



WHEN RECORDED, RETURN TO:
CW The Lake, LLC
Attn: Legal Department
1222 W. Legacy Crossing Blvd., STE 6
Centerville, UT 84014

Affecting Parcel Number 41-21-30-033

**DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS,
AND RESERVATION OF EASEMENTS FOR
THE LAKE**

This DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS, AND RESERVATION OF EASEMENTS FOR THE LAKE (“**Declaration**”), is made and executed as of the date first written below on the signature page and is effective when recorded in the office of the Rich County Recorder by CW The Lake, LLC (“**Declarant**”).

RECITALS

A. Declarant is the fee title owner of certain real property located in Rich County, Utah as more particularly described on Exhibit A attached hereto (the “**Property**”). The Property has been or will be developed into five (5) single-family lots.

B. Declarant hereby desires to establish for the mutual benefit of all future Owners and Occupants of the Project, certain covenants, conditions, restrictions, easements, rights, privileges, assessments, and liens as set forth herein, which shall run with and be a burden upon each Unit within the Project.

C. Declarant hereby establishes and adopts this Declaration of Covenants, Conditions, and Restrictions, and Reservation of Easements for The Lake to establish a governance structure and standards and procedures for the development, administration, maintenance, and preservation of The Lake. By signing this Declaration, Declarant subjects the Property to the Bylaws and terms, covenants, and restrictions contained herein.

D. This Declaration is intended to and shall run with the land and shall be binding upon the Declarant and the Owners and their respective successors and assigns, and any other Person that now, or hereafter, has any legal, equitable, or beneficial interest in any portion of the Project. By taking title to a Unit, an Owner joins in and accepts the intent, purpose, and objectives of the Declaration and agrees to be bound by it, and acknowledges the benefits received from its existence and from the Declarant’s development of the Project and accepts the burdens and responsibilities that accompany these benefits.

E. Capitalized terms in this Declaration are defined in Article 1 herein, or in other sections of this Declaration.

DECLARATION

NOW, THEREFORE, for the reasons recited above and subject to the Restrictions set forth below, the Declarant hereby adopts this Declaration. The Recitals above are incorporated into and made a part of this Declaration.

1. DEFINITIONS

1.1 "**Accessory Structure**" shall mean and refer to any detached, subordinate building or structure incidental to the primary residence constructed on the Lot and shall include any shed, shack, detached garage, or other outbuilding in compliance with Section 9.5 herein.

1.2 "**Act**" shall mean and refer to the Utah Community Association Act codified beginning at §57-8a-101, Utah Code Annotated ("**Utah Code Ann.**"), as amended.

1.3 "**Allocated Interest**" shall mean and refer to the voting interests in the Association and liability for the Common Expenses which are allocated equally among the Units subject to provisions herein. Each Unit is assigned one equal vote, subject to the limitations on voting set forth in this Declaration and other Governing Documents.

1.4 "**Articles**" shall mean and refer to the Articles of Incorporation for the Association, as amended from time to time.

1.5 "**Assessment**" shall mean and refer to any monetary charge imposed or levied on an Owner by the Association as provided for in this Declaration and shall include, without limitation, regular Assessments, special Assessments, Benefitted Common Area Assessments, and Service Area Assessments.

1.6 "**Association**" shall mean and refer to The Lake Owners Association, Inc., the membership of which shall include and be comprised of each Owner in the Project, and its successors or assigns. The Association shall be incorporated as a Utah nonprofit corporation. Notwithstanding the foregoing, if the Owners are ever organized as another type of entity or if the Owners act as a group without legal organization, "Association" as used in this Declaration shall refer to that entity or group.

1.7 "**Board of Directors**" or "**Board**" shall mean and refer to the body with primary authority to manage the affairs of the Association.

1.8 "**Bylaws**" shall mean and refer to the Bylaws of the Association and all valid amendments and supplements thereto. No amendment to the Bylaws shall be effective until it is recorded. The Bylaws are attached hereto as Exhibit B.

1.9 "**City**" shall mean and refer to Garden City, a political subdivision of the State of Utah, located in Rich County, Utah.

1.10 "**Claim**" (or collectively, "**Claims**") means any and all claims, demands, suits, actions, causes of action, counterclaims, judgments, liabilities, losses, damages, costs, and expenses, including, but not limited to, attorney fees and costs.

1.11 "**Declarant**" shall mean and refer to CW The Lake, LLC, a Utah limited liability company, and its respective affiliates, successors, and assigns.

1.12 "**Declarant Control Period**" shall mean and refer to the period of time commencing with the recording date of this Declaration and expiring the date the Declarant executes and records a written waiver of its rights to control.

1.13 "**Declarant Related Parties**" shall mean any entity controlling, controlled by, or under common control with Declarant or any entity in which a principal of Declarant has an interest and their respective members, managers, shareholders, officers, directors, partners, co-venturers, committee members, servants, agents, representatives and employees regarding all acts or omissions related to any of the foregoing representative capacities.

1.14 "**Design Guidelines**" shall mean and refer to the Lake Design Guidelines established for the Project herein or as a supplemental document hereto, as the same may be amended from time to time.

1.15 "**Design Review Committee**" shall mean and refer to the body responsible for review and approval of home and landscaping plans, construction and installation of the improvements identified therein in conformance with the requirements of the Design Guidelines.

1.16 "**Development Agreement**" shall mean and refer to any Development Agreement that is recorded against the Property.

1.17 "**Director**" shall mean and refer to an individual member of the Board of Directors.

1.18 "**Governing Documents**" shall mean and refer to this Declaration, including the Design Guidelines, the Plat, the Articles, the Bylaws, the Rules, and any other written instrument by which the Declarant or Association may exercise power or manage, maintain, or otherwise affect the Project.

1.19 "**Lender**" shall mean and refer to a holder of a first mortgage or deed of trust on a Unit.

1.20 "**Lot**" shall mean and refer to an individual lot created on the Plat on which a single-family dwelling is or will be constructed and is included within the definition of Unit below. More than one Lot is referred to herein as "Lots."

1.21 "**Occupant**" shall mean and refer to a Person or Persons, other than an Owner, in possession of, using, or living in a Unit within the Project, including, without limitation, family members, tenants, guests, and invitees of an Owner or an Occupant.

1.22 "**Owner**" shall mean and refer to the Person or Persons who are vested with record title to a Unit, and whose interest in the Unit is held (in whole or in part) in fee simple, according to the records of the Rich County Recorder. The term "Owner" shall not include a mortgagee or trustee or beneficiary under a deed of trust unless and until such party acquires title to a Unit pursuant to foreclosure or any arrangement or proceeding in lieu thereof. The term "Owner" also shall not include the Declarant. More than one Owner is referred to herein as "Owners."

1.23 "**Person**" shall mean and refer to a natural person, corporation, estate, limited liability company, partnership, trustee, association, governmental subdivision or agency, or any other legal entity. More than one Person is referred to herein as "Persons."

1.24 "**Plat**" shall mean and refer to the record of survey map or maps for CW The Lake Subdivision and any portions thereof, recorded with the Rich County Recorder, and all recorded amendments and supplements thereto.

1.25 "**Proceeding**" shall mean and refer to a lawsuit, arbitration, mediation, or an administrative or governmental proceeding.

1.26 "**Project**" shall mean and refer to The Lake and all structures and improvements thereon including the Units. The Project shall include any additional land made subject to the Declaration at such time the Supplemental Declaration and plat map for the additional land is recorded.

1.27 "**Property**" as previously defined herein, shall include the real property made subject to this Declaration and all easements and rights appurtenant thereto.

1.28 "**Released Persons**" shall mean the following Persons: (i) every director and officer of the Association, (ii) every member of the Design Review Committee, or other committees of the Association, (iii) Declarant and the Declarant Related Parties, and (iv) all employees of the Association.

1.29 "**Restrictions**" shall mean and refer to any one or all of the terms, covenants, conditions, restrictions, easements, rights, privileges, and obligations set forth in the Governing Documents.

1.30 "**Rules**" shall mean and refer to the rules and regulations and policies adopted by the Association.

1.31 "**Subdivision**" shall mean and refer to The Lake Subdivision, including all Units, Common Area and Facilities, and other property within the Project as shown on the Plat covering the entire Property.

1.32 "**Subdivision Improvements**" shall mean and refer to all improvements that have or will be constructed or installed within the Subdivision not part of any Unit that are necessary to provide public road access and/or utility service to the Units, and includes such other and further construction or installations required to comply with any requirement of the Development Agreement.

1.33 "**Transfer**" shall mean any of the following: (a) a conveyance, sale, or other transfer of a Lot or Unit as reflected by the recordation of a deed or other instrument in the records of the Rich County Recorder, regardless of whether it is pursuant to the sale of the Unit or not, excluding the grant of an interest in a Lot through a mortgage or deed of trust, (b) the granting of a life estate in a Unit, or (c) if the Unit is owned by a limited liability company, corporation, partnership, or other business entity, the sale or transfer of more than seventy-five percent (75%) of the business entity's share, stock, membership interests, or partnership interests in a twelve (12) month period.

1.34 "**Unit**" shall mean and refer to a subdivided Unit, within the Subdivision depicted as a separately identified parcel on the Plat or a survey, which may be independently owned and conveyed and is zoned or otherwise intended for development, use, and occupancy as a residential unit. The term "Unit" refers to land, if any, which is part of a Unit, including the Lot, as well as to any structures or other improvements on the Unit. In the case of a building or other structure containing multiple residential dwellings, each dwelling shall be deemed to be a separate Unit. A parcel of land shall be considered a single Unit until a subdivision plat or survey is recorded subdividing it into more than one Unit. The term "Unit" does not include Common Area and Facilities, common property of any Benefitted Common Area, or property dedicated to the City or the public.

2. **THE PROJECT**

2.1. **Binding Effect of Governing Documents**. The Declarant hereby declares and the Association hereby confirms that the Property is part of the Project and Association and that the Project and all of the Units

shall be subject to the Restrictions, which Restrictions, to the extent they are included in recorded documents, shall constitute equitable servitudes, covenants, and conditions running with the land and shall be binding upon and inure to the benefit of the Association, the Declarant, and each Owner, including his/her heirs, executors, administrators, personal representatives, successors and assigns. By acquiring any interest in a Unit, such Owner consents to, and agrees to be bound by, each and every Restriction in the Governing Documents.

2.2. **Nature of Project.** The Project shall be consistent with the terms and provisions of the Development Agreement recorded against the Property.

2.3. **Project Name.** The Project is named "The Lake". Notwithstanding, the name commonly used by the Association or others for the Project may be different than the name identified in this Declaration and on the Plat. The name of the Project may be modified or changed pursuant to a lawful amendment to this Declaration and in accordance with applicable land use management codes.

3. **UNITS AND ALLOCATED INTERESTS**

3.1. **The Unit.** The distinct Unit number that identifies the Unit on the Plat may or may not be consistent with the mailing address of the Unit. Each Unit generally consists of all structures on or within the boundary of the Unit, including, but not limited to all interior and exterior walls, wall surfaces, floors, ceilings, roofs, foundations, and fixtures. All pipes, wires, conduits, chutes, flues, ducts, shafts, public utility, water or sewer lines, or any other similar fixtures lying inside the designated vertical boundaries of a Unit or located beyond the vertical boundaries of the Unit but designated and designed to serve only that Unit, shall be part of the Unit.

3.2. **Allocated Interest of Each Unit in the Votes of the Association.** The Owners of each Unit shall be entitled to vote their Allocated Interest for all matters related to the Association that Owners are permitted or required to vote or approve, subject to the rights reserved to the Declarant during the Declarant Control Period as set forth herein. Each Unit shall have an equal Allocated Interest.

3.3. **Plat.** The Plat and all dimensions, descriptions, and identification of boundaries therein shall be binding on the Project and the Association. If any conflict exists between the Plat and this Declaration, the Plat shall control except to the extent provided for on the Plat or as otherwise provided by the application or controlling law.

4. **ASSOCIATION GOVERNANCE AND ORGANIZATION**

4.1. **Association Organization.** The Association shall be organized as a Utah non-profit corporation and shall serve as the organizational body for all Owners. The Association shall be registered with the Utah Department of Commerce and shall update its registration to keep any required information current as required under the Act.

4.2. **Membership.** Membership in the Association shall at all times be comprised exclusively of the Owners, which membership shall automatically terminate when the Owner ceases to have an ownership interest in a Unit. Upon the Transfer of an ownership interest in a Unit, the new Owner succeeding to such ownership interest shall likewise succeed to such membership in the Association. Membership in the Association is mandatory.

4.3. **Availability of Documents.** Consistent with the requirements of both the Act and the Utah Revised Nonprofit Corporation Act, the Association shall make available to Owners, Lenders, and insurers of

Lenders, copies of Association documents, which may be redacted to avoid disclosure of sensitive personal or financial information of any Owner or Association agent.

4.4. **Board of Directors.** The governing body of the Association shall be the Board of Directors which shall be comprised of one (1) Owner from each Unit. During the Declarant Control Period, the Declarant shall have the exclusive right and authority to act as the Board of Directors.

4.5. **Director Qualifications.** Except as otherwise provided herein, to serve on the Board of Directors, a Person must be an Owner current on the payment of Assessments, and, if a natural person, over the age of eighteen (18) years old. No two Directors may reside in the same Unit, be the spouse or significant other of one another, or be business partners if the business is related to their ownership of a Unit(s). Additional Director qualifications may be contained within the Bylaws, as well as the election, number and term limits of Directors. This Section 4.5 shall not be applicable during the Declarant Control Period.

4.6. **Limitation on Authority of Owners, Directors, Officers, and the Board of Directors.** Except as provided in the Governing Documents, neither any individual Director nor any individual Owner shall have authority to or is authorized to act on behalf of the Association except as may be provided by the Act or other applicable law.

5. ASSOCIATION GENERAL RIGHTS AND RESPONSIBILITIES

5.1. **Rights and Responsibilities of the Association.** The Association shall have the rights and responsibilities as set forth in this Section 5 and as reasonably necessary to carry out the terms of the Governing Documents in addition to any others set forth in the Governing Documents or provided by law.

5.2. **Setting and Collecting Assessments; Paying Expenses.** If applicable, the Association shall establish, collect, and account for Assessments as necessary to operate and maintain the Project consistent with the requirements of the Governing Documents. The Association shall provide for the payment of Association expenses and any expenses related to the Project.

5.3. **Adopting and Enforcing Rules.** The Association may adopt reasonable Rules for the regulation and operation of the Project. If adopted, the Rules shall be consistently and uniformly enforced.

5.4. **Hiring Managers and Delegating Responsibilities.** Subject to the terms and conditions of Section 18.4 below, the Association may hire a manager to assist the Board of Directors in the management and operation of the Project and may delegate its powers and obligations in the Governing Documents to the manager, employees, or other agents as it deems appropriate; provided, however, that only the Board of Directors shall have the right to approve Association budgets, and regular and special Assessments, and to provide a hearing requested to dispute a fine. Any powers delegated may be revoked by the Board of Directors at any time, with or without cause.

5.5. **Enforcement Rights.** In addition to any other remedies allowed or provided in the Governing Documents for any violation of the Governing Documents, the Association may: (i) impose fines; (ii) collect rents directly from tenants if Owners fail to pay Assessments; (iii) suspend voting rights; (iv) suspend rights to utilize the Common Area and Facilities; and (v) take any other action or seek any other remedy allowed by the Act or other applicable Utah law. The Board of Directors shall uniformly and consistently enforce the Restrictions in the Governing Documents. Additionally, the Board of Directors shall use its business judgment to determine whether to exercise the Association's powers and authority granted herein and/or under the Act.

5.6. **Reserve Fund.** Subject to the exemptions found herein, the Association shall maintain a reserve fund and shall obtain and update a reserve analysis as required herein.

5.7. **Annual Meeting.** The Association shall arrange for and conduct an annual meeting of the Owners (except as otherwise allowed by law) as provided for in the Bylaws and shall arrange for and conduct such other meetings of the Association as shall be properly requested pursuant to the Governing Documents or the law.

5.8. **Payoff Information Fees.** An Owner may request payoff information from the Association needed in connection with the financing, refinancing, or Transfer of an Owner's Lot by: (a) providing written notice to the designated manager for the Association requesting the payoff information, which notice must contain (i) the name, telephone number, and address of the person making the request, and (ii) the facsimile number or email address for delivery of the payoff information, and (b) a written consent for the release of the payoff information, which identifies the person requesting the information as a person to whom the payoff information may be released, and signed and dated by the Owner of the Lot for which the payoff information is requested. The Association is specifically authorized to establish a fee to provide payoff information related to the Transfer, refinance, or closing of a Unit. The payoff fee shall be fifty dollars (\$50.00); however, the Board of Directors may increase or decrease the fee amount so long as it is consistent with the Act.

6. **BUDGET AND ASSESSMENTS**

6.1. **Covenant to Pay Assessments.** The Owner of any Unit, excluding Declarant whose obligations regarding Assessments are set forth below, by accepting a deed for said Unit, whether or not it shall be expressed in the deed, agrees and is deemed to have agreed to pay to the Association all fees, annual assessments, supplemental assessments, and special assessments as set forth in this Declaration.

6.2. **Budget and Regular Assessment.** The Board of Directors is authorized and required to adopt a budget for the fiscal year prior to the beginning of each fiscal year. The Board of Directors shall use its reasonable discretion to revise the budget from time to time as appropriate. The budget shall include a line item for the amount to be placed into the reserve fund, as applicable. The Board of Directors shall divide the total budget amount by the Allocated Interest for each Unit to determine the amount of the regular Assessments to be paid by each Owner, if any. The Board of Directors shall present the adopted budget to the Owners at an annual or special Association meeting. In the event no new budget is prepared and adopted by the Board of Directors, the last adopted budget shall continue until a new budget is adopted.

6.3. **Payment of Assessments.** Unless otherwise established and communicated to each Owner, each Owner shall pay to the Association the Owner's regular Assessment, annually or on such other quarterly or monthly installment as determined by the Board of Directors or the manager. Assessments shall be allocated to Owners based on the Allocated Interest of each Unit unless otherwise communicated to the Owners. Each Owner of a Unit, by acceptance of a deed or other instrument creating the ownership interest required to be an Owner as defined herein, hereby personally covenants and agrees with each other Owner and with the Association to pay to the Association the Assessments as provided for in the Governing Documents. Any and all Assessments, together with such interest, collection charges, and attorney fees and costs authorized by the Governing Documents, shall be the personal obligation of the Owner of such Unit.

6.4. **Rules Regarding Billing and Collection Procedures.** The Board of Directors shall have the right and responsibility to adopt Rules setting forth procedures applicable to Assessments provided for in this Declaration and for the billing and collection of all Assessments, provided that such procedures are not inconsistent with the provisions herein. The failure of the Association to send a statement to an Owner or an error

in any such statement (other than a Certificate of Payment) shall not relieve any Owner of liability for any Assessment or charge under the Governing Documents.

6.5. **Certificate of Payment.** Consistent with the Act, the Association, within ten (10) business days after receipt of written demand, shall furnish to any Owner liable for Assessments or such other Person for whom an Owner has given written permission in a form acceptable to the Association, a written statement or certificate, signed by an officer or authorized agent of the Association, setting forth whether the Assessments relating to a specified Unit have been paid and the amount of delinquency, if any. Each such certificate shall be conclusive in favor of a Person who relies on the written statement in good faith. The Board of Directors is authorized to charge a fee as provided in the Act for issuance of a certificate.

6.6. **Special Assessments to a Particular Unit.** Special Assessments may be levied by the Association against a particular Unit and its Owner for:

- (a) Costs incurred in bringing an Owner or Unit into compliance with the provisions of the Governing Documents;
- (b) Fines, late fees, collection charges, and interest; and
- (c) Attorney fees, costs and other expenses relating to any of the above.

6.7. **How Payments Are Applied.** Unless otherwise provided for in the Rules, all payments for Assessments shall be applied to the earliest charges first. Owners shall have no right to direct the application of their payments on Assessments or to require application of payments in any specific order, to specific charges, or in specific amounts.

6.8. **Declarant's Exemption.** Anything to the contrary notwithstanding, the Declarant shall not be obligated to pay any Assessments on any Units owned by it until such time as the Declarant elects in writing to pay Assessments, and only for so long as the Declarant elects to pay Assessments.

7. **EFFECT OF NONPAYMENT AND REMEDIES**

7.1. **Late Fees and Interest.** Any Assessment not paid within ten (10) days from the due date thereof shall be subject to a late payment fee in an amount to be determined by the Board of Directors. In addition, all fees and Assessments not paid when due shall bear interest at the rate of eighteen percent (18%) per annum, or at such lesser rate as may be set from time to time by the Board of Directors.

7.2. **Lien for Assessments.** The Association has a lien on a Unit for Assessments and, except as otherwise provided in this Declaration, for fines, fees, charges, and costs associated with collecting an unpaid Assessment, including court costs and reasonable attorney fees, late charges, interest, fines, and any other amount that the Association is entitled to recover under this Declaration, at law, or an administrative or judicial decision. The obligation to pay Assessments hereunder is part of the purchase price of each Unit when sold to an Owner, and an express vendor's lien is hereby retained to secure the payment thereof and is hereby transferred and assigned to the Association. Additionally, Declarant (and each Owner by acceptance of a deed to a Unit) hereby conveys and warrants pursuant to Utah Code Ann. §§57-1-20 and 57-8a-302 to the Association's attorney, as trustee, with power of sale, the Unit and all improvements to the Unit for the purpose of securing payment of Assessments under the terms of this Declaration, to secure the payment of Assessments and other amounts owed hereunder. The recording of this Declaration constitutes record notice and perfection of the above-described lien. If an Assessment is payable in installments, the lien will be for the full amount of the Assessment from the time the first installment is due, unless the Association otherwise provides in a notice of Assessment. An unpaid

Assessment or fine accrues interest at the rate provided in this Declaration. The lien provided in this Section 7.2 has priority over each other lien and encumbrance on a Unit except: (a) a lien or encumbrance recorded before the Declaration is recorded; (b) a first or second security interest on the Unit secured by a Mortgage that is recorded before a recorded notice of lien by or on behalf of the Association; or (c) a lien for real estate taxes or other governmental Assessments or charges against the Unit. To evidence any lien hereunder, the Association may prepare a written Notice of Assessment Lien setting forth the amount of the Assessments and other amounts due and owing, the name of the Owner of the Unit subject to such Assessments and other amounts due and owing and a description of such Unit, which shall be signed by an officer of the Association and may be Recorded.

7.3. **Legal Remedies.** The Association may bring an action at law against the Owner personally obligated to pay the same, and may foreclose the lien against such Owner's Unit in the manner provided by the laws of the State of Utah, and in the event a judgment is obtained, such judgment shall include interest on the Assessment and reasonable attorney fees to be fixed by the court, together with the costs of the action. In addition, to enforce the lien, the Association may cause a Unit to be sold through non-judicial foreclosure as though the lien were a deed of trust, in the manner provided by Utah Code Ann. §§57-1-24, 57-1-25, 57-1-26, and 57-1-27 (as amended from time to time) and the Act, or foreclose the lien through a judicial foreclosure in the manner provided by law for the foreclosure of a Mortgage and the Act. Foreclosure or attempted foreclosure or the sale or attempted sale of a Unit by the Association of its lien as addressed in Section 7.2 above shall not be deemed to estop or otherwise preclude the Association from thereafter again foreclosing or attempting to foreclose the Association's lien for any subsequent Assessments, charges, costs or fees, which are not fully paid when due. The Association shall have the power and right to bid on or purchase any Unit at Foreclosure or other legal sale, and to acquire and hold, lease, mortgage, vote the membership votes appurtenant to ownership of such Unit, and to convey or otherwise deal with such Unit. In addition to the other rights and remedies set forth herein, the Association shall have all of the rights and remedies pertaining to enforcement of assessment liens as set forth in, and to be exercised in accordance with, the provisions of the Act, including, without limitation, the provisions in Utah Code §§57-8a-302 and -303, as the same may be amended. The Association may appoint a qualified successor trustee by executing and recording a substitution of trustee form.

7.4. **Association Responsibilities after Foreclosure.** If the Association takes title to a Unit pursuant to a foreclosure (judicial or non-judicial), the Association shall not be bound by any of the provisions related to the Unit that are otherwise applicable to any other Owner, including but not limited to obligations to pay Assessments or maintain the Unit.

8. **DESIGN REVIEW COMMITTEE**

8.1. **Purpose.** In order to create, maintain, and improve the Project as a pleasant and desirable environment, to establish and preserve a harmonious design for the community, to establish procedures for the enforcement of the terms and conditions of this Declaration to protect and promote the value of the Project, the exterior design of all improvements constructed within the Project, landscaping, and changes or alterations to existing use, landscaping, and exterior design and development shall be subject to the prior review and approval of the Design Review Committee.

8.2. **Creation of Design Review Committee.** Except as provided for herein during the Declarant Control Period, the Design Review Committee shall be composed of one (1) Owner of each Unit. The Board of Directors may remove a member of the Design Review Committee and appoint a new Design Review Committee member at any time, provided that at all times each Unit shall be represented by one (1) of its Owners. The Design Review Committee shall enforce the Design Guidelines and shall have and may exercise all the powers, duties and responsibilities set out in this Declaration. The Design Review Committee has exclusive jurisdiction on behalf of the Association regarding: (a) implementation of all provisions of this Section 8; and (b)

promulgation of all Design Guidelines pertaining to the development and construction of Improvements within the Project.

8.3. **Submission of Plans Required.** No improvements may be commenced, constructed, erected, placed, maintained or made upon any Unit or within or upon any part of the Project unless and until complete plans and specifications have been submitted to and approved in writing by the Design Review Committee, as applicable, as to compliance with applicable Design Review Guidelines as set forth in Section 8.6 and Section 9.2 below. Two complete sets of plans and specifications must be submitted with each request for approval. In addition to any other applicable requirements per applicable Design Guidelines, any plans and specifications to be submitted must specify, in such detail and form as the Design Review Committee may reasonably require:

(a) the location upon the Unit or within the Project where the improvement will occur or be placed;

(b) the dimensions, nature, kind, shape, height, and color scheme of, and all materials to be used in connection with, the improvement;

(c) appropriate information concerning structural, mechanical, electrical, plumbing, grading, paving, decking and landscaping details;

(d) intended uses; and

(e) such other information, plans or specifications as may be requested or required by the Design Review Committee that in the sole opinion of the Design Review Committee is reasonably necessary to fairly and fully evaluate all aspects of the proposed improvements.

8.4. **Design Review Fee.** The operating costs of the Design Review Committee, including the services of its planning consultants, professionals, and other staff, shall be covered through a fee paid to the Design Review Committee by Owners applying for plan review and approval, consistent with §57-8a-109(2) of the Act. The Design Review Committee shall make available to all Owners a current design review fee schedule, which may be modified from time to time in accordance with the Act. Fees must be paid in full before any review by the Design Review Committee commences and the unused portion thereof, in any, is refundable.

8.5. **Scope of Authority.** Except as otherwise provided in this Declaration, no improvements of any kind or changes in the natural condition of any land within the Project shall be erected, altered or permitted to remain on any Unit or elsewhere in the Project unless complete architectural plans, specifications and a site plan showing the location and orientation for such construction, alteration or landscaping are approved by the Design Review Committee prior to the commencement of any work. Work subject to Design Review Committee approval may include, but is not limited to, the construction of structure, installation of utility line, fence, grading, planting, antennas, satellite dishes, flag poles, any renovation, expansion or refinishing of the exterior of an existing Unit or other structure, excavating, clearing, landscaping or other modification. Notwithstanding the foregoing, any work performed by or on behalf of Declarant to any of the property within the Project including, but not limited to, the construction of Subdivision Improvements and infrastructure, or the initial construction of the Units by the Declarant or plans of a bulk-builder that have been pre-approved by the Declarant, shall not require approval of the Design Review Committee.

8.6. **Design Guidelines.** The Board or the Design Review Committee, subject to Board approval, may, from time to time, effective immediately, adopt, modify, amend and repeal the Design Guidelines applicable to the Project.

WITHOUT LIMITING THE GENERALITY OF THE PRECEDING SENTENCE, THE DESIGN REVIEW GUIDELINES MAY PROVIDE FOR A FINE OF UP TO \$10,000.00 AGAINST ANY OWNER AND UNIT SUBJECT TO THIS DECLARATION FOR FAILURE TO OBTAIN REQUIRED APPROVAL FROM THE DESIGN REVIEW COMMITTEE OR FOR FAILURE TO COMPLY WITH ANY APPROVAL OF THE DESIGN REVIEW COMMITTEE, OR MAY REQUIRE A SECURITY DEPOSIT TO ASSURE COMPLIANCE WITH APPLICABLE REQUIREMENTS.

8.7. **Design Review Criteria.** The Design Review Committee will evaluate all submitted applications for approval on the individual merits of the particular application, and based on evaluation of the compatibility of the proposed improvement with Project-Wide Standards as of the date of submission of an application and compliance with applicable Governing Documents, including this Declaration and applicable Design Guidelines and other Rules and Regulations. The Design Review Committee must use reasonable efforts to achieve consistency in the approval or disapproval of specific types of improvements. To this end, consideration will be given to (but the Design Review Committee is not bound by) similar applications for architectural approval and the decisions and actions of the Design Review Committee with regard thereto.

8.8. **Disapproval by Design Review Committee.** It is understood and agreed by each Person having or acquiring an interest in the Project that the Design Review Committee will include aesthetic judgment in its decision making process, and approval of submitted plans will not be required simply because the plans satisfy stated objective requirements. The Design Review Committee may disapprove any request for approval for any reasons, including the following: (i) failure to comply with any applicable Design Guidelines; (ii) lack of sufficient information, plans or specifications as reasonably determined by the Design Review Committee to enable the Design Review Committee to fairly and fully evaluate the proposed improvement or the uses thereof; or (iii) failure to include any information, plans or specifications required by applicable Governing Documents, or as may be reasonably requested by the Design Review Committee. In the event of disapproval, the Design Review Committee shall so notify the applicant in writing; and if disapproval is based on lack of sufficient information, plans or specifications, then the Design Review Committee shall also notify applicant of the additional information, plans or specifications required.

8.9. **Submission and Response; Failure of Design Review Committee to Act.**

8.9.1. **Submission and Response.** Applications for Design Review Committee approval are deemed submitted to the Design Review Committee only upon actual receipt. All responses by the Design Review Committee shall be in writing, and are deemed given when delivered to, or when deposited in the United States mail, postage prepaid and addressed to, the applicant at the address specified in the application or the last known address of the applicant according to the records of the Association. The Design Review Committee has no duty to respond to, and the provisions of this Section do not apply regarding, any application if the Person(s) identified in the application do not appear as members or Owners according to the books and records of the Association unless and until receipt of such confirmation of ownership as is satisfactory in the sole opinion of the Design Review Committee. Lessees/Occupants shall file applications or requests for variance in the name of the Owner, and such Owner shall either appoint the Lessee/Occupant as their agent in a letter to the Design Review Committee or join the application. Where more than one Owner applies for approval, the delivery or mailing of a response to any one of the Owners as aforesaid constitutes notice to all such Owners.

8.9.2. **Failure to Respond.** In the event the Design Review Committee fails to approve, conditionally approve or disapprove an application or fails to request additional information and/or documentation reasonably required within sixty (60) days after receipt of the application, then the application shall be deemed denied.

8.10. **Conditions of Approval.**

8.10.1. **Applicability.** Unless expressly waived or modified by the Design Review Committee (or the Board as to variances) in writing, each and every approval or conditional approval of an improvement is subject to all provisions of this Section 8 whether or not stated in the approval or conditional approval.

8.10.2. **Commencement and Completion of Work.** Approval of an application for an improvement is effective for one (1) year from the date of approval or grant of a variance. If work on an improvement is not commenced within one (1) year after approval or conditional approval or grant of a variance, such approval or grant will become null and void and the Owner must submit a new application and obtain a new approval for the improvement. Prior approval of an improvement shall not bind the Design Review Committee or the Board or require the Design Review Committee or the Board to approve a re-submitted application for the same improvement. Upon commencement, the Owner must diligently prosecute and complete all work as soon thereafter as reasonably possible. The Design Review Committee (or the Board as to variances) is authorized to set specific schedules for completion of a Regulation Modification on a case-by-case basis and/or pursuant to applicable Design Guidelines.

8.10.3. **Compliance With Plans.** All work on an improvement must proceed in strict compliance with: (i) the application and plans and specifications approved by the Design Review Committee (or variance granted by the Board), (ii) any and all conditions stated by the Design Review Committee (or the Board as to variances) in the approval, (iii) any and all applicable governmental laws, rules, regulations, ordinances, and building codes, and (iv) all applicable Governing Documents.

8.10.4. **Permit Requirements.** Each Owner is solely responsible for full compliance with all permitting requirements of all governmental agencies having jurisdiction, and shall apply for and diligently pursue obtaining of all required permits promptly after approval or conditional approval is received. Without limitation of the foregoing, the Design Review Committee may deny approval pending, or conditional approval upon, prior compliance with applicable permitting requirements or upon receipt of certification satisfactory to the Design Review Committee that no such permitting requirements exist.

8.10.5. **Compliance With Laws and Governing Documents.** Each applicant is solely responsible for insuring that (and nothing in the Governing Documents or any written decision of the Design Review Committee (or the Board as to variances) shall be construed as a covenant, representation, guaranty or warranty that) any proposed improvement will be in compliance with applicable governmental laws, ordinances or regulations (including building codes or permit or licensing requirements), or with applicable requirements of the Governing Documents.

8.11. **Inspection Rights.** Upon reasonable notice (oral or written), any member of the Design Review Committee or the Board, or their designated representatives, may enter a Unit without liability for trespass or otherwise for purposes of inspecting work in progress and/or as to completion of any improvements in compliance with the approved plans, specifications, information and documentation for same, and as to compliance with any applicable provisions of the Governing Documents.

8.12. **Records.** The Design Review Committee is not required to maintain records of any of its meetings. The Design Review Committee and the Board, however, will keep and maintain records evidencing their respective final decision(s) regarding all requests for approval and requests for variance for not less than four years. The Design Review Committee will provide copies to Owners upon request.

8.13. **Limitation of Liability.** The Released Parties shall not be liable to any Owner, Occupant, or any other Person for any actions or failure to act or in connection with any approval, conditional approval or disapproval of any application for approval or request for variance, including without limitation, mistakes in

judgment, negligence, malfeasance, or nonfeasance. No approval or conditional approval of an application or related plans or specifications and no publication of Design Guidelines may ever be construed as representing or implying that, or as a covenant, representation, warranty or guaranty that, if followed, the improvement will comply with applicable legal requirements, or as to any matters relating to the health, safety, workmanship, quality or suitability for any purpose of the improvement. The provisions hereof are cumulative of other release, waivers or limitations contained herein.

9. COVENANTS, CONDITIONS, AND RESTRICTIONS

9.1. **Nightly Rentals**. Consistent with City codes and ordinances and the Act, each Owner may elect to offer its Unit on a short-term nightly rental basis (“**Short-Term Rentals**”); provided, however, the Association shall select one (1) management company (the “**Short-Term Management Company**”) to oversee and govern all Short-Term Rentals within the Project. The Owners expressly acknowledge that no Short-Term Rentals shall offered without the existence of a Short-Term Management Company.

9.2. **Use of Lots**. All Lots within the Project shall be used only for the construction and occupancy of one single-family dwelling, consistent with all City codes and ordinances and Design Review Committee approval. Lots may also be used for the construction of typical residential amenities such as a family swimming pool. All Lots shall be used, improved, and devoted exclusively for such single-family residential use.

9.3. **Architectural Control**. No grading, excavation, building, fence, wall, resident, or other structure, or alteration of any kind shall be commenced, erected, maintained, improved, altered, or made until the construction plans and specifications thereof showing the location of all improvements has been approved in writing by the Design Review Committee. Subsequent to receiving approval of the Design Review Committee and prior to the commencement of construction, each Owner will be responsible for obtaining a building permit from the City.

9.4. **Nuisances; Construction Activities**. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot, and no odors or loud noises shall be permitted to arise or emit therefrom, so as to render any such Lot or any portion thereof, or activity thereon, unsanitary, unsightly, offensive, or detrimental to any other Lot in the vicinity thereof or to the occupants of such other Lot. No other nuisance shall be permitted to exist or operate upon any Lot so as to be offensive or detrimental to any other Lot in the vicinity thereof or to its occupants. Normal construction activities and parking in connection therewith shall not be considered a nuisance or otherwise prohibited by this Declaration, but Lots shall be kept in a neat and tidy condition during construction periods, trash and debris shall not be permitted to accumulate, and supplies of brick block, lumber, and other building materials will be stored only in such areas as may be approved by the Design Review Committee. In addition, any construction equipment and building materials stored to kept on any Lot during construction of improvements may be kept only in areas approved by the Design Review Committee, which may also require screening of the storage areas.

9.5. **On-Street Parking**. Pursuant to City codes and ordinances, on-street parking is expressly prohibited in and around the Project. Owners and Occupants shall utilize their respective garages, driveways, and / or other legal parking areas in and around the Project, if any.

9.6. **Garbage and Refuse Disposal**. No Lot shall be used as or maintained as a dumping ground for rubbish, trash, garbage, or other waste and such materials shall not be kept except in covered containers. All trash containers shall be covered and kept screened from view from the street in suitable enclosed areas, except during collection. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. The burning of rubbish, leaves, or trash within the Project is prohibited. Each Lot and its abutting

street are to be kept free of trash, weeds, and other refuse by the Lot Owner. No unsightly material or objects are to be stored on any Lot in view of the general public.

9.7. **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 consent of the Design Review Committee; provided, however, that the restrictions of this paragraph shall not apply to any sign or notice seven (7) square feet or smaller in size which states that the premises are for rent or sale. During construction of the residence, builder, or Owner of any Lot may display a sign up to sixteen (16) square feet, provided that the design and construction of said sign complies with the sign design and construction criteria issued by the Design Review Committee. The Design Review Committee may cause all unauthorized signs to be removed. This Section shall not apply to any signs used by Declarant or its agents in connection with the original development and construction of the Lots.

9.8. **Views.** Views from a Unit and the Project are not assured or guaranteed in any way. There is no warranty concerning the preservation of any view or view plane from the Project and each Owner and Occupant in such Owner's Unit acknowledges and agrees that there are no view easements or view rights appurtenant to the Unit or the Project.

9.9. **Repair of Improvements.** No improvements on any Lot shall be permitted to fall into disrepair and such improvements shall at all times be kept in good condition and repair and adequately painted or otherwise finished. In the event any building or structure is damaged or destroyed, then, subject to the approvals required in this Section 9, such building or structure shall be immediately repaired, rebuilt, or shall be demolished.

9.10. **Restriction on Further Subdivision, Property Restrictions, and Rezoning.** Except by the Declarant during the Declarant Control Period, no Lot shall be further subdivided or separated into smaller Lots by any Owner, and portion less than all of any such Lot, or any easement or other interest therein, shall be conveyed or transferred by any Owner, without the prior written approval of the Design Review Committee, which approval must be evidenced on the plat or other instrument creating the subdivision, easement, or other interest. Except by the Declarant during the Declarant Control Period, no further covenants, conditions, restrictions, or easements shall be recorded by any Owner or other person against any Lot without the provisions thereof having been first approved in writing by the Committee and any covenants, conditions, restrictions, or easements recorded without such approval being evidenced thereon shall be null and void. Except by the Declarant during the Declarant Control Period, no application for rezoning of any Lot, and no applications for variances or use permits, shall be filed with any governmental authority unless the proposed use of the Lot has been approved by the Design Review Committee and the proposed use otherwise complies with this Declaration. Notwithstanding the foregoing, nothing herein shall limit the rights reserved by the Declarant.

9.11. **Declarant's Exemption.** Nothing contained in this Declaration shall be construed to prevent the erection or maintenance by Declarant, or its duly authorized agents, of temporary structures, trailers, improvements, or signs necessary or convenient to the development, marketing, or sale of property within the Project.

10. INSURANCE

NOTICE: The Association's insurance policy does not cover the real or personal property or personal liability of the Owners or their Occupants.

10.1. **Insurance Held by Owner.** Each Owner shall be responsible to obtain and maintain any insurance on a residence and any improvements on such Owner's Lot or Unit and within any Benefitted Common

Area, and the fixtures, furniture, furnishings, equipment, and contents within the residence or Unit, and any other personal property of such Owner.

10.2. **Insurance Held by Association.** As applicable, the Association shall obtain and maintain all insurance policies required by the Act consistent with the terms and conditions of the Act. All premiums for insurance policies held by the Association shall be funded by Assessments. Without limiting the foregoing, the Association shall obtain and maintain: (i) property and liability insurance for all Common Area and Facilities; (ii) Fidelity Insurance (e.g., directors and officers coverage); (iii) other insurance authorized and/or required by the Act that is not the obligation of individual Owners; and (iv) such other insurance policies for casualty or liability as the Board of Directors deems necessary or desirable and with coverages and coverage limits comparable to similarly situated homeowner associations in Rich County.

10.3. **Deductible.** If permitted by the Act, the deductible on any claim made under a policy maintained by the Association shall be allocated among all Owners if the loss affects the Common Area and Facilities or all the Lots in the Project or, if the loss affects or impacts less than all the Lots in the Project, the deductible shall be allocated among the Owners of the affected Lots.

11. DURATION AND AMENDMENT

11.1. **Duration.** This Declaration shall be effective, and the Declaration shall encumber the Property, from the date the Declaration is recorded in the office of the Rich County Recorder and, as amended from time to time, this Declaration shall continue in full force and effect against the Project and the Restrictions shall run with the land in perpetuity, for as long as the law allows unless amended or terminated.

11.2. **Amendment.** During the Declarant Control Period, the Declarant shall have the right to amend this Declaration without the consent of any other Owner. After the Declarant Control Period, this Declaration may be amended by the affirmative vote of not less than sixty-seven percent (67%) of the members of the Association and must also be approved by the Declarant in writing before it can be effective, and such amendment must contain a statement from the Board of Directors certifying that the required vote has taken place. No amendment to this Declaration shall be effective until it is recorded in the office of the Rich County Recorder.

11.3. **Termination.** An agreement to terminate this Declaration and the Restrictions set forth herein, shall require same approval required for an amendment as set forth in Section 12.2 above.

12. EMINENT DOMAIN

12.1. **Taking of a Unit.** If a Unit is taken by eminent domain, or sold under the threat thereof, or if a portion of a Unit is taken by eminent domain, or sold under the threat thereof, leaving the Owner with a remnant that may not practically or lawfully be used for any purpose permitted by this Declaration, the award shall compensate the Owner for the Owner's Unit and Allocated Interest.

12.2. **Priority and Power of Attorney.** Nothing contained in this Section 12 shall entitle an Owner to priority over any Lender under a lien encumbering the Owner's Unit as to any portion of any condemnation award allocated to such Unit. Each Owner hereby appoints the Association as attorney-in-fact for the purpose of negotiations and settlement with the condemning authority for the acquisition of the Common Area and Facilities, or any part thereof.

13. INTERPRETATION, CONSTRUCTION, AND APPLICATION

13.1. **Conflicting Provisions.** In the case of any conflict between Utah law and any of the Governing Documents, the order of priority from the highest to the lowest shall be Utah law, the Plat, the Declaration, the Articles, the Bylaws, and then the Rules. If there is a conflict between the Governing Documents and any Additional Covenants (or rules or policies adopted pursuant to any such Additional Covenants), the Governing Documents shall control, except where the Additional Covenants are allowed to differ by the Governing Documents.

13.2. **Interpretation of Declaration and Applicability of the Act.** The Declarant intends that the Project shall be governed by the Act, except where (in compliance with the Act) the Association has included specific provisions in this Declaration that legally vary, supersede, or supplement the Act, in which event such specific provisions of this Declaration that are contrary to the Act shall govern the Project to the extent allowed by the Act. In the case of any conflict between this Declaration and the Act, to the extent the Act does not legally allow this Declaration to contain provisions contrary to the Act, the Act shall control and this Declaration shall be deemed modified accordingly, but only to the extent necessary to come into compliance with the Act.

13.3. **Cumulative Remedies.** All rights, options, and remedies of the Association and the Owners in the Governing Documents are cumulative, and none shall be exclusive of any other, and the Association and the Owners shall have the right to pursue any one or all of such rights, options and remedies or any other remedy or relief that may be provided by law; simultaneously, consecutively, or alternatively.

13.4. **Severability.** Invalidation of any one or a portion of the Restrictions by judgment or court order shall in no way affect any other Restrictions, all of which shall remain in full force and effect.

13.5. **Construction.** The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a plan for the development of a planned unit development and for the maintenance of the Project. The article and section headings have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction. References in this Declaration to section numbers herein, unless otherwise expressly provided, are to the article and section in this Declaration. To the extent permitted by law, the provisions of the Governing Documents shall not be interpreted for or against or strictly for or against the Association, any Owner, or any other Person subject to their terms.

13.6. **Applicable Law.** Except as otherwise expressly provided in this Declaration related to Part 4 of the Act, this Association is specifically made subject to the Act and the law as it is constituted and exists at the time this Declaration is recorded. Amendments to the Act after the date of recording of this Declaration shall not be applicable to the Association or the Project unless they are applicable as a matter of law or unless the Association makes those amendments applicable by amendment to the Declaration.

13.7. **Gender and Number.** Whenever the context of the Governing Documents requires, the singular shall include the plural, and vice versa, and the masculine shall include the feminine and the neuter, and vice versa.

13.8. **Effect of Declaration.** This Declaration is made for the purposes set forth in the Recitals herein, and the Association makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, or as to the compliance of any of these provisions with public laws, ordinances, regulations and the like applicable thereto. The Association shall have no liability whatsoever if any Restriction is determined to be unenforceable in whole or in part for any reason.

13.9. **Notices.** Any notice provided under this Declaration shall be provided in writing and sent or transmitted by one of the following means: (a) personally served, (b) sent by overnight courier by a national delivery service that maintains tracking information, or (c) sent by United States certified mail, return receipt

requested, with postage prepaid; addressed to the Owner at the address provided by the Owner to the Association or to the Association at the address of the Association. An Owner may by notice at any time and from time to time designate a different address to which notices shall be sent. Such notices, demands or declarations shall be deemed sufficiently served or delivered for all purposes hereunder when delivered or when delivery is denied if attempted to be delivered at the appropriate address. The Association may provide notice by electronic means, including text message, email, or through the Association's website; provided, however, an Owner, upon written notice to the Association, may require the Association to provide secondary notice to the Owner by First Class United States mail.

The Association shall maintain a list of contact information for Owners of all Lots within the Project. Each Owner, upon becoming an Owner, shall provide the Association with appropriate contact information including mailing address, telephone number, and email address. Each Owner shall update the Association with any changes to contact information. Where written notice to an Owner is required under this Declaration, the Bylaws, or the Restrictions, such notice will be deemed sufficient if it is sent to the mailing address or email address on file with the Association.

In the event that any Owner desires to sell or otherwise Transfer title to the Owner's Unit, such Owner shall give the Association at least seven (7) days prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board may reasonably require. Until such written notice is received by the Association, the transferor shall continue to be jointly and severally responsible for all obligations of the Owner of the Unit hereunder, including payment of Assessments, notwithstanding the Transfer.

14. ATTORNEY FEES AND COSTS

14.1. Legal Costs Associated with Disputes with Owners.

14.1.1. **Owners Liable for Fees Incurred in Dispute.** If the Association utilizes legal counsel to enforce any Restriction after notice to the Owner that the Association intends to enforce the Restriction or after the Owner communicates or demonstrates an intent not to comply with the Restriction, the Association may assess all reasonable attorney fees and costs associated with such enforcement to the Owner, regardless of whether a lawsuit is initiated or not.

14.1.2. **Costs.** The term "costs" as used in this section shall include all costs including copying costs, deposition costs, expert witness fees, investigative costs, service costs, and filing fees paid to courts. "Costs" is specifically defined in this Declaration to be broader and to include costs that are not included in costs, as the term is used in the Utah Rules of Civil Procedure.

14.1.3. **Exception to Owner's Liability for Fees and Costs.** If, related to (i) any dispute with an Owner, (ii) any challenge by an Owner to a position of the Association on a Restriction, or (iii) a request of an Owner for direction on the application of a Restriction, the Association incurs legal fees or costs related to the interpretation and application of a Restriction that the Association could not establish an initial position on without having incurred the fees and costs or that results in a substantial modification to a prior position taken by the Association, then those fees or costs shall not be assessed to any Owner and shall be paid by the Association. This provision shall not apply if a lawsuit is currently pending with regard to the Owner and the issues arise as part of the lawsuit.

15. GENERAL PROVISIONS

15.1. **Enforcement.** The Association or any Owner shall have the right to enforce, by proceedings at law or in equity, all Restrictions, including the right to prevent the violation of any such Restrictions and the

right to recover damages and other sums for such violation, including, but not limited to attorney fees and costs incurred in conjunction with such enforcement.

15.1.1. Each Owner, by taking title to a Unit, acknowledges and agrees that because a breach of the Governing Documents will result in immediate and irreparable injury to the Association and its other members for which they will not have an adequate remedy at law, the Association, if any such breach shall occur, be attempted, or be threatened, shall be entitled to an order of specific performance and to a temporary and permanent injunction enjoining such breach and to any and all other remedies to which the Association may be entitled pursuant to the Governing Documents or applicable law, without posting bond or furnishing other security and without proving special damages or irreparable injury, together with an award of attorney fees.

15.2. **No Liability of Officers.**

15.2.1. To the fullest extent permitted by applicable law, the Released Person shall not be liable to any Owner, Occupant, the Association, or any other Person for any damage, loss, or prejudice suffered or claimed on account of any decision, approval or disapproval, course of action, act, omission, error or negligence.

Each Owner, Occupant, and other Person having any interest in the Project or entering upon or using any portion of the Project is deemed to acknowledge and accept the following:

(a) None of the Released Persons shall be liable or responsible for, or in any manner be guarantor or insurer of, the health, safety, or welfare of any Owner, Occupant or other Person entering upon or making use of any portion of the Project, including the transmission of any infectious disease or illness. Each Owner, Occupant and other Person assumes all risks associated with the use and enjoyment of the Project, including but not limited to, any recreational facilities upon or within the Project.

(b) None of the Released Persons shall be liable or responsible for any personal injury, illness, or any other loss or damage caused by the presence or malfunction of any utility line, equipment or substation, adjacent to, near, over, or on the Project. Each Owner, Occupant and other Person assumes all risks of personal injury, illness or other loss or damage arising from the presence of malfunction of any utility line, equipment or substation adjacent to, near, over or on the Project.

(c) No provision of this Declaration or any other Governing Document shall be construed or interpreted as creating a duty by any of the Released Persons to protect or further the health, safety or welfare of any Person, even if funds of the Association are used for such a purpose.

15.2.2. To the maximum extent permitted by the Utah Revised Nonprofit Corporation Act (Utah Code Ann. §16-6a-101, et seq.), the Association shall indemnify the Released Persons against all expenses and liabilities actually incurred by such Persons in connection with a proceeding (as defined in Utah Code Ann. §16-6a-102(37)), including but not limited to, attorney fees, witness fees (including expert witness fees), costs, and litigation related expenses, reasonably incurred or imposed upon them in connection with any proceeding to which they may be parties, or in which they may become involved, by reason of their being or having served in those capacities on behalf of the Association (or by reason of having appointed, removed or controlled or failed to control members of the Board or the Design Review Committee), or any settlement of any such proceeding. The Board further may elect to indemnify any agent of the Association. Any Released Person shall be entitled to indemnification whether or not such Person is serving in the specified capacity at the time the expenses are incurred, and the Association shall pay or reimburse reasonable expenses incurred by any such Person who was, is or is threatened to be made a party in a proceeding, in advance of the final disposition of the proceeding, to the maximum extent permitted by Section 16-6a-904 of the Utah Revised Nonprofit Corporation Act (as

amended from time to time); provided, however, that payment or reimbursement of expenses pursuant to the procedures set forth in the Utah Revised Nonprofit Corporation Act may be conditioned upon a showing, satisfactory to the Board in its sole discretion, of the financial ability of the Released Person in question to make the repayment referred to in such Section. This right of indemnification shall be in addition to, and not exclusive of, all other rights to which the Released Person to be indemnified may be entitled at law or otherwise.

15.3. **Use of Funds Collected by the Association.** All funds collected by the Association, including, specifically, Assessments and contributions to the Association paid by the Owners, shall be held by the Association in a fiduciary capacity to be expended in their entirety for nonprofit purposes of the Association and for other permitted purposes as set forth in this Declaration. No part of said funds shall inure to the benefit of any Owner other than as a member of the Association or other than as a result of expenditures made for a permitted purpose as set forth in this Declaration.

15.4. **Owner Liability and Indemnification.** Each Owner shall be liable to every other Owner and to the Association for any damage to the Common Area and Facilities that may be sustained by reason of the negligent or intentional act that Owner or any intentional or negligent act of any Occupant of that Owner's Unit, to the extent such losses and damages are either under the insurance deductible of the Association or not covered by the Association's insurance. Each Owner, by taking title to a Unit, agrees to indemnify each and every other Owner and Occupant in such other Owner's Unit, and to hold such other Persons harmless from, and to defend against, any claim of any Person for personal injury or property damage occurring within that Owner's Unit, except to the extent that: (a) such injury, damage, or claim is covered and defended by the Association's or such other Owner's liability insurance carrier; or (b) the injury or damage occurred by reason of the intentional act of the Association.

15.5. **Areas of Owner Responsibility.** Each single-family Unit Owner shall have the obligation to provide interior and exterior maintenance of their respective Unit and landscaping serving each respective single-family Unit unless such maintenance is otherwise allocated to the Association as set forth herein or by a separate written instrument.

15.6. **Variances.** The Board of Directors, at its option and in extenuating circumstances, may grant variances from the Restrictions set forth in Declaration if the Board of Directors determines, in its discretion: (a) either that the Restriction would create an unreasonable hardship or burden on an Owner or Occupant, or that a change of circumstances since the recordation of this Declaration has rendered such Restriction obsolete and unreasonable to enforce; and (b) that the activity permitted under the variance will not have any negative financial effect or any other materially adverse effect on the Owners or Occupants of the Project and is consistent with the Governing Documents. Any such variance shall be unenforceable and without any effect whatsoever unless reduced to writing and signed by every member of the then existing Board of Directors. No variance may be granted that is inconsistent with the Development Agreement, City ordinance, or the Act. No variance may be granted that relates to the payment of Assessments unless, after reasonable investigation under the circumstances, it clearly appears that the Owner is incapable of paying the Assessment and the Unit is being or has been transferred to a new Owner either voluntarily or involuntarily through foreclosure.

15.7. **Consent, Power of Attorney, Waiver.** By acceptance of a deed, lease, or other conveyance of an interest in a Unit, each Owner and Occupant consents to the rights reserved to the Declarant and the Association in this Declaration, including but not limited to, the right to prepare, execute, file, process, and record necessary and appropriate documents and other items to establish and grant easements and to make necessary and appropriate amendments of this Declaration, the Plat and the Bylaws. By such acceptance, each Owner and Occupant agrees to execute all documents and to do all other things as may be necessary or convenient to affect the same. Such acceptance shall be deemed an appointment of the Association, with full right of substitution, as the attorney-in-fact of such Owner or Occupant to execute such documents and to do

such things on such Owner's or Occupant's behalf. Such appointment, being coupled with an interest, shall be irrevocable for the specific period of the Association's reserved rights as set forth in this Declaration and shall not be affected by the disability of any such Owner or Occupant.

15.8. **Security.** Neither the Declarant nor the Association, in any way, shall be considered an insurer, guarantor, or provider of security from criminal conduct within or relating to the Project. Neither the Declarant nor the Association shall be liable for any loss or damage by reason of criminal conduct arising, for any reason, including any failure to provide security or any ineffectiveness of security any measures undertaken. Each and every Owner and Occupant in the Project acknowledges that neither the Declarant nor the Association has any duty to any Owner or Occupant related to security or to prevent criminal conduct. By taking title to a Unit and/or residing in the Project, each Owner and Occupant acknowledges and agrees that neither the Declarant nor the Association nor the Board of Directors are insurers of the safety or well-being of Owners or Occupants or any of their personal property as it relates to criminal conduct, and specifically waives any such claim and assumes all risks for loss or damage to Persons or property resulting from criminal conduct.

15.9. **Reasonable Accommodations.** Notwithstanding anything to the contrary in this Declaration, the Association, upon receipt of a written opinion from its counsel that such action is required, may make or permit reasonable accommodations or modifications to the Project that are otherwise prohibited by the Governing Documents, as required under Title VIII of the Civil Rights Act of 1968 (the Fair Housing Act) as amended, to accommodate an Owner or Occupant with a disability (as defined by federal law at the time the accommodation is requested). Reasonable accommodations or modifications may include modifications to a Unit, the Common Area and Facilities, or deviations from provisions of the Governing Documents. Any such modification and accommodation made under this section shall not act as a waiver of the provisions of the Governing Documents with regard to anyone else.

15.10. **No Representations and Warranties and Disclaimers.** EACH OWNER AND OCCUPANT UNDERSTANDS, AGREES, AND ACKNOWLEDGES THROUGH TAKING TITLE OR RESIDING IN THE PROJECT THAT THE ASSOCIATION AND THE BOARD OF DIRECTORS HAVE NOT MADE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND RELATED TO THE PROJECT AND THAT EACH OWNER OR OCCUPANT HAS NOT RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO THE PROJECT. OWNERS HEREBY ACKNOWLEDGE THAT THEY UNDERSTAND THAT THE PROJECT MAY ADJOIN FUTURE UDOT EXPANSION, FUTURE DEVELOPMENT, AND FARM LAND THAT MAY CAUSE ODORS IN AND AROUND THE PROJECT.

16. **DECLARANT RIGHTS AND CONTROL**

16.1. **Special Declarant Rights.** Notwithstanding any other provisions in the Governing Documents to the contrary, the Declarant shall have the all rights and powers provided for in this Section 18. If any other article in this Declaration contains the words "notwithstanding anything to the contrary," or words of similar import, the article shall all nonetheless be subject to the terms in this Section 18.

16.2. **Right to Appoint the Board of Directors During Declarant Control Period.** The Declarant shall have the right to appoint and remove all Directors during the Declarant Control Period. The Declarant may elect to have a Board of Directors of fewer than the required number of members until the Declarant Control Period ends. The Declarant may assume (and shall be presumed to have assumed unless Declarant notifies the Association otherwise) the powers of the Board of Directors without appointing Directors pursuant to the rights granted in the Articles to the Declarant.

16.3. **Right to Appoint the Design Review Committee During Declarant Control Period.** The Declarant shall have the right to appoint and remove the member(s) of the Design Review Committee during the Declarant Control Period. In the appointment of the Design Review Committee, the Declarant shall not be bound by any qualifications in the Governing Documents, if any. The Declarant may elect to have a Design Review Committee of fewer than the required number of members until the Declarant Control Period ends. The Declarant may assume (and shall be presumed to have assumed unless Declarant notifies the Association otherwise) the powers of the Design Review Committee without appointing members during the Declarant Control Period.

16.4. **Declarant Retains All Rights and Authority During Declarant Control Period.** During the Declarant Control Period, the Declarant shall retain control, power, and authority over, and all decision-making ability or authority for the Association and/or the Project. During the Declarant Control Period, the Declarant may also assume (and shall be presumed to have assumed unless the Declarant notifies the Association otherwise) the powers and authority of the Design Review Committee without the Board of Directors appointment of Design Review Committee members. During the Declarant Control Period, the Declarant may pre-approve plans and/or waive design review fees for a bulk-lot builder. Notwithstanding anything in this Declaration to the contrary, during the Declarant Control Period, the Declarant shall have the discretion, without obligation, to hire a professional manager to manage the Project during the Declarant Control Period.

16.5. **Easement Rights.** The Declarant shall have and hereby retains an easement for access over, under, across and through the entire Project and may utilize, allow anyone else to utilize, or may grant easements over, under across, and through any easement right reserved to anyone in the Declaration.

16.6. **Right to Amend Plat.** Subject to necessary approvals from any applicable municipality or government agency, during the Declarant Control Period, the Declarant shall have the right to amend, change, supplement, or modify any Plat, subject only to the requirement that the Declarant get approval from any Owner of a Unit that has any boundary modified by the Plat.

16.7. **Reinvestment Fee and Assessment Exemption.** The Declarant shall be exempt from any Reinvestment Fee and Assessments including any regular Assessment, Benefitted Common Area Assessment, Service Area Assessments or Special Assessment, if any.

16.8. **Right to Amend Governing Documents.** Until the expiration of the Declarant Control Period, the Declarant shall have the right to unilaterally amend, revise, and modify this Declaration, any Supplement to the Declaration establishing a Benefitted Common Area or Service Area or Additional Covenants, the Bylaws, the Articles, and the Rules in any way and at any time, including adding, removing, or changing substantive and material provisions, without any additional approvals from anyone including, but not limited to the Owners. Pursuant to §57-8a-217(6) of the Act, the Declarant's promulgation or amendment of any Rules shall be exempted from the Act's rule-making process. Any amendment to the Bylaws or this Declaration shall be effective upon the recordation of the amendment duly executed by an authorized officer of the Declarant. When recorded, any such amendment shall be binding upon the Project and all Persons having an interest therein including Owners. Without limiting the generality of the foregoing, the Declarant alone may amend or terminate this Declaration prior to the closing of a sale or transfer of any Unit.

16.9. **Assignment of Special Declarant Rights.** The Declarant, at any time, may assign, transfer, or share all or some of its control, power, rights, exemptions, authority, or decision-making ability to the Association or any other Person prior to the end of the Declarant Control Period. In the case of the abandonment of the Project by the Declarant, the cessation of business by the Declarant, or the foreclosure of any undeveloped property that is subject to the provisions of this Declaration, the rights of the Declarant as provided for in this Declaration may be exercised by any owner of the undeveloped land within the Project or to be expanded into the Project.

16.10. **No Modification of Declarant Rights.** Any Declarant Rights in the Governing Documents and, specifically, in this Section 16, may not be substantively or procedurally altered during or after the Declarant Control Period without the written consent of the Declarant. Any document or amendment purporting to do so without the proper consent shall be void ab initio.

16.11. **Declarant Rights Do Not Impose Obligations.** The Declarant Rights provided for in this Section 16 shall not be construed to impose any obligation, legal or equitable, related to any matter or issue to which they might apply. The Association and each Owner, by taking title to a Unit, waive and disclaim any such duty and affirmatively acknowledge that no such duty exists or should be imposed as a result of the Special Declarant Rights.

16.12. **Declarant Exemption from Statutory Obligations.** Pursuant to §57-8a-217(6) of the Act, Declarant is hereby exempt from the provisions of §57-8a-217 of the Act. Pursuant to §57-8a-211(10) of the Act and elsewhere herein, §57-8a-211(2)-(9) of the Act shall not apply or have any effect during the Declarant Control Period and, as allowed specifically by law, the Declarant shall have no duty whatsoever to obtain a Reserve Analysis or to fund any Reserve Fund during the Declarant Control Period.

16.13. **Authority to Grant Exemptions.** In its sole discretion, Declarant may grant exemptions from any provisions of this Declaration or other Governing Documents to a Person engaged in the construction, development, marketing, or selling of Lots or Units within the Property. This includes, without any limitation, exemption from Assessments, reinvestment fees, Design Guidelines, and so forth.

17. **MANDATORY BINDING ARBITRATION FOR MATTERS INVOLVING DECLARANT**

In addition to the requirements and procedures set forth herein, the Association and each Owner is deemed to have accepted and agreed to comply with the terms of this Section.

17.1. Any and all Claims, controversies, breaches, or disputes (each a “**Dispute**”) involving the Declarant or any affiliate of the Declarant, and any Owner or the Association (individually referred to as a “**Party**” or collectively referred to as the “**Parties**”) arising out of or related to this Declaration, the Units, the sale of a Unit, or any transaction related thereto, whether such Dispute is based on contract, tort, statute, or in equity, including, without limitation, any Dispute over: breach of contract, negligent or intentional misrepresentation or fraud, nondisclosure, breach of any alleged duty of good faith and fair dealing, allegations of latent or patent construction defects, breach of any fiduciary duty, or any other matter arising out of or related to the interpretation of any term or provision of this Declaration, sales agreement, or otherwise, shall be arbitrated pursuant to the Federal Arbitration Act (9 U.S.C. §1, et seq.) (“**FAA**”) and subject to the procedures set forth in Sections 19.

17.2. Such Dispute shall be submitted to binding arbitration by and pursuant to the rules of the American Arbitration Association (“**AAA**”), pursuant to its construction arbitration program, or such alternative as mutually agreed by the Parties. If AAA is not available and the Parties involved in the Dispute are unable to agree on another alternative, then either Party may, pursuant to the applicable provisions of the FAA, apply to a court of competent jurisdiction to designate an arbitration service provider, which designation shall be binding upon the Parties. The rules and procedures of such alternative arbitration service in effect at the time the request for arbitration is submitted shall be followed.

17.3. The following are general arbitration provisions:

17.3.1. The matters herein involve and concern interstate commerce and are governed by the provisions of the FAA now in effect and as the same may from time to time be amended, to the exclusion of any different or inconsistent state or local law, ordinance, regulation, or judicial rule. Accordingly, any and all disputes shall be arbitrated – which arbitration shall be mandatory and binding – pursuant to the FAA.

17.3.1.1. To the extent that any state or local law, ordinance, regulation, or judicial rule shall be inconsistent with any provision of the rules of the arbitration service under which the arbitration proceeding shall be conducted, the arbitration service rules shall govern the conduct of the proceeding.

17.3.1.2. This Section 2019.3 shall inure to the benefit of, and be enforceable by, the Declarant, affiliates of the Declarant, subcontractors, agents, vendors, suppliers, design professionals, insurers and any other person whom the Association or Owner contents is responsible for any alleged defect in or to the Project.

17.3.1.3. In the event any dispute is submitted to arbitration, each Party shall bear its own attorney fees and costs (including expert costs) for the arbitration, unless the arbitrator orders otherwise in accordance with the terms of Section 15.

17.3.1.4. The arbitrator shall be authorized to provide all recognized remedies available in law or in equity for any cause of action that is the basis of the arbitration. The decision of the arbitrator shall be final and binding. The Parties expressly agree that an application to confirm, vacate, modify, or correct an award rendered by the arbitrator shall be filed in any court of competent jurisdiction in Rich County.

17.3.1.5. The participation by any party in any judicial proceeding concerning this Section 20.3 or any matter arbitration-able hereunder shall not be asserted or accepted as a reason to delay, to refuse to participate in, or to refuse to enforce this Section 19.3. Attorney fees and costs shall be borne pursuant to Section 3.1.3 above.

17.3.1.6. The fees to initiate the arbitration shall be advanced by the Party bringing the Claim and subsequent fees and costs of the arbitration and/or arbitrator shall be borne equally by the Parties to the arbitration; provided, however, that the fees and costs of the arbitration and/or the arbitrator shall ultimately be borne as determined by the arbitrator.

17.3.1.7. The arbitrator appointed to serve shall be a neutral and impartial individual.

17.3.1.8. If any provision of this Section 20.3 shall be determined to be unenforceable or to have been waived, the remaining provisions shall be deemed to be severable therefrom and enforceable according to their terms.

17.3.1.9. All parties governed by this Declaration acknowledge and agree that they are waiving any rights to have the Disputes described by this Section 20.3 decided in a court or by a jury trial.

17.4. **Landowners.** All Persons owning land that is initially or subsequently incorporated into the Project and who sign the Declaration or any amendment thereto subjecting that land to the Declaration and incorporating it into the Project, shall be afforded the same rights, protections, and litigation avoidance procedures that are provided for the Declarant in this Section 17.

18. HUD APPROVAL

The Declarant and the Association desire that the Project shall become and remain an approved project by the U.S. Department of Housing and Urban Development (“HUD”) and the Federal Housing Administration (“FHA”). It is acknowledged that the requirements for approval by HUD and FHA may change over time. In the event of any conflict between the terms and conditions of the HUD and/or FHA approval guidelines for the Project, the terms and conditions of this Declaration and the Governing Documents shall be modified to be in compliance with the then existing requirements of FHA and HUD subject to the Act and any applicable laws. In the event of any conflict between the Act (and any applicable laws), the Declaration, and any HUD and/or FHA approval guidelines, the Act (and any applicable laws) shall control and govern. Notwithstanding the above, the Declarant during the Period of Administrative Control or at least sixty-seven percent (67%) of the total voting interest of the Owners at a meeting of the Association may modify this provision whereby the Declaration and other Government Documents shall no longer be subject to the then existing requirements of FHA and HUD.


[CERTIFICATION AND SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed by a duly authorized representative.

DATED as of the 31 day of March, 2022.

DECLARANT

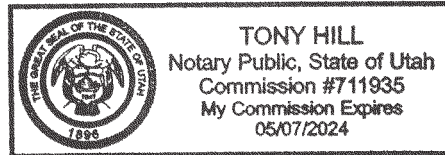
CW THE LAKE, LLC,
a Utah limited liability company

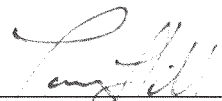
By: 
Name: DARLENE CARTER
Title: AUTHORIZED REPRESENTATIVE

STATE OF UTAH)
 §
COUNTY OF DAVIS)

On this 31 day of March, 2022, personally appeared before me DARLENE CARTER who by me being duly sworn did say that she / he is the AUTHORIZED REPRESENTATIVE of CW The Lake, LLC, a Utah limited liability company and acknowledged that the foregoing instrument is signed on behalf of said limited liability company and executed with all necessary authority.

Witness my hand and official seal.




(Notary Signature)

(Seal)

EXHIBIT "A"

PROPERTY LEGAL DESCRIPTION

Parcel Number 41-21-30-033 (for reference purposes only)

PART OF THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 14 NORTH, RANGE 5 EAST, SALT LAKE MERIDIAN, LOCATED IN GARDEN CITY, RICH COUNTY, UTAH, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION;
THENCE S0'48'22"W 2723.20 FEET TO THE WEST QUARTER CORNER OF SAID SECTION;

THENCE S85'25'26"E 1828.33 FEET TO THE POINT OF BEGINNING AT THE NORTHEAST CORNER OF LOT 1, BLOCK 1, PLAT "A" OF THE GARDEN CITY SURVEY;

THENCE S0'38'42"W 296.44 FEET ALONG THE EAST LINE OF SAID LOT TO A REBAR WITH JSH CAP;

THENCE N88V9'17"W 296.68 FEET TO A REBAR WITH JSH CAP;

THENCE N0'43'78"E 294.49 FEET TO A REBAR WITH JSH CAP ON THE NORTH LINE OF SAID LOT;

THENCE S88'31'48"E 296.25 FEET ALONG SAID NORTH LINE TO THE POINT OF BEGINNING.

CONTAINING 2.01 ACRES, MORE OR LESS.

EXHIBIT “B”
BYLAWS OF
THE LAKE OWNERS ASSOCIATION, INC.
(Garden City, Rich County, Utah)

THESE BYLAWS OF THE LAKE OWNERS ASSOCIATION, INC., are effective upon recording in the office of the Rich County Recorder pursuant to the Utah Community Association Act and the Utah Revised Nonprofit Corporation Act (referred to collectively herein as the “Acts”).

RECITALS

A. The Association is organized for any and all lawful purposes for which a nonprofit corporation may be organized under the Utah Revised Nonprofit Corporation Act, as amended, subject to the terms and conditions contained in the Declaration of Covenants, Conditions, and Restrictions, and Reservation of Easements for The Lake (the “**Declaration**”) and Articles of Incorporation for The Lake Owners Association (the “**Articles**”).

B. These Bylaws are adopted in order to complement the Declaration, to further define the rights of the Association and the Owners, to provide for the ability to effectively govern and operate the Association and the Project, and, to further the Association’s efforts to safely, efficiently, and economically provide a quality living environment.

ARTICLE I
DEFINITIONS

Capitalized terms used herein shall have the same meaning and effect given to such terms in the Declaration except as otherwise provided herein or as may be required by context.

ARTICLE II
APPLICATION

All present and future Owners, Occupants, mortgagees, and any other persons who may use the facilities of the Project in any manner are subject to these Bylaws, the Declaration, and the Rules. The mere acquisition or rental of any of the Units, or the mere act of occupancy or use of any such Units or the Common Area and Facilities will signify that these Bylaws, the Declaration, and the Rules are accepted, ratified, and will be complied with by such persons.

ARTICLE III
MEMBERSHIP IN ASSOCIATION; VOTING; MEETING OF OWNERS

3.1 Membership in Association. Declarant, so long as Declarant owns a Lot, and every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to ownership of any Lot. Each Lot in the Project shall be entitled to one (1) vote. Membership will begin immediately and automatically upon becoming an Owner and shall terminate immediately and automatically upon ceasing to be an Owner. If a Lot is owned by more than one person, the membership appurtenant to that Lot shall be shared by all such persons in the same proportionate interest and by the same type of tenancy in which title to the Lot is held. Ownership of a Lot within the Project cannot be separated from the Association membership appurtenant thereto, and any

devise, conveyance or other disposition of a Lot shall constitute a devise, conveyance or other disposition, respectively, of such Owner's membership in the Association and the rights appurtenant thereto. The foregoing is not intended to include conveyances made solely for the purpose of securing performance of an obligation.

3.2 Voting. Unless otherwise provided for herein, or required by the Declaration, all matters submitted to a vote shall be by a majority vote of all votes cast. Notwithstanding the foregoing, during the Declarant Control Period, Declarant may act in all Association matters with or without a vote of the Owners. To the extent any matters are submitted to a vote of the Owners during the Declarant Control Period, the same shall be approved and implemented if, and only if, the Declarant also approves such matters. After the Declarant Control Period, all matters submitted to a vote of the Association shall be decided by the votes of the Owners. A change in the ownership of a Lot shall be effective for voting purposes from the time the deed or other instrument effecting such change is recorded. Thereafter, the new Owner shall give the Board written notice of such change of ownership and provide satisfactory evidence thereof. The vote for each Lot must be cast as one vote, and fractional votes shall not be allowed. In the event that a Lot is owned by more than one (1) Owner the vote for the Lot shall be cast as such Owners decide among themselves. In the event such Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Owner casts a vote representing a certain Lot, it will thereafter be conclusively presumed for all purposes that such Owner was acting with the authority and consent of all other Owners of the same Lot unless objection thereto is made at the time the vote is cast. In the event more than one Owner attempts to cast the vote for a particular Lot, the vote for that Lot shall be deemed void and shall not be counted.

3.3 Annual Meeting. During the Declarant Control Period, annual meetings are not required and will only be held in the sole discretion of the Declarant. Thereafter, the annual meeting of the Owners shall be held each year on a day and at a time established by the Board. The purpose of the annual meeting shall be electing Directors and transacting such other business as may come before the meeting. If the election of Directors cannot be held on the day designated for the annual meeting of the Owners, or at any adjournment thereof, the Board shall cause the election to be held either at a special meeting of the Owners to be convened as soon thereafter as may be convenient or at the next annual meeting of the Owners. The Board may from time to time by resolution change the month, date, and time for the annual meeting of the Owners.

3.4 Special Meetings. During the Declarant Control Period, the Declarant shall have the sole right to call a special meeting. Thereafter, special meetings of the Association may be called at any time by the Board, or upon written request of the Owners who are entitled to vote thirty-three percent (33%) of all of the total votes of the Association. Any written request for a special meeting presented by the Owners shall be delivered to the Board and shall include the original signature of each Owner affirmatively supporting such request along with a complete statement of the purpose of the meeting on each page containing signatures. The Board shall then call, provide notice of, and conduct a special meeting within forty-five (45) days of receipt of the request.

3.5 Notice of Meetings. Written notice of each meeting of the Association shall be given by, or at the direction of, the Secretary / Treasurer or person authorized by the Board to call the meeting, by mailing a copy of such notice, postage prepaid, or by email, text message or other mode of electronic or digital communication, to the extent not prohibited by law, at least fifteen (15) days, and no more than sixty (60) days, before such meeting to each Owner entitled to vote, addressed to the Owner's address, email address, number for text messaging, or other mode of electronic or digital communication last appearing on the books of the Association, or supplied by such Owner to the Association for the purpose of notice. Each Owner shall register with the Association such Owner's current email address, phone number (indicating whether the same is capable of receiving text messages), and mailing address for the purposes of notice hereunder. Such registered email, phone number, and mailing addresses may be changed from time to time by notice in writing to the Association. If no address is registered with the Association, an Owner's Unit shall be deemed to be the Owner's registered address and notice to the Unit address may be made by first-class mail or by posting the meeting notice on the front door.

Such notice shall specify the place, day and hour of the meeting, and, the purpose of the meeting. The President of the Association will chair meetings of the Owners. The presence of an Owner at a meeting shall be deemed to waive any objection such Owner has to the form and scope of the notice unless such Owner objects at the outset of the meeting.

3.6 Record Date for Notice Purposes. The Board may designate a record date, which shall not be more than sixty (60) nor less than fifteen (15) days prior to the meeting, for the purpose of determining Owners entitled to notice for any meeting of the Owners. If no record date is designated, the last date on which a notice of the meeting is mailed or delivered shall be deemed to be the record date for determining Owners entitled to notice. The persons or entities appearing in the records of the Association on such record date as the Owner(s) of record of Units in the Project shall be deemed to be the Owners of record entitled to notice of the meeting of the Owners.

3.7 Place of Meetings. The Board may designate any place in Rich County that is reasonably convenient for the Owners as the place of meeting for any annual or special meeting. If no designation is made, or if a special meeting is otherwise called, the place of the meeting shall be held at the office of the Association.

3.8 Quorum. Except for meetings addressing an amendment of these Bylaws, an amendment of the Declaration, or other matters for which the affirmative votes of a certain percentage of Owners is required for approval, the Owners present in person or by proxy at a meeting of the Association shall constitute a quorum. Where a certain percentage of affirmative votes of Owners is required to approve an action and such action is to be discussed at the meeting, a quorum shall consist of not less than the number of affirmative votes required to approve such action.

3.9 Proxies. At all meetings of the Association, each Owner may vote in person or by proxy. All proxies shall be in writing, signed by the applicable Owner(s) of the Unit(s), and filed with the Secretary / Treasurer or any professional manager the Association chooses to retain. Every proxy shall be revocable and shall automatically cease upon conveyance by the Owner(s) of his or her Lot(s).

3.10 Waiver. All inaccuracies and irregularities in calls or notices of meetings and in the manner of voting, in the form of proxies and the method of ascertaining Owners present, and in the decision and votes of the Board or of the Owners shall be deemed waived if no objection is made either at the meeting or within thirty (30) days of the date of the meeting, or within thirty (30) days of notice of any decision by the Board. The presence of an Owner in person at any meeting of the Owners shall be deemed a waiver of any notice requirements.

3.11 Action Taken Without a Meeting. Owners have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of Owners in accordance with the requirements of Utah Code Ann. §16-6a-707 and any other applicable sections of the Acts. Any action so approved shall have the same effect as though taken at a meeting of the Owners.

ARTICLE IV BOARD; SELECTION; TERM OF OFFICE

4.1 General Powers. The Project and the affairs and business of the Association shall be managed by the Board. The Board may exercise business judgment and all of the powers of the Association, whether derived from the Declaration, the Bylaws, the Articles of Incorporation, or the Acts except such powers that the Declaration, the Bylaws, the Articles of Incorporation and the Acts vest solely in the Owners.

4.2 Number, Selection and Tenure. The Association will be composed of three (3) Directors. Initially, the Board will have three (3) Directors who will be selected by the Declarant. The Declarant shall decide who

serves on the Board during the Declarant Control Period and may increase the number of Directors. After the Declarant Control Period, the Board will consist of three (3) Directors. Within ninety (90) days after the end of the Declarant Control Period, the Association shall hold an election at which the Owners shall be entitled to elect all three (3) Directors. Upon such election, the terms of the Directors will be staggered as follows: the two (2) Directors receiving the highest number of votes in such election shall serve for an initial term of three (3) years, and the one (1) Director receiving the next highest number of votes shall serve for an initial term of two (2) years. After the expiration of the initial terms, all Directors shall serve terms of two (2) years. After the Declarant Control Period, the Board may change the number of Directors on the Board by the vote of a majority of Directors. In addition, after the Declarant Control Period the Owners may change the number of Directors by the vote of a majority of Owners. Notwithstanding the foregoing, there shall always be an odd number of Director slots and the terms of the Directors shall be staggered. Notwithstanding the foregoing, Declarant may, at Declarant's discretion, allow one (1) or more seats on the Board to be filled by an Owner chosen by the Members of the Association at any time during the Declarant Control Period. Such action shall not be deemed as a termination of the Declarant Control Period or a waiver of any of the rights of Declarant as provided herein.

4.3 Removal and Replacement. After the Declarant Control Period, a Director may be removed with or without cause by a majority vote of the other Directors or by a majority vote of the Owners at a meeting of the Owners called for the purpose of voting on removal. If a Director is removed, the remaining Directors (provided there are at least two (2) Directors serving) shall determine a replacement Director to fill the remainder of the term of the removed Director. If the Board cannot determine a replacement, or if there are not two (2) Directors then serving, the Owners shall fill vacancies on the Board at a meeting called for the purpose of filling vacancies.

4.4 Non-Liability of Officials. To the fullest extent permitted by law, none of the following Persons: (i) every Director and officer of the Association, (ii) every member of the Design Review Committee, or other committees of the Association, (iii) Declarant and the Declarant Related Parties, and (iv) all employees of the Association (collectively, the "Released Persons") shall be liable to any Owner, Occupant, the Association or any other Person for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval of plans or specifications (whether or not defective), course of action, act, inaction, omission, error, negligence or the like made in good faith and which the following Persons reasonably believed to be within the scope of their representative duties. Each Owner, Occupant and other Person having any interest in the Project or entering upon or using any portion of the Project is deemed to acknowledge and accept the following:

(a) None of the Released Persons shall be liable or responsible for, or in any manner be guarantor or insurer of, the health, safety, or welfare of any Owner, Occupant or other Person entering upon or making use of any portion of the Project. Each Owner, Occupant and other Person assumes all risks associated with the use and enjoyment of the Project, including but not limited to, any recreational facilities upon or within the Project.

(b) None of the Released Persons shall be liable or responsible for any personal injury, illness or any other loss or damage caused by the presence or malfunction of any utility line, equipment or substation, adjacent to, near, over, or on the Project. Each Owner, Occupant and other Person assumes all risks of personal injury, illness or other loss or damage arising from the presence of malfunction of any utility line, equipment or substation adjacent to, near, over or on the Project.

(c) No provision of these Bylaws or any other Governing Document shall be construed or interpreted as creating a duty by any of the Released Persons to protect or further the health, safety or welfare of any Person, even if funds of the Association are used for such a purpose.

4.5 Indemnification. In the event that any legal claim or action is asserted or commenced against a

Director or Officer for actions undertaken in his role as a member of the Board or as an Officer of the Association, whether or not such Director or Officer is still acting in their official capacity, the Association shall indemnify such Director or Officer for losses or claims, and undertake all costs of defense, until and unless a court of competent jurisdiction determines that such Director or Officer acted with willful or wanton misfeasance or with gross negligence. After such determination, the Association is no longer liable for the cost of defense and may recover costs already expended from the Director or Officer who so acted.

ARTICLE V
MEETINGS OF THE BOARD OF DIRECTORS

5.1 Regular Meetings. Meetings of the Board shall be held as frequently as the Board deems appropriate, but at least annually, at such place and hour as may be fixed from time to time by resolution of the Board. Should such meeting fall upon a weekend or legal holiday, then that meeting shall be held at the same time on the next day which is not a weekend or legal holiday.

5.2 Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any two (2) Directors, after not less than five (5) days written notice to each Director.

5.3 Open Meetings. After the Declarant Control Period, meetings of the Board shall be open to the Owners or Owners' agents except in cases where the Utah Revised Nonprofit Act permits private meetings. After the Declarant Control Period, any Owner may request notice of all meetings of the Board, in which case the Board shall provide notice of all meetings to such Owner not less than forty-eight (48) hours prior to such meeting.

5.4 Quorum and Voting. A majority of the number of Directors shall constitute a quorum for the transaction of business. During the Declarant Control Period, all matters requiring a vote of the Directors or otherwise submitted to a vote of the Directors shall be approved and implemented if, and only if, the Declarant also approves such matters. After the Declarant Control Period, all matters submitted to a vote of the Directors shall be decided by the votes of the Directors. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board and of the Association.

ARTICLE VI
POWERS AND DUTIES OF THE BOARD; APPLICABILITY OF THE ACTS

6.1 Powers. The Board shall have power to:

6.1.1 Adopt and publish Rules and Regulations governing the use of the Common Area and Facilities within the Neighborhood or as shown on the Plat Map or identified in the Declaration, and the personal conduct of the Owners and their guests thereon, and to establish penalties for the infraction thereof;

6.1.2 Adopt and publish other Rules and Regulations for the management of the Association as are not in conflict with the Acts, the Declaration, or these Bylaws;

6.1.3 As the Board deems necessary, employ a professional manager, or other independent contractors or employees, to carry out the functions of the Association and exercise the powers of the Board which are properly the subject of delegation; and

6.1.4 Exercise for the Association all powers, duties and authority vested in or delegated to

the Association by the Acts, the Declaration, or the Articles of Incorporation.

6.2 Duties. It shall be the duty of the Board to:

6.2.1 Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Owners at the annual meeting of the Association, or at any special meeting when such statement is requested in writing by the Owners who are entitled to vote thirty-three percent (33%) of the total votes;

6.2.2 Supervise any professional manager and all Officers, agents and employees of this Association, and to see that their duties are properly performed;

6.2.3 After the Declarant Control Period, do each of the following in the manner set forth in the Declaration:

6.2.3.1 Prepare the budget for the Association as provided in the Declaration and Section 10.1 of these Bylaws; and

6.2.3.2 Fix the amount of the annual assessment assessed against each Lot and fix the amount of any supplemental assessments or special assessments applicable to any Lots;

6.2.4 Send written notice of each annual assessment to every Owner subject thereto at least fifteen (15) and no more than sixty (60) days in advance of each annual assessment period and similar notice for imposition of each supplemental assessment or special assessment;

6.2.5 Foreclose the lien (at the option of the Board) against any Lot for which assessments are not paid in the manner provided for in the Association Act and the Declaration or to bring an action at law (at the option of the Board) against the Owner personally obligated to pay the same;

6.2.6 Issue, or to cause an appropriate Officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid and to charge a reasonable fee for the issuance of these certificates;

6.2.7 Procure and maintain insurance as required by the Declaration and the provisions of the Association Act relating to insurance;

6.2.8 Establish a reserve fund and conduct a reserve fund analysis in accordance with the provisions of the Association Act relating to reserve funds;

6.2.9 Cause all Officers or employees having fiscal responsibilities to be bonded, as the Board may deem appropriate; and

6.2.10 Cause the Common Area and Facilities to be properly maintained and managed.

6.3 Legal Action Involving Declarant. Neither the Board nor any other person or entity acting, or purporting to act, on behalf of the Association shall file, commence, or maintain any lawsuits or legal proceedings of any nature against Declarant, the individual managers, owners, members, or officers of Declarant, Declarant's contractors, or any other person or entity involved in the construction of the Units or Units thereon unless and until all of the "MANDATORY DISPUTE RESOLUTION REQUIREMENTS" set forth in the Declaration have been satisfied. Any Claims against Declarant shall comply with all the terms and conditions of

the Declaration.

6.4 Applicability of the Community Association Act. The provisions of the Community Association Act shall apply and govern the Association's rights with respect to levying of assessments, collection of assessments, and remedies that apply in the event of non-payment of assessments.

6.5 Applicability of the Utah Revised Nonprofit Act. The provisions of the Utah Revised Nonprofit Act shall apply and govern the operations and dealings of the Association to the extent not otherwise provided in these Bylaws, the Declaration, or the Articles of Incorporation.

ARTICLE VII OFFICERS AND THEIR DUTIES

7.1 Enumeration of Officers. The following positions shall constitute the officers of this Association ("**Officers**"): a President, a Vice-President, a Secretary / Treasurer, and such other Officers as the Board may from time to time by resolution create.

7.2 Selection of Officers. The Declarant shall select the three (3) initial Officers, and the Declarant shall decide who serves as Officers during the Declarant Control Period. After the Declarant Control Period, the Board shall annually, at the next meeting of the Board after the Association's annual meeting, select the Officers. After the Declarant Control Period, all Officers shall be members of the Board.

7.3 Term. After the Declarant Control Period, the Officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless they shall sooner resign, or shall be removed, or are otherwise disqualified to serve.

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

7.5 Resignation and Removal. After the Declarant Control Period, any Officer may be removed from office with or without cause by the Board. Any Officer may resign at any time by giving written notice to the Board, the President or the Secretary / Treasurer. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

7.6 Vacancies. After the Declarant Control Period, a vacancy in any office may be filled by appointment by the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer he or she replaces.

7.7 Multiple Offices. Members of the Board may be Officers in the Association. No person shall simultaneously hold more than one (1) of any of the offices identified above, except in the case of special Officers created pursuant to Section 7.4, above.

7.8 Duties of Officers. The duties of the Officers are as follows:

7.8.1 President. The President shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out; and shall sign all written contracts or agreements of the Association. The President shall execute any amendments to the Declaration and deliver the same to the

Secretary / Treasurer for certification and recordation, provided approval for such amendment has been obtained as provided in the Declaration.

7.8.2 Vice-President. The Vice-President shall act in the place and stead of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board.

7.8.3 Secretary / Treasurer. The Secretary / Treasurer shall record the votes and keep the minutes of all things and proceedings of the Board and of the Owners; serve notice of meetings of the Board and of the Owners; keep appropriate current records showing the Owners of the Association together with their addresses; certify that any amendments to the Declaration have received the required approval and have been executed by the President and shall record the same; and shall perform such other duties as required by the Board. The Secretary / Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by the Board; shall sign all checks and promissory notes of the Association; keep the Associations book and accounts; and shall assist the Board with the preparation of the annual budget to be presented to the Owners as provided herein.

ARTICLE VIII COMMITTEES

8.1 Committees Authorized. The Board may appoint Committees as it deems appropriate for carrying out the purposes of the Association.

ARTICLE IX BOOKS AND RECORDS

9.1 Open Records. Notwithstanding Section 6.2.1, above, the books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Owner. The Declaration, the Articles of Incorporation, the Bylaws, and any Rules promulgated by the Board shall be available for inspection by any Owner at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE X BUDGET AND ASSESSMENTS

10.1 Budget. The Board shall prepare an annual budget showing the estimated expenses of the Association and the anticipated annual assessment for the following year attributable to each Lot. The budget shall be completed and distributed to the Owners on or before December 1 of each year.

10.2 Fiscal Year. The fiscal year of the Association shall begin on January 1 and end on December 31 of every year, except that the first fiscal year shall begin on the date of incorporation.

10.3 Payment of Assessments. As more fully set forth in the Declaration, and subject to the exemptions set forth in the Declaration, each Owner is obligated to pay to the Association all assessments, and the Owner's obligation to pay such assessments is secured by a continuing lien upon the Owner's Lot. Any assessment which is not paid when due is delinquent. If the assessment is not paid on time, then the Board has the authority to establish late fees and collect the same from the delinquent Owner. The Board, in the name of the Association, may bring an action at law against the Owner personally obligated to pay the assessments and late fees or foreclose the lien against the Lot in the manner provided by the Association Act, and interest, costs,

and reasonable attorney fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments and late fees provided for herein or provided in the Declaration by nonuse of the Common Area and Facilities or abandonment of his or her Lot.

10.4 Set-up Fee. In addition to the assessments identified in the Declaration, the Association may charge an administrative set-up fee whenever a new Owner takes title to a Lot. The amount of any set-up fee will be determined by the Board in accordance with these Bylaws and may be adjusted by the Board from time to time. The set-up fee will be used to offset the administrative, data entry, and recordkeeping costs associated with the change of ownership from one Owner to another.

ARTICLE XI AMENDMENTS

11.1 Amendment. During the Declarant Control Period, the Declarant shall have the right to amend these Bylaws without the consent of the Association or any Owner. After the Declarant Control Period, these Bylaws may be amended, at a regular or special meeting of the Association, by an affirmative vote, in person or by proxy, of the Owners entitled to cast at least sixty-seven percent (67%) of the total votes of the Association; provided, however, that no amendment to the Bylaws shall be adopted that is inconsistent with or contradicts any provisions of the Declaration unless and until the Declaration is also amended (in accordance with the amendment requirements of the Declaration) to resolve such inconsistency or contradiction. No amendment to these Bylaws shall be effective until they are recorded in the office of the Rich County Recorder.

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

ARTICLE XII MISCELLANEOUS

12.1 Governing Law. These Bylaws shall be governed by, and interpreted in accordance with, the laws of the State of Utah, without regard to conflict of law provisions.

12.2 Severability. If any section, term, or provision of these Bylaws is determined to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the remaining sections, terms, and provisions of this Declaration which shall all remain in full force and effect.

12.3 No Waiver. The failure by the Declarant or the Association to enforce any term or provision of these Bylaws shall not be deemed as a waiver of the right to thereafter enforce such term or provision.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, on the 31 day of March, 2022, the Incorporator of the Company has executed and adopted these Bylaws.

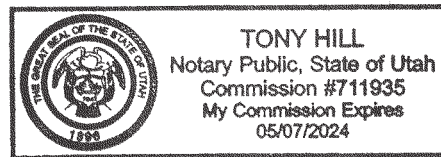
CW THE LAKE, LLC,
a Utah limited liability company

By: *Darlene Carter*
Name: DARLENE CARTER
Title: AUTHORIZED REPRESENTATIVE

STATE OF UTAH)
 §
COUNTY OF DAVIS)

On this 31 day of March, 2022, personally appeared before me DARLENE CARTER who by me being duly sworn did say that she / he is the AUTHORIZED REPRESENTATIVE of CW The Lake, LLC, a Utah limited liability company and acknowledged that the foregoing instrument is signed on behalf of said limited liability company and executed with all necessary authority.

Witness my hand and official seal.



T Hill
(Notary Signature)

(Seal)