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 ANDREA ALLEN
 UTAH COUNTY RECORDER
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 RECORDED FOR PAYSON CITY CORPORATION

**MASTER DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
 OF ARROWHEAD PARK MASTER HOMEOWNERS' ASSOCIATION, INC.
 (A Utah Master Planned Residential Development)**

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13.3.5. The Declarant further reserves unto itself, and its successors and assigns, the right to grant easements, rights-of-way and licenses to any person, individual, corporate body or municipality, to install and maintain pipelines, underground or above-ground lines, with the appurtenances necessary thereto for public utilities, or quasi-public utilities or to grant such other licenses or permits as the Declarant may deem necessary for the improvement of the Project in, over, through, upon and across any and all of the roads, streets, avenues, alleys, and open space and in, over, through, upon and across each and every Lot and Unit in any easement area set forth in this Declaration or as shown on a Map.....29

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13.3.7. Declarant further reserves unto itself and its successors and assigns, the right at or after the time of grading of any street or any part thereof for any purpose, to enter upon any abutting Lot and grade a portion of such Lot adjacent to such street, provided such grading does not materially interfere with the use or occupancy of any structure built on such Lot, but Declarant shall not be under any obligation or duty to do such grading or to maintain any slope.30

13.3.8. Declarant further reserves unto itself, for itself and any builder and their successors and assigns, the right, notwithstanding any other provision of the Declaration, to use any and all portions of the Project other than those Lots or Units conveyed to Owners, including any Common Area which may have previously been conveyed to the Association, for all purposes necessary or appropriate to the full and final completion of construction of the Project.....30

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5.1.2.2. By professional courier service or First-class U.S. mail, postage prepaid, to the principal office of the Association as designated in writing to the Owners.40

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3.9.3. Lease Agreements – Required Terms. Unless otherwise approved by the Board, all lease agreements shall be in writing. All Owners shall use and provide the Board with a copy of a written lease agreement. All lease agreements shall contain terms subjecting the occupant to the terms, conditions, and restrictions of the Governing Documents, as amended from time to time. The Owner shall provide the tenant with a copy of the Governing Documents. In the event the Governing Documents are amended, revised, changed, or supplemented by the Association, the Owner shall provide the tenant with a copy of the amendments, revisions, changes, or supplements within 10 calendar days of adoption.46

3.9.4. Any Owner leasing their Single Family Lot must comply with current laws and ordinances regarding renting, including but not limited to, business licensing regulations.. 46

3.9.5. Failure to Take Legal Action. Failure by an Owner to take legal action against their occupant who is in violation of the Governing Documents within 10 days after delivery of written demand to so do from the Board, shall entitle the Association to take any and all action for and in behalf of said Owner including, the institution of legal proceedings on behalf of such Owner against his or her occupant for eviction, injunctive relief, or damages. Neither the Association nor its agents shall be liable to the Owner or occupant for any legal action commenced under this paragraph that is made in good faith. The Owner hereby appoints the Board as his or her attorney in fact to take any action authorized by this provision as if the Owner was performing it.46

3.9.6. Recovery of Costs and Attorney Fees; Owner Liable. The Association shall be entitled to recover from the offending Owner its costs and attorney’s fees incurred for enforcement of this Section, regardless of whether any lawsuit or other action is commenced. The Association may assess such costs and attorney’s fees against the Owner and the Lot as an assessment pursuant to this Declaration. Additionally, the Owner shall be liable for all fines, assessments, or other penalties levied due to violations of their tenant. The Owner shall be personally liable for any violations caused by their tenant. Any assessments, fines or penalties levied under this Section shall be collectible as an assessment.....46

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This Master Declaration of Covenants, Conditions, and Restrictions (“Master Declaration”) is made on the date executed below by Arrowhead Partners, LLC (“Declarant”).

RECITALS

A. Declarant has engaged in the development of that certain tract of property located in the city of Payson, Utah County, Utah, more particularly described in Exhibit “A” of this Declaration, consisting of approximately 97 acres of land. Declarant, having authority from the record owner/owners of the aforesaid lands, desires to develop, in stages, the aforesaid lands into a planned community consisting of residential areas and uses;

B. It is intended, without obligation, that said community will be a master planned residential development consisting of several phases located in Payson City, Utah County, Utah;

C. The Project is intended, without obligation, to consist of single family homes, townhomes, and condominium housing, but may also include a section of Commercial Property as outlined herein;

D. As part of the various stages of development of the aforesaid lands, Declarant intends, without obligation, to record various Plats; to dedicate portions of Arrowhead Park to the public for streets, roadways, drainage, and general public use, and; to record various Neighborhood Declarations and Supplemental Declaration covering portions of Arrowhead Park, which Neighborhood Declarations and/or Supplemental Declarations will designate the purposes for which such portions of Arrowhead Park may be used and may set forth additional covenants, conditions, restrictions, assessments, charges, servitudes, liens, reservations, and easements applicable to such portions of Arrowhead Park;

E. Declarant intends for the Development to be governed by this Master Declaration, which shall be binding on all Lots and Units within the Project as described in Exhibit “A”;

F. Declarant intends to incorporate the MHOA as a Utah nonprofit corporation. As such, it shall be entitled to the rights, obligations, and benefits of the Revised Nonprofit Corporation Act (Utah Code Ann. 16-6a-101, *et seq.*) as amended from time to time.

G. All Owners, guests, invitees, agents, and residents shall abide by the provisions of this Declaration;

H. These covenants, conditions, restrictions, easements, and limitations shall run with the land described in Exhibit “A” and shall be binding on and burden all parties having or acquiring any right, title, or interest to such land or any part thereof and shall create servient tenements on the land. The covenants, conditions, restrictions, easements, and limitations shall also benefit all parties having or acquiring any right, title, or interest to the afore-described land and shall create dominant tenements on the land;

NOW THEREFORE, for the benefit of the Project, the Neighborhood Associations, the Single Family Lots, the Commercial Property, if applicable, and the Owners' real property located therein, the following covenants, conditions, restrictions, and easements shall apply to and be binding on the Project:

1.

DEFINITIONS

Capitalized terms used in the Governing Documents (including recitals) have the following meanings:

1.1. Architectural Review Committee or ARC

Architectural Review Committee or ARC means the person or persons appointed by the Board to review the proposed designs, plans specifications, structures, elevations, materials, colors, landscaping, fencing, and so forth that Owners submit to the Board for approval pursuant to terms of this Master Declaration.

1.2. Articles

Articles mean the Articles of Incorporation for the Arrowhead Park Master Homeowners' Association, Inc.

1.3. Association or MHOA

Association or MHOA means Arrowhead Park Master Homeowners' Association, Inc. It is intended that the Association be a Utah non-profit corporation. Failure of the Association to maintain its corporate status will not result in dissolution of the Association. The Association may renew its corporate status, reinstate its corporate status, or incorporate without Owner or Member approval. All Neighborhood Associations are Members of the Association, and the Single Family Lots shall collectively be considered as one Member of the Association. Unless specifically reserved for a vote of the Owners, all acts taken by the Association shall be taken through its Board of Directors.

1.4. Board

Board means the Board of Directors for the Association. The Board governs the property, business, and affairs of the Association.

1.5. Bylaws

Bylaws mean the bylaws of the Association, as amended or restated from time to time. The Bylaws are attached to this document as Exhibit "B."

1.6. Commercial Builder

Commercial Builder means any builder or developer, other than Declarant, who owns two (2) or more Lots or parcels of real property within the Project for the purpose of constructing homes for sale to residential customers.

1.7. Commercial Property

Commercial Property means any area within the Project designated by the Declarant or the Association for commercial use. Any Lots or Units within the Commercial Property are herein referred to as "Commercial Lots."

1.8. Common Areas

Common Areas mean:

1.8.1. The land included within the Project and outside the platted boundaries of the Units or Lots for which the maintenance, repair, and replacement obligation has not been assigned to a Neighborhood Association, the Commercial Lots, or to the Single Family Lots in this Master Declaration and which has not been conveyed to a governmental entity;

1.8.2. All entrances and entrance monuments.

1.9. Common Expenses

Common Expenses mean all sums spent to administer, maintain, or replace the Common Areas; expenses agreed upon as common expenses by a majority of the Members; expenses authorized by the Governing Documents as common expenses; and any other expenses necessary for the common benefit of the Members.

1.10. Master Declaration

Master Declaration means this document, as amended, supplemented, or restated from time to time.

1.11. Declarant

Declarant shall mean Arrowhead Partners, LLC.

1.12. Director

Director means a member of the Board.

1.13. Family

Family shall mean Family as defined by Utah County Land Use and Management Ordinance.

1.14. Governing Documents

Governing Documents shall mean the Master Declaration, Bylaws of the Association, Articles of Incorporation for the Association, Maps, and Association rules and regulations.

1.15. Limited Common Areas

Limited Common Areas mean common areas shown on the Maps or designated in a Neighborhood Association's declaration as reserved for use by a certain Unit(s) or Lot(s) to the exclusion of the other Units or Lots. Limited Common Areas are defined more particularly in the declarations of each Neighborhood Association.

1.16. Lot

Lot means a separately numbered parcel of property as shown on the Map. Lots shall include all utility lines and other installations exclusively serving the Lot.

1.17. Maps

Maps means the plat maps on file with the Utah County Recorder for Arrowhead Park Master.

1.18. Member

Member shall mean a member of the MHOA, and each Neighborhood Association shall be a Member and, until Turnover occurs, Declarant shall be a Member. The Single Family Lots shall collectively be considered as one Member, as represented by its two elected Directors. There shall be no other Members besides the parties listed herein. There shall be two classes of Members as set forth below.

1.19. Neighborhood Association

Neighborhood Association means one of the sub-associations located within the Project. The Declarant expects, but is not obligated, to establish six (6) sub-associations or more. The first such sub-association shall be named Creekside at Arrowhead Park. Further sub-associations shall be named in amendments, or in each sub-association's respective declaration.

1.20. Nonprofit Act

Nonprofit Act means Utah Code §§ 16-6a-101 *et seq.*, as amended or replaced from time to time.

1.21. Owner

Owner means the title holder on the records of the Utah County Recorder's Office for any Lot or Unit located within the Project.

1.22. Person

Person means an individual, corporation, partnership, association, trustee, or other legal entity.

1.23. Project

Project means the Arrowhead Park master planned residential development as shown on the Maps. The Project includes the land, buildings, improvements and structures, easements, rights, appurtenances, and articles of personal property intended for use in connection therewith. Exhibit "A" contains the legal description for the Project.

1.24. Resident

Resident means any Person living or staying at the Project. Residents do not include Owners or tenants of Commercial Lots, if applicable, but shall include without limitation: all other Owners, tenants, family members of Owners and tenants, and guests staying more than a week.

1.25. Single Family Lots

Single Family Lots means all detached, single family residential lots that are not subjected to a Neighborhood Association and which are located within the Project.

1.26. Unit

Unit means a separate physical part of the Project intended for independent use. Units include one or more rooms or spaces located in a building. The following are part of a Unit:

- 1.26.1. Wallboard, lath and plaster, plasterboard, paneling, wall tile, wallpaper, paint, or any other material constituting part of the finished surface of an exterior, load bearing, or party wall;
- 1.26.2. All non-load bearing interior walls or partitions;
- 1.26.3. Any material constituting part of the finished surface of the floor;
- 1.26.4. Any material constituting part of the finished surface of the ceiling;
- 1.26.5. Doors, door frames, windows, window frames, interior moldings, interior and exterior door casings, and any materials necessary to attach or weatherproof such;
- 1.26.6. Ducts, chutes, flues, cold air returns, furnaces, air conditioning condensers, lines any other heating, venting, and air conditioning apparatus serving a single unit, whether or not located within the Unit boundaries as defined on the Map;

- 1.26.7. Pipes, gas lines, fire suppression systems, valves, couplings, elbows, tees, escutcheons, water supply lines, water heaters, boilers, faucets, shower heads, finished plumbing fixtures, or any other plumbing apparatus or fixture serving a single Unit, whether or not located within the Unit boundaries as defined on a Map;
- 1.26.8. Cabinets, countertops, built-in shelving units, or any other finish carpentry;
- 1.26.9. Wires, conduits, junction boxes, switches, outlets, plates, electrical panels, electrical service, interior light fixtures (whether or not recessed), phone cable, data cable, audio visual cable, appliances, or any other electrical wire or apparatus serving a single Unit, whether or not located within the Unit boundaries as defined on a Map;
- 1.26.10. Public utility lines or installations serving a single Unit, whether or not located within the Unit boundaries as defined on the Map; and
- 1.26.11. Anything inside the Unit boundaries, which can be removed without jeopardizing the structural integrity or usefulness of the remainder of the building.

1.27. Turnover

Turnover shall mean and refer to the process set forth in Section 12.1.

2. IMPROVEMENTS

2.1. Description of Improvements

The improvements included in the Project consists of any trails, open spaces, detention basins, and gathering areas not assigned to a Neighborhood Association, as well as the landscape area on the frontage of Arrowhead Trail and the main entry to the Project.

2.2. Description of Common Areas

The Common Areas held by the MHOA are described and identified in this Master Declaration and shown on the Maps. Common Areas and Limited Common Areas held by the Neighborhood Associations are described in their respective declarations and the Maps.

3. EASEMENTS

3.1. Easement for Encroachment

If any part of the Common Areas encroaches on a Lot or Unit, or a Member's common or limited common areas, an easement for the encroachment and for maintenance shall exist. If any part of a Lot or Unit, or Member's common or limited common areas encroaches upon the Common Areas, an easement for the encroachment and for maintenance shall exist. Such encroachments will not be considered to be encumbrances to the Common Areas, Units, Lots, or Member's common or limited common areas. Encroachment causes include, without limitation, errors in the original construction; errors in the Map; settling, rising, or shifting of the earth; or changes in position caused by repair or reconstruction of the Project.

3.2. Emergency Repairs

The Board has the right to enter onto a Member's common or limited common areas, Units, or Lots at any time to make emergency repairs. An emergency repair is one that is necessary to prevent an imminent threat of damage to the Common Areas or to another Unit or Lot.

3.3. Right of Ingress, Egress, and Enjoyment

Each Resident, guest, or invitee has the right to ingress and egress across the Common Areas necessary for access to his Unit or Lot. Subject to the rules and regulations, each Resident has a right to enjoyment of the Common Areas. The rights described in this Section are appurtenant to and pass with title to the Unit or Lot.

3.4. Association Easement

The Association, its Board, employees, agents, and contractors shall have non-exclusive easements to use the Common Areas and each Member's common and limited common areas to perform their duties as assigned by the Governing Documents.

3.5. Easement for Utility Services

The Project is subject to a blanket easement over, across, above, and under it for ingress, egress, installation, maintenance, repair, and replacement of utilities. Utilities include, without limitation, water, sewer, gas, telephone, electricity, data, video, and cable.

4. MAINTENANCE**4.1. Common Areas**

The Common Areas shall be maintained, repaired, and replaced by the Association. The Association shall not be responsible for the maintenance, repair, or replacement of any privacy fence separating the Limited Common Area of two Units or two Lots in the Neighborhood Associations. If any maintenance, repair or replacement of the Common Areas or the perimeter fences is required because of damage caused by a Resident, or the Owner's or Resident's guest or invitee, the Owner shall be responsible for the full cost of the maintenance, repair, or replacement. Such cost shall be assessable to the Owner as an Individual Assessment. If any Common Area or perimeter fence is damaged by a Member, its agents, employees, invitees, or vendors, the Member shall be responsible for the full cost of the maintenance, repair, or replacement. The Association shall not be responsible for maintenance or repairs within any area designated as Commercial Property.

4.2. Commercial Property

To the extent that Commercial Property exists within the Project, all maintenance, repair, and replacements of Commercial Lots, and improvements on such Commercial Lots, shall be the sole responsibility of the Owner thereof, who shall maintain such Commercial Lot in good repair and in accordance with the Governing Documents. Commercial Lots shall be maintained in order to protect and preserve the health, safety, and welfare of the other Lots, Units, and Common Areas.

5. MEMBERSHIP AND ASSOCIATION**5.1. Membership**

Each Neighborhood Association, as represented by its respective president, is a Member of the Association. Additionally, the Single Family Lots, as represented by its two elected Directors, is a Member of the Association. Declarant is also a Member of the Association, until such time as Turnover occurs.

5.2. Voting Rights in MHOA

The MHOA shall have two classes of voting membership as follows:

5.2.1. *Class A.* Class A Members shall be each Neighborhood Association, as represented by its respective president, and the Single Family Lots, as represented by its two elected Directors. With the exception of the Single Family Lots, each Class A Member is entitled to one vote. Single Family Lots shall be entitled to two votes;

5.2.2. *Class B.* The Class B Member shall be Declarant. The rights of the Class B Member, including rights reserved to the Declarant for so long as it retains Class B membership, are specified elsewhere in this Declaration. The Class B Member shall have two votes for every Class A vote. The Class B Membership shall cease upon Turnover;

5.3. Status and Authority of Board

The Board is the governing body of the Association. It is obligated to manage, operate, and maintain the Project and to enforce the Governing Documents. The Board has exclusive authority to act in the Association's name. Any action taken by the Board on behalf of the Association will be deemed to be done in the Association's name. The rights and powers of the Board are governed by the Bylaws.

5.4. Composition and Selection of Board

The Bylaws govern how the Board is established and selected.

6. USE RESTRICTIONS

6.1. No Obstruction of Common Areas

Owners, Residents, or Members shall not obstruct Common Area. Owners, Residents, and Members shall not use Common Areas for their private use, unless approved by the Board. Owners, Residents, and Members shall not store anything in the Common Areas, except for parking in designated parking areas. Owners, Residents, and Members shall not alter Common Areas. Owners, Residents, and Members may not damage or commit waste to the Common Areas.

6.2. Sex Offenders

No person required to register as a sex or kidnap offender for life pursuant to Utah Code § 77-41-105(3)(c)(i) ("Lifetime Offender"), may permanently or temporarily reside in the Project. If a Lifetime Offender occupies a Lot or Unit, or if an Owner becomes a Lifetime Offender after this amendment is recorded, they shall be subject to the provisions of this Section.

6.2.1. Owners. Any Owner in violation of this Section must vacate the Lot or Unit within 180 days of receipt of notice from the Association. If the Owner fails to vacate within 180 days, the Association shall be entitled to a mandatory injunction requiring the Lifetime Offender to immediately vacate.

6.2.2. Tenants/Guests/Family Members. If a Lifetime Offender occupies a Lot or Unit as a tenant, guest, resident, or family member, the Owner who owns the Lot or Unit must immediately cause the person to vacate the Lot or Unit and, if the person does not vacate within 30 days of the date the Owner was notified by the Association of the presence of a Lifetime Offender, then the Owner will immediately commence eviction proceedings. If the Owner fails to commence eviction proceedings within 30 days following the date the Owner is required to do so, and/or if the Owner fails to diligently prosecute the eviction to its conclusion, then the Association may act as attorney-in-fact for the Owner and pursue the eviction action. The Owner shall reimburse the Association for any costs and attorney's fees incurred. Cost and attorney's fees shall be collectable as an assessment.

Each Owner, by accepting a deed to property within the Project, appoints the Association as the Owner's attorney-in-fact for the purpose of commencing eviction proceedings, executing any and all documents pertaining to the proceedings, or performing any or all responsibilities as may be required or necessary to be performed pursuant to this Section. This power of attorney is expressly declared and acknowledged to run with the title of any and all Lots or units and will be binding upon the heirs, personal representatives, successors, and assigns of the Owner.

6.2.3. Association not Liable. The Association will not be liable to any Owner or anyone occupying a Lot or Unit, or anyone visiting the Association, as a result of the Association's failure to dispossess a Lifetime Offender.

6.2.4. Board Membership. From the effective date of this amendment forward, any person who has to register as a sex or kidnap offender under Utah Code § 77-41-105, whether or not for life, may not serve on the Board.

6.3. Rules and Regulations

Owners, Residents, and Members shall obey the rules and regulations created by the Board. Owners shall be responsible to advise their guests and invitees about the rules and shall be responsible for their guests and invitees compliance with the rules and regulations.

7. ARCHITECTURAL CONTROL

7.1. Architectural Review Committee

There shall be an Architectural Review Committee ("ARC"), which shall be comprised of either 1) between one and three people who shall be appointed by the Board from the Owners within the Association, or if no such appointment is made, then 2) the Board shall serve as the ARC. Prior to Turnover, the Declarant shall act as the ARC. In the event that the Board serves as the ARC for the Association, the Board is permitted, but not obligated, to delegate any portion of the responsibilities of the ARC to the individual Neighborhood Associations or any architectural review committees created by the Neighborhood Associations. The ARC shall ensure that all improvements and landscaping within the Project comply with the requirements of this Declaration and harmonize with the surrounding homes.

7.2. Architectural Guidelines

Subject to the standards referenced under Section 7.3, the ARC, with final approval of the Board, may promulgate architectural guidelines determining the requirements for all Lots, Units, and landscaping.

7.3. Structural/Exterior Alterations and Maintenance

All structural and exterior alterations, improvements, or repairs to Units or Lots in the Project,

including Commercial Lots and Single Family Lots, shall be done in substantial compliance with the original intent of the Declarant and in substantial conformity with the appearance of the Association. The exteriors of all Units and Lots shall be maintained in substantial conformity with the appearance of the Association as originally intended by the Declarant.

7.4. Submission to the Committee

Except as otherwise expressly provided herein, no Lot or Unit, accessory, addition, repair to the exterior of a Lot or Unit (including but not limited to exterior painting or staining of any kind), or other improvement shall be commenced, constructed, maintained, or altered unless complete plans and specifications have first been submitted and approved by the ARC in writing.

7.5. Approval Procedure

All plans and specifications shall show the nature, kind, shape, color, size, materials and locations of any alteration to the original Project design and shall be submitted to the ARC for approval as to quality of workmanship and design and harmony of external design, and as to location in relation to surrounding structures, topography, and finish grade elevation. Any plans and specifications submitted to the ARC shall be approved or disapproved in writing within 45 days of submission. ARC failure to act and communicate the decision in 45 days results in denial of the proposed plans and/or specifications. The ARC may, in writing, and in its sole and exclusive discretion, elect to extend this time period for reviewing plans and specifications.

7.6. No Liability for Damages

Neither the ARC, nor its individual members, shall be liable for damages by reason of any action, inaction, approval, or disapproval by it with respect to a request for approval.

7.7. Completion

Any construction shall be continuously and diligently performed until completion. All submissions of plans and/or specifications to the ARC shall include a proposed timeline showing start and finish date and all work shall be performed within a reasonable time of the proposed timeline.

8. ENFORCEMENT

8.1. Compliance

Each Member, Owner, Resident, and tenant shall comply with the Governing Documents. Failure to comply will be grounds for the remedies provided in this Declaration.

8.2. Remedies

The remedies for violations shall be levied against the Member or Owner in all cases, and the Residents or tenants in cases involving certain injunctive relief. Remedies shall not be mutually exclusive and can be exercised concurrently. The Association shall have rights to take the following actions to correct violations of the Governing Documents:

- 8.2.1. To levy reasonable fines pursuant to a schedule of fines adopted by resolution of the Board. In the absence of a resolution to the contrary, fines shall be \$100.00 for non-continuing violations and \$100.00 every 10 days for continuing violations. Unless otherwise defined in a resolution, a continuing violation is one that is not cured 48 hours after the Association gives Owner notice of the violation. All other violations shall be non-continuing. Owners and Residents shall be jointly and severally liable for fines;

8.2.2. After notice and hearing, to terminate access to and use of recreational facilities;

8.2.3. To bring suit for damages, to enjoin, abate, or remedy the violation on behalf of the Association and the Members.

8.3. Action by Owner or Member

An Owner or Member may bring an action against another Owner, Member, or the Association for damages, to enjoin, abate, or remedy a violation being committed by another Owner, Member, or the Association.

8.4. Hearings

The Board shall adopt procedures for hearings. When a hearing is requested or required, the hearing shall be conducted in accordance with the Board's procedures.

9. ASSESSMENTS

9.1. Covenant for Assessment

Each Member and Owner covenants and agrees to pay the Association all regular assessments, special assessments, emergency assessments, individual assessments, late penalties, and collection costs (including attorney's fees) whether or not a lawsuit is commenced. No Member or Owner may exempt themselves from liability for assessments for failure of the Association to maintain the Common Areas, or non-use of the Common Areas.

9.2. Declarant's Covenant for Assessments

Declarant shall not be obligated to pay assessments on any Lots or Units it owns until 3 months after a certificate of occupancy for a dwelling on such Lot or in regards to such Unit has been granted by Payson City. If the Declarant still owns the Lot or Unit after said 3-month period has expired, Declarant shall pay 25% of any assessment attributable to each Lot or Unit until such Lot is conveyed to a purchaser.

9.3. Commercial Builders' Covenant for Assessment

Any real property transferred to a Commercial Builder by the Declarant will not be required to pay the assessment attributable to such real property until the first of the following events to occur:

9.3.1. Issuance of a certificate of occupancy for a dwelling located on the Lot or for the Unit in question;

9.3.2. Expiration of 12 months from the date Commercial Builder took title to the real property.

After the first to occur of these events, assessments in the full amount will be levied on such Lot or Unit, or real property.

9.4. Annual Budget

The Board shall prepare an annual budget for the Association. The annual budget shall provide for: the maintenance, repair, and replacement of the Common Areas; and the administration, management, operation, and reserves of the Association. If the Board fails to adopt an annual budget, the last adopted budget shall continue in effect.

9.5. Reserve Account

The Association shall establish a reserve account to fund long-term maintenance and replacement items. The Board shall use prudent efforts to fund the reserve account. The Board shall not be personally liable for failure to fund the reserve unless gross negligence or intentional misconduct is proven in a court of law.

9.6. Regular Assessment

Regular Assessments shall be determined as follows:

9.6.1. Regular Assessments for Lots and Units

The Board shall fix the amount of the regular assessment for each Member by multiplying the total budget by the Member's percentage of the total Lots and Units located within the Project. Specifically, the Board shall fix the amount of the regular assessment by taking the total amount of the annual budget and dividing it equally between each Lot and Unit in the Project, and then taking such amount and charging it to the respective Member by multiplying the regular assessment for each Lot and Unit by the number of Lots and Units represented by that Member. By way of illustration only and for the avoidance of doubt, if the total annual budget is \$68,000.00 for a year, and if the total number of Lots and Units in the Association is 680, the Board shall divide \$68,000.00 by 680, coming up to a sum of \$100.00 per Lot/Unit. It shall then multiply the total number of Lots or Units represented by a Member (either the total number of Lots or Units within a Neighborhood Association or the total number of Single Family Lots) by \$100.00 to determine the total amount owed by that Member. Thus, by way of illustration only and for the avoidance of doubt, using the example above, if a Member represented 120 Units or Lots, that Member's regular assessment would total \$12,000.00.

9.6.2. Regular Assessments for Commercial Lots

To the extent that any Commercial Property exists within the Project, the Board shall affix the equivalent of one Lot or Unit regular assessment for each 1,200 square feet of usable commercial space within the Commercial Property area, rounded to the nearest multiple of 1,200. The Owners of Commercial Lots shall bear responsibility for a percentage of the payment of the regular assessment on a pro rata basis determined by dividing the number of square feet attributed to that Owner's Commercial Lot by the total number of square feet of usable commercial space, rounded to the nearest percent. The Board shall, in its exercise of reasonable judgment, make a determination of square footage upon review of tax information provided by the county or any other information the Board reasonably may deem relevant.

By way of illustration only and for the avoidance of doubt, if there is a total of 4,800 square feet of usable commercial space within the Commercial Property area, the Commercial Property as a whole shall be assessed the equivalent of four (4) regular assessments. If a Commercial Lot consists of 2,400 square feet, the Owner of that Commercial Lot shall be responsible for the payment of 50% of the regular assessments (2,400 square feet divided by the total of 4,800 square feet). That Commercial Lot Owner would then be responsible for paying the equivalent of two (2) regular assessments (50% of four (4) equals two (2) regular assessments).

For the purpose of determining the amount of Lots and Units in a calculation of the regular assessment under subsection 9.6.1 above, the Board shall add the number of regular assessments attributed to the Commercial Property to the total number of Lots and Units within the Project. Regular assessments for Commercial Property may be collected directly by the Board.

9.6.3. Frequency of Regular Assessments

The Association may collect the regular assessment on an annual basis, semi-annual basis, quarterly basis, or monthly basis. Written notice of the regular assessment amount and payment schedule shall be sent to Members, or Owners of Commercial Lots, if applicable, at least 30 days

in advance of the beginning of the fiscal year for which the regular assessment will be due. Apart from the initial notice of regular assessments, the Association is not obligated to send periodic invoices for regular assessments. If the Board fails to fix a regular assessment, the amount of the last regular assessment and payment schedule will continue in effect.

9.7. Special Assessment

The Association may levy a special assessment for the purpose of defraying in whole or in part the cost of any construction, reconstruction, maintenance, repair, or replacement of the Common Areas.

9.8. Emergency Assessment

If the regular assessments are inadequate to pay the Common Expenses, the Board shall determine the amount of the shortfall. Once the amount of the shortfall is determined, the Board shall adopt a supplemental budget. The Association may levy an emergency assessment to fund the supplemental budget.

9.9. Individual Assessment

Any expenses attributable to less than all the Members or Owners may be assessed exclusively against the affected Members or Owners. Individual assessments include, without limitation:

- 9.9.1. Assessments levied against a Member or Owner to reimburse the Association for costs incurred in correcting a violation of the Governing Documents;
- 9.9.2. Fines, late fees, interest, collection costs (including attorney's fees);
- 9.9.3. Services provided to a Member or Owner due to the Member's or Owner's failure to maintain; for emergency repairs; or repairs to protect the health, safety, and welfare of adjoining Units, Lots, or Common Areas;
- 9.9.4. Reinvestment or transfer fees in an amount determined by the Board up to ½% of the sale price of the Unit or Lot, which amount is due at the time a Unit or Lot is sold;
- 9.9.5. Move-in fees; and
- 9.9.6. Any charge described as an individual assessment by the Governing Documents.

9.10. Apportionment of Assessments

Regular, special, and emergency assessments will be apportioned among all Members based upon each Member's share of the total number of Lots and Units located within the Project as detailed in Section 9.6 above. Individual assessments shall be apportioned exclusively to the Members or Owners benefitted or affected.

9.11. Nonpayment of Assessment

Assessments not paid within 30 days after the due date established by the Board will be late and subject to interest at 18% per annum on any delinquent balance. Monthly late fees may be charged in an amount to be determined by the Board. If a Member or Owner has a delinquent assessment balance, the Association may suspend their right to vote.

9.12. Application of Partial Payments

Partial payments shall be credited first to collection costs (including attorney's fees), then to interest and late fees, then to the oldest assessments, then the most recent assessments.

9.13. Acceleration

If a Member or Owner fails to pay their assessments for 61 days or more, the Board may elect to accelerate the remainder of the Assessments due that year.

9.14. Collection of Rent from Tenant

If an Owner rents their Lot or Unit and fails to pay their Assessment, the Association may demand the tenants to pay the Association any rent owed to the Owner. Payment of rent to the Association shall not be a violation of the lease by the tenant.

9.15. Lien for Assessment

All assessments, late fees, interest, and collection costs (including attorney's fees) not timely paid shall be a charge and continuing lien upon each Lot or Unit against which the assessment is made. The Association shall file a notice of lien with the county recorder as evidence of non-payment.

9.16. Enforcement of Lien

Without waiving its right to personally pursue an Owner for unpaid assessments, the Association may foreclose its lien in the same manner as deeds of trust, mortgages, or any other manner permitted by Utah law.

9.17. Subordination of Lien

A lien for assessments shall be subordinate to a first mortgage now or hereafter placed upon a Lot or Unit. The sale of a Lot or Unit pursuant to foreclosure of a first mortgage shall extinguish the lien for assessments which became due prior to the foreclosure sale. A foreclosure will not relieve the purchaser's obligation to pay six months of assessments, late fees, and penalties.

10.**INSURANCE****10.1. Types of Insurance Maintained by the Association**

10.1.1. Property and liability insurance for the Common Areas;

10.1.2. Directors and officers for at least \$1,000,000.00; and

10.1.3. Fidelity bond or dishonest acts insurance for at least the value of the reserves and operating capital of the Association.

The Board may adopt insurance rules and policies to maintain the insurability of the Project, keep the premiums reasonable, and enforce responsibilities of the Members and Owners.

10.2. Insurance Company

The Association shall use an insurance company knowledgeable with condominium insurance, which is qualified to issue insurance policies in Utah.

10.3. Premium as Common Expense

The premiums for the Association's insurance policies shall be a Common Expense.

10.4. Insurance by Members

Members of Neighborhood Associations shall maintain insurance as required by their respective Neighborhood Association declarations.

10.5. Insurance by Owner

Owners within Neighborhood Associations shall obtain insurance for personal property, contents, and personal liability. Owners shall also obtain loss assessment and dwelling coverage in the amount of their Neighborhood Association's deductible. Owners of Commercial Lots shall obtain all insurance required by law.

10.6. Payment of Deductible

The deductible on a claim made against an Association policy shall be allocated amongst the parties to the loss by applying the damage percentage suffered by a party to the amount of the deductible. If a party does not pay its share of the deductible within 30-days upon demand by the Association, the Association may levy an individual assessment for that amount.

10.7. Right to Adjust Claims

The Association has the right and authority to adjust claims.

11. DAMAGE, DESTRUCTION, CONDEMNATION**11.1. Damage or Destruction**

If part or all of the Association's Common Areas are damaged or destroyed, the following procedures apply:

11.1.1.If insurance proceeds are sufficient to repair or reconstruct the improvements, the improvements shall be repaired or reconstructed as quickly as possible;

11.1.2.If insurance proceeds are insufficient to repair or reconstruct the improvements and less than 75% of the Association's Common Areas are destroyed or damaged, repair or reconstruction shall be carried out. If necessary, the Board may levy an Individual Assessment against the affected Members and Owners.

11.1.3.If insurance proceeds are insufficient to repair or reconstruct the improvements and more than 75% of the Association's Common Areas are destroyed or damaged, the Association must conduct a vote of the Owners within 100 days.

11.1.3.1. If 75% of the Owners approve the repair or reconstruction of the Association's Common Areas, it shall be carried out. If necessary and in compliance with the Declaration, the Board may levy a Special Assessment to fund the repair and reconstruction.

11.1.3.2. If fewer than 75% of the Owners approve the repair or reconstruction, the Board shall record, with the county recorder, a notice setting forth such facts. Upon recording of the notice, the Association shall distribute the insurance proceeds attributable to the damaged Common Areas that are not rebuilt as follows: first, to any lien holder in the amount of the lien, and second, to the Members in proportion to their percentage of the total Lots and Units as detailed in Section 9.6 above.

11.1.4.Any required repair or reconstruction shall be accomplished at the direction of the Board. Determinations about the extent of damage or destruction shall be made by three qualified appraisers. The Board will select the appraisers. The decision of any two appraisers shall be conclusive.

11.2. Damage caused by Owner or Member

Each Owner and Member is liable for any damage they or their guests, employees, invitees, agents, or assigns cause to the Common Areas. The Association shall repair the damage to substantially the same condition as it existed prior to the damage. The Owner or Member shall reimburse the Association for the cost of repair. The cost of repair shall be collected as an Individual Assessment.

11.3. Condemnation

The Board shall represent all Members and the Association in any condemnation proceeding for Common Areas. Any proceeds from a condemnation proceeding for Common Areas shall be payable to the Association. The Association will use any condemnation proceeds for the benefit of the Member.

12. DEVELOPMENT OF PROJECT**12.1. Development of Project in Accordance with Master Plan**

Declarant's intent (without obligation) is that the Project be developed and used in accordance with the Master Plan. Declarant reserves the right to amend and to seek approval of any amendment to the Master Plan as it effects the Project and upon any such amendment, the Project shall be developed in accordance with the Master Plan as so amended.

12.2. Phases of Development

With the exception of all Single Family Lots and Commercial Property, the builder-developer, as Declarant for the Neighborhood Association, shall record a Neighborhood Declaration as any other portion of the Project is developed in regards to such portion or an amendment or supplement to an existing Neighborhood Declaration annexing such portion into an existing Neighborhood Declaration and corresponding Neighborhood Association. All Neighborhood Declarations shall be subject to this Master Declaration and shall incorporate this Master Declaration therein by reference. Neighborhood Declarations shall designate the areas affected and may impose such further or more restrictive conditions, covenants, restrictions, land uses and limitations as Declarant may deem advisable, taking into account the particular requirements of each phase. The inclusion in any Neighborhood Declaration of conditions, restrictions, covenants, land uses and limitations which are more restrictive or more inclusive than the restrictions contained in this Master Declaration shall not be deemed to constitute a conflict with the provisions of this Master Declaration. A Neighborhood Declaration for each phase of development of the Project shall provide for the establishment of a Neighborhood Association, with all Owners within the phase of development to be members of such Neighborhood Association. As each phase of development is developed, title to and control over the common area within the phase of development intended to be owned and controlled by the Neighborhood Association if any, shall be transferred to the Neighborhood Association in accordance with the provisions of the Neighborhood Declaration. For all Single Family Lots and Commercial Property, it is intended that no Neighborhood Declaration shall be recorded as this Master Declaration shall function as the primary governing document.

12.3. Designation and Conveyance of MHOA

Declarant will dedicate and/or convey to the MHOA fee title to the portion of Common Area set out in the Master Plan as Common Area unless such Common Area is designated as public property or unless Declarant and Payson City (the "City") hereafter mutually determine that it is in the best interest of the Project and the City to change the designation of all or a portion of the Common Area to be public property, in which event, Declarant will transfer said public property

areas to the City. The MHOA shall accept title to all property conveyed to it by Declarant.

12.4. Limited Use Property

Declarant may convey Limited Common Areas to the MHOA for the common use and benefit of some but not all Members. Two or more Neighborhood Associations or another identifiable group of Members other than a single Neighborhood Association may convey to the MHOA or may enter into an agreement with the MHOA to manage common areas and facilities or amenities for the benefit and use of less than all Members of the MHOA. All of the costs associated with the ownership, operations, maintenance, repair, replacement and insurance of Limited Common Area shall be assessed against the Owners in only those Neighborhood Associations or other groups of Members committed to and benefited or served by such Limited Common Area. If Limited Common Area benefits any group of Owners other than Neighborhood Associations, a document shall be recorded which identifies Limited Common Area, Lots, and Units subject to assessment of the Limited Common Area and which contains a statement that such Lots or Units or both shall be subject to such assessment.

12.5. Commercial Property

Declarant reserves the right, without obligation, to designate certain areas within the Project for commercial use. If any portion of the Project is designated by the Declarant for commercial use, that portion shall be considered to be "Commercial Property" under this Declaration and will be subject to all obligations herein. Within one year of the completion of development of the Commercial Property, Declarant has the authority, but not the obligation, to unilaterally amend this Declaration as necessary for the purpose of accommodating the Commercial Property and further defining its obligations under this Declaration. Declarant's authority to amend the Declaration under this provision is intended to survive Turnover.

12.6. Withdrawal of Property

Declarant, or its successor, reserves the right to unilaterally amend this Declaration to withdraw any of the Property not theretofore included in a phase of development or conveyed to the Master Association for the purpose of including the withdrawn property from the provisions of this Master Declaration so long as the Master Plan is also amended to include the land to be withdrawn.

13. DECLARANT RIGHTS

13.1. Administrative Control of Association

Declarant shall assume full administrative control of the MHOA until Turnover.

Turnover shall occur at a meeting to be held at the Declarant's option and sole discretion but shall not be held later than three (3) months from the later of the date the last Lot to be developed in the Project is sold or the last Unit to be developed in the Project is sold.

Declarant may elect to relinquish control of the MHOA at an earlier time by written notice to Owners and the Turnover meeting shall be held within ninety (90) days of such notice.

13.2. Other Rights

In addition to any other rights under the Governing Documents, as long as Declarant owns at least one Lot or at least one Unit within the Project, Declarant:

- 13.2.1. *Sales Office and Model.* Shall have the right to maintain a sales office and model on one or more of the Lots that Declarant owns. Declarant and prospective purchasers and their agents shall have the right to use and occupy the sales office and models during reasonable hours any day of the week.
- 13.2.2. *"For Sale" Signs.* May maintain a reasonable number of "For Sale" signs, the size of which may be determined by Declarant, at reasonable locations within the Project, including without limitation, the Common Area.
- 13.2.3. *Declarant Exemption.* Unless specifically and expressly bound by a provision of the Governing Documents, Declarant shall be exempt from the provisions of the Governing Documents.

13.3. Easements Reserved to Declarant

- 13.3.1. The reservation to Declarant, its successors and assigns, of non-exclusive easements and rights of way over those strips or parcels of land designated or to be designated on the Map as "public utility easement," or otherwise designated as an easement area over any road or Common Area on the Project, and over those strips of land running along the front, rear, side and other Lot lines of each Lot shown on the Map.
- 13.3.2. An easement for the installation, construction, maintenance, reconstruction and repair of public and private utilities to serve the Project and the Lots or Units or both therein, including but not limited to the mains, conduits, lines, meters and other facilities for water, storm sewer, sanitary sewer, gas, electric, telephone, cable television, and other public or private services or utilities deemed by Declarant necessary or advisable to provide service to any Lot or Unit or both, or in the area or on the area in which the same is located.
- 13.3.3. An easement granting the privilege of entering upon the Common Area for such purposes and making openings and excavations thereon, which openings and excavations shall be restored in a reasonable period of time, and for such alterations of the contour of the land as may be necessary or desirable to affect such purposes.
- 13.3.4. The reservation to Declarant and its successors and assigns, of a non-exclusive easement and right-of-way in, through, over and across the Common Area for the purpose of the storage of building supplies and materials, and for all other purposes reasonably related to the completion of construction and development of the Project and the provision of utility services, and related services and facilities.
- 13.3.5. The Declarant further reserves unto itself, and its successors and assigns, the right to grant easements, rights-of-way and licenses to any person, individual, corporate body or municipality, to install and maintain pipelines, underground or above-ground lines, with the appurtenances necessary thereto for public utilities, or quasi-public utilities or to grant such other licenses or permits as the Declarant may deem necessary for the improvement of the Project in, over, through, upon and across any and all of the roads, streets, avenues, alleys, and open space and in, over, through, upon and across each and every Lot and Unit in any easement area set forth in this Declaration or as shown on a Map.
- 13.3.6. The Declarant further reserves unto itself and its successors and assigns, the right to dedicate all of said roads, streets, alleys, rights of way or easements, including easements in the areas designated as "open space" and storm water management reservation, to public use all as shown on a Map. No road, street, avenue, alley, right of way or

easement shall be laid out or constructed through or across any Lot or Unit in the Project except as set forth in this Declaration, or as laid down and shown on a Map, without the prior written approval of the Board.

13.3.7. Declarant further reserves unto itself and its successors and assigns, the right at or after the time of grading of any street or any part thereof for any purpose, to enter upon any abutting Lot and grade a portion of such Lot adjacent to such street, provided such grading does not materially interfere with the use or occupancy of any structure built on such Lot, but Declarant shall not be under any obligation or duty to do such grading or to maintain any slope.

13.3.8. Declarant further reserves unto itself, for itself and any builder and their successors and assigns, the right, notwithstanding any other provision of the Declaration, to use any and all portions of the Project other than those Lots or Units conveyed to Owners, including any Common Area which may have previously been conveyed to the Association, for all purposes necessary or appropriate to the full and final completion of construction of the Project.

14.

MISCELLANEOUS

14.1. Amendment of Master Declaration

In order to amend the Master Declaration, 67% or more of the Owners in the Project must approve such amendment. However, the Board may amend without Owner approval, to correct misspellings, grammar, or to comply with changes in the loan underwriting guidelines, if failure to comply would disqualify any portion of the Project from financing eligibility.

Further, for so long as Class B Membership exists, the written consent of Declarant is required for any amendment to the Master Declaration.

Notwithstanding anything in this Master Declaration, for so long as Declarant continues to own any part of the Project (including but not limited to any Additional Land), Declarant has the unilateral right to amend this Master Declaration.

14.2. Votes without a Meeting

The Association may collect votes without a meeting as outlined in the Bylaws.

14.3. Service of Process

The registered agent of the Association will be the Person named in the corporate records on file with the Utah State Department of Commerce.

If the corporate status of the Association expires, the president shall be the successor agent. The name and address of the president shall be kept with the Association's records at its principal place of business.

14.4. Covenants Run with the Land

The Declaration contains covenants which run with the land and create equitable servitudes. The Declaration shall be binding upon and inure to the benefit of the Association, all parties who hereafter acquire any interest in or occupy a Unit or any part of the Project, their heirs, successors, assigns, grantees, devisees, personal representatives, guests, and invitees. Each Owner, Resident, or tenant shall comply with the Governing Documents. All interests in the Lots and Units shall be subject to the Governing Documents. Failure to comply shall be grounds for an action for damages or injunctive relief by the Association or an Owner. By acquiring any interest

in a Lot or Unit, each Owner, Resident, or tenant agrees to be bound by the Governing Documents.

14.5. Severability

If any provision of the Declaration is determined to be invalid or unenforceable, it shall not affect the remaining provisions of the Declaration.

14.6. Waiver

No provision of the Declaration shall be waived or abrogated by reason of a failure to enforce it.

14.7. Gender

The use of one gender shall be deemed to refer to all genders. The use of the singular shall be deemed to refer to the plural and vice versa.

14.8. Headings

The headings are for reference only and not to describe, interpret, limit, extend or affect the content of the Declaration.

14.9. Conflicts

If the Master Declaration conflicts with a Neighborhood declaration, the Master Declaration shall control. If the Master Declaration conflicts with the Map, the Master Declaration shall control. If the Master Declaration conflicts with the Bylaws, Articles, or rules, the Master Declaration shall control.

14.10. Effective Date

The Declaration and any amendments take effect upon recording in the Utah County Recorder's Office.

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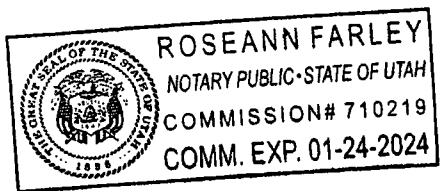
IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed by its duly authorized agent.

DATED: Aug. 18, 2021

By: Terry C. Harward
Arrowhead Partners, LLC - manager

STATE OF UTAH)
County of Wasatch) :ss.

On this 18th day of August, 2021, personally appeared before me Terry C. Harward who being by me duly sworn, did say that they are the agent of Declarant authorized to execute this Declaration and did certify that this Declaration was approved by Declarant's members.



[Signature]
NOTARY PUBLIC

Exhibit A

Legal Description

ARROWHEAD OVERALL PROJECT BOUNDARY

(8-11-2021)

A portion of Sections 3 & 4, Township 9 South, Range 2 East, Salt Lake Base & Meridian, located in Payson, Utah, more particularly described as follows:

Beginning at the Northwest Corner of Section 3, Township 9 South, Range 2 East Salt Lake Base & Meridian (basis of bearing: S0°28'54"E along the section line from said Northwest Corner to the West Quarter Corner of Section 3); thence N89°49'34"E along a fence line 980.41 feet to the westerly side of 2200 West; thence S7°04'00"E along a fence line 1063.90 feet; thence S6°58'00"E along a fence line and extension thereof 971.20 feet to the northwesterly side of Arrowhead Trail Road; thence S43°19'00"W along the extension of and along a fence line 877.83 feet to a fence corner; thence S89°48'18"W along a fence line 604.53 feet to the West Quarter Corner of said Section 3, located S0°28'54"E 2657.71 feet from the Northwest Corner of Said Section; thence S0°27'14"E along a fence line 165.93 feet; thence N87°04'48"W along a fence line 799.76 feet; thence N5°22'00"E along a fence line 17.79 feet; thence N11°47'00"E along a fence line 2213.29 feet; thence N29°07'00"E along a fence line 10.36 feet; thence N3°30'00"E along a fence line 38.31 feet; thence N0°38'00"E along a fence line 550.00 feet; thence N89°46'48"E along a fence line 307.96 feet to the point of beginning.

Contains: ±97.09 Acres

Exhibit B

Bylaws of Arrowhead Park Master Homeowners' Association, Inc.

1. BYLAW APPLICABILITY/DEFINITIONS

1.1. Definitions

The capitalized terms used in the Bylaws shall have the same meaning given to them in the Master Declaration, unless otherwise specifically stated.

1.2. Bylaw Applicability

The provisions of these Bylaws are binding upon the Association, Members, and the Owners. All present and future Owners shall be subject to these Bylaws, as amended from time to time. Acquisition of any Unit or Lot within the Project constitutes an acknowledgment that the Owner has agreed to and ratified these Bylaws and will comply with them.

2. ASSOCIATION

2.1. Composition

All of the Members acting as a group in accordance with the Governing Documents shall constitute the Association. Except for matters specifically reserved for a vote of the Owners, administration of Association affairs shall be performed by the Board on behalf of the Members.

2.2. Annual Meeting

Annual meetings shall be held once a year. The date, time, and place of the annual meeting shall be determined by the Board. The Association shall send notice of annual meetings at least 20 days in advance of the meeting. At the annual meeting the Association shall conduct the following business:

- 2.2.1. Roll call and verification of quorum;
- 2.2.2. Approval of minutes from preceding annual meeting;
- 2.2.3. Reports of officers;
- 2.2.4. Special committee reports;
- 2.2.5. Election of directors;
- 2.2.6. Unfinished business from preceding annual meeting; and
- 2.2.7. New business.

2.3. Special Meeting

Special meetings may be held at any time for any purpose. A special meeting may be called by a majority of the Directors or upon petition of at least 60% of the Owners represented by a Member. The Association shall schedule and send notice of a special meeting within 30 days of request. The notice of a special meeting shall state the date, time, place, and purpose of the meeting. The Association shall send notice of a special meeting at least 10 days in advance of the meeting. No business may be transacted at a special meeting except as stated in the notice.

2.4. Place of Meeting

Meetings shall be held at a place designated by the Board and stated in the notice of meeting. Meetings shall be held in Utah County.

2.5. Conduct of Meeting

The President shall preside over all meetings of the Association. The Secretary shall keep the minutes of the meeting and take record of all resolutions adopted at the meeting. Meetings of the Board shall be open to Owners in accordance with the provisions of the Condominium Act and Community Association Act. Participation in Board meetings by Directors or Owners may be via electronic communication as defined by the Condominium Act and Community Association Act.

2.6. Quorum of Members

A quorum shall be the Members present in person or by proxy at a meeting. Sub-associations may establish their own quorum requirements for meetings of sub-association members.

2.7. Voting

With the exception of the Single Family Lots, each Member is entitled to one vote. Single Family Lots shall be entitled to two votes. In the cases where a vote of the Lot and Unit Owners is required under the Governing Documents, if a Unit or Lot is owned by more than one Person and multiple Owners are present at a meeting, the vote appertaining to that Unit or Lot shall be cast by agreement of a majority of the Owners. If a Unit or Lot is owned by more than one Person and a single Owner is present at a meeting, the vote appertaining to that Unit or Lot shall be cast by the Owner present. The Association may conclusively presume the consent of all Owners when a vote is cast by a Unit or Lot with multiple Owners.

In any case where the vote of the Lot and Unit Owners is required under the Governing Documents, the Board may delegate the obligation to collect and count votes from each such Owner to the individual Neighborhood Associations. For the Single Family Lots, the Board may delegate the obligation to collect and count votes to the Directors over the Single Family Lots. If applicable, the Board will be responsible for collecting votes from the Commercial Property.

Except where a greater number is required by the Governing Documents or the Nonprofit Act and elections of directors, any decision requiring Member consent shall be passed by majority vote of a quorum.

2.8. Proxies

A Member may vote or otherwise act by proxy. A Member may appoint a proxy by signing a proxy appointment form. The proxy appointment form may be submitted to the Association in person, by mail, or electronically. The proxy appointment form must name a proxy, be dated, and signed by the Member's authorized agent. Any proxy appointment form that does not contain a proxy's name, date, or signature shall be void. A proxy appointment form is valid until revoked by the Member's attendance at a meeting, a signed and dated revocation delivered to the Association, a subsequent proxy appointment, notice of death or incapacity of the Member, or the passage of 11 months.

2.9. Mail-in Ballots

Any action requiring a vote of the Members or Owners, except election of directors, may be taken by mail-in ballots. Action by mail-in ballot shall comply with the procedures set forth in Nonprofit Act Section 16-6a-709, as amended from time to time. A combination of mail-in ballots, ballots collected electronically, and ballots cast in person may be used.

2.10. Written Consent in Lieu of Vote

Any action requiring a vote of the Members or Owners, except elections of Directors, may be taken by written consent. Action by written consent shall comply with the procedures set forth in Nonprofit Act Section 16-6a-707, as amended from time to time. Written consents may be

collected electronically.

2.11. Good Standing

In any case requiring a vote of the Lot and Unit Owners under the Governing Documents, the Lot and Unit Owners must be in good standing. An Owner shall be in good standing if he has paid assessments levied against his Lot or Unit, including late fees, interest, fines, collection costs, and attorney fees, and has no reported or obvious outstanding violations of the Governing Documents. An Owner must have cured violations and paid in full at least three days prior to the meeting or action.

3. BOARD OF DIRECTORS

3.1. Number and Qualification of Directors

There shall be one Director chosen from each Neighborhood Association's board of directors and two Directors chosen from the Single Family Lots, with the total number of Directors equaling the total number of Neighborhood Associations plus two. There shall be no Director chosen from the Commercial Property.

3.2. Selection and Term of Directors

Directors chosen from Neighborhood Associations shall be selected and appointed by their respective Neighborhood Association's board of directors. Directors shall serve for as long as their Neighborhood Association's board of directors determines. There is no limit on the number of terms a Director may serve.

The Directors for the Single Family Lots shall be elected from the Owners in the Single Family Lots by the majority vote of the owners in the Single Family Lots. The Board of Directors shall be responsible for collecting votes from the owners in the Single Family Lots to determine who will serve as the Directors. The Directors for the Single Family Lots shall serve initial terms of two years each, which may be extended in one-year increments if so elected by the owners during the annual election held by the Board of Directors. There is no limit on the number of terms a Director for the Single Family Lots may serve.

3.3. Vacancies

In the event of a Director vacancy, the vacant position shall be filled in the same manner as listed in Section 3.2. For Neighborhood Associations, the board of directors for the Neighborhood Association that no longer has a Director of the Association shall select and appoint a replacement Director.

3.4. Removal of Directors

A Director may be removed with or without cause by vote of a majority of a quorum of Members. If the Members propose to remove a Director, the Association shall give the Director and Members at least 15-day written notice of the meeting and the purpose of the meeting. The Director shall be given an opportunity to be heard at the meeting prior to the vote to remove him. Once a Director has been removed by the Members, the vacancy shall be filled according to Section 3.3.

Any Director who allows his assessments to become more than 90 days past due may be removed and replaced by vote of a majority of the Board. The Board shall give the Director 10 days written notice to cure the default prior to voting to remove the Director.

3.5. Organization Meeting

The Directors shall hold a meeting following the annual owners meeting for the purpose of electing officers. Notice of the organization meeting shall be given verbally at the annual meeting. The organization meeting shall be conducted within thirty days of the annual meeting.

3.6. Regular Meetings

The Board shall hold regular meetings. The Board shall determine frequency, times, and locations of regular meetings. However, the Board shall conduct at least one regular meeting per year. Notice of regular meetings shall be given to each Director at least five days prior to the meeting.

3.7. Special Meetings

A Director may call a special meeting of the Board. Notice shall be given at least three days prior to the meeting. Notice shall state the time, place, and purpose of the meeting.

3.8. Conduct of Meetings

The President shall preside over all meetings of the Board. The Secretary shall take minutes of the Board meetings and shall make record of all resolutions.

3.9. Quorum of Directors

A majority of the Board shall constitute a quorum. A quorum shall be required to conduct business at a meeting. If less than a quorum is present at a meeting, the majority of those present may adjourn the meeting until such time as a quorum is present. Once established, a quorum will be present even if directors leave. Directors may attend a meeting telephonically. Each Director shall have one vote.

3.10. Waiver of Meeting Notice

Directors may waive notice of meetings in writing. A waiver shall be deemed equivalent to notice. Attendance of a Director at a meeting will be considered a waiver of notice, unless the Director attends to dispute notice. If all Directors are present at a meeting, notice of the meeting is waived and any business may be conducted.

3.11. Action without Meeting

Any action by the Board may be taken without a meeting if all the Directors give written consent to the action. Written consent may be given in person, by mail, or electronically. The Association shall file the written consents with its record of minutes.

3.12. Powers and Duties

The Board shall manage the affairs and business of the Association. The Board is vested with all power and authority necessary to administer the affairs of the Association in accordance with the Governing Documents. The Board may do any act required or allowed by the Governing Documents, the Condominium Act, the Community Association Act, the Nonprofit Act, or any other rule of law.

Subject to the limitations contained in the Declaration, Bylaws, the Condominium Act, or the Community Association Act, the Board shall have the following authority:

- 3.12.1. Prepare an annual budget and establish what constitutes a Common Expense;
- 3.12.2. Adopt and amend rules, regulations, policies, and procedures governing the Common Areas, administration of the Association, and to enforce and interpret the Governing Documents;
- 3.12.3. Delegate authority to a managing agent to act on behalf of the Association;
- 3.12.4. Provide for the maintenance, repair, and replacement of the Common Areas;

- 3.12.5.Hire, contract for, and terminate personnel or contractors necessary for the maintenance repair and replacement of the Common Areas and administration of Association business. Provide for the compensation of personnel. Purchase supplies, equipment, and materials for use in the Association.
- 3.12.6.Open and maintain bank accounts on behalf of the Association. Designate authorized signers for the bank accounts;
- 3.12.7.File lawsuits or initiate other legal proceedings on behalf of the Association.
- 3.12.8.Defend lawsuits, administrative actions, and other legal proceedings against the Association;
- 3.12.9.Paying costs of any services rendered to the Project or multiple Owners, but not billed to the Owners individually;
- 3.12.10.Keep books with detailed accounts of the receipts and expenditures of the Association. Make the books available to the Owners as required by the Condominium Act, the Community Association Act, and Nonprofit Act. The books shall be kept in accordance with generally accepted accounting practices. Retain an independent auditor to audit the books;
- 3.12.11.To grant easements, licenses, or permission over, under, and through the Common Areas;
- 3.12.12.Upon approval by 67% of the Owners, to convey Common Areas;
- 3.12.13.Create committees;
- 3.12.14.Any other act allowed or required by the Governing Documents, the Condominium Act, the Community Association Act, or the Nonprofit Act;
- 3.12.15.Any act allowed or required to be done in the name of the Association.

3.13. Manager

The Board may employ a manager to perform such duties and services as the Board shall authorize. The Board may delegate to the manager all powers granted to the Board and officers by the Governing Documents. However, the manager must obtain the Board's written consent to exercise the powers listed in Bylaw Sections 3.12.2, 3.12.6, 3.12.7, 3.12.8, 3.12.11, 3.12.12. The manager appointed by the Board shall serve as the manager for all Neighborhood Associations, Single Family Lots, and Commercial Property.

3.14. Compensation

Directors shall not be compensated for their work as a Director. However, they may seek reimbursement for actual costs and mileage incurred during their service.

3.15. Limitation of Liability

The Directors shall not be liable to the Owners for any mistake of judgment, negligence, or other errors, unless it was by willful misconduct or criminal conduct. The Association shall indemnify and hold the Directors harmless against liability to third parties for actions taken on behalf of the Association, while acting in their capacity as Director, unless the action constitutes willful misconduct or criminal conduct.

4.

OFFICERS

4.1. Election and Term of Officers

The officers of the Association shall be elected by the Board. Officers shall serve one year terms and shall serve until their successor is elected.

4.2. Removal of Officers

The Board may remove any officer with or without cause by affirmative vote of a majority of a

quorum of the Board. If an officer is removed, the Board shall replace them.

4.3. Offices

The Association officers shall be president, vice president, secretary, and treasurer. The Board may appoint assistant officers as it may deem necessary. Except for the president, the same person may hold two offices.

4.3.1. President

The president shall be the chief executive officer. He shall preside at meetings of the Association and the Board. He shall be an unofficial member of all committees. He shall have general and active management of Association business. He shall see that all resolutions and policies of the Association are executed.

4.3.2. Vice President

The vice president shall perform the duties and exercise the powers of the president in the absence or disability of the president. If the president and vice president are unable to act, the Board shall appoint a Director to fulfill the duties on an interim basis.

4.3.3. Secretary

The secretary shall attend all meetings and take minutes thereof. He shall also make record of all resolutions, rules, policies, and procedures. He shall give or cause to be given notice of all meetings. He shall compile or cause to be compiled a complete list of the owners and their contact information.

4.3.4. Treasurer

The treasurer shall oversee the finances of the Association. He shall be responsible to ensure that the Association has full and accurate records of income and expenses. He shall give financial reports at regular Board meetings and the annual Owners' meeting.

4.4. Delegation of Duties

The Association officers may delegate any of their duties to a manager or to committee. However, the officers shall be responsible to oversee and ensure that the duties so delegated are being properly discharged.

4.5. Compensation

Officers shall not be compensated for their work. However, they may seek reimbursement for actual costs and mileage incurred during their service.

5.

NOTICE

5.1. Manner of Notice

All notices and other communications required under the Governing Documents shall be in writing.

5.1.1. Notices to Owners will be provided by electronic means, including but not limited to, text messages, e-mail, or the Association's website. Notices will be delivered to the last-known contact information provided to the Association by an Owner. If an Owner desires to receive communication by any other method, a written request for the alternate method of notice must be submitted to the Board and must specify the alternate method.

5.1.2. Notice to the Association may be delivered by the following methods:

5.1.2.1. By facsimile, electronic mail, or any other electronic means to the Associations official electronic contact as designated in writing to the Owners; or

5.1.2.2. By professional courier service or First-class U.S. mail, postage prepaid, to the principal office of the Association as designated in writing to the Owners.

5.1.3. Notices sent via courier or mail shall be deemed received 3 days after being sent. Notices hand delivered or sent via electronic means shall be deemed received upon delivery or being sent.

5.2. Waiver of Notice

Whenever any notice is required under the Governing Documents, the Condominium Act, the Community Association Act, or the Nonprofit Act, an owner may waive notice in writing. The waiver may be signed before or after the time for notice. A waiver of notice shall be equivalent to notice.

5.3. Owner Duty to Update Contact Information

All Owners shall provide their Neighborhood Association with contact information including name of the Owners on title and each Owner's mailing address, email address, and phone number. Owners of Single Family Lots and Commercial Lots shall provide this Association with up to date contact information including name of the Owners on title and each Owner's mailing address, email address, and phone number. If any of this information changes, the Owner shall provide prompt notice to the Association or Neighborhood Association of the change and the new contact information.

6. FINANCES

6.1. Fiscal Year

The fiscal year of the Association shall be the calendar year.

6.2. Checks, Agreements, Contracts

All checks over \$2,000.00, whether paper or electronic, shall be executed by one Director and the manager, if any. Alternately, if no manager is employed by the Association, all checks over \$2,000.00, whether paper or electronic, shall be executed by two Directors. All checks under \$2,000.00 may be executed by the manager, if any, or by one Director.

Aside from checks as discussed above, all contracts deeds, leases, and other instruments used for expenditures or obligations over \$500.00 shall be executed by two Directors, or, if a manager is hired by the Association, by one Director and the manager. All such instruments for expenditures or obligations of \$500.00 or less may be executed by one Director or by the manager in the event a manager is employed by the Association.

The execution of checks, contracts, deeds, leases, and other instruments used for expenditures or obligations shall only be done subject to majority approval by the Board.

6.3. Availability of Records

Association financial records shall be available as provided by the Condominium Act, the Community Association Act, and Nonprofit Act.

7. AMENDMENT TO BYLAWS

7.1. Amendments

These Bylaws may be amended by the Board unless it would result in changing the rights, privileges, preferences, restrictions, or conditions of a membership class as to voting, dissolution, redemption, or transfer by changing the rights, privileges, preferences, restrictions, or conditions of another class. These Bylaws may also be amended by a majority vote of the Owners.

7.2. Recording

Any amendment to these Bylaws shall become effective on the date it is recorded in the Utah County Recorder's Office.

8. MISCELLANEOUS

8.1. Office

The principal office of the Association shall be located at any place within the State of Utah which may be designated from time to time by the Board.

8.2. Conflicts

The Bylaws are subordinate to any conflicting provisions in the Condominium Act, the Community Association Act, the Nonprofit Act, the Articles, the Map, or the Declaration. The Bylaws are superior to the rules, regulations, and policies of the Association.

8.3. Severability

If any provision of these Bylaws is held by a court of law to be invalid, the validity of the remainder of these Bylaws shall not be affected.

8.4. Waiver

No provision of these Bylaws shall be deemed to be waived because of a failure to enforce the provision.

8.5. Captions

The captions contained in these Bylaws are for convenience only. The captions shall not be used to interpret, limit, or enlarge the provisions of these Bylaws.

8.6. Gender, etc.

Whenever the context so requires, the singular shall include the plural and vice versa. The use of any gender shall include all genders.

IN WITNESS WHEREOF, the Declarant has caused these Bylaws to be executed by its duly authorized agent.

DATED: 8/18/21

By: Terry C. Harward

STATE OF UTAH)
County of Utah) :ss.

On this 18th day of August, 2021, personally appeared before me Terry C. Harward who being by me duly sworn, did say that they are the agent of Declarant authorized to execute these Bylaws and did certify that these Bylaws were approved by Declarant's members.

Roseann Farley
NOTARY PUBLIC

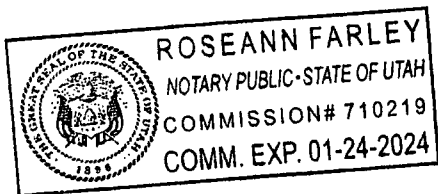


Exhibit C

ADDITIONAL COVENANTS, CONDITIONS, AND RESTRICTIONS FOR SINGLE FAMILY LOTS

The following set of Additional Covenants, Conditions, and Restrictions apply only to the Single Family Lots as defined under Section 1.25 of the Master Declaration of Covenants, Conditions, and Restrictions of Arrowhead Park Master Homeowners' Association, Inc. ("Master Declaration"), to which this document is attached as Exhibit C. All terms and obligations contained herein are intended to act as a supplement to the terms and obligations contained in the Master Declaration.

1. PROPERTY AND USE RIGHTS IN COMMON AREA

1.1. Right of Enjoyment

1.1.1. The Project will have Common Areas as described in the Master Declaration. Every Owner within the Association shall have a non-exclusive right and easement for the use, benefit and enjoyment in and to all Common Areas held by the MHOA, and such nonexclusive right and easement shall be appurtenant to and shall pass with the title to every Single Family Lot, subject to the restrictions herein set forth.

1.1.2. No portion of the Common Areas held by the MHOA may be used exclusively by any Owner or Owners for personal gardens, storage facilities, or for any other purpose.

1.2. Delegation of Right of Use

Any Owner within the Association may delegate its rights to the use and enjoyment of the Common Area to Residents, all subject to such reasonable rules and regulations which the Association may adopt.

1.3. Compliance with Covenants and Restrictions and Rules and Regulations

Each Owner and Resident shall comply with the covenants and restrictions imposed by the Declaration on the use and enjoyment of the Common Area held by the MHOA. Further, each Owner and Resident shall fully and faithfully comply with the rules, regulations and restrictions applicable to use of the Common Area, as such rules, regulations and restrictions are from time to time adopted by the Association for the safety, care, maintenance, good order and cleanliness of the Common Area.

2. MAINTENANCE

2.1. Owner Responsibility

All maintenance, repair, and replacements of Single Family Lots, and improvements on such Single Family Lots, shall be the sole responsibility of the Owner thereof, who shall maintain such Single Family Lot in good repair and in accordance with the Governing Documents. Single Family Lots shall be maintained in order to protect and preserve the health, safety, and welfare of the other Lots, Units, and Common Areas.

3. RESTRICTIONS ON USE

3.1. Use of Single Family Lots - Residential Use

Each of the Single Family Lots is limited to single-Family, residential use only. The use is further defined by Payson City zoning code. Each Single Family Lot Owner is subject to the uses and restrictions imposed by such restrictions (including any parking restrictions).

3.2. Nuisances

No Resident shall create, maintain or permit a nuisance in, on or about the Project. For purposes of this section a "nuisance" includes behavior which annoys, disturbs or interferes with other Residents and interferes with their right to the quiet and peaceful enjoyment of their property. A nuisance includes, but is not limited to, the following:

- 3.2.1. The development of any unclean, unhealthy, unsightly, or unkempt condition on, in or about a Lot, Unit, or the Common Areas;
- 3.2.2. The storage of any item, property or thing that will cause any Lot, Unit, or the Common Areas to appear to be in an unclean or untidy condition or that will be noxious to the senses;
- 3.2.3. The accumulation of rubbish, unsightly debris, garbage, equipment, or other things or materials so as to constitute an eyesore as reasonably determined by the Board or the Association;
- 3.2.4. The storage of any substance, thing or material upon any Lot, Unit, or in the Common Areas that will emit any foul, unpleasant or noxious odors, or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the other residents at the Project;
- 3.2.5. The creation or maintenance of any noxious or offensive condition or activity in or about any Lot, Unit, or the Common Areas;
- 3.2.6. Actions or activities tending to cause embarrassment, discomfort, annoyance, distress or a disturbance to any other residents, their guests or invites, particularly if the police or sheriff must be called to restore order;
- 3.2.7. Maintaining any plants, animals, devices or items, instruments, equipment, machinery, fixtures, or things of any sort whose activities or existence in any way is illegal, noxious, dangerous, unsightly, unpleasant, or of a nature that diminishes or destroys the enjoyment of the community by other residents, their guests or invites;
- 3.2.8. Excessive noise in, on, or about any Lot, Unit, or the Common Areas, especially after 10:00 p.m. and before 7:00 a.m.;
- 3.2.9. Excessive traffic in, on, or about any Lot, Unit, or the Common Areas, especially after 10:00 p.m. and before 7:00 a.m.;
- 3.2.10. Allowing a pet to be unleashed while outside of the Single Family Lot;
- 3.2.11. Continuous barking, meowing, or other animal noises;

- 3.2.12. Allowing an animal to defecate in the Common Areas without failing to immediately clean up any such feces;
- 3.2.13. Flying of drones or unmanned aircraft by Residents in or above any Lot, Unit, or Common Area;
- 3.2.14. Storing trash receptacles within view of the street or keeping them curbside longer than 24-hours from trash pick-up;
- 3.2.15. Any other activity defined as nuisance under Utah law.

3.3. Signs

No signs shall be erected or maintained in the Common Areas without the prior written consent of the Board. Without restricting an Owner's right to display political, religious, and holiday signs, the Board may adopt rules and regulations regarding the display of any signs in the Project. The foregoing notwithstanding, for sale signs no larger than three feet by two feet (3' x 2') may be placed on a Single Family Lot by the Owner of said Single Family Lot.

3.4. Animals

No animals, livestock, birds, insects, reptiles or poultry of any kind shall be raised, bred, or kept on Single Family Lot except for domesticated dogs, cats, birds, and fish, and only then in accordance with animal rules adopted by the Board and in accordance with Payson City code. Such permitted animals shall be allowed as long as said animals do not unreasonably bother or constitute a nuisance to others, and provided such animals are kept in compliance with the rules and regulations of the Association.

If an animal owner violates any of the animal rules and regulations, the Board shall have the express authority to issue citations or levy assessments, and collect these by judgment, lien or foreclosure. In the event of a violation of this provision or the rules (if any) pertaining to animals and/or animal owners, the Board may require that the Owner or Resident remove their animal from the Project.

3.5. Storage and Parking of Vehicles

The driving, parking, standing and storing of motor vehicles in, on or about the Project shall be subject to any parking rules and regulations as adopted by the Board from time to time.

3.6. Aerials, Antennas, and Satellite Dishes

Aerials, antennas, and satellite dishes larger than one meter in diameter are prohibited. Aerials, antennas, and satellite dishes may not be installed on Common Areas. One antenna or satellite dish smaller than one meter in diameter may be installed within the Single Family Lot. The Association may create policies to create a hierarchy of preferred installation locations to protect the aesthetics of the Project. The hierarchy of preferred installation locations may not interfere with reception.

3.7. Timeshares

Timeshares and time-sharing of Single Family Lots is prohibited, and under no circumstances shall any Single Family Lot be owned or used for time sharing, including but not limited to a "Timeshare Interest" as that term is defined in Utah Code Ann. § 57-19-2(27), as amended.

3.8. Firearms and Projectile Weapons

The use of firearms, airsoft guns, BB guns, pellet guns, archery equipment, or any other projec-

tile weapon, however powered, is prohibited.

3.9. Leases

Leases shall be subject to the following restrictions:

- 3.9.1. The leasing of a Single Family Lot shall comply with this Section. "Leasing" means granting the right to use or occupy a Single Family Lot to a non-owner while no Owner occupies the Single Family Lot as their primary residence.
- 3.9.2. All leases and lessees shall be subject to the provisions of the MHOA Governing Documents. Any Owner who leases their Single Family Lot shall be responsible for assuring the occupants' compliance with the MHOA Governing Documents.
- 3.9.3. Lease Agreements – Required Terms. Unless otherwise approved by the Board, all lease agreements shall be in writing. All Owners shall use and provide the Board with a copy of a written lease agreement. All lease agreements shall contain terms subjecting the occupant to the terms, conditions, and restrictions of the Governing Documents, as amended from time to time. The Owner shall provide the tenant with a copy of the Governing Documents. In the event the Governing Documents are amended, revised, changed, or supplemented by the Association, the Owner shall provide the tenant with a copy of the amendments, revisions, changes, or supplements within 10 calendar days of adoption.
- 3.9.4. Any Owner leasing their Single Family Lot must comply with current laws and ordinances regarding renting, including but not limited to, business licensing regulations.
- 3.9.5. Failure to Take Legal Action. Failure by an Owner to take legal action against their occupant who is in violation of the Governing Documents within 10 days after delivery of written demand to so do from the Board, shall entitle the Association to take any and all action for and in behalf of said Owner including, the institution of legal proceedings on behalf of such Owner against his or her occupant for eviction, injunctive relief, or damages. Neither the Association nor its agents shall be liable to the Owner or occupant for any legal action commenced under this paragraph that is made in good faith. The Owner hereby appoints the Board as his or her attorney in fact to take any action authorized by this provision as if the Owner was performing it.
- 3.9.6. Recovery of Costs and Attorney Fees; Owner Liable. The Association shall be entitled to recover from the offending Owner its costs and attorney's fees incurred for enforcement of this Section, regardless of whether any lawsuit or other action is commenced. The Association may assess such costs and attorney's fees against the Owner and the Lot as an assessment pursuant to this Declaration. Additionally, the Owner shall be liable for all fines, assessments, or other penalties levied due to violations of their tenant. The Owner shall be personally liable for any violations caused by their tenant. Any assessments, fines or penalties levied under this Section shall be collectible as an assessment.

3.10. Repair of Buildings

No improvement upon any Single Family Lot shall be permitted to fall into disrepair, and each such improvement shall be at all times be kept in good condition and repair and adequately painted or otherwise finished.

3.11. Subdivision of Single Family Lots

No Single Family Lot shall be further subdivided or separated into smaller Lots, Units, or parcels by any Owner, and no portion less than all of any such Single Family Lot shall be conveyed or transferred by any Owner without the prior written approval of the Board. No Single Family Lot may be converted into a condominium or cooperative or other similar type of entity without the prior written approval of the Board. No further covenants, conditions restrictions or easements shall be recorded against any Single Family Lot without the written consent of the Board being evidenced on the recorded instrument containing such restrictions and without such approval such restrictions shall be null and void. No applications for rezoning, variances, or use permits shall be filed without the written approval of the Board and then only if such proposed use in compliance with the Governing Documents.

3.12. Design Guidelines

Any construction or alteration to a Single Family Lot must be done in compliance with all design guidelines and restrictions contained in the development agreement approved for that phase, if applicable. Any such guidelines and restrictions should be recorded and made available to the Single Family Lots for which they apply.

PHASES 5 and 6 Residential Design Elements.

A. Dwelling sizes:

- a. All dwellings will be two-story structures with no basements. The dwellings shall have at least 650 square feet on the main floor, and not less than a total of 1500 square feet of finished living area above the finished lot grade.
- b. Each dwelling shall contain at least an attached two-car garage that measures no less than 19 feet wide by 20 feet deep from the inside wall.
- c. The required square footage is exclusive of garage, porches, decks, and similar features.

B. Exterior requirements:

- a. In order to create a well-planned housing community, dwellings will be designed to have attractive features on the front and corner side elevations. Dwellings on corner lots will incorporate at least two types of appealing architectural features such as: multiple roofline pitches and gables, corners, window groups (defined as two or more windows serving the same room), wall articulation including insets and pop-outs, and other aesthetic treatments such as porches, decks chimneys, etc. on the street facing elevations. Side elevations that are visible from the public street shall continue the design theme incorporated on the front facade of the dwelling. The Project will contain dwellings with varying design and architecture. Dwellings with the same front facade will not be placed adjacent to one another or across the street from dwellings with the same or similar elevations.
- b. Each Dwelling shall be constructed using hard surface materials including masonry products, stone, stucco and cementitious fiber board with the exception of roofing materials, eaves, doors, windows, and other similar architectural details. If any dwelling has stucco, the builder will be required to use a combination of stone, cementitious fiber board, and stucco on the exterior facade. If a building is completed with cementitious fiber board on all sides, stucco or stone is not required. The use of metal soffit or fascia is allowed. Processed wood, aluminum, and vinyl exteriors are not permitted.

3.13. Trash Cans

Trash cans shall be stored in the garage or hidden from view behind a fence. Trash cans may be set out on the curb for trash pick-up the evening prior to trash pick-up until the evening after trash pick-up.

4. MISCELLANEOUS**4.1. Reinvestment Fee**

A reinvestment fee, pursuant to U.C.A. § 57-1-46, shall be due to the MHOA at the time a Single Family Lot is transferred or conveyed, in the amount of \$500.00. The Board may change the amount of the reinvestment fee as necessary so long as the amount does not exceed 0.5% of the total purchase price of the Single Family Lot. A Notice of Reinvestment Fee shall be recorded on the Single Family Lots which meets the statutory requirements of U.C.A. § 57-1-46.

4.2. Conflicts

This Exhibit is subordinate to any conflicting provisions, if applicable, in the Condominium Act, the Community Association Act, the Nonprofit Act, the Articles, the Map, the Master Declaration, or the Bylaws.

4.3. Severability

If any provision of this Exhibit is held by a court of law to be invalid, the validity of the remainder of Exhibit C shall not be affected.

4.4. Waiver

No provision of this Exhibit shall be deemed to be waived because of a failure to enforce the provision.

4.5. Captions

The captions contained in this Exhibit are for convenience only. The captions shall not be used to interpret, limit, or enlarge the provisions of Exhibit C.

4.6. Effective Date

This Exhibit shall become effective on the date that it is recorded with the Declaration in the Utah County Recorder's Office.

IN WITNESS WHEREOF, the Declarant has caused this Exhibit C to be executed by its duly authorized agent.

DATED: 8/19/21

By: *[Signature]*
TERRY C. HARNARD

STATE OF UTAH)
County of Utah) :ss.

On this 19th day of August, 2021, personally appeared before me Terry C Harnard who being by me duly sworn, did say that they are the agent of Declarant authorized to execute this Exhibit C and did certify that this Exhibit C was approved by Declarant's members.

[Signature]
NOTARY PUBLIC

