COVENANTS, CONDITIONS AND RESTRICTIONS OF CEDAR HOLLOW TOWNHOMES

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS is made and executed this **30** day of May 2014, by Auburn Fields at Cedar Hollow LLC., ("Declarant").

RECITALS

- A. Declarant is the owner of certain real property in Salt Lake County, Utah, more particularly described on Exhibit "A" attached hereto (the "Property"). Declarant desires to develop the Property as a Townhome Community.
- B. Declarant intends to establish a common scheme and plan for the possession, use, enjoyment, repair, maintenance, restoration and improvement of the Property.
- C. In addition to this Declaration, the Project is subject to and governed by the Articles of Incorporation of Cedar Hollow Home Owners Association, Inc., and its Bylaws.

NOW THEREFORE, it is hereby declared that the Property and all Units therein shall be held, sold, conveyed, leased, occupied, rented, encumbered and used subject to the following Declaration as to easements, rights, covenants, servitudes, restrictions, limitations, conditions and uses to which the Property and each individual Unit may be put.

1. MUTUAL AND RECIPROCAL BENEFITS/PERSONS BOUND.

All of the restrictions, conditions, covenants and agreements shall be made for the direct and mutual benefit of each and every Unit created on the Property and shall be intended to create mutual equitable servitudes on each Unit in favor of every other Unit, to create reciprocal rights and obligations between the Owners, and to create privity of contract and privity of estate between the Owners and their heirs, successors and assigns.

This Declaration shall be binding on and for the benefit of Declarant, its successors, assigns, and all subsequent Owners of all or part of the Property or all or part of any Unit, together with their grantees, successors, heirs, executors, administrators, devisees and assigns. The restrictions, conditions, covenants and agreements contained herein shall run with the land, and all Owners, purchasers and occupants of Units shall, by acceptance of contracts, deeds or possession, be conclusively deemed to have consented to, conform to, and observe all such restrictions, conditions, covenants and agreements. Any mortgage or other encumbrance of any Unit or Dwelling on the Property shall be subject to and subordinate to all of the provisions of this Declaration, and in the event, of foreclosure, the provisions of this Declaration shall be binding upon any Owner whose title is derived through the foreclosure, whether such foreclosure is by private power of sale, judicial foreclosure or otherwise.

6/11/2014 1:05:00 PM \$41.00 Book - 10237 Pg - 3439-3449 Gary W. Ott Recorder, Salt Lake County, UT UNITED TITLE SERVICES BY: eCASH, DEPUTY - EF 11 P.

2. PROJECT DESCRIPTION.

The legal description of the Property is in the attached Exhibit "A" consists of 42 Units, in 3 phases and common area. All Units to be framed with brick, stucco, stone, or combination exteriors. All remaining land found within the legal description is common area and consists of parking, landscaping, sidewalk, amenities, and other improvements.

Each Unit shall also own an undivided interest in all common areas and facilities.

3. LAND USE AND BUILDING TYPE.

- 3.1 No Unit shall be used except for dwelling purposes.
- 3.2 No building shall be used, rented or leased for commercial purposes.
- 3.3 Accessory buildings may be allowed only with the prior written consent of the Owners Association and subject to compliance with all zoning and other land use regulations then in effect for Salt Lake County, Riverton City, or any successor government entity.
- 3.4 No trailer, tent, shack or other out buildings shall be placed upon or used at any time on any Unit.
- 3.5 All construction on the Property shall be in accordance with the provisions of the government Zoning Ordinances as the same may be amended from time to time, unless otherwise modified or restricted by this Declaration.

4. NUISANCES AND RELATED MATTERS.

- 4.1 No noxious or offensive activity shall be carried on or upon any Unit, nor shall anything be done thereon which may be an annoyance or nuisance to the Development.
- 4.2 No inoperative motor vehicle shall be placed or remain on any Unit or adjacent street for more than 48 hours. No portion of any Unit may be used for the repair of motor vehicles except in a garage.
- 4.3 The accumulation of metals, bulk materials, junk, scrap, trash, refuse, or other unsightly, offensive materials is prohibited.
- 4.4 No oil or gas drilling, mining, quarrying or related operations of any kind shall be permitted on the Property.
- 4.6 No rubbish shall be stored or allowed to accumulate anywhere in the Project, except in sanitary containers.

- 4.7 No external radio, citizen's band, ham radio or other transmitting or receiving antennas or equipment shall be placed on any structure of Unit. Provided, however, that television antennas and satellite dishes may be placed in a location to be approved by the Owners Association.
- 4.8 An owner shall not, by deed, plat or otherwise, subdivide, or in any manner cause his or her Unit to be separated into physical tracts or parcels smaller than the whole Unit as shown on the Map, nor shall any Owner cause, suffer or permit the same. No Owner shall separate or divide into annually recurring time share Units of any other duration, form or kind whatsoever.

5. EASEMENTS

5.1 Such easements and rights of way shall be reserved to the Declarant, its successors and assigns, in and over the Property and the Units for the erection, construction, maintenance and operation of pipes, conduits, poles, wires and other means of conveying to and from Units and Dwellings gas, electricity, power, water, telephone and telegraph services, sewage, storm drain and other things for the Development of the Property and for the convenience of the Owners of Units as may be shown on the subdivision plat or otherwise. No structures of any kind shall be erected over any such easements without the written permission of the Declarant or the Owners Association. By acceptance of contracts or deeds for a Unit or Units or any portion thereof, all purchasers of Units shall also be conclusively deemed to have granted an easement to the Declarant so as to permit the Declarant to develop each and every part or parcel of adjoining Property owner or held by it, whether subject to this Declaration or otherwise.

6. OWNER'S ASSOCIATION.

- 6.1 The Declarant shall create an Owner's Association for the Project for the purpose of assessing each Unit Owner for the maintenance and upkeep of all common area improvements including landscaping, sidewalk, curb and gutter, fencing, parking and other improvements, etc. After the Owner's Association is created, the Members shall be every Owner within the Project, and each Owner of any Unit by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Owner's Association his or her prorata or proportionate share of assessments to be established and collected as hereinafter provided. Any Owner's Association created hereby shall be governed by a Board of Directors consisting of three (3) natural persons. Declarant shall create the Association and Declarant shall have the right to appoint the initial Board of Directors, one of whom may be the Declarant, who shall serve until such time as successors may be elected by the Unit Owners at a meeting duly noticed and called for that purpose.
- 6.2 Assessment of Annual Maintenance Fee. The Owners shall be responsible for the exclusive management, control and maintenance of all improvements in the project. An annual fee shall be assessed on all Units within the Project in an amount sufficient to cover onsite and off-site maintenance of any improvement or parts thereof serving the Project. Each Owner, by the acceptance of instruments of conveyance and transfer therefor, whether or not it be so expressed in such instruments, shall be deemed to covenant and agree with each other (and with any Owner's Association formed for this purpose) to pay all assessments deemed necessary

by Owner's Association. Unless otherwise specified herein, the fee assessed shall be a portion of the total maintenance costs representing the Owner's prorata share, i.e., if there are 8 Units total in the Project, an Owner's share will be 1/8 of total expenses for the year. All sums assessed an Owner within the Project pursuant to the provisions hereof, together with interest thereon as may be provided for in this Declaration, shall be secured by a lien on such Unit in favor of the Owners Association formed for this purpose). To evidence a lien for sums assessed pursuant to this Section, Owners Association shall prepare a written notice of lien setting forth the amount of the assessment, the due date, the amount remaining unpaid, the name of the Owner and description of the Unit. Such a notice shall be signed and acknowledged by a duly authorized officer of the Owner's Association and may be recorded in the office of the Salt Lake County Recorder. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. (Other assessments may be made to cover the expenses of the Owner's Association in the Project).

- 6.3 The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Property against which such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Property at the time the assessment fell due. The personal obligation for delinquent assessments shall pass to his or her successors in title and is expressly assumed by them.
- 6.4 Both annual and special assessments must be fixed at a uniform rate for all Units and may be collected on a monthly basis.
- 6.5 Annual assessments provided for herein shall commence as to all Units on the first day of the month following the formation of the Owner's Association. The first annual assessment shall be prorated according to the number of months remaining in the calendar year. The Board of Directors of the Owner's Association shall fix the amount of the annual assessment against each Unit at least 30 days in advance of each annual assessment period. Written notice of annual assessment shall be sent to every Owner subject thereto. The Board of Directors shall establish the due dates. The Owner's Association shall, upon written demand and for a reasonable charge, furnish a certificate signed by an officer of the Owner's Association setting forth whether all assessments on a specified Unit have been paid. A properly executed certificate of the Owner's Association as to the status of assessments on a Unit is binding on the Owner's Association as of the date of its issuance. Any Units with structures will be assessed at 50% until they are built upon.
- 6.6 Assessment and any installments thereof not paid within 30 days after the due date shall bear interest from the due date at the rate of 12% per annum. All payments on account shall be first applied to interest and then to the assessment payment first due.
- 6.7 The lien for unpaid assessments shall be superior (prior) to all other liens and encumbrances except assessments, liens and charges in favor of the State or any political subdivision thereof for taxes past due and unpaid on the Unit, and amounts due under duly recorded mortgages which were recorded prior to the recording of the lien for assessments. However, the sale and transfer of any Unit pursuant to mortgage foreclosure, or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due

prior to such sale or transfer, but no such sale or transfer shall relieve such Unit from liability of any assessments thereafter becoming due or from the lien thereof or from the personal liability of the owner under paragraph 6.3.

- 6.8 The lien for nonpayment of assessments may be enforced by sale or foreclosure of the Owner's interest by the Board of Directors of the Owner's Association, such sale or foreclosure to be conducted in accordance with the provisions of law applicable to the exercise of powers of sale or foreclosure in deeds of trust or mortgages or in any manner permitted by law. In connection therewith, each Owner is hereby deemed to have given and granted a power of sale to any attorney licensed in the State of Utah and selected by the Board of Directors in the event that any such lien is foreclosed in the manner provided by law for foreclosure of deeds of trust.
- 6.9 If an Owner shall at any time lease or rent his Unit or any portion thereof and shall default for a period of one month or more in the payment of assessments, the Board of Directors may, at its option, so long as such default shall continue, demand and receive from any tenant of the Owner the rent due or becoming due and the payment of such rent to the Board of Directors shall discharge such tenant for rent due, and shall discharge the Owner for such assessments to the extent of the amount so paid.
- 6.10 The Board of Directors shall handle all assessments hereunder, whether for Common Expenses or as capital contributions, so as to comply with applicable provisions of the Internal Revenue Code and the regulations adopted thereunder as well as applicable State and local

tax laws and to avoid undue adverse tax consequences that might result to the Owner's Association or individual Owners.

- 6.11 The Owner's Association shall, through the assessment of dues, be liable for and will pay the following expenses of the community:
 - a. maintenance, repair, restitution at all common areas;
 - b. snow removal for roadways, driveways and walkways;
 - c. trash collection using individual trash containers;
 - d. insurance for all common areas and structures. Said insurance will not include renters or content insurance, which is the responsibility of the Unit owner.
 - e. clearing debris, vegetation and impediments from the storm drain system within the common areas owned by the HOA. Maintenance of the storm drain system itself will be the responsibility of Riverton City.

The above list is not comprehensive. Any other expense of the community shall be born by the HOA with either regular or special assessments being assessed against each individual Unit to pay for the requirements of the community.

7. DUES.

After completion of the public improvements, all owners shall pay assessments on their Units as set forth in these Restrictive Covenants except Declarant shall not be required to pay 50% of the assessed amount on units where no structures have yet been built. Initial assessments shall be \$100.00 per month each. That assessment may be modified upward or downward at the first meeting of owners.

8. ARCHITECTURAL PROCEDURE.

8.1 <u>Enforcement</u>. No improvement or other structure or building after initial construction shall be constructed or maintained on common area without written consent of the Association. The Unit Owners hereby agree that the Owner's Association and/or the local government entity may institute in its own name any suit or suits necessary in order to obtain a decree for specific performance or any restraining order necessary under any covenant or agreement contained in this Declaration. Should any suits be instituted, the affected Unit Owner or Owners agree that if the court finds in the local government, or the Owner's Association's favor, such Unit Owner or Owners shall pay reasonable attorney's fees to the local government or the Owner's Association.

9. ACCEPTANCE OF RESTRICTIONS.

By acceptance of contracts, leases, options, or deeds for a Unit or Units or any portion thereof, all tenants or purchasers of Units shall be conclusively deemed to have consented and agreed to all restrictions, conditional, covenants and agreements in this Declaration and shall be bound thereby.

10. VIOLATION OF RESTRICTION; PENALTIES.

Each owner shall strictly comply with the provisions of the Declaration. Failure to so comply shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by any Unit Owner, the Owner's Association, or the local government entity. Violation of any of the restrictions, conditions, covenants or agreements herein contained shall also give the Owner's Association or the Declarant, their successors and assigns, the right to enter upon any portion of the Property where such violation or breach exists, and to summarily abate and remove at the expense of the Owner, any erection, thing or condition that may be existing thereon contrary to the provisions hereof, without being deemed guilty of trespass. The result of every action or omission whereby any restriction, condition, covenant or agreement is violated, in whole or in part, is hereby declared to be and constitute a nuisance and every remedy allowed by law against a nuisance, either public or private, shall be applicable against such result. Such remedy shall be deemed cumulative and not exclusive.

11. AMENDMENT.

Except as otherwise provided in this Declaration and except as prohibited by law, the provisions of this Declaration may be amended by the affirmative vote, or approval and consent

of Owners who own 5/8 or more of the Units on the Property. In voting, each Unit Owner of record shall be entitled to cast one vote for each Unit owned by him or her. Provided, however, where there is more than one record Owner of a Unit, all such Owners must act unanimously to cast a vote for that Unit. Any amendment so authorized shall be accomplished by recordation of an instrument executed by such Unit Owners. Notwithstanding the foregoing, any provision of this Declaration derived from or relating to any Development Agreement cannot be amended without the consent of the local government entity, including, among other things, liability and assessment for roads, subsurface drainage systems, setbacks, fencing and landscaping. Notwithstanding anything contained herein or in Utah's PUD Act, Declarant shall have two years from the date of filing these CCRs, the right to unilaterally, and without the permission of any landowner, to amend the CCRs to correct spelling errors, punctuation, grammar, and other matters as long as the substantive content is not changed. Substantive content may be changed by the Declarant acting alone to satisfy FHA/HUD or similar mortgage lending requirements.

12. NO WAIVER.

Each and all of the covenants, conditions, restrictions and agreements contained herein shall be deemed and construed to be continuing. No waiver of a breach of any of these covenants, conditions, restrictions and agreements, and no failure to enforce any one of such restrictions, either by forfeiture or otherwise, shall be construed as a waiver of any other restriction or condition. The failure of the Owners, the Owner's Association or their agents or designers to insist, in one or more instances, upon the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, to exercise any right or option herein contained, to serve any notice or to institute any action shall not be construed as a waiver or a relinquishment of such term, covenant, condition or restriction; but such term, covenant, condition or restriction shall remain in full force and effect.

13. SEVERABILITY.

The provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision hereof.

14. CAPTIONS.

The captions in this Declaration are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

15. LAW CONTROLLING.

This Declaration shall be construed and controlled by and under the laws of the State of Utah, specifically Utah Code Ann. 57-8-1- et. Seq.

16. EFFECTIVE DATE.

This Declaration shall take effect when recorded.

17. PRIVATE RIGHT OF ACTION.

Any individual Unit Owner in the Condominium Project who is aggrieved by any other owner or owners, or by the acts of the Association or any officer, agent, director, or manager, shall have a private right of action against the foregoing to enforce the terms of the covenants, conditions and restrictions or any right set forth under Utah's Condominium Ownership Act. The prevailing party in said litigation shall be entitled to an award of costs and attorney's fees.

18. SERVICE OF PROCESS.

Prior to taking possession of a unit the unit owner must sign a certification that the unit has been inspected and complies and is satisfactory to the unit owner. Failure to execute such a certificate will be considered to be approval and acceptance of a unit in its then condition.

19. DEFICIENCIES IN CONSTRUCTION.

The Developer is not design professional, contractor, or licensed engineer and unit owners waive claims against the Developer for failure to adequately supervise engineers, design professionals, contractors, and others who perform on site improvements or build structures in the project. Unit owners waive subrogation in favor of design professionals, contractors, and the Developer and waive consequential and punitive damages against the same. In the event that any unit is alleged to have defects by the unit owner, the unit owner must obtain a certificate of merit from an independent professional as a prerequisite to filing litigation or making claims against the Developer, design professionals or contractors. If such a claim is made, the Developer has the right to buy back the unit at the purchase price paid by the unit owner as the unit owner's sole and complete remedy. All unit owners and the Home Owners Association agree that a two year statute of limitations is an appropriate period of time to inspect, uncover, and claim any defects in the construction process after certificate of occupancy or final inspection. Thereafter, all claims against the Developer, design professionals and contractors shall be void. During the two year statute of limitations design professionals, contractors, and developers may upon advance written notice have a walk through of the subject property including individual units to inspect the same.

IN WITNESS WHEREOF, the undersigned has executed this instrument this <u>30</u> day of May, 2014.

Auburn Fields at Cedar Hollow, LLC

BY: Jeff Mansell

Its: Manager

STATE OF UTAH) :SS COUNTY OF Salt Lake)

On the day of May, 2014, personally appeared before me Jeff Mansell, Member/Manager of Auburn Fields at Cedar Hollow, LLC, who acknowledged that the within and foregoing instrument was signed by him as directed by the Company.

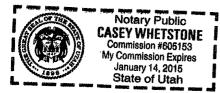


EXHIBIT "A"

LEGAL DESCRIPTION

Beginning at a point on the Westerly Right of Way of SR-68 (Redwood Road) located North 89°54′50" West along the Section line 54.04 feet and South 40.02 feet from the North quarter corner of Section 27, Township 3 South, Range 1 West, Salt Lake Base and Meridian, thence along said Right of Way the following two (2) courses: South 0°06′19" West 412.99 feet; thence South 0°25′49" East 106.98 feet; thence North 89°53′43" West 630.85 feet to a point on the East line of Lot 5, Langford Subdivision No. 1 Revised; thence North 0°05′10" East along said subdivision line 223.93 feet to a point on the South line of Pinnacle Acre PUD; thence South 89°54′50" East along said South line 282.58 feet; thence North 0°14′10" East along the East line of said Pinnacle Acre PUD 139.50 feet; thence South 89°54′50" East 113.48 feet; thence North 0°14′10" East 181.35 feet to the South line of 11800 South; thence along the South line of 11800 South the following four (4) courses: South 89°54′50" East 185.10 feet; thence South 0°06′19" West 6.85 feet; thence South 89°49′43" East 29.92 feet; thence South 44°53′41" East 25.62 feet to the point of beginning.

Tax Parcel No.: 27-27-127-015 27-27-127-017 27-27-127-051

Exhibit "B" Site Plan

