

AFTER RECORDING PLEASE RETURN TO:

Overlook at Old Mill Homeowners Association, Inc.
c/o Sierra Management Corporation
1390 Thornton Avenue
Salt Lake City, UT 84105-1611
(801) 583-4762

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GARY W. OTT
RECORDER, SALT LAKE COUNTY, UTAH
SIERRA MANAGEMENT CORP
1390 THORTON AVE
SLC UT 84105
BY: ZJM, DEPUTY - WI 39 P.

NOTE TO RECORDER:
RECORD ONLY AGAINST THE PROPERTY
DESCRIBED IN EXHIBIT "A"

**AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS,
AND
RESERVATION OF EASEMENTS
FOR OVERLOOK AT OLD MILL,
a Utah subdivision**

This Amended and Restated Declaration of Covenants, Conditions and Restrictions, and Reservation of Easements for Overlook at Old Mill, a Utah subdivision (the "Declaration") is executed by the Overlook at Old Mill Homeowners Association, Inc., a Utah non-profit corporation, of 2971 Caitland Court, Salt Lake City, Utah 84121 (the "Association").

RECITALS:

WHEREAS, the original Declaration of Covenants, Conditions and Restrictions for the Overlook at Old Mill was recorded in the office of the County Recorder of Salt Lake County, Utah on March 14, 1995 as Entry No. 6040246 in Book 7116 at Page 549 of the official records (the "Original Declaration").

WHEREAS, Overlook at Old Mill is a subdivision comprised of single family detached residences existing subject to the provisions Original Declaration, located in Salt Lake County, Utah and described with particularity in Exhibit "A" attached hereto and incorporated herein by this reference (the "Property").

WHEREAS, the Association has deemed it desirable to amend and restate the general plan for the improvement and development of said Property and the covenants, conditions and restrictions upon said Property and each and every Lot and portion thereof and upon the use, occupancy, and enjoyment thereof, all for the purpose of enhancing and protecting the value, desirability and attractiveness of said Property.

WHEREAS, the Association has deemed it desirable for the efficient preservation of the value, desirability and attractiveness of said Property to create a corporation to which should be delegated and assigned the powers of maintaining, administering and enforcing these covenants, conditions, and restrictions and collecting and disbursing funds pursuant to the Assessments and charges created and referred to hereinafter.

WHEREAS, all of the voting requirements to amend the Original Declaration as set forth in Article X, Section 4 of the Original Declaration have been satisfied.

WHEREAS, this Declaration affects the Property.

WHEREAS, These Recitals shall be considered covenants as well as recitals.

NOW THEREFORE, the Association, for and in behalf of all of the Owners, hereby covenants, agrees and declares that all of said lots and property described above that such covenants, conditions, restrictions and easements are hereby declared to be for the benefit of the whole tract and all of the property described herein and the owners thereof, their successors and assigns. These covenants, conditions, restrictions, and easements shall run with the said real property and shall be binding on all parties having or acquiring any right, title or interest in the described real property or any part thereof and shall inure to the benefit of each owner thereof and are imposed upon said real property and every part thereof as a servitude in favor of each and every parcel thereof as the dominant tenement or tenements.

ARTICLE I

DEFINITIONS

The following terms used in these covenants, conditions, and restrictions shall be applicable to this Declaration, including the Section entitled "Recitals," and also to any supplemental declaration recorded pursuant to Article II hereof and are defined as follows:

Section 1. "Accessory Building" shall mean and refer to any structure which (a) is not the preliminary structure, (b) contains at least 120 square feet, (c) requires a building permit, (d) is not a shed, shack or other out-building (for which a building permit is not required), and (e) qualifies as such under the totality of the circumstances in the opinion of the Board of Directors.

Section 2. "Area of Common Responsibility" shall mean and refer to items for which the Association is responsible.

Section 3. "Area of Personal Responsibility" shall mean and refer to the items for which each Owner is responsible.

Section 4. "Assessment" shall mean and refer to the amount imposed upon, assessed or charged an Owner by the Association.

Section 5. "Association" shall mean and refer to The Overlook at Old Mill Homeowners Association, a nonprofit corporation, incorporated under the laws of the State of Utah, its successors and assigns.

Section 6. "Board of Directors" shall mean and refer to the governing board of the Association appointed or elected in accordance with this Declaration and the Bylaws.

Section 7. "Common Expense" shall mean and refer to: (a) All sums lawfully assessed against the Owners; (b) Expenses of administration of the Association and the Property; (c) Expenses actually allocated by the Association among the Owners; (d) Expenses agreed upon as "common expenses" by the Board of Directors; and (e) Expenses expressly declared "common expenses" by the Declaration.

Section 8. "Conveyance" shall mean and refer to conveyance of a fee simple title to any lot.

Section 9. "Declarant" shall mean and refer to The Overlook at Old Mill, L.C., its successors and assigns.

Section 10. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions, and Reservation of Easements for Overlook at Old Mill, a Utah subdivision.

Section 11. "Dedicated Streets" shall mean and refer to those streets and cul-de-sacs within the Property formally dedicated to a municipal or governmental body politic, entity or agency.

Section 12. "Deed of Trust" shall mean the conveyance of any lot or other portion of the property to secure the performance of an obligation.

Section 13. "Director" shall mean and refer to each member of the Board of Directors.

Section 14. "Entry" shall mean the entry way into the Property.

Section 15. "Entry Monument" shall mean the monument, planter boxes, landscaping features and other physical improvements identifying the Property located at or near the Entry.

Section 16. "Final Plat" or "Final Plat Map" shall mean and refer to the final plat map or maps recorded in the Office of the Salt Lake County Recorder showing the Property subjected to this Declaration, and any amendments or supplements thereto.

Section 17. "Home" shall mean and refer to a separate physical part of a Lot intended for independent use. Mechanical equipment and appurtenances located within any one Home, or located without said Home but designated and designed to serve only that Home, such as appliances, electrical receptacles and outlets, air conditioning compressors, furnaces, water heaters, apparatus, systems or equipment, fixtures and the like, shall be considered part of the Home. All pipes, wires, conduits, or other utility lines or installations constituting a part of the Home or serving only the Home, and any structural members, parts, components or any other property of any kind, including fixtures or appliances within any Home, shall be deemed to be part of the Home.

Section 18. "Individual Assessment" shall mean and refer to an assessment levied by the Association against an Owner for all expenses, costs, charges and attorney's fees resulting from the act or omission of such Owner resulting from corrective action taken by the Association against the Owner, excepting the Owner's failure to pay any Assessment. Individual Assessments shall include, by way of illustration but not limitation, any expense resulting from the act or omission of any Owner, including:

(a) The cost to repair any damage to the Common Areas or any portion thereof caused by such Owner; or

(b) The cost to repair any damage to any other Lot or portion thereof caused by such Owner; or

(c) The cost to satisfy any expense incurred by the Association due to any intentional or negligent act or omission of such Owner, or resulting from the breach by such Owner of any provisions of the Project Documents; and Individual Assessments are secured by a lien in the same manner as other Assessments, as set forth below. The Association also shall have all other remedies, both legal and equitable, described in this Declaration available against any Owner for nonpayment of such Owner's other monetary obligations, including Assessments.

Section 19. "Landscaping" shall mean and refer to the decorative rock, grass, trees, shrubs, bushes, flowers, plants, and like improvements located within the Property, as well as the appurtenant sprinkling and irrigation systems.

Section 20. "Lender" shall mean and refer to a Mortgagee.

Section 21. "Lot" shall mean any parcel of property shown as a separate numbered lot on the recorded Plat of the Subdivision Final Plat, with the exception of the "Common Area".

Section 22. "Lot Number" shall mean and refer to the number, letter or combination thereof on the Final Plat Map designating a particular Lot.

Section 23. “Member” shall mean and refer to every person or entity who holds membership in the Association.

Section 24. “Mortgage” shall mean and refer to any mortgage, deed of trust or other security instrument (including the seller’s rights under a contract for deed) by which a Lot or any part thereof or interest therein is encumbered. A First Mortgage is a Mortgage having priority as to all other Mortgages encumbering a Lot or any part thereof or interest therein.

Section 25. “Mortgagee” shall mean and refer to any person or entity named as the mortgagee, beneficiary or holder of the seller’s interest under any Mortgage by which the interest of any Owner is encumbered, or any successor to the interest of such person under such Mortgage. A First Mortgagee shall mean and refer to any person or entity holding a First Mortgage including any insurer or guarantor of a First Mortgage. Any and all Mortgagee protections contained in the Declaration shall also protect the Association as the holder of a First Mortgage of a Lot or any interest therein.

Section 26. “Office of the County Recorder” or “County Recorder” shall mean and refer to the Office of the County Recorder of Salt Lake County, Utah.”

Section 27. “Operating Expenses” shall mean and refer to that portion of the Common Expenses incurred in the operating of the Association and managing of the Property.

Section 28. “Project Documents” and/or “Governing Documents” shall mean and refer to the Declaration, Bylaws, Articles of Incorporation, and Rules and Regulations, as they may be amended or supplemented from time to time.

Section 29. “Property” shall mean and refer to that certain real property hereinbefore described and such additions thereto as hereafter may be made subject to this Declaration, and excluding any real property that hereafter may be withdrawn from this Subdivision pursuant to this Declaration.

Section 30. “Single Family” or “Family” shall mean *one* of the following: (a) a single person living alone; or (b) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption; or (c) a group of not more than three unrelated persons who live together, cook together, and maintain a common household and single housekeeping unit. No additional person(s), domestic helper or caretaker may reside therein without the express prior written consent of the Board of Directors. No boarding houses or other group housing for unrelated people of any kind are allowed regardless of the method or structure of the occupancy arrangement.

Section 31. “Single Family Residence” shall mean and refer to both the architectural style of a Home and the nature of the residential use permitted.

Section 32. “Subdivision” or “The Overlook at Old Mill” shall mean The Overlook at Old Mill, according to the Final Plat.

Section 33. “Total Votes of the Association” shall mean and refer to the total number of votes appertaining to all Lots.

Section 34. “Use Restrictions” shall mean and refer to the use restrictions, rules and regulations described with particularity in Article XII below, as they may be modified, amended, repealed, canceled, limited, withdrawn or expanded from time to time.

ARTICLE II

OWNER’S ASSOCIATION AND MAINTENANCE

Section 1. Incorporation of the Association. The Association should be incorporated under the laws of the State of Utah.

Section 2. Membership. Each owner of a Lot shall be deemed to be a member of the Association (hereinafter referred to as “Member”). Memberships in the Association shall not be assignable, except to the successor in interest of the Lots, and membership in the Association shall be appurtenant to and may not be separated from the fee ownership of the Lots. Ownership of a Lot shall be the sole qualification for membership in the Association. The Association membership held by any owner of a Lot shall not be transferred, pledged, or alienated in any way, except upon the sale or encumbrance of said Lot, and then only to the purchaser or purchasers of said Lot. Any attempt to make a prohibited transfer is void and will not be reflected upon the books and records of the Association. In the event an owner of a Lot shall fail or refuse to transfer the membership registered in his name to the purchaser of said Lot, upon the transfer of fee title thereto, the Board of Directors of the Association shall have the right to record the transfer on the books of the Association.

Section 3. Voting Rights. The Association shall have one class of voting membership. Members shall be all of the Owners. Members shall be entitled to one (1) vote for each Lot owned. When more than one person holds such interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among, themselves determine, but in no event shall more than one (1) vote be cast for any one Lot. All voting rights shall be subject to the restrictions and limitation provided herein and in the Articles and bylaws of the Association.

Section 4. Transfer. The membership held by any owner of a Lot shall not be transferred, pledged or alienated in any way, except upon the sale or encumbrance of such lot, and then only to the purchaser or deed of trust holder of such lot. Any attempt to make a prohibited transfer is void, and will not be reflected upon the books and records of the Association. In the event the owner of any Lot should fail or refuse to transfer the

membership registered in his name to the purchaser of such Lot, the Association shall have the right to record the transfer upon the books of the Association.

Section 5. Right of Access. The Association shall have the irrevocable right to have access to, by or through any Lot when necessary in connection with any cleaning, maintenance, repair, replacement, painting, landscaping, construction or reconstruction for which the Association is responsible or for the purpose of abating a nuisance or a known or suspected dangerous or unlawful condition. Such entry shall be made with as little inconvenience to the Owners as is practicable under the circumstances and any damage caused thereby shall be repaired by the Association. Any weeds or diseased or dead lawn, trees, ground cover or shrubbery shall be removed and replaced by the Owner and at his sole expense. All lawn areas shall be mowed and edged. All trees, shrubs and bushes shall be pruned, trimmed and topped. No landscaping shall affect adversely the value or use of any other Lot, or to detract from the original design scheme and appearance of the subdivision. Anything to the contrary notwithstanding, all landscaping must abide by and strictly comply with all city requirements. The Board of Directors may require the use of licensed contractors. If (except in the case of an emergency) after written notice it is determined that any responsible party has failed or refused to discharge properly his obligation with regard to the maintenance, repair, or replacement of the real property and improvements described herein, or that the need for maintenance, repair, or replacement thereof is caused through the willful or negligent act of any person, then the Association or Board of Directors may, but is not obligated to, provide such maintenance, repair, or replacement at the defaulting or responsible party's sole cost and expense (the "Default Maintenance Cost"). The term "emergency" as used here means a situation or condition in which there is a threat of imminent and substantial harm to person or property. The Default Maintenance Cost is the debt of such defaulting or responsible party at the time the expense is paid and shall be collectible as such. In addition, it may be considered a "Fine" against an Owner.

Section 7. Incidental Damages. Any and all incidental damages caused to private property by the Association in the performance of its duties shall be repaired promptly and the cost thereof charged as an Common Expense.

Section 8. Area of Private Maintenance Responsibility. Each Owner is responsible to maintain his Lot and Home in a usable, clean, functional, safe, sanitary, attractive and good condition, and shall make all necessary repairs.

Section 9. Trees, Shrubs and Bushes; Maintenance of Proper Sight Distance at Intersections. All property located at or near driveways, entrances, exits, walkways, paths and street intersections or corners shall be landscaped so as to remove any obstructions and to permit safe sight. The Board of Directors at the Owner's expense may alter or remove any items planted or objects placed in violation of this section and shall not be guilty of a trespass.

Section 10. Landscaping. All landscaping shall be maintained and cared for in a manner consistent with the standards of design and quality originally established by

Declarant and in accordance with any municipal landscaping maintenance plans or ordinances. Specific additional written guidelines, standards, controls, and restrictions on landscaping may be adopted or amended by the Board of Directors from time to time. All landscaping shall be maintained in a safe, sanitary, aesthetic and orderly condition. Any weeds or diseased or dead lawn, trees, ground cover or shrubbery shall be removed and replaced. Lawns shall be mowed and edged. Trees, bushes and shrubs shall be pruned. After reasonable written notice, the Board of Directors at the Owner's expense may satisfy the landscaping requirements of this section and shall not be guilty of a trespass.

Section 11. Retaining Walls. All retaining walls within the Project are privately owned and shall be maintained, repaired and replaced by the Owner upon whose Lot it is located, and at his sole expense, subject to minimum standards established by the Board of Directors for quality of construction and uniformity of appearance.¹

Section 12. Certain Work Prohibited. No Owner shall jeopardize the soundness or safety of the Property, reduce its value, or impair any easement or hereditament, without in every such case the unanimous written consent of all the other Owners being first had and obtained.

Section 13. Default. The Association may but is not required to maintain, at the Owner's sole expense, any portion of the properties not reasonably maintained. If (except in the case of an emergency) after written notice and a hearing, it is determined that any responsible party has failed or refused to discharge properly his obligation with regard to the maintenance, repair, or replacement of the real property and improvements described herein, or that the need for maintenance, repair, or replacement thereof is caused through the willful or negligent act of any person, then the Association, or Board of Directors may, but is not obligated to, provide such maintenance, repair, or replacement at the defaulting or responsible party's sole cost and expense (the "Default Maintenance Cost"). The term "emergency" as used here means a situation or condition in which there is a threat of imminent and substantial harm to person or property. The Default Maintenance Cost is the debt of such defaulting or responsible party at the time the expense is paid and shall be collectible as such. A lien may be recorded against the property to secure payment of the obligation.

Section 13. Enforcement. The Association may but is not required to police the Property.

¹ The retaining wall along 3000 East is excluded if and only if it has been dedicated to a government agency or body politic or if such agency or body is contractually obligated to maintain it.

ARTICLE III

WAIVER; PROPERTY SUBJECT TO PUBLIC UTILITIES AND DRAINAGE EASEMENTS

Section 1. Waiver of Use. No member may exempt himself from personal liability for assessments duly levied by the Association, nor release the Lot owned by him from the liens and charges hereof, by abandonment of his lot other than by sale thereof.

Section 2. Property Subject to Public Utilities and Drainage Easements. The properties are subject to public utilities and drainage easements of record for the installation and maintenance of such improvements.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each member, by acceptance of a real estate contract or deed therefore, covenants and agrees to pay the Association: (a) regular assessments or charges, and (b) special assessments for capital improvements, and other Association purposes, such assessments to be fixed, established and collected from time to time as hereinafter provided, and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment together with any interest, costs and reasonable attorney's fees, shall also be the personal obligation of the owner of such property at the time when the assessment fell due. In any conveyance, except to a mortgagee holding a first lien on the subject Lot, the grantee of a Lot shall be jointly and severally liable with the grantor for all unpaid assessments against the latter up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee. However, any such grantee shall be entitled to a statement from the Board of Directors setting forth the amounts of the unpaid assessments against the grantor, and such grantee shall not be liable for, nor shall the Lot conveyed by subject to alien for, any unpaid assessments against the grantor in the excess of the amount set forth. No membership may be transferred to a subsequent purchase until all assessments, interest, penalties and other charges that are due have been paid in full to the Association. For use herein, the term "Capital Improvement" shall mean and refer to all new improvements intended to add to, enhance or upgrade the nature, scope, utility, value, or beauty of the Project, as opposed to ordinary maintenance and Repair. The term "Repair" shall mean and refer to merely correcting the damage done sometimes by accident or fire or other cause, but more often due to the ravages of time and the deterioration resulting from ordinary wear and tear, by substituting for the damage, decayed or worn-out parts, new material, usually similar to that replaced, and so restoring the structure to its original sound condition.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of enforcement of the governing documents and administration of the Association.

Section 3. Regular Assessments. The amount and time of payment of regular assessments shall be determined by the Board of Directors of the Association after giving due consideration to the current maintenance costs and future needs of the Association. Written notice of the amount of an assessment, regular or special, shall be sent to every owner, and the due date for the payment of same shall be set forth in said notice.

Section 4. Special Assessments. In addition to the regular assessments authorized above, the Board of Directors may levy special assessments for the purpose of covering any unforeseen expenses or budget shortfall up to \$100.00 per Lot annually. Special Assessments in excess of that amount will require the affirmative consent of at least a majority of the Lot Owners present in person or proxy at a meeting call for this purpose.

Section 5. Uniform Rate of Assessment. Both regular and special assessments shall be fixed at a rate for all Lots owned by members.

Section 6. Payment of Assessments. Each Owner shall pay his annual assessments on or before January 1 of each year unless otherwise designated by the Board of Directors of the Association. The Board of Directors will send out a written notice prior to the end of each calendar year. Payment will be considered late if not received by the Board of Directors by January 15.

Section 7. Certificate of Payment. The Association shall, upon the written request of any Lot owner or any encumbrancer or prospective encumbrancer of a Lot, and upon payment of a reasonable fee not to exceed \$10, issue to the requesting person or persons, a written statement setting forth the unpaid assessments with respect to the Lot covered by the request. This written statement of indebtedness is conclusive upon the remaining Lot owners in favor of all persons who rely thereon in good faith. Unless the Association complies with the request for a statement of indebtedness within ten (10) days, all unpaid assessments which became due prior to the date of making such request are subordinate to the lien held by the person requesting the statement. Any encumbrancer holding a lien payable with respect to the Lot and upon payment the encumbrance shall have a lien on such Lot for the amounts paid of the same rank as the lien of his Lot.

Section 8. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein: All properties dedicated to and accepted by a local government or public authority.

ARTICLE V

NONPAYMENT OF ASSESSMENTS

Section 1. Delinquency. Any Assessment provided for in this Declaration, which is not paid when due, shall be delinquent. With respect to each Assessment, not paid within fifteen (15) days after its due date, the Association may, at its election require the Owner to pay a "late fee" in a reasonable sum to be determined by the Board of Directors. If any such assessment is not paid within thirty (30) days after the delinquency date, the Assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum, and the Association may, at its option, bring an action at law against any person obligated to pay the same, or, upon compliance with the notice provisions set forth in Section 2 hereof, to foreclose the lien (provided for the Section 1 of Article V hereof) against the Lot, and there shall be added to the amount of such assessment any late charges, interest and all costs of collecting the same, including a reasonable attorney's fee, whether incurred by filing suit or not. Each Owner vests in the Association or its assigns, the right and power to bring all actions at law or in equity or lien foreclosure judicially or non-judicially against all property and parties for the collection of such delinquent assessments.

Section 2. Notice of Lien. No action shall be brought to foreclose said assessment lien or to proceed under the power of sale herein provided less than thirty (30) days after the date a notice of claim of lien is deposited in the United States mail, certified or registered, to the owner of said lot.

Section 3. Priority of Lien. Any Assessment levied against each Lot is a debt of the Owner at the time the Assessment is made and is collectible as such. If any Owner or Member fails or refuses to pay an Assessment when due, that amount constitutes a lien on the interest of the Owner in the Property, which lien is prior to all other liens and encumbrances, recorded or unrecorded, except:

- (a) tax and special assessment liens on the Lot, Unit or Membership in favor of any assessing unit or special improvement district; and
- (b) encumbrances on the interest of the Owner or Member recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

Such lien may be enforced by sale or foreclosure conducted in accordance with the provisions of law applicable to the exercise of powers of sale or foreclosure in deeds of trust or mortgages or in any other manner permitted by law including specifically, but without limitation, the method recognized under the laws of the State of Utah for the

enforcement of a mechanics lien which has been established in accordance with the provisions of Chapter 1, Title 38, Utah Code, as amended from time to time.

Section 3. Foreclosure Sale. Any such judicial or non-judicial foreclosure and subsequent sale provided for above is to be conducted in accordance with the laws of the State of Utah relating to liens, mortgages, and deeds of trust. By acceptance of a deed or other document of conveyance, each Owner hereby authorizes the Board of Directors to execute and record an appointment of trustee for purposes of a non-judicial foreclosure.

Section 4. Curing of Default. Upon the timely curing of any default for which a notice of claim of lien was filed by the Association, including a reasonable attorneys fee and costs, the officers of the Association are hereby authorized to file or record, as the case may be, an appropriate release of such notice of lien.

Section 5. Assignment of Rents. If an Owner who is leasing his Home fails to pay any assessment for a period of more than thirty (30) days after it is due and payable, the Board of Directors may demand the tenant to pay to the Association all future rent payments due the Owner, commencing with the next monthly or other periodic payment, until the amount due to the association is paid; provided, however, the Manager or Board of Directors must give the Owner written notice, in accordance with the Project Documents of its intent to demand full payment from the tenant.

Section 6. Lenders, Foreclosures and Unpaid Assessments. Anything to the contrary notwithstanding, any mortgagee who obtains title to a Lot pursuant to the remedies in the mortgage or trust deed or through foreclosure will not be liable for more than six (6) months of the unpaid regularly budgeted assessments, dues or charges accrued before acquisition of the title to the property by the mortgage, although the mortgagee will also be liable for any reasonable attorneys fees or costs related to the collection of the unpaid dues. All other grantees who obtain title to a Lot in a voluntary conveyance or pursuant to the remedies in a mortgage or trust deed or through foreclosure shall be jointly and severally liable with the trustor or mortgagor for all unpaid assessments, late fees, default interest and collection costs, including a reasonable attorneys fee, against the Lot for its share of the Common Expenses up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the trustor or mortgagor the amounts paid by the grantee.

Section 7. Cumulative Remedies. The assessment lien and the rights to foreclosure and sale thereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid assessments, as above provided.

ARTICLE VI

ARCHITECTURAL CONTROL

Section 1. Appointment of Architectural Control Committee. The Board of Directors shall act as the Architectural Control Committee, unless the Board elects to appoint an independent Committee, consisting of not less than three (3) members for a term not to exceed one (1) year. In the event of the death or resignation of any member of an independent Architectural Control Committee, the Board of Directors shall appoint such member's successor. Unless otherwise noted in this Article the term "Architectural Control Committee" shall mean and refer to the Board of Directors.

Section 2. Approval by Architectural Control Committee. No building, fence, wall, or any other structure shall be commenced, erected, or maintained upon the properties, nor shall any exterior addition to or change or alteration therein be made, nor shall any excavating, alteration or any stream, waterway, pond, or clearing on any lot within the properties be done unless a written application is submitted for approval of such improvement or improvements to Architectural Control Committee and in connection therewith shall submit two complete sets of plans and specification for the proposed improvement or improvements, together with a reasonable processing fee as determined by the Architectural Committee.

- (a) An overall view of the proposed improvement or improvements.
- (b) The location of said improvement or improvements on the lot upon which it or they will be placed or constructed and the location of the proposed improvement or improvements relative to other improvements on said lot.
- (c) Floor plans of each floor level.
- (d) The basic structural system of the improvement or improvements and the materials to be used in the construction thereof.
- (e) Elevations.
- (f) Provisions for temporary and permanent parking of vehicles in connection with use of the facility.
- (g) Design and layout of proposed sewage lines to sewer system.
- (h) Proposed time schedule for construction to completion.
- (i) A survey acceptable to the Architectural Committee locating lot corners and the proposed building position.

(j) Any additional demands or requirements for culinary or irrigation water.

(k) Specifications for water conserving plumbing fixtures in compliance with Article X Section 14 herein.

Section 3. Harmony of Design. The Architectural Control Committee shall not give its consent to the proposed improvement unless, in the opinion of the Architectural Committee, the improvement is properly designed and the design, contour, materials, shapes, colors, and general character of the improvement shall be in harmony with existing structures on the lot and on neighboring lots, and in harmony with the surrounding landscape, and the improvements shall be designed and located upon the lot so as to minimize the disruption to the natural land forms.

Section 4. Decision. The Architectural Control Committee shall have the right to disapprove any application in the event said application and the plans and specifications submitted therewith are not of sufficient detail, or are not in accordance with the provisions herein set forth, or if the design or construction of the proposed improvement is not in harmony with neighboring improvements and the general surroundings, or if the design and the plans for construction do not include sufficient safeguards for preservation of the environment. The decision of the Architectural Committee shall be final, binding and conclusive on all of the parties affected. At no time will the Architectural Committee unreasonably restrict or refuse any proposed improvement.

Section 5. Non-Waiver. The approval of the Architectural Control Committee of any plans, drawings, or specifications for any work done or proposed, or in connection with any other matter, requiring the approval of the Architectural Committee under these restrictions, shall not be deemed to constitute a waiver of any right to withhold approval as to any similar plan, drawing, specification or matter whenever subsequently or additionally submitted for approval. Upon approval or disapproval of the plans by the Architectural Committee, one set of plans may be returned to the lot owner and one set may be retained by the Committee. If the Architectural Control Committee fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. In order to obtain such approval, the owner must submit for consideration of the Architectural Control Committee such details and information with relation to the contemplated action as the Architectural Control Committee shall request.

Section 6. Professional Assistance. If at any time the Architectural Control Committee shall determine that it would be in the best interest of the members of the Association and the Owners of the Property for such owner to employ professional assistance, to design any improvement involved in the proposed work, the Architectural Committee shall inform such owner in writing of its determination, whereupon all plans and specification shall be prepared by such qualified professionals as the Architectural Committee shall determine.

Section 7. Landscaping Control. Each Owner shall maintain his Lot in an attractive and safe manner so as not to jeopardize the soundness or safety of the Property, reduce its value or impair any easement or hereditament.

Section 8. Architectural Control Committee Rules. The Architectural Committee may, from time to time and in its sole discretion adopt, amend, and repeal by unanimous vote, rules and regulations to be known as "Architectural Control Committee Rules" which, among other things interpret or implement the provisions of Section 1 to be applied to all improvements occurring or commencing after such adoption, amendment, or repeal. A copy of the Architectural Control Committee Rules as they may from time to time be adopted, amended or repealed, certified by any member of the Architectural Committee, shall be available from the Architectural Control Committee.

Section 9. Building and Landscaping Time Restrictions. On the remodeling of Homes or Lots, the Architectural Control Committee shall establish the time for commencement and completion of the work.

Section 10. Liability. Neither the Architectural Control Committee nor any member thereof shall be liable to any owner or third persons for any damage, loss or prejudice suffered or claimed on account of (a) the approval or disapproval of any plans, drawings and specifications, whether or not defective, (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications, (c) the development or manner of development of any property within the subdivision.

Section 11. General Provisions. The powers and duties of such Architectural Control Committee shall be in force for a period of forty (40) years from the date of recording of this Declaration. Such powers and duties shall continue following the forty year period until a written instrument has been executed and duly recorded by the then record owners of a majority of the lots appointing a representative or representatives who shall thereafter exercise the same powers previously exercised by said Architectural Control Committee. Said representatives may be the members of the Architectural Control Committee of the Association.

Section 12. Variances. A petition may be filed for a variance by any owner. The Architectural Control Committee may, in its sole discretion, by any affirmative vote of a majority of the members of the Architectural Control Committee, allow reasonable variances as to any of the covenants and restrictions contained in this instrument, on such terms and conditions as it shall require.

ARTICLE VII

DUTIES AND POWERS OF THE ASSOCIATION

Section 1. Duties and Powers. In addition to the duties and powers enumerated in the Articles of Incorporation and By-Laws, or elsewhere provided for herein, and without limiting the generality thereof, the Association shall:

(a) Own and/or maintain and otherwise manage any other property acquired by the Association.

(b) Pay any real and personal property taxes and other charges assessed against the common areas.

(c) Maintain such policy or policies of insurance as the Board of Directors deem necessary or desirable in furthering the purposes of and protecting the interest of the Association and its members.

(d) Have the authority to employ a manager or other persons and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association.

(e) Have the power to establish and maintain a working capital and contingency fund in an amount to be determined by the Board of Directors.

ARTICLE VIII

EASEMENTS

Section 1. Rights and Duties of Owners. The rights and duties of the owners of lots within the Property with respect to sanitary sewer and water, electricity, solar heating systems, gas, telephone, cable television lines and drainage facilities shall be governed by the following:

(a) Sewer and Water Connections on Lots. Wherever sanitary sewer connections and/or water connections or electricity, gas or telephone and cable television lines, solar heating systems, or drainage facilities are installed within the Property, which connections, lines or facilities, or any portion hereof lie in or upon lots owned by Association or other than the owner of a lot served by said connections, the Association and the owners of any lot served by said connections, lines or facilities shall have the right, and are hereby granted an easement to the full extent necessary thereof, to enter upon the lots or to have utility companies or service companies enter upon the lots within the Property in or upon which said connections, lines or facilities, or any portion thereof,

lie to repair, replace and generally maintain said connections as and when the same may be necessary as set forth below.

(b) Sewer and Water Connections on Multiple Lots. Wherever sanitary sewer connections and/or water connections or electricity, gas or telephone or cable television lines, solar heating systems, or drainage facilities are installed within the Property, which connections serve more than one lot, the owner of each lot served by said connections shall be entitled to the full use and enjoyment of such portions of said connections as to service his lot.

Section 2. Installations and Maintenance. Easements over the Property for the installation and maintenance of electric, telephone, cable television, water, gas, and sanitary sewer lines, drainage facilities, solar heating systems, and street entrance ways as shown on the recorded tract map of the Property, or other documents of record, are hereby reserved by Association, together with the right to grant and transfer the same for the use and benefit of the members of the Association.

Section 3. Plat Map. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded Plat. Notwithstanding the preceding sentence, owners are advised that easement dimensions change on specific Lots as noted on the recorded Plat. Within these easements, no structure, including bridges, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities. The easement area of each Lot and all improvements in it shall be maintained continuously by the owner of the Lot, except for those improvements for which a public authority or utility company is responsible.

ARTICLE IX

USE RESTRICTIONS

The general objectives and intent of these covenants, conditions and restrictions is to create and maintain a large residential district characterized by the following; spacious estate; large homes; well kept lawns, trees and other plantings; minimum vehicular traffic; and, quiet residential conditions favorable to family living.

Section 1. Zoning Regulations. The lands within the subdivision shall never be occupied or used by or for any building or purpose or in any manner which is contrary to the planning and zoning ordinances and regulations applicable thereto validity enforce from time to time.

Section 2. Land Use and Building Type.

(a) No Lot shall be used except for single family residential purposes. No buildings shall be erected, altered, placed or permitted to remain on any Lot other than one detached single family dwelling not to exceed two stories above grade in height.

(b) No single story dwelling shall be erected or placed on any Lot in the subdivision wherein the ground floor space in said dwelling contains less than 1,800 square feet, excluding the garage, porch, balcony, patio, and deck.

(c) Two-story dwellings shall have at least 1,500 square feet on the ground floor level, exclusive of garage, porch, balcony, patio, and deck, with the combined square footage for both floors not less than 2,200 square feet.

(d) Split entries, bi-level splits, tri-levels, and one-story and a half homes, etc., shall be reviewed and defined by the Board of Directors as to the square footage requirement thereto.

(e) Every singly family dwelling must have a minimum of a three (3) car garage. Notwithstanding the above, the Board of Directors can approve two (2) car garages on Lots whereby the setback requirements of a home and a three (3) car garage would limit the size and/or quality of a home such that the home would be incompatible with the other homes in the subdivision.

(f) Driveways for single family dwellings must be large enough to accommodate two parked automobiles side by side.

(g) No fences shall be allowed in the front yards or in side yards from the average front line of the dwelling forward or in side yards of corner Lots which face the street. Hedges and landscaping will be permitted if it does not interfere with driving visibility. No chain link fence will be allowed except as may be required by Salt Lake County.

Section 3. Building Location. Except as provided for as exceptions in the Salt Lake County Zoning Ordinance, no single family dwelling or associated building shall be located on any Lot nearer than thirty (30) feet to the road right-of-way line or nearer than thirty (30) feet to the rear Lot line, nor nearer than eight (8) feet to any side Lot line except by approval of the Board of Directors. Notwithstanding any language in this Section to the contrary, if easements for utilities, drainage, or other purpose as shown on the recorded Plat require a greater set-back from the front, rear, or side Lot line than that provided for in this Section the requirement of the recorded Plat shall control.

Section 4. Height Requirements. No single family dwelling shall be erected to a height greater than thirty-five (35) feet above a point representing the average grade at the front setback line.

Section 5. Re-contouring. No Lot shall be re-contoured without prior written approval of the Board of Directors.

Section 6. Nuisance. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 7. Temporary Structures. No structure of a temporary character, skateboard ramp/rails, trailer, mobile home, tent, shack, garage, barn or other outbuilding; shall be used on any Lot at any time as a residence either temporarily, meaning two or more days, or permanently. No temporary structure, house trailer, mobile home, camper, or non-permanent outbuilding shall ever be placed or erected on any Lot except with the approval of the Board of Directors and only then during construction. No dwelling house on any Lot shall be occupied in any manner prior to its completion without a written approval of the Board of Directors. No old or secondhand structures shall be moved onto any of said Lots, unless granted by a variance. The intention hereof is that all dwellings and other buildings to be erected on said Lots, or within said subdivision, shall be new construction of good quality workmanship and materials.

Section 8. Storage and Overnight Parking of Vehicles. The storage of any cars, vans, SUVs, trucks, buses, tractors, trailers, motor homes, camping vehicles, boats or other watercraft, boat trailers, snowmobiles, all terrain vehicles, mobile homes, commercial vehicles, two (2) and three (3) wheeled motor vehicles, or other wheeled vehicles of any kind shall be forbidden unless such vehicles are stored behind a solid gated fence (so as not to be visible) and do not exceed 10 feet in height. A recreational vehicle may be kept in the driveway up to two days for purposes of loading and unloading before and after use. No garage may be altered in such a manner that the number of motor vehicles which may reasonably be parked therein after the alteration is less than the number of motor vehicles that could have been reasonably parked in the garage as originally constructed. Cars, vans, SUV's, trucks, motorcycles and other vehicles that are used for daily transportation and are not being stored may be parked in a driveway during the day and overnight. No commercial vehicles may be parked in a driveway overnight. No vehicles shall be parked during the day or overnight in the street, sidewalk, or any walkway, including the approach and sidewalk leading to the driveway. Visitors may park in the street during the day only if there is no space in the driveway.

Section 9. Animals and Pets. No animals, other than house pets, shall be kept as permitted by current zoning regulations or other government ordinance. These animals shall be contained or otherwise controlled at all times and shall not be kept for breeding or any commercial purpose whatsoever. No pets, animals, livestock or poultry of any kind shall be bred in, on or about the Project. All pets must be properly licensed and registered with the appropriate governmental agency, abide by all pet rules and

regulations adopted by the Board of Directors from time to time. Pets may not create a nuisance. The following acts of an animal constitute a nuisance: (a) it causes damage to the property of anyone other than its Owner; (b) it causes unreasonable fouling of the air by odors; (c) it causes unsanitary conditions; (d) it defecates on any common area and the feces are not immediately cleaned up by the responsible party; (e) it barks, whines or howls, or makes other disturbing noises in an excessive, continuous or untimely fashion; or (f) it molests or harasses passersby by lunging at them or chasing passing vehicles. Dogs outside of a fenced yard within the Subdivision must be in a cage or on a leash and under the control of a responsible person.

Section 10. Signs. Only one "For Sale," "For Rent" or "For Lease" sign shall be permitted on a Lot, which shall be no larger than 2' x 2', which may not be displayed in a window.

Section 11. Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste. Such trash, rubbish, garbage or other waste shall not be kept except in sanitary containers. No rubbish, trash, papers, junk or debris shall be burned upon any Lot except that trash may be burned inside homes that are properly equipped with inside incinerator units. Garbage and trash receptacles shall be permitted when kept in a visually screened enclosure and contained in covered containers. Garbage receptacles may only be placed in the street or so as to be Visible From a Neighboring Property on pick-up day and then for no longer than twenty-four (24) hours.

Section 12. Sight Distance at Intersections. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two and six feet above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25') feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended. The same sight-line limitations shall apply on any Lot within ten (10') feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersection unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

Section 13. No Business Uses. No trade or business may be conducted in or from any home, except that an owner or occupant residing in a home may conduct business activities within the home so long as: (a) the existence or operation of the business activity is not apparent or detectable by changes in the ordinary traffic patterns for the subdivision, or sight, sound, or smell from outside the home, (b) the business activity conforms to all zoning requirements for the subdivision, and (c) the business activity is consistent with the residential character and does not constitute a nuisance or a hazardous or offensive use, or threaten the safety of other residents. In the event of a dispute between an Owner and the Board of Directors regarding compliance with this subsection, the decision of the Board of Directors shall be final, conclusive and binding.

Section 14. No Re-Subdivision. No Lot shall be re-subdivided, and only one single family residence shall be constructed or allowed per Lot.

Section 15. Underground Utility Lines. All permanent water, gas, electrical, telephone and television cables, other electronic pipes and lines and all other utility lines within the limits of the subdivision must be buried underground and may not be exposed above the surface of the ground.

Section 16. Maintenance of Property. All Lots and all improvements on any Lot shall be kept and maintained by the owner thereof in a clean, safe, attractive and slightly condition and good repair.

Section 17. No Hazardous Activities. No activity shall be conducted on any Lot and no improvements constructed on any Lot which are or might be unsafe or hazardous to any person or party. Without limiting the generality of the foregoing, no firearms shall be discharged upon any Lot, and no open fires shall be lighted or permitted on any Lot except in a contained barbecue unit while attended and in use for cooking purposes or within safe and well designated interior fireplaces.

Section 18. Dwelling Construction and Fence Restrictions. In order to promote a harmonious community development and protect the character of the neighborhood, the following guidelines are set out:

(a) Dwelling style, design, alterations or additions will conform to standards determined by the Board of Directors.

(b) Exterior construction materials will be a minimum of twenty percent (20%) stone, stone veneer, brick or other masonry material on the front and side walls with the balance of the exterior finish to be wood or stucco, as approved by the Board of Directors. No reflective finish other than glass shall be used on exterior surfaces other than surfaces of hardware fixtures, including but without limitation, the exterior surfaces of any of the following: roofs, all projections above roofs, retaining walls, doors, trim, fences, pipes, equipment, and only mailboxes approved by the Board of Directors. The use of aluminum and/or vinyl siding is prohibited.

(c) Any light used to illuminate garages, patios, parking areas or for any other purpose shall be so arranged as to reflect light away from adjacent residences and away from the vision of passing motorists.

(d) Fences or walls shall be of wood, block, brick or vinyl. No fences or walls of chain link, or wire mesh shall be allowed. Fences, walls or hedges shall not exceed six feet in height.

(e) Roofs shall be pitched. All roofing materials must be of architectural grade asphalt shingles or better, i.e. shake, tile, etc as determined by the Board of Directors. Any and all changes in existing construction materials, including by

way of illustration but not limitation color, texture and style, must be approved in writing by the Board of Directors so as to maintain quality of construction and appearance. Any roofing material installed without permission shall be considered "non-conforming".

Section 19. Off-Road Vehicles. No automobiles, trucks, motorcycles, trail bikes, snowmobiles, four-wheel drive vehicles or vehicles of any kind shall be operated within the boundaries or on any part of the subdivision other than the public roadways.

Section 20. Landscaping.

(a) Trees shall be properly planted and maintained in the park strips. Damaged or diseased trees shall be replaced at the owner's expense. All replacement trees must be approved in writing and in advance by the Board of Directors who may condition the type and caliper of the replacement tree.

(b) Trees, lawns, shrubbery and other plantings provided by each Lot owner shall be properly nurtured and maintained at the owner's sole expense, including replacement of the same upon the request of the Board of Directors.

Section 21. Rules Regarding Fires. No exterior fires whatsoever, except barbecue fires contained in receptacles provided therefore, shall be allowed.

Section 23. Satellite Dishes and Antennas. Satellite dishes and antenna of every sort may be installed or maintained in a manner consistent with the FCC Guidelines. Insofar as it is reasonably possible without interfering with reception the satellite dishes and antenna should be installed in a manner so as not to be visible from the front of neighboring properties.

Section 23. Rules and Regulations. No owner shall violate the rules and regulations for the use of the Lots as adopted from time to time by the Association. No such rules and regulations shall be established which violate the intention or provisions of this Declaration or which shall unreasonably restrict the use of any Lot by the owner hereof. Owners shall be given at least thirty (30) days' prior written notice of any new rules or changes to existing rules.

Section 24. Placement of Outbuildings. Outbuildings such as sheds may be only permitted with the express written approval of the Board of Directors.

Section 25. Violation of Statutes. Nothing shall be done or kept in any Lot or any part thereof which would be in violation of any statute or rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body.

Section 26. Damage or Waste. No Owner shall damage or commit waste to another Lot or Home. No structure, plant, improvement or other material may be placed or permitted to remain, or other activities undertaken which may damage or interfere with

established Lot ratios, create erosion or sliding problems, or which may change the direction or flow of drainage channels, or obstruct or retard the flow of water through the channels. The slope control area of each Lot and all improvements therein shall be maintained continuously by the Owner of the Lot, excepting those improvements for which a public authority or utility company is expressly responsible. It shall be the responsibility of the Owner to see that his Lot strictly conforms with the grading and drainage plan initially established by the Declarant and Salt Lake County.

Section 27. Repairs. No Owners or Residents shall repair or restore any vehicle of any kind in, on or about any Lot or driveway, so as to be visible from the street, except for emergency repairs, and then only for a seventy-two (72) hour period to enable movement thereof to a proper repair facility.

Section 28. Section 31. Damaged or Disabled Vehicles. Vehicles that are not operational, or licensed or registered, or which leak fluids, must be stored in a garage or behind an enclosure and so as not to be visible from the street or another Lot.

Section 29. View Impairment. The Association does not guaranty or represent that any view over and across any property or Lot will be preserved without impairment. Neither the Association nor the Board of Directors shall have the obligation to prune or thin trees or other landscaping except as set forth herein. Any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

ARTICLE X

INSURANCE

Section 1. Insurance. The Board of Directors may adopt General Insurance House Rules, Policies and Procedures intended as a guide for owners and residents in order to maintain the insurability of the Property, keep the insurance premium reasonable, and enforce the maintenance responsibilities of the individual owners.

Section 2. Insurance Obligation of the Association. The Association shall obtain the following insurance coverage (collectively, "Association Policy"):

- (a) Public Liability. Public liability coverage;
- (b) D&O. Directors and officers coverage; and
- (c) Fidelity Bond. A fidelity bond.

The Association Policy **DOES NOT** cover individual Lots or Homes or the contents thereof, or personal liability. The Association **IS NOT REQUIRED** to cover property, fire or hazard insurance on a Lot or Home, or loss of business, rents or rental income.

Section 3. Minimum Amount of Insurance Coverage. The liability insurance purchased by the Association shall be in an amount not less than \$1,000,000.00 per occurrence and \$2,000,000.00 per aggregate and optional umbrella liability coverage to be determined by the Board of Directors from time to time for bodily injury, death, and property damage. This amount may be increased or decreased unilaterally by the Board of Directors, although the amount of insurance may never be less than \$1,000,000.00 per occurrence and \$2,000,000.00 per aggregate.

Section 4. Premium a Common Expense. The premiums for insurance coverage and the fidelity bond are to be considered a Common Expense.

Section 5. Insurance Obligation of Unit Owner. The foregoing obligation and right of the Association to purchase insurance coverage **DOES NOT** preclude the right or negate the obligation of each Owner to insure his own Lot for his benefit. **EACH OWNER SHALL OBTAIN AT LEAST THE FOLLOWING INSURANCE COVERAGE** (collectively, "Owner Policy"):

(a) Public Liability. Adequate public liability coverage; and

(b) Property Insurance. Property, fire and extended hazard coverage for his Lot and all improvements constructed thereon.

Section 6. Premium Is An Individual Expense. The insurance premium on the Owner Policy shall be an individual expense.

Section 7. Maintenance of Coverage. The Owner shall obtain and keep in full force and effect at all times the required insurance coverage provided by companies duly authorized to do business in Utah.

Section 8. Not a Limitation. The provisions of this subsection shall not be construed to limit the power or authority of the Owner to obtain and maintain insurance coverage in addition to any insurance coverage required hereunder, in such amounts and in such forms as he may deem appropriate.

Section 9. Damages. Each Owner is responsible for the maintenance of his Lot and for the repair of any damage he causes to another Lot or Lots.

Section 10. Validity of Document. If any term, part or provision of this document is ruled by a court of competent jurisdiction to be illegal or in conflict with any law of the State of Utah, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the document did not contain such term, part or provision.

Section 11. Right to Adjust Claims. The Association has the right, power and authority to adjust claims.

Section 12. Use of Insurance Proceeds and Repairs. Repair of damage shall be completed within a reasonable time and insurance proceeds shall be used to repair the covered damage.

Section 13. Quality of Insurance Company. The Association and Owners shall use a responsible insurance company or companies duly qualified and licensed in the State of Utah.

Section 14. Primary Coverage. If there is duplicate coverage of a claim, then it is the intent of the Association that the Owner's Insurance provide **PRIMARY** coverage and that the Association Policy provide **SECONDARY** coverage.

ARTICLE XI

GRANT OF POWERS, OFFICERS, LIMITATION OF LIABILITY AND OTHER MISCELLANEOUS PROVISIONS REGARDING THE BOARD OF DIRECTORS

Section 1. Governing Provisions for Management of the Association. The Association is subject to, bound by and shall be governed by the following provisions:

Section 2. Board of Directors. The management and maintenance of the Property and the administration of the affairs of the Association shall be conducted by a Board of Directors, who shall be elected as provided in this Declaration and in the Bylaws.

Section 3. Delegation of Powers. The Board of Directors may appoint committees to assist the Board of Directors. Notwithstanding anything to the contrary, to the extent of any conflict between decisions of Board of Directors and any committee, the decision of the former shall in all respects govern and control.

Section 4. Grant of Powers. Except as otherwise provided herein, the Board of Directors shall have all the powers, duties and responsibilities as are now or may hereafter be provided by this Declaration and the Bylaws, including but not limited to the following:

(a) Rules and Regulations. To make and enforce all rules and regulations covering the use, operation and maintenance of the Property and the Lots.

(b) Payment of Common Expenses. To determine and pay the Common Expenses.

(c) Allocation of Assessments. To divide the Common Expenses equally between the Owners and Lots.

(d) Collections. To collect all Assessments and each Owner's share of the Common Expenses.

(e) Authority to Execute Documents. To enter into contracts, deeds, leases and/or other written instruments or documents and to authorize the execution and delivery thereof by the appropriate officers.

(f) Bank Accounts. To open bank accounts on behalf of the Association and to designate the signatories therefore.

(g) Dispute Resolution. To resolve disputes, mediate, arbitrate, prosecute, settle claims and litigate issues affecting the Association.

(h) Insurance. To obtain insurance.

(i) Books and Records. To keep adequate books and records and implement the policies and procedures for the inspection of the books and records of the Property by Owners in accordance with the terms of the Bylaws. The Association or the Board of Directors shall make available to the Owners, Mortgagees and the holders, insurers and guarantors of the First Mortgage on any Lot current copies of the Project Documents and other books, records and financial statements of the Association. The term "Available" shall mean available for inspection, upon request, during normal business hours or under other reasonable circumstances. The person requesting the copies shall pay the associated costs.

(j) Budgets. To prepare a budget for the Association.

(j) Easements and Rights-of-Way. To grant easements and rights-of-way over the Property.

(k) Enforcement. To enforce the Project Documents by legal means.

(l) Fines and Sanctions. To charge fines and levy sanctions.

(m) All Other Acts. To do all other acts necessary for the operation of the Association and management of the Property.

Section 5. Officers, Agents and Employees. Members of the Board of Directors, the officers and any assistant officers, agents and employees of the Association shall not be liable to the Owners as a result of their activities as such for any mistake of judgment, negligence or otherwise, except for their own willful misconduct or bad faith; shall have no personal liability in contract to an Owner or any other person or entity under any agreement, instrument or transaction entered into by them on behalf of the Association in their capacity as such; shall have no personal liability in tort to any Owner or any person or entity, direct or imputed, by virtue of acts performed by them, except for their own willful misconduct or bad faith, nor for acts performed for and/or by them in their capacity as such; and shall have no personal liability arising out of the use,

misuse or condition of the Property, which might in any way be assessed against or imputed to them as a result or by virtue of their capacity as such.

Section 6. Limitation of Liability. When a member of the Board of Directors is sued for liability for actions undertaken in his or her role as a member of the Board of Directors, the Association shall indemnify him or her for losses or claims under such terms as are set forth in the Bylaws.

Section 7. Subcontracts. The Association acting through the Board of Directors may enter into a contract or management agreement with a professional Manager or Management Company for the management of the Property, in whole or in part, which complies with the covenants, conditions and restrictions set forth herein. All such contracts shall be in writing signed by the parties. The person or entity so engaged shall be responsible for managing the Property, or any portion thereof, for the benefit of the Association and the Owners, and shall, to the extent permitted by law and by the terms of the agreement with the Association be authorized to perform any of the functions or acts required to be performed by the Association itself.

ARTICLE XII

GENERAL PROVISIONS

Section 1. Enforcement. The Association, shall have the right to enforce, by any proceeding at law or in equity, including damages, costs and attorney's fees, injunctive proceeding, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Costs of such enforcement, including reasonable attorney's fees, shall be borne by the party(ies) in violation.

Section 2. Term. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of forty (40) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then owners of the lots has been recorded, agreeing to change said covenants in whole or in part.

Section 3. Severability. Invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

Section 4. Amendments. At any time while any provision, covenant, condition or restriction contained in this Declaration or amendment thereto is in force and effect, it may be amended or repealed by the recording of a written instrument specifying the amendment or repeal, executed by owners representing two-thirds of the Lots.

Section 7. Singular Includes Plural. Whenever the context of this Declaration requires same, the singular shall include the plural and the masculine shall include the feminine.

Section 8. Nuisance. The result of every act or omission whereby any provision, condition, restriction, covenant, easement or reservation contained in this Declaration is violated in whole or in part is hereby declared to be and constitutes nuisance and every remedy allowed by law or equity against nuisance either public or private, shall be applicable against every such result and may be exercised by the Association or any other lot owner in the subdivision. Such remedy shall be deemed cumulative and not exclusive.

Dated 3/11/09

Overlook at Old Mill Homeowners Association, Inc.

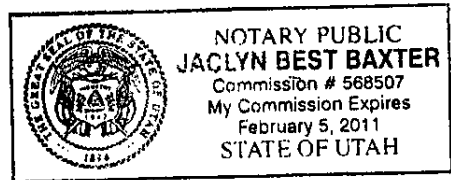
By [Signature]
Name: Steve Morrison
Title: President

STATE OF UTAH }
 } ss.
COUNTY OF SALT LAKE }

On March 11, 2009, before me, the undersigned, a Notary Public in and for the said county and state, personally appeared Steve Morrison, President of Overlook at Old Mill Homeowners Association, Inc., personally known to me, and Steve Morrison duly acknowledged to me that such corporation executed the same.

[Signature]
Notary Public
Residing at: Salt Lake, UT

My Commission Expires: 2/5/2011



Dated 3/11/09

Overlook at Old Mill Homeowners Association, Inc.

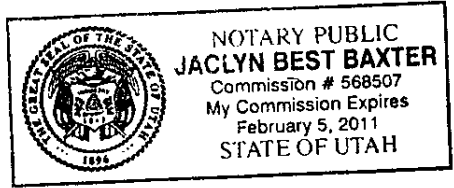
By *George LaGrange*
Name: George LaGrange
Title: Secretary

STATE OF UTAH }
 } ss.
COUNTY OF SALT LAKE }

On March 11, 2009, before me, the undersigned, a Notary Public in and for the said county and state, personally appeared George LaGrange, Secretary of Overlook at Old Mill Homeowners Association, Inc., personally known to me, and George LaGrange duly acknowledged to me that such corporation executed the same.

Jaclyn Baxter
Notary Public
Residing at: Salt Lake, UT

My Commission Expires: 2/5/2011



Dated March 26, 2009

Overlook at Old Mill Homeowners Association, Inc.

By *Keith C. Wallace*
Name: Keith C. Wallace
Title: Member of Management Committee

STATE OF UTAH }
 } ss.
COUNTY OF SALT LAKE }

On March 26, 2009, before me, the undersigned, a Notary Public in and for the said county and state, personally appeared Keith C. Wallace, a Member of the Management Committee of Overlook at Old Mill Homeowners Association, Inc., personally known to me, and Keith C. Wallace duly acknowledged to me that such corporation executed the same.

Jaclyn Baxter
Notary Public
Residing at: Salt Lake

My Commission Expires: 2/5/2011

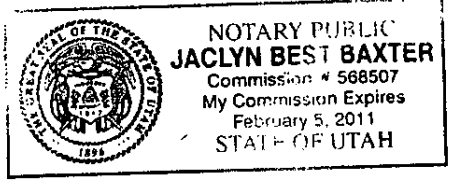


EXHIBIT "C"

BY-LAWS

OF

THE OVERLOOK AT OLD MILL HOMEOWNERS ASSOCIATION

A NON-PROFIT CORPORATION

ARTICLE I

OFFICE

The principal office of The Overlook at Old Mill Homeowners Association (herein designated the "Association") shall be situated in Salt Lake County, State of Utah.

ARTICLE II

MEETINGS OF MEMBERS

Section 2.1 – Annual Meeting. The annual meeting of the members shall be held each calendar year and at such time and place as shall be determined by the Board of Directors. At such meeting the members shall elect a Director to serve for a one (1) year term, until his successor shall be elected and shall qualify. Only Owners may be elected Directors.

Section 2.2 – Special Meetings. Special meeting of the members may be called by the President, by a majority of the Board of Directors or by any number of members whose holdings shall not be less than one-third (1/3) of the membership of the Association.

Section 2.3 – Notice of Meetings. Notice of all annual and special meetings of the members shall be given in accordance with the statutes of the State of Utah. Whenever all of the members shall meet in person or by proxy, such meetings shall be valid for all purposes without call or notice, or waiver of call and notice. No notice of any meeting of members shall be necessary if waiver of notice be signed by all of the members, whether before or after the time of the meeting.

Section 2.4 – Presiding Officer. The President, and in his absence another officer shall preside at all such meetings.

Section 2.5 – Voting Requirements. When a quorum is present in person or represented by proxy at any meeting, the vote of a majority of the votes entitled to be cast shall decide any question brought before such meeting, including the election of

Directors, unless the question is one upon which, by express provision of the statutes of the State of Utah or of the articles of Incorporation or of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question. All votes may be cast by the members either in person or by proxy. All proxies shall be in writing, and, in the case of proxies for the annual meeting, they shall be delivered to a credentials committee consisting of the President, a Vice President and Secretary of the Association at least ten (10) days prior to said annual meeting. Proxies for special members meetings must be of record two (2) days prior to the holding of such special members meetings. If instructed, the Secretary shall enter a record of such proxies in the minutes of the meeting. All matters to be voted upon by the members shall be presented to and voted upon by the members holding membership. Each member shall be entitled to one vote Per Lot.

Section 2.6 – Registered Members. At annual meetings members shall be entitled to vote in person or by proxy provided they are registered on the transfer books of the Association on the 30th day before such annual members meeting. The Board of Directors may, by resolution, fix a date in advance of the date of special members meetings upon which a member must appear as a member of record on the Association’s transfer books in order to be entitled to vote at such special members meetings; provided, however, that said date shall in no event be fixed at less than ten (10) nor more than thirty (30) days prior t the date set for such meeting.

Section 2.7 – Quorum. At any meeting of the members, those Owners present shall constitute a quorum of the members for all purposes.

Section 2.8 – Waiver of Irregularities. All inaccuracies and/or irregularities in calls, notices of meeting, the manner of voting, form of proxies, credentials and method of ascertaining those present shall be deemed waived if no objection is made at the meeting.

ARTICLE III

BOARD OF DIRECTORS

Section 3.1 – Responsibilities. The business and property of the Association shall be managed by a Board of Directors (herein designated and referred to as the “Board of Directors”). The Board of Directors may, however, enter into such management agreement or agreements with third persons as it may deem advisable.

Section 3.2 – Number, Tenure, Qualifications and Vacancies. The number of Directors of the Association shall be three (3). Each Director shall hold office until the next annual meeting of the members and until his successor shall have been elected and qualified. Directors need not be residents of the State of Utah. A Director who misses seventy-five percent (75%) or three (3) consecutive regularly scheduled meetings of the Board shall be automatically removed from office. In case of any vacancy in Board of Directors, the remaining members of the Board may elect a successor Director or Directors to hold office until the expiration of the term of the retiring member.

Section 3.3 – Regular Meetings. A regular annual meeting of the Directors shall be held immediately after the adjournment of each annual members meeting at the place at which such members meeting was held. Regular meetings, other than the annual meeting, shall be held at regular intervals at such places and at such times as the Board of Directors may from time to time by resolution provide.

Section 3.4 – Special Meeting. Special meetings of the Board of Directors shall be held whenever called by the President or by a majority of the Board. By unanimous consent of the Directors, special meetings of the Board may be held without call or notice at any time or place.

Section 3.5 – Quorum. A quorum for the transaction of business at any meeting of the Directors shall consist of a majority of the Directors then in office.

Section 3.6 – Committees. The Board of Directors may, by resolution passed by a majority of the whole Board, designate one or more committees, each committee to consist of two (2) or more of the members of the Association, which to the extent provided in said resolution, shall have and may exercise the powers in said resolution set forth. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. Such committees shall keep regular minutes of their proceedings and report the same to the Board of Directors when required. The President may appoint persons to fill vacancies on each of said committees occasioned by death, resignation, removal or inability to act for any extended period of time.

Section 3.7 – Additional Facilities. The Board of Directors shall have the authority to provide such facilities, in addition to those for which provision has already been made, as it may deem to be in the interest of the members.

ARTICLE VI

OFFICERS

Section 4.1 – Selection of Officers. The Board of Directors shall elect or appoint the three (3) officers of the Association. Such election or appointment shall regularly take place at the first meeting of the Directors immediately following the annual meeting of the members; provided, however, that election of officers may be held at any other meeting of the Board of Directors.

Section 4.2 – Removal. All officers and agents shall be subject to removal, with or without cause, at any time by the affirmative vote of the then members of the Board of Directors.

Section 4.3 – President. The President shall be the chief executive officer of the Association and shall exercise general supervision over its property and affairs. He shall

sign on behalf of the Association all membership certificates, conveyances, mortgages and contracts and shall do and perform all acts and things which the Board of Directors may require of him. The President shall be invited to attend meetings of each committee.

Section 4.4 – Secretary. The Secretary shall keep the minutes of the Association, its membership books and such books and records as these By-Laws or any resolution of the Directors may require him to keep. He shall be the custodian of the seal of the Association and shall affix the seal to all papers and instruments requiring it. He shall perform such other services as the Board of Directors may impose upon him. One or more Assistant Secretaries may be elected, who shall, in the event of the Secretary's absence or inability to act, perform the duties and functions of the Secretary.

Section 4.5 – Treasurer. The Treasurer shall have the custody and control of the funds of the Association, subject to the action of the Board of Directors and shall, when requested by the President so to do, report the state of the finances of the Association at each annual meeting of the members and at any meeting of the Directors. He shall perform such other services as the Board of Directors may require of him.

Section 4.6 – Compensation. The Directors and officers shall not receive compensation for their services.

ARTICLE V

MEMBERSHIP CERTIFICATE

Section 6.1 – Form of Certificates. The Association shall not issue certificates evidencing each membership.

ARTICLE VI

DIVIDENDS

There shall be no dividends paid or payable by the Association. It is hereby acknowledged that the Association is organized as a non-profit corporation under the Utah Non-Profit Corporation Cooperative Association Act strictly as an association of Lot owners to act as an agent for said owners in the management of the Project. It is not intended that the Association realize any profit on any transaction.

ARTICLE VII

ANNUAL STATEMENT

The Board of Directors shall present at each annual meeting, and when called for by a vote of the members at any special meeting of the members, a full and complete statement of the business and condition of the Association.

ARTICLE VIII

FISCAL YEAR

The fiscal year of the Association shall be the calendar year ending December 31.

ARTICLE IX

AMENDMENTS

These By-Laws may be altered or repealed by either (a) the affirmative vote of a majority of the members of the Board of Directors or (b) the affirmative vote of a majority of the owners present at any regular meeting of the members or at any special meeting of the members in person or by proxy. Notice of any proposed alteration or amendment shall be provided to the owners and must be contained in the notice of any such meeting called for this purpose.

ARTICLE X

BOOKS AND RECORDS

10.1 Books and Records. All books and records shall be kept in accordance with generally accepted accounting practices.

10.2 Financial Statements: Upon the written request of any Owner, the Board of Directors shall mail to such member its most recent financial statements showing in reasonable detail its assets and liabilities and the results of its operation, unless the member has already received the same.

3. Limitation of Liability. Neither the Association nor any director, officer, employee or agent of the Association shall be liable to the member or anyone to whom the member discloses the financial statement or any information contained therein for any error or omission therein, whether caused without fault, by negligence or by gross negligence, unless (a) the error or omission is material, (b) the director, officer, employee or agent in question knew of the error or omission and intended for the member or other

person to rely thereon to his detriment, (c) the member or other persons did reasonably rely thereon, and, in addition, (d) he is otherwise liable under applicable law.

ARTICLE XI

COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS

11.1 Conflict. These ByLaws are subordinate and subject to all provisions of the Declaration. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration. In the event of any conflict between these ByLaws and the Declaration, the provision of the Declaration shall control.

11.2 Waiver. No restriction, condition, obligation, or provision of these ByLaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

11.3 Captions. The captions contained in these ByLaws are for convenience only and are not part of these ByLaws and are not intended in any way to limit or enlarge the terms and provisions of these ByLaws.

11.4 Interpretation. Whenever in these ByLaws the context so requires, the singular number shall refer to the plural and the converse; and the use of any gender shall be deemed to include both masculine and feminine; and the term "shall" is mandatory while the term "may" is permissive.

11.5 Severability. The invalidity of any one or more phrases, sentences, subparagraphs, subsections or sections hereof shall not affect the remaining portions of this instrument or any part thereof, and in the event that any portion or portions of this document should be invalid or should operate to render this document invalid, this document shall be construed as if such invalid phrase or phrases, sentence or sentences, subparagraph or subparagraphs, paragraph or paragraphs, subsection or subsections, or section or sections had not been inserted.

Dated 3/11/09

Overlook at Old Mill Homeowners Association, Inc.

By Steve Morrison

Name: Steve Morrison

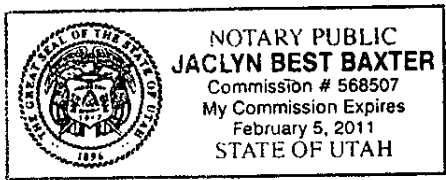
Title: President

STATE OF UTAH }
 } ss.
COUNTY OF SALT LAKE }

On March 11, 2009, before me, the undersigned, a Notary Public in and for the said county and state, personally appeared Steve Morrison, President of Overlook at Old Mill Homeowners Association, Inc., personally known to me, and Steve Morrison duly acknowledged to me that such corporation executed the same.

Jaclyn Baxter
Notary Public
Residing at: Salt Lake, UT

My Commission Expires: 2/5/2011



Dated 3/11/09

Overlook at Old Mill Homeowners Association, Inc.

By George LaGrange
Name: George LaGrange
Title: Secretary

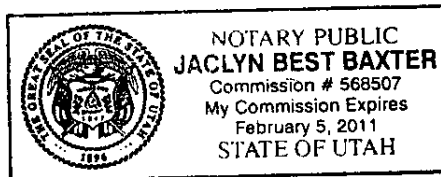
STATE OF UTAH }
 } ss.

COUNTY OF SALT LAKE }

On March 11, 2009, before me, the undersigned, a Notary Public in and for the said county and state, personally appeared George LaGrange, Secretary of Overlook at Old Mill Homeowners Association, Inc., personally known to me, and George LaGrange duly acknowledged to me that such corporation executed the same.

Jaclyn Baxter
Notary Public
Residing at: Salt Lake, UT

My Commission Expires: 2/5/2011



Dated March 26, 2009

Overlook at Old Mill Homeowners Association, Inc.

By *Keith C. Wallace*

Name: Keith C. Wallace

Title: Member of Management Committee

STATE OF UTAH

}
} ss.

COUNTY OF SALT LAKE }

On March 26, 2009, before me, the undersigned, a Notary Public in and for the said county and state, personally appeared Keith C. Wallace, a Member of the Management Committee of Overlook at Old Mill Homeowners Association, Inc., personally known to me, and Keith C. Wallace duly acknowledged to me that such corporation executed the same.

Jaclyn Baxter

Notary Public

Residing at: Salt Lake

My Commission Expires: 2/5/2011

