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**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
LEXI LANE SUBDIVISION
COTTONWOOD HEIGHTS, UTAH**

AUGUST 1, 2014

WHEN RECORDED RETURN TO:

Jay Rice, Agent,
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Holladay, UT 84117

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**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
LEXI LANE SUBDIVISION
COTTONWOOD HEIGHTS, UTAH**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR LEXI LANE SUBDIVISION (Lexi Lane) is made as of this 1ST day of AUGUST, 2014, by RIVERWOOD DEVELOPMENT (Riverwood), a limited liability company, referred to below as "Declarant."

RECITALS:

A. Riverwood, who is the owner of certain real property located in Salt Lake County, Utah, which is more particularly described in Exhibit A (the "Initial Property").

B. Declarant intends to develop a residential subdivision on the Entire Property. Declarant will develop and convey all of the Lots within the Subdivision subject to a general plan of development, and subject to certain protective covenants, conditions and restrictions all as set forth in this Declaration, and which are deemed to be covenants running with the land mutually burdening and benefiting each of the Lots within the Subdivision. Lexi Lane Subdivision, Final Plat, Exhibit B.

DECLARATION:

DECLARANT HEREBY DECLARES that all of the Lots within the Subdivision shall be held, sold, conveyed, encumbered, leased, used, occupied and improved subject to the protective covenants, conditions, restrictions and equitable servitudes set forth in this Declaration, all of which are created for the mutual benefit of the Owners of the Lots. It is the intention of the Declarant in imposing these covenants, conditions and restrictions to create a generally uniform pattern of development, to protect and enhance the property values and aesthetic values of the Lots by eliminating inconsistent uses or improvements, all for the mutual protection and benefit of the Owners of the Lots. The covenants, conditions and restrictions are intended to, and shall in all cases run with the title of the land, and be binding upon the successors, assigns, heirs, lien holders, and any other person holding any interest in the Lots, and shall inure to the benefit of all other Lots in the Subdivision to be located on the Entire Property. The covenants, conditions and restrictions shall be binding upon the Declarant as well as its successors in interest, and may be enforced by the Declarant or by any Owner, of a Lot within the Subdivision on the Entire Property.

Notwithstanding the foregoing, no provisions of this Declaration shall prevent the

Declarant from doing any of the following, which shall be deemed to be among Declarant's reserved rights in addition to such rights as may be described elsewhere in this Declaration: (1) Installation and completion of the Subdivision Improvements; (2) use of any Lot owned by the Declarant as a model home, or for the placement of a temporary construction or sales office; (3) installation and maintenance of signs incidental to sales or construction which are in compliance with applicable ordinances; (4) assignment of Declarant's rights under this Declaration in whole or in part to one or more builders intending to construct homes within the Subdivision; and (5) retention of Declarant's rights with respect to the balance of the Entire Property, including the right not to include any portion of the balance of the Entire Property under the protective covenants, conditions and restrictions contained in this Declaration.

COVENANTS, CONDITIONS AND RESTRICTIONS:

I. Definitions. Unless the context clearly requires the application of a more general meaning, the following terms, when used in this Declaration, shall have the following meanings:

1.1 "Architectural Committee" shall mean the committee created under Section 2 of this Declaration.

1.2 "Declarant" shall mean and refer to Riverwood Development, LLC, a Limited Liability Company, and any successor to Riverwood in the ownership of Lots or the balance of the Entire Property where ownership is conveyed in connection with a total or limited assignment and assumption of Declarant's rights and obligations under this Declaration.

1.3 "Declaration" shall mean this Declaration of Covenants, Conditions and Restrictions, together with any subsequent amendments or additions. The Subdivision Plats for Lexi Lane, and the easements and other matters shown on any such Plat, are also incorporated into this Declaration by reference.

1.4 "Dwelling" shall mean the single family residence built or to be built on any Lot, including the attached garage.

1.5 "Entire Property" shall have the meaning set forth in the recitals. Additional property not included with the legal descriptions attached to this Declaration may be incorporated as a part of the Entire Property by recordation by either Declarant of a supplemental declaration submitting the additional property to the terms and conditions of this Declaration.

1.6 "Family" shall mean one household of persons related to each other by blood, adoption or marriage, or one group of not more than five people not so related living together as a Lot who maintain a common household.

1.7 "Homeowner's Association" shall be comprised of all home owner's in LEXI LANE SUBDIVISION.

1.8 "Improvement" shall mean all structures and appurtenances of every type and kind, including but not limited to buildings, Dwellings, garages, storage buildings, walkways, retaining walls, sprinklers, pipes, driveways, fences, landscaping, pools, decks, stairs, poles, lighting, signs, satellite dishes or other antennas, and any mechanical equipment located on the exterior of any building.

1.9 "Initial Property" shall have the meaning set forth in the recitals.

1.10 "Lot" shall mean any numbered building Lot shown on any official plat of all or a portion of the Subdivision. Refer to Exhibit B.

1.11 "Owner" shall mean the person or persons having title to any Lot. Where the context requires, Owner shall also include the Owner of the Additional Land. Owner shall mean the person holding fee simple title, including the Declarant, and buyers under any installment contract entitling the buyer to the delivery of a deed, but shall exclude any person or entity holding title for purposes of securing performance of an obligation.

1.12 "Person" shall mean a natural person or any legal entity with a right to hold title to real property in its own name in the State of Utah.

1.13 "Plat" shall mean an official ownership plat of any phase of the Lexi Lane as approved by the City of Cottonwood Heights (the "City") and recorded in the office of the Salt Lake County Recorder, as it may be amended from time to time.

1.14 "Recreational Equipment" shall mean the following not exceeding six (6) feet in height: boats, camper shells, trailers, camping equipment and other similar small recreational equipment, patio and lawn furniture

1.15 "Recreational Vehicles" shall mean campers, recreational vehicles or other on-road or off-road vehicles in excess of six feet in height.

1.16 "Subdivision" shall mean all phases of the LEXI LANE SUBDIVISION and all Lots and other property within the Subdivision as shown on the Plats covering the Entire Property.

1.17 "Subdivision Improvements" shall mean all subdivision improvements to be installed outside of the boundaries of Lots or within easements as identified on the Plats that are necessary to provide public road access and utility service to the Lots, and including other construction work required to comply with any conditions of the City or other governmental agencies to the approval of the Subdivision or any Plat thereof.

1.18 "City" shall mean the City of Cottonwood Heights, Salt Lake County, Utah, and its appropriate departments, officials, and boards.

1.19 "Common Area" shall mean all land or property within Lexi Lane that is not owned individually by an Owner, areas that are not specifically and legally contained within an Owner's lot but is part of the overall development. Such areas will be "Common Area" and owned jointly by the lot

Owner's of Lexi Lane .

II. Architectural Committee. It is the intention and purpose of these covenants, conditions and restrictions to impose architectural standards on the Improvements to any Lot of a type and nature that result in buildings which are architecturally compatible in terms of scale, proportion, materials, colors, and general appearance, and result in coordination and compatibility of landscaped features, while at the same time allowing for diversity in style and design appropriate for the desert setting. To accomplish this goal, the Declarant hereby establishes the Architectural Committee, which is empowered to oversee and enforce the Architectural Design Standards set forth in this Declaration and in any design guidelines developed pursuant to the terms of this Declaration.

2.1 Architectural Committee Created. The Architectural Committee will consist of three members. Declarant reserves the right to appoint the Architectural Committee for the first fifteen (15) years after the recordation of this Declaration. Declarant may waive its exclusive right to appoint members of the Architectural Committee prior to the expiration of the fifteen (15) year period by recording a written supplement to this Declaration. At the time Declarant's exclusive right to appoint the Architectural Committee expires or is waived, the Architectural Committee then in existence shall have the right to remove or replace members of the Architectural Committee, subject to the right of the Owners of 60% of the Lots (including the Owner of the Additional Property and counting the number of Lots anticipated on the Additional Property) exercised by a written agreement, to remove and replace one or more members of the Architectural Committee, with or without cause. The initial committee will consist of three people appointed by the Declarant, who do not need to be Owners. At the time 75% of the Lots (including the number of Lots anticipated on the Additional Property) are sold to persons other than the Declarant, at least one member of the Committee shall be an Owner of a Lot. At the time that 90% of the Lots (including the number of Lots anticipated on the Additional Property) are sold to persons other than the Declarant, at least two members of the Committee will be Owners.

2.2 Approval by Committee Required. No Improvements of any kind, including without limitation the construction of any Dwelling, garage, out-building, parking area, driveway, tennis court, walkway, or other hard surfaced area in excess of 150 square feet, swimming pools, outdoor hot tubs or spas, fences, walls, curbs, poles, trampolines, satellite dishes or antenna, solar panels, or any other permanent structure may be constructed, erected, or installed in the Subdivision without the prior consent of the Architectural Committee. No excavation, grading, filling, draining, landscaping, or installation or removal of existing vegetation shall be made without the advance written consent of the Architectural Committee. Approval of the Committee will be sought in the following manner:

(a) Plans Submitted. Plans for the construction of any new Dwelling must be submitted to the Committee for review. The plans must be in sufficient detail to show the location on the Lot of the exterior walls of the Dwelling and all other structures to be built with it; detailed drawings of all elevations of all buildings showing locations of windows, doors, roof pitches, decks and other exterior elements; a list of exterior siding and roofing materials and/or a sample, including color samples; and a landscape plan showing the location of landscaped areas, fences (including fence design), driveways, walkways, patios, decks and other hard surfaced or

irrigated areas and the areas to be disturbed by construction and the means of restoring those areas. In the case of an addition or modification of an existing Dwelling, the Committee may waive any of the foregoing it feels are unnecessary to its review of the remodel or addition. Four copies of the plans shall be submitted to facilitate the architectural review.

(b) Review Fee. The applicant will pay a review fee to the Committee in an amount necessary to cover the costs of review and the administration of the program in an amount to be established from time to time by the Architectural Committee. The initial review fee shall be \$100 for each new Dwelling, \$50 for each addition, remodel or installation of Improvements that cost less than \$1,000, or \$25 for construction that makes no structural changes, whichever is applicable. At the time of submission, the applicant shall also submit the deposit provided in section 7.5 below. In addition, the Architectural Committee may assess a fee for the professional review of the plans in accordance with the provisions of section 2.4 below, which fee would also be payable at the time of submission of the plans. The Committee shall have no obligation to account for the use of any application fees submitted pursuant to this section. No review shall commence until the chair of the Architectural Committee considers the submission complete and all fees are paid. All application and review fees for Improvements designed and constructed by any person or entity affiliated with Declarant shall be waived.

(c) Review. Within 15 days from receipt of a complete submission, the Committee will review plans and make an initial determination whether or not the plans comply with the conditions imposed by the Declaration and the design guidelines developed pursuant to this Declaration. The plans may be approved, approved subject to compliance with modifications or conditions or rejected in the exercise of the discretion of the Architectural Committee. Owners may desire to submit preliminary plans for review. The Committee will review preliminary plans, without fee, and make its comments known to the Owner, provided, however, that no preliminary approval is to be considered a final approval, and no final approval will be granted on less than a complete submission. Upon approval, the Committee and the Owner will each sign the copy of the plans. Two copies shall be retained by the Committee, and the other two copies shall be returned to the Owner for use in connection with the construction of the Improvements. No construction that is not in strict compliance with the approved plans will be permitted.

(d) Written Record. The Committee will maintain a written record of its actions, and maintain in its files a copy of all plans approved or rejected for a period of five years.

(e) Failure to Act. If the Committee has not approved or rejected any submission within 45 days after payment of the review fee and submission of complete plans, the submission is deemed to have been disapproved.

(f) Address for Submission of Plans and Fees. The initial address for submission of the plans and fees shall be in care of Jay Rice at 4968 Holladay Pines Ct., Holladay, UTAH 84117. Jay Rice is Agent for Riverwood.

2.3 Variances. Variances to the design standards contained in this Declaration may be granted by the Architectural Committee when strict application would create an unreasonable hardship to the Owner of any Lot because of the configuration of the Lot. No variance, of any kind, may be granted without notice to the Owners of Lots within 150 feet of any boundary of the Lot applying for the variance disclosing the variance and providing an opportunity to make comments on the variance. The Architectural Committee shall have no power to grant any variance that has the effect of modifying applicable zoning or building code regulations. The burden of obtaining a variance is entirely on the applicant, including the costs of notice.

2.4 Costs of Professional Review. The Committee may engage the services of an architect, a civil or structural engineer or another design professional to assist in its review of any proposed Improvements on a case-by-case basis or may elect to require the review of a design professional for every application. All costs of such additional review will be paid by the applicant, provided, however, that no architect or engineer will be hired without advance notice to the applicant of the intention to hire a review architect or engineer and the estimated cost of that review. The costs of such review must be paid by the applicant prior to the commencement of any review. If the applicant does not withdraw the proposal within five days after receipt of that notice, the applicant shall be deemed to have consented to the Committee retaining such professional assistance. Whenever the Committee retains outside professional services in its review, the reviewing design professional is acting only in an advisory capacity, and the applicant, on behalf of the applicant and the applicant's successors and assigns, waives any and all claims against the Committee in the event that advice from, or conditions imposed by, the reviewing professional prove ineffective, unnecessary, or inappropriate to the circumstances.

2.5 General Design Review. The Committee will use its best efforts to provide a consistent pattern of development, and consistent application of the standards of this Declaration. These standards are, of necessity, general in nature, and it is the Committee's responsibility to apply them in a manner that results in a high quality, attractive, and well designed community.

2.6 Declarant and Committee Not Liable. The Declarant and the Committee and its members and consultants shall not be liable to the applicant for any damages, or to the Owners of any Lots within the Subdivision for their actions, inactions, or approval or disapproval of any set of plans submitted to the Committee for review. The Owners shall have no claim against the Declarant or Committee as a result of the performance or failure to perform the duties created by this Declaration. Each Owner has the right to enforce these covenants against every other Owner, and may seek independent redress if it believes the Committee has acted improperly.

2.7 Limitations on Review. The Committee's review is limited to those matters expressly granted in this Declaration. The Committee shall have no responsibility to design or review in accordance with, confirm compliance with or enforce building codes, zoning ordinances, or other statutes, laws, or ordinances affecting the development or improvement of real property or building, engineering or soils standards applicable to the proposed construction. Neither the Committee, its members nor its consultants shall have any liability to any Owner whose approved plans included any violation of law or failure to comply with any other applicable standard. Corrections or changes in plans to bring them into conformity with applicable codes must be approved by the Committee prior to construction.

2.8 Design Guidelines. The Architectural Committee may develop specific design guidelines in addition to those standards and restrictions set forth in this Declaration to provide additional design guidance, including guidelines with respect to architectural features, colors and materials. Those design guidelines shall be binding on Owners to the same extent as if set forth in this Declaration.

III. Restrictions. The following restrictions on use apply to all Lots within the Subdivision:

3.1 Zoning Regulations. The lawfully enacted zoning regulations of the City, and any building, fire, and health codes are in full force and effect in the Subdivision, and no Lot may be occupied in a manner that is in violation of any such statute, law, or ordinance.

3.2 Residential Use; No Mining Uses. The property within the Subdivision shall be used for residential purposes only, and no mining, drilling, prospecting, mineral exploration or quarrying activity will be permitted at any time. Residential purposes shall be deemed to include the use of a Lot or portion thereof for a swimming pool, tennis court or other similar recreational amenity. Further, Declarant reserves the right to designate a portion of the Subdivision, including one or more platted Lots, for recreational uses or for the storage of Recreational Vehicles by filing an amendment to this Declaration designating the area in question. No such amendment shall require the approval of any Owners.

3.3 No Business or Commercial Uses. No portion of the Subdivision may be used for any commercial business use, provided, however, that nothing in this provision is intended to prevent (i) the Declarant from using one or more Lots for purposes of a construction office or sales office during the actual period of construction of the Subdivision Improvements or until all of the Lots are sold, or (ii) the use by any Owner of a part of a home for a home occupation. No home occupation will be permitted, however, which requires or encourages the Owner's clients, customers, patients or others to come to the home to conduct business, or which requires any employees outside of the Owner's immediate family or household. No retail sales of any kind may be made in the Subdivision.

3.4 Restrictions on Signs. The Subdivision may, at the option of Declarant, be identified on a sign to be permanently maintained at the Subdivision entrance or entrances. No signs will be permitted on any Lot or within the Subdivision, except for traffic control signs placed by the County, temporary signs warning of some immediate danger, or signs not in excess of six square feet identifying the contractor and/or architect of any Dwelling Lot while it is under construction. Signs indicating the Lot is for sale may be placed in accordance with applicable sign regulations, and no such sign may exceed three square feet. The Declarant may erect a sign at the entrance or entrances to the Subdivision for a period of no more than two years after the recordation of the last Plat within the Subdivision announcing the availability of Lots and giving sales information. No permanent signs stating the address or the name of the owner of the Lot may be installed without the advance consent of the Architectural Committee.

3.5 Animals. No animals other than, not to exceed, two ordinary household pets may be kept

on any Lot. This restriction specifically excludes keeping horses on any Lot. Each Owner shall be responsible for preventing pets from leaving the Owner's house except on a leash for a brief period of time or from creating a nuisance or bothering neighbors by reason of noise, odors or other problems. No kennel or dog run may be placed on lot. No wire fencing shall be allowed. The Pet must not have a known propensity for violence or is of an "aggressive breed". No animal shall be kept tied to any structure outside the home. Pets shall be on a leash at all times when outside a Lot. No Pet shall be permitted to defecate or urinate on any portion of the Common Areas, other Owner's properties, and the Owner of any Pet which does so shall immediately remove and clean up any feces or urine left upon the Common Area or other Owner's property. In addition, any Pet which endangers the health of any Owner or occupant of any Lot or which creates a nuisance or an unreasonable disturbance or is not a common household Pet, as may be determined in the sole discretion of the Association, must be permanently removed from the Property upon seven days written notice by the MC.

3.6 Underground Utilities. All gas, electrical, telephone, television, and any other utility lines in the Subdivision are to be underground, including lines within any Lot which service installations entirely within that Lot. No propane tanks or oil tanks may be installed on any Lot.

3.7 Maintenance of Property. All Lots, and the Improvements on them, shall be maintained in a clean, sanitary, attractive and marketable condition at all times. No Owner shall permit his Lot or the Improvements on it to fall into disrepair. It is the intent of the Developers, Riverwood; to have the Homeowner's Association be in charge of maintaining all Common Areas, roads, sidewalks, entrance gate, etc.. It is also the intent of the Developer to contract with an outside service company for snow removal. If Lexi Lane cannot be accessed by county/city garbage surfaces, these services will be contracted for. The costs for these services will be allocated equally to the Owners.

3.8 No Noxious or Offensive Activity. No noxious or offensive activity shall be carried out on any Lot, including the creation of loud or offensive noises or odors that detract from the reasonable enjoyment of nearby Lots.

3.9 No Hazardous Activity. No activity may be conducted on any Lot that is, or would be considered by a reasonable person to be unreasonably dangerous or hazardous, or which would cause the cancellation of conventional homeowners insurance policy. This restriction includes, without limitation, the storage of caustic, toxic, flammable, explosive or hazardous materials in excess of those reasonable and customary for household uses, the discharge of firearms or fireworks, and setting open fires (other than properly supervised and contained barbecues).

3.10 No Unsightliness. No unsightliness is permitted on any Lot. Unsightliness shall include, without limitation, the open storage of any building materials (except during the construction of any Dwelling Lot or addition); open storage or parking of farm or construction equipment, trucks larger than pick-up trucks (except during periods of actual loading and unloading) or inoperable motor vehicles; accumulations of lawn or tree clippings or trimmings; accumulations of construction debris or waste; household refuse or garbage except as stored in tight containers in an enclosure such as a garage; and the storage or accumulation of any other material, vehicle, or equipment on the Lot in a manner that it is visible from any other Lot or any public street.

3.11 Storage of Recreational Equipment. Owners are not to store recreational equipment (RE) or recreational vehicles (RV) anywhere on their lot except inside of their garage. RE and RV's may be parked occasionally in Owner's driveways or parking stalls for occasional use, but at no time is an owner to park or store these vehicles or equipment for more than on occasional few days.

3.12 No Annoying Lights. Any outdoor lighting shall be subject to approval by the Architectural Committee, and no outdoor lighting shall be permitted except for lighting that is designed to aim downward and limit the field of light to the confines of the Lot on which it is installed. This shall not apply to street lighting maintained by the City.

3.13 No Annoying Sounds. No speakers or other noise making devices may be used or maintained on any Lot which creates noise that might reasonably be expected to be unreasonably or annoyingly loud from adjoining Lots, except for security or fire alarms.

3.14 Drainage. No Owner shall alter the direction of natural drainage from his Lot, nor shall any Owner permit accelerated storm run-off to leave the Lot without first using reasonable means to retain the water and dissipate the flow energy of water that leaves the Lot.

3.15 Vehicles Restricted to Roadways. Except during construction, no motor vehicle will be operated on the Subdivision except on improved roads and driveways.

3.16 No Transient Lodging Uses. The Lots are to be used for residential housing purposes only, and shall not be rented in whole or in part for the conduct of a transient lodging business, or the operation of a boarding house, "bed and breakfast," or other uses for providing accommodations to travelers. This section shall not prohibit the rental of a home for vacation purposes.

3.17 No Re-Subdivision. No Lot may be re-subdivided without the consent of the Architectural Committee, and no re-subdivision of any Lot may result in the construction of any additional Dwelling Lots within the Subdivision.

3.18 Combination of Lots. Subject to the provisions of this Declaration and the limitations set forth in this Section, any Owner may combine two or more adjoining Lots within the Subdivision. The placement of the Dwelling on the combined Lots shall be subject to review and approval of the Architectural Committee. The Architectural Committee may require supplemental landscaping to mitigate the effect of the Lot combination on neighboring properties and the appearance of the neighborhood. The combination of Lots is deemed to be permanent and the Lots may not be independently sold once construction has commenced on the Improvements for the combined Lot. The Owner of any Lots that have been combined will execute and deliver to the Committee a notice in recordable form, containing the name of the Owner and the legal description of the Lots combined, which Notice will state that the two Lots have been combined and cannot subsequently be subdivided. The Committee shall record this Notice with the Salt Lake County Recorder upon the commencement of construction of the Dwelling on the combined Lots.

IV. Design Standards for Improvements. All Improvements on any Lot shall be subject to the following restrictions and architectural design standards:

4.1 Number of Dwellings. Only one Dwelling may be constructed on any Lot. All Dwellings shall have an attached garage for at least two cars. No other habitable structure may be permitted on any Lot. A separate storage structure may be permitted by the Architectural Committee on a Lot on the conditions that the structure is permitted by the City. The Architectural Committee may condition such approval on the Owner's compliance with conditions with respect to use, location, height, color, materials, fencing and/or landscaping.

4.2 Dwelling Size. The minimum allowable Dwelling size for each Lot in the Subdivision, stated as the square footage of the main floor living area of the Dwelling that is under roof and enclosed by walls (excluding for this purpose the garage and any unfinished storage areas) is 5,000 square feet.

4.3 Dwelling Setback and Placement. All portions of the Dwelling Lot are to be within the minimum front, rear and side yard setbacks as shown on the Plat or as required by the City.

4.4 Dwelling Height. Structures are not to exceed two stories. No structure on any Lot may exceed 35 feet in height as measured at the natural grade on the Lot prior to construction, to the mid-point of the ridge line of the roof.

4.5 Roof Design. All replacement roofing material shall be approved by Architectural Committee. The Architectural Committee reserves the right to specify the brand name and color of one or more approved roof materials.

4.6 Exterior Style, Surface Materials, Accent Materials and Colors. The Architectural Committee may maintain a list of architectural features and standards to be reflected on the exterior of each structure constructed within the Subdivision. Stucco shall be the exterior surface material used, but the Architectural Committee may approve other accent materials consistent with the required design style including tile, wood, stone and concrete. The Architectural Committee shall have the right to specify the color of each structure within the Subdivision in order to encourage and achieve an appropriate mix of colors while promoting and achieving the harmonious development of the streetscape within the Subdivision. The Architectural Committee shall maintain a list of approved stucco colors. No reflective materials shall be used on the exterior of any structure. The Architectural Committee may require Improvements to be protected by a concrete or gravel apron to avoid soil staining.

4.7 Chimneys, Vents. Chimneys must be enclosed in an approved material. No exposed metal flues are permitted. All chimney tops on any Dwelling must be of identical design. Vent stacks must be combined to the extent possible to minimize the number of roof penetrations, and should generally not be visible from the street.

4.8 Antennas; Solar Panels; Mechanical Equipment. All antennas must be enclosed within the Dwelling unless specifically approved by the Architectural Committee. The Architectural Committee may develop standards for the location on the roof of a satellite dish that does not exceed 24 inches in diameter. Any satellite dishes larger than 24 inches in diameter must be located on the ground and screened in a manner approved in advance by the Architectural Committee so that they are not directly visible from adjoining Lots. Solar panels will be permitted only with the consent of the

Architectural Committee, and if permitted at all, must lie flat against the roof and may not differ in pitch or color from the roof surface on which they are mounted. Exterior mechanical equipment must be screened in a manner approved by the Architectural Committee and may not be located on the roof.

4.9 No Used or Temporary Structures. No previously erected, used, or temporary structure, mobile home, trailer house, or any other non-permanent structure may be installed or maintained on any Lot.

V. Landscape Standards. Water is a precious resource in the desert environment, and careful planning should be given to the water demands created by landscaping of Lots. It is the intent of this Declaration to require appropriate landscaping of Lots following construction of any Improvements, and to encourage the use of appropriate drought tolerant plant materials. The use and Improvement of each Lot is subject to the following Landscape Standards:

5.1 Front and Side Yard Landscaping Required. Each Owner if they are to make any changes in landscape shall be required to submit landscape plans to the Architectural Committee. Landscaping may consist of planter areas containing shrubs, plants, ground covers, trees and organic or gravel mulch, lawn areas with grass, graveled areas and areas of native vegetation that are maintained to prevent weed growth. The landscaping plan shall be submitted to the Architectural Committee for approval. The landscaping plan shall generally comply with the following guidelines: The front yard next to the sidewalk and the front yard next to the Dwelling shall be covered predominately by planter areas of shrubs, plants, trees, ground covers and mulch that will provide vertical relief from flat or hard surfaces. The side portion of the front yard shall be designed to coordinate generally with the landscaping on the adjacent Lot. The Architectural Committee may establish a general guideline for landscaping limiting the excessive use of grass or gravel or a combination of the two in the landscaping of the front yard (which guideline or limitation shall not count the use of gravel as a mulch in planter areas containing shrubs and plants), or require additional planter areas to provide visual relief from extended flat surfaces. The landscaping plan must also provide for automatic sprinklers to water all planted and grass areas. The colors and style of gravel and stone may be limited by the Architectural Committee.

5.2 Rear Yard Landscaping. The Architectural Committee may establish standards for rear yard landscaping and may prohibit the exclusive use of grass, gravel or a combination of the two in the rear yard. The Architectural Committee may approve a delay in such installation upon the request of an Owner based on good cause.

5.3 Drought Tolerant Plants Recommended. The use of drought tolerant species of grasses, shrubs, and trees is strongly recommended. The Architectural Committee may maintain a list of drought tolerant species suitable for different exposures within the Salt Lake County area. The majority of the planted area of each Lot is to be planted with species from any list maintained by the Architectural Committee for this purpose.

5.4 Placement of Trees. Other than the replacement of existing trees that are a part of the original landscape plan trees will be subject to review by the Architectural Committee. The location of

trees will be subject to review by the Architectural Committee.

5.5 Sprinkler Systems. Permanent underground sprinkler systems with automatic controls are required within any vegetated area.

5.6 Fences and Walls. Fencing or walling of Lots along the Lot line or any area within the lot lines shall not be permitted in the Subdivision only as allowed by the Architectural Committee. The area that may be enclosed with a six foot high fence or wall shall be limited to the common areas, such as swimming pool, playground or perimeter of development. No fencing or walls shall occur in the front yard area of any Lot. The Architectural Committee reserves the right to change the design, finish, color, texture, materials of any of the fences, walls, gates or pillars in the development.

VI. Owners' Maintenance Obligations. It is the obligation of each Owner to maintain his Lot at all times in order to preserve and enhance the enjoyment of the Subdivision:

6.1 Duty to Maintain. It is the obligation of the Homeowner's Association to maintain the landscaping of each owner's lot and pass those expenses on to each owner based upon a prearranged formula. All landscaped areas shall be watered by an automatic sprinkling system as appropriate for the landscaping installed. The Home Owner's Association will also hold meetings on a regular basis to determine what items upon Owner's lot will be maintained by the Homeowner's Association and what must be maintained by the individual owners.

6.2 Repair by Architectural Committee. In the event that an Owner permits his Lot or Improvements to fall into a state of disrepair that is dangerous, unsafe, unsanitary, or unsightly condition or fails to comply with any other covenant or restriction in violation of this Declaration, the Architectural Committee may give written notice to the Owner describing the condition complained of and demanding that the Owner correct the condition within thirty (30) days or within seven (7) days with respect to any failure to adequately maintain and water landscaping. If the Owner fails to take corrective action, the Architectural Committee shall have the right, but not the obligation, to enter upon the offending Owner's Lot and take corrective action to abate the condition. All costs of abatement shall be charged to the Owner, who agrees to promptly pay the reasonable costs of any work performed under this provision. In addition, each Owner hereby grants to the Architectural Committee a lien on the Lot and any Improvements to secure repayment of any sums advanced pursuant to this section, which lien may be foreclosed at any time by the Architectural Committee in the manner prescribed in Utah for the foreclosure of mortgages. Alternatively, without requiring foreclosure, the Architectural Committee may seek collection of sums advanced directly from the Owner of the Lot in question. Unpaid amounts will bear interest from the date advanced at the lawful judgment rate under applicable state law. The Architectural Committee is hereby granted the right of access to the Lot and Improvements of the offending Owner to the extent reasonably required to abate any condition covered in a notice given pursuant to this Section.

6.3 Alterations of Exterior Appearance. The Owners will maintain their Lots and improvements in substantially the same condition and appearance as that approved by the Architectural Committee. No subsequent exterior alterations, improvements or remodeling, whether structural or changes in landscaping, paint color or siding or trim materials will be made without the advance consent

of the Committee.

6.4 Repair Following Damage. In the event of casualty loss or damage to the Improvements, the Owner will be entitled to reconstruct the Improvements as they existed prior to the damage or loss without review by the Committee, provided however that alterations or deviations from the originally approved plans will require review. Nothing in this Declaration is intended to prevent an Owner who has suffered property damage or loss from taking temporary measures to secure the property and prevent further damage, or to prevent injury or dangerous conditions following loss or damage, before reconstruction begins. Such temporary measures may be taken without the consent or approval of the Architectural Committee, provided that any such measures must be of a temporary nature, and repair or reconstruction must begin as soon as circumstances will permit. No damaged structure will be permitted to remain on any Lot for more than 90 days without repairs commencing, and any damaged structure which does remain unrepaired after 90 days following the occurrence of damage is deemed a nuisance which may be abated by the Architectural Committee.

VII. Construction Covenants. In order to minimize the inconvenience to adjoining Owners during periods of construction within the Subdivision, the following construction regulations shall be enforced. These regulations shall be made a part of the construction contract between the Owner and the builder of each Dwelling or other Improvements on a Lot. The Owner shall be bound by these regulations, and violations committed by the builder or its employees, sub-contractors or others shall be deemed a violation by the Owner for which Owner is liable.

7.1 Construction Area Appearance. The Lot must be maintained in a reasonably organized and neat condition at all times during the construction of a Dwelling or other Improvements. Once the Dwelling is enclosed, materials shall be stored inside, and out of sight, whenever practical and possible.

7.2 Construction Debris Removal. The builder must comply with ordinances requiring the removal of trash on the Lot. Each builder shall collect trash at the end of each work day and depositing construction trash, packing material, unusable scraps, and other debris in a suitable container, protected from the wind, and regularly serviced. No trash may be burned, buried, or otherwise disposed of within the Subdivision. No concrete trucks may be cleaned out on the Lot or elsewhere within the Subdivision.

7.3 Soil Conservation; Dust. At all times when the surface of the Lot is disturbed by construction activity, and re-vegetation has not been completed, the builder shall practice reasonable dust, sedimentation and erosion control measures.

7.4 Removal of Mud. The builder is responsible for cleaning up and removing mud from the construction site that is deposited on the roadways of the Subdivision.

7.5 Sanitary Facilities. The builder is responsible for the installation and maintenance of an approved portable toilet facility during construction. The portable toilet must be located on the Lot at a location approved by the Committee, and removed from the site at such time as the permanent plumbing

system is operational.

7.6 Construction Parking and Vehicles. Construction crews must park their vehicles on the Lot on which they are working, and shall not use or park on any other Lot. All vehicles must be parked to allow the free flow of traffic within the Subdivision.

7.7 Construction Sign. During periods of actual construction on the Dwelling, the Owner or builder may install a sign not to exceed six square feet in area identifying the Lot and the builder. The sign must be removed upon completion or abandonment of construction.

7.8 Hours of Work. Daily working hours on the site shall be limited to the period beginning one half hour after sunrise and ending one half hour before sunset, unless otherwise restricted by ordinances. Each builder is responsible for controlling noise emanating from the site.

7.9 Duration of Construction. No construction shall be undertaken without a Building Permit and all other necessary permits from the City and any other governmental entity having jurisdiction over construction on the site. No materials, tools, temporary offices or portable toilets, excavation or construction equipment, or similar materials or equipment may be delivered to this site prior to the issuance of the Permit. It is the obligation of the Owner to proceed with construction with all reasonable speed once construction has commenced, and in any event, all exterior surfaces of the Dwelling shall be substantially complete within a period of six (6) months from commencement.

VII. General Provisions. The covenants, conditions, and restrictions contained in this Declaration may be enforced as follows:

8.1 Violation Deemed a Nuisance. Any violation of these Covenants which is permitted to remain on the property is deemed a nuisance, and is subject to abatement by the Architectural Committee or by any other Owner.

8.2 Remedies.

(a) Any single or continuing violation of the covenants contained in this Declaration may be enjoined in an action brought by the Declarant (for so long as the Declarant is the Owner of any Lot), by any other Owner, or by the Architectural Committee in its own name. In any action brought to enforce these covenants, the prevailing party shall be entitled to recover as part of its judgment the reasonable costs of enforcement, including attorneys fees and costs of court.

(b) Nothing in this Declaration shall be construed as limiting the rights and remedies that may exist at common law or under applicable federal, state or local laws and ordinances for the abatement of nuisances, health and safety, or other matters. these covenants are to be construed as being in addition to those remedies available at law.

(c) The remedies available under this Declaration and at law or equity

generally are not to be considered as exclusive, but rather as cumulative.

(d) The failure to take enforcement action shall not be construed as a waiver of the covenants contained in this Declaration in the future or against other similar violations.

8.3 Severability. Each of the covenants contained in this Declaration shall be independent of the others, and in the event that any one is found to be invalid, unenforceable, or illegal by a court of competent jurisdiction, the remaining covenants shall remain in full force and effect.

8.4 Limited Liability. Neither the Declarant or the Architectural Committee or its individual members, nor any other Owner shall have personal liability to any other Owner for actions or inactions taken under these covenants, provided that any such actions or inactions are the result of the good faith exercise of their judgment or authority, under these covenants, and without malice.

8.5 Amendment. At any time while this Declaration is in effect, the Owners of 67% of the Lots (4 of 6) may amend the provisions of this Declaration. For purposes of this vote the Owners of Lots shall include the Owner of the Additional Land, who shall be entitled to one vote for each Lot anticipated on the Additional Land, whether or not the Additional Land has yet been subdivided. Any amendment must be in writing and be approved by 67% of such Owners at the time of the amendment. No such amendment will be binding upon the holder of any mortgage or trust deed unless the holder joins in the amendment. No amendment which limits the rights of the Declarant or its successors in interest to expand the Subdivision or otherwise affects the Additional Land shall be effective without the written consent of the Declarant or other Owner of the Additional Land.

8.6 Constructive Notice. Every person who owns, occupies, or acquires any right, title or interest in any Lot in the Subdivision is conclusively deemed to have notice of this Declaration and its contents, and to have consented to the application and enforcement of each of the covenants, conditions and restrictions against his Lot, whether or not there is any reference to this Declaration in the instrument by which he acquires his interest in any Lot.

8.7 Notices. All notices under this Declaration are deemed effective 72 hours after mailing, whether delivery is proved or not, provided that any mailed notice must have postage pre-paid and be sent to the last known address of the party to receive notice. Notices delivered by hand are effective upon delivery.

8.8 Liberal Interpretation. The provisions of this Declaration shall be interpreted liberally to further the goal of creating a uniform plan for the development of the Subdivision. Paragraph headings are inserted for convenience only and shall not be considered in interpretation of the provisions. Singular will include plural, and gender is intended to include masculine, feminine and neuter as well.

IX. THE ASSOCIATION

9.1 Membership. Every Owner shall be a member of the Association. One membership shall exist for each Lot (or home) and shall be inseparably appurtenant thereto and shall automatically transfer with the transfer of title. If title to any such Lot is held by more than one Person, the membership related

to such Lot shall be shared by all such Persons in the same proportionate interest and by the same type of tenancy in which they hold title to such Lot. No Person other than an Owner shall be a member in the Association.

9.2 Management Committee. Declarant shall retain the rights and responsibility of the Management Committee (MC) until all lots are sold or for the period of three years from August 1, 2014, at which time the Owners shall select the MC. The Management Committee (MC) shall consist of three members, a President, Vice President and Secretary/Treasurer. The MC committee is voted on by the Owners. Length of term and responsibilities will be determined by the owners. The MC is to manage the affairs as stated in the Articles of Incorporation, the CC&R's or By Laws of the Owner's Association and cannot legislate rules, laws or other such mandates without being given those rights and authorities from the unanimous vote of the owners. The vote for each MC member shall be determined by at least a 67% (or 4 out of 6 lot) majority vote.

Designees of Declarant, Owners, and spouses of Owners who permanently occupy their Lots, Mortgages (or designees of Mortgagees), partners of partnership, directors or officers of corporations, and Members of limited liability companies owning Lots shall be eligible for membership on the Management Committee.

If any MC member fails to attend or participate in regular MC meetings or Association Meetings, whether regular or special, the remaining Management Committee members may remove the same from the Management Committee and elect a replacement to sit on such committee until the expiration of the term for which the member being replaced was elected.

Compensation for any MC member may be determined by the Owners. MC members shall also be reimbursed for expenses or costs incurred in the regular course of managing the Association, which is determined by the Owners.

9.3 Votes and Voting. Each Lot shall have one equal vote. Such votes 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 Lot may not be divided between multiple Owners of such Lot or between matters which require the vote of Owners.

X. RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

10.1 Common Areas. The Association, subject to the right of the Owners set forth in Article I, "Definitions 1.9 Common Area" hereof, shall be responsible for the exclusive management and control of the Common Areas and all improvements thereon (including furnishings and equipment related thereto) and shall keep the same in good, clean, attractive and sanitary condition, order and repair. The Association shall be responsible for the maintenance and repair of all Common Areas. The Cost of such management, operation, maintenance and repair by the Association of the Common Areas shall be borne as provided in **Article VIII**. There shall be no obstruction of the Common Areas by the Owners or their tenants, guests, or invitees without the prior consent of the Association. The Association may by rules and regulations prohibit or limit the use of the Common Areas as may be reasonably necessary for the purpose of protecting the interests of all the Owners or protecting the Lots

or the Common Areas. Nothing shall be kept or stored on any part of the Common Areas without the prior written consent of the Association, except as specifically provided herein. Nothing shall be altered on, constructed in, or removed from, the Common Areas except upon the prior written consent of the Association.

10.2 Miscellaneous Services. The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel of the Association as it shall be determined to be necessary or desirable for the proper operation of the Subdivision, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may obtain on behalf of the Association and pay for legal and accounting services necessary or desirable in the connection with the operation of the Subdivision or the enforcement of this Declaration. The Association may arrange with others to furnish trash collection, snow removal, ground maintenance, and other common services to each Lot. The cost of such services shall be borne as provided in **Article**.

10.3 Personal Property for Common Use. The Association may acquire and hold for the use and benefit of the Association and all of the Owners, tangible and intangible personal property and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be deemed to be owned by each Owner in the same proportion as his Percentage Interest. Such interest shall not be transferable except with the transfer of a Lot. Each Owner may use such property in accordance with the purpose for which it is intended, subject to rules and regulations adopted by the Association as provided herein, without hindering or encroaching upon the lawful rights of other Owners. The transfer of title to a Lot under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosed Lot.

10.4 Rules and Regulations. The Association may make reasonable rules and regulations governing the use of the Lots and of the Common Areas, which rules and regulations shall be consistent with the rights and duties established in this Declaration. Any change to the Covenants, Conditions and Restrictions, Articles of Incorporation or By Laws will require a 67% vote of the owners.

10.5 Granting Easements. The Association may grant or create, on behalf of the Association, on such terms as it deems advisable, utility and similar easements and rights-of-way over, under, across, and through the Common Areas.

10.6 Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or the Bylaws, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

XI. ASSESSMENTS

11.1 Agreement to Pay Assessment. Declarant, for each Lot owned by it within the Subdivision, and for and as the owner of the Subdivision and every part thereof, hereby covenants, and each Owner of any Lot by the acceptance of a deed therefore, whether or not it be so expressed in the deed, shall be deemed to covenant and agree with each other and with the Association, to pay to the

Association annual assessments levied by the Association for the purposes provided in this Declaration, and special assessments for capital improvements and other matters as provided in this Declaration. Such assessments shall be fixed, established and collected from time to time in the manner provided in this Article.

11.2 Amount of Total Annual Assessments. The total annual assessments against all Lots shall be based upon advance estimates of cash requirements by the Association to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the Common Areas, which estimates may include, among other things: expenses of management, grounds maintenance, taxes and special assessments, until the Lots are separately assessed as provided herein; premiums for all insurance which the Association is required or permitted to maintain pursuant hereto; common lighting; water charges; trash collection charges; snow removal expenses; sewer service charges; repairs and maintenance expenses; wages for Association employees; legal and accounting fees; any deficit remaining from a previous period; the creation of a reasonable contingency reserve, surplus and or sinking fund; and any other expenses and liabilities which may be incurred by the Association for the benefit of the Owners under or by reason of this Declaration.

11.3 Apportionment of Annual Assessments. Expenses attributable to the Common Areas and to the Subdivision as a whole shall be apportioned among all Owners in an equal 1/6 proration.

11.4 Notice of Annual Assessments and Time for Payment Thereof. Annual assessments shall be made on a calendar year basis. The Association shall give written notice to each Owner as to the amount of the annual assessment with respect to his Lot not less than 30 days nor more that 60 days prior to the beginning of the next calendar year. Such assessment shall be due and payable in equal monthly installments on the first day of each and every month of each year; provided that the first annual assessment shall be for the balance of the calendar year remaining after the date fixed by the Association as the date of commencement of the Subdivision but not later than 60 days after the conveyance of the first Lot. The first annual assessment shall be due and payable within 30 days after written notice of the amount thereof shall have been given to the Owners. Each monthly assessment shall bear interest at the rate of 18% per annum from the date it becomes due and payable if not paid within ten days after it becomes first due. In addition to the foregoing, the payment of any delinquent assessment shall be subject to the payment of a late fee as established by the Management Committee. Failure of the Association to give timely notice of any assessment as provided herein shall not affect the liability of any Owner for such assessment, but the date when payment shall become due in such case shall be deferred to a date ten days after such notice shall have been given.

11.5 Special Assessments for Capital Improvements. In addition to the annual assessments authorized by this Article, the Association may levy in any assessment year a special assessment, payable over such period of time as the Association may determine, for the purpose of defraying, in whole or in part the cost of any construction or reconstruction, unexpected repair or replacement of the Subdivision or any part thereof; or for any other expense incurred or to be incurred as provided in this Declaration. This Section shall not be construed as an independent source of authority for the Association to incur expenses, but shall be construed to prescribe the manner of assessing for expenses not covered by annual assessments. Notice in writing of the amount of such special assessments and the time for payment thereof shall be given promptly to the Owners, and no payment

shall be due less than 30 days after such notice shall have been given. A special assessment shall bear interest at a rate of 18% per annum from the date it becomes due and payable if not paid within 30 days after such date.

11.6 Lien for Assessments.

(a) All sums assessed to any Lot pursuant to this Article, together with interest thereon, as provided herein, shall be secured by a lien against such Lot in favor of the Association. Such lien shall be superior to all other liens and encumbrances against such Lot, except only: (i) valid tax and special assessment liens in favor of any governmental assessing authority; and (ii) encumbrances recorded in the Official Records prior to the date a notice (as provided herein) is recorded which by law would be a lien prior to subsequently recorded encumbrances, including all unpaid obligatory advances to be made pursuant to such encumbrances and all amounts advanced pursuant to such encumbrances and secured by the lien thereof in accordance with the terms of such instrument. All other Mortgagees and lienors shall be deemed to consent that such liens shall be inferior to future liens for assessments, as provided herein, whether or not such consent be specifically set forth in the instruments creating such liens.

(b) To evidence a lien for sums assessed pursuant to this Article, the Association shall prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner and a description of the Lot. Such a notice shall be signed by an officer of the Association and shall be recorded in the Official Records. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by power of sale or judicial foreclosure by the Association in the same manner in which deeds of trust or mortgages on real property are foreclosed in the State of Utah. In any such sale or foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding, the costs and expenses of filing the notice of lien and all reasonable attorneys' fees. All such costs, expenses, and fees shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any assessments against the Lot which shall become due during the period of foreclosure. The Association shall have the right and power to bid an amount equal to its then existing lien at the foreclosure sale or other legal sale and to acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the Lot as the Owner thereof.

(c) A release of notice of lien shall be executed by an officer of the Association and recorded in the Official Records upon payment of all sums secured by such lien which had been made the subject of a recorded notice of lien.

(d) Any Mortgagee or encumbrancer holding a lien on a Lot may pay, but shall not be required to pay, any amounts secured by the lien created by this Section, and upon such payment such Mortgagee or encumbrancer shall be subrogated to all rights of the Association with respect to such lien, including priority.

(e) A lien for Common Area assessments will not be affected by the transfer or conveyance of a Lot. In addition, the prior Owner shall remain liable for the delinquent assessments.

11.7 **Personal Obligation of Owner.** In addition to running with the Lot, the amount of any annual or special assessment against any Lot shall be the personal obligation of the Owner thereof to the Association. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association, at its option, without foreclosing or waiving the lien securing the same. No Owner may avoid or diminish any personal obligation by waiver of the use and enjoyment of any of the Common Areas or by abandonment of his Lot.

11.8 **Statement of Account.** Upon payment of a reasonable fee not to exceed \$25.00 (adjusted for inflation), or such higher amount as the Act may allow, upon written request of any Owner or any Mortgagee, prospective Mortgagee or prospective purchaser of a Lot, the Association shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to a Lot, the amount of the current yearly assessment and the date that such assessment becomes or became due, and the amount of any credit for advance payments or prepaid items, including, but not limited to such Owner's share of prepaid insurance premiums. Such statement shall be conclusive upon the Association in favor of persons who rely thereon in good faith. Unless such request for a statement of account shall be complied with within 10 days, or such longer period allowed by the Act, all unpaid assessments which became due prior to the date of making such request shall subordinate to the lien of a Mortgagee which acquires its interest subsequent to requesting such a statement, unless such Mortgagee acquires its interest with actual knowledge of the amount of such assessments. Where a prospective purchaser makes such request, both the lien for such unpaid assessments and the personal obligations of the purchaser shall be released automatically if the statement is not furnished within the 10 day period provided herein and thereafter an additional written request is made by such purchaser and is not complied with by the Association within an additional 10 days, and the purchaser subsequently acquires the Lot without actual knowledge of the amount of such assessments.

11.9 **Personal Liability of Purchaser for Assessments.** Subject to the provisions of **Section 8.8**, a purchaser of a Lot shall be jointly and severally liable with the seller for all unpaid assessments against the Lot up to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

11.10 **Discretionary Reserve for Replacements.** In its discretion, the Management Committee may cause the Association to establish and maintain a reserve fund for the cost of reasonably predictable and necessary major repairs, maintenance and replacement of Common Area. Such reserve, if established, shall be funded out of assessments.

XII. INSURANCE

12.1 **Provided By Association.** The Association shall secure and at all times maintain for the benefit of the Association and the Owners the following insurance coverages:

(a) **Public Liability.** A comprehensive policy of public liability insurance covering all of the Common Areas insuring the Association, the Management Committee, the Manager, and the Owners against any liability incident to the ownership, use, or operation of the Common Areas and public use of the Subdivision or of any Lot. Limits of liability under such insurance shall not be less than \$1,000,000.00 covering all claims for bodily injury and/or property damage arising out of a single occurrence, including protection against water damage liability, liability for non-owned and hired

automobiles and liability for property of others. Such insurance policy shall contain a “severability of interest” endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association, Management Committee members, Association officers, or Owners. The scope of coverage must include all other coverage of the kinds and amounts typically required by private institutional mortgage investors for similarly located Covenants, Conditions and Restrictions Subdivisions.

(b) **Additional Insurance Coverage.** The foregoing provisions of this Article shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage. In addition to any insurance coverage required hereunder, the Association may obtain such other insurance or additional insurance in such amounts and in such forms as the Association may deem proper from time to time.

XIII. AMENDMENT

13.1 Amendment to Association Documents. Except as provided in and/or subject to the terms of items (a) through (c) below, the vote of Owners holding at least 67% of the Percentage Interests shall be required to amend this Declaration or the Map. Any amendment so authorized shall be accomplished through the recordation in the Official Records of an instrument executed by the Association. In such instrument an officer of the Association shall certify that the vote required by this Article for amendment has occurred. The foregoing right of amendment shall, however, be subject to the following:

(a) Until Declarant has sold all Lots, Declarant shall have the right unilaterally to amend and supplement this Declaration and the Map to correct any technical errors or to clarify any provision to more fully express the intent of the Declarant for development and management of the Subdivision.

(c) Until the Declarant has sold all Lots which it intends to sell to purchasers, no amendment to the Map or to any provisions of this Declaration which has or may have the effect of diminishing or impairing any right, power, authority, privilege, protection, or control accorded to Declarant (in its capacity as Declarant) herein shall be accomplished or effective unless the instrument through which such amendment is purported to be accomplished is consented to in writing by the Declarant.

XIV. GENERAL PROVISIONS

14.1 Declarant’s Rights Assignable. All of the rights of Declarant under this Declaration may be assigned or transferred either by operation of law or through a voluntary conveyance, transfer or assignment.

14.2 Covenants to Run with Land. This Declaration and all the provisions hereof shall constitute covenants to run with the land or enforceable equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of Declarant, all other signatories hereto, all parties who hereafter acquire any interest in a Lot or in the Subdivision, and their respective grantees, transferees, heirs, devisees, personal representatives, successors, and assigns. Each Owner or occupant

of a Lot shall comply with, and all interest in all Lots shall be subject to, the terms of this Declaration and the provisions of any rules, regulations, agreements, instruments, supplements, amendments, and determinations contemplated by this Declaration. Failure to comply with any of the same shall be grounds for an action to recover sums due and for damages or injunctive relief or both, maintainable by the Association on behalf of the Owners, or, in a proper case, by an aggrieved Owner. By acquiring any interest in a Lot or in the Subdivision, the party acquiring such interest consents to, and agrees to be bound by each and every provision of this Declaration.

14.3 Limitation on Association's and Declarant's Liability: The Association and Declarant shall not be liable for any failure of water service or other utility services to be obtained and paid for by the Association hereunder, or for damage to any person or property caused by the elements or by another Owner or Person in or upon the Subdivision, or resulting from electricity, water, rain, snow, or ice which may leak or flow outside or from any other part of the Building or its drains, pipes, conduits, appliances or equipment, or from any other place, unless caused by the grossly negligent or willful misconduct of the Association. No diminution or abatement of any assessment under this Declaration shall be claimed or allowed for inconvenience or discomfort arising from the making of any repairs or improvements to or maintaining the Subdivision or any part thereof, or from any action taken to comply with the provisions of this Declaration or with the laws, ordinances, regulations, rules or orders of any governmental authority.

14.4 Owner's Obligations Continue. All obligations of the Owner under and by virtue of the provisions contained in this Declaration shall continue, notwithstanding that he may have leased or rented a Lot, but the Owner of a Lot shall have no obligation for expenses or other obligations accruing after the date of conveyance of such Lot. In the event of the rental or lease of a Lot, an Owner shall be deemed to have granted a license to his tenants of the Owner's right to use the Common Areas for the term of the lease or the period of rental and such Owner shall have no right to use the Common Areas during the term or period of such lease or rental.

14.5 Interpretation. To the extent the provisions of the Act are consistent with this Declaration, such provisions shall supplement the terms hereof and are incorporated herein. 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 part thereof, and any gender shall include both other genders and the neuter. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof or the validity or enforceability of such portion under different circumstances.

14.6 Agent for Service of Process. Jay Rice, Agent for Rice Asset Management, LLC, 4968 Holladay Pines Ct., Holladay, UT 84117, is appointed to receive service of process in cases authorized by the Act. The Association shall, however, have the right to appoint a successor or substitute process

agent. Such successor or substitute agent and his address shall be specified by an appropriate instrument filed in the Official Records.

14.7 **Effective Date.** This Declaration, any amendment or supplement hereto, and any amendment or supplement to the Map shall take effect upon its being recorded in the Official Records.

14.8 **Request for Copy of Notice of Default.** Pursuant to U.C.A. Section 57-1-26 (1953), as amended, the Association hereby requests that a copy of any notice of default and a copy of notice of sale under any Mortgage filed for record against any Lot be mailed to:

- (a) Lexi Lane Homeowner's Association, 4968 Holladay Pines Ct., Holladay, UT 84117.
- (b) Rainer Huck, Riverwood Development, LLC, 1680 East Atkin Ave., SLC, UT 84106.

XV. ENFORCEMENT AND REMEDIES

15.1 **Failure to Comply.** If any Owner or occupant fails to comply with any provision hereof, including any of the rules and regulations promulgated hereunder by the Association, within ten days after written notice of violation thereof (except that, where such violation cannot reasonably be cured within ten days, the ten day period will be extended to that reasonably required, as long as the Owner/ occupant commences the cure within such 10-day period and diligently pursues the same to completion) (the "**Cure Period**"), the Association may exercise any or all of the following rights and remedies, in addition to its rights and remedies at law and in equity:

(a) suspend such Owner's voting rights in the Association during any period or periods during which such Owner or the occupants of its Unit fail to comply with such rules and regulations, or with any other obligations of such Owner under this Declaration; and Owners shall be responsible for any non-compliance hereunder of all occupants of their respective Units;

(b) take judicial action against the Owner and/or occupant to enforce compliance with such rules, regulations or other obligations or to obtain damages for non-compliance, all to the extent permitted by law; and/or (at the Association's election);

(c) impose the following fines in connection therewith:

Original Violation:	\$50.00
First Recurrence of same violation:	\$100.00
Second Recurrence of same violation	\$250.00
Third Recurrence of same violation:	\$500.00
Subsequent Recurrences of same violation:	\$1,000.00

EXECUTED BY DECLARANT on the date first appearing above:

DECLARANT: RICE ASSET MANAGEMENT, LLC,


a Utah limited liability company

By it's Manager:

By: 
Jay Rice, Managing Partner

STATE OF UTAH)
 :SS.
COUNTY OF SALT LAKE)

On August 26, 2014 the foregoing instrument was acknowledged before me by Jay Rice, as Managing Partner of Rice Asset Management, LLC


Notary Public

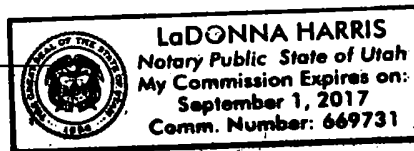


EXHIBIT A
LEGAL DESCRIPTION

The land referred to herein is situated in the County of Salt Lake, State of Utah, and is described as follows:

Parcel 1:

Beginning at a point which is South 89°48'07" East along the Section line 930.60 feet and North 74.25 feet; thence North 1°15' West 146.81 feet from the Southwest corner of Section 28, Township 2 South, Range 1 East, Salt Lake Base and Meridian; and running thence North 1°15' West 138.37 feet; thence South 56° East 79.86 feet; thence South 34° West 113 feet to the point of beginning.

Parcel 2:

Beginning at a point which is North 360.48 feet and East 504.11 feet and North 23°25'38" East 107.68 feet and North 30°49'30" East 74.2 feet and North 39°54'00" East 23.355 feet from the Southwest corner of Section 28, Township 2 South, Range 1 East, Salt Lake Base and Meridian; running thence North 39°54'00" East 115.405 feet; thence South 88°12'30" East 238.00 feet; thence South 2°46'10" East 258.510 feet; thence North 61°22'00" West 369.60 feet to the point of beginning.

Parcel 3:

Beginning at a point of tangency on the North right of way line for Little Cottonwood Creek Road, said point being South 89°48'07" East along the Section line 855.83 feet, and North 138.23 feet and North 33°01'10" East 33 feet, from the Southwest corner of Section 28, Township 2 South, Range 1 East, Salt Lake Base and Meridian and running thence North 56°58'50" West 294.11 feet to the point of curvature for a 663.58 foot radius curve to the left (bearing to center equals South 33°01'10" West); thence Northwesterly along the arc of said curve 128.29 feet (Long chord bears North 61°31'09" West 128.09 feet); thence leaving said curve North 23°25'38" East 83.88 feet; thence North 31°02'04" East 3.137 feet; thence North 20°32'00" East along a fence line to a fence corner 13.41 feet; thence North 37°08'00" East 21.81 feet; thence North 30°49'30" East 36.20 feet; thence North 39°54' East 23.35 feet; thence South 61°22' East 369.60 feet; thence South 0°21'43" East 7.65 feet (to the Northerly corner of a parcel deeded to Dellis R. Forbush and Esther Forbush, husband and wife, by Paul A. Greer and Mildred Greer, his wife, et al, Entry 2994616 in Book 4546, Page 614 as recorded in the Salt Lake County Recorder's Office); thence South 1°15' East 138.37 feet; thence South 34° West 60.45 feet to a point of curvature for a 14.0 foot radius curve to the right (bearing to center is North 56°00' West); thence Westerly along the arc of said curve 21.75 feet; thence South 33°01'10" West 1.0 foot to the point of beginning.

Parcel 4:

Beginning at the Southeast corner, Lot 38, Riverwood Subdivision; thence South 34° West 173.45 feet; thence Southwesterly along a curve to right 22.17 feet; thence North 34° East 1 foot; Northeasterly along a curve to left 21.75 feet; North 34° East 173.45 feet; South 56° East 1 foot to beginning. (Being 1 foot Protection Strip)

Tax ID: 22-28-351-36, 22-28-351-065, 22-28-351-066, and 22-28-351-037

**EXHIBIT C
TO
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
LEXI LANE SUBDIVISION
COTTONWOOD HEIGHTS, UTAH**

**BYLAWS
OF
LEXI LANE HOMEOWNER'S ASSOCIATION**

The undersigned, being the sole Member of Lexi Lane Homeowner's Association a Utah nonprofit corporation (the "**Association**"), hereby adopts the following Bylaws for such Association:

**ARTICLE I
LOCATION**

The initial principal office of the Association shall be located at 4968 So. Holladay Pines Court, Holladay, Utah 84117 but meetings of Members and Board of Directors may be held at such places within the State of Utah, County of Salt Lake, as may be designated by the Board of Directors.

**ARTICLE II
DEFINITIONS**

All terms used but not defined herein shall have the respective meanings given them under that certain Declaration of Covenants, Conditions and Restrictions dated August 26, 2014, and recorded August 26, 2014, as Entry No. 11903033 of the Official Records of the Salt Lake County Recorder, wherein the undersigned is designated as "**Declarant**" (the "**Declaration**"), applicable to the Property, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth herein at length. The term "**Member**" shall mean and refer to those persons entitled to Membership as provided in the Declaration.

**ARTICLE III
MEETINGS OF MEMBERS**

Section 3.1 Annual Meetings. Unless otherwise determined by the Association and subject to notice thereof as provided in Section 3.3 below, annual meetings of the Members shall be held on the second Wednesday of January each year commencing in the year 2015, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at the hour of 7:00 p.m. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 3.2 Special Meetings. Special meetings of the Members may be called by or at the request of the president or by the Management Committee, or upon written request of the Members holding at least 25% of the Percentage Interest.

Section 3.3 Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 30 days before such meeting to each Member entitled to vote thereafter addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 3.4 Quorum. The quorum required for any action by the Members hereunder, unless otherwise specifically set forth in the Declaration shall be as follows: At each scheduled meeting called the presence of Members or of proxies entitled to cast at least 50% of all outstanding votes shall constitute a quorum. If a quorum is not present at a scheduled meeting, such meeting may be adjourned pending notice of subsequently scheduled meeting at which a quorum shall be one-half of the quorum which was required at the immediately preceding meeting. No such subsequently scheduled meeting shall be held more than 45 days following the immediately preceding meeting.

Section 3.5 Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Unit.

Section 3.6 Voting. Since a Unit Owner may be more than one person, if only one of such person is present at a meeting of the Association what person shall be entitled to cast the vote appertaining to that Unit. But if more than one of such persons are present, the votes appertaining to that Unit shall be cast only in accordance with the agreement of a majority of them, and such consent shall be conclusively presumed if any one of them purports to cast the vote appertaining to that Unit without protest being made forthwith by any of the others to the person presiding over the meeting. The vote appurtenant to any one Unit may be divided between Owners of such Unit or with respect to matters before the Association, and all such vote appurtenant to any one Unit shall be voted in one block. If the vote of a majority of the owners of a Unit cannot be determined, no vote shall be cast in relation to such Unit.

ARTICLE IV MANAGEMENT COMMITTEE, SELECTION AND TERM OF OFFICE

Section 4.1 Number. The affairs of the Association shall be managed by a Board of Directors or Management Committee of not less than one, nor more than three, individuals. In addition to individual Unit Owners, spouses of Unit Owners, Mortgagees (or designees of Mortgagees), partners of partnerships, directors or officers of corporations and managers of limited liability companies owning a Unit, shall be eligible for Membership on the Committee. The Management

Committee and the Board of Directors shall, for all purposes, be one and the same body.

Section 4.2 Term of Office. At the first annual meeting, following the conditions set forth in Article 9.2, (after Declarant has sold all lots in Lexi Lane Subd. or after August 1, 2017, whichever occurs first) the Members shall elect one Committee Member for term of one year, one Committee Member for a term of two years and one Committee Member for a term of three years, and at each annual meeting thereafter the Members shall elect the number of Committee Members whose terms are then to expire for a term of three years.

Section 4.3 Removal. Any Committee Member may be removed from the Board, with or without cause, by a simple majority vote of the Members of the Association. In the event of death, resignation or removal of a Committee Member, his successor shall be selected by the remaining Members of the Management Committee and shall server for the unexpired term of his predecessor.

Section 4.4 Compensation. No Committee Member shall receive compensation for any service he may render to the Association. However, any Committee Member may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 4.5 Action Taken Without a Meeting. The Committee Members may take any action in the absence of a meeting which they could take at a meeting by obtaining the unanimous written approval of the Committee Members. Any action so approved shall have the same effect as though taken at a meeting of the Management Committee.

ARTICLE V NOMINATION AND ELECTION OF COMMITTEE MEMBERS

Section 5.1 Nomination. Nomination for election to the Management Committee shall be made by a Nominating Committee. If no Nominating Committee has been appointed by the Management Committee, the Management Committee shall serve in that capacity. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Management Committee, and two or more Members of the Association or if such Members do not exist or decline appointment, the Declarant. The Nominating Committee shall appoint by the Management Committee prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Management Committee as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made among Members or non-Members.

Section 5.2 Election. Election to the Management Committee shall be by secret written ballot. At such election the Members or their proxies may cast in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI
MEETINGS OF THE MANAGEMENT COMMITTEE

Section 6.1 Regular Meetings. Regular meetings of the Management Committee shall be held quarterly without notice at such place and hour as may be fixed from time to time by resolution of the Committee Members. Should said meeting fall upon legal holiday, then that meeting shall be held at the same time on the next which is not a legal holiday.

Section 6.2 Special Meetings. Special meetings of the Management Committee shall be held when called by the president of the Association or by any two Committee Members after not less than three days notice to each Committee Member.

Section 6.3 Quorum. A majority of the number of Committee Members shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Committee Members present at a duly held meeting at which a quorum is present shall be regarded as the act of the Management Committee.

ARTICLE VII
POWERS AND DUTIES OF THE MANAGEMENT COMMITTEE

Section 7.1 Powers. The Management Committee shall have power to:

- (a) to enforce and publish rules and regulations governing the use of the Common Areas and Facilities, if any, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights and right to use of the recreational facilities, if any, of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
- (d) declare the office of a Member of the Management Committee to be vacant in the event such Member shall be absent from three consecutive regular meetings of the Management Committee;
and
- (e) employ a manager, an independent contractor, and/or such other employees as they deem necessary, and to prescribe their duties.

Section 7.2 Duties. It shall be the duty of the Management Committee to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by Members owning at least 25% of the Percentage Interests;
- (b) supervise all officers, agents and employees of this Association, and see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to:
- (1) create and adopt a budget and thereafter fix the amount of the annual assessment against each Unit at least 30 days in advance of each annual assessment period;
 - (2) send email or written notice of each assessment to every Owner subject thereto at least 30 days but not more than 60 days in advance of each annual assessment period;
 - (3) foreclose the lien against any Unit for which assessments are not paid within 30 days after due date or to bring an action at law against the Owner personally obligated to pay the same; and
 - (4) maintain, separately from the operating account of the Association, a bank account for reserves for the replacement of common areas as provided in the Declaration, which account shall require the signature of two members of the Board of Trustees and which shall require that all statements with respect thereto be directly forwarded to the Association, and not a manager.
- (d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Management Committee for the issuance of these certificates. If a certificate states an assessment has been paid such certificate shall be conclusive evidence of such payment;
- (e) procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) cause the Common Areas to be maintained;
- (h) maintain current copies of the Declaration, Articles of Incorporation of the Association, these Bylaws, and rules and regulations adopted by the Association; and
- (i) maintain the books and financial records of the Association, and cause the financial statements of the Association for the preceding fiscal year to be audited and made available to the holder, insurer or guarantor of any first mortgage secured by a Unit, upon request of the same.

Section 7.3 Availability of Documents. The copies of the Declaration, Articles, Bylaws, rules and regulations and other books and records shall be available for inspection during normal business hours of the Association, for inspection by Owners, or by first Mortgagees (and holders, guarantors, or insurers thereof).

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 8.1 Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Management Committee, a secretary, and a treasurer, and such other officers as the Committee may from time to time by resolution create.

Section 8.2 Election of Officers. The election of officers shall take place as noted in Section 4.2 (above). The Management Committee (or Board of Directors) is to be elected and voted upon by the body of the Members at the annual Association meeting, the second Wednesday in January.

Section 8.3 Term and Vacancies. The officers of this Association shall be elected annually by the Committee and each shall hold office for one year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by appointment by the Management Committee. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 8.4 Special Appointments. The Management Committee may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Management Committee may, from time to time, determine.

Section 8.5 Resignation and Removal. Any officer may be removed from office with or without cause by the Management Committee. Any officer may resign at any time giving written notice to the Management Committee, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 8.6 Multiple Offices. The offices of secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any other offices except the special offices created pursuant to Section 8.4 and this Article.

Section 8.7 Duties. The duties of the officers are as follows:

President: The president shall preside at all meetings of the Management Committee shall see that orders and resolutions of the Committee are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice President: The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Management Committee.

Secretary: The secretary shall record the votes and keep the minutes of all meetings proceedings of the Committee and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Committee.

Treasurer: The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Management Committee; shall co-sign all checks and promissory notes of the Association; keep proper books of account; if the Committee deems appropriate, cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE IX COMMITTEES

The Management Committee may, if it elects, appoint a Nominating Committee, as provided in these Bylaws. In addition, the Management Committee may appoint other committees as deemed appropriate in carrying out its purposes.

ARTICLE XI ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are and will be secured by a continuing lien upon the property against which the assessment is made. Any assessment which are not paid when due shall be delinquent. If the assessment is not paid within 30 days after the due date of delinquency together with interest at the rate of 1.5% per month, the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest at such rate, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability of the assessments provided for herein by non-use of the Common Area or abandonment of his Unit.

ARTICLE XII AMENDMENTS; FISCAL YEAR

These Bylaws may be amended, at a regular or special meeting of the Members, by Members

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

EXECUTED TO BE EFFECTIVE AS OF August 1, 2014

By:  _____
Jay Rice, President

ARTICLES OF INCORPORATION
OF
LEXI LANE HOMEOWNER'S ASSOCIATION
a nonprofit corporation

Pursuant to and in accordance with UTAH CODE ANN. s 16-6a-1006 of the Utah Revised Nonprofit Corporation Act (as Amended, supplemented, or superseded, the "Act"), LEXI LANE HOMEOWNER'S ASSOCIATION (the "Association") hereby adopts the following Articles ~~of Amendment and Restatement of the Articles~~ of Incorporation.

1. Name. The name of the Association is LEXI LANE HOMEOWNER'S ASSOCIATION.

2. Articles of Incorporation. The Articles of Incorporation attached hereto as Exhibit A were unanimously adopted by the Board of Directors of the Association and the Members by written action without meeting (pursuant to Sections 16-6a-813 and 16-6a-707 of the act) dated effective August 1, 2014. The number of votes cast for the amendments by the Members was unanimous and was, therefore, sufficient for approval by the Members.

DATED this 26th day of August, 2014.

LEXI LANE HOMEOWNER'S ASSOCIATION

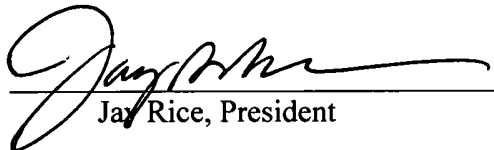
By: 
Jay Rice, President

EXHIBIT A

**ARTICLES OF INCORPORATION
OF
LEXI LANE HOMEOWNER'S ASSOCIATION
a nonprofit corporation**

**ARTICLE I
NAME AND DURATION**

The name of the Association is LEXI LANE HOMEOWNER'S ASSOCIATION and the duration of the Association shall be perpetual.

**ARTICLE II
PURPOSES**

The Association is organized exclusively for nonprofit purposes, and the specific purposes or which this nonprofit corporation is organized are to provide for maintenance, preservation and architectural control of the residential Lots and Common Areas within that real property and subdivision project located at 1395 East Creek Road, Cottonwood Heights City, Utah 84121, and to promote the health, safety and welfare of the residents within that above-described real property and any additions thereto as may hereafter be brought within the jurisdiction of this Association. For this purpose the Association is authorized to:

- (a) Exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions for Lexi Lane Subdivision dated August 1, 2014 and recorded August 8, 2014 in the Salt Lake County Recorder's Office as entry no. 11903033, book 10255, pages 4866 (the "Declaration"), wherein the undersigned is designated as "Declarant", applicable to the property, and as the same may be amended from time to time as therein provided;
- (b) fix, levy, collect and enforce payment by any lawful means, all charges and assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;
- (c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate or public use or otherwise dispose of real or personal property in connection with the affairs of the Association,

- (d) borrow money, and with the assent of Members holding at least 67% of the Percentage Interests, as defined in the Declaration; and mortgage, pledge, or hypothecate any of all of its real or personal property as security for money borrowed or debts incurred;
- (e) dedicate, sell or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members; provided, however, that the Association may grant such easements as shall be necessary for the development of the Property without the consent of the Members. Except with respect to easements, no such dedication, sale or transfer shall be effective unless the same has been approved by Members holding at least 67% of the Percentage Interests, as defined in the Declaration, agreeing to such dedication, sale or transfer; and
- (f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Areas, provided that any such merger, consolidation or annexation shall have the assent of Members holding at least 67% of the Percentage Interests, as defined in the Declaration; and
- (g) have and to exercise any and all powers, rights and privileges which a corporation organized under the Act may now or hereafter have or exercise.

ARTICLES III MEMBERSHIP/ASSESSMENTS

Every person or entity who is a record Owner of a fee interest in any Unit which is subject to the Declaration shall be member of the Association. The foregoing is not intended to include persons or entities who hold an interest in any Lot merely as security for the performance of the obligation. Membership shall be appurtenant to and may not be separated from ownership of any unity. Assessments of the members, as called for in the Declaration, will be levied by the Association as set forth in the Bylaws of the Association.

ARTICLE IV VOTING RIGHTS

The Association shall have one class of voting membership. Each representative Lot shall have one equal vote. The number of votes appurtenant to each Lot 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 the Declaration. The number of Votes appurtenant to each Unit may not be divided between multiple Owners of any one Unit or between matters which require the vote of Owners. The Association will not issue shares of stock evidencing ownership.

**ARTICLE V
REGISTERED OFFICE AND AGENT**

The address of the initial registered office of the Association is 4968 So. Holladay Pines Ct., Holladay, UT 84117, and the registered agent at such address is Jay Rice.

Acceptance by Registered Agent:



Jay Rice

**ARTICLES VI
ASSOCIATION POWERS**

The Association shall have such powers and authority of a nonprofit corporation under the Act. Specifically, the Association shall have power and authority to sue or be sued and defend in the corporate name; receive gifts, devisees, bequests of personal and real property, to purchase or lease personal or real property and to otherwise acquire, hold, improve, use, and possess the same; to convey, mortgage, pledge, lease, exchange, transfer, bargain, or otherwise dispose of any or all of its property and assets; to conduct its normal and ordinary affairs, transact business, and carry on operations with such offices as are necessary within the State of Utah or the United States; to elect a Board of Directors, and to appoint officers and agents of the Association and to define, by bylaw and otherwise, the duties and compensation of said officers and agents; to make and alter bylaws and resolutions, not otherwise inconsistent with these Articles of Incorporation, the Declaration or the laws of the State of Utah or the administration of the affairs of the Association; to indemnify any Director, officer, or agent of the Association for expenses actually and necessarily incurred in furthering the activities and operations of the Association or in the defense of any litigation or action in which any said Director, officer, or agent is made a party; and to exercise all other powers necessary and reasonably convenient to effect any and all of the purposes for which the Association is now authorized to hereafter may be authorized by the laws of the United States and the State of Utah.

**ARTICLE VII
LIMITATIONS ON DISPOSITION OF
EARNINGS AND ASSETS**

The Association's objectives are not for pecuniary profit and no part of the net earnings of the Association, if any, shall inure to the benefit of any Director, officer or Member of the Association or any other individual, and no Director, officer or Member of the Association or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution or liquidation of the Association. No part of the activities of the Association shall

Be to provide propaganda, or otherwise attempting to influence legislation, or participate in or intervene in any political campaign on behalf of any political party or any candidate for public office. Notwithstanding any other activities not permitted to be carried on by a corporation exempt from federal income taxes under Section 501© of the Internal Revenue Code of 1986, as amended.

ARTICLE VIII BOARD OF DIRECTORS

The conduct of the affairs of the Association shall be governed and controlled by a Board of Directors consisting of not fewer than three individuals and not more than five individuals, none of which need be Members. For all purposes, the Board of Directors shall be one and the same body as the Management Committee under the Declaration. The qualifications of individuals permitted to serve on the Board of Directors shall be established in the Bylaws of Association. Said Board of Directors shall exercise such powers as are provided by these Articles of Incorporation, the laws of the State of Utah, and the Bylaws of the Association. The names and addresses of the person who are to serve as the initial Directors until the first meeting of the Members, or until their successors are duly elected and qualified, are as follows:

Jay Rice
4968 So. Holladay Pines Ct.
Holladay, UT 84117

Rainer Huck
1680 East Atkin Avenue
Salt Lake City, UT 84106

Anita Rice
4968 So. Holladay Pines Ct.
Holladay, UT 84117

ARTICLES IX OFFICERS

The Board of Directors is authorized to elect and appoint officers and agents of the Association as shall be necessary and appropriate. Such officers and agents shall hold office until their successors are duly elected or appointed a qualified or until they are removed. All officers and agents of the Association, as between themselves and the association, shall have such authority and perform such duties in the management of the affairs of the Association, as may be provided resolution of the governing Board of Directors not inconsistent with these Articles of Incorporation, the Bylaws or the Declaration.

ARTICLES X BYLAWS

The Members may adopt, amend and repeal at will such Bylaws as are not inconsistent with law, these Articles of Incorporation, the Declaration, and the Act, provided that any such amendments shall require the consent of Members holding at least 67% of the Percentage Interests (as defined in the Declaration) and as further provided in the Bylaws attached to the Declaration.

ARTICLE XI DISSOLUTION

The Association may be dissolved only upon the termination of the Declaration in accordance with terms thereof and with the assent given in writing and signed by Members holding not less than 67% of the Percentage Interests, as defined in the Declaration. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. If such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation association, trust or other organization to be devoted to such similar purposes.

ARTICLE XII LIABILITY

The Board of Directors, Directors, officers, employees and Members of the Association shall not be liable, either jointly or severally, for any obligation or indebtedness of or charge against the Association.

ARTICLE XIII INDEMNITY OF OFFICERS AND DIRECTORS

The Association shall indemnify any and all of its officers and Directors, former officers or Directors, and any person who may have served at its request as a Director against expenses actually and necessarily incurred by them in connection with the defense of any action, suit or proceeding in which they or any of them are made parties, or a party, by reason of being or having been Directors of officers or a Director or officer of the Association, except in relation to matters as to which any Director or officer or former officer or Director or person shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty, all to the fullest extent permitted by the Act. Such indemnification shall not be deemed exclusive of any or all other rights to which those indemnified may be entitled under any Bylaws, agreement, or otherwise.

**ARTICLE XIV
AMENDMENT**

Any amendment to these Articles of Incorporation shall require the assent of Members holding at least 67% of the Percentage Interests as defined in the Declaration.