

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
CHAPPARAL RIDGE SUBDIVISION PHASE 7
WASHINGTON COUNTY, UTAH**

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS for **CHAPPARAL RIDGE SUBDIVISION PHASE 7**, (THE SUBDIVISION) is made on this 14 day of NOVEMBER, 2003, by **KLC PROPERTIES, LC.**,

**ARTICLE I
LEGAL DESCRIPTION AND PURPOSE OF DECLARATION**

1. The Property Declarant is owner of certain real property in Washington County, state of Utah, which is more particularly described as follows:

See Exhibit A attached hereto and made a part thereof

2. **WHEREAS**, certain covenants and building and use restrictions must be established and observed to insure harmonious relationship, protect values, eliminate hazardous conditions and preserve the natural beauty of the area, wherever persons reside in the close proximity to one another.
3. **NOW THEREFORE**, **KLC PROPERTIES, LC.**, as owner and developer of the above described property, hereby declares that all of the property described above is held and shall be subject to the following limitations, restrictions and covenants, all of which are declared and agreed to in the covenants, all of which are declared and agreed to be in the furtherance of the plan for the Subdivision, improvement and sale of the lands, and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of the above described real property and every part thereof. The acceptance of any deed or conveyance thereof by the grantee therein, and their heirs, executors, administrators, successors and assigns shall constitute their covenant and agreement with the undersigned and with each other, to accept and hold the property described or conveyed in or by such deed or conveyance, subject to said covenants and restrictions, which shall run with the land, as follows to wit:

**ARTICLE 2
CHAPPARAL RIDGE OWNERS ASSOCIATION**

1. Incorporation. Declarant shall cause to be incorporated a non-profit, non-stock corporation known as the Chapparal Ridge Owners Association, Inc, hereinafter referred to as "Association" which corporation shall be a Utah Non-Profit Corporation.

2. Membership in the Association. The legal owner of each individual lot in Chapparral Ridge Subdivision, subject to this Declaration of Covenants, Conditions and Restrictions shall be a member in the Association, provided however that there shall be one vote for each lot, such that there shall not be multiple votes for multiple owners of individual lots.
3. Purpose of Association. The Association is formed to own and maintain the real property common (Common Areas) to the Chapparral Ridge Subdivision, which real property shall be specifically described upon each plat recorded and identified on said plat as being subject to this Declaration of Covenants and Conditions, and such common property shall be specifically described and identified on each plat as Common Area. This initial Common Area is described on on Exhibit B as attached hereto and by this reference made apart hereof.
4. Bylaws. The Association shall be governed by the Bylaw of the Chapparral Ridge Owners Association, Inc, properly adopted by the members of the Association, as may be amended as provide therein.
5. Agreement to Pay Assessments. Each owner of a lot, by the acceptance of a deed or contract therefore, whether or not it be so expressed in the deed or contract, does hereby agree to pay such assessments, as may be made annually or specially by the Board of Directors of the Association for the purpose of maintaining, repairing and paying such other expenses, including taxes as may be necessary, including such capital improvements as may be necessary for said Common Areas. Such assessment shall be fixed, established and collected from time to time as provided in the Articles and Bylaws of the Chapparral Ridge Owners Association, Inc.
6. Basis of Assessments. The total annual assessments against all lots shall be based upon advanced estimates of cash requirements by the Board of Directors of the Association to provide for the payments of all estimated expenses going out of or connected with the maintenance and repair of the Common Area Property, which estimates may include, among other things, expenses of management, taxes and special assessments levied by governmental authorities, premiums for all insurance which the Board of Directors deems as necessary to maintain, common lighting, if any, water expenses, if any, wages of any contractors of or employees of the Association, any and all legal and accounting fees, any deficit remaining from a previous period, creation of a reasonable contingency reserve, surplus and/or sinking funds, and any other expenses or liabilities which may be incurred by the Board of Directors for the benefit of the lot owners by reason of this declaration and/or the Bylaws and Articles of the Chapparral Ridge Owners Association, Inc.
7. Liens for Unpaid Assessments. All sums assessed to any lot owner, pursuant to this section, together with interest thereon, as provided herein, shall be secured by a lien on such lot in favor of the Association. Such lien shall be superior to all other liens and encumbrances, except only for governmental assessment authorities and encumbrances on the interest of the lot owner recorded prior to the date of the Notice of Lien, provided herein as recorded, which by law would be a lien prior to subsequently recorded encumbrances. No Notice of Lien shall be recorded against the lot until there is a delinquency in the payment of the assessment. Such lien may be enforced by foreclosure by the association, in the same manner in which

mortgages or trust deeds on real property may be foreclosed in the State of Utah. In any such foreclosure, the lot owner shall be required to pay the costs and expenses of such proceeding, the costs and expenses in filing the Notice of Lien and all reasonable attorneys fees, with or without litigation, and all such costs, expenses and fees shall be secured by the lien being foreclosed.

8. Personal Obligations for Assessments. The amount of any annual or special assessment against any lot shall be the personal obligation of the owner of said lot to the Association. Suit to recover a money judgment for such personal obligation may be maintained by the Association without foreclosing or waiving the lien securing the same.
9. Information Concerning Unpaid Assessments. Upon payment of a reasonable fee, not to exceed \$10.00, and upon the written request of any owner, mortgagee, prospective mortgagee or prospective purchaser of a lot, the association shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to such lot.
10. Purchaser's Obligation. Subject to the provision of this Declaration of Covenants, Conditions and Restrictions, a purchaser of a lot shall be jointly and severally liable with the Seller of said lot for all unpaid assessments against the lot up to the time of the grant of conveyance, without prejudice to the purchaser's right to recover from the Seller the amount paid by the Purchaser for such assessments.

ARTICLE III ARCHITECTURAL CONTROL COMMITTEE

1. Architectural Control Committee. The Declarant shall appoint an Architectural Control Committee (hereinafter referred to as "The ACC"), consisting of three persons, one of whom shall be knowledgeable in the area of residential development. The Declarant shall have the power to create and fill vacancies on the ACC until the Declarant shall relinquish this power or until 85% of the lots in Chapparral Ridge Subdivision have been sold or when a structure has been constructed on 75% of the lots in Chapparral Ridge Subdivision and such structures are occupied, whichever event occurs first. When the Declarant ceases to have this power, it shall give written notice of this event to each property owner and thereafter the property owners in Chapparral Ridge Subdivision shall within 60 calendar days select new members of the ACC by one vote for each lot. The initial ACC members shall be elected for terms on one, two, and three years. NO construction of any kind may occur without the written consent of the majority of the ACC.
2. Membership in ACC. No member of the ACC shall receive any compensation or make and charge for services rendered. The ACC shall adopt reasonable rules and regulations for the conduct of its proceedings and carry out its duties and may fix the time and place for its regular meetings and such extraordinary meetings as may be necessary. The ACC shall, by majority vote, elect one of its members as chairman and one of its members as secretary and the duties of each will be such as usually appertain to such offices. The ACC shall meet as needed and as determined by the ACC. The ACC shall have power, by majority vote, to

promulgate rules and regulations to guide it in its activities. The initial rules and regulations, subject to amendment by the ACC, are attached as Exhibit C.

3. Submission of Plans to ACC. Lot owners intending to build, improve, modify or otherwise construct any structure on a lot shall submit to the ACC three complete sets of plans and specification of the proposed building, structure or alternation, together with any and all proposed improvements to be placed on the lot. Such plans shall include a Plot Plan showing the location on the lot of the buildings, walls, fences, or other structures proposed to be built, altered, placed or maintained, together with the proposed construction materials, colors, schemes to be used, proposed accessory uses and structures related thereto, etc. (See Rules and Regulations on Exhibit C for additional details).
4. Action within Ten (10) Days. The ACC shall approve with modification or disapprove any plans, specifications or details submitted by a lot owner within ten (10) days from its receipt thereof. If plans are not approved or disapproved within the ten (10) day time period, then the plans will be considered accepted (See Rules and Regulations on Exhibit C for additional details).
5. Criteria for Disapproval. If the designs or color scheme of the proposed building or structure is not in harmony with the general surroundings of such lot or with other buildings or structures in the Subdivisions; if the plans and specifications submitted are incomplete; or in the event the ACC shall be final, subject to a veto by a two-thirds (2/3) vote of all the property owners, based on one vote per platted and recorded lot.
6. Interpretation. All questions or interpretations or construction of any of the covenants or restrictions in the Declaration shall be resolved by the ACC, and its decision shall be final, binding and conclusive on all parties affected.
7. Disclaimer of Liability. Neither the ACC nor any individual member thereof shall be responsible or liable to any lot owner or any other party for any damage, loss or prejudice suffered or claimed on account of: (a) the approval or rejection of, or the failure to approve or reject, any plans, drawings or specifications; (b) any harm caused to or by the structures or activities of neighboring property owners; and (c) defects in any plans or specifications submitted, revised or approved in accordance with this Declaration, or for any structural or other defects in any work performed pursuant to such plans and specifications.
8. Non-Waiver. The approval of the ACC of any lot owner's plans or specifications or any part thereof shall not constitute a waiver or any right of the ACC to disapprove of any similar plans and specification subsequently submitted by another lot owner.

ARTICLE IV BUILDING RESTRICTIONS

1. Residential and Accessory Uses. All of the lots on the property shall be used primarily for residential purposes, although some accessory uses are allowed as described elsewhere in this Declaration. Lot owners may construct no more than one (1) building for dwelling purposes,

which house shall be not more than two stories (not including a basement), and which dwelling may include an attached or detached garage for a minimum of two vehicles. All of such structures must first be approved by the ACC.

2. Quality of Homes. In order to properly protect the investment of lot owners, only homes and accessory buildings of superior design quality will be allowed, and all proposed homes and buildings must be approved by the ACC in advance of the commencement of construction.

Minimum Square Footage Required For a single story dwelling, the finished area above the grade will be no less than 1,800 square feet exclusive of open porches and garages. For a two (2) story dwelling, the finished area above the grade will not be less than 2,200 square feet (both floors), exclusive of open porches and garages. A minimum of 1,500 square feet on the main floor is required in two story dwellings.

4. Types of Homes Prohibited. Four (4) level split entry (bi-level) homes will not be permitted in this Subdivision unless approved by the ACC. No RV's, modular homes, underground or basement homes, round homes, octagon homes, prefabricated homes, rebuilt homes, concrete homes, or any other unusual style of home shall be allowed in the subdivision regardless of ACC approval of the same. No solar homes can be built unless approved by the ACC.

5. Exteriors of Homes. Tumbled or used brick, stucco, rock, or any combination of the same that is approved by the ACC, are allowed as exteriors for all buildings in the Subdivision, including accessory buildings and detached garages. There must be at least two of the above named materials used in the front and side elevations of the home, with at least 30% of the front elevation to be of the lesser used material. In additions to the combinations of any two materials named above, vinyl siding is not permitted. Any other exterior material may be only be used upon the express approval of the ACC, and must be of a quality nature. Home exteriors using stucco must be of high quality synthetic stucco. All roofs must be built using a tile or slate roof. Stucco should be of a slightly darker earth tone color, no pastels or white are to be used.

6. Setbacks. All of lot setbacks on the front for all buildings shall be a minimum of 25 feet; on the sides a minimum of 8 feet on one side and 10 feet on the other, and 10 feet in the rear. In cases where the front set-back of 25 feet creates a hardship due to the configuration of the lot, etc, the ACC in its sole discretion, may allow a front yard setback fo 20 feet.

7. Landscaping. All front yard landscaping, as well as side yard landscaping reaching to the half-way point of the total depth of the home, including grass, tress and shrubs must be completed at the issuance of a Certificate of Occupancy by the City. The front yard must be a minimum of 10% grass. All landscaping shall be compatible with other homes in the Subdivision, and must be of a size and design that are approved by the ACC. Shrub and tree planting and landscaping on corner lots shall be located so as not to obstruct the view and create a hazard for the movement of vehicles or pedestrians along the street.

8. City Requirements. All structures built on any lot must be constructed in accordance with all applicable zoning and building ordinances of the City of Washington.
9. Driveways. Driveways shall be constructed out of concrete, inlaid brick or other hard materials approved by the ACC. Driveways consisting of cinders, sand, gravel, asphalt or dirt shall not be permitted on any lot. Driveways shall be of a sufficient size that two vehicles can park thereon side by side, and shall in all other respects conform to Washington City requirements. Driveways shall be limited solely to providing a connection between the street and the garage area; no private lanes or streets traversing lots shall be allowed.
10. Walls. No wall over 7' high will be allowed. Only masonry walls will be permitted on the exterior of the lot, (sides and rear). All walls must be "Cliff Red" or brown in color. All walls must be approved by the ACC.
11. Outdoor Heating and Cooling Units. Swamp coolers are not allowed. No roof mounted air conditions or furnaces are allowed.
12. Antenna and Satellite Dishes. No radio or short wave antennas are allowed. All satellite dishes, antenna systems, and TV antenna must be placed on the back side of the roof (or in the attic) so no part of the antenna or satellite dish can be seen from the street in front of the house.
13. Signs. Other than the developer's signs, no builders' commercial signs will be allowed larger than 4'x8' and such signs may be placed only on the lot which is being built upon. No other signs will be allowed anywhere on the property other than standard "No Trespassing" signs during construction only. On re-sale of homes and/or lots no sign larger than standard real estate signs will be permitted. All signs must conform to City of Washington standards and guidelines.
14. Utility Easements. Easements for installation and maintenance of utilities are reserved as noted on the recorded plat. Within these easements no structure or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities and easements rights. The easement areas of each lot and the improvements located within them shall be maintained continuously by the owner of the lot, except for those improvements, if any, for which a public authority or utility company is responsible.
15. Construction Deadlines. Unless otherwise approved in writing by the ACC, construction of the primary dwelling must be completed, construction materials and equipment removed, and the ground graded, within twelve (12) months from the time the ground is broken for the structure. Each lot owner is responsible to see that any contractor he hires to build any improvement or structure on his lot receives a copy of the Declaration and abides by the same.

16. Maintenance of Lot During Construction. Lot owners are responsible to make certain that any contractors or subcontractors working on their property clean up the construction site on a daily basis.
17. Inspections after Construction. Each lot owner, along with the Declarant or his representative, must jointly inspect the sidewalks, streets, fences, utility improvements, etc., pertaining to the lot, prior to occupancy, to see if any damage has occurred in the process of building the home. Any damages that have occurred that were caused by or resulted from the construction of the home by the lot owner or his agents shall be repaired and paid for by the lot owner. If the Declarant is not longer involved on the ACC, then the lot owner and a member of the ACC will perform the inspection of any improvement or changes made by the lot owner.
18. Subdividing and Combining Lots. It shall not be permissible to partition or further subdivide any lot in the Subdivision. It is permissible for one owner to develop two lots in the Subdivision and either to build two separate homes thereon as if he were two different lot owners, or to build a single home. In the event of such a combination of two lots and building a single home thereon, all restrictions in the Declaration shall be understood to apply to his two lots as if they were one, including all set backs, home location and landscaping requirements. All easements required by the City of Washington must be maintained or abandoned only with the approval of the City of Washington and all codes and requirements imposed by the City shall be the responsibility of the lot owner.
19. Completion Required. Construction of all homes must be started within four years of purchase of the lot and completed within 5 years of the purchase of the lot.

ARTICLE V MAINTENANCE OF LOTS

1. Rubbish and Waste on Lots. No lot shall be used or maintained as a dumping ground for rubbish or debris. Trash, garbage, or other waste shall be kept in sanitary containers and all such containers shall be maintained in a clean and sanitary condition. All lots, whether improved or unimproved, must be kept free of rubbish, weeds, trash, and all debris of any kind and must be maintained so as not to detract from the appearance of the Subdivision as a whole.
2. Allowances During Construction. During construction, all builders are required to deposit trash on a daily basis in a dumpster to be provided by the contractor. The contractor shall also provide a port-a-potty on site as required by city ordinance. No trailer or temporary dwelling may be maintained at the site. No contractor shall use another lot to store topsoil or any gravel or building materials without express written consent of that lot owner.
3. Landscaping. All landscaping, as well as gardens and crops shall be maintained, watered and cared for at a reasonable standard compatible with other homes in the Subdivision. All trees, shrubs, grass, crops and plants must be maintained to remain healthy and alive, and must be

properly trimmed so as not to form a hazard to person or property in the event of a windstorm or in any other way.

- 4. Drainage. Lot owners shall be liable for all water damage proximately cause by drainage from their lot onto the property of adjacent lot owners. Lot owners shall not plant vegetation or place materials or structures in such a way that may cause damage to or interfere with established slope ratios, or create erosion or sliding problems or which may change the direction of flow of drainage channels or obstruct or retard the flow of water through established drainage channels.

**ARTICLE VI
PERMANENT USE RESTRICTIONS**

- 1. Noxious or Offensive Activities. No noxious or offensive activity shall be permitted on any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood or which would endanger the health or disturb the reasonable enjoyment of any other lot owner in the Subdivision. No noise or disturbing sound shall be permitted to exist on any lot so as to be offensive or detrimental to the occupants of any other lot. Refuse, garbage and trash shall be kept at all times in covered, sanitary containers or enclosed areas designed for such purpose. Aluminum foil and similar materials shall not be permitted as window coverings in any exterior windows.
- 2. Temporary Structure. No structure of a temporary character, including a trailer, tent or shack, or any other such building, shall be allowed on any lot at any time, either as a residence, for storage, or for any other purpose.
- 3. Parking for Outdoor Vehicles. In order to prevent unsafe and unsightly vehicles from being parked on the street for long periods of time, no automobiles, RV's, boats, equipment, motorhomes, or other similar vehicles shall be parked or stored on a public street or rights or way within the subdivision for more than 72 consecutive hours. However, any such vehicle(s) may be stored on site as long as it is stored in a garage or parking stall (pad) alongside the garage or behind the garage. The ACC may enforce this provision by giving notice to the owner of the violation, or when the owner is not readily available, by giving notice in the form of a written request placed on the vehicle in question and subsequently by notifying proper city authorities. Pursuant to city ordinances, vehicles in violation of this party may be towed, at the owner's expenses. Unless otherwise approved by the ACC, no commercial business equipment is allowed in the Subdivision, other than temporary work equipment required solely for the building of homes.
- 4. Home Based Businesses. No commercial business or activity of a permanent nature may be conducted within the Subdivision, without the express written consent of the ACC. In making the determination of whether to allow a proposed business, the ACC shall primarily consider the traffic potentially generated by the business, the degree to which equipment related to the business will be stored in outside areas visible to other lot owners, and any other extent to which property owners may be negatively impacted by the business. Any such business approved by the ACC must be in compliance with the City of Washington.

5. Number of Families Per Lot. It is intended and understood that no more than one (1) family unit shall be permitted to live on any given lot within the Subdivision. Notwithstanding the foregoing, live-in help as well as immediate family members, their spouses and children are permitted to occupy the premises with the lot owner.
6. Nonresidential Accessory Uses of Lots. While the lots in the Subdivision are intended for residential use, accessory uses of lots may include the keeping of household pets, raising crops, gardening, horticulture, and similar self-sustaining or home production types of uses as long as the same are in compliance with zoning requirements of the City of Washington. However, none of the listed uses may be pursued on any lot until after a residence has been built thereon and the residence is occupied. Household pets must be properly restrained so as not to form a menace or nuisance to the other lot owners, and owners of such animals shall be liable for any harm or damage to persons or property caused by such animals.
7. Mineral Exploration. No portion of the Subdivision or any lot thereon shall be used in any manner to explore for or to remove any oil or mineral from the earth. No drilling, exploration, refining, quarrying or mining operations of any kind shall be permitted.

ARTICLE VI GENERAL PROVISIONS

1. Enforcement. If any party or their heirs, assigns, or successors shall violate any of the Covenants contained in this Declaration, and or all lot owners, the Declarant or Declarant's successor, and/or first mortgages of lots in the Subdivision as well as the ACC shall have the right, but no the duty, to compel compliance with the terms of the Declaration by way of proceedings at law or in equity against the person or persons in violation. In any such suit, the party seeking to enforce this Declaration shall be entitled to recover from the party in violation any damages suffered by the party due to the violation, as well as attorney fees, costs or court, and other costs resulting from the violation. Failure by the ACC to enforce any covenant or restriction herein shall in no event be deemed a waiver of the right to do so thereafter.
2. Corrective Actions by ACC. In the event a lot owner violates any of the restrictions in this Declaration, or in the event of a failure of a lot owner to comply with a written directive of the ACC, in addition to all enforcement rights described elsewhere in this Declaration, the ACC shall have the right to correct the violation or perform the subject of such directive or order. This right shall include, if permitted by applicable law, the right to enter upon the lot to pursue the performance, and the cost of such performance shall thereafter be charged to the owner of the lot in question and shall be due within five (5) business days after the lot owner's receipt of a written demand therefor. If the lot owner refuses to pay this amount, the ACC may recover the cost either by pursuing an action at law against such individual lot owner, with the lot owner liable for reasonable attorney fees and costs associated with such suit, or the ACC may place a lien on the lot.

3. Amendment. Except as otherwise provided, this Declaration may be amended in writing at any time as long as the amendment does not affect property values or increase the cost of building on unoccupied lots. The document pertaining to any such amendment is to be in recordable form, and shall be approved in writing by not less than three-fourths (3/4) of the property owners within the Subdivision. If a proposed amendment does impact property values or increases cost of building on unoccupied lots, a ninety percent (90%) approval of all lot owners and of all first mortgagees of the lots is required before said amendment will become effective.

4. Annexation of Additional Land. It is not intended that the Subdivision continues as now identified on the plat without annexing or adding any additional land thereto, Declarant reserves the right to add additional lots to the Subdivision in its sole discretion. Said additional lots may be owned by Declarant or owned by others; any additional property annexed to and thereby added to the subdivision must be contiguous with the property already subject to this Declaration of Covenants, Conditions and Restrictions.

5. Covenants to Run with the Land. These covenants are to run with the land and shall be binding upon all parties and all persons claiming under them, including their heirs, successors and assigns. The covenants and restrictions of this Declarant shall run with and bind the land, and shall inure to the benefit of and be enforceable by the owner of any lot subject to this Declaration, their respective legal representatives, heirs, successors, and assigns for the term of thirty (30) years from the date of this Declaration is recorded, after which time said Declaration shall be automatically extended for successive periods of ten (10) years each.

6. Fences / Walls along Property Lines. Lot owners shall be individually responsible to arrange for the sharing or allocation of costs associated with constructing walls along the property line bordering the property of adjacent lot owners. All such walls must be approved by the ACC, and shall comply with all applicable requirements of this Declaration.

7. Cable TV. Inasmuch as cable companies operate their own schedule and will only come into this area when there are certain number of people per mile, Declarant makes no guarantee, representation or promise in relation to the existence or potential for cable TV in this Subdivision.

8. Consistency with City Ordinances. In the event any covenant or restriction in this Declaration is inconsistent or in conflict with restrictions set forth in the ordinances of the City of Washington, the city ordinances shall govern so long as the restriction contained therein are more restrictive than the terms of this Declaration. However, where the terms of this Declaration are more restrictive than those contained in the city ordinances, the terms of this Declaration shall be enforced.

9. Severability. Wherever possible, each provision and restriction in this Declaration shall be interpreted in such a manner as to be valid under applicable law; but if any one of these restrictions is held invalid or for any reason becomes unenforceable, such invalidity shall in no way alter or invalidate the remainder of the restrictions or covenants contained herein.

10. Leases. All lease agreements between any lot owner and a lessee shall be required to provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration, and that any failure of the lessee to comply with the terms of this Declaration

shall be a default under the lease. All applicable obligations of the lot owner under this Declaration shall continue, notwithstanding that he may have leased the property to another party. All leases shall be in writing, and a copy shall be provided to the ACC if it so demands.

11. Assignment of Power Any and all rights and powers of the Declarant herein contained may be delegated, transferred or assigned. Whenever the term Declarant is used herein, it includes assigns or successor in interest of the Declarant.

IN WITNESS WHEREOF, the undersigned has hereunto executed this document this 14 day of NOVEMBER, 2003.

DECLARANT:

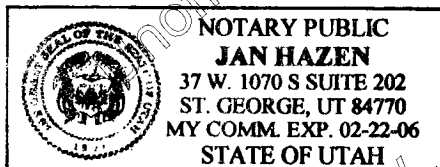
KLC PROPERTIES, LC.

A. Kent Cottam
MANAGING MEMBER

STATE OF UTAH

COUNTY OF WASHINGTON

On the 14TH day of NOVEMBER, 2003, personally appeared before me A. KENT COTTAM the managing member of KLC PROPERTIES, LC., and that he executed the foregoing in behalf of said limited liability company being empower and authorized to do so by the operating agreement of said KLC PROPERTIES, LC., and he did duly acknowledge to me that such limited liability company executed the same.



[Signature]
Notary Public

I/We, _____, Buyer(s) of Lot _____, hereby confirm that I/We have received a copy of the Declaration of Covenants, Conditions and Restrictions of Chapparal Ridge Subdivision, have read and understand the same, and accept it in its entirety.

Date

Date

EXHIBIT A

PARCEL 1

BEGINNING at a point on the Easterly Right of Way line of Washington Fields Road, said point being located N 89°08'36" W along the section line 1295.02 feet and S 0°31'29" W along said right of way line 363.12 feet from the Northeast Corner of Section 35, Township 42 South, Range 15 West, Salt Lake Base and Meridian and running thence S 89°09'10" E along that Parcel recorded as Entry No. 649329 in the records of Washington County and the extension thereof 1306.31 feet to a point on the West edge of an existing canal; thence S 16°57'19" E 63.17 feet along said canal; thence S 20°54'59" E 38.84 feet along said canal to a point on the Northerly right of way line of Lost Ridge Drive; thence along said Right of way the following four (4) courses, S 68°52'19" W 104.91 feet to the point of a 200.00 foot radius curve to the right; thence along the arc of said curve through a central angle 21°58'32" a distance of 76.71 feet; thence N 89°09'10" W 1135.19 feet to the point of a 25.00 foot radius curve to the right; thence along the arc of said curve through a central angle of 89°40'39" a distance of 39.13 feet; thence N 89°28'31" W 7.00 feet to a point on the Easterly right of way line of said Washington Fields Road; thence N 0°31'29" E along said right of way line 125.18 feet to the point of Beginning.

PARCEL 2

BEGINNING at a point on the Easterly Right of Way line of Washington Fields Road, said point being located N 89°08'36" W along the section line 1295.02 feet and S 0°31'29" W along said right of way line 598.30 feet from the Northeast Corner Section 35, Township 42 South, Range 15 West, Salt Lake Base and Meridian and running thence S 89°28'31" E 7.00 feet to a point on the Southerly Right of Way line of Lost Ridge Drive, said point also being on a 25.00 foot radius curve to the right, the center of which bears S 89°28'31" E; thence Northeasterly along the arc of said curve and said Right of Way line through a central angle of 90°19'21" a distance of 39.41 feet; thence continuing along said right of way line the following three (3) courses, S 89°09'10" E 1134.57 feet to the point of a 260.00 foot radius curve to the left; thence along the arc of said curve through a central angle of 21°58'32" a distance of 99.72 feet; thence N 68°52'19" E 104.96 feet to a point on the West edge of an existing canal; thence S 21°13'37" E 16.07 feet along said canal; thence S 21°26'20" E 59.48 feet along said canal; thence S 25°56'19" E 73.63 feet along said canal; thence S 70°53'37" W 212.46 feet; thence N 89°09'10" W 1222.57 feet to a point on the Easterly Right of Way line of said Washington Fields Road; thence N 0°31'29" E along said Right of Way line 124.82 feet to the point of Beginning.

EXHIBIT B**RULES AND REGULATIONS OF THE
CHAPPARAL RIDGE SUBDIVISION PHASE 7
ARCHITECTURAL CONTROL COMMITTEE**

While the controls exercised by the Architectural Control Committee (hereafter referred to as the ACC) must be maintained, the ACC does not intend to stifle innovative designs or architectural freedom. If any design elements of a prospective home appear to be in conflict with the controls or recommendations set forth, such conflicts must be resolved by the ACC and will, whenever possible, be resolved in favor of aesthetic and design quality.

The guidelines and restrictions contained herein are consistent with the provisions of the recorded covenants of Chapparral Ridge Subdivision Phase 7. The protective covenants for Chapparral Ridge Subdivision Phase 7 are on record in the office of the Recorder of Washington County, Utah. Any violations of these guidelines, or the restrictions or protective covenants may result in required changes to floor plans, colors, materials, etc., at owner's and/or contractor's expense.

No construction may begin in Chapparral Ridge Subdivision Phase 7 without the issuance of building permit by the City of Washington building inspector. A set of drawings and specifications with the Chapparral Ridge Subdivision Phase 7 stamp of approval must be submitted to the building inspector to obtain a permit. This stamp of approval will be given upon compliance with all provisions stated in the protective covenants and conditions and these rules and regulations and the execution of the final agreement page of these rules by the lot owner.

THREE (3) complete sets of plans shall be submitted to the ACC and shall contain the minimum exhibits as listed below. Two (2) sets will be stamped and returned—one for the City building inspector and one for construction use. The ACC will retain the third set.

A. SITE PLAN

1. Scale 1/8" = 1' or 1" = 10'/ Scale must be noted.
2. Indicate lot number and street name.
3. Indicate setback from street (front yard minimum setback is 20 feet and side yard minimum setbacks are 10 feet and 10 feet, and the rear yard minimum setback is 10 feet.)
4. Indicate grade elevations at front corners of lot and finished floor elevations.
5. All finished floor elevations must be a minimum of twelve (12) inches above the crown of the road of the front street elevations. Finished floor elevations are to be consistent with existing homes on the adjacent lots. (In instances where contour of the land prohibits compliance, a special examination of the site will be made by the ACC and a determination will follow.)
6. Location of the HVAC unit shall be noted. No HVAC unit will be placed on the roof.

B. FLOOR PLAN

1. Scale 1/4"=1'. Show over-all dimensions.
2. Indicate window and door locations and sizes.
3. Show location of all HVAC units, satellite dishes, and any other mechanical and/or non-mechanical devices. Location of these items must be in the rear of the house and out of street view. (Special consideration will be given when rear installation is not feasible. In such a situation, the unit must be screened from the street view with materials compatible with materials used in the construction of the house.)

C. ELEVATIONS

1. Scale 1/4"=1'

D. COLOR SCHEMES AND EXTERIOR MATERIALS

1. Colors shall not be extreme. The color scheme should complement the neighborhood. Earth tones or darker stucco colors are recommended. No white or pastel colors are allowed. The ACC reserves the right to reject any scheme it deems inconsistent with the area.
2. The general design expressed in the front of the house must continue to each side elevation.
3. Innovative designs used on the front of the house using stone, brick, used or tumbled, or other materials will be considered on an individual basis.

E. CONSTRUCTION AND MATERIALS WHICH ARE NOT ACCEPTABLE

1. Pre-manufactured houses.
2. Earth or berm houses.
3. Re-located houses.
4. Used materials other than brick.
5. Dome structures.

F. ACCEPTABLE ROOFING MATERIALS

1. Roofing materials must be slate, clay or concrete tile.

G. SIZE OF HOUSE, LANDSCAPING, AND SPECIAL RESTRICTIONS

1. The outside measurement of each house will not be less than 1,600 square feet on the main floor, exclusive of garages, porches, patios and/or storage. In the case of a two-story house, the finished area above the grade will not be less than 2,200 square feet with the main floor a minimum of 1,500 square feet.
2. All storage units, detached garages, etc., are to have the same design and materials as the main dwelling.
3. All homes are to have as to a minimum a two-car garage attached or detached.
4. Walls and swimming pools will follow Washington zoning requirements.
5. All required landscaping will be complete on the date of occupancy.
6. Campers, boats, pickups and other recreational and commercial vehicles must be kept in a garage or on a concrete (or other suitable material) pad at the side or in the rear of the house.
7. All walls around houses shall conform to the Washington zoning requirements, and to the guidelines established above in the CC&R's.
8. No blasting of any kind shall be allowed.

- H. **EASEMENTS.** Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Structures of any type are prohibited within these easements. Plants or other materials may be placed or permitted to remain within such easements which will not damage utilities, or which will not change the direction of flow of drainage channels in the easements, or which will not obstruct or retard the flow of water through drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot except for those improvements for which a public authority or utility is responsible.

SECTION "B"

DURING THE COURSE CONSTRUCTION, APPLICANT AND CONTRACTOR WILL COMPLY WITH THE FOLLOWING CONDITIONS AND AGREEMENTS.

- A. **DAILY:** All garbage and construction waste materials must be kept in a container.
- B. **DAILY:** No materials may be stored, piled or put on any adjacent lots, roads or natural areas.
- C. **DAILY:** The volume of stereos, radios, or any equipment must be maintained at a low level that does not disturb the quiet peace and enjoyment of adjoining property owners or surrounding neighborhood.

SECTION "C"

REFUNDS OR FORFEITURES OF DEPOSITS

- A. A deposit of Five Hundred Dollars (\$500.00) will be included by the Applicant with each submittal for consideration by the ACC.
- B. Fifty Dollars (\$50.00) will be used by the ACC to compensate for secretarial and bookkeeping fees and other expenses.
- C. The remaining Four Hundred Fifty Dollars (\$450.00) will be returned to the Applicant at the completion of the house and front yard landscaping, providing all of the conditions contained herein have been met.
- D. If any ACC inspections reveal any violations as noted in SECTION "B" above a Fifty Dollars (\$50.00) penalty violation shall be charged for each violating issued and withdrawn from the deposit. A notification will be given for a 24-HOUR LIMIT to rectify situation, after which time the ACC may impose an additional One Hundred Fifty Dollar (\$150.00) penalty for expenses incurred in remedying the violation which also will be withdrawn from the Applicant's deposit.
- E. If a building deviation is found from the Applicant's approved plans and conditions of approval a One Hundred Dollar (\$100.00) building deviation will fine may be invoked against the Applicant and withdrawn from the deposit. All deviations and variances have to be approved by the ACC.

- F. At completion of construction, the contractor or owner will call for a final inspection by the ACC.
- G. The deposit will be refunded if it is determined that all provisions have been complied with, that the house plans as originally approved have been followed, that the premises have been cleaned up and the front yard has been landscaped in accordance with the provisions set forth in the CC&R's.
- H. If it is determined that any conditions have not been met, the Contractor or Owner will be give thirty (30) days to comply, after which time the deposit will be forfeited and legal action may result forfeiture to said deposit does not preclude additional legal action which may include injunctive relief and/or damages.
- I. TIME LIMIT and DEPOSIT REFUNDS is one hundred twenty (120) days from the date of the issuance of a Certificate of Occupancy by the City.
- J. Issuance of the ACC Stamp of Approval obligated the contractor or owner to carry construction to a stage of substantial completion within eight (8) months from the date construction commenced. Substantial completion means that the exterior of the house is complete. Date of completion is determined to be the date when final power is approved and turned on.
- K. After a building permit is issued, construction must start within One Hundred Eighty (180) calendar days, or the deposit will be forfeited.

The undersigned hereby accepts the above rules and regulations, and agree to abide by them.

Lot # _____

DATE

NAME