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RASHELLE HOBBS
Recorder, Salt Lake County, UT
RICHARDS LAW PC
BY: eCASH, DEPUTY - EF 48 P.

WHEN RECORDED, RETURN TO:

RICHARDS LAW, PC
4141 So. Highland Drive, Ste. 225
Salt Lake City, UT 84124
801-274-6800

AMENDED AND RESTATED DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
OLD MILL ESTATES
(INCLUDING BYLAWS)

TABLE OF CONTENTS

RECITALS 3

ARTICLE I - DEFINITIONS 4

ARTICLE II - PROPERTY DESCRIPTION & RIGHTS 6

ARTICLE III – RESTRICTIONS ON USE..... 7

ARTICLE IV - ARCHITECTURAL CONTROL 15

ARTICLE V - MAINTENANCE OBLIGATIONS 17

ARTICLE VI - ASSESSMENTS 18

ARTICLE VII - THE ASSOCIATION 24

ARTICLE VIII – RULES, ENFORCEMENT, AND APPEAL 26

ARTICLE IX - INSURANCE 29

ARTICLE X - AMENDMENT AND DURATION 31

ARTICLE XI - MISCELLANEOUS PROVISIONS..... 31

EXHIBIT A - LEGAL DESCRIPTION 34

EXHIBIT B - BYLAWS 35

**AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
OLD MILL ESTATES**

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereafter "Declaration") is made on the date evidenced below by OLD MILL ESTATES HOMEOWNER'S ASSOCIATION, A Utah non-profit corporation (hereafter "Association").

RECITALS

A. The property subject to this Declaration is the Old Mill Estates subdivision in Salt Lake County, State of Utah. Exhibit "A" of this Declaration further defines the property subject to this Declaration. All Lots therein are part of the Association and each Owner of a Lot is a member thereof. The Association is created as a residential subdivision and contains certain Common Area and easements for the benefit of the Owners of Lots therein.

B. The Association desires to continue to provide for the preservation and enhancement of the property values and improvements of the Property and for maintenance of the Common Area.

C. This Amended and Restated Declaration of Covenants, Conditions and Restrictions supersedes and replaces all prior declarations, and amendments or supplements thereto, recorded against the subdivision, specifically:

(1) Declaration dated September 26, 1989, recorded as Entry No. 4831766 in Book 6165, Page 1078, Salt Lake County Records;

(2) Declaration dated August 27, 1990, recorded as Entry No. 4958443 in Book 6247, Page 2697, Salt Lake County Records;

(3) Declaration dated March 13, 1991, recorded as Entry No. 5038008 in Book 6297, Page 1146, Salt Lake County Records;

(4) Declaration dated January 30, 1992, recorded as Entry No. 5191214 in Book 6504, Page 2288, Salt Lake County Records");

(5) Declaration dated August 25, 1992 recorded as Entry No. 5317618 in Book 6506, Page 2062, Salt Lake County Records; and

(6) Amendment dated March 10, 1995 recorded as Entry No. 6038380 in Book 7114, Page 1943, Salt Lake County Records (together all documents listed above shall hereafter be referred to as "Original Declarations").

D. Pursuant to Utah Code § 57-8a-104 and the requirements of the Original Declarations, a majority of Owners have voted affirmatively to adopt this Declaration.

NOW, THEREFORE, the Association declares that the Property is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions restrictions, easements, charges and liens hereinafter set forth:

ARTICLE I - DEFINITIONS

The following words when used in this Declaration (unless the context otherwise requires) shall have the following meanings:

1.1 “Act” shall mean the Utah Community Association Act, Utah Code, Title 57, Chapter 8a, as the same shall be amended from time to time.

1.2 “Assessment” means any charge imposed or levied by the Association on or against an Owner or Lot pursuant to the terms of the Governing Documents or applicable law, including (1) annual/regular assessments; (2) special assessments; and (3) individual assessments as set forth below.

1.3 “Association” means and refers to the Old Mill Estates Homeowner’s Association, or such successor association of the Lot Owners acting under this Declaration.

1.4 “Board” or “Board of Directors” shall mean and refer to the governing body of the Association.

1.5 “Bylaws” means the Bylaws of the Association (initially attached hereto as **Exhibit B**), as they may be amended from time to time.

1.6 “Common Area” means, refers to, and includes: (a) The real property, excluding all Lots as defined herein, and interests in the real property which are submitted to this Declaration; (b) The real property, excluding all Lots as defined herein, and interests which comprise the Property; (c) All common areas and facilities designated as such on the Plat and all property on the Plat excluding the Lots; (d) In general, all apparatus, installations and facilities included within the Property and existing for common use; (e) All portions of the Property not specifically included within the individual Lots; (f) All other parts of the Property normally in common use or necessary or convenient to its use, existence, maintenance, safety or management; (g) All common areas as defined in the Act, whether or not enumerated herein.

1.7 “Common Expenses” means and refers to all sums which are required by the Association and the Board to perform or exercise its functions, duties, or rights under the Act or the Governing Documents.

1.8 “Community” means all of the land described in the Plats, including any property annexed into the Property.

1.9 “Community Wide Standard” means the standard of conduct, maintenance, or other activity generally prevailing in the Community, as set forth in this Declaration, the Bylaws, and as defined or dictated by the Board from time to time.

1.10 “Eligible Holder” shall mean any holder, insurer, or guarantor of a first Mortgage who makes a written request to the Association to receive any of the notices or rights to vote provided to Eligible Holders under this Declaration. The request shall state the name and address of the Eligible Holder and the Lot number to which the Eligible Holder’s mortgage interest applies.

1.11 “Fines” shall mean and refer to fines levied by the Association against an individual or entity for violations of the Governing Documents. Fines shall be enforced and collected consistent with the Act and are deemed an assessment herein and may be collected as such.

1.12 “Governing Documents” shall mean and refer to a written instrument by which the Association may exercise powers or manage, maintain, or otherwise affect the property under the jurisdiction of the Association, including Articles of Incorporation, Bylaws, Plat, this Declaration, rules and regulations, and architectural or design guidelines.

1.13 “Improvement” means every structure or improvement of any kind, including but not limited to landscaping, decks, porches, awnings, fences, garages, driveways, storage compartments or other products of construction efforts on or in respect to the Property.

1.14 “Lot” means a single-family residential dwelling Lot constructed upon a Lot.

1.15 “Manager” or “Managing Agent” shall mean and refer to the person or entity retained to manage the Property and the Association according to the direction of the Board, if any.

1.16 “Member” means a person who holds membership in the Association by virtue of his or her ownership of a Lot.

1.17 “Mortgage” means any mortgage or deed of trust encumbering any Lot and any other security interest existing by virtue of any other form of security instrument or arrangement, provided that such mortgage, deed of trust or other form of security instrument and/or security arrangement has been recorded among the Recorder’s Office.

1.18 “Mortgagee” means the person or entity secured by a Mortgage.

1.19 “Owner” means the person, persons or other entity owning any Lot as shown in the records of the Recorder’s Office but does not include a tenant or holder of a leasehold interest or person holding only a security interest in a Lot. Regardless of the number of parties participating in ownership of each Lot, the group of those parties shall be treated as one “Owner.”

1.20 “Plat” or “Plat Map” or “Record of Survey Map” (these terms may be used interchangeably herein) means the Record of Survey Maps entitled Old Mill Estates recorded at the Recorder’s Office of Salt Lake County, as the same may be amended or substituted.

1.21 “Property” means all of the real property described in the Plats, including all of the real property described in attached **Exhibit A** and all Lots, Common Area, easements and open space.

1.22 “Residence” means a single-family residential dwelling unit constructed upon a Lot.

1.23 “Rules and Regulations” means and refers to those rules and regulations adopted by the Board from time to time that are deemed necessary by the Board for the enjoyment of, or furthering the purposes of, the Property and Association.

ARTICLE II - PROPERTY DESCRIPTION & RIGHTS

2.1 Property Subject to the Declaration and Bylaws. The real property which is, and shall be, transferred, held, sold, conveyed, used, occupied and improved subject to the Act and to this Declaration, the Governing Documents, and all agreements, decisions and determinations made by the Board or Association is all of the real property and interests described in the Plats, including any property annexed into the Property, and including the Lots described on **Exhibit A** attached hereto, which Declaration and covenants, conditions and restrictions therein shall run with the land and shall be binding upon each and every party which shall at any time have any right, title or interest in or to the Property or any part thereof, their heirs, successors and assigns, and to any other person who may in any manner use the Property or any part thereof submitted to the provisions of this Declaration, and shall inure to the benefit of each Owner thereof. To the extent that the Governing Documents are or become inconsistent with the provisions of any future amendments to the Act, the Act, as amended, shall control.

2.2 Description and Legal Status of Lots. The Map shows the Lots and building designations, their locations, dimensions from which its areas may be determined together with the Definitions above, and the Common Areas. All Lots shall be used only for residential purposes. All Lots shall be capable of being independently owned, encumbered, and conveyed. No building shall be erected, altered, placed or permitted to remain on any Lot other than one detached single-family dwelling not to exceed two-and-one-half-stories in height and have not less than a two-car garage.

2.4 Use and Occupancy. Except as otherwise expressly provided in the Governing Documents, the Owner(s) of a Lot shall be entitled to the exclusive use and benefits of ownership of such Lot. Each Lot, however, shall be bound by, and the Owner shall comply with, the restrictions contained below and all other provisions of the Governing Documents of the Association for the mutual benefit of the Owners.

2.5 Easements Reserved. In addition to the easements shown on the Plat or provided for under this Declaration, the Bylaws or law, the following easements are hereby reserved for the benefit of the Owners and the Association:

2.5.1 Right of Entry. The Association and any person authorized by the Association may at any reasonable time, and from time to time at reasonable intervals, enter upon any Lot for the purpose of performing maintenance referred to herein and determining whether or not the Lot is in compliance with the Governing Documents or whether the use of the Lot is causing damage or harm to the Common Areas. Requests for entry shall be made in advance and at a time convenient to the Owner, except in the case of an emergency, when such right shall be immediate. No such entry shall be deemed to constitute a trespass or otherwise create any right of action by the Owner of such Lot.

2.5.2. Utility Easements. The Association and any public utility provider shall have an easement through all Lots and the Common Areas for the installation, maintenance and development of utilities and drainage facilities, as may be necessary. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may reasonably interfere with or damage utilities or drainage facilities. The easement area within each Lot and all improvements therein shall be maintained continuously by the Owner of the Lot in accordance with the terms herein, except for those improvements for which a public authority or utility provider is responsible. Each Lot Owner shall have an easement in common with all Owners to use all pipes, wires, ducts, cables, conduits, public utility lines and other common facilities located in any of the other Lots and serving his or her Lot.

2.5.3. Police, Fire and Ambulance. An easement is hereby granted to all police, fire protection, ambulance services and all similar persons to enter upon the streets and Common Areas in the performance of their duties.

2.5.4. Common Areas. All Owners are hereby granted a non-exclusive right and easement of enjoyment to the Common Areas.

2.6 No Encroachment. No Lot shall encroach upon an adjoining Lot or Common Area without the express written consent of the Board. If, however, an encroachment occurs due to the settlement or shifting of a structure/building or any other reason whatsoever beyond the control of the Board or any Owner, there shall forthwith arise, without the necessity of any further or additional act or instrument, a good and valid easement for the maintenance of such encroachment, for the benefit of the Owner, its heirs, personal representatives and assigns, to provide for the encroachment and non-disturbance of the structure. Such easement shall remain in full force and effect so long as the encroachment shall continue.

ARTICLE III – RESTRICTIONS ON USE

3.1 General Use Restrictions. All of the properties which are subject to this Declaration are hereby restricted to residential dwellings. All buildings or structures erected in the properties shall be of new construction and no buildings or structures shall be removed from other locations to the properties. After initial construction on a Lot, no subsequent building or structure of a temporary character, trailer, tent, camper, shack, garage, barn or other building shall be placed or used on any Lot at any time. Play houses, play structures and gazebos shall be permitted as long as they do not unreasonably interfere with the quiet enjoyment of another's Lot and are of size and type consistent with residential neighborhoods of like kind.

Except for structures that are deemed unsightly or a nuisance by vote of a majority of total Owners, structures existing at the time this Declaration is adopted that would otherwise be in violation of a restrictions contained herein, may remain until such time that substantial repair or replacement is required, at which time the structure must be brought into compliance with the standards of this Declaration.

Improvements to structures, Lots and Residences must be approved by the Board pursuant

to Article IV.

3.2 Residential Use. Lots shall be used for single-family, residential purposes in accordance with, and subject to, the other provisions of this Declaration and the Bylaws and rules and regulations adopted pursuant thereto. Except as provided in this subsection, no trade, craft, business, profession, commercial or similar activities that cause additional pedestrian or vehicular traffic, creates a sight or noise nuisance, shall be conducted on any Lot or in any other portion of the Property.

3.3 Lease Restrictions.

Utah's Community Association Act (the "Act") permits the Association, by vote of its Members, the ability to limit rentals and impose rental restrictions. In order to maintain a primarily Owner-occupied community, the Members deem it in the best interests of the Association to limit the number of Residences that may be rented at any given time. The following provisions comply with the requirements for 'lease restrictions' pursuant to Utah Code §57-8a-209 of the Community Association Act.

Owners may lease or rent their Lot with their appurtenant rights subject to the rental restriction set forth herein and provided that all Lot Owners, their tenants and other occupants or users of the Property, shall be subject to the Act, this Declaration, the Bylaws, and all rules and regulations of the Association of Lot Owners and Board of Directors. "Renting" of a Lot means the granting of a right to use or occupy a dwelling unit for a specific or indefinite term, with rent stated on a periodic basis, in exchange for the payment of rent (money, property or other goods or services of value).

3.3.1 Rental Cap. No more than five (5) of the total Lots in the Property may be rented at any given time, including grandfathered Lots identified below, but excluding Lots rented pursuant to an exemption under this Section ("Rental Cap").

3.3.2 Application Required. Except for those Lots that qualify for Grandfather Status pursuant to Section 3.3.5, prior to renting a Lot, the Lot Owner shall apply to the Board of Directors ("Board"). The Board shall review the application and make a determination of whether the rental will exceed the Rental Cap and the Association shall deny the application if it determines that the rental of the Lot will exceed the Rental Cap. The Board may adopt and administer a waiting list for denied applicants.

3.3.3 Minimum Requirements. An Owner must occupy the Residence as the Owner's primary residence for at least twelve (12) consecutive months before a Lot may qualify to be leased or Non-Owner Occupied. No Owner shall rent less than the entire Lot, no individual room rentals are permitted, and no Owner shall rent such Owner's Lot for an initial term of less than twelve (12) months. Nightly, weekly or monthly rentals are prohibited.

3.3.4 Definition of Rental. "Rental," "rented," or "renting" means: (1) a Lot owned by an entity or trust, regardless of who occupies the Lot, unless the entity or trust was created for estate planning purposes for the estate of a current resident of the Lot or the parent, child, or

sibling of the current resident of the Lot; or (2) a Lot not owned by an entity or trust, that is occupied by someone while no Owner, or Owner's parent, child or sibling, occupies the Lot as his, her or their primary residence.

3.3.5 Grandfather Status. Notwithstanding Section 3.3.1, an Owner who had a rental in the Association at the time this document was recorded and has previously provided the Board with a written statement that the Owner is currently renting the Lot together with the Owner's name, address, Lot address, and phone number, shall be allowed to continue renting such Lot until:

(1) the Owner transfers or conveys the Lot (including, if the Lot is owned by a limited liability company, corporation, partnership, or other business entity, the sale or transfer of more than 75% of the business entity's shares, stock, membership interests, or partnership interests in a 12-month period),

(2) the Owner occupies the Lot; or

(3) an officer, owner, member, trustee, beneficiary, director, or person holding a similar position of ownership or control of an entity or trust that holds an ownership interest in the Lot, occupies the Lot.

Grandfathered Lots and Owners shall comply with all other provisions of this Section, except the application requirement in subsection 3.3.2. Grandfathered Lots and Owners shall be subject to the remedies authorized in this section for failure to comply with the restrictions herein.

3.3.6 Exemptions. The following Owners and Lots are exempt from the Rental Cap of five (5) residences stated herein, but shall comply with every other provision contained in this Article including the requirement to apply to the Association (which application shall be granted upon a determination by the Board of Directors that the Owner or Lot qualifies as one of the following):

(1) an Owner in the military for the period of the Owner's deployment;

(2) an Owner whose employer has relocated the Owner for two years or less;

(3) a Lot occupied by an Owner's parent, child or sibling;

(4) a Lot owned by an entity that is occupied by an individual who: (a) has voting rights under the entity's organizing documents; and (b) has a 25% or greater share of ownership, control and right to profits and losses of the entity;

(5) Subject to the following, a Lot owned by a trust is exempt from the definition of a "rental" as that term is defined this Article. As set forth below and as an example, a Lot held in trust and occupied by a beneficiary listed below, is not considered a rental and is not counted against the Rental Cap. If the trust property is leased to party not identified below, it is deemed being rented and, therefore, governed by this Article.

This subsection (5) exemption applies to a Lot owned by a trust or other entity created for estate planning purposes if the trust or other estate planning entity was created for: (1) the estate of a current resident of the Lot; or (b) the parent, child or sibling of the current resident of the Lot; or

(6) a Lot administered by the heirs, beneficiaries and/or executor of a deceased Owner's estate for the period of time the Lot is in probate.

The Board of Directors may require relevant proof that the Lot qualifies under an above listed exemption/

3.3.7 Hardship Exemptions. Notwithstanding anything herein to the contrary and in addition to the exemptions of 3.3.6, to avoid undue hardships or extreme practical difficulties, the Board shall have the discretion to approve an Owner's application to temporarily rent the Owner's Residence. The Association may not approve an application to rent less than the Owner's entire Residence or to rent the Residence for a period of less than six (6) consecutive months. Examples of a "hardship exemptions" include, but are not limited to, Owners engaged in charitable or religious service for a period not to exceed three years.

3.3.8 The Lease Agreement. Any lease agreement between an Owner and a lessee must be in writing. The lease shall include the following provisions:

(1) The tenant shall agree to comply with, and the terms of the lease shall in all respects be subject to, all of the terms and conditions of the Declaration, Bylaws and Association rules and regulations and any failure by an occupant to comply with the terms of the foregoing documents shall be a default under the lease;

(2) The tenant shall agree not to allow or commit any nuisance, waste, unlawful or illegal act upon the premises; and,

(3) The owner and the tenant shall acknowledge that the Association is an intended third party beneficiary of the lease agreement, that the Association shall have the right to enforce compliance with the Declaration, Bylaws and rules and regulations, and to abate any nuisance, waste, unlawful or illegal activity upon the premises; and that the Association shall be entitled to exercise all of the owner's rights and remedies under the lease agreement to do so, including the right to terminate the lease and evict the tenant from the premises.

If any lease does not contain the foregoing provisions, such provisions shall nevertheless be deemed to be a part of the lease and binding on the Owner and occupants by virtue of their inclusion in this Declaration. All lease agreements shall contain as an attachment to the lease agreement, a copy of the current Rules and Regulations of the Association. Within 5 days of a Lot being rented, the Owner must provide the Association with a copy of the signed lease agreement and the name(s) of all occupants of the Lot, and any other information required by the Association, and the Owner must keep such information updated with the Association within 15 days of any change. The Association may require an Owner to terminate a lease and evict a tenant from the premises in the event a tenant fails to comply with the Governing Documents, or the

Association may proceed directly and terminate the lease agreement and remove any tenant by eviction proceeding. Each occupant of a rental Lot and the rental Lot Owner are jointly and severally liable for a violation of a provision of the Governing Documents, including for any fines levied and attorney fees, costs and any other expense incurred by the Association as a result of such violation.

3.3.9 Administration of Rental Restrictions. The Association shall create, by rule or resolution, procedures to: (a) determine and track the number of rentals and Lots in the Association which are grandfathered or exempt pursuant to the provisions described in this Article to enable or aid in the consistent administration and enforcement of the rental restrictions contained herein.

3.3.10 Lease Payments by Tenant to Association. As permitted by Utah law, if an Owner who is renting his or her Lot fails to pay an assessment for more than sixty (60) days, then the Association may demand that the rent be paid to the Association until the account is current by following the procedures set forth in the Act, providing notice to the Owner and tenant.

3.4 Landscaping. Park strips must be maintained in the same manner as the other front landscaping. Changes to front landscaping (of fifty percent (50%) or more change in overall surface area) must be approved by the Board of Directors. Limited amounts of non-growing materials are allowed as a substitute for grass or living ground cover in front and side yards. All xeriscaping/desert-landscaping must be approved by the Board of Directors. Trees and shrubs must be cleared from around and above sidewalks, with a minimum of seven (7) feet of clearance above sidewalks and streets.

3.5 Animals. Dogs, cats or other household pets may be kept as permissible within current zoning regulations provided that they are not kept, bred, or maintained for any commercial purpose. No horses, livestock, poultry or other animal shall be allowed on any Lots within the subdivision. The Owner of any dog must keep such dog on a leash or in a cage when outside of the Lot or keep it confined within the Lot and under the Owner's control. Those animals which are permitted shall not cause any noise or disturbance that would be deemed a nuisance to other Owners or residents within the Community. Any inconvenience, damage or unpleasantness caused by such pets shall be the responsibility of the respective Owners thereof and Owners shall be responsible for removal of waste of their animals. The Association may, by rule, further restrict or regulate the keeping of pets. An Owner may be required to remove a pet that is in violation of the Governing Documents or if the animal is considered dangerous or unsafe to the Members or their guests.

3.6 Kennels. No kennel or dog run may be placed closer than twenty (20) feet to any Dwelling other than that of the Owner of the kennel. All kennel fencing must obtain prior Board approval.

3.7 Fencing. No fencing shall be allowed without prior Board approval. All new fences must be approved by the Board of Directors. No wire fencing shall be allowed which is visible from the streets in the Subdivision. Materials used in the construction of any fence or wall must have the prior approval of the Board of Directors. All fencing shall be between four (4) and eight (8) feet in height and constructed of Trex® (or similar material), wrought iron, wood, or stone. No chain link, other wire, plain vinyl, PVC, or plastic shall be permitted. Cinderblock may be used

only if covered with an approved material. Owners shall maintain all fences on their Lots in good repair and attractive condition.

3.8 Offensive Activities. No noxious, offensive or unsightly conditions, including, but not limited to, the placement or storage of inoperable vehicles, car parts and appliances, or activities shall be permitted on any Lot or other portion of the Common Areas, nor shall anything be done in or placed upon any Common Area which interferes with or jeopardizes the enjoyment of other Lots or which is a source of annoyance to residents.

3.9 Unlawful Activities. No unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

3.10 Garbage Cans. Garbage cans must be stored in the garage or behind fencing and shall not be visible from the street. Garbage cans may be put out on the street the night before garbage pickup and shall be removed from the street the day they are emptied.

3.11 Rubbish and Trash. No part of the Property may be used or maintained as a dumping ground for rubbish, trash, garbage, or any other waste. No garbage, trash, yard debris or other waste may be kept or maintained on any part of the Property except in a sanitary container as specified by the Association or within a trash enclosure screened from public view. All such waste and garbage must be promptly and periodically removed.

3.12 Vehicles and Parking. It is preferred to have all vehicles stored inside garages. No vehicles (excluding automobiles, pickups and motorcycles) or, equipment or like units of any kind, including but not limited to large trucks, buses, tractors, trailers, camping vehicles, boats, boat trailers, snowmobiles, motor homes, all-terrain vehicles or other similar units and any part thereof (collectively the "vehicles") shall be parked and/or stored on any public street within a subdivision on a permanent or regular basis.

Back or side yards may be used for storage of vehicle(s) but only when garages or concrete parking pads have been provided for and only when such vehicles are also screened by a solid fence from public and neighboring Lot's view in order to minimize the visual impact of such vehicles from the road(s) or neighboring Lots. In no event, however, shall such vehicles be parked and/or stored in any area which is located between a line parallel to the front of the structure and the facing street. In addition to the conditions just stated, for a corner lot, parking and/or storage of such vehicles is only permitted on the side and back yard of the structure that is not adjacent to street. Temporary parking of vehicles shall be allowed for up to three (3) days at a time to prepare for the season or a trip or after a season or trip, as the case may be. This determination shall be made by the Board with no unreasonable consent being withheld. No cover or covering material shall be placed on any stored vehicle, temporary or permanent, without prior written approval of the Board.

Storage or parking of farm or construction equipment, boats, campers, camper shells, trailers, trucks larger than pick-up trucks (except during periods of actual loading and unloading) or run-down, unsightly or inoperable motor vehicles (the determination of whether a vehicle is run-down and/or unsightly shall be made by the Board) is prohibited.

Notwithstanding any other approved parking or temporary parking of Vehicles pursuant to this Article, parking is not permitted adjacent to a street. No vehicle of any kind shall be parked on-street overnight within the Subdivision (“overnight” being defined for purposes hereof as between 12:00 AM and 6:00 AM), or, for more than six (6) nights during any thirty (30) day period. Run-down and/or unsightly vehicles shall not be parked either on-street or on a Lot where visible from the street at any time. Despite the permitted parking above, there shall be no on-street overnight parking permitted in the winter months from December 1st to February 28th.

Any vehicle which is not designated as Street Legal including, Tote Gotes, 4-wheelers, all-terrain vehicles, golf carts and other similar vehicles shall not be used or ridden within the Community for recreational transport of persons to or from any residence located within the subdivision. The purpose of this paragraph is to eliminate so-called “joy-riding” within the subdivision, to eliminate undue noise and fumes and to promote safety therein.

The Association may adopt separate rules and regulations regarding parking and allowances within the Association.

3.13 External Apparatus. No Lot owner shall cause or permit anything (including, without limitation, awnings, canopies, light fixtures, fans or shutters) to hang, be displayed or otherwise affixed to or placed on the exterior walls or roof or any part thereof, or on the outside of windows or doors, without the prior written consent of the Board of Directors. No sheds or outbuildings are permitted without prior Board approval and shall not be visible from the street and must be constructed out of materials similar in style, color and texture to the adjacent home. The Board reserves the right to install subdivision lighting as it deems appropriate. No other lighting device shall be installed or maintained within a subdivision which causes an intensity or glare offensive to or interfering with any owners or residents of a lot within a subdivision. Exterior roof-mounted air conditioners and antennas shall be installed only on the rear side of a roof and shall not be visible from the front side of a home. Exterior side-mounted air conditioners shall be installed only on the rear side of a home.

3.14 Equipment, Pools, Hot Tubs. No athletic/sports equipment and apparatus (including but not limited to portable basketball standards/hoops, sports goals/nets) shall be allowed on streets overnight or on a permanent basis. Spas and hot tubs must be maintained and used per municipal, county or State Laws. The Association shall does not bear any responsibility for the use or maintenance of such amenities on private yards.

3.15 Mailboxes. All mailboxes must be of brick, stone, and/or stucco and must be of pillar design. No plastic mailboxes or metal mailboxes on a post shall be permitted. New mailboxes must be approved by the Board.

3.16 Use of Common Area. Except for the rights of ingress and egress, Owners are hereby prohibited and restricted from using any of the Common Areas, other than as permitted in this Declaration or as may be allowed by the Board for special events pursuant to terms that limit the Association’s liability for its use. It is expressly acknowledged and agreed by all parties concerned that this restriction is for the mutual benefit of all Lot Owners in the Property and is necessary for

the protection of interests of all said Owners in and to the Common Area.

3.17 Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in the properties of any Lot. No derrick, lift, shaft or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon the Property or any Lot.

3.18 Signs. The Association may from time to time, and by written Rule, reasonably restrict the time (political signs permitted during a political season, for example) and placement of signs, advertisements, posters, flags and banners of any kind displayed to the public view on or from any Lot, Residence or the Common Area.

3.19 Antenna and Dish Policy. Satellite dishes and antennas not regulated by the FCC are prohibited. Satellite antennas, such as Direct Broadcast Satellite (“DBS”) antennas/dishes one meter in diameter or less, and designed to receive direct broadcast satellite service, including direct-to-home satellite service, or receive or transmit fixed wireless signals via satellite, may be installed; provided the dish and any wires are installed so as to not be visible from the streets. If locating the dish so that it is not visible from the streets precludes reception of an acceptable quality signal, the dish shall be installed with the least visibility from the streets possible. No dish may encroach upon the Common Area or the property of another Owner. The Owner shall keep the dish in good repair so that it does not violate any portion of this Declaration. The terms “dish” and “antenna” are to be used interchangeably in the interpretation of the above policy.

3.20 Solar Energy Devices. Solar Panels or other Solar Energy Devices are permitted within the Association only if installed entirely on Lot Owner’s roof and are not visible from streets.

3.21 Noise Disturbance. Residents shall exercise extreme care to minimize noise and to use musical instruments, radios, televisions, amplifiers, or any other device so as to not disturb other residents. Noise disturbances shall subject the Owner of the Lot from which the noise originates to a fine, as levied by the Board of Directors in its sole discretion. Quiet hours within the subdivision shall be kept between 11:00 p.m. and 7:00 a.m.

3.22 Increase in Insurance Cost. Nothing shall be done or kept within any Lot or on the Common Areas which will increase the cost of insurance to the Association or to other Owners. No Owner shall permit anything to be done or kept within his or her Lot or Common Areas which will result in cancellation of insurance on any Lot.

3.23 Association Rules and Regulations. In addition to the restrictions and requirements above, the Board of Directors from time to time may, by resolution, adopt, modify, or revoke such rules and regulations governing the conduct of persons and the operation and use of the Lots and Common Areas as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the Property. Reasonable fines may be levied and collected as an assessment for violations of said rules and regulations and for violations of any restrictions contained in this Declaration. A schedule of fines may be adopted by the Board of Directors specifying the amounts of such fines, and any other provisions or procedures related to the levying of such fines.

ARTICLE IV - ARCHITECTURAL CONTROL

4.1 Modifications. No building, fence (except backyard boundary fencing consistent with the existing fencing established by the original developer), wall, Improvement or other structure, extension or expansion of the foregoing, shall be commenced, erected or maintained upon the Property, including any Lot, nor shall any exterior addition to the Property or any Lot, or change or alteration thereto, of any sort, whether structural, landscaping, cosmetic or otherwise, be made by an Owner until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board. Owners shall file all required applications and obtain permits as required by the Cottonwood Heights City.

Any such request shall be deemed to have been denied if the relevant Owner, including any subsequent Owner, cannot produce the written approval granted by the Board upon request, and any changes or alterations made by an Owner, or prior Owner (unless permitted pursuant to Section 3.1 above), shall be removed and the property restored to its original condition at the request of the Board. In the event the Board fails to approve or disapprove a request by an Owner, the request will be deemed to have been denied.

To the extent approval is sought for an alteration that, in the opinion of a majority of the Board, materially alters the aesthetic of the Lot, Residence or Property, the Board will call a Special Meeting and seek input from the Members prior to making its decision.

4.2 Approval by Board Required. No exterior Improvements, including exterior paint color, other than original paint color, roofing, and or roofing additions, out buildings, and or pool houses, demolition or reconstruction work of any kind may be performed on the Property without the prior consent of the Board. Consent of the Board will be on a case-by-case basis and given to help best fulfill the standards set forth in this Declaration. Board approval shall not be unreasonably withheld. Approval of the Board will be sought in the following manner:

4.2.1. Plans Submitted. Plans for any exterior Improvement, addition, demolition or reconstruction work must be submitted to the Board for review. It is recommended that a preliminary plan be submitted before the expense of final drawings is incurred. The plan must be in sufficient detail to show the location on the Lot of the exterior walls of a Dwelling (where applicable) and all other structures to be built or modified with it; detailed drawings of all elevations of all proposed buildings showing locations of windows, doors, roof pitches, decks and other exterior elements; a list of exterior siding and roofing materials and/or a sample, including color samples; and a landscape plan showing the location of landscaped areas, driveways, walkways, patios, decks and other hard surfaced or irrigated areas and the areas to be disturbed by the Improvement Work and the means of restoring those areas. In the case of an addition or modification of an existing Dwelling, the Board may waive any of the foregoing if it feels are unnecessary to its review of the remodel or addition.

4.2.2. Review Expenses. The applicant will pay for expenses, if any, incurred by the Board of Directors in the review of plans submitted. In addition, the Board may assess a fee for the professional review of the plans.

4.2.3. Review. Within thirty (30) days from receipt of a complete submission, the Board will review plans and make an initial determination whether or not the plans comply with the conditions imposed by this Declaration and the standards developed by the Board. If they do not, the plans will be rejected. If they are in compliance, the Board will approve the plans. The Board may also approve the plans subject to specific modifications or conditions. Owners may elect to submit preliminary plans for non-binding review. The Board will review preliminary plans, without fee, and make its comments known to the Owner; provided, however, that no preliminary approval is to be considered a final approval, and no final approval will be granted on less than a complete submission. Upon approval, the Board and the Owner will each sign a copy of the plans, which shall be left with the Board. No construction that is not in strict compliance with the plans approved will be permitted.

4.2.4. Written Record. The Board will maintain a written record of its actions and maintain in its files a copy of all plans approved or rejected for a period of five (5) years. The Board will also provide evidence of this approval for the City if requested by the Owners.

4.2.5. Failure to Act. If the Board has not approved or rejected any submission within thirty (30) days of the review and submission of complete plans, the submission shall be deemed to have been denied.

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

4.3 Design Guidelines. Design and construction of Improvements shall be consistent with and shall comply with the procedures and criteria set forth in this Declaration and such other building and design criteria which the Board is hereby empowered to adopt (referred to as “**Design Guidelines**”) to expand, clarify, and otherwise provide for the harmony and compatibility of the Improvements constructed within the Property. The Board will use its reasonable efforts to provide a consistent pattern of development, and consistent application of the Design Guidelines and this Declaration. These standards are, of necessity, general in nature, and it is the Board’s responsibility to apply them in a manner that results in a high quality, attractive and well-designed community. Design Guidelines shall also be deemed to include the requirement that the quality of all materials to be used in any construction or Improvements within the Property be equal or superior to that utilized for original construction. All builders and Owners shall comply with and are bound by the design restrictions herein and the Design Guidelines, if and when such are adopted.

4.4 Appeal of Board Decisions. Any Owner may appeal a Board decision made pursuant to this Article IV by calling a Special Meeting and receiving the approval of Members consistent with the terms and requirements of the Bylaws.

ARTICLE V - MAINTENANCE OBLIGATIONS

5.1 Owner's Responsibility. Except to the extent that the Association is responsible therefore under Section 5.2, maintenance, repair and replacement of the Lots and the Residences shall be the responsibility of the Owner(s) thereof, who shall maintain such Lots and Residences in good condition and repair. Each Owner shall be responsible for maintenance, repair, and replacement to the exterior of the Lot owned and the areas adjacent and appurtenant to the Lot as follows: glass, doors and garage door, and shall be responsible for maintenance and repair of the exterior, façade, windows, doors, garage door, backyard landscaping, roof and shingles. Any fixture, pipe, conduit, or other utility device or apparatus that services only one Lot shall be the responsibility of that Lot's Owner to maintain, repair, and replace. Each Lot and Residence shall be maintained so as to not detract from the appearance of the Community and so as to not adversely affect the value or use of any other Lot or Residence.

All utilities, fixtures and equipment installed within a Lot, commencing at a point where the utility lines, pipes, wires, conduits or systems enter the boundaries of a Lot, shall be maintained, replaced, and kept in repair by the Owner of the Lot. An Owner shall not do any act or any work that will impair any easement or hereditament nor do any act nor allow any condition to exist which will adversely affect the other Lots or Owners.

All Lots shall be kept free of rubbish, weeds, etc. and must be maintained in such a manner as to not detract from the residential quality of a subdivision. Sidewalks, curbs and gutters must be kept clean, unobstructed and in good repair. Trees and shrubs must be cleared from around and above sidewalks. There must be at least a seven (7) foot clearance above sidewalks. Owners must remove any snow from sidewalks within twenty-four (24) hours after the end of the snow storm.

5.2 Maintenance by Association. The Association shall be responsible for maintenance, repair, and replacement upon the Common Area which are not be maintained by the Owner as set forth in Section 5.1 above. The Association shall also maintain all Common Area amenities which may be installed from time to time. However, if the Common Areas or a Lot are damaged by the willful misconduct or negligence of an Owner, their guests, tenants, or invitees, such Owner shall be responsible for all such damage.

Additionally, the Association, by and through the Board, may assume the Owner's general maintenance responsibility over a Lot if, in the opinion of the Board, the Owner is unwilling or unable to adequately provide such maintenance. Before assuming such maintenance responsibility, the Board shall provide notice to the Owner of its intention to do so, and if such Owner has not commenced and diligently pursued remedial action with fifteen (15) days after mailing of such written notice, then the Association may proceed to maintain the Lot. The expenses of such maintenance incurred by the Association shall be reimbursed to the Association by the Owner.

Such expenses shall constitute an assessment and collected in the same manner as assessments pursuant to this Declaration.

5.3 Access at Reasonable Hours. For the purpose solely of performing the maintenance required by this Article, the Association, through its duly authorized agents or employees, shall have the right, after reasonable notice to the Owner, to enter upon any Lot at reasonable hours.

5.4 Clarification and Alteration of Certain Maintenance Duties by Rule. To the extent not clarified herein and not inconsistent with the provisions of this Declaration, the Association may, by duly adopted Board resolution, identify and assign those areas of maintenance and responsibility that are either (1) Owner responsibilities; or (2) Association responsibilities.

ARTICLE VI - ASSESSMENTS

6.1 Covenant for Assessments.

(a) Each Owner, by acceptance of a deed hereafter conveying any Lot to it, whether or not so expressed in the deed or other conveyance, shall be deemed to have covenanted and agreed to pay the Association the following types of assessments:

- (1) Annual common assessments (the "Annual Assessment") as provided below.
- (2) Special assessments ("Special Assessments") as provided below.
- (3) Individual assessments ("Individual Assessments") as provided below.

(b) No member may exempt itself from liability for Assessments by abandonment of any Lot owned by such member.

6.2 Annual Budget and Assessment.

(a) Adoption of Budget. The Board shall prepare, or cause the preparation of, and adopt an annual budget for the Association, which shall provide, without limitation, for the maintenance of the Common Areas and for the administration, management and operation of the Association, and shall include a reserve fund line item in an amount the Board determines to be prudent based on the reserve analysis (as defined in Section 6.6.2). If the Board fails to adopt an annual budget, the last adopted budget shall continue in effect. The Board shall present the adopted budget to Owners at a meeting of the Owners.

(b) Determination of Annual Assessment.

(1) Written notice of the Annual Assessments shall be sent to all members of the Association within thirty (30) days of the beginning of any assessment period. Said notice will indicate any Assessment increase determined by the Board for the applicable assessment period.

An Assessment increase in excess of fifteen percent (15%) from the previous year shall require the approval and consent of at least fifty-one percent (51%) of the Lot owners.

(2) The omission by the Board, before the expiration of any assessment period, to fix the amount of the Annual Assessment for that or the next period, shall not be deemed a waiver or modification in any respect of the provisions of this article or a release of any Owner from the obligation to pay the Annual Assessment, for that or any subsequent assessment period. In the event of such omission, the Annual Assessment fixed for the preceding period shall continue until a new assessment is fixed.

(3) Equitable Changes. If the Annual Assessments levied at any time are, or will become, inadequate to meet the expenses incurred by the Association for any reason, including nonpayment of any Owner's Assessments on a current basis, the Board may determine the approximate amount of the inadequacy and adopt a resolution which establishes a supplemental budget and establishes the equitable change in the amount of the Annual Assessment. Owners shall be given at least twenty (20) days' written notice of any changes in the amount of an Assessment.

6.3 Apportionment of Assessments. Assessments shall be apportioned as follows:

(a) Annual and Special Assessments. All Lots shall pay an equal share of the Annual Assessment and Special Assessments commencing upon the date the Lots are made subject to this Declaration.

(b) Individual Assessments. Individual Assessments shall be apportioned exclusively against the Lots benefitted or to which the expenses are attributable as provided for below.

(c) Payment of Assessments. Annual Assessments shall be levied and collected on an annual basis. However, upon resolution of the Board of Directors, installments of Annual Assessments may be levied and collected on a quarterly, semi-annual or monthly. Any Owner may prepay one or more installments of any Assessment levied by the Association, without premium or penalty.

6.4 Purpose of Assessments. The Assessments levied by the Association shall be used for payment of Common Expenses and any other expense incurred by the Association, including, but not limited to: (a) the improvement and maintenance, operation, care, and services related to the Common Areas; (b) the payment of insurance premiums; (c) the costs of utilities and other services which may be provided by the Association for the Community; (d) the cost of labor, equipment, insurance, materials, management, legal and administrative fees incurred or expended in performing the duties under this Declaration or the Bylaws; (e) for promoting the recreation, health, safety, and welfare of the residents of the Property; and (f) the cost of funding all reserves established by the Association, including a general operating excess and a reserve for replacements as provided below.

6.5 Special Assessments. In addition to the Annual Assessments authorized in this article, the Association may levy a special assessment from time to time ("Special Assessment") for the

purpose of defraying, in whole or in part, the costs incurred or to be incurred by the Association which cannot be paid for through other types of Assessments. The Board may authorize a Special Assessment for any lawful purpose provided, however, that any Special Assessment greater than \$500 per Owner may only be levied if it is first voted upon by the Owners and: (1) the votes cast favoring the action exceed the votes cast opposing the action, and (2) a quorum of members representing at least 30% of the total Association voting rights cast a vote.

6.6 Individual Assessments. Any expenses which are not common expenses, and which benefit or are attributable to fewer than all of the Lots, may be assessed exclusively against the Lots affected or benefitted. Individual Assessments shall include, but are not limited to: (1) Assessments levied against any Lot to reimburse the Association for costs incurred in bringing the Lot or its Owner into compliance with the provisions of this Declaration or rules and regulations of the Association and for fines or other charges imposed pursuant to this Declaration for violation of this Declaration, the Bylaws or any rules and regulations of the Association; (2) Expenses, other than common expenses, relating to the cost of maintenance, repair replacement and reserves of the Lots which may be incurred by the Association.

6.7 Nonpayment of Assessments. The Annual Assessments shall be due and payable thirty (30) days from the date the Notice of Assessment or Invoice was mailed (electronically or by United States Mail) unless otherwise provided by the Board and shall be delinquent if not paid within the thirty (30) day period. The due date of any Special Assessment or other Assessment shall be fixed in the resolution authorizing the Assessment.

6.7.1 Interest. Delinquent payments shall bear interest from the thirty-first (31st) day following the date of the Notice of Assessment or Invoice at the rate established by the Board of Directors.

6.7.2 Late Charge. Delinquent payments shall be subject to the following late charges:

(a) a \$50.00 late charge for payments postmarked after thirty (30) days;

(b) a \$100.00 late charge for payments postmarked after forty-five (45) days;

(c) a \$250.00 late charge for payments postmarked after sixty (60) days; and

(d) a \$500.00 late charge for payments postmarked after seventy-five (75) days and for each periodic delinquency thereafter as establish by Board Resolution.

The levying of a late charge does not preclude any other remedies permitted by law.

6.7.3 Acceleration. If Assessments are paid by installments, they may, at the discretion of the Board, be accelerated (including interest and late charges as provided for above) and the entire balance declared due and payable upon not less than ten (10) days written notice to the Owner.

6.7.4 Rent Payments by Tenant to Association. As permitted by Utah law, if the Owner of a Lot who is leasing the Lot fails to pay an assessment for more than 60 days after the assessment is due, the Board may demand that the tenant pay to the Association all future lease payments due to the Owner, beginning with the next monthly or other periodic payment, until all amount dues to the Association are paid. Such demand to the tenant shall be made in accordance with the law and the written procedures of the Association. The Board, or its agent, shall give the Owner written notice of its intent to demand full payment from the tenant and such notice shall be made in accordance with the law and the written procedures of the Association.

6.7.5 Remedies, Including Suspension of Membership Rights and Services. All membership rights, including the right of a member to vote, shall be automatically suspended during any period of delinquency, unless otherwise determined by the Board. A Board member shall become immediately ineligible to serve on the Board and automatically dismissed from such position if delinquent more than 60 days in the payment of any Assessment. Any service provided by the Association to the Owners shall also be terminated as to the delinquent Owner at the discretion of the Board.

6.7.6 Remedies Pursuant to Utah Law. The Association shall have each and every remedy for the collection of assessments provided in the Utah Community Association Act, Utah Code Title 57, Chapter 8a, as amended from time to time, and the provisions of the Act shall be deemed to be fully set forth herein when required by such Act in order to exercise any such remedy.

6.8 Lien. The Annual Assessment and all other Assessments imposed together with damages, fines, interest, costs of collection, late charges, and attorneys' fees provided for in this Declaration (whether or not a legal proceeding is initiated) or by law or awarded by a court for enforcement of the Governing Documents shall be a charge and continuing lien upon each of the Lots against which the assessment or charge is made in accordance with the terms and provisions of this Article and shall be construed as a real covenant running with the land. The lien shall be for the total amount owed to the Association and shall be a continuing lien for amounts that remain unpaid. In a voluntary conveyance, the grantee of a Lot shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his share of the unpaid assessments up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the grantor the amounts paid by the grantee.

6.9 Personal Obligation and Costs of Collection. Assessments imposed under this Declaration, together with late charges and interest at a rate to be established by the Board, not to exceed the maximum permitted by law, and costs and reasonable attorneys' fees incurred or expended by the Association in the collection thereof (whether or not a lawsuit is initiated), shall also be the personal obligation of the Owner holding title to any Lot at the time when the assessment became due.

6.10 Appointment of Trustee. By acceptance of a deed for a Lot, each Owner as Trustor conveys and warrants to Trustee in trust for the Association, as Beneficiary, with power of sale, the Owner's Lot and all improvements thereon for the purpose of securing payment of all Assessments (including basis of collection) provided for in this Declaration. For purposes of this

Section and Utah Code Ann. §§57-1-19, et seq., as amended from time to time, the Trustee shall mean the attorney for the Association, and the Association may provide notice and disclosure of the Trustee by recording an “Appointment of Trustee” on the records of the local County Recorder. Each Owner hereby also grants to the Association and Trustee all powers and rights of non-judicial trust deed foreclosure provided for in Utah Code Ann. §§57-1-19, et seq.

6.11 Enforcement of Lien. The lien for nonpayment of assessments may be foreclosed by the Board judicially or non-judicially consistent with the laws of the state of Utah for the non-judicial foreclosure of deeds of trusts. The Association, through duly authorized agents, shall have the power to bid on the Lot at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Upon completion of the foreclosure sale, an action may be brought by the Association or the purchaser at the sale in order to secure occupancy of the defaulting Owner's Lot, and the defaulting Owner shall be required to pay the reasonable rental value of such Lot during any period of continued occupancy by the defaulting Owner or any persons claiming under the defaulting Owner. The Association shall be entitled to the appointment of a receiver to collect the rental income or the reasonable rental value without regard to the value of the security.

6.12 Subordination of Lien to Mortgages. The lien of the Assessments provided for in this article shall be subordinate to the lien of any first mortgagees or deeds of trust now or hereafter placed upon the Lot subject to assessment, except as follows: the sale or transfer of any Lot pursuant to mortgage or deed of trust foreclosure shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. Such sale or transfer shall not relieve the Lot from liability or lien for any Assessments thereafter becoming due.

6.13 Reserve Analysis.

6.13.1. Reserve Analysis Required. The Board shall cause a reserve analysis to be conducted no less frequently than every six years, and shall review and, if necessary, update a previously conducted reserve analysis no less frequently than every three years. However, the Board may decrease the frequency of conducting and updating a reserve analysis in a formal resolution of the Board delivered to all Owners. The Board may conduct a reserve analysis itself or may engage a reliable person or organization, as determined by the Board, to conduct the reserve analysis.

6.13.2. Reserve Analysis Defined. “Reserve analysis” means an analysis to determine the need for a reserve fund to accumulate reserve funds, and the appropriate amount of any reserve fund. A reserve analysis shall include:

(a) a list of the components identified in the reserve analysis that will reasonably require reserve funds;

(b) a statement of the probable remaining useful life, as of the date of the reserve analysis, of each component identified in the reserve analysis;

(c) an estimate of the cost to repair, replace, or restore each component identified in the reserve analysis;

(d) an estimate of the total annual contribution to a reserve fund necessary to meet the cost to repair, replace, or restore each component identified in the reserve analysis during the component's useful life and at the end of the component's useful life; and,

(e) a reserve funding plan that recommends how the Association may fund the annual contribution described in subsection (d) above.

6.13.3. Reserve Analysis Summary Provided to Owners. The Association shall: (a) provide Owners a summary of the most recent reserve analysis or update; and (b) provide a copy of the complete reserve analysis or update to an Owner who requests a copy.

6.14 Reserve Funds.

(a) Unless vetoed by the Owners pursuant to applicable law, the Association shall establish and maintain a reserve fund for the purpose of funding repair, replacement and restoration of the Common Areas and other items for which it is responsible to repair or replace, any emergency, unforeseen, unusual, or unanticipated expenditures, and for any other purpose determined from time to time by the Board, by the allocation and payment to such reserve fund of an amount to be designated from time to time by the Board in its sole discretion and best business judgment or of an amount and in the manner as may be required by law. The fund shall be conclusively deemed to be a Common Expense of the Association and may be deposited with any banking institution, the accounts of which are insured by an agency of the United States of America or may, in the discretion of the Board, be invested in obligations of, or fully guaranteed as to principal by, the United States of America. The reserve funds shall be maintained separately from other Association funds.

(b) The Association may establish such other reserves for such other purposes as the Board may from time to time consider necessary or appropriate.

(c) The Board's reasonable determination with respect to the amount of the reserve fund contribution shall be conclusively deemed appropriate absent intentional misconduct or gross mismanagement of Association funds. Except in such instances, individual Board members shall not be held liable for any potential or alleged under-funding of the reserve account.

(d) Unless approved by a majority of Association Owners for daily maintenance purposes, reserve funds may not be used for any purpose other than the purpose for which the reserve funds were established.

6.15 Duty to Pay Independent. No reduction or abatement of Assessments shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs

or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, order or directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate and independent covenant on the part of the each Owner.

6.16 Statement of Unpaid Assessment & Payoff Information. The Association shall, upon demand at any time, furnish to any Owner liable for assessment a certificate in writing signed by an officer of the Association setting forth whether Assessments has been paid. The certificate shall be conclusive evidence of payment of any assessment therein stated as having been paid. A reasonable charge may be levied in advance by the Association for each certificate so delivered. The Association may charge a fee for providing Association payoff information needed in connection with the financing, refinancing, or closing of a lot owner's sale of the owner's lot up the maximum amount allowed by law.

ARTICLE VII - THE ASSOCIATION

7.1 Organization.

(a) The Association has been organized as a nonprofit corporation under the nonprofit corporation laws of the State of Utah (Utah Code Annotated Titled 16 Chapter 6a, as may be amended from time to time).

(b) In the event the Association is at any time administratively dissolved by the Division of Corporations and Commercial Code, the Board may re-incorporate the Association without a vote of the Owners.

(c) The affairs of the Association shall be governed by a Board of Directors as provided herein and in the Bylaws.

7.2 Membership. Each Owner during the entire period of Owner's ownership of one or more Lots within the Community shall be a member of the Association. The membership shall commence, exist and continue by simple virtue of the ownership, shall expire automatically upon termination of ownership and need not be confirmed or evidenced by any certificate or acceptance of membership.

7.3 Voting Rights. Each Owner shall have one (1) vote in matters of the Association for each Lot owned as may be further set forth in the Bylaws.

7.4 Powers, Duties and Obligations. The Association shall have such powers and duties as may be granted to it or imposed by this Declaration, the Articles of Incorporation, the Bylaws and any applicable statute, as such statute may be amended to expand the scope of association powers, including without limitation:

7.4.1 Duties of the Association. Without limiting any other duties which may be imposed upon the Association by its Articles of Incorporation or this Declaration; the

Association shall have the obligation and duty to do and perform each and every one of the following for the benefit of the Owners and the maintenance and improvement of the Property:

- (1) The Association shall maintain the Common Areas.
- (2) To the extent not assessed to or paid by the Owners directly, the Association shall pay all real property taxes and assessments levied upon any portion of the Property, provided that the Association shall have the right to contest or compromise any such taxes or assessments.
- (3) The Association shall obtain and maintain in force the policies of insurance required by the provisions of this Declaration.
- (4) The Association may employ a responsible corporation, partnership, firm, person or other entity as the Managing Agent to manage and control the Community, subject at all times to direction by the Board of Directors, with such administrative functions and powers as shall be delegated to the Managing Agent by the Board of Directors.

7.4.2 Authority of the Association.

- (1) The Association shall have all the powers set forth this Declaration, in its Articles of Incorporation and any Bylaws, together with its general powers as a corporation. Without in any way limiting the generality of the foregoing, the Association shall have the following powers:
 - (2) In fulfilling any of its duties under this Declaration, including its duties for the maintenance, repair, operation or administration of the Community or in exercising any of its rights to construct, maintain and repair the Common Areas, the Association shall have the power and authority (i) to pay and discharge any and all liens placed upon any Lot on account of any work done or performed by the Association in the fulfillment of any of its obligations and duties of maintenance, repair, operation or administration and (ii) to obtain, contract and pay for, or to otherwise provide for:
 - A. Such utility services, including (without limitation) water, sewer, trash removal, snow removal, electrical, telephone and gas services, as the Officers may from time to time deem desirable;
 - B. The services of architects, engineers, attorneys and certified public accountants and such other professional or nonprofessional services as the Officers may deem desirable.
 - (3) The Board may delegate by resolution or contract to the Managing Agent any of its powers under this Declaration; provided, however, that the Board cannot delegate to

such Managing Agent the power to execute any contract binding on the Association for a sum in excess of Five Thousand Dollars (\$5,000.00).

(4) Telecommunications/Fiber Optic/Related Contracts. The Board of Directors shall have the power, in its own discretion and subject to federal law, to enter into, accept an assignment of, or otherwise cause the Association to comply with contracts with Telecommunication Service providers and Telecommunication Facilities owners (both, a “Telecommunication Provider”), pursuant to which the Telecommunication Provider serves as the exclusive provider of Telecommunication Services and/or Telecommunication Facilities to each Lot in the Properties. The Board shall also have the power to enter into or contract on behalf of the Association for similar bulk rate service contracts of any nature deemed in the Association’s best interests.

7.5 Adoption of Bylaws. The Association has adopted Bylaws for the Association which are being recorded simultaneously with this Declaration.

ARTICLE VIII – RULES, ENFORCEMENT, APPEAL

8.1 Rules and Regulations.

8.1.1. The Board may adopt, amend, modify, cancel, limit, create exceptions to, expand, or enforce the Rules and Regulations, subject to limitation and requirements of the law, including the right of the Owners to disapprove a rule pursuant to law, and subject to the Board’s duty to exercise business judgment on behalf of the Association and the Owners.

8.1.2. Before adopting, amending, modifying, canceling, limiting, creating exceptions to, or expanding the Rules and Regulations, the Board shall:

(a) at least 15 days before the Board will meet to consider a change to the Rules and Regulations, deliver notice to the Owners that the Board is considering a change to the Rules and Regulations;

(b) provide an open forum at the Board meeting giving Owners an opportunity to be heard at the Board meeting before the Board takes action under Section 8.1.1; and,

(c) deliver to the Owners a copy of the change in the Rules and Regulations approved by the Board within fifteen (15) days after the date of the Board meeting.

8.1.3. The Board may adopt a rule without first giving notice to the Owners if there is an imminent risk of harm to the Common Area, an Owner, an occupant of a Lot, a Lot, or a Residence. The Board shall provide notice to the Owners of such a rule within fifteen (15) days of adoption by the Board.

8.2 Compliance. Each Owner, tenant or occupant of a Lot shall comply with the provisions of this Declaration, the Bylaws and the rules and regulations adopted pursuant thereto and any applicable statute. Failure to comply therewith shall be grounds for levying of a fine and an action or suit maintainable by the Association or an aggrieved Owner.

8.3 Remedies. Violation of any provisions of the Governing Documents, or of any decision of the Association made pursuant to such documents, shall give the Board, the right, but not the obligation, in addition to any other rights set forth in this Declaration or the Bylaws, or under law, to do any or all of the following after giving notice:

8.3.1 In cases of reasonably perceived danger to the health and safety of other residents, the Association shall have the authority, with prior notice to the resident when possible, and without liability for trespass, to enter onto a Lot (not into a Residence) for the purpose of maintaining and/or repairing such Lot or any Improvement thereon if for any reason the Owner fails to maintain and repair such Lot or Improvement which creates a hazardous condition.

8.3.2 To commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Declaration, Bylaws or any rules and regulations promulgated by the Board or to otherwise enforce the provisions of the Governing Documents and the Act.

8.3.3 To levy fines consistent with the Act for a violation of any Governing Document. The Association shall adopt a Schedule of Fines in advance of levying any fines as required by the Act.

8.3.4 To suspend the right to receive access or use any services or facilities provided by or through the Association until the violation is corrected;

8.3.5 To suspend the voting rights of an Owner, but not for longer than 60 days except in the case of a continuous violation; or

8.3.6 Bring suit or action against the Owner on behalf of the Association and other Owners to enforce this Declaration, the Bylaws and any rules or regulations adopted pursuant thereto. The Association shall be entitled to an award of its attorneys' fees and costs in any action taken for the purpose of enforcing or otherwise implementing the terms of the Governing Documents, or for any action taken pursuant to the Governing Documents, if it prevails in such action, regardless of who instituted the action.

8.4 Fines. The Board may assess a fine against an Owner for a violation of the Governing Documents in accordance with the following provisions.

8.4.1. Warning. A written warning ("Warning") shall be sent to the Owner of the lot. The Warning shall:

- (a) describe the violation,
- (b) state the rule or provision of the Governing Documents that the Owner has violated,
- (c) state that the Board may, in accordance with the provisions of the law, assess fines against the Owner and suspend membership rights if a continuing violation is not cured or if the

Owner commits similar violations within one year after the day on which the Board gives the Owner the Warning or assesses a fine against the Owner,

(d) if the violation is a continuous violation, state a time by which the Owner must cure the violation (which time must be at least 48 hours after the day the Owner is given the Warning), and

(e) state the amount of the fine that will be assessed if a continuous violation is not cured within 48 hours or if the Owner commits similar violations within one year after the day on which the Board gives the Owner the Warning.

8.4.2. Initial Fine. The Board may assess a fine against an Owner if: (i) within one year after the day on which the Board gives the Owner a Warning, the Owner commits another violation of the same rule or provision identified in the Warning; or (ii) for a continuing violation, the Owner does not cure the violation within 48 hours after the day the Owner is given the Warning.

8.4.3. Subsequent Fines for Same Violation. After a fine is assessed against an Owner, the Board may, without further warning, assess an additional fine against the Owner each time the Owner: (i) commits a violation of the same rule or provision within one year after the day on which the Board assesses a fine for a violation of the same rule or provision; or (ii) allows a violation to continue for 10 days or longer after the day on which the Board assesses the fine.

8.4.4. Notice of Fine. Each time a fine is assessed, notice of the fine shall be sent to the Owner describing the violation, stating the rule or provision of the Governing Documents that the Owner has violated, and stating that the Owner may request an informal hearing before the Board to dispute the fine within 33 days after the date of the notice.

8.4.5. Amount of Fine. A violation of any express rule, regulation, covenant, restriction or provision of any of the Governing Documents shall be subject to a fine in the amount set forth in a schedule of fines adopted by the Association from time to time, or in the absence of such schedule, \$100 after proper warning of original violation; \$250 for first recurrence of the same violation; \$500 for second recurrence of same violation; and \$1,000 for subsequent recurrences of same violation.

8.4.6. Membership Rights. An Owner shall not be deemed an Owner in Good Standing for 60 days after a fine is assessed against the Owner.

8.5 Appeal by Owner. Any Owner who is assessed a fine or other penalty or who has rights suspended may request an informal hearing before the Board to dispute the fine, penalty or suspension within 33 days after the date of the notice stating that the fine or penalty is assessed or that rights have been suspended. The hearing requested shall be conducted in accordance with procedures promulgated by resolution of the Board from time to time, or if none, in accordance with the standards determined by the Board at the hearing.

8.6 Action by Owners. Subject to any limitation imposed under the Governing Documents or Utah law, an aggrieved Owner may bring an action against such other Owner or the Association to recover damages or to enjoin, abate, or remedy such thing or condition by appropriate legal proceedings.

8.6.1 Disputes Between Neighbors. Neither the Association, Board nor any member thereof is an arbiter of disputes between Members. In case of a dispute between Members, Members are to work out problems between themselves. If they are unable to do so, and if the dispute involves a violation of these Governing Documents, the Members may then email the Board at oldmillestates@gmail.com . In no event is a Member to call or contact a Board Member in any other manner to resolve a dispute with the expectation of immediate resolution, unless a true emergency. The Board will act as interpreter of the Governing Documents for purposes of dispute resolution.

8.7 Injunctive Relief. Nothing in this section shall prevent an Owner, the Association, or other interested party from resorting to a court of competent jurisdiction in those instances where injunctive relief may be appropriate.

8.8 Purchase Subject to Violations. Buyers shall take ownership of Lots subject to any violations of the Governing Documents which may exist concerning the Lot, whether or not such violations were disclosed by the seller of the Lot and whether or not the Association knew of the violations at the time of sale. Such buyers shall be liable for correcting such violations upon demand by the Association.

ARTICLE IX - INSURANCE

9.1 Types of Insurance Maintained by the Association.

9.1.1 The Board shall at all times purchase, maintain in force, and pay the premiums for, (as well as such other insurance as it deems reasonable) if reasonably available, and consistent with that of similarly situated first-class subdivisions in the county and with the Act: (1) property insurance for the Common Area, if required by law or deemed necessary by the Board; and (2) liability insurance with adequate limits of liability for bodily injury and property damage, but in no event less than one million dollars (\$1,000,000) per occurrence; and (3) Directors and officers (D & O) liability insurance coverage.

9.1.2 The Board may purchase and maintain in force, if and as deems reasonable, the following types of insurance:

(a) Fidelity. Fidelity insurance or bond covering all Board members, officers, employees and other persons handling or responsible for the funds of, or administered by, the Association. Where a Managing Agent has the responsibility for handling or administering funds of the Association, fidelity coverage shall include coverage for its officers, employees, and agents handling or responsible for funds of, or administered on behalf of, the Association. Such fidelity bond or insurance shall name the Association as an obligee and shall not be less than the estimated

maximum of funds, including reserve funds, in the custody of the Association or Managing Agent, as the case may be, at any given time during the term of each bond or policy, and in no event, no less than a sum equal to three months' aggregate assessments on all Lots plus reserve funds. The bonds or policies shall contain waivers by the issuers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions. The bonds or policies shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least 10 days' prior written notice to the Association or insurance trustee.

(b) Other. Any other policy as determined by the Board.

9.1.3 Miscellaneous Items. The following provisions shall apply to all insurance coverage of the Association:

(a) Certificate of Insurance. Evidence of insurance shall be issued to each Owner and Mortgagee upon request.

(b) Deductible. The Association shall pay for the deductible on any claim made against the Association's property insurance policy, except where the claim is made because of the negligence or willful acts of an Owner or occupant, including a guest, invitee, or visitor, as determined by the Board. In such cases, the corresponding Owner shall pay the deductible amount.

(c) Waiver of Subrogation; Individual Neglect. All policies shall include a waiver of the right of subrogation against Owners individually. All policies shall include a provision that the insurance is not prejudiced by any act or neglect of an individual Owner.

(d) Special Endorsements. Each policy shall contain or provide those endorsements commonly purchased by other Community associations in the county.

(e) Intent. The foregoing provisions shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage in addition to any insurance coverage required hereunder, in such amounts and in such forms as the Board or Association may deem necessary or appropriate from time to time.

9.2 Owner's Insurance. To the extent the Board does not elect to obtain and continue in effect, on behalf of all Owners, adequate blanket casualty and fire insurance pursuant to Section 9.1(a) above, each Owner and resident shall purchase and maintain adequate liability and property insurance on his or her Lot and Residence subject to the following:

9.2.1 Primary Coverage. The insurance coverage of an Owner shall be primary. Unless elected by the Board pursuant to Section 9.1(a) above, the Association shall not maintain insurance on an Owner's Lot, Residence, personal property, or contents;

9.2.2 Prompt Repair. Each Owner further covenants and agrees that in the event of any partial loss, damage or destruction of its Lot or Residence, the Owner shall promptly proceed to

repair or to reconstruct the damaged structure in a manner consistent with the original construction;

9.2.3 Failure to Repair. If the Board determines that any Owner has failed to properly discharge its obligation with regard to the repair or reconstruction of the damaged structure, then the Association may, but is not obligated to, provide such repair or reconstruction at the Owner's sole cost and expense.

ARTICLE X - AMENDMENT AND DURATION

10.1 Amendments.

This Declaration, as well as the Plat, may be amended if any provision, covenant, condition or restriction whatsoever, may thereby be added, modified or deleted, if such amendment is approved by Owners holding more than sixty-seven percent (67%) of the total voting rights of the Association. (Consistent with Section 2.8 of the Bylaw, by receiving more than fifty percent (50%) of the total votes, a quorum will have automatically been established.)

An amendment shall not be effective until the amendment is certified by the president of the Association as being adopted in accordance with this Declaration is acknowledged and is recorded in the appropriate County Recorder's Office.

10.2 Duration.

(a) Period. All provisions, covenants, conditions and restrictions contained in this Declaration shall continue and remain in full force and effect until there is recorded an instrument directing the termination of this Declaration after the vote and approval of at least fifty percent (50%) of all of the Owners of the Lots.

(b) Execution and Recording of Termination Certificate. Any such termination shall become effective only if a certificate of the president and secretary of the Association, certifying that termination as of a specified termination date has been approved in the manner required herein, is duly acknowledged and recorded in the County Recorder's Office not less than six (6) months prior to the intended termination date.

ARTICLE XI - MISCELLANEOUS PROVISIONS

11.1 Priority of Governing Documents. In the event of any conflict between or among this Declaration and any other Governing Document, the document in the highest priority beginning with the first document listed hereinafter shall prevail (as to any such conflict) over any later listed document: this Declaration, the Articles of Incorporation, Bylaws, Rules and Regulations.

11.2 Recovery of Costs and Attorney Fees. The Association shall be entitled to recover its costs and attorney's fees incurred for enforcement of this Declaration regardless of whether any lawsuit or other action is commenced. Such costs and attorney's fees shall automatically be and constitute an assessment against the Owner and the Lot. Additionally, the prevailing party shall

be entitled to its attorney fees and costs in any dispute concerning any Governing Document, including an action dealing with the declaration of rights and obligations thereunder with or without a defaulting party, whether such costs and expenses are incurred with or without suit; before or after judgment; in any appeal; in any bankruptcy or receivership proceeding; or in connection with any alternative dispute resolution proceeding.

11.3 Invalidity; Number; Captions. The invalidity of any part of this Declaration shall not impair or affect in any manner the validity, enforceability, or effect of the balance of this Declaration. As used herein, the singular shall include the plural and the plural the singular. The masculine and neuter shall each include the masculine, feminine, and neuter, as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of this Declaration.

11.4 Joint Owners. In any case in which two or more persons share the ownership of any Lot, regardless of the form of ownership, the responsibility of such persons to comply with this Declaration shall be a joint and several responsibility and the act or consent of any one or more of such persons shall constitute the act or consent of the entire ownership interest; provided, however, that in the event such persons disagree among themselves as to the manner in which any vote or right of consent held by them shall be exercised with respect to a pending matter, any such person may deliver written notice of such disagreement to the Board of Directors, and the vote or right of consent involved shall then be disregarded completely in determining the proportion of votes or consents given with respect to such matter in accordance with the Bylaws.

11.5 Lessees and Other Invitees. No damage to, or waste of the Common Areas or any part thereof shall be committed by any Owner or any Lot occupant, guest, invitee, lessee of any Owner, and each Owner shall indemnify and hold the Board and the other Owners harmless against all loss resulting from any such damage or waste caused by any such person. Lessees, invitees, guests, Lot occupants, contractors, family members and other persons entering the Property under rights derived from an Owner shall comply with all of the provisions of the Governing Documents restricting or regulating the Owner's use, improvement or enjoyment of such Owner's Lot and other areas within the Property. The Owner shall be responsible for obtaining such compliance and shall be liable for any failure of compliance by such persons in the same manner and to the same extent as if the failure had been committed by the Owner.

11.6 Waiver, Precedent and Estoppel. No restriction, condition, obligation or provision contained in this Declaration or rules and regulations adopted pursuant hereto shall be deemed to have been abrogated or waived by the Association, the Board or any Owner by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur and any failure to enforce the same shall not be deemed to constitute precedent or estoppel impairing the right of the Association, Board or Owner as to any similar matter.

11.7 Interpretation. All questions of interpretation or construction of any of the covenants or restrictions in this Declaration shall be resolved by the Board, and its decision shall be final, binding and conclusive on all parties affected for all purposes. The covenants, restriction and terms of this Declaration are to be interpreted broadly to give effect to the Association's role as the governing body of the Community and to grant all the powers necessary for management of the common property, administration of the servitude regime, carrying out other functions set

forth herein, and furthering the purposes of the Association. The enumeration of specific items, acts, rights, or powers in this instrument does not limit or restrict and is not to be construed or interpreted as limiting or restricting, the general powers granted to the Association or Board except where powers are expressly restricted.

11.8 Premises Liability. The Association and the Board is and shall remain wholly free and clear of any and all liability to, or claims by, all Owners and all persons and entities, of whatever kind or character, whether sounding in contract or tort, deriving from the occurrence of any injury or damage to any person or property on, or in respect of the use and operation of, the Common Area or any of its improvements, fixtures, and facilities and an Owner shall defend, indemnify and hold harmless the Association and Board against such claim, loss or liability asserted by such Owner or his or her guest, invitee, licensee, tenant, or visitor. In this respect, it shall be the affirmative duty and responsibility of each Owner and user of the Common Area facilities to continuously inspect the same for any defects or perils or other unsafe conditions or circumstances, prior to and during such use or enjoyment thereof; and all users of, and visitors to, the Common Area and its improvements and facilities shall use, enjoy, and visit, the same at their own risk and peril.

11.9 Notice of Sale, Mortgage, Rental, or Lease. Immediately upon the sale, mortgage, rental, or lease of any Lot, the Owner shall promptly inform the secretary or manager of the name and address of said grantee, vendee, mortgagee, lessee, or tenant.

[END OF DECLARATION]

IN WITNESS WHEREOF, Old Mill Estates Homeowner's Association has executed this Declaration this 1 day of August, 2019.

OLD MILL ESTATES HOMEOWNER'S ASSOCIATION

David A. Clark
By: David A. Clark
Its: President

STATE OF UTAH)
) ss:
County of _____)

The foregoing instrument was acknowledged before me on this 1 day of August, 2019 by David Clark

Notary Public for Utah

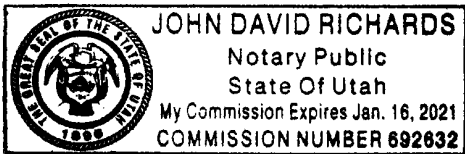


EXHIBIT A

(LEGAL DESCRIPTION)

All Lots and Common Area, **OLD MILL EST PL A**, as set forth on the plat map and in the records of the Salt Lake County Recorder for Salt Lake County, State of Utah.

First Parcel No.: 22234510490000

All Lots and Common Area, **OLD MILL EST PL B**, as set forth on the plat map and in the records of the Salt Lake County Recorder for Salt Lake County, State of Utah.

First Parcel No.: 22234010080000

All Lots and Common Area, **OLD MILL EST PL C**, as set forth on the plat map and in the records of the Salt Lake County Recorder for Salt Lake County, State of Utah.

First Parcel No.: 22234520240000

All Lots and Common Area, **OLD MILL EST PL D**, as set forth on the plat map and in the records of the Salt Lake County Recorder for Salt Lake County, State of Utah.

First Parcel No.: 22234520280000

All Lots and Common Area, **OLD MILL EST PL E**, as set forth on the plat map and in the records of the Salt Lake County Recorder for Salt Lake County, State of Utah.

First Parcel No.: 22234510840000

EXHIBIT B
BYLAWS
OF
OLD MILL ESTATES HOMEOWNER’S ASSOCIATION

ARTICLE 1 - DEFINITIONS 36
ARTICLE 2 - MEETINGS OF ASSOCIATION 36
ARTICLE 3 – BOARD OF DIRECTORS – SELECTION, TERM OF OFFICE..... 39
ARTICLE 4 - NOMINATION AND ELECTION OF BOARD MEMBERS 40
ARTICLE 5 - MEETINGS OF THE BOARD OF DIRECTORS 40
ARTICLE 6 - POWERS, RIGHTS, AND DUTIES OF THE BOARD 42
ARTICLE 7 - OFFICERS AND THEIR DUTIES 43
ARTICLE 8 - INDEMNIFICATION OF OFFICERS AND COMMITTEE MEMBERS 44
ARTICLE 9 - RECORDS AND AUDITS..... 45
ARTICLE 10 - AMENDMENTS..... 47
ARTICLE 11 - MISCELLANEOUS..... 47

ARTICLE 1 - DEFINITIONS

The definitions contained in or adopted by the Declaration shall be applicable to these Bylaws.

ARTICLE 2 - MEETINGS OF ASSOCIATION

2.1 Place of Meeting. The Association shall hold meetings at such suitable place as may be designated by the Board from time to time.

2.2 Annual Meetings. An annual meeting of the Members shall be physically held each year on the day and at a time and place within the state of Utah selected by the Board. Member may participate at the Annual Meeting by any means permitted by these Bylaws.

2.3 Special Meetings. The Association, by and through the Board, shall notice, hold and conduct a special meeting of its members (1) on call of the President or a majority of the Board, or (2) if the Association receives one or more written demands for the meeting that state the purpose or purposes for which the meeting is to be held, and are signed and dated by members in good standing holding at least twenty-five percent (25%) of the total voting rights of the Association. When a special meeting is demanded by the members, the Board shall set the time and date for the meeting so that the meeting occurs within sixty (60) days of receipt of the demand and if notice of the meeting is not given by the Board within thirty (30) days after the date the written demand is delivered to an Association officer, a person signing the demand may set the time and place of the meeting and give notice pursuant to the requirements herein. Business transacted at a special meeting shall be confined to the purposes stated in the notice of the meeting.

2.4 Notice of Meetings. Written notice (which may include notice by electronic mail) of each meeting of the members shall be given by, or at the direction of, the Board or person authorized to call the meeting, in a fair and reasonable manner, including by delivering a copy of such notice to each member entitled to vote thereat, in accordance with the notice requirements specified in these Bylaws, and sufficiently in advance of the meeting to provide fair and reasonable notice of the meeting, as determined by the Board. Notice shall always be deemed fair and reasonable if given at least 10 days before the meeting, but shorter notice may also be fair and reasonable when all the circumstances are considered. The notice shall specify the place, day and hour of the meeting, and must include a description of any matter that must be approved by the members and, in the case of a special meeting, the purpose of the meeting.

2.5 Voting. Each Lot shall be allocated the voting rights set forth in the Declaration.

2.6 Proxies and Absentee Ballots. A vote may be cast in person, by proxy, by absentee ballot or by any method permitted by these Bylaws.

A proxy given by an Owner to any person who represents the Owner at meetings of the Association shall be in writing (which shall include an e-mail), dated and signed by such Owner and shall be filed with the secretary in accordance with procedures adopted by resolution of the Board. No proxy shall be valid after the meeting for which it was solicited, unless otherwise

expressly stated in the proxy; however, no proxy may be valid for more than eleven (11) months after the date of execution. No proxy shall be valid if it purports to be revocable without notice. An Owner may not revoke a proxy given except by actual notice of revocation to the person presiding over a meeting of the Association, or to the Board if a vote is being conducted by written ballot in lieu of a meeting. Every proxy shall automatically cease upon sale of the Lot.

2.7 Fiduciaries and Joint Owners.

(a) Fiduciaries. An executor, administrator, guardian, or trustee may vote in person or by proxy, at any meeting of the Association with respect to any Lot owned or held in such capacity, whether or not the same shall have been transferred to his or her name; provided, that the person shall satisfy the secretary that he or she is the executor, administrator, guardian, or trustee holding the Lot in such capacity.

(b) Joint Owners. Whenever any Lot is owned by two or more persons jointly, according to the records of the Association, the vote of the Lot may be exercised by any one of the Owners then present, in the absence of protest by a co-owner. In the event of a protest, no one co-owner shall be entitled to vote without the approval of all co-owners. In the event of disagreement among the co-owners, the vote of the Lot shall be disregarded completely in determining the proportion of votes given with respect to the matter.

2.8 Quorum of Owners.

(a) At the Annual Meeting of the Association or for actions taken by written ballot, the Members that are represented by any means permitted by these Bylaws shall constitute a quorum, except for matters expressly requiring a higher quorum requirement or approval threshold as may be provided in the Declaration or these Bylaws.

(b) For any other meeting of the Association (e.g., Special Meetings) or action without notice or a meeting, or except as otherwise provided in the Declaration or these Bylaws, members holding more than fifty percent (50%) of the voting rights, represented in person, by proxy, or by written/electronic ballot, shall constitute a quorum.

(c) The subsequent ratification of an Owner of the action taken at a meeting shall constitute the presence of the person for the purpose of determining a quorum. When a quorum is once present to organize a meeting it cannot be broken by the subsequent withdrawal of an Owner or Owners.

(d) If any meeting or vote of Members cannot be organized because of a lack of quorum, the Members who are present may adjourn the meeting to a time at least forty-eight (48) hours from the time of the meeting at which a quorum was not present and thereafter the quorum requirement shall be reduced by one-half (1/2) and is thereby established by Members that are represented by any means permitted by these Bylaws.

2.9 Binding Vote. Action on a matter other than the election of directors is approved and shall be binding upon all Owners for all purposes if a quorum is established and the votes cast

favoring the action exceed the votes cast opposing the action, unless a greater number of affirmative votes is required by law or the Governing Documents.

2.10 Order of Business. The order of business at annual meetings of the Association shall be according to the order established by the President, and by way of example, may include the following: (a) Calling of the roll and certifying of proxies; (b) Proof of notice of meeting or waiver of notice; (c) Reading of minutes of the preceding meeting; (d) Reports of officers; (e) Reports of committees, if any; (f) Election of Board members; (g) Unfinished business; (h) New business; and (i) Adjournment.

2.11 Meeting Procedure. Rules of order may be adopted by resolution of the Board, otherwise, the President shall conduct meetings according to the procedure he or she deems fit. A decision of the Association may not be challenged on the basis that appropriate rules of order were not used.

2.12 Action by Written Ballot in Lieu of a Meeting. Any action that may be taken at any annual, regular, or special meeting of members may be taken without a meeting if the Association causes to be delivered a written ballot or electronic ballot (both are deemed a "written ballot" for purposes of these Bylaws), to every Member entitled to vote on the matter not less than fifteen (15) days prior to the date on which the written ballots must be received by the Association in order to be counted.

A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Once the number of ballots received is sufficient to establish a quorum pursuant to Section 2.8(a) above,

All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirements; state the percentage of approvals necessary to approve each matter; specify the time by which a ballot must be received by the Association in order to be counted; and be accompanied by written information sufficient to permit each person casting such ballot to reach an informed decision on the matter.

In the event the action is for election of Board members, there shall be space on the written ballot to write in nominations. Action taken under this section has the same effect as action taken at a physical meeting of members.

2.13 Action without Notice and a Meeting. Upon the establishment of a quorum pursuant to Section 2.8(b) of these Bylaws, any action required to be taken or which may be taken at a meeting of members may be taken without a meeting and without prior notice if one or more consents in writing, setting forth the action so taken, are signed by members having not less than the minimum voting power that would be necessary to authorize or take the action at a meeting at which all members entitled to vote on the action were present and voted. All such writings must be received by the Association within a sixty day period. Any such writing may be received by the Association by any means permitted by these Bylaws. Action taken pursuant to this section shall be effective when the last writing (or means permitted herein) necessary to affect the action is received by the Association, unless the writings describing and consenting to the

action set forth a different effective date.

2.14 Additional Procedures. The Board may adopt additional policies and procedures with respect to any meeting of the Members.

ARTICLE 3 – BOARD OF DIRECTORS – SELECTION, TERM OF OFFICE

3.1 Number, Term and Qualifications.

(a) The affairs of the Association shall be governed by a Board of Directors composed of seven (7) Board members. Elections shall be governed by Article 4 of these Bylaws.

(b) Members of the Board shall serve for a term of three (3) years. The terms shall be staggered so all Board members are never elected in the same year. Members may serve successive terms. Upon adoption of these Governing Documents, if the Board terms are not staggered, the Board shall decide, amongst themselves, which three (3) members shall have a three (3) year term; which two (2) members have a two (2) year term and which two (2) members shall have a one (1) year term. Thereafter, all terms shall be for three (3) years as stated above. Any member can re-run upon their expiration of their term. There is no mandatory waiting period before a member can run again for the Board.

(c) All Board members must be an Owner or the spouse of an Owner of a Lot, except that a husband and wife may not serve on the Board at the same time. A representative of an entity which owns a Lot, and only one such representative, may serve on the Board, such that a shareholder of a corporation, a member of an LLC, a partner of a partnership, a trustee or beneficiary of a trust, or a personal representative of an estate, may serve on the Board if the corporation, LLC, partnership, trust or estate owns a Lot.

3.2 Vacancies. Vacancies on the Board, caused by any reason other than the removal of a Board member by a vote of the Association, shall be filled for the balance of the term by vote of a majority of the remaining Board members even though they may constitute less than a quorum. Each person so elected shall be a Board member until a successor is elected upon expiration of the term for which the person was elected by the other Board members to serve.

3.3 Removal of Board members.

(a) At any annual or special meeting, any one or more of the Board members may be removed, with or without cause, by a majority of the total voting interests of the Members. A successor may be elected at that meeting to fill the vacancy thus created. The notice of the meeting must state that the removal is to be considered and any Trustee whose removal has been proposed by the owners may be given an opportunity to be heard at the meeting.

(b) The Board may declare the office of a member of the Board to be vacant in the event such member is absent from three (3) consecutive regular meetings of the Board or from more than 25% of the regular meetings held in any 12 month period, or, within 24 hours of a

request to take action without a meeting, more than twice in any 6 month period fails to respond in writing by (1) voting for the action, (2) voting against the action, or (3) abstaining from voting and waiving the right to demand that action not be taken without a meeting. The vacancy shall be filled as provided in Section 3.2 above.

3.4 Compensation. No Board member shall receive compensation for any service he or she may render to the Association as a Board member. However, any Board member may be reimbursed for actual expenses incurred in the performance of his or her duties.

3.5 Action Taken Without a Meeting. The Board shall have the right to take any action in the absence of a meeting which they could take at a regular or special meeting if all the Board members agree in writing to take a vote or an action without a meeting consistent with Utah's Nonprofit Corporations Act, Title 16, Chapter 6a. Any action so taken shall have the same effect as though taken at a meeting of the Board members.

ARTICLE 4 - NOMINATION AND ELECTION OF BOARD MEMBERS

4.1 Nomination.

(a) Method of Nomination. Nomination for election to the Board shall be made in the manner determined by the Board, which may include a Nominating Committee and/or nominations from the floor at a meeting. If one is established, the Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies.

(b) Nominating Committee. The Nominating Committee, if any, shall consist of a chairman, who shall be a member of the Board; and one or more members of the Association.

4.2 Election. At the election held at the Annual Meeting, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. **Once a quorum is established pursuant to Section 2.8(a), the persons receiving the largest number of votes shall be elected.** Cumulative voting is not permitted.

ARTICLE 5 - MEETINGS OF THE BOARD OF DIRECTORS

5.1 Organizational Meeting.

(a) Location, Date and Time. The first meeting of a newly-elected Board shall be held within thirty (30) days of election at such place, date and time as shall be fixed by the newly-elected Board. The meeting may, at the discretion of the Board, be held via e-mail or other electronic means. No notice shall be necessary to owners or to the newly elected Board members in order to legally hold the meeting providing a majority of the elected Board members are present.

(b) Procedure and Business. Until the election of new officers, the meeting shall be chaired by the outgoing president, or in the absence of such person, the outgoing secretary,

regardless of whether the outgoing president or secretary is as member of the newly constituted Board. At the organizational meeting, the Board shall elect officers in accordance with Section 7.2 below and may conduct any other Association business.

5.2 Regular Meetings. Regular meetings of the Board shall be held in such intervals and at such place and hour as may be fixed from time to time by the Board, and if so fixed in advance, no notice thereof need be given. The meetings may, at the discretion of the Board, be held via e-mail or other electronic means. Should the meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday, or at another date and time agreed upon by the Board with notice to all members of the Board.

5.3 Special Meetings. Special meetings of the Board shall be held when called by the president of the Association, or by any two (2) Board members, after not less than three (3) days' notice to each Board member by mail, electronic mail, telephone, or facsimile, unless waived pursuant to 5.7 below. The notice must state the time, place, and purpose of the meeting.

5.4 Meeting Procedure. Unless other rules of order are adopted by resolution of the Board: (a) Meetings of the Board shall be conducted by the President; (b) A decision of the Board may not be challenged because the appropriate rules of order were not used; (c) A decision of the Board is deemed valid without regard to any procedural errors related to the rules of order unless the error appears on the face of a written instrument memorializing the decision.

5.5 Open Meetings; Executive Sessions.

5.5.1 Open Meetings. Except as provided in subsection 5.5.2, all meetings of the Board shall be open to Lot Owners. However, no Owner shall have a right to participate in the Board meeting unless the Owner is also a member of the Board. The president or Board shall have the authority to exclude an Owner who disrupts the proceedings at a Board meeting.

5.5.2 Executive Sessions. In the discretion of the Board, the following matters may be considered in executive session:

- (a) Consultation with legal counsel concerning the rights and duties of the Association regarding existing or potential litigation or criminal matters;
- (b) Personnel matters, including salary negotiations and employee discipline;
- (c) The negotiation of contracts with third parties;
- (d) Collection of unpaid assessments; and
- (e) Other matters of a sensitive, private, or privileged nature at the discretion of the Board.

5.5.3 Executive Session Procedure. Except in the case of an emergency, the Board shall vote in an open meeting whether to meet in executive session. If the Board votes to meet in executive session, the president or other presiding officer shall state the general nature of the action to be considered and, as precisely as possible, when and under what circumstances the deliberations can be disclosed to owners. The statement, motion or decision to meet in executive

session must be included in the minutes of the meeting.

5.6 Meetings by Telephonic or Electronic Communication. All meetings of the Board may be conducted by telephonic communication or by the use of a means of communication that allows all members of the Board participating to hear each other simultaneously or otherwise to be able to communicate during the meeting.

5.7 Waiver of Notice. Any Board member may, at any time, waive notice of any meeting of the Board in writing, and the waiver shall be deemed equivalent to the giving of the notice. Attendance by a Board member at any meeting of the Board shall constitute a waiver of notice by the Board member, except where the Board member attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. If all Board members are present at any meeting of the Board, no notice to Board members shall be required and any business may be transacted at the meeting.

5.8 Quorum and Acts. At all meetings of the Board a majority of the existing Board members shall constitute a quorum for the transaction of business and the acts of the majority of the Board members present shall be the acts of the Board. If, at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

For purposes of determining a quorum with respect to a particular proposal, and for purposes of casting a vote for or against a particular proposal, a Board member may be considered to be present at a meeting and to vote if the Board member has granted a signed written proxy: (i) to another Board member, or other person, who is present at the meeting; and (ii) authorizing the other Board member or person to cast the vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy (a directed proxy).

ARTICLE 6 - POWERS, RIGHTS, AND DUTIES OF THE BOARD

6.1 General Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law, the Declaration or by these Bylaws directed to be exercised and done by the Owners.

6.2 Specific Powers. In addition to powers granted by the Declaration, these Bylaws or by resolutions of the Association, the Utah Revised Nonprofit Corporation Act or other applicable law, the Board shall have the power to: (a) declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board; (b) in the Board's discretion, appoint such committees as deemed appropriate in carrying out its purpose.

6.3 Best Interest of Association and Reliance on Information. A Board member or officer shall discharge the Board member or officer's duties (a) in good faith, (b) with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and (c)

in a manner the Board member or officer reasonably believes to be in the best interests of the Association. The Board members shall, at all times, keep themselves reasonably informed and take such steps and necessary actions as a reasonable, prudent person would do to serve the best interest of the Association.

In discharging duties, a Board member or officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by: (a) one or more officers or employees of the Association whom the Board member or officer reasonably believes to be reliable and competent in the matters presented, (b) legal counsel, a public accountant, or another person as to matters the Board member or officer reasonably believes are within the person's professional or expert competence, or (c) in the case of a Board member, a sub-committee of the Association or Board of which the Board member is not a member if the Board member reasonably believes the sub-committee merits confidence.

ARTICLE 7 - OFFICERS AND THEIR DUTIES

7.1 Designation and Qualification.

(a) **Designation.** The principal officers of the Association shall be a president, a vice-president, a secretary and a treasurer. The Board may designate the office of assistant treasurer and assistant secretary and the Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

(b) **Qualifications.** The president and vice-president shall be a member of the Board, but the other officers need not be Board members or Owners. Any Board member may be an officer of the Association.

(c) **Multiple Offices.** A person may simultaneously hold more than one office.

(d) **Special Appointments.** The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

7.2 Election and Vacancies. The officers of the Association may be elected by the Board at the organizational meeting of each new Board or any Board meeting thereafter to serve until their respective successors are elected at the next organizational meeting. If any office becomes vacant by reason of death, resignation, removal, disqualification or any other cause, the Board shall elect a successor to fill the unexpired term.

7.3 Resignation. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. The resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

7.4 Removal of Officers. Officers shall hold office at the pleasure of the Board. Upon an affirmative vote of a majority of the members of the Board any officer may be removed, either with or without cause.

7.5 Compensation of Officers. No officer who is a member of the Board may receive any compensation from the Association for acting as an officer.

7.6 Duties of Officers. Officers shall have such duties prescribed with respect to the office by the Declaration, Bylaws, and by the Board, to the extent not inconsistent with these Bylaws or the Declaration. The Board may delegate any powers or duties of officers to other persons or agents as the Board deems necessary or appropriate from time to time. Any principal officer may prepare, execute, certify, and record amendments to the Declaration on behalf of the Association in accordance with the amendment provisions of the Declaration. The general duties of the officers are as follows:

(a) President. The president shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Association and of the Board. The president shall have all of the general powers and duties which are usually vested in the office of president of an association. The president shall have the authority to sign all leases, mortgages, deeds and other written instruments, including amendments to the Governing Documents.

(b) Vice-President. The vice-president shall act in the place and stead of the president in the event of the president's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board. The Vice-President shall likewise have the authority to sign all leases, mortgages, deeds and other written instruments.

(c) Secretary. The secretary shall prepare and maintain the minutes of all meetings of the Board and the minutes of all meetings of the Association, have charge of such books, papers and records as the Board may direct, shall have the responsibility for preparation and maintenance other records and information required to be kept by the Association under the Act and under Section 16-6a-1601 of the Utah Revised Nonprofit Corporation Act; and for authenticating records of the nonprofit corporation, and in general, shall perform all of the duties incident to the office of secretary,

(d) Treasurer. The treasurer shall have responsibility for the Association's funds and securities not otherwise held by a managing agent, and shall be responsible for causing full and accurate accounts of all receipts and disbursements to be kept in books belonging to the Association. The treasurer shall be responsible for causing the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may, from time to time, be designated by the Board and disbursing funds as directed by resolution of the Board.

ARTICLE 8 - INDEMNIFICATION OF OFFICERS AND COMMITTEE MEMBERS

Each officer and Board member of the Association, in consideration of his or her services, shall be indemnified by the Association to the extent permitted by the Utah Revised

Nonprofit Corporation Act (regardless of the Association's corporate status or lack thereof) against expenses and liabilities reasonably incurred by him or her in connection with the defense of any actual or threatened action, suit or proceeding, civil or criminal, to which he or she may be a party by reason of being or having been a Board member or officer of the Association. The foregoing right to indemnification shall not be exclusive of any other rights to which the Board member or officer or person may be entitled by law or agreement or vote of the members or otherwise.

ARTICLE 9 - RECORDS AND AUDITS

The Association shall maintain within the state of Utah, all documents, information and other records of the Association in accordance with the Declaration, these Bylaws and the Utah Revised Nonprofit Corporation Act.

9.1 General Records.

(a) The Board and managing agent or manager, if any, shall keep records of the actions of the Board and managing agent or manager; minutes of the meetings of the Board; and minutes of the meeting of the Association.

(b) The Board shall maintain a Book of Resolutions containing the rules, regulations, and policies adopted by the Association and Board.

(c) The Board shall maintain a list of Owners. The list of Owners may specify whether the Owner is an Owner in Good Standing or a Suspended Owner.

(d) The Association shall retain within this state, all records of the Association for not less than the period specified in applicable law.

9.2 Assessment Roll. The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Lot. The account shall designate the Lot number, the name and address of the Owner or Owners, the amount of each Assessment against the Owners, the dates and amounts in which the Assessment comes due, the amounts paid upon the account, and the balance due on the Assessments.

9.3 Financial Reports and Audits.

(a) An annual report of the receipts and expenditures of the Association and a balance sheet showing assets and liabilities shall be rendered by the Board to all Owners and to all mortgagees of Lots who have requested the same in writing within ninety (90) days after the end of each fiscal year.

(b) From time to time, the Board, at the expense of the Association, may obtain an audit by a certified public accountant or other financial review of the books and records pertaining to the Association and furnish copies thereof to the Owners and mortgagees of Lots.

9.4 Inspection of Records by Owners.

(a) Except as otherwise provided in Section 9.5 below, all records of the Association shall be reasonably available for examination by an Owner and any mortgagee of a Lot pursuant to rules adopted by resolution of the Board or if no such resolution has been adopted, pursuant to the Utah Revised Nonprofit Corporation Act.

(b) The Board shall maintain a copy, suitable for the purposes of duplication, of the following: (1) The Declaration, Bylaws and any amendments in effect or supplements thereto, and rules and regulations of the Association; (2) The most recent financial statement prepared pursuant to Section 9.3 above; and (3) The current operating budget of the Association.

(c) The Association, within five (5) business days after receipt of a written request by an owner, shall furnish the requested information required to be maintained under Subsection (b) of this section, subject to a reasonable fee for furnishing copies of any documents, information or records described in this section. The fee may include reasonable personnel costs incurred to furnish the information.

(d) The Board, by resolution, may adopt reasonable rules governing the frequency, time, location, notice and manner of examination and duplication of Association records and the imposition of a reasonable fee for furnishing copies of any documents, information or records described in this section. The fee may include reasonable personnel costs incurred to furnish the information.

9.5 Records Not Subject to Inspection. Records kept by or on behalf of the Association may be withheld from examination and duplication to the extent the records concern:

(a) Personnel matters relating to a specific identified person or a person's medical records.

(b) Contracts, leases and other business transactions that are currently under negotiation to purchase or provide goods or services.

(c) Communications with legal counsel that relate to matters specified in this section, and any other communications with legal counsel that are protected by any privilege, including the attorney client privilege.

(d) Disclosure of information in violation of law.

(e) Documents, correspondence or management or Board reports compiled for or on behalf of the Association or the Board by its agents or committees for consideration by the Board in executive session held in accordance with these Bylaws.

(f) Documents, correspondence or other matters considered by the Board in executive session held in accordance with these Bylaws and the minutes of any executive session.

(g) Files of individual Owners, other than those of a requesting Owner or requesting mortgagee of an individual Owner, including any individual Owner's file kept by or on behalf of the Association.

ARTICLE 10 - AMENDMENTS

Approval of a majority of the total voting rights of the members is required for approval of any amendment to these Bylaws. An amendment shall not be effective until certified by the president of the Association as being adopted in accordance with these Bylaws, acknowledged, and recorded with the County Recorder's Office.

ARTICLE 11 - MISCELLANEOUS

11.1 Notices.

11.1.1 Association. All notices to the Association or the Board shall be sent care of the managing agent or, if there is no managing agent, to the principal office of the Association or to such other address as the Board may hereafter designate from time to time.

11.1.2 Owners.

(a) Notice by Electronic Means. In any circumstance where notice is required to be given to the members, the Association may provide notice by electronic means, including text message, email, or an Association website, if the Board deems the notice to be fair and reasonable. A member may require the Association, by written demand, to provide notice to the member by mail. The Board is authorized to promulgate rules and procedures facilitating the implementation of this section as it deems fit from time to time, including requiring members to furnish the Association with a current email address.

(b) Except as otherwise provided in the Declaration, these Bylaws or law, all notices to any Owner shall be sent to such address as may have been designated by him or her, from time to time, in writing to the Board, or if no address has been designated, then to the Owner's Lot.

(c) If a Lot is jointly owned, notice shall be sent to a single address, of which the secretary has been notified in writing by such parties. If no address has been given to the secretary in writing, then mailing to the Lot shall be sufficient.

11.2 Affairs, Electronic Means. Any transaction or action involving the business or affairs of the Association, including but not limited to voting and providing notice or records, may be conducted by electronic means. The Association may accept a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation as the act of the member if the Board does so in good faith and has no reason to believe it is not the act of the member. A writing may be delivered in an electronic medium or by electronic transmission, and may be signed by photographic, electronic, or other means. An electronic record or electronic signature is attributable to a person if it was the act of the person. An electronic signature may consist of a mark, symbol, character, letter, or number or any combination thereof attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record and the same shall be considered the signature of such person. A writing includes any document,

record, vote, ballot, proxy, or instrument required or permitted to be transmitted by a member or by the Association.

11.3 Waiver, Precedent and Estoppel. No restriction, condition, obligation, or provision contained in these Bylaws or rules and regulations adopted pursuant hereto shall be deemed to have been abrogated or waived by the Association by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur and any failure to enforce the same shall not be deemed to constitute precedent or estoppel impairing the right of the Association as to any similar matter.

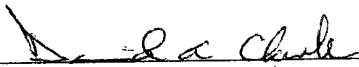
11.4 Invalidity; Number; Captions. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws. As used herein, the singular shall include the plural and the plural the singular. The masculine and neuter shall each include the masculine, feminine, and neuter, as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of these Bylaws.

11.5 Fiscal Year. The fiscal year of the Association shall be determined by the Board.

11.6 Conflicts. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Association has caused these Bylaws to be executed by its duly authorized officers on this 1st day of August, 2019.

(Sign): 
(Print Name): David A. Clark, President