10

Noil to: Woodside Homes M 39 E Eagle Richter. W SUL 100 N. Salt Lake, 84054

ENT 67419:2001 PG 1 of 17
RANDALL A. COVINGTON
UTAH COUNTY RECORDER
2001 Jul 11 9:10 am FEE 66.00 BY SS
RECORDED FOR WOODSIDE HOMES

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATION OF EASEMENTS FOR

PARKSIDE PHASE 7

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATION OF EASEMENTS (the "Declaration") is made this tenth day of April, 2001 by WOODSIDE HOMES CORPORATION, a Utah corporation ("Declarant").

RECITALS

Declarant owns certain real property in the City of Lehi, in Utah County, Utah, and a portion of said property, as more particularly described in Exhibit "A" attached hereto, shall constitute the property initially covered by this Declaration ("Original Property");

NOW, THEREFORE, Declarant hereby declares that all of the Original Property, and, from the date(s) of respective annexation, all Property annexed pursuant to Article VI (collectively, "Properties") shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the following protective covenants, conditions, restrictions, reservations, easements, equitable servitudes, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of the Properties (as defined in Article I hereof). The protective covenants, conditions, restrictions, reservations, easements, and equitable servitudes set forth herein shall run with and burden the Properties and shall be binding upon all Persons having or acquiring any right, title or interest in the Properties, or any part thereof, their heirs, successors and assigns; shall inure to the benefit of every portion of the Properties and any interest therein; and shall inure to the benefit of and be binding upon, and may be enforced by, Declarant, the Association, each Owner and their respective heirs, executors and administrators, and successive owners and assigns. All Lots within this Community shall be used, improved and devoted limited exclusively to single Family residential use.

ARTICLE I DEFINITIONS

- Section 1.1 "Annexable Property" shall mean all real property described in Exhibit B of this Declaration, as amended.
- Section 1.2 "Architectural Committee" or "ARC" shall mean the architectural review committee created pursuant to Article III hereof.
- Section 1.3 "Architectural Committee Rules" shall mean the rules, if any, adopted by the Architectural Committee.

- Section 1.4 "Builder-Owner" shall mean any Owner of four (4) or more Lots of the Property and that is building homes on the Lots within the Property for the purpose of marketing such homes to third-party residential purchasers, and that is specifically designated as such by Declarant in writing.
 - Section 1.5 "City" shall mean the city, if any, in which the Properties are located.
 - Section 1.6 "County" shall mean the county in which the Properties are located.
- Section 1.7 "Family" means (a) one or more natural persons related to each other by blood or legally related to each other by marriage or adoption, or (b) a group not so related who maintain a common household in a Residence on a Lot.
- Section 1.8 "Lot" shall mean any numbered portion of a parcel of real property shown upon any recorded plat of the Property together with any improvements constructed thereon, with the exception of the areas designated as lettered tracts and areas dedicated to the public. Each Lot shall be a separate freehold estate.
- Section 1.9 "Owner" means the Person or Persons, including Declarant, holding fee simple interest of record to any Lot. The term "Owner" includes a seller under an executory contract of sale but excludes Mortgagees.
- Section 1.10 "Person" shall mean a natural individual, a corporation, or any other entity with the legal right to hold title to real property.
- Section 1.11 "Plat" shall mean the final plat map of _______, Recorded on ______, in Book ______ of Plats, Page ______, and any other plat map(s) of additional parcel(s) subsequently Recorded, as said plat map from time to time maybe amended or supplemented of record by Declarant, together with any map which may, in the future, be Recorded with respect to the Annexable Property.
- Section 1.12 "Property" or "Properties" shall mean the real, personal, or mixed property described in Recital A above which is subject to this Declaration, and all property as may be brought within this Declaration pursuant to Article VII ("Annexation") of this Declaration.
- Section 1.13 "Record," "Recorded," "Recorder," "Filed" or "Recordation" shall mean, with respect to any document, the recordation of such document in the official records of the County Recorder of the County.
- Section 1.14 "Residence" means a building located on a Lot designed and intended for use and occupancy as a residence by a single Family.

ARTICLE II USE RESTRICTIONS

- 2.1 <u>Use Restrictions</u>. The Properties shall be held, used and enjoyed subject to the following restrictions, and the exemptions of Declarant set forth in this Declaration. The Architectural Review Committee shall have no responsibility or authority to enforce the terms of this Article II except as they specifically apply to construction and improvements on Lots and approval requirements.
- 2.1.1. <u>Single Family Residence</u>. Each Lot shall be used as a residence for a single Family and for no other purpose. An Owner may rent his or her Lot to a single Family provided that the Lot is rented pursuant to a lease or rental agreement which is (a) in writing and (b) subject to all of the provisions of this Declaration.
- 2.1.2. <u>Business or Commercial Activity</u>. No part of the Properties may ever be used for any business, commercial (including auctions or similar events), manufacturing, mercantile, storage, vending or other nonresidential purposes, including without limitation any activity for which the provider is compensated or receives any consideration, regardless of whether the activity is engaged in full or part-time, generates or does not generate a profit, or requires or does not require a license; except Declarant may use any portion of the Properties for a model home site and display and sales offices. This paragraph does not preclude any of the above-described activities without external evidence thereof, provided that: (a) such activities are conducted in conformance with all applicable governmental ordinances; (b) the patrons or clientele of such activities do not visit the Lot or park automobiles or other vehicles within the Properties; (c) the existence or operation of such activities is not apparent or detectable by sight, sound or smell from outside the boundaries of the Lot; and (d) such activities are consistent with the residential character of the Properties and conform with the provisions of this Declaration.
- 2.1.3. <u>Landscaping</u>. Within twelve (12) months of the issuance of a certificate of occupancy for a home on a Lot, the Owner shall install landscaping in the front yards between the front line of the house and the sidewalk on the entire width of the lot excluding the driveway. On corner lots, landscaping shall be installed in all areas between the sidewalk and the sideline of the house between the front property line and the rear property line which are visible from the public right-of-way. Landscaping shall include at least one tree, combination of lawn, shrubs or ground cover. Ground cover may include vegetative vines, low-spreading shrubs, or annual or perennial flowering or foliage plants. Any plants or trees installed by any developer of a Lot shall be maintained by the Owner of the Lot and shall be replaced with the same kind and caliber of plant or tree at the sole expense of the Owner of the Lot within 120 days of the trees demise.
- 2.1.4. <u>Fencing</u>. No fence or other similar structure shall be erected in any required front yard of a dwelling to a height in excess of three and one-half feet; nor shall any fence or other similar structure be erected in any side or rear yard to a height in excess of six feet. Front yard shall be defined to mean any lot area in front of the house structure facing the street.
- 2.1.5 <u>Building Location</u>. No building shall be located on any lot nearer to the front and side street line than the minimum building set back lines as required by the Lehi, City Corporation.

- 2.1.6. Storage of Building Materials. No building material of any kind or character shall be placed or stored upon any lot until the owner thereof is ready to commence improvements and then the material shall be placed within the property lines of the plot upon which the improvements are to be erected, and shall not be placed in the streets or between the curb and the property line.
- 2.1.7. <u>Animal Restrictions</u>. No animals, reptiles, poultry, fish, or fowl or insects of any kind ("animals") shall be raised, bred or kept on any Lot, except that a reasonable number of dogs, cats, birds, or fish may be kept, provided that they are not kept, bred or maintained for any commercial purpose, nor in unreasonable quantities nor in violation of any applicable City or County ordinance or any other provision of the Declaration. As used in this Declaration, "unreasonable quantities" shall ordinarily mean more than three (3) pets per household.
- 2.1.8. <u>Nuisances</u>. No noxious or offensive activities may be carried on upon the Properties or on any public street abutting or visible from the Properties nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood.
- 2.1.9. <u>Signs</u>. No signs, billboards, nor advertising structures may be erected or displayed on any lots, except that a single sign, not more than 3 feet by 5 feet in size, advertising a specific unit for sale or house for rent or construction sign, may be displayed on the premises affected; provided however that Declarant may erect such signs as are deemed necessary by Declarant for its construction and marketing activities, and all such signs must be removed at such time that all the lots in the subdivision are sold.
- 2.1.10. Antennae. Owners are prohibited from installing any antennae on a Lot or on the exterior of a home for any purpose, except for: (i) an antenna that is designed to receive direct broadcast satellite service, including direct-to-home satellite service, that is one meter or less in diameter, (ii) an antenna that is designed to receive video programming service or wireless internet service, including multichannel multipoint distribution service, instructional television fixed service, and local multipoint distribution service, that is one meter or less in diameter or diagonal measurement, or (iii) an antenna that is designed to receive television broadcast signals.
- 2.1.11. <u>Trash Disposal</u>. No trash, ashes, nor any other refuse may be dumped, or thrown, or otherwise disposed of, on any portion of the Properties. All homes must subscribe to a city garbage disposal service.
- 2.1.12. <u>Temporary-type Structures</u>. No structure of a temporary character, trailer basement, tent, shack, garages, barn or other out buildings shall be used on any lot at any time as a residence, either temporary or permanently.
- 2.1.13. <u>Detached Buildings</u>. Any detached accessory building erected on the lots shall conform in design and materials with the Residence on the Lot, and in accordance with the guidelines found in this Declaration, unless a variance is approved in writing by the Architectural Review Committee.

- 2.1.14. Parking and Storage. No inoperative automobile shall be placed or remain on any lot or adjacent street for more than 48 hours. No commercial type vehicles and no trucks shall be parked or stored on the front yard setback of any lot, or within the side yard building setback on the street side of a corner lot, or on the residential street except while engaged in transportation. Semi-trucks and trailers may not be parked on the street except while loading or unloading. Trailers, mobile homes, trucks over three quarter ton capacity, boats, campers not on a truck bed, motor homes, buses, tractors and maintenance or commercial equipment of any kind shall be parked or stored behind the front yard setback in an enclosed area screened from street view. Sufficient side yard gate access should be planned and provided for in the design of the Residence to permit ingress, egress and storage of trailers and recreational type vehicles on the side and rear yards. The storage or accumulation of junk, trash, manure or other offensive or commercial materials is prohibited. Facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from view. No pads used for the storage of vehicles or other material either temporarily or permanently shall be constructed within the front yard set back requirements of a given lot. This open space shall remain unoccupied and unobstructed by building, vehicles and/or hard surfaces such as asphalt, cement and packed surface. In the event of any conflict between the provisions of this section and any city or county requirements, the more restrictive provision shall control.
- 2.1.15. <u>Maintenance</u>. Every lot, including the improvements in said tract, shall be kept in good repair and maintained by the owner thereof in a clean, safe and attractive condition.
 - 2.1.16. Fuel Storage Tanks. No tank for storage of fuel may be installed on any lot.
- 2.2 <u>Declarant and Builder-Owner Exemption</u>. Lots owned by Declarant or any "Builder-Owner" as that term is defined in Article I, shall be exempt from the provisions of this Article II, until such time as Declarant conveys title to the Lot to a purchaser, and activities of Declarant reasonably related to Declarant's development, construction, and marketing efforts, shall be exempt from the provisions of this Article II. Any exemption of a Builder-Owner shall exist only as to a specific lot or lots and the exemption shall expire as to the lot upon the issuance of a certificate of occupancy for the lot. This Section 2.2 may not be amended without Declarant's prior written consent.
- 2.3 <u>Variance</u>. Any exceptions to this provisions of Section 2.1 must be obtained by the written permission of the Owners of at least two-thirds (2/3) of the Lots within the Properties. Any variance must also be in accordance with city requirements.

ARTICLE III ARCHITECTURAL CONTROL

3.1 <u>Architectural Control</u>. Except as to construction by Declarant and affiliates and agents, no development, erection, construction, alteration, grading, addition, excavation, modification, decoration, redecoration or reconstruction of the visible exterior of any improvement, including without limitation any Residence, garage or outbuilding, or any other activity within the jurisdiction of the Architectural Review Committee pursuant to this Declaration ("Construction

- Basic Architectural Requirements. No building shall be erected, altered, placed or permitted to remain on any lot other than a single Family Residence, and is not to exceed two (2) stories in height (basement not included) and a private garage for not less than one vehicle. Onestory Residences shall have a minimum square footage of 1,000 finished square feet above ground level. Two-story Residences shall have a minimum of 1,000 square feet finished and multi-levels shall have a minimum of 1,000 finished square feet. Square footage of any style shall be measured excluding garages, porches, verandas, carports, patios, basements, porches and steps. Power and telephone lines must be run underground. Any variances from these requirements must be approved in writing by the ARC, which approval may be withheld in the ARC's sole discretion. Housing construction costs must be a minimum of \$40,000.00 excluding the costs of the lot, loan costs, and closing costs. Exterior material may be any combination of Brick, Rock, Vinyl Siding or Stucco with 70% of the exterior material being masonry product (ie. Brick, stone or stucco). The height of all Residences must be consistent with all applicable zoning and building codes.
- 3.3 Submittals to ARC. Submittals to the ARC must comply with the provisions herein. Persons submitting proposals or plans and specifications to the ARC (such Person is referred to in this Article III as the "Applicant") must obtain a dated, written receipt for such plans and specifications and furnish the ARC with the address to which further communications from the ARC to the Applicant are to be directed. Until changed by the ARC or until the automatic resignation of Declarant's representatives therefrom pursuant to Article III, whichever occurs first, the address for submittal of plans and specifications shall be Declarant's business address, c/o the Architectural Review Committee. If, at the time of submission, Declarant controls the ARC, each submission shall be accompanied by a one-time review fee of \$250 made payable to Declarant.
- 3.3.1 Preliminary Drawings. The following information shall be the minimum to be initially submitted to the ARC for approval:
 - a. A plot plan to scale of the entire proposed site with buildings located and elevation of floors shown above or below a designated point on the street.
 - b. Floor plans of each floor level to scale.
 - c. Elevations to scale of all sides of the Residence.
 - d. One major section through house.
 - e. A perspective (optional).
 - f. Specifications of all outside materials to be used on the exterior of the Residence.
 - g. The color scheme for the Residence.

- 3.3.2 Working Drawings. "Working drawings" shall be submitted to the ARC for approval. ARC acceptance is required before construction is begun. The Working Drawings shall include the following as a minimum:
 - a. Plot Plans to scale showing the entire site, building, garages, walks, drives, fences, carriage lights, retaining walls, with elevations of the existing and finished grades and contours including those at the outside corners of the buildings and at adjacent property lines and street fronts, and elevations of floors from a designated point on the street.
 - b. Detailed floor plans.
 - c. Detailed elevations, indicating all materials and showing existing and finished grades.
 - d. Detailed sections, cross and longitudinal.
 - e. Details of cornices, porches, windows, doors, garages, garden walls, steps, patios, fences, carriage lights, etc.
 - f. Specifications shall give complete descriptions of materials to be used.

 Supplement those with a notation of the colors of all materials to be used on the exterior of the Residence.
- 3.4 Approval and Disapproval. The ARC shall review and approve or disapprove all plans submitted to it for any proposed improvement, alteration, addition or other Construction Activity on the basis of satisfaction of the ARC with the grading plan; the location of the improvements on the Lot; the finished ground elevation; the color scheme, finish, design, proportions, architecture, shape, height, style, and appropriateness of proposed improvements; the effect on adjoining Lots; the materials to be used; the kinds, pitch or type of roof proposed; the planting, landscaping, size, height, or location of vegetation on a Lot; and on the basis of aesthetic considerations and the overall benefit or detriment to the Properties generally which would result from such improvement, alteration, addition or other Construction Activity. The ARC shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any proposal, plan or design from the standpoint of structural safety or conformance with building or other codes. Each Owner shall be responsible for obtaining all necessary permits and for complying with all governmental requirements. Furthermore, all plans requiring approval from Lehi City shall be approved, stamped, and signed by the ARC before being submitted to Lehi City for review.
- 3.5 No Waiver of Future Approvals. The approval of the ARC to any proposals or plans and specifications or drawings for any work done or proposed or in connection with any other matter requiring the approval and consent of the ARC shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matter whatever subsequently or additionally submitted for approval or consent.
- 3.6 <u>Time Requirements</u>. Until receipt by the ARC of all plans, specifications or other materials deemed necessary by the ARC, and the review fee (if any), the ARC may postpone review of any plans submitted for approval. Within forty-five (45) days of its receipt of all such materials, ARC approval or disapproval and the reasons therefor shall be transmitted by the ARC

to the Applicant at the address set forth in the application for approval. Any application submitted pursuant to this Article III shall be deemed approved, unless the ARC's written disapproval or a request for additional information or materials is transmitted to the Applicant within forty-five (45) days after the date of receipt by the ARC of all required materials. The ARC approval for any particular Construction Activity shall expire and the plans and specifications therefor shall be resubmitted for ARC approval pursuant to this Article III if substantial work pursuant to the approved plans and specifications is not commenced within six (6) months of the ARC's approval of such Construction Activity. All Construction Activities shall be performed as promptly and as diligently as possible and shall be completed within such reasonable period of time specified by the ARC.

- 3.7 <u>Pre-Approvals</u>. The ARC may provide for the pre-approval of certain specified types or categories of Construction Activities, provided that such pre-approved Construction Activities are implemented by the affected Owner in conformance with the standards for design, materials and other criteria established for such pre-approved Construction Activities. The ARC may from time to time adopt, supplement or amend the Architectural Rules to establish, expand, limit or otherwise modify the categories and criteria for any pre-approved Construction Activities.
- 3.8 <u>Variance</u>. The ARC may authorize variances from compliance with any of the architectural provisions of this Declaration or architectural rules adopted by the ARC, including, without limitation, restrictions on height, size, floor area, placement of structures or similar restrictions, when circumstances such as topography, natural obstructions, hardship or aesthetic or environmental considerations may require. Such variances must be in writing and must be signed and acknowledged by at least a majority of the members of the ARC. If such variances are granted, no violation of this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular property and particular provision hereof covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all laws and regulations of any governmental authority affecting the use of his Lot, including, but not limited to, zoning and building requirements of any governmental agency or entity having jurisdiction over the Properties.
- 3.9 <u>Compensation of Members</u>. The individual members of the ARC shall receive no compensation for services rendered. The ARC may require a review fee not to exceed \$250 to be paid with each submittal in order to cover the reasonable costs for review by consultants or other professionals to assist the ARC in its duties hereunder.
- 3.10 Non-Liability of ARC Members. Neither Declarant, the ARC, nor any members thereof, nor their duly authorized representatives shall be liable to any Owner for any loss, damage, or injury arising out of or in any way connected with the performance of the ARC's duties hereunder, unless due to willful misconduct. Plan and specifications approved by the ARC are not approved for (a) engineering design, (b) compliance with zoning, building and safety ordinances, codes and other applicable statutes, ordinances or governmental rules and regulations, (c) compliance with the requirements or any public utility or compliance with any easements or other agreements. By approving such plan specifications, neither the ARC, the

members thereof, nor Declarant, nor their agents, employee, attorneys or consultants assume liability responsibility therefore or for any defect or any improvement constructed as a result of such plans and specifications.

- 3.11 Members of ARC. The ARC shall consist of three (3) members. The initial members shall be representatives of Declarant. Declarant shall have the unrestricted right to appoint and remove all the members the ARC and to fill any vacancies on the ARC until the "Turnover Date," which shall be either (a) the date on which a certificate of occupancy has been issued by the relevant governmental authority for all the Lots in the Properties, or (b) the date Declarant delivers written notice of withdrawal from the ARC to a majority of the Owners, whichever occurs first. Declarant may at any time assign in writing such powers of removal and appointment to the Owners, in whole or in part, subject to such terms and conditions as Declarant may impose, if any. After the Turnover Date, the other Owners shall have the power to appoint and remove all of the members of the ARC pursuant to Section 3.12 below. With the exception of ARC members appointed by Declarant, ARC members must be Owners. On the Turnover Date, any representatives of Declarant remaining on the ARC shall be deemed to have automatically resigned from the ARC without further action of any kind and Declarant shall have no further right or obligation to participate on the ARC or enforce any of the covenants, conditions or restrictions of this Declaration.
- 3.12 <u>Election of ARC Members</u>. After the Turnover Date, appointment of any member of the ARC by the Owners shall be by election conducted as follows:
- and shall be entitled to cast one (1) vote for every Lot owned. Votes may be cast in person or by written proxy. Proxies shall be revocable and shall automatically be invalid after completion of the meeting for which the proxy was filed. In the event that more than one Person holds fee title to a Lot ("co-owners"), only one such co-owner shall be entitled to exercise the vote to which the Lot is entitled. Such co-owners may from time to time all designate in writing one of their number to vote. Fractional votes shall not be allowed. Where no voting co-owner is designated, or if such designation has been revoked, the vote for such Lot shall be exercised as the majority of the co-owners of the Lot mutually agree. No vote shall be cast for any Lot where the co-owners present in person or by proxy owning the majority interests in such Lot cannot agree to said vote or other action. The nonvoting co-owners shall be jointly and severally responsible for all of the obligations imposed upon the jointly owned Lot and shall be entitled to all other benefits of ownership.
- 3.12.2 Notice of Election. After the Turnover Date, any Owner, including Declarant whether or not Declarant is entitled to cast a vote, may call for an election meeting by (i) mailing to all Owners or (ii) posting in at least two locations within the Properties which are conspicuous and readily accessible to all Owners, a written notice specifying the date, time, location and purpose of the meeting. Such notice shall be mailed or posted at least ten (10) and not more than thirty (30) days before the meeting is to be held.

- 3.12.3 Quorum. A quorum for any such meeting shall be the presence in person or by proxy of no fewer than twenty-five percent (25%) of all Owners entitled to cast a vote ("Qualified Owners"). Absent a quorum, the Qualified Owners who are present at the noticed meeting may adjourn the meeting to a date, time and place specified prior to adjournment which is no less than five (5) and no more than thirty (30) days after the time of the noticed meeting. A quorum at such later "adjourned meeting" shall be the presence in person or by proxy of no fewer than ten percent (10%) of all Qualified Owners.
- 3.12.4 <u>Conduct of Meeting</u>. If a quorum is present at any meeting or adjourned meeting, the first item of business thereat shall be the selection of a Director of Election, who shall preside over the conduct of the meeting. The Qualified Owners shall act by majority vote of a quorum, except that members of the ARC shall be elected by plurality such that the individual receiving the highest number of votes shall be elected to fill one vacancy, the individual receiving the next highest number of votes shall be elected to fill a second vacancy (if any), and the individual receiving the next highest number of votes shall be elected to fill a third vacancy (if any).
- 3.12.5 Term of Office. The term of office of each ARC member elected pursuant to this Section 3.12 shall be two (2) years, commencing on the date of election and extending until a successor is elected as provided above. Any such ARC member may succeed himself, and there shall be no limit to the number of terms of any such member. In addition, any such ARC member may be removed from office for any reason at any time by election of the Qualified Owners noticed and conducted pursuant to this Section 3.2 provided that such ARC member is afforded personal prior notice (by mail or otherwise) of his proposed removal and a reasonable opportunity to be heard at the election; and further provided that any such removal shall require approval by majority vote of a quorum of Qualified Owners.

ARTICLE IV ENFORCEMENT

4.1 Enforcement. In the event of any claim, dispute or other matter arising under or relating to this Declaration, the Declarant (in the event that Declarant owns any Lot in the Properties) or any aggrieved Owner may initiate any appropriate legal or equitable proceeding to enjoin, abate, restrain or otherwise remedy any violation of the Restrictions. Prior to any aggrieved Owner initiating any such proceedings, the aggrieved Owner shall provide written notice of the grievance to the party allegedly responsible for the grievance, and if Declarant owns any Lot in the Properties, the aggrieved Owner shall provide a copy of the written notice to Declarant. The covenants, conditions, and restrictions contained in this Declaration shall bind and inure to the benefit of and shall be enforceable by each Owner; said enforcement rights shall also be held by the Declarant until the date on close of escrow has occurred for the sale of all the Lots owned by Declarant in the Properties. Once close of escrow has occurred as to each of the Lots owned in

the Properties in the Properties, Declarant shall have no right nor obligation to enforce any of the terms of the Declaration. Nothwithstanding any provision of this Declaration, Declarant shall have no obligation to enforce the provisions of Article II or to initiate litigation to enforce any of the terms of this Declaration.

ARTICLE V RESERVATION OF EASEMENTS

- 5.1 <u>Easements on Plat</u>. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the Recorded Plat.
- Reservation of Easements. Declarant hereby reserves for the benefit of each Owner and such Owner's Lot reciprocal, nonexclusive easements over the adjoining Lot or Lots for the control, maintenance and repair of the utilities serving such Owner's Lot. Declarant expressly reserves for the benefit of all of the real property in the Properties, and for the benefit of all of the Lots and of the Owners, reciprocal, nonexclusive easements over all Lots, for maintenance and repair of utility services, for drainage and flow from the Lots of water resulting from the normal use of adjoining Lots, and for maintenance and repair of any Residence. Declarant and the Owners of each Lot on which there is constructed a Residence along or adjacent to such Lot line shall have an easement appurtenant to such Lot over the Lot line to and over the adjacent Lot for the purposes of accommodating any natural movement or settling of any Residence located on such Lot, any encroachment of any Residence due to minor engineering or construction variances, and any encroachment of eaves, roof overhangs and architectural features comprising parts of the original construction of any Residence located on such Lot.
- 5.3 <u>No Limitation</u>. This Declaration shall in no way limit the right of Declarant to grant additional licenses, easements, reservations and rights-of-way to itself, to governmental or public authorities (including without limitation public utility companies), or to others, as from time to time may be reasonably necessary to the proper development and disposition of each lot within the Properties.

ARTICLE VI ANNEXATION

6.1 Right of Annexation. Declarant hereby expressly reserves the right until fifteen (15) years from the date of recording of this Declaration to expand the Property, without the consent of any Owner, Mortgagee or any other party with an interest in the Property, by annexing all or any portion of the Annexable Property. The annexation of any or all of the Annexable Property shall be accomplished by the Declarants recording with the County Recorder a Declaration of Annexation. Declarants shall not be obligated to annex all or any portion of the Annexable Property. The Declarants may annex non-contiguous property hereunder. A Declaration of Annexation annexing property as permitted hereunder may contain such complementary additions and modifications of the covenants, conditions and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the

annexed property and as are not inconsistent with the general plan of this Declaration. In no event, however, shall any such document revoke, modify or add to the covenants established by this Declaration and applicable to the Original Property or to any property previously covered by a recorded Declaration of Annexation. Declarant hereby expressly reserves the right from time to time to unilaterally supplement, modify by recorded instrument the description of the Annexable Property described in Exhibit "B" of this Declaration.

- 6.2 Effect of Annexation. Upon the effective date of an annexation pursuant to this Article VII: (a) the property so annexed shall immediately be and become a part of the Property and be subject to all of the provisions hereof; (b) any Lot then or thereafter constituting a part of the annexed property, and the Owner of such Lot, shall thereupon be subject to all of the provisions of this Declaration; and (c) improvements then or thereafter situated upon the annexed property shall be subject to the provisions of this Declaration and shall be reasonably consistent, in terms of quality of construction, with the improvements situated upon other portions of the Property prior to such annexation.
- 6.3 <u>Withdrawal.</u> Notwithstanding any other provisions of this Declaration, Declarants reserves the right to amend this Declaration so long as they have the right to annex additional property pursuant to this Article, for the purpose of removing property then owned by any of the Declarants or its assignees from coverage of this Declaration, to the extent originally included in error or as a result of any changes in Declarant's plans for the Property, provided such withdrawal is not unequivocally contrary to the overall scheme of development for the Property.
- Mo Obligation to Annex. Nothing herein shall constitute a representation, warranty or covenant that any Declarant, any successors or assigns of any Declarant, or any other person will subject any additional property to the provisions of this Declaration, nor shall any Declarant, any successors or assigns of any Declarant, or any other person be obligated so to do, and any Declarant may, by recorded instrument executed by that Declarant, waive their rights so to do, in whole or in part, at any time or from time to time.
- 6.5 FHA/VA Approval. In the event that, and for so long as, the FHA or the VA is insuring or guaranteeing loans or has agreed to insure or guarantee loans on any portion of the Annexable Property with respect to the initial sale by Declarant to a Purchaser of any Unit, then a condition precedent to any annexation of any property other than the Annexable Property shall be written confirmation by the FHA or the VA that the annexation is in accordance with the development plan submitted to and approved by the FHA or the VA; provided, however, that such written confirmation shall not be a condition precedent if at such time the FHA or the VA has ceased to regularly require or issue such written confirmations.

ARTICLE VII MISCELLANEOUS

- 7.1 Severability. The provisions hereof are independent and severable, and a determination of invalidity or partial invalidity or unenforceability of any one provision or portion hereof by a court of competent jurisdiction does not affect the validity or enforceability of any other provision hereof.
- 7.2 <u>Interpretation</u>. This Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community, and any violation of this Declaration is a nuisance. The Article and Section headings have been inserted for convenience only, and may not be considered or referred to in resolving questions of interpretation or construction. As used herein, the singular includes the plural and the plural the singular; and the masculine, feminine and neuter each include the other, unless the context dictates otherwise.
- 7.3 Amendment Prior to First Close of Escrow. Notwithstanding any other provisions of this Declaration, at any time prior to the first Close of Escrow in the Properties, Declarant may unilaterally amend or terminate this Declaration by Recording a written instrument which effects the amendment or termination and is signed and acknowledged by Declarant.
- 7.4 Amendment for Conformance. Notwithstanding any other provisions of this Declaration, for so long as Declarant owns any portion of the Properties, Declarant may unilaterally amend this Declaration by Recording a written instrument signed by Declarant in order to conform this Declaration to the requirements of Veterans Administration, Federal Housing Administration, Department of Real Estate, Federal National Mortgage Association, Government National Mortgage Association or Federal Home Loan Mortgage Corporation.
- 7.5 Amendment or Termination by Owners. This Declaration may be terminated or any term herein may be amended by Recording a written instrument which effects the amendment or termination, and which has been executed by the then-Owners of at least three-fourths (3/4) of all of the Lots in the Properties. As long as Declarant owns a Lot, the Declaration may not be amended or terminated without the written consent of the Declarant.
- 7.6 No Public Right or Dedication. Nothing contained in this Declaration constitutes a gift or dedication of all or any part of the Properties to the public, or for any public use.
- 7.7 Constructive Notice and Acceptance. Every person who owns, occupies or acquires any right, title, estate or interest in or to any Lot or other portion of the Properties does hereby consent and agree, and shall be conclusively deemed to have consented and agreed, to every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to these restrictions is contained in the instrument by which such person acquired an interest in the Properties or any portion thereof.

- 7.8 Additional Disclosures, Disclaimers and Releases of Certain Matters. Without limiting any other provision in this Declaration, by acceptance of a deed to a Lot or possession of a Lot, each Owner (for purposes of this Section 7.8, the term "Owner" shall include the Owner, any resident, and their respective families, guests and tenants), shall conclusively be deemed to understand, and to have acknowledged and agreed that residential subdivision and new home construction are subject to and accompanied by substantial levels of noise, dust, construction-related traffic and traffic restrictions, and other construction-related "nuisances." Each Owner acknowledges and agrees that it is purchasing a Lot and/or Residence which is within a residential subdivision currently being developed, and that the Owner will experience and accepts substantial levels of construction-related "nuisances" until the subdivision (and any neighboring or nearby land), have been completed and sold out, and that such construction-related "nuisances" are not a violation of any restriction herein. Furthermore, be it known to each Owner, this area is subject to the normal, everyday sounds, odors, sites, equipment, facilities, and any other aspects associated with agricultural lifestyle. Current and future Owners should also recognize the risk inherent with livestock.
- 7.9 <u>Business of Declarant</u>. Except to the extent expressly provided herein, no provision of this Declaration shall be applicable to limit or prohibit any act of Declarant, its agents or representatives in connection with or incidental to Declarant's improvement, development, and sales activities regarding the Properties, so long as any Lot therein owned by Declarant remains unsold.

[Remainder of page intentionally left blank. Signature page follows.]

ENT 67419:2001 PG 15 of 17

IN WITNESS WHEREOF, Declarant has executed the instrument this day of, 2001. Scott D. "Chip" Nelson President
STATE OF UTAH
County of Salt Lake
On the day of 2001, personally appeared before me Scott D. "Chip" Nelson who being by me duly sworn did say that he, Scott D. "Chip" Nelson is the President of said Woodside Homes Corporation that executed the within instrument and did acknowledge to me that the said corporation executed the same.
My commission expires: 01/13/00 Allan My Gollogo Notary Public (M)
Notary Public

EXHIBIT "A"

ORIGINAL PROPERTY

The Original Property is described as follows:

Lots Seven-hundred-one (701), through Seven-hundred-twenty-five (725)

[NOTE: DECLARANT HAS SPECIFICALLY RESERVED THE RIGHT FROM TIME TO TIME TO UNILATERIALLY SUPPLEMENT OR MODIFY OF RECORD ANY AND ALL OF THE FORGOING LEGAL DESCRIPTIONS]

When Recorded, Return to:

Woodside Homes Corporation
Attn: Nate Pugsley
39 East Eagleridge Dr. – Suite 100
North Salt Lake, UT 84054