordation of this Declaration, caused or will cause to be organized under the laws of the State of Utah, a non-profit corporation, WEST TEMPLE TOWNS HOMEOWNERS ASSOCIATION, INC.

NOW, THEREFORE, Declarant hereby covenants, agrees and declares that all of the Property described in Article II hereof shall be held, transferred, sold, conveyed, occupied and used subject to the covenants, restrictions, conditions, easements, charges, assessments, obligations, and lien hereinafter set forth.

I. DEFINITIONS

1.1. Association shall mean and refer to WEST TEMPLE TOWNS HOMEOWNERS ASSOCIATION, INC., a Utah non-profit corporation.

1.2. Building Pad shall mean and refer to that area of ground in a Lot in which a Living Unit can be located as shown on the Plat. If the Plat does not separately designate a Building Pad, the Building Pad shall be co-extensive with the Lot description, excluding, however, setbacks which may be required by the terms of this Declaration or by appropriate governmental agencies.

1.3. Common Areas shall mean and refer to that part of the Property which is not included with the Lots which is owned by the Association for the common use and enjoyment of the Owners, or the limited use of certain Owners as to limited common areas, together with all improvements thereon and all easements appurtenant thereto including but not limited to private utility lines and personal property owned by the Association when the context so requires.

1.4. Declaration shall mean and refer to this Declaration of Covenants, Conditions and Restrictions.

1.5. Development shall at any point in time mean, refer to, and consist of the Subdivision then in existence.

1.6. Limited Common Areas shall mean and refer to those Common Areas designated herein or on the Plat as reserved for the use of a certain Lot or Lots to the exclusion of other Lots.

1.7. Living Unit shall mean and refer to a structure which is designed and intended for use and occupancy as a single-family residence, together with all improvements located on or with respect to the Lot concerned which are used in connection with such residence. Each Living Unit located on a Lot will be constructed as an attached home, meaning a single family dwelling, with walls or roofs in common with one or more other single family dwellings.

1.8. Lot shall mean and refer to any one of the separately numbered and individually described plots of land described on a Plat: (a) which is intended to be owned individually, rather than by an association of Owners or in common by Owners of different lots; and (b) which is intended to be used as the site of a single Living Unit.

1.9. Member shall mean and refer to every person who holds a membership in the Association.

1.10. Mortgage shall mean any mortgage, deed of trust or trust deed or the act of encumbering any Lot or any property by a mortgage, trust deed or deed of trust.

1.11. Mortgagee shall mean any person named as a mortgagee of a mortgage or beneficiary under or holder of a deed of trust.

1.12. Officers shall mean and refer to the members of the Board of Directors or Trustees and the Officers of the Association as duly elected or appointed in accordance with the terms and conditions of the Articles of Incorporation and Bylaws of the Association.

1.13. Owner shall mean and refer to the person who is the Owner of record (in the office of the County Recorder of Salt Lake County, Utah) of a fee or an undivided interest in any Lot. Notwithstanding any applicable theory relating to a mortgage, deed of trust or like instrument, the term "Owner" shall not mean or include a mortgagee or a beneficiary or trustee under a deed of trust unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.

1.14. Parcel shall mean and refer to the Property which is subject to this Declaration, which is filed for record in the office of the County Recorder of Salt Lake County, Utah, is separately subjected to the terms of this Declaration with the intention that it shall thereby comprise the Development. The real property described in Article II of this Declaration constitutes a Parcel.

1.15. Percentage Interest shall mean and refer to the undivided percentage interest of each Owner in the Common Areas and Facilities of the Property. The Percentage Interest which is appurtenant to a Living Unit shall be equal to (a) divided by (b), where A is the Size of such Living Unit, and (b) is the aggregate Size of all Living Units located in the Development. The Percentage Interest of each Living Unit is set forth in Exhibit "B" attached hereto and incorporated herein by reference. "Percentage Interests" shall be the sum total of each and every Percentage Interest and shall equal 100%. Declarant is authorized to make minor adjustments in the Percentage Interests to assure that the total adds up to 100%.

1.16. Plat shall mean and refer to any subdivision plat, any plat of a planned unit development, or any plat or map similar to any of the foregoing: (a) which covers the Property; (b) which describes or creates one or more Lots; (c) on which or in an instrument recorded in conjunction therewith there is expressed the intent that the Subdivision or Lots created by the Plat shall comprise the Development; and (d) which is filed for record in the office of the County Recorder of Salt Lake County, Utah. Recorded prior to this Declaration is a Plat of 50 West Townhomes, a Planned Unit Development, which was executed and acknowledged July 14, 2017 by Blue Pacific Properties, LLC, who assigned the Property to Vesta Homes, LC who later transferred title to Declarant on August 31, 2017. Said Plat was recorded in the offices of the Salt Lake County Recorder on July 14, 2017, as Entry No. 12575635 in Book 2017P at Page 183, creating separately numbered Lots. Said plat constitutes a Plat.

1.17. Private Streets shall mean and refer to all of the undedicated roads and streets within the Subdivision as designated upon a Plat which the Declarant has reserved as an easement for ingress and egress for pedestrian and vehicular traffic for the use, in common, of Members. Private Streets shall for all purposes be deemed to be Common Areas.

1.18. Property shall mean and refer to all of the real property which is covered by the Plat.

1.19. Size shall mean and refer to the area of floor space within a Living Unit, in square feet, rounded off to a whole number. Declarant's determination of the Size of a Living Unit which is based solely upon information obtained from Declarant's architects, engineers, and/or surveyors, as set forth in this Declaration or in any amendment or supplement hereto, shall be conclusive absent manifest error.

1.20. Subdivision shall mean and refer to the entire residential development which is created and covered by a Plat.

1.21. Trustee means West Temple Towns LC, at 9948 S Redwood Road, Suite B, South Jordan, UT 84095.

II. PROPERTY DESCRIPTION

2.1. Submission. The Property which is and shall be held, transferred, sold, conveyed and occupied subject to the provisions of this Declaration consists of the following-described real property situated in Salt Lake County, State of Utah.

SEE THE LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND INCORPORATED HEREIN BY REFERENCE.

EXCLUDING all presently existing or to be constructed or installed sewer lines, water mains, gas lines, electrical conduits, telephone lines, and related facilities to the extent that they are located outside the Lots included with the above-described tract; provided, however, that lines and systems specifically conveyed to the Association by Declarant shall not be included within this exclusion.

RESERVING UNTO DECLARANT, however, such easements and rights of ingress and egress over, across and through and under the above-described tract and any improvements now or hereafter constructed thereon as may be reasonably necessary for Declarant or any assignee of Declarant (in a manner which is reasonable and not inconsistent with the provisions of this Declaration): (i) to construct a Living Unit on each and every Lot; and (ii) to improve the Common Areas with such facilities, including, but not limited to, roads, recreational facilities, walkways and various landscaped areas, designed for the use and enjoyment of all the Members as Declarant may reasonably determine to be appropriate. If, pursuant to the foregoing reservation, the above-described tract or any improvement thereon is traversed or partially occupied by a permanent improvement or utility line, a perpetual easement for such improvement or utility line shall exist. With the exception of such perpetual easements, the reservation hereby effected shall, unless sooner terminated in accordance with its terms, expire seven (7) years after the date on which this Declaration is filed for record in the office of the County Recorder of Salt Lake County, Utah.

ALL OF THE FOREGOING IS SUBJECT TO: All liens for current and future taxes, assessments and charges imposed or levied by governmental or quasi-governmental authorities; all patent reservations and exclusions; all mineral reservations and exclusions; all mineral reservations of record and rights incident thereto; all instruments of record which affect the above-described tract or any portion thereof, including without limitation, any mortgage or deed of trust; all visible easements and

rights-of-way; and all easements and rights-of-way of record.

2.2. Annexation by Association. The Association may annex real property to the Development only after obtaining approval of such annexation from (a) the owner or owners of the real property to be annexed, and (b) the affirmative vote of at least two-thirds (2/3) of all Class A membership votes, which Members present in person or represented by proxy are entitled to cast at a meeting duly called for such purpose and so long as the Class B membership exists, the written consent of the Declarant.

2.3. Appointment and Conveyance to Trustee. The Trustee is hereby appointed a Trustee as required by the Act and Utah Code Annotated, Section 57-1-21 (1)(a)(i). The Declarant hereby conveys and warrants pursuant to Utah Code Annotated, Sections 57-8a-212 and 57-8a-302 to the Trustee, with power of sale, the Lots and all improvements to the Lots for the purpose of securing payment of assessments under the terms of this Declaration. Nothing herein shall preclude the substitution of the Trustee in accordance with the provisions of Utah Code Annotated, Section 57-1-22, as long as such substituted Trustee satisfies the requirements of the Act.

2.4. Not a Cooperative. The Property and Subdivision is not a cooperative.

2.5. Condominiums. Any portion of the Subdivision that may contain condominiums is governed by the Utah Condominium Ownership Act, Utah Code Annotated Title 57, Chapter 8.

III. MEMBERSHIP AND VOTING RIGHTS

3.1. Membership. Every Owner shall be a Member of the Association. Membership in the Association shall be mandatory, shall be appurtenant to the Lot in which the Owner has the necessary interest, and shall not be separated from the Lot to which it appertains.

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

Class A. Class A Members shall be all Owners other than the Declarant until the Class B membership ceases. Class A Members shall be entitled to the number of votes appurtenant to each respective Living Unit which shall be equal to the product of the Percentage Interest set forth in Exhibit "B" attached hereto (as the same may be revised as the result of minor adjustments as provided in Section 1.14) multiplied by Ten Thousand (10,000). The number of votes appurtenant to each Unit as set forth in said Exhibit "B" (subject to revisions the result of minor adjustments as provided in Section 1.16) shall have a permanent character and shall not be altered without the unanimous written consent of all Owners expressed in a duly recorded amendment to this Declaration. The number of votes appurtenant to each Unit may not be divided between multiple Owners of such Unit or between matters which require the vote of Owners.

Class B. The Class B Member shall be the Declarant. The Class B Member shall be entitled to the number of votes appurtenant to each respective Living Unit which shall be equal to the product of the Percentage Interest set forth in Exhibit "B" attached hereto (as the same may be revised as the result of minor adjustments as provided in Section 1.14) multiplied by Thirty Thousand (30,000). The Class B Membership shall automatically cease and be converted to a Class A membership on the first to occur of the following events:

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

(b) The expiration of Seven (7) years after the date on which this Declaration is filed for record in the office of the County Recorder of Salt Lake County, Utah.

3.3. Multiple Ownership Interests. In the event there is more than one Owner of a particular Lot, the vote relating to such Lot shall be exercised as such Owners may determine among themselves. A vote cast at any Association meeting by any of such Owners, whether in person or by proxy, shall be conclusively presumed to be the vote attributable to the Lot concerned unless an objection is immediately made by another Owner of the same Lot. 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.

3.4. Record of Ownership. Every Owner shall promptly cause to be duly filed of record the conveyance document (or in the case of contract buyer, a copy of the sales contract) to him of his Lot. Each Owner shall file a copy of such conveyance document (or contract) with the secretary of the Association with a transfer fee of \$25.00 (which fee is waived for the Declarant), who shall maintain a record of ownership of the Lots. Any Owner who mortgages his Lot or any interest therein by a mortgage which has priority over the lien of any assessment provided herein shall notify the secretary of the Association of the name and address of the Mortgagee and also of the release of such Mortgage; and the secretary of the Association shall maintain all such information in the records of ownership. Any cost incurred by the Association in obtaining the information about an Owner as specified herein which is not furnished by such Owner shall nevertheless be at the expense of such Owner and shall be reimbursed to the Association as a "Reimbursement Assessment" in accordance with the provisions of Section 5.5.

IV. PROPERTY RIGHTS IN COMMON AREAS

4.1. Easement of Enjoyment. Each Member shall have a right and easement of use and enjoyment in and to the Common Areas and the Private Streets. Such right and easement shall be appurtenant to and shall pass with title to each Lot A and in no event shall be separated therefrom. Any Member may delegate the right and easement of use and enjoyment described herein to any family member, tenant, lessee or contract purchaser who resides on such Member's Lot.

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

Lot No. _____, contained within West Temple Towns, A Planned Unit Development., as the same is identified in the Plat recorded as Entry No. _____ in Book _____, at Page _____, and in the "Declaration of Covenants, Conditions and Restrictions of West Temple Towns, A Planned Unit Development." recorded as Entry No. _____ in Book _____ at Page _____, of the official records of the Salt Lake County Recorder.
TOGETHER WITH a right and easement of use and enjoyment in and to the Common Areas and Private Streets described and provided for in said Declaration of Covenants, Conditions and Restrictions and in the Record of Survey Map in the official record of the Salt Lake County Recorder.

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

4.3. Transfer of Title. Declarant agrees to convey and by recording of the Plat does convey to the Association title to the various Common Areas free and clear of all liens (other than the lien of current general taxes and the lien of any assessments, charges, or taxes imposed by governmental or quasi-governmental authorities), as each such Common Area is substantially completed.

4.4. Limitation on Easement. In addition to the restrictions contained in Section 4.5, a Member's right and easement of use and enjoyment concerning the Common Areas and Private Streets shall be subject to the following:

(a) The right of the Association to impose reasonable limitations on the number of guests per Member who at any given time are permitted to use the Common Areas;

(b) The right of the Architectural Control Committee to approve and designate the point of access to and from a Lot to the Private Streets in accordance with the requirements of Article VIII;

(c) The right of South Salt Lake City and any other governmental or quasi-governmental body having jurisdiction over the Property to access and rights of ingress and egress over and across any street, parking area, walkway, or open area contained within the Property for purposes of providing police and fire protection, transporting school children, and providing any other governmental or municipal service; and

(d) The right of the Association to dedicate or transfer all or any part of the Common Areas, the Private Streets and any sewer, water and storm drain trunk lines to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the Association. Any such dedication or transfer must, however, be assented to by (i) all holders of first Mortgages secured by Lots and (ii) by two-thirds (2/3) of the vote of each class of membership which Members present in person or by proxy are entitled to cast at a meeting duly called for that purpose written or printed notice setting forth the purpose of the meeting and the action proposes shall be sent to all Members at least ten (10) but not more than thirty (30) days prior to the meeting date.

4.5. Restriction Regarding Driveway Gates on Richards Street. As a condition to approval of the Development, South Salt Lake City, has required the installation of two (2) separate mechanical driveway gates on the east of the Property and adjacent to Richards Street, each gate intended to limit access to the Development from Richards Street, except as provided herein. The northerly gate (the "North Gate") shall provide ingress and egress from Richards Street to the Owners of Lots 101 through 104, including the Living Units located thereon, and such Owners' respective tenants and invitees (collectively, the "North Occupants"). The southerly gate (the "South Gate") shall have restricted ingress and egress from Richards Street through the Development, limited to (i) use by the North Occupants to allow them ingress and egress from Richards Street (to facilitate their access to and use of the North Gate) through the Development to and from West Temple Street; (ii) use by emergency personnel for police, fire, and medical services, and (iii) use by governmental or private parties providing trash removal services to the Development. The Association shall maintain in working order both the North Gate and the South Gate to restrict the uses as provided above and shall provide appropriate authorizations and devices who are allowed the limited access rights as stated above.

V. ASSESSMENTS

5.1. Personal Obligation and Lien. Each Owner shall, by acquiring or in any way becoming vested with an interest in a Lot, be deemed to covenant and agree to pay to the Association the monthly and special assessments described in this Article, together with the hereinafter provided for interest and costs of collection. Each Owner shall, by acquiring or in anyway becoming vested with an interest in a Lot, be deemed to covenant and agree to pay to the Association the Exterior Maintenance Assessment described in this Article, together with the hereinafter provided for interest and costs of collection. All such assessment amounts shall be, constitute, and remain: (a) a charge and continuing lien upon the Lot with respect to which such assessment is made; and (b) the personal obligation of the person who is the Owner of such Lot at the time the assessment falls due. No Owner may exempt himself or his Lot from liability for payment of assessments by waiver of his rights concerning the Common Areas or by abandonment of his Lot. In a voluntary conveyance of a Lot, the grantee shall be jointly and severally liable with the grantor for all such unpaid assessments, late payment fees, interest and costs of collection, including reasonable attorneys fees, which shall be a charge on the Lot at the time of the conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor.

5.2. Purpose of Assessments. Assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety, and welfare of residents of the Property, including but not limited to the appearance and aesthetics of the Development; provided, however that the Exterior Maintenance Assessments shall be used exclusively for the maintenance of the exterior buildings and roofs of all Living Units. The use made by the Association of funds obtained from assessments, other than Exterior Maintenance Assessments which are to be used solely for the maintenance of the exteriors of all Living Units and their roofs, may include, but is not limited to, payment of the cost of taxes and insurance on the Common Areas; maintenance, repair and improvement of the Common Areas; establishing and funding a reserve to cover major repair or replacement of improvements within the Common Areas; and any expenses necessary or desirable to enable the Association to perform or fulfill its obligations, functions or purposes under this Declaration or its Articles of Incorporation.

5.3. Maximum Monthly Assessment. As of the date set under Section 5.7, each of Lots shall be subject to a monthly assessment including that portion attributable to the Exterior Maintenance Assessment, of not more than _____ Dollars (\$.00). Unless otherwise specified by the Association in the minutes of a meeting of the Members, one-third of the monthly assessment shall be deemed the monthly installment of the Exterior Maintenance Assessment. [(As an example of the foregoing, if the monthly assessment for a particular unit was set at \$ _____ per month, _____.)] From and after July 1, 2018, the maximum monthly assessments set forth above shall be increased by three percent (3%) per year over the previous year's maximum assessment without the vote of the Members or such maximum assessment amounts may be increased in a greater amount or decreased so long as the change is assented to by not less than a majority of the Members other than the Declarant (or if the two class voting structure is still in effect as provided herein, a majority of the votes of each Class of Members), present in person or represented by proxy at a meeting duly called for such purposes. Written notice setting forth the purpose of the meeting shall be sent to all Members at least ten (10) but not more than thirty (30) days prior to the meeting date. The Officers of the Association may from time to time and in their discretion set the amount of the monthly assessment at any sum not in excess of the then applicable maximum amount.

5.4. Special Assessments. From and after the date set under Section 5.7 (the date of a first conveyance), the Association may levy special assessments for the purpose of defraying, in whole or in part:

(a) any expense or expenses not reasonably capable of being fully paid with funds generated by monthly assessments; or (b) the cost of any construction, reconstruction or unexpectedly required repair or replacement in connection with the Common Areas. Any such special assessments must be assented to by not less than a majority of the Members other than the Declarant (or if the two class voting structure is still in effect as provided herein, a majority of the votes of each Class of Members), present in person or represented by proxy are entitled to cast at a meeting duly called for the purpose. Written notice setting forth the purpose of the meeting shall be sent to all Members at least ten (10) but not more than thirty (30) days prior to the meeting date.

5.5. Reimbursement Assessment on Specific Lot. In addition to the monthly assessment and any special assessment authorized pursuant to Sections 5.3 and 5.4 above, the Officers may levy at any time Special Assessments (a) on each Lot specifically benefitted by any improvement to adjacent roads, sidewalks, planting areas or other portions of the Common Areas made on the written request of the Owner of the Lot to be charged; (b) on each Lot the Owner or occupant of which shall cause any damage to the Common Areas necessitating repairs; and (c) on each Lot as to which the Association shall incur any expense for maintenance or repair work performed, or enforcement action taken, pursuant to Section 3.4, Section 6.1(c), Section 6.2(a), or other provisions of this Declaration (all or part of the foregoing being sometimes referred to as "Reimbursement Assessment"). The aggregate amount of any such Special Assessments shall be determined by the cost of such improvements, repairs, maintenance or enforcement action, including all overhead and administrative costs and attorney's fees, and shall be allocated among the affected Lots according to the special benefit or cause of damage or maintenance or repair work or enforcement action, as the case may be, and such assessment may be made in advance of the performance of work. If a special benefit arises from any improvement which is part of the general maintenance obligations of the Association, it shall not give rise to a Reimbursement Assessment against the Lots benefitted.

5.6. Uniform Rate of Assessment. Except as provided in Section 5.5 above, monthly and special assessments shall be apportioned among all Owners in proportion to their respective Percentage Interests. Exterior Maintenance Assessments are likewise apportioned among all Owners in proportion to their respective Percentage Interests. See Exhibit "B" attached hereto for the allocation of assessments. Declarant, for each unsold Lot owned by it in the development, shall pay monthly assessments as herein provided; provided that until such date as Declarant obtains a certificate of occupancy for a Living Unit no assessment shall be due or payable and after a certificate of occupancy has been obtained for a Living Unit and until such date as the Declarant closes and conveys a Lot and Living Unit to an Owner (other than Declarant) or otherwise allows or causes the Living Unit located upon a Lot to be occupied, the monthly assessment attributable to such Lot shall be one-fourth (1/4) the regular monthly assessment.

5.7. Monthly Assessment Due Dates. The monthly assessments provided for herein shall commence as to all Lots on the date a deed is delivered to the purchaser of a Lot, or if the sale is by way of an installment contract of sale, on the date the installment contract is executed by the parties thereto, or the date of occupancy agreement, or the date the Owner actually takes possession of a Lot, whichever first occurs. The first monthly assessment shall be adjusted according to the number of days remaining in the month of conveyance, contract or occupancy as the case may be. Thereafter all monthly assessments shall be due and payable on the first day of each month. A monthly assessment not paid within ten (10) days of the due date thereof shall be deemed late and subject to a late fee of \$50.00. At least fifteen (15) days prior to the effective date of any change in the amount of the monthly assessment, the Association shall give each Owner written notice of the amount and the first due date of the assessment concerned.

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

5.9. Effect of Non-Payment; Remedies. Any assessment not paid when due shall, together with the hereinafter provided for interest and costs of collection be, constitute and remain a continuing lien on the affected Lot; provided, however, that any such lien will be subordinate to the lien or equivalent security interest of any first mortgage on the Lot recorded prior to the date any such assessments became due. If the assessment is not paid within thirty (30) days after the date on which it becomes due, the amount thereof shall bear interest from the due date at the rate of eighteen percent (18%) per annum and the Association may bring an action either against the Owner who is personally liable or to foreclose the lien against the Lot. Any judgment obtained by the Association shall include reasonable attorneys' fees (including those of a paralegal and any fees incurred on appeal), court costs, and each and every expense incurred by the Association in enforcing its rights.

5.10. Tax Collection by County Authorized. It is recognized that under the Declaration the Association will own the Common Areas and that it will be obligated to pay property taxes to Salt Lake County. It is further recognized that each Owner of a Lot as a Member of the Association will be required to reimburse the Association for his pro rata share of such taxes paid. Notwithstanding anything to the contrary contained in the Declaration, Salt Lake County shall be authorized to collect such pro rata share of taxes directly from each Owner by inclusion of said share with the tax levied on each Lot.

5.11. Reserves and Reserve Study.

5.11.1 The Association shall maintain an adequate reserve fund for Common Expenses and maintenance of the Buildings as provided in this Declaration. The reserve fund shall include such amounts as the Association, by its Officers may deem proper for general working capital, for a general operating reserve, and for a reserve fund for replacements and major maintenance or capital replacement, and will be funded and maintained from monthly assessments and Exterior

Maintenance Assessments. In addition the Declarant shall create a "Working Capital Fund" for the benefit of the Association for the initial months of operations of the Subdivision which shall be funded by purchasers of Lots as follows. At the closing of the sale of a Lot and Living Unit by

Declarant to a purchaser, the purchaser shall pay to the Association an amount equal to the Association's estimate of one fourth (1/4) of the then monthly assessment for the fiscal year in which the sale of the Lot and Living Unit occurs (i.e, the equivalent of three months installments if installments are made monthly), two thirds (2/3) thereof to be deposited into the Working Capital Fund and one third (1/3) thereof to be deposited into the reserve fund; provided, however that at such time as the Class B memberships are converted to Class A memberships, the Declarant shall pay to the Association, the required deposit for each unsold Lot which is part of the Subdivision; further provided, that the Declarant is entitled to seek reimbursement of such deposit for each Lot and Living Unit from a Buyer of the same, as each such Lot and Living Unit is sold and closed. Funds not expended from the Working Capital Fund prior to the expiration of four (4) years from the first sale of a Lot and Living Unit, shall be transferred to the reserve fund. Thereafter, the Association may increase the reserve fund or replace funds withdrawn from the reserve fund with funds collected through monthly assessments. The Declarant shall have no right to use any of the Working Capital Fund to defray any of its expenses, reserve contributions, or construction costs or to make up any budget deficits while it is in control of the Association.

5.11.2 Payments by purchasers to the Association under paragraph 5.11.2 above shall not be credited against, or relieve purchasers from, their obligation to pay other assessments levied against Lots and Living Units by the Association.

5.11.3 Upon the sale of a Lot and Living Unit from one Owner to another, the Association shall not be obligated to return to the transferor any funds held in reserve.

5.11.4 The Association shall perform or obtain not less frequently every five (5) years a reserve analysis (herein a "Reserve Analysis") to determine (a) the need for a reserve fund to accumulate money to cover the cost of repairing, replacing, and restoring common areas and facilities, including the exteriors of the buildings that have a useful life of three years or more, but excluding any cost that can reasonably be funded from the monthly assessments, and (b) the appropriate amount of any reserve fund to meet such items.

5.11.5 The Association shall review and if necessary update the most recently obtained Reserve Analysis no less frequently than every two years to determine the need for any modifications thereto.

5.11.6 Reserve Funds shall be maintained by the Association in a separate account from other funds and such Reserve Funds may not be used for daily maintenance expenses, unless a majority of the Owners of the Association vote to approve the use of such reserve funds for such purpose.

5.11.7 The provisions of Sections 5.11.4 through 5.11.6 shall not be applicable to any period that the Declarant maintains control of the Association.

VI. DUTIES AND POWERS OF THE ASSOCIATION

6.1. Duties of the Association. Without limiting any other duties which may be imposed upon the Association by its Articles of Incorporation or this Declaration; the Association shall have the obligation and duty to do and perform each and every one of the following for the benefit of the Owners and the maintenance and improvement of the Property:

- (a) The Association shall accept all Owners as members of the Association.
- (b) The Association shall accept title to all Common Areas conveyed to it by Declarant.
- (c) The Association shall maintain, repair, and replace all landscaping and

improvements in the Common Areas, including but not limited to the maintenance of all exterior trees, shrubs, grass, Private Streets and other Common Area improvements. The Association may elect to maintain all grasses, trees, and bushes on the exterior of any Living Unit if the same were installed by the Developer as part of the construction of the Development, even if located upon a Lot, but the Association shall have no obligation to perform any maintenance of any landscaping installed by an Owner without the Association's express agreement to maintain such landscaping.

The Association shall provide exterior maintenance of the Living Units, including for all Living Units painting, repair, replacement and care of roofs, gutters, downspouts, and exterior building surfaces. In accordance with the requirements of Section 7.10, each Owner shall paint, repair, and otherwise maintain the and interior of his Living Unit and shall maintain all mechanical devices, including but not limited to, appurtenant electrical, plumbing, heating, ventilating and air conditioning systems.

In the event that the need for maintenance or repair of Common Areas or the exterior of a Living Unit (including exterior landscaping) as specified herein is caused through the willful or negligent acts of an Owner, or through the willful or negligent acts of the family, guests or invitees of an Owner, the Officers may cause such repairs to be made by the Association and the cost of such maintenance or repair (and administrative expenses equal to ten (10%) percent of such costs) shall be added to and become part of the Reimbursement Assessment (as set forth in Section 5.5) to which such Lot is subject.

(d) To the extent not assessed to or paid by the Owners directly, the Association shall pay all real property taxes and assessments levied upon any portion of the Common Areas, provided that the Association shall have the right to contest or compromise any such taxes or assessments.

(e) The Association shall obtain and maintain in force the policies of insurance required by the provisions of this Declaration.

(f) The Association shall employ a responsible corporation, partnership, firm, person or other entity as the Managing Agent to manage and control the Common Areas and to cause the exterior maintenance of Living Units to be performed, subject at all times to direction by the Officers, with such administrative functions and powers as shall be delegated to the Managing Agent by the Officers. The compensation of the Managing Agent shall be such as shall be specified by the Officers. Any agreement appointing a Managing Agent shall be terminable by either party, with or without cause and without payment of any termination fee, upon thirty (30) days written notice thereof; and the term of any such agreement may not exceed one year, renewable by agreement of the parties for successive one-year periods. Any Managing Agent shall be an independent contractor and not an agent or employee of the Association.

(g) As a Common Area expense, the Association shall cause all fire sprinkler systems which are installed and maintained in common for the benefit of multiple Living Units, to be inspected by qualified inspectors not less frequently than once each calendar year. The reports of such inspections shall be maintained by the Association for reasonable periods of time and shall be available to the Members upon reasonable request.

(h) The Association shall conduct or cause others to conduct a reserve analysis periodically as required by the provisions of Section 15.11 and shall otherwise comply with the requirements of Section 15.11 and/or Utah law as applicable thereto.

(i) The Association may employ a responsible corporation, partnership, firm, person or other entity to remove or cover graffiti from the exterior of surfaces of the Common Areas and the Living Units on an as-needed basis, subject at all times to direction by the Officers. The compensation of such party shall be as specified by the Officers. Any agreement appointing such a party shall be terminable by either party, with or without cause and without payment of any

termination fee, upon thirty (30) days written notice thereof; and the term of any such agreement may not exceed one year, renewable by agreement of the parties for successive one-year periods. Any party who covers or removes graffiti shall be an independent contractor and not an agent or employee of the Association.

6.2. Powers and Authority of the Association. The Association shall have all the powers set forth in its Articles of Incorporation and any Bylaws, together with its general powers as a corporation, and the power to do any and all things which may be authorized, required or permitted to be done by the Association under and by virtue of this Declaration, including the power to levy and collect assessments as hereinafter provided. Without in any way limiting the generality of the foregoing, the Association shall have the following powers:

(a) The Association shall have the power and authority at any time and from time to time and without liability to any Owner for trespass, damage or otherwise, to enter upon any Lot for the purpose of maintaining and repairing such Lot or any improvement thereon as required by the provisions of this Declaration or if for any reason the Owner fails to maintain and repair such Lot or improvement, or for the purpose of removing any improvement constructed, reconstructed, refinished, altered or maintained upon such Lot in violation of Article VII of this Declaration. The Association shall also have the power and authority from time to time in its own name, on its own behalf, or in the name and behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Declaration or any rules and regulations promulgated by the Officers, or to enforce by mandatory injunction or otherwise all of the provisions of this Declaration and such rules and regulations.

(b) In fulfilling any of its duties under this Declaration, including its duties for the maintenance, repair, operation or administration of the Common Areas and exterior repairs of Living Units or in exercising any of its rights to construct, maintain and repair improvements or other work upon any of the Common Areas or Lots, and provided that any contract for goods or services having a term of more than one (1) year shall state that it may be terminated by either party at the end of the first year or at any time thereafter upon no less than ninety (90) days written notice, the Association shall have the power and authority (i) to pay and discharge any and all liens placed upon any Common Areas on account of any work done or performed by the Association in the fulfillment of any of its obligations and duties of maintenance, repair, operation or administration and (ii) to obtain, contract and pay for, or to otherwise provide for:

i. Construction, maintenance, repair and landscaping of the Common Areas and exterior repairs of Living Units upon Lots on such terms and conditions as the Officers shall deem appropriate.

ii. Such insurance policies or bonds as the Officers may deem appropriate for the protection or benefit of Declarant, the Association, the Officers and the Owners;

iii. Such utility services, including (without limitation) water, sewer, trash removal, snow removal, electrical, telephone and gas services, as the Officers may from time to time deem desirable;

iv. The services of architects, engineers, attorneys and certified public accountants and such other professional or nonprofessional services as the Officers may deem desirable;

v. Fire, police and such other protection services as the Officers may deem desirable for the benefit of the Owners or any of the Property; and

vi. Such materials, supplies, furniture, equipment, services and labor as the Officers may deem necessary.

(c) The Officers may delegate by resolution or contract to the Managing Agent any of its powers under this Declaration; provided, however, that the Officers cannot delegate to such Managing Agent the power to execute any contract binding on the Association for a sum in excess of One Thousand Dollars (\$1,000.00), nor the power to sell, convey, mortgage, or encumber any Common Areas.

6.3. Association Rules. The Officers from time to time and subject to the provisions of this Declaration, may adopt, amend, repeal and enforce rules and regulations governing, among other things: (a) the use of the Common Areas; (b) the use of any roads or utility facilities owned by the Association; (c) the collection and disposal of refuse; (d) the maintenance of animals on the Property; (e) the use of Living Units for business or rental purposes (including but not limited to the definition of "single-family residential"); (f) regulation of parking; (g) fines and penalties for the violation of such Rules; and (h) other matters concerning the use and enjoyment of the Property and the conduct of residents. The Officers may also adopt additional Architectural Guidelines for the construction and/or maintenance of Living Units. Rules and Regulations and/or Architectural Guidelines adopted by the Officers may be enforced in accordance with the provisions of Section 7.16.

6.4. Limitation of Liability. No Officer shall be liable to the Association or the Owners for any mistake in judgment, for negligence, or on other grounds, except for such Officer's own individual gross negligence, willful misconduct or bad faith. The Association shall indemnify and hold harmless each Officer from and against all liability to third parties arising out of any contract made by the Officers on behalf of the Association or Owners, unless such contract was made in bad faith or contrary to the provisions of this Declaration. The liability of a Owner arising out of the foregoing indemnification shall be limited to the total liability concerned multiplied by such Owner's respective Percentage Interest. The Association shall be authorized to obtain liability insurance for the acts and/or omissions of such Officers.

6.5. Insurance. The Association shall secure and at all times maintain the following insurance coverage:

(a) Policy or policies of fire and casualty insurance, with extended coverage endorsement, for the full insurable replacement value of all improvements, if any, comprising a part of the Common Areas. The name of the insured under each such policy shall be in form and substance similar to: "WEST TEMPLE TOWNS HOMEOWNERS ASSOCIATION, INC., for the use and benefit of the individual Members, Lot Owners and Mortgagees, as their interests may appear".

(b) A policy or policies insuring the Owners, the Association, and its directors, officers, agents, and employees against any liability incident to the ownership, use or operation of the Common Areas which may arise among themselves, to the public, and to any invitees or tenants of the Property or of the Owners. Limits of liability under such insurance shall be not less than

\$1,000,000 for any one person injured; \$2,000,000 for all persons injured in any one accident; and

\$500,000 for property damage resulting from one occurrence. Such policies shall be issued on a comprehensive liability basis and shall provide a cross-liability endorsement pursuant to which the rights of the named insured as between themselves are not prejudiced.

(c) **EACH OWNER SHALL MAINTAIN CASUALTY, FIRE AND EXTENDED COVERAGE INSURANCE IN SUCH AMOUNTS AND ACCORDING TO SUCH TERMS AS THE OWNER DEEMS APPROPRIATE**, unless blanket coverage is provided in accordance with the provisions hereof. Nevertheless, the Association may elect, with the consent of not less than seventy- five percent (75%) of the Owners to obtain and continue in effect, on behalf of all Owners, adequate blanket casualty, fire and extended coverage insurance in such form as the Association deems appropriate in an amount equal to the full replacement value, without deduction for depreciation or coinsurance, of all of the Living Units including the structural portions

and fixtures thereof. Insurance premiums from any such blanket insurance coverage, and any other insurance premiums paid by the Association shall be a common expense of the Association to be included in the regular annual assessments as levied by the Association. The insurance coverage with respect to the Living Units shall be written in the name of, and the proceeds thereof shall be payable to the Association as trustee for the Owners. In the event that such blanket coverage is obtained for all of the Living Units as provided herein, such coverage shall not be subject to cancellation without not less than thirty (30) days prior notice to each of the Owners and their Mortgagees.

(d) The Association shall purchase for the benefit of and on behalf of the Association, in such amounts and in such forms as it deems appropriate, fidelity insurance or a bond to cover against dishonesty of members of the Board of the Association, Officers and employees of the Association and all other persons handling, or responsible for funds of or administered by the Association, destruction or disappearance of money or securities, and forgery. If funds are administered by a management agent, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of the Association. Such fidelity bonds shall name the Association as an obligee and shall not be less than the greater of (i) three (3) months assessments on all Lots and Living Units plus reserve funds, or (ii) the estimated maximum amount of funds, including reserve funds, in the custody of the Association or the management agent, as the case may be, at any given time during the term of each bond. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions, and shall not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days' prior written notice to the Association and to any Fannie Mae servicer holding a Mortgage on behalf of Fannie Mae.

(e) The Association may, if it elects, purchase liability insurance for Officers to cover errors and omissions of Officers of the Association, and any obligation for indemnification as contained in Section 6.4.

The following additional provisions shall apply with respect to insurance required in this Section 6.6:

(1) In addition to the insurance described above, the Association shall secure and all times maintain insurance against such risks as are or hereafter may be customarily insured against in connection with developments similar to the Property in construction, nature and use.

(2) All policies shall be written by a company holding a rating of "AA" or better from Best's Insurance Reports.

(3) The Association shall have the authority to adjust losses.

(4) Insurance secured and maintained by the Association shall not be brought into contribution with insurance held by the individual Owners or their mortgagees.

(5) Each policy of insurance obtained by the Association shall, if reasonably possible, provide: a waiver of the insurer's subrogation rights with respect to the Association, the Owner, and their respective directors, officers, agents, employees, invitees, and tenants; that it cannot be canceled, suspended or invalidated due to the conduct of any particular Owner or Owners; that it cannot be canceled, suspended or invalidated due to the conduct of the Association or of any director, officer, agent or employee of the Association without a prior written demand that the defect be cured; without a prior written demand that the defect be cured; that any "no other insurance" clause therein shall not apply with respect to insurance held individually by Owners.

6.6. Quorum Requirements. The quorum required for any action by the Members hereunder, unless otherwise specifically set forth in this Declaration, shall be as follows: At the first meeting called the presence of Members or of proxies entitled to cast sixty percent (60%) of all outstanding votes shall constitute a quorum. If a quorum is not present at the first meeting or any subsequent meeting, another meeting may be called at which a quorum shall be one-half of the quorum which was required at the immediately preceding meeting. No such subsequent meeting shall be held sooner than seven (7) days nor more than forty-five (45) days following the immediately preceding meeting.

VII. USE RESTRICTIONS

7.1. Use of Common Area. The Common Areas shall be used only in a manner consistent with their community nature and with the use restrictions applicable to Lots and Living Units.

7.2. Use of Lots and Living Units. All Lots are intended to be improved with Living Units and are restricted to such use. No gainful occupation, profession, trade or other non-residential use shall be conducted on any Lot or Living Unit without the prior written consent of the Association and applicable governmental entities. Except as may be approved to the contrary, each Living Unit shall be used only as a single-family residence. No Lot or Living Unit shall be used, occupied, or altered in violation of law, so as to jeopardize the support of any other Living Unit, so as to create a nuisance or interfere with the rights of any Owner, or in a way which would result in an increase in the cost of any insurance covering the Common Areas.

7.3. Building Features and Materials.

(a) Building Location. Each building (including Living Unit) shall be located such that:

(i) The building shall be located solely within the outer boundaries of the Building Pad (exclusive or required setbacks) and oriented as shown on the Plat, except as to the common wall with the adjoining Living Unit(s), or as may be consented to by the Architectural Control Committee in accordance with the provisions of Article VIII.

(ii) For the purposes of this covenant, steps and open porches shall be considered as a part of a building, but the same may extend beyond the Building Pad if permitted by applicable building codes.

(b) Garages. Garages must be fully enclosed and located within the Building Pad, accommodate a minimum of two cars, except for those units which are initially designed to accommodate only one car, and be equipped with an automatic garage door opener. Carports are not permitted within the Subdivision.

(c) Exterior Building Wall Materials. Stone, brick, cultured stone, stucco, and fiber cement siding and other metal products intended for use on exterior building surfaces are permitted for the exteriors of Living Units. The use of any other materials for such buildings shall require the prior approval of the Architectural Control Committee.

(d) Roof, Soffit and Facia. Roof material shall be restricted to shingles or other materials approved by the Architectural Control Committee. Soffit and facia material shall be restricted to aluminum or other materials approved by the Architectural Control Committee. The use and design of roof, soffit and facia materials is subject to the approval of the Architectural Control Committee.

(e) Chimneys. Chimneys of approved exterior materials may not exceed the height required by appropriate governmental agencies. Exposed metal flues are not permitted unless approved by the Architectural Control Committee or are painted.

(f) Mailboxes. Mailboxes shall be provided by the United States Post Office but shall be maintained by the Association.

(g) Fences and Walls. No fences, other than those installed by the Declarant, may be installed by a Lot Owner without the approval of the Association. Project, perimeter fences, if any, are to be maintained by the Association. The Owners shall not permit any structures or other items to be attached to or supported by fences.

(h) Paving. Driveway and other flat paved areas may be concrete, exposed aggregate concrete, stamped concrete, or other materials approved by the Association.

(i) Solar Equipment. Although the Declarant may have provided conduit to the roof for Living Units, which could be used to in conjunction with the operation of solar equipment, the use of solar panels and frames are not permitted unless the prior approval of the Architectural Control Committee is obtained, which approval may be withheld in the Committee's sole discretion, or which may be given, conditioned upon approval of all penetrations into a roof and the Owner's agreement to indemnify and hold the Association harmless for all costs attributable to damage to the roof or the termination of any warranty. Any such solar panels must be integrated into roof designs.

(j) Antennas. Unless otherwise required by law, only one satellite dish antenna (of not more than two feet in diameter) shall be allowed on a Building for each Living Unit.

(k) Sheet Metal, Flashing and Vents. All sheet metal, flashing, vents and pipes must be colored to match the material to which they are attached or from which they project, with the exception of copper.

(l) Mechanical Equipment. All air conditioning, heating equipment, swamp coolers and soft water tanks must be screened from view and insulated for sound attenuation. Air conditioning units and swamp coolers are not permitted on roofs or through windows unless screened from view and approved by the Architectural Control Committee.

(m) Gas and Electric Meters. Meter locations are to be designed into the architecture of the dwelling and screened from view.

(n) Exterior Lighting. All exterior lighting to be installed by a Lot Owner is subject to the prior approval of the Architectural Control Committee.

(o) Landscape Site Preparation Guidelines. All demolition, clearing, grubbing, stripping of soil, excavation, compaction and grading must be performed within the confines of a Lot.

(p) Site Grading and Drainage. No Lot Owner shall modify site grading or storm drainage floors without the prior written consent of the Architectural Control Committee.

(q) City and Other Approval. Approval of any improvements by the Architectural Control Committee does not waive the requirement for any other required public agency review or permit approval process. By approving plans, the Architectural Control Committee takes no responsibility for plan conformity to any other criteria other than the requirements of this Declaration and any Architectural Guidelines.

(r) Metal Awnings. Metal awnings, metal "lean-tos", or metal patio covers shall not be permitted on any Lot, without the prior approval of the Architectural Control Committee. Shade structures of other materials shall be installed only with the prior written consent of the Architectural Control Committee.

(s) Size and Height of Living Unit Location. Each Living Unit shall be located and constructed within the exterior boundaries of the Building Pad.

(t) Recreational Equipment. Basketball hoops, standards, and swingsets shall not be permitted in front of any Living Unit or within the Common Areas, unless approved by the Architectural Control Committee.

(u) Outdoor Carpets. Outdoor carpets may be used upon private decks immediately adjacent to kitchens only, as long as they are not anchored to the surfaces of such decks.

(v) Screen Doors. Screen doors shall not be installed upon any exterior door of a Living Unit.

(w) Window Treatments. Window treatments for those portions of Living Units facing public or Private Streets shall be restricted only by color and such color shall be white. Windows may not be treated with mirror type tinting.

(x) Decks. All decks must be kept in a neat and orderly condition and may not be used for storage purposes for any items, including but not limited to bikes, toys and other household items. No Owner shall be permitted to use any device which generates a flame or open fire, with the sole exception of a propane or natural gas barbecue. An Owner may keep patio furniture and planters upon a deck as long as the same are neat, maintained and fully functional (not in disrepair or worn out).

(y) Living Unit Modifications. No modification or addition shall be made to any mechanical, electrical, structural or other system of any Living Unit without the prior written approval of the Association, which approval may be conditioned upon the review of plans and specifications and the performance of any and/or all work by licensed contractors. No penetrations shall be made to the exterior surface of any building or Living Unit without the approval of the Association and if requested the posting of a bond to cover the cost of repairing any such penetrations.

7.4. Rental Restriction Policies. Subject to the requirements of Utah Code Ann. § 57-8a-209, as now existing or subsequently amended, the lease or rental of Units is limited as follows:

(a) Lease Provisions. A lease agreement between an Owner and a Lessee must be in writing, and must provide, inter alia, that:

(1) The length of the lease shall be for a period of not less than 1 year; and

(2) The terms of the lease shall in all respects be subject to the provision of the Declaration, Articles of Incorporation of the Association and the By-laws;

(3) Any failure by the Lessee to comply with the terms of such documents shall constitute a default under the Lease.

(b) Maximum Percentage of Rentals. The number of Living Units that may be rented or leased out at any given time may not exceed twenty-five percent (25%) of the total number of Living Units in the Association. For the purposes of this Section 7.4 (the "Rental Restriction Policies") a "rental" includes housing units or any portion of a unit that is rented or leased for any period, including single day or short-term rentals.

(c) Subletting Prohibited. Subletting, or a tenant subleasing to a subtenant, is specifically prohibited.

(d) Application for Rental Occupancy. Any Owner who desires to rent his or her Living Unit shall submit an Application for Rental Occupancy to the Board, as provided in this Declaration. Approval by the Board is subject to maintaining a seventy-five percent (75%) Owner Occupancy Ratio. Applications shall be considered and processed on a first-come, first-serve basis except Owners qualifying for the Exemptions or Existing Rentals Grandfathered provisions of this Rental Restriction Policies may be given priority. The Board will maintain an up-to-date,

written record of Living Units being rented to substantiate the Owner Occupant Ratio and also a waiting list of Owners interested (in order of application) in renting their Living Unit as necessary.

(e) Exemptions. Notwithstanding anything herein, in accordance with Utah Code

§57-8a-209 as now existing or as subsequently amended, Owners who qualify for statutory exemption from rental restrictions shall be permitted to rent their Living Unit(s) to the extent required by law. Statutorily exempt Owners shall comply with the Association's procedure for application for rental occupancy, but shall not be counted towards the maximum percentage of rentals for the purposes of approval of non-exempt applications for rental occupancy. The Board shall have discretion to approve additional rental Living Units to avoid undue hardships or practical difficulties such as: disability which requires inpatient care or prevents the owner from making a mortgage payment for a minimum of 6 months; charitable service, which requires the Owner to move for a minimum of 6 months; difficulty in selling a Living Unit due to market conditions in the area after the Living Unit has been listed for an extended period of time at a price similar to comparable properties; or other similar circumstances. Under this hardship exception, the Board may not approve an application to lease less than the Owner's entire Living Unit or to lease the Living Unit for a period of less than one month nor for a period of more than two (2) years. After two (2) years an Owner who has been granted a hardship rental may request the Board to grant an extension of the hardship rental.

(f) Subdividing a Unit Prohibited. Nothing in this Section 7.4 shall be construed as authorizing an Owner to lease a portion of the Living Unit to another while living in the balance of the Living Unit, or permitting the tenant of a Living Unit to sublease a portion of the Living Unit to another, both of which are prohibited.

7.5. Landscaping. The Association shall be responsible for the maintenance and replacement of all landscaping.

7.6. Recreational Vehicles. No boats, trailers, recreational vehicle, large trucks and commercial vehicles belonging to Owners or other residents of the Property shall be parked within the Development. No motor vehicle of any kind shall be repaired, constructed or reconstructed upon any Lot, Private Street or other Common Areas, except that these restrictions shall not apply to emergency repairs to vehicles. Any motor or recreational vehicle must be kept in an enclosed garage.

7.7. Pets. No animals other than two (2) household pets, including a combination of cats and/or household dogs (if not more than thirty (30) pounds each) shall be kept or allowed on any Lot, in any Living Unit, or within any part of the Common Areas. Tropical fish and domesticated birds, excluding pigeons, are exempt for this pet count restriction. Whenever a pet is allowed to leave a Lot, it shall be kept on a leash or in a cage. No animals (including tropical fish or domesticated birds) may be bred for commercial purposes. No pets shall be allowed to make an unreasonable amount of noise or otherwise become a nuisance. No exterior structure may be constructed or maintained by an Owner for the care, housing or confinement of any such pets unless the same is approved by the Architectural Control Committee. Any Owner or other resident within the Development who violates this Section shall be subject to such penalties or fines as the Officers by resolution or as regulation may provide.

7.8. Common Areas. The Common Areas of the Development shall be improved and used only for the following purposes:

- (a) Vehicular and pedestrian access to and from and movement within the Development.
- (b) Recreational use by Owners and occupants of Living Units and their guests.
- (c) Beautification of the Development.
- (d) Privacy for the Owners and occupants of Living Units.

(e) Such other uses as shall be determined from time to time by the Officers for the benefit of members of the Association, following consultation with the Architectural Control Committee.

7.9. Insurance. No use shall be made of any Living Unit which shall cause the improvements within the Development or any part thereof to be uninsurable against loss by fire or other perils included in insurance contracts, or cause such insurance to be canceled or suspended, or cause any company issuing such insurance to refuse renewal thereof. Each Owner shall be responsible for securing insurance presently known as homeowners special form coverage (Form 3, or better).

7.10. Machinery and Equipment. No machinery or equipment of any kind shall be placed, used, operated or maintained in or adjacent to any Lot except such machinery or equipment as is usual and customary in connection with the use, maintenance or construction of a Living Unit or appurtenant structures.

7.11. Maintenance and Repair. No Living Unit, building, structure (including interiors thereof), or landscaping upon any Lot shall be permitted to fall into disrepair and, subject to the requirements herein as to approval by the Architectural Control Committee, each such building, structure, or landscaping at all times shall be kept in good condition and as appropriate, adequately painted or otherwise finished by its Owner or the Association according to their respective obligations contained in this Declaration. No Owner shall have the right to install any trees or perennial bushes upon any Lot or the Common Areas. If the Owner elects to plant flowers on a Lot, but only at locations approved by the Association for such plantings, the Owner shall be solely responsible to maintain the same, including the removal of dead stock. Any pots used to hold flowers in any exterior area of a Living Unit shall be of plastic or pottery only. Each Owner shall paint, repair, and otherwise maintain the and interior of his Living Unit and shall maintain all mechanical devices, including but not limited to, appurtenant electrical, plumbing and heating, ventilating and air conditioning systems.

7.12. Nuisances and Smoking. No rubbish or debris of any kind shall be placed or permitted by an Owner upon or adjacent to any Lots, so as to render such Lot or portion thereof unsanitary, unsightly, offensive, or detrimental to other Owners. No Living Unit or Lot shall be used in such manner as to obstruct or interfere with the enjoyment of occupants of other Living Units or Lots, including the smoking of cigarettes, cigars, pipes or other similar devices which are declared to be a nuisance and health risk to all Owner and occupants within the subdivision. Without any limitation to the foregoing restrictions, no exterior speakers, horns, whistles, bells or other sound devices (except security devices used exclusively for security purposes) shall be located or placed on Lots or in Living Units; except that entertainment systems including tvs, stereos, radios and computers may be used within each Living Unit provided the same are not used to broadcast sound outside of such Living Unit. No smoking shall be permitted at any location within the Subdivision unless such area is not less than twenty (20) feet from a Building or Living Unit.

7.13. Right of Entry. During reasonable hours, any member of the Architectural Control Committee or any Manager, or any officer or authorized representative of any of them, shall have the right to enter upon and inspect any Lot, and the improvements thereof, to ascertain whether or not the provisions of this Declaration, the requirements of the Committee as specified in Article VIII, and the rules and regulations of the Association have been or are being complied with. In addition to the foregoing, a right of entry exists for such parties and maintenance personal that may need access to common areas, fire systems, satellite systems, utilities, HVAC, and/or other systems which may not be readily accessible except through an individual Living Unit regardless of whether or not such system is for the benefit of one or more Lots and/or Living Units. Right of Entry shall be prior appointment except in circumstances which may be deemed an emergency. No Owner or occupant of a Living Unit shall have the right to exclude entry for any period in excess of five (5) days of the first requested inspection.

7.14. Signs and Flags. No signs or flags whatsoever (including, without limitation, political signs) shall be erected or maintained on any Lot, on any Living Unit, or within any window of a Living Unit, except:

(a) Such signs as may be required by legal proceedings.

(b) Construction identification signs of a combined total face area of five hundred seventy-six (576) square inches or less for each Living Unit.

(c) A "For Sale" or "For Rent" sign, non-illuminated, consisting of only one pole and a sign hanging from or attached to such pole not to exceed three (3) square feet in size.

(d) State and/or National Flags erected on temporary poles for the period of national or State of Utah holidays only. No flag pole shall be attached to a Living Unit or fence.

(e) A non-illuminated, permanent business sign on a ground floor entry door to promote a permitted home business, consisting of metal or vinyl, not to exceed four (4) square feet in size, but in all cases subject to the prior approval and requirements of any governmental authority having jurisdiction of such signs.

7.15. Trash Containers and Collection. All garbage and trash shall be placed and kept in covered containers of a type and style which shall be approved by the Architectural Control Committee. Insofar as possible, such containers shall be maintained as not to be visible from neighboring Lots except to make them available for collection and then only for the shortest time necessary to effect such collection. Each Owner must at all times and at this expense provide garbage cans and plastic liners therefor, unless the Association elects to provide the same.

7.16. Party Wall Provisions.

(a) General Rules of Law to Apply. Each wall which comprises a portion of a Living Unit and which is built as a part of the original construction upon the Property and placed on the dividing line between any Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Section 7.16, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

(b) Limitations Regarding Use of Party Wall. No Owner shall have the right to install "in-wall" speakers within any party wall or to otherwise make a penetration of any party wall to facilitate the use of any audio or video system. This prohibition shall not preclude the use of surface mounted speakers, but Owners shall not operate any entertainment system in such a manner as may result in the creation of a nuisance or annoyance to his or her neighboring Owner.

(c) Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

(d) Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, then, to the extent said destruction or damage is not covered by insurance and repaired out of the proceeds of the same, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

(e) Weatherproofing. Notwithstanding any other provision of this Section 7.15, an Owner who by his negligent or willful acts causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements to the extent that said protection is not covered by insurance and paid for out of the proceeds of the same.

(f) Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Section 7.16 shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

(g) Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Section 7.16, unless the parties can agree upon one arbitrator whose decision

shall be binding, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator within ten (10) days of their selection, and the decision shall be by a majority of all the arbitrators. Should any party refuse to appoint an arbitrator within ten (10) days after written request to do so, the Trustees of the Association shall select an arbitrator for the refusing party.

7.17. Enforcement of Land Use Restrictions. The following persons shall have the right to exercise or seek any remedy at law or in equity to enforce strict compliance with this Declaration:

- (a) Declarant, so long as it has any interest in any of the Property;
- (b) Any Owner; or
- (c) The Association.

The prevailing party in an action for the enforcement of any provisions of this Declaration shall be entitled to collect court costs and reasonable attorney's fees.

7.18. Exception for Declarant. Notwithstanding the restrictions contained in this Article VII, for the seven (7) years following the date on which this Declaration is filed for record in the office of the County Recorder of Salt Lake County, Utah, Declarant shall have the right to use any Lot or Living Unit owned by it, and any part of the Common Areas reasonably necessary or appropriate, in furtherance of any construction, marketing, sales, management, promotional, or other activities designed to accomplish or facilitate improvement of the Common Areas or improvement and/or sale of all Lots owned by the Declarant.

VIII. ARCHITECTURAL CONTROL

8.1. Architectural Control Committee. The Officers of the Association shall appoint a three-member Committee, the function of which shall be to insure that all improvements and landscaping within the property harmonize with existing surroundings and structures (herein the "Committee"). The Committee need not be composed of Owners, but any non-owner member must be a director, officer, manager, member, trustee, beneficiary or other manager or beneficial owner of an entity owning a Lot or Living Unit. If such a Committee is not appointed the Officers shall perform the duties required of the Committee.

8.2. Submission to Committee. Except for Living Units constructed by the Declarant, no Living Unit, accessory building or structure or addition to a Living Unit and no landscape additions and changes shall be constructed or maintained, and no alteration, repainting, or refurbishing of the exterior of any Living Unit, nor of any court enclosure, except as herein otherwise mentioned, shall be performed, unless complete plans and specifications therefor have first been submitted to and approved by the Committee. All such plans and specifications shall be consistent with Architectural Guidelines which shall be from time to time adopted by the Officers.

8.3. Standard. In deciding whether to approve or disapprove plans and specifications submitted to it, the Committee shall use its best judgment to insure that all improvements, construction, landscaping and alterations on Lots within the Property conform to and harmonize with existing surroundings and structures and that such proposed improvements enhance the value and aesthetics of the Project.

8.4. Approval Procedure. Any plans and specifications submitted to the Committee shall be submitted on a form provided by the Committee and in triplicate. A preliminary review of design drawings will be required with a final review to be made of working drawings. Upon completion of each review, one set of plans will be retained by the Association, one set will be retained by the reviewing architect (if any) and the remaining set of plans will be returned to the property owner.

All plans and specifications shall be approved or disapproved by it in writing within thirty (30)

days after submission. In the event the Committee fails to take any action within such period it shall be deemed to have approved the material submitted.

8.5. Bond/Security Deposit. The Architectural Control Committee may require that an Owner post a bond, cash security deposit or irrevocable letter of credit in a form satisfactory to the Architectural Review Committee, in an amount not to exceed \$1,000.00, in favor of the Association, as a condition to approving any proposed work or improvement. No person shall commence any work or improvement until any and all such bonds, security deposits and letters of credit have been properly posted with the Architectural Review Committee.

The deposit is intended to assure the proper clean-up of dirt and debris and the repair of any damage to the landscaping, streets or other property within the Subdivision, caused by Owner or his agents in the construction of improvements.

8.6. Address for Submittal. Plans and specifications for the construction and installation of any and all improvements within West Temple Towns shall be submitted and approved by the Architectural Control Committee (prior to submittal to any required governmental agency) at the following address:

West Temple Towns, LC
9948 S. Redwood road, Ste B
South Jordan, UT 84095

The Officers of the Association have the authority to change the address for the submittal of plans and specifications.

8.7. Construction.

(a) Once begun, any improvements, construction, landscaping, or alterations approved by the Committee shall be diligently prosecuted to completion:

(i) The exterior construction of all structures on any Lot shall be completed within a period of one (1) year following commencement of construction.

(ii) The front, side and rear yards of each Lot shall be landscaped within a period of one (1) year following completion or occupancy of the Living Unit.

If reasonably necessary to enable such improvement, construction, landscaping or alteration, the person or persons carrying out the same shall be entitled to temporary use and occupancy of unimproved portions of the Common Areas in the vicinity of the activity.

(b) Owners and contractors shall clean up all trash and debris on the construction site at the end of each workday. Trash and debris shall be removed from each construction site at least once a week to a dumping location off-site of the development. Lightweight material, packaging and other items shall be covered or weighted down to prevent wind from blowing such materials off the construction site. Owners and contractors are prohibited from dumping, burying or burning trash anywhere on the lot. During the construction period, each construction site shall be kept neat and shall be promptly removed from public or private roads, open spaces and driveways.

Each property owner and contractor shall be responsible for providing adequate sanitary facilities for his construction personnel. Portable toilets or similar temporary toilet facilities shall be located only on the site itself or in areas approved by the Architectural Control Committee.

Construction crews shall not park on, or otherwise use, other lots or any open space. All construction vehicles and machinery shall be parked only upon public streets or in areas designated by the Architectural Control Committee.

8.8. Liability for Damages. The Committee shall not be held liable for damages by reason of any action, inaction, approval, or disapproval by it with respect to any request made pursuant to this Article VIII.

8.9. Exception for Declarant. The foregoing provisions of this Article VIII shall not apply to any improvement, construction, landscaping, or alteration which is carried out by Declarant on any Lot or on any part of the Common Areas and which occurs at any time during the seven (7) year period following the date on which this Declaration is filed for record in the office of the County Recorder of Salt Lake County, Utah.

8.10. Declarant's Obligation. Declarant hereby covenants in favor of each Owner that all Living Units erected by it, and all improvements of the Common Areas accomplished by it in the Development (i) shall be architecturally compatible with respect to one another; and (ii) that on or before seven (7) years from the date on which this Declaration is filed for record in the office of the County Recorder of Salt Lake County, Utah, there shall be substantially completed and usable all Common Areas of the Subdivision, all approximately in the locations shown on the Plat.

IX. RIGHTS OF FIRST MORTGAGEE

Notwithstanding anything to the contrary contained herein, the following provisions shall apply:

9.1. Notice of Default. In the event an Owner neglects for a period of thirty (30) days or more to cure any failure on his part to perform his obligations under this Declaration, the Association shall give written notice of such fact to the holder of any first mortgage covering such Owner's Lot.

9.2. Abandonment, Termination, Etc. Unless all of the holders of first mortgages on the individual Lots have given their prior written approval, neither the Association nor the Owners acting as a group shall be entitled by act, omission or otherwise:

(a) To abandon or terminate the project or to abandon or terminate the arrangement which was established by the Declarant and the Plat of the Project;

(b) To partition or subdivide any Lot or the Common Areas;

(c) To abandon, partition, subdivide, encumber, sell, hypothecate, transfer or otherwise encumber all or any part of the Common Areas except for the creating of easements and similar purposes consistent with the intended use of the Common Areas; or

(d) To use hazard insurance proceeds resulting from damage to any part of the development for any purposes other than the repair, replacement, or reconstruction of such improvements.

9.3. Notice of Substantial Damage or Destruction. The Association shall notify all holders of any first mortgage lien or equivalent security interest on a Lot in writing in the event that there occurs any substantial damage to or destruction of any Living Unit or any part of the Common Areas involving an amount in excess of, or reasonably estimated to be in excess of \$10,000. Said notice shall be given within ten (10) days after the Association learns of such damage or destruction.

9.4. Condemnation or Eminent Domain Proceedings. The Association shall give written notice to all holders of any first mortgage lien or equivalent security interest of any condemnation proceedings or proposed acquisition of a Living Unit or of any portion of the Common Areas within ten (10) days after the Association learns of the same.

9.5. Hazard Policy to Include Standard Mortgagee Clause. Each hazard policy of the insurance shall include the standard mortgagee clause which either shall be endorsed to provide that any proceeds shall be paid to the Association for the use and benefit of mortgagees as their interests may appear, or shall be otherwise endorsed to fully protect the interest of mortgagees. In addition, the mortgagee

clause shall provide that the insurance carrier shall notify each mortgagee at least ten (10) days in advance of the effective date of any reduction in or cancellation of the policy.

9.6. Rights Upon Foreclosure of Mortgage. The lien of the assessments provided in Section 1, Article V shall be subordinate to the lien of any First Mortgage upon such Lot; and the holder of a first mortgage (or deed of trust) on a Lot who comes into possession of the Lot by virtue of foreclosure of such first mortgage, or in lieu of foreclosure obtains possession by deed or assignment, or any purchaser at a foreclosure sale, will take the Lot free of any claims for unpaid assessments and charges against the Lot which accrue prior to the time such holder comes into possession of the Lot, except for claims for a share of such assessments or charges resulting from a reallocation of such assessments or charges to all Lots including the mortgage Lot.

9.7. Mortgagees' Rights Concerning Amendments. No material amendment to this Declaration or the Articles of Organization of the Association shall be accomplished or effective unless at least two-thirds (2/3) of the mortgagees (based on one vote for each mortgagee) of the individual Lots have given their prior written approval to such amendment.

9.8. Mortgagees' Rights to Inspect Association Records. The holders of first Mortgages shall have the right upon reasonable notice and during business hours to inspect and copy at their own expense all books and financial records of the Association.

X. MISCELLANEOUS

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

10.2. Amendment. Subject to the provisions of Section 2 of Article VIII of this Declaration any amendment hereto shall require (i) the affirmative vote of at least two-thirds (2/3) of all Class A membership votes, which Members present in person or represent by proxy are entitled to cast at a meeting duly called for such purpose; and so long as the Class B membership exists, and (ii) the written consent of the Declarant. Written notice setting forth the purpose of the meeting and the substance of the amendment proposed shall be sent to all Members at least ten (10) but not more than thirty (30) days prior to the meeting date. The quorum required for any such meeting shall be as follows: At the first meeting called the presence of Members or of proxies entitled to cast sixty percent (60%) of all votes of the Class A Membership shall constitute a quorum. If the quorum is not present at the first meeting or any subsequent meeting, another meeting may be called (subject to the notice requirement set forth in the foregoing portion of this Section 3), at which a quorum shall be one-half (½) of the quorum which was required at the immediately preceding meeting. No such subsequent meeting shall be held less than seven (7) nor more than forty-five (45) days following the immediately preceding meeting. Any amendment authorized pursuant to this Section shall be accomplished through the recordation of an instrument executed by two Officers of the Association, and by the Declarant if the Class B Membership then exists. In such instrument two Officers of the Association shall certify that the vote required by this Section for amendment has occurred.

10.3. Consent in Lieu of Voting. In any case in which this Declaration requires for authorization or approval of a transaction the assent or affirmative vote of a stated percentage of the votes present or represented at a meeting, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Members entitled to cast at least the stated percentage of all membership votes outstanding in connection with the Class of membership considered. The following additional provisions shall govern any application of this Section 10.3:

- (a) All necessary consents must be obtained prior to the expiration of ninety (90) days after the first consent is given by any Member.
- (b) The total number of votes required for authorization or approval under this

Section 10.3 shall be determined as of the date on which the last consent is signed.

(c) Except as provided in the following sentence, any change in ownership of a Lot which occurs after consent has been obtained from the Owner thereof shall not be considered or taken into account for any purpose. A change in ownership which would otherwise result in an increase in the total number of Class A votes outstanding shall, however, be effective in that regard and shall entitle the new Owner to give or withhold his consent.

(d) Unless the consent of all Members whose memberships are appurtenant to the same Lot are secured, the consent of none of such Members shall be effective.

10.4. Lease Provision. Any Owner may lease his Lot and all of such buildings as are situated thereon consistent with the use restrictions contained in this Declaration; provided, however, that any lease agreement between a Lot Owner and a Lessee must be in writing, and must provide, inter alia, that:

(a) The terms of the lease shall in all respects be subject to the provisions of the Declaration, Articles of Incorporation of the Association, Bylaws, and any Rules and Regulations; and

(b) Any failure by the Lessee to comply with the terms of such documents shall constitute a default under the lease.

10.5. Declarant's Rights Assignable. All or any portion of the rights of Declarant under this Declaration or in any way relating to the property may be assigned. Declarant or any successor Declarant may record a Supplement to this Declaration to provide notice of such assignment.

10.6. Dissolution. Subject to the restrictions set forth in Article IX of this Declaration pertaining to mortgagee protection, the Association may be dissolved by the affirmative assent in writing of two-thirds (2/3) of the votes of each class membership. Upon dissolution of the Association all of its assets (including the Common Areas) may be dedicated or transferred to an appropriate public agency or authority to be used for purposes similar to those provided for in the Articles of Organization or this Declaration. In the event such dedication or transfer is not made or is not accepted, the Association's assets shall be transferred to a non profit corporation, trust, or other entity to be used for such similar purposes, and each Owner shall continue to be obligated to make assessment payments for the maintenance and upkeep of the Common Areas, common access roadways, curbs, gutters and sidewalks on a pro rata basis which conforms substantially with the assessment procedure, terms and conditions set forth in Article V of this Declaration.

10.7. Declarant's Covenant to Construct Common Areas. Declarant hereby covenants to construct and complete all Common Areas improvements and amenities indicated on the Plat within two (2) years of the filing of this Declaration in the office of the County Recorder of Salt Lake County, Utah.

10.8. Enforcement by City. If the Association fails to maintain the Common Areas, the common access roadways, along with the curbs, gutters and sidewalk, in good order and condition, Salt Lake County and/or South Salt Lake City, Utah, shall have the right, but not the obligation, upon giving the Association thirty

(30) days notice in writing, to step in and do the necessary maintenance and management with the same right to lien the Lots and collect the costs thereof against the Owners as the Association has under this Declaration shall not affect the validity or enforceability of the remainder hereof.

10.9. Interpretation. The captions which precede the Articles and Sections of this Declaration are for convenience only and shall in no way affect the manner in which any provision hereof is construed. Whenever the context so requires, the singular shall include the plural, the plural shall include the singular, the whole shall include any party thereof, and any gender shall include the other gender. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof.

10.10. Property Part of Development. The Property shall comprise West Temple Towns, A Planned Unit Development.

10.11. Covenants to Run With Land. This Declaration and all provisions hereof shall constitute covenants to run with the land or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of the Declarant, and all parties who hereafter acquire any interest in a Lot or in the Common Areas shall be subject to the terms of this Declaration and the provisions of any rules, regulations, agreements, instruments, and determinations contemplated by this Declaration; and failure to comply with any of the foregoing shall be grounds for an action by the Association or an aggrieved Owner for the recovery of damages, or for injunctive relief, or both. By acquiring any interest in a Lot or in the Common Areas, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.

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

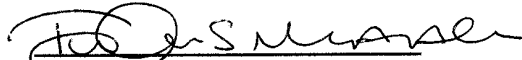
10.13. Lender's Agreement of Subordination. By its execution of this Declaration, M3T BANK, a _____ corporation (hereinafter "Construction Lender"), agrees, covenants and declares that this Declaration shall be senior in priority to that Deed of Trust made as of JUNE 13, 2018, between WEST TEMPLE TOWNS LC, as "Trustor," and M3T BANK, as "Trustee" and Construction Lender as "Beneficiary" (hereinafter "Deed of Trust"), which Deed of Trust was recorded on JUNE 15, 2018, as Entry No. 12792402, in Book 10694, beginning at page of the Official Records of Salt Lake County, and that said Deed of Trust shall be subordinate to and subject to this Declaration notwithstanding the fact that this Declaration is recorded later in time than the Deed of Trust.

10.14. Lender's Agreement of Subordination. By its execution of this Declaration, M3T BANK, a _____ corporation (hereinafter "Construction Lender"), agrees, covenants and declares that this Declaration shall be senior in priority to that Deed of Trust made as of SEPTEMBER 13, 2018, between WEST TEMPLE TOWNS LC, as "Trustor," and M3T BANK, as "Trustee" and Construction Lender as "Beneficiary" (hereinafter "Deed of Trust"), which Deed of Trust was recorded on SEPTEMBER 17, 2018, as Entry No. 12849988, in Book 10713, beginning at page of the Official Records of Salt Lake County, and that said Deed of Trust shall be subordinate to and subject to this Declaration notwithstanding the fact that this Declaration is recorded later in time than the Deed of Trust.

[The remainder of this page is intentionally left blank – Signature Page Follows]

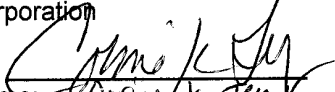
EXECUTED the day and year first above written.

WEST TEMPLE TOWNS, LC, a Utah
limited liability company


By: Tyler McArthur
Its: Manager

CONSTRUCTION LENDER:

M+T Bank, a
Corporation

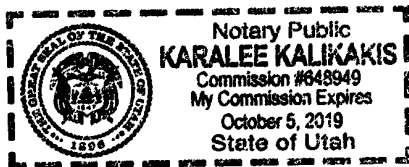
By: 
Name: Corina K. Terry
Title: Bank Officer

SUBORDINATE LENDER: (if applicable)

Name

STATE OF UTAH)
 : ss
COUNTY OF SALT LAKE)

On the 1st day of October, 2018, personally appeared before me Tyler McArthur, who being by me duly sworn did say that he is the Manager of West Temple Towns, LC, and that the within and foregoing instrument was signed on behalf of said limited liability company by authority of a resolution of its members or in accordance with the terms of its operating agreement and said Tyler McArthur duly acknowledged to me that said limited liability company executed the same.

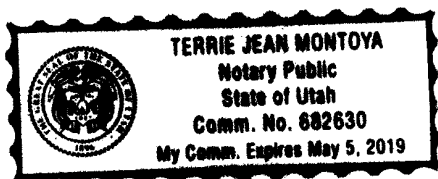




NOTARY PUBLIC

STATE OF UTAH)
COUNTY OF Salt Lake) : ss

On the 2nd day of October, 2018, personally appeared before me Coxin K. Terry, who being by me duly sworn did say that she is the Bank Officer of MFT Bank, a Utah corporation, and that the within and foregoing instrument was signed in behalf of said corporation by authority of a resolution of its board of directors or in accordance with the terms of its bylaws and said Coxin K. Terry duly acknowledged to me that said corporation executed the same.



Terrie Jean Montoya
NOTARY PUBLIC

EXHIBIT A

LEGAL DESCRIPTION

All of Lots 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, and 120, 50 West Townhomes, according to the official plat as recorded in the office of the Salt Lake County Recorder.

EXHIBIT B

PERCENTAGE INTERESTS

LOT/UNIT NO.	SIZE - Sq. ft.	PERCENTAGE INTEREST	VOTES	% FOR EXTERIOR MAINTENANCE ASSESSMENT
101	800 sq. ft.	5%	500	5%
102	800 sq. ft.	5%	500	5%
103	800 sq. ft.	5%	500	5%
104	800 sq. ft.	5%	500	5%
105	800 sq. ft.	5%	500	5%
106	800 sq. ft.	5%	500	5%
107	800 sq. ft.	5%	500	5%
108	800 sq. ft.	5%	500	5%
109	800 sq. ft.	5%	500	5%
110	800 sq. ft.	5%	500	5%
111	800 sq. ft.	5%	500	5%
112	800 sq. ft.	5%	500	5%
113	800 sq. ft.	5%	500	5%
114	800 sq. ft.	5%	500	5%
115	800 sq. ft.	5%	500	5%
116	800 sq. ft.	5%	500	5%
117	800 sq. ft.	5%	500	5%
118	800 sq. ft.	5%	500	5%
119	800 sq. ft.	5%	500	5%
120	800 sq. ft.	5%	500	5%
TOTALS	16,000 sq. ft.	100.00%	10,000	100.000%