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AMENDED AND RESTATED DECLARATION
OF
PROTECTIVE COVENANTS
FOR
PHEASANT WOOD ESTATES SUBDIVISION

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THIS AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS (hereafter "Declaration") is made on the date evidenced below by Pheasant Wood Estates Owners Association (hereafter "Association").

RECITALS

A. The property subject to this Declaration is the Pheasant Wood Estates Subdivision in Salt Lake County, 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 Lot is a member thereof. The Association is created as a planned development 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 and Private Roadway.

C. This Amended and Restated Declaration of Protective Covenants supersedes and replaces all prior declarations, and amendments or supplements thereto, recorded against the subdivision, specifically the Declaration of Protective Covenants for Pheasant Wood Estates Subdivision recorded February 4, 1992 as Entry No. 5198624, records of Salt Lake County Recorder, Utah (the "Original Declaration");

D. Pursuant to Part C, Section 1 of the Original Declaration, a majority of the Owners of the Lots have affirmatively approved the adoption of this document.

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:

1. DEFINITIONS

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. "**Architectural Control Committee**" or "**ACC**" means the Architectural Control Committee created pursuant to this Declaration.

1.3. "**Assessment**" shall mean any charge imposed or levied by the Association on or against an Owner or Lot pursuant to the terms of this Declaration, the Bylaws or applicable law.

1.4. "**Association**" shall mean the Pheasant Wood Estates Owners Association, Inc., or any successor association of the Lot Owners acting under this Declaration.

1.5. "**Board of Directors**" or "**Board**" shall mean the Board of Directors.

1.6. ***“Common Area”*** shall mean and refer to all real property and improvements in the Property, including private streets, easements, rights of way, and entry monuments, in which the Association or its Members have a common right of use or benefit, or owns an interest for the common use and benefit of its Members, their successors, assigns, tenants, families, guests and invitees, including but not limited to the real property and interests in real property submitted hereby; all Common Areas designated as such in the Plat Map or Maps; and all other parts of the Property normally in common use or necessary or convenient to the use, existence, maintenance, safety, operation or management of the Property owned by the Association for the common benefit of its Members.

1.7. ***“Common Expenses”*** shall mean the actual and estimated expenses of maintenance, improvement, repair, operation insurance and management of the Common Area, expenses of the administration of the Association and any reasonable reserve for such purposes as determined by the Board, and all sums designated Common Expenses by or pursuant to the Declaration. Without limiting the generality of the foregoing, common Expenses shall also include any commonly metered utility charges for the Property and compensation paid by the Association to managers, accountants, attorneys and other employees.

1.8. ***“Community Standards”*** shall mean and refer to the standard of conduct, maintenance, or other activity generally prevailing in the Property as determined by the Board from time to time

1.9. ***“Declaration”*** shall mean and refer to this Amended and Restated Declaration.

1.10. ***“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 Architectural Guidelines.

1.11. ***“Improvement”*** shall mean any structure, Residence, building, Landscaping, garage, fence, wall, non-living or living screen, or other structure of Landscaping, or other meaningful addition or alteration constructed or added to a Lot.

1.12. ***“Landscaping”*** shall mean lawn, shrubs, flowers, trees and natural foliage located or placed upon a Lot.

1.13. ***“Lot”*** shall mean any individual parcel shown upon the Map of the Subdivision, which may be legally conveyed by reference only to the number of such Lot designated on the Map, but excluding any Common Area.

1.14. ***“Map”*** shall mean the official subdivision plat map recorded in the office of the Salt Lake County Recorder, State of Utah, as the same may be amended from time to time.

1.15. ***“Mortgage”*** shall mean any instrument creating a lien with respect to a Lot including a mortgage, deed of trust or any similar security agreement.

1.16. **“Mortgagee”** shall mean the holder of the obligation secured by a Mortgage.

1.17. **“Owner”** shall mean the recorded owner of a fee simple title to any Lot which is a part of the Subdivision. In an event that more than one party shall be the record Owners of a Lot, then for all purposes under this Declaration, all such parties shall be required to act jointly as the Owner of such Lot.

1.18. **“Property”** shall mean all the real property described in Exhibit “A” hereto, consisting of all Lots of the Subdivision.

1.19. **“Residence”** shall mean a single building designed and constructed for residential occupancy.

2. SUBMISSION & PURPOSE

2.1. **Submission.** The Property and Lots referred to in Exhibit “A” shall be held, sold, conveyed, leased, occupied, resided upon and hypothecated subject to the Act and to the covenants, conditions and restrictions of this Declaration, which covenants, conditions and restrictions shall run with the land, are established for the purpose of protecting and preserving the value of each and every part of the Property, and which 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 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. **Purpose of Declaration.** The purpose of this Declaration is to ensure the use of the Property for attractive residential purposes, to prevent nuisances, to prevent the impairment of the attractiveness of the Property, and to maintain the desired tone of the Subdivision, and thereby to secure to each Owner the full benefit, enjoyment and value of their home, with no greater restriction on the free and undisturbed use of their site than is necessary to ensure the same advantages to the other Owners.

3. MAINTENANCE OBLIGATIONS

3.1. **Owner’s Responsibility.** It shall be the duty of each Owner, at the Owner’s sole cost and expense, to maintain, repair, replace, and restore the Owner’s Lot and all improvements thereon. Owners shall, at all times, maintain their Lots and all appurtenances thereto in good repair and in a state of clean, neat and attractive appearance, consistent with Community Standards. Aesthetic considerations alone, and matters of taste, are sufficient to enjoin a violation of this Declaration. Trees, lawns, shrubs, or other plantings provided by the Owner of each respective Lot shall be properly nurtured and maintained to street’s edge or replaced at the property Owner’s expense upon request of the Board. In the event of failure of an Owner of a Lot to maintain such Lot, the Board shall be empowered to maintain, repair, and otherwise manage such Lot, including the improvements and landscaping thereon in accordance with the provisions of this Declaration, the cost of which shall be charged to the Owner of such Lot and shall be collected in the same manner as an assessment.

All Lots are required to be fully landscaped and all landscaping in the Property shall be maintained and cared for in a manner consistent with Community Standards. The Board may establish specific guidelines and restrictions on landscaping from time to time. All landscaping shall be maintained in a neat and orderly condition. Any weeds shall be removed and diseased or dead lawn, trees, ground cover or shrubbery shall be removed and replaced. All lawn areas shall be neatly mowed and trees, shrubs and bushes shall be promptly pruned and trimmed. All landscaping shall be tasteful, so as not to affect adversely the value or use of any other Lot, or to detract from the design or appearance of the Project.

3.2. Maintenance by Association. The Association shall maintain the Common Area, including private streets, within the Property, including cleaning, periodic resurfacing, and snow removal, and shall maintain the entry monuments and any other common element of the Property.

4. GENERAL RESTRICTIONS AND REQUIREMENTS

4.1. Land Use and Building Type. Each Lot shall be used exclusively for the construction and occupancy of a Residence and related landscaping and other incidental and related Improvements. Except as may be specifically provided in this Declaration, no building shall be erected, altered, placed or permitted to remain on any Lot other than one (1) single family dwelling not to exceed two stories in height with an attached garage for not more than four vehicles and not less than two vehicles.

4.2. Subdivision of Lot. No Lot may be divided, subdivided or separated into smaller parcels unless approved in writing by the Board.

4.3. Street Lighting. The Owner of each Lot whereon a street light is located will be responsible to maintain said street light in a proper operative condition. The Owner is required to wire the existing street light through their residential electrical meter and pay the ongoing electricity costs for operation of the street light.

4.4. Governmental Regulations. All applicable governmental rules, regulations, and ordinances of the City, County or otherwise, must be complied with regarding activities within the Subdivision. When a subject is covered both by this Declaration and a governmental rule, restriction or ordinance, the more restrictive requirements shall be met.

4.5. Nuisances, Unreasonable Annoyance and Noxious Activities. No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done thereon which may be or may become an unreasonable annoyance, nuisance or danger to the Subdivision. Except for legitimate construction and maintenance purposes, no excessively loud noises shall be permitted in the Subdivision.

4.6. Signs. No signs, posters, displays or other advertising devices of any character shall be erected or maintained on, or shown or displayed to the public view on any Lot without the express written approval having been first obtained from the Association; provided, however,

that one (1) "for sale" and "for rent" sign, not exceeding twenty-four (24) inches in height and thirty-six (36) inches long may be temporarily placed on a Lot by the Owner. The Association may cause all unauthorized signs to be removed.

4.7. Antennas. All television and radio antennas, satellite dishes or other electronic reception devices shall be erected and placed so as not to detract from Community Standards. An Owner must submit written notification to the Association before installing any antenna. If requested by the Association, the Owner must establish a mutually convenient time to meet with a representative of the Association to review and discuss the antenna. Notwithstanding the foregoing, all restrictions regarding antennas must comply with the FCC's "Over the Air Reception Device Rules" and any other applicable federal laws. Location of a satellite antenna (dish) one meter in diameter or less may not be restricted by the Association so as to cause unreasonable delay in installation; unreasonably increase the cost of the equipment or its installation, maintenance, or use; or preclude reception of an acceptable quality signal.

4.8. Animals. The Association may by rule implement reasonable restrictions on pets and the keeping of animals. Absent Association implemented restrictions, Owners shall comply with local ordinances applicable to animals that may be kept on the Lot. 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 Property. 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 wastes of their animals from other Lots. An Owner may be required to remove an animal if such animal is being kept in violation of this Declaration or the rules and regulations governing pets within the Property.

4.9. Storage of Vehicles and Materials.

(a) The parking of any vehicle, trailer, boat or other object on the street that may restrict traffic and/or increase the risk of harm to persons or property is prohibited without reasonable precautions taken to eliminate or significantly minimize the risk of harm (e.g. florescent traffic cones, flashing barriers or signs, watch-persons to caution drivers). Overnight parking of vehicles and boats on the street is prohibited. The overnight storage of other objects on the street (excluding garbage containers and objects placed by government or quasi-government entities for maintenance purposes) should be avoided for safety and ascetic reasons.

(b) No truck larger than 1-ton, trailer, or recreational vehicle, including but not limited to campers, boats, motor homes, and similar equipment not used on a regular basis (hereinafter referred to as a "Recreational Vehicle") shall be permitted to be parked for any period of time upon any portion of the street, or on any Lot, driveway or off-street parking area of a Lot in front of the front set-back line of the Residence. A Recreational Vehicle shall be allowed to remain on the Property only if housed in a garage or on a Lot behind the front set-back line of the Residence. Appropriate and reasonable screening for the parking area or off-site storage of the RV may be required by the Board at the Board's sole discretion and at the sole expense of the Owner. Failure to comply with the provisions hereof shall constitute a nuisance. No storage of articles, materials, equipment or vehicles of any nature is permitted in the front portion of any Lot (in front of the front set-back line of the Residence), except that a reasonable number of

regularly used passenger cars, in proper working order, may be parked on driveway or off-street parking areas.

(c) No Owner shall permit any vehicle which is in an extreme state of disrepair to be abandoned or to remain parked upon any part of the Lot unless such vehicle is within a garage or wholly screened from view from another Lot. A vehicle is deemed in an "excessive state of disrepair" when the Board reasonably determines that its presence offends the Owners of the other Lots. If an Owner fails to remove a vehicle deemed to be in an extreme state of disrepair within seventy-two (72) hours after the date and time on which written notice is securely placed on such vehicle or delivered to the responsible Owner by the Board, the Board may have such vehicle removed from the Property and assess the Owner the expense of such removal and any storage necessitated thereby.

(d) The Board may adopt rules to govern the enforcement of this subsection which rules may include assessing an Owner the expense of removing any automobile, vehicle or equipment parked in violation of this subsection and the cost of any storage thereof.

4.10. *Rubbish and Unsightly Debris, Garbage, etc.* Notwithstanding any other provision in this Declaration, no Owner shall allow his or her Lot to become physically encumbered with rubbish, unsightly debris, garbage, weeds, equipment, or other things or materials so as to constitute an eyesore as reasonably determined by the Board or the Association.

4.11. *Temporary Structures, etc.* No structure of a temporary character, or trailer, camper, tent, shack, garage, shed or other outbuilding shall be used on any Lot for a period exceeding 48 hours, unless first expressly approved in writing by the Board.

4.12. *Garages & Other Buildings.* No unattached garages or other ancillary buildings shall be permitted on any Lot, unless first expressly approved in writing by the ACC. All garages must accommodate not more than four vehicles and not less than two vehicles.

4.13. *Non-Residential Uses Prohibited.* No part of the Property shall be used for any commercial, manufacturing, mercantile, vending or other such non-residential purposes, provided however, that professional and administrative occupations may be carried on within the Residence so long as there exists no meaningful external evidence thereof.

4.14. *Drilling Operations.* No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon any Lot nor shall oil wells, tunnels, mineral excavations or shafts be permitted. No derrick or other structure designed for use in drilling for oil or natural gas or water shall be erected, maintained or permitted upon any Lot.

4.15. *Swamp Coolers.* No swamp coolers will be allowed in this Subdivision unless expressly authorized, in writing, by the Board.

4.16. *Association Rules and Regulations.* In addition to the restrictions and requirements in this Article, the Board 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 Area 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.

5. ASSOCIATION

5.1. *Organization.* The Association has been organized as a nonprofit corporation under the nonprofit corporation laws of the State of Utah. The Articles of Incorporation of the Association provide for its perpetual existence, but in the event the Association is at any time dissolved, whether inadvertently or deliberately, it shall automatically be succeeded by an unincorporated association of the same name. All of the property, powers and obligations of the incorporated Association existing immediately prior to its dissolution shall thereupon automatically vest in the successor unincorporated association. Such vesting shall thereafter be confirmed as evidenced by appropriate conveyances and assignments by the incorporated Association. To the greatest extent possible, any successor unincorporated association shall be governed by the Articles of Incorporation and Bylaws (as the same may be amended from time to time) as if they had been drafted to constitute the governing documents of the unincorporated association. The affairs of the Association shall be governed by a Board of Directors as provided in this Declaration and the Bylaws.

5.2. *Membership.* Each Owner during the entire period of ownership of one or more Lots within the Community shall be a member of the Association. The membership shall commence, exist and continue by simply 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.

5.3. *Voting Rights.* Each Lot Owner shall have one (1) vote in matters of the Association for each Lot owned (an owner owning 2 lots shall have 2 votes).

5.4. *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:

5.4.1. Duties of the Association. 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, with such administrative functions and powers as shall be delegated to the Managing Agent by the Association Board. The compensation of the Managing Agent shall be such as shall be specified by the Board. Any agreement appointing a Managing Agent shall be terminable by either party, with or without cause and without payment of any termination fee, upon thirty (30) days written notice thereof; and the term of any such agreement may not exceed one year, renewable by agreement of the parties for successive one-year periods. Any Managing Agent may be an independent contractor and not an agent or employee of the Association.

5.4.2. Powers and Authority of the Association. The Association shall have all the powers set forth in its Articles of Incorporation, this Declaration and any Bylaws, together with its general powers as a corporation, and the power to do any and all things which may be authorized, required or permitted to be done by the Association under and by virtue of this Declaration, including the power to levy and collect assessments and fines as provided in this Declaration. Without in any way limiting the generality of the foregoing, the Association shall have the following powers:

(1) The Association shall have the power and authority at any time and from time to time and without liability to any Owner for trespass, damage or otherwise, to enter upon any Lot for the purpose of maintaining and repairing such Lot or any improvement thereon (excluding a Residence) if for any reason the Owner fails to maintain and repair such Lot or improvement, or for the purpose of removing any improvement constructed, reconstructed, refinished, altered or maintained upon such Lot in violation of this Declaration and charge the cost thereof to the Owner as an Assessment.

(2) The Association shall also have the power and authority from time to time in its own name, on its own behalf, or in the name and behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits to restrain and enjoy any breach or threatened breach of this Declaration or any rules and regulations promulgated by the Board, or to enforce by mandatory injunction or otherwise all of the provisions of this Declaration and any rules and regulations.

(3) The Association shall have the power and authority to obtain, contract and pay for, or to otherwise provide for:

(i) Such utility services deemed by the Board to be a Common Expense;

(ii) The services of architects, engineers, attorneys and certified public accountants and such other professional or nonprofessional services as the Officers may deem desirable;

(iii) Such other services as the Board may deem desirable for the benefit of the Owners or any of the Property; and

(iv) Such materials, supplies, furniture, equipment, services and labor as the Board may deem necessary.

(4) 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 One Thousand Dollars (\$1,000.00), unless expressly authorized by a duly adopted resolution of the Board.

6. ARCHITECTURAL REVIEW

6.1 *The ACC and Establishment of Architectural Guidelines.* To ensure compliance with this Declaration and to ensure a consistent, high quality and integrated design throughout the

Property, and to provide a level of comfort for residents during construction activity, the Board may appoint an ACC or act as the ACC itself and such ACC shall have the purpose of and responsibility and authority to promulgate and administer Architectural Guidelines for the Association and to review all applications for construction on or modification or improvement of any Lot.

6.2 Architectural Review. All proposed improvements in the Property, including but not limited to construction of or changes to buildings, fences and landscaping, must be reviewed and approved in advance by the ACC in accordance with the procedures set forth in the Architectural Guidelines, as may be promulgated and amended by the ACC from time to time. No activities may commence on any portion of an Owner's Lot until an application for approval has been submitted to and finally approved by the ACC ("Application"). The Board will have the sole discretion to make final, conclusive and binding determinations on matters of aesthetic judgment and matters of interpretation of the architectural requirements contained herein and in any separate guidelines and such determinations will not be subject to review so long as made in good faith and in accordance with the procedures herein.

6.3 Security Deposit and Impact Fee. The owner of a Lot under construction or which is being modified or improved shall at all times comply with the Governing Documents and shall remain responsible for damage to Common Area, including wear and tear to the street, resulting from or related to the construction, modification or improvement. An applicant shall be required to submit a security deposit or bond in an amount to be established by the ACC from time to time to ensure that Common Area, including the street, which are, or may be damaged, in connection with or as a result of construction activities, including wear and tear caused by large trucks and construction vehicles, will be fully repaired or restored and to ensure any fines levied for noncompliance with the Governing Documents are fully paid. The ACC shall have the authority to establish the total amount of the security deposit or bond that shall be required by the Association and any portion of that amount that shall be non-refundable as an impact fee. There shall be no fee for review and approval of Lot plans by the Association. The amounts due and owing to the Association pursuant to this Section shall constitute an assessment and a lien against the applicant's Lot and the Association shall have all applicable rights and remedies in the collection thereof.

6.4 Non-Liability of Board Members. Neither the ACC nor any member thereof shall be liable to this Association, or to any Owner for any loss, damage or injury arising out of, or in any way connected with the performance of the ACC's duties hereunder unless due to the willful misconduct or bad faith of the ACC or individual member.

The ACC shall review and approve or disapprove all plans submitted to it for any proposed change or alteration, solely on the basis of aesthetic considerations and the overall benefit or detriment which would result to the immediate vicinity and the Project generally, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of any plan or design from the standpoint of structural safety or conformance with building or other codes.

7. ARCHITECTURAL CONTROL PROVISIONS

7.1. Architectural Control. No building shall be erected, placed, or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure upon the Lot have been approved by the Pheasant Wood Estates Architectural Control Committee as to quality of workmanship and materials, harmony of external design with existing structures, and as to location in respect with topography and finish grade elevation. Two sets of plans must be submitted for this purpose, one set will remain in the office of the Pheasant Wood Estates Architectural Control Committee. The other set will be returned to the Lot Owner with the approval or disapproval thereof. All homes will be required to have at least 50% brick or stone veneer. The approval or disapproval of any home must be given by letter from Pheasant Wood Estates Architectural Committee. No fence or wall shall be erected, placed or altered on any Lot nearer to any street than the minimum building setback line unless similarly approved.

7.2. Dwelling Quality and Size. No dwelling shall be permitted on any Lot wherein the ground floor area of the main structure, exclusive of open porches and garages is less than 3000 square feet for a single story, split level or split entry structure; or less than 1800 square feet on the main floor with the aggregate footage of above ground floors of the structure to total a minimum of 3500 square feet for two- story structures, exclusive of basement, garage, and open porches.

7.3. Building Location. All buildings shall comply with applicable building codes and zoning laws. Notwithstanding the foregoing, no building shall be located on any Lot nearer to the front street border than 60 feet, except for Lot #3 which shall be not less than 40 feet. No building shall be located nearer than 10 feet to an interior Lot line. For the purpose of this covenant, eaves, steps, and open porches shall not be considered as a part of a building, provided, however, that this shall not be construed to permit any portion of a building on a Lot to encroach upon any other Lot, or to violate any building code in effect at the time of construction. All Lots which do not comply with the provisions of this Section at the time this Declaration is recorded, shall be "grandfathered" and shall not be deemed to be in violation of this Section. All new building shall comply with Section.

7.4. Construction Time Following Purchase. The purchaser of any building Lot within the subdivision from the original investment group shall within 24 months from the purchase date of said Lot, commence construction and having commenced construction upon said property, shall continue therewith and have the structure upon the property ready for occupancy as a residence within 12 months from the date construction is commenced. An additional 12 months will be allowed to complete landscaping. The ACC may, at any time, require the Lot Owner to maintain and improve the building Lot to meet Community Standards.

8. ASSESSMENTS

8.1. Covenant for Assessment. Each Owner, by acceptance of a deed hereafter conveying any such 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.

No Owner may exempt itself from liability for Assessments by abandonment of any Lot owned by such Owner.

8.2. *Annual Budget and Assessment.*

(a) Annual Budget. The Board of Directors shall prepare, or cause the preparation of, an annual budget for the Association, which shall provide, without limitation, common area maintenance, upkeep, and repair, and preservation of the Private Street and for the administration, management and operation of the Association. If the Board fails to adopt an annual budget, the last adopted budget shall continue in effect.

(b) Determination of Annual Assessment.

(1) The Board of Directors of the Association shall recommend the amount of the annual assessment ("Annual Assessment") against each Lot for each Annual Assessment period. Written notice of the recommended amount should be sent to all members of the Association as part of the written notice of the date, place and time of the Annual Meeting. Nevertheless, the Annual Assessment shall be presented to the Lot Owners for open discussion and approval by vote at the Annual Meeting.

(2) The Annual Assessment period shall commence September 1 of each year. The Annual Assessment is due and payable on September 30th or 20 days following written notice of the Annual Assessment approved at the Annual Meeting, whichever is later, or on such other date established by the Board.

(3) The omission by the Board of Directors, 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 member from the obligation to pay the Annual Assessment, or any installment thereof, 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.

8.3. *Equitable Changes.* If the Annual Assessments levied at any time are, or will become, inadequate to meet all expenses incurred by the Association for any reason, including nonpayment of any Owner's Assessments on a current basis, the Board of Directors 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 the Annual Assessment.

8.4. *Apportionment of Assessments.* Assessments shall be apportioned as follows:

(a) Annual and Special Assessments. All Lots shall pay their pro rata share of the Annual Assessment and Special Assessments commencing upon the date the Lots are made subject to this Declaration. The pro rata share shall be based upon the total amount of each such assessment divided by the total number of Lots.

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

(c) Payment of Assessments. The Board shall determine whether installments of Annual Assessments are levied and collected on a monthly, quarterly, semi-annual, annual or other basis. The Board shall make this determination following placing the issue before the Lot Owners for open discussion at a duly called meeting of the Association. Any member may prepay one or more installments of any Assessment levied by the Association, without premium or penalty.

8.5. *Personal Obligation and Costs of Collection.* Assessments imposed under this Declaration, together with interest, late fees, collection costs and reasonable attorneys' fees incurred or expended by the Association in the collection thereof, shall also be the personal obligation of the Owner holding title to any Lot at the time when the assessment became due. The personal obligation for any delinquent Assessment, together with interest, costs and reasonable attorneys' fees, however, shall not pass to the Owner's successor or successors in title unless expressly assumed by such successor or successors.

8.6. *Special Assessments.* In addition to the other Assessments authorized in this Article, the Association may levy in any assessment year, a special assessment ("Special Assessment"), applicable for that year only, for the purpose of accomplishing the purposes or obligations of the Association hereunder, provided that any such assessment in excess of \$500 per Lot shall first be approved by a two-thirds (2/3) vote cast by members of the Association in a duly held vote thereon, whether at a meeting or otherwise.

8.7. *Individual Assessments.* Any expenses benefitting or attributable to fewer than all of the Lots may be assessed exclusively against the Lots affected or benefitted ("Individual Assessment"). 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, including attorneys' fees incurred by 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) Any reasonable services provided to an unimproved or vacant Lot by the Association due to an Owner's failure to maintain the same in order to protect the health, safety and welfare of adjoining Lot Owners and the Association in general.

8.8. *Reserve Account.* The Association shall allocate a reasonable portion of the annual common assessment to a reserve account for the funding of long term maintenance. The Board shall use reasonable efforts to fund said reserve account but shall not be held personally liable for

any alleged failure to fully fund said account as long as gross negligence or intentional misconduct is not proven in a court of law.

8.9. *Nonpayment of Assessments.* Any assessment or portion thereof not paid within ten (10) days after the due date (where such due date is provided herein or which shall be established by resolution of the Board of Directors):

(a) Shall be delinquent and shall bear interest from the date of delinquency at the rate of 18% per annum, compounded monthly, or at the rate established by resolution of the Board of Directors from time to time; and

(b) Shall be subject to a late charge of Thirty Dollars (\$30.00), or such other amount as determined by the Board from time to time; and

(c) If paid by installments, may, in the discretion of the Board, be accelerated (including interest as provided for above) and the entire balance declared due and payable upon not less than ten (10) days written notice to the Owner. If, however, the assessment is accelerated and an Owner subsequently files bankruptcy or the Board otherwise decides acceleration is not in its best interest, the Board, at its option and in its sole discretion, may elect to decelerate the obligation.

8.10. *Lien for Assessments.* All Assessments imposed shall be a charge and continuing lien upon each of the Lots against which the assessment is made and shall be construed as a real covenant running with the land and shall attach automatically if any Assessments are delinquent, regardless of whether a separate notice of lien is recorded.

8.11. *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.

8.12. *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 and the sale or transfer of any Lot pursuant to mortgage or deed of trust 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. However, such sale or transfer shall not relieve the Lot from liability for any Assessments thereafter becoming due, or from the lien of any future assessment.

8.13. *Enforcement of Lien.* The Association may establish and enforce the lien for any Assessment, including Annual, Special, Individual or otherwise, pursuant to the provisions of this Declaration. The lien is imposed upon the Lot against which the Assessment is made. The lien may be established and enforced for damages, interest, costs of collection, late charges

permitted by law, and attorneys' fees provided for in this Declaration or by law or awarded by a court for breach of any provisions of this Declaration, the Bylaws or any rules and regulations of the Association. The lien may be foreclosed in the same manner as deeds of trust, mortgages, or in any other manner permitted by Utah law. The collection remedies stated herein are cumulative and the use of one does not preclude the use of other remedies.

8.14. Remedies, Including Suspension of Membership Rights and Services. All membership rights, including the right of an Owner to vote on issues concerning the Association or sit on the Board may be suspended if the Owner is delinquent by more than 60 days in the payment of his or her 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. The Association shall have each and every remedy for 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. The declarant hereof, consisting of the Association and each Owner of a Lot, hereby conveys and warrants pursuant to U.C.A. § 57-1-20 and 57-8a-402 to the attorney of the Association, with power of sale, each Lot and all improvements to each Lot for the purpose of securing payment of assessments under the terms of the Declaration.

8.15. Appointment of Trustee. The Association and each Owner hereby appoints the attorney of the Association who has been retained by the Association at the time a foreclosure is initiated as trustee for the purpose of exercising the power of sale in connection with non-judicial foreclosures as provided in Title 57, Chapter 1, Utah Code and made applicable hereto by Title 57, Chapter 8a, Utah Code Ann., as may be amended from time to time.

9. ENFORCEMENT OF VIOLATIONS

9.1. The Association's Powers of Enforcement. Enforcement shall be accomplished by any lawful means, including an action at law or in equity against any person or persons violating or attempting to violate any provision herein, either to restrain violation or recover damages. In the event a legal action is instituted by the Association to enforce compliance with or due to a breach of any of the provisions of this Declaration, the party found to have violated any provision(s) of this Declaration shall be liable to the prevailing party for the prevailing party's legal costs and expenses, including reasonable attorney's fee. Notwithstanding the foregoing, no liability of any nature at all shall attach to the Association, or any member thereof, in acting in good faith pursuant to the provisions of this Declaration.

If after written notice, an Owner fails to remedy a violation (the "Defaulting Lot Owner"), the Association may (in addition to other lawful remedies available to it) cause such violation or condition to be remedied and the cost thereof shall be charged to the Defaulting Lot Owner in which event such costs shall be deemed an Individual Assessment to such Defaulting Lot Owner and shall attach as a lien to the Defaulting Lot Owner's Lot, and shall be subject to levy, enforcement and collection by the Association, in accordance with the assessment lien procedure provided for in this Declaration.

Failure to comply with any of the provisions of this Declaration, Bylaws or rules and regulations adopted pursuant thereto shall be grounds for relief which may include, without limiting the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof, which relief may be sought and liberally construed to effectuate its purpose. Any violation of this Declaration shall be deemed to be a nuisance or unreasonable annoyance. Failure to enforce any provisions hereof shall not constitute a waiver of the right to enforce said provisions hereof.

9.2. Fines. The Board shall have the right to levy a reasonable fine in the amount determined by the Board, against any Lot or Owner for violations of this Declaration, the Bylaws, or rules and regulations. Any fine levied against an Owner shall become the personal obligation of the Owner and shall also become a lien against the Lot. Fines shall be collectable and enforced in the same manner as Assessments.

9.3. Enforcement by Others. Additionally and after reasonable notice in writing, an Owner not at the time in default hereunder, or the Association shall have the option of bringing an action for damages, specific performance, or injunctive relief against any defaulting Owner, and in addition may sue to have enjoined any violation of this Declaration. Any judgment shall include an award of the legal costs and expenses, including a reasonable attorney's fee, entered against the losing party and in favor of the prevailing party.

9.4. Rights of Entry. The Association shall have a limited right of entry in and upon all Lots and the exterior of all Residences for the purpose of taking whatever corrective action it deems necessary or proper, including to perform maintenance on Common Area. Nothing in this Section or Article shall in any manner limit the right of the Owner to exclusive control over the interior of his or her Residence.

9.5. Board Authority. The Board shall have the right to enforce any applicable provision hereof in the same manner provided to the Association.

9.6. Enforcement Remedies Cumulative. Each remedy provided in this Declaration shall be cumulative and not exclusive or exhaustive. Suit to recover a money judgment may be maintained without foreclosure or waiving the lien securing the same.

10. INSURANCE

10.1. Association Insurance. The Board shall at all times purchase, maintain in force, and pay the premiums for, if reasonably available, the following insurance, as well as such other insurance as it deems reasonable:

10.1.1. Property and Liability Insurance. Property insurance, if required by law or deemed necessary by the Board, as well as liability insurance with adequate limits of liability for bodily injury and property damage, consistent with that of similarly situated first-class subdivisions in the county and as consistent with the Act.

10.1.2. Director's and Officer's Insurance. Directors and officers liability insurance.

10.1.3. Fidelity Coverage. Fidelity coverage in a reasonable amount to be determined by the Board to cover all non-compensated officers and directors, as well as all employees or any other individuals handling or responsible for Association funds, for theft of Association funds. Where the Board or the Association has delegated some or all of the responsibility for the handling of funds to a manager, such bonds are required for the Manager's officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Board or Association. The total amount of fidelity bond coverage required shall be based upon the Board's best business judgment, but shall not be less than the estimated maximum amount of funds, including reserve funds, in the custody of the Board, the Association, or the Manager, as the case may be, at any given time during the term of each bond. Nevertheless, in no event may the amount of such bonds be less than a sum equal to three (3) months' aggregate Assessments on all Lots, plus reserve funds.

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

- 1) Certificate of Insurance. Evidence of insurance shall be issued to each Owner and Mortgagee upon request.
- 2) 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.
- 3) Special Endorsements. Each policy shall contain or provide those endorsements commonly purchased by the other community association in the county.
- 4) 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.

10.2. *Owner's Insurance*. Each Owner and resident shall purchase and maintain adequate liability and property insurance on his or her Lot.

10.2.1. Primary Coverage. The insurance coverage of an Owner shall be primary. The Association shall not maintain insurance on an Owner's Lot, Residence, personal property, or contents.

10.2.2. 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.

10.2.3. **Failure to Repair.** If the Board determines that any Owner has failed to property 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 subject to the following:

1) **Assessment.** Such costs as are incurred by the Association in the repair or reconstruction of an Owner's Lot or Residence shall be secured by a lien against the Lot regardless of whether or not a notice of lien is filed.

2) **Notice of Intent to Repair.** Except in an emergency situation, the Association shall give the Owner written notice of the Association's intent to provide repair or reconstruction at the Owner's cost and an expense. The Association shall set forth with reasonable particularity the repair or reconstruction deemed necessary by the Board. The notice shall establish a reasonable time after receipt of notice within which the Owner shall commence and complete such repair or reconstruction.

3) **Optional Repairs.** The Association may, but is not obligated to, provide such repair or reconstruction in the manner described above.

4) **Right of Entry.** The Association or its agents or employees shall have the right to enter upon or into any Lot or Residence as necessary to perform such work and shall not be liable for trespass for such entry or work.

10.3. Contractors. Any person or entity working on a Common Area must provide the Board with the following:

10.3.1 A Certificate of liability Insurance in accordance with Utah Law or as may be required by the by the Board to compensated the Association and Owners for damages that may result to the Common Area and/or the Owners;

10.3.2 Certificate that Contractor and its employees and sub-contractors are covered by Workman's Compensation required by Utah Law;

10.3.3 That the Association is named as an insured under any policy required by the Board.

11. EASEMENTS

11.1 Easements. Easements for the permanent existence and maintenance of entry monuments to the Property are reserved for the Association upon the Lots, inasmuch as any such entry monuments exist upon any Lots at the time of the recording of this Declaration. Easements for installations and maintenance of utilities and drainage facilities are reserved as noted on the recorded map. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may 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, if any, for which a public authority or utility company is responsible.

11.2 Driveway Crossing. Salt Lake County requires that each Lot Owner construct Driveway Crossing in accordance with the approved Pheasant Wood Estates Grading Plan and Plan and Grade sheets submitted by the declarant in connection with its application for subdivision.

11.3 Drainage System. The Association shall manage, maintain and keep the storm drainage system located on the Property in good condition and repair. All costs incurred for maintenance and management of the storm drainage system shall be paid by the Association. In the event that the Association fails to properly manage and maintain the drainage system, Salt Lake County shall have the right, but not the obligation, to maintain the storm drainage system, and to charge the costs thereby incurred to the Association. The Association and the Lot Owners shall not have the authority to change, by vote, alienation, alteration, transfer, sale, or otherwise, the use of currently existing areas and structures designed to control storm water runoff unless the consent of the Development Services Division of Salt Lake County has first been obtained in writing. Salt Lake County is hereby made a party to the covenants established by this Declaration for the sole purpose of protecting and preserving the use of the storm drainage system and structures on the Property. Salt Lake County shall not be a Member of the Association and shall have no vote. As to this paragraph specifically, Salt Lake County is hereby granted a right of enforcement as set forth in this Declaration.

12. DURATION AND AMENDMENT

12.1. Duration. This Declaration, as amended from time to time, shall continue in full force and effect until a declaration of termination approved by 75% of the Owners is recorded with the County Recorder of Salt Lake County. There shall be no severance by sale, conveyance, encumbrance or hypothecation of an interest in any Lot from membership in the Association as long as this Declaration shall continue in full force and effect.

12.2. Amendment. The affirmative vote of at least two-thirds (2/3rds) of the Owners shall be required and shall be sufficient to amend the Declaration. Any amendments so authorized shall be accomplished through the recordation of an instrument executed by the Board. In such instrument the Board shall certify that the required vote for amendment has occurred.

13. MISCELLANEOUS

13.1. Notice, Affairs, Electronic Means. In any circumstance where notice is required to be given to a homeowner, the Association may provide notice by personal delivery, mail or electronic means, including text message, email, or an Association website, if the Board deems the notice to be fair and reasonable. A homeowner may require the Association, by written demand, to provide notice to the homeowner 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. Any

notice mailed by the Association to the Owner's Lot shall be deemed to have been fully given by the Association and received by the Owner, unless a different address is supplied in writing by the Owner.

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.

13.2. Severability. Invalidation of any one of these covenants or any portion thereof by judgment or court order shall in no way effect any of the other provisions which shall remain in full force and effect.

13.3. Singular Includes Plural. Whenever the context of the Declarant requires the same, the singular shall include the plural, and the masculine shall include the feminine.

13.4. Covenants, Etc., Shall Run with the Land. All of the limitations, restriction, easements, conditions and covenants herein shall run with the land and shall be binding in and for the benefit of all the Property and all parties having or acquiring any right, title or interest in the Property and any part thereof and shall insure to the benefit of each Owner and are imposed upon the Property as a servitude in favor of each parcel thereof as the dominant tenement or tenements.

13.5. Limitation on Liability. Neither the Board nor the Association shall be liable to any other person for action or failure to act hereunder where such action or failure was in good faith. Additionally, the Association shall indemnify all Board members for all acts absent evidence of intentional misconduct or gross negligence.

13.6. Paragraph Headings. The headings which precede the paragraphs and sub-paragraphs of this Declaration are for convenience only and in no way affect the manner in which any provision hereof in construed.


13.7. Effective Date. This Declaration and any amendment(s) or supplemental(s) thereto shall take effect upon its (their) being filed for record in the Office of the County Recorder of Salt Lake County, Utah.

IN WITNESS WHEREOF, The President and Secretary of the Association have executed this instrument the day and year first hereinabove written.

PHEASANT WOOD ESTATES OWNERS
ASSOCIATION, INC.



By: Robert W. Kelez
Its President



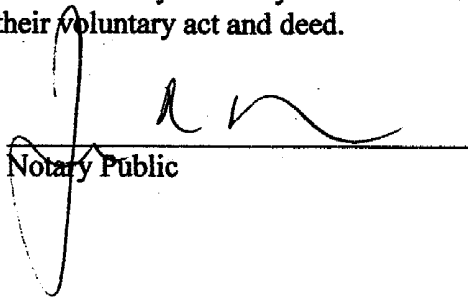
By: Alan D. Rudd
Its Secretary

State of Utah)
 ss.
County of Salt Lake)

On the 29th day of October, 2013 personally appeared before me Robert W. Kelez who being by me duly sworn did that say that he is the President of the Association and that said instrument was signed and sealed in behalf of said Association by authority of its Board of Directors; and acknowledged said instrument to be their voluntary act and deed.



State of Utah)
 ss.
County of Salt Lake)


Notary Public

On the 29th day of October, 2013 personally appeared before me, Alan D. Rudd who being by me duly sworn did that say that he is the Secretary of the Association and that said instrument was signed and sealed in behalf of said Association by authority of its Board of Directors; and acknowledged said instrument to be their voluntary act and deed.



State of Utah)
 ss.
County of Salt Lake)

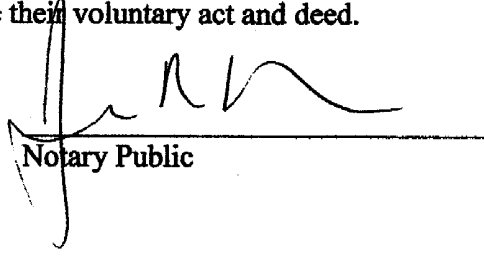

Notary Public

EXHIBIT A

Legal Description

ALL LOTS, PHEASANT WOOD ESTATES, all as according the official plat filed in the records of the Salt Lake County Recorder, Utah.

First Parcel No: 22332010200000

EXHIBIT B

BYLAWS

OF

PHEASANT WOOD ESTATES HOMEOWNERS ASSOCIATION, INC.

SECTION 1

MEETINGS OF OWNERS

1.1. Annual Meetings. The first annual meeting of the Association will be held in 2013 at a time and in a month specified by the Board. Subsequent annual meetings will be held during around the same month each year, but no later than December 31. Annual meetings will be held for the purpose of electing Directors, presenting the annual budget, and transacting such other business as may come before the annual meeting.

1.2. Special Meetings. A special meeting of the Association may be called at any time by the Board or the president of the Association, or by the Board upon the written request of at least 30% of the votes entitled to be cast by the Owners. A special meeting may only be held for the purposes set forth in the notice for that special meeting.

1.3. Place of Meetings. The Board may designate any place in Salt Lake County as the place for any annual or special meeting of the Association. Owners may participate in meetings by any means of electronic or telephonic communication through which all Owners and other participants may simultaneously hear one another during the meeting. Owners who participate in a meeting by such means will be considered present for all purposes, including the presence of a quorum.

1.4. Notice of Meetings. Notice of each meeting stating the place, date, and time of the meeting and the purpose or purposes for which the meeting is called, will be delivered to each Owner entitled to vote at the meeting, not less than 10 nor more than 50 days before the date of the meeting. If mailed, the notice will be deemed to be delivered when deposited in the United States mail, postage prepaid, and addressed to the Owner at its address as it appears in the records of the Association. The Board may set a record date for determining the Owners entitled to notice. The Association will give notice at the Association's expense of any special meeting called by the Owners.

SECTION 2

VOTING; QUORUM

2.1. Voting. Each Lot will be allocated one vote.

2.2. Quorum. A majority of Owners participating in a meeting in person, by proxy, or by written ballot will constitute a quorum.

2.3. Voting Method. Votes may be cast in person, by proxy, or by written ballot.

2.4. Action by Proxy. Every proxy must be executed in writing by the Owner or its duly authorized attorney-in-fact and filed with the secretary of the Association before or at the time of the meeting. No proxy will be valid after the expiration of one year from the date of its execution unless otherwise provided in the proxy.

2.5. Action by Written Ballot.

(a) Any action that may be taken at any meeting of the Association may be taken without a meeting if the Association delivers a written ballot to every Owner entitled to vote on the matter. Such written ballot will set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot will be valid only when the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot. Owners submitting a written ballot will be considered to have participated in the meeting for all purposes.

(b) All solicitations for votes by written ballot will: 1) indicate the number of responses needed to meet the quorum requirements; 2) state the percentage of approvals necessary to approve each matter other than election of Directors; 3) specify the time by which a written ballot must be received by the Association in order to be counted; and 4) be accompanied by written information sufficient to permit each Owner casting a written ballot to reach an informed decision on the matter.

(c) A written ballot may not be revoked.

(d) Action by written ballot will have the same effect as action taken at a meeting.

(e) The number of votes cast by written ballot will constitute a quorum for action on the matter.

(f) A written ballot may also be used in connection with any meeting of the Association, thereby allowing Owners the choice of either voting in person or by written ballot delivered by an Owner to the Association in lieu of attendance at such meeting. A valid written ballot will be counted equally with the votes of Owners in attendance at any meeting for every purpose.

2.6. Two-Thirds Vote. Action on a matter, other than the election of directors, is approved if a quorum exists and the votes cast favoring the action equal or exceeds two-thirds ($2/3^{\text{rds}}$) of the votes cast.

2.7. Greater Quorum or Voting Requirements. An amendment to the Articles or these Bylaws that adds, changes, or deletes a greater quorum or voting requirement must meet the same quorum requirement and be adopted by the same vote required to take action under the greater of the quorum and voting requirements then in effect or proposed to be adopted.

SECTION 3 BOARD & OFFICERS

3.1. Number, Election, Term of Directors. The Board will consist of three Directors. The Directors will also constitute the Officers of the Association as set forth in Section 4. Directors will be elected at the annual meetings of the Association by a plurality of votes, that is, the candidate(s) with the most votes shall be elected. Each Director will hold office for a term of one year.

3.2. Removal and Replacement. A Director may be removed before the expiration of his term with the consent of 51% or more of the votes allocated to the Lots. Upon the removal of a Director, the Owners will elect a replacement Director to serve until his successor is elected.

3.3. Resignation or Death. A Director may resign before the expiration of his term by giving written notice to the president or to the secretary of the Association. Such resignation will take effect on the date specified in the notice. Upon the resignation or death of a Director, the remaining Directors will appoint a replacement Director to serve until his successor is elected.

3.4. Meetings. Meetings of the Board should be held at least annually, and at any time when called by the president of the Association or by two or more Directors, upon the giving of at least two days' prior notice of the time and place of the meeting to each Director by hand-delivery, United States mail, fax, email, telephone, or in any other manner deemed fair and reasonable by the Board. Any business may be transacted at a Board meeting. No notice of a Board meeting need state the purposes for holding the meeting, and no notice of any adjourned Board meeting will be required. If the Board establishes a regular meeting schedule, then such regular meetings of the Board may be held without notice of the date, time, or place of the meeting.

3.5. Place of Meetings. The Board may designate any location convenient to the Directors in which to hold a Board meeting. Directors may participate in any Board meeting by means of any electronic or telephonic communication by which all participants may simultaneously hear one another during such meeting. Directors who participate in a Board meeting by such means will be considered present for all purposes, including the presence of a quorum.

3.6. Quorum. A majority of Directors will constitute a quorum for the transaction of business, but a lesser number may adjourn any Board meeting from time to time. When a quorum is present at any Board meeting, a majority of the Directors in attendance will decide any question brought before such meeting.

3.7. Waiver of Notice. Before, at, or after any Board meeting, any Director may, in writing, waive notice of such meeting and such waiver will be deemed equivalent to the giving of such notice. Attendance by a Director at a Board meeting will constitute a waiver of notice by such

Director except when such Director attends the meeting for the express purpose of objecting to the transaction of business based on a claim that the meeting was not duly called or convened.

3.8. Informal Action by Directors. Any action required or permitted to be taken at a Board meeting may be taken without a meeting (e.g., via email correspondence) if each member of the Board in writing either: (1) votes for the action, or (2) votes against the action, or (3) abstains from voting and waives the right to demand that action not be taken without a meeting.

SECTION 4 OFFICERS AND AGENTS

4.1. General. The Officers shall be elected by the Board. The Officers of the Association will be a president (who will be chosen from among the Directors), a vice president (who will be chosen from among the Directors) and a secretary/treasurer (who will be chosen from among the Directors). The Board may appoint such other Officers, assistant Officers, committees, and agents, including assistant secretaries and assistant treasurers, as it may consider necessary or advisable, who will be chosen in such manner and hold their offices for such terms and have such authority and duties as from time to time may be determined by the Board. One person may hold any two offices, except that no person may simultaneously hold the offices of president and secretary. In all cases where the duties of any Officer, agent, or employee are not prescribed by these Bylaws or by the Board, such Officer, agent, or employee will follow the orders and instructions of the president. Any principal Officer may prepare, execute, certify, and record duly adopted amendments to the Declaration and Bylaws on behalf of the Association.

4.2. Removal of Officers. The Board may remove any Officer with or without cause, and elect a successor at any Board meeting.

4.3. Vacancies. A vacancy in any office will be filled by the Board for the unexpired portion of the term.

4.4. President. The president will be the chief Officer of the Association. The president will preside at all Association meetings and Board meetings. The president will have the general and active control of the affairs and business of the Association and general supervision of its Officers, agents, and employees. The president is designated as the Officer with the power to prepare, execute, certify, and/or file amendments to the Articles, Bylaws, and the Rules and Regulations on behalf of the Association.

4.5. Vice President. The vice president will assist the president and will perform the duties assigned to him by the president or the Board. In the absence of the president, the vice president will have the powers and perform the duties of the president.

4.6. Secretary/Treasurer. The Secretary/Treasurer will:

- (a) keep the minutes of the proceedings of Association meetings and Board meetings;
- (b) see that all notices are duly given in accordance with the provisions of these Bylaws;

(c) maintain the records of the Association, including a record containing the names and registered addresses of all Owners, the designation of the Lot owned by each Owner, and, if a Lot is Mortgaged, the name and address of each Mortgagee;

(d) perform all other duties incident to the office of secretary and the duties assigned to her or him by the president or the Board;

(e) be the principal financial Officer of the Association and will have the care and custody of all funds, securities, evidences of indebtedness, and other personal property of the Association;

(f) receive and give receipts and acquittances for moneys paid in on account of the Association and will pay out of the funds on hand all bills, payrolls, and other just debts of the Association upon maturity;

(g) perform all other duties incident to the office of treasurer and, upon request of the Board, make such reports to it as may be required at any time;

(h) if required by the Board, give the Association a bond for the faithful performance of his duties and for the restoration to the Association of all books, papers, vouchers, money, and other property in his possession or under his control belonging to the Association; and

(i) have such other powers and perform such other duties assigned to her or him by the president or the Board.

SECTION 5

PROOF OF OWNERSHIP; CONTACT INFORMATION; ASSOCIATION ADDRESS; MORTGAGES

5.1 Proof of Ownership. Each Owner will furnish to the Association a copy of the recorded instrument vesting that Owner with an ownership interest in the Lot. Such copy will remain in the records of the Association. An Owner who fails to satisfy this requirement may not be deemed an Owner in good standing and will not be entitled to vote at any Association meeting at the sole discretion of the Board.

5.2 Contact Information. Each Owner is required to register a mailing address, a phone number, and an email address with the Association within ten days after becoming an Owner. The contact information of each Owner will be kept in the records of the Association. Owners must notify the Association of any change in contact information within ten days after the change. Any notice mailed to an Owner's registered address or—if the Owner fails to register an address with the Association—to the address on file with the Salt Lake County Recorder will be deemed duly delivered.

5.3 Address of the Association. The initial principal address of the Association will be 7792 Pheasant Wood Drive, Cottonwood Heights, UT 84093, ATTN: Alan Rudd. The Association's address may be changed from time to time upon written notice to all Owners, and will generally be the president's home address.

**SECTION 6
SECURITY INTEREST IN MEMBERSHIP**

An Owner will have the right to appoint the Mortgagee of its Lot as its true and lawful attorney-in-fact to exercise any and all rights, privileges, and powers that the Owner has as a member of the Association by filing a proxy with the secretary of the Association. A release of the Mortgage covering the Lot will operate to revoke the proxy. An Owner who appoints its Mortgagee as attorney-in-fact will not be relieved of its duties and obligations as an Owner, nor will the appointment impose upon the Mortgagee the duties or obligations of an Owner.

**SECTION 7
NOTICE, AFFAIRS, ELECTRONIC MEANS**

7.1. 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.

7.2 Notice. In any circumstance where notice is required to be given to the homeowners, 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 homeowner may require the Association, by written demand, to provide notice to the homeowner 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.

**SECTION 8
AMENDMENT**

Except as limited by law or the Articles, these Bylaws may be amended or repealed by a vote of at least 51% of the votes entitled to be cast by the Owners.

**CERTIFICATE OF ADOPTION OF BYLAWS
OF
PHEASANT WOOD ESTATES HOMEOWNERS ASSOCIATION, INC.**

Adoption by Board

The undersigned, being all the Directors of the Board of Pheasant Wood Estates Homeowners Association, Inc., hereby adopt the foregoing Bylaws as the Bylaws of the Association.



Robert W. Kelez



R. Bruce McMullin



Alan D. Rudd

Secretary's Certification of Adoption

The undersigned hereby certifies that [he/she] is the duly elected, qualified, and active secretary of Pheasant Wood Estates Homeowners Association, Inc., and that these Bylaws were adopted as the Bylaws of the Association on the 8th day of October, 2013, by the Board.



Alan D. Rudd