

After Recording Return to:  
Harold B. Irving  
Building Dynamics Property Management, LLC  
8703 South Sandy Parkway  
Sandy, Utah 84070

**DECLARATION OF COVENANTS,  
CONDITIONS & RESTRICTIONS FOR  
THE VILLAS AT SLEEPY RIDGE  
A PLANNED UNIT DEVELOPMENT  
In Utah County, Utah**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE VILLAS AT SLEEPY RIDGE, A PLANNED UNIT DEVELOPMENT (this "Declaration") is made and executed as of the last date set forth in the notarized signature below, by The Villas at Sleepy Ridge Townhomes, LLC (hereinafter "Declarant").

**RECITALS:**

(A) This Declaration will take effect on the date recorded at the office of the Utah County Recorder's Office (the "Effective Date").

(B) Declarant is the owner of certain real property located in Utah County, Utah and more particularly described as follows (the "Property"):

BEGINNING AT A POINT WHICH IS SOUTH 00°30'55" EAST, ALONG THE SECTION LINE 1696.05 FEET AND SOUTH 89°29'05" WEST, 1322.30 FEET AND SOUTH 00°36'47" WEST, 180.76 FEET AND SOUTH 00°16'27" WEST, 135.86 FEET FROM THE NORTHEAST CORNER OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 2 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE SOUTH 00°16'27" WEST, 186.01 FEET TO A POINT ON THE NORTHERN BOUNDARY LINE OF PHEASANT MEADOW AT SLEEPY RIDGE PHASE 3B, ENTRY NO. 95364:2013; THENCE NORTH 87°26'29" WEST, ALONG SAID NORTHERN BOUNDARY LINE, 588.48 FEET TO A POINT ON THE EASTERLY BOUNDARY LINE OF THE CITY OF OREM, PARCEL NO. 18:025:0087; THENCE NORTH 00°20'00" EAST, ALONG SAID EASTERLY BOUNDARY LINE, 455.23 FEET; THENCE NORTH 89°39'35" WEST 94.18 FEET TO A POINT ON A NON-TANGENT 322.00 FOOT RADIUS CURVE TO THE LEFT; THENCE 151.89 FEET ALONG SAID CURVE THROUGH A

CENTRAL ANGLE OF 38°00'41" (CHORD BEARS NORTH 38°00'41" EAST, 150.48 FEET); THENCE SOUTH 89°34'25" EAST, 5.50 FEET; THENCE SOUTH 59°18'16" EAST, 39.84 FEET; THENCE SOUTH 01°24'52" WEST, 27.22 FEET; THENCE SOUTH 27°00'53" EAST, 32.55 FEET; THENCE SOUTH 08°49'53" EAST, 22.43 FEET; THENCE NORTH 89°54'58" EAST, 67.08 FEET; THENCE NORTH 00°01'38" WEST, 59.79 FEET TO A POINT ON A 25.00 FOOT RADIUS CURVE TO THE LEFT; THENCE 38.72 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 88°44'41" (CHORD BEARS NORTH 47°06'00" WEST, 34.97 FEET); THENCE NORTH 88°31'39" EAST, 98.03 FEET TO A POINT ON A NON-TANGENT 25.00 FOOT RADIUS CURVE TO THE LEFT; THENCE 38.63 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 88°31'39" (CHORD BEARS SOUTH 44°15'50" WEST, 34.90 FEET; THENCE SOUTH, 61.05 FEET; THENCE SOUTH 89°55'12" WEST, 3.00 FEET; THENCE SOUTH 00°00'49" EAST, 7.15 FEET TO A POINT ON A 221.00 FOOT RADIUS CURVE TO THE RIGHT; THENCE 73.94 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19°10'07" (CHORD BEARS SOUTH 09°34'15" WEST, 73.59 FEET ) TO A POINT ON A 20.50 FOOT RADIUS CURVE TO THE LEFT; THENCE 38.27 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 106°56'56" (CHORD BEARS SOUTH 34°19'09" EAST 32.95 FEET) TO A POINT ON A 79.00 FOOT RADIUS CURVE TO THE LEFT; THENCE 3.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 02°17'11" (CHORD BEARS SOUTH 88°56'13" EAST, 3.15 FEET); THENCE SOUTH 00°04'48" EAST, 42.00 FEET; THENCE NORTH 89°55'12" EAST 30.64 FEET; THENCE SOUTH 00°07'36" EAST, 72.00 FEET; THENCE NORTH 89°55'12" EAST, 174.67 FEET; THENCE SOUTH 00°16'27" WEST, 59.83 FEET; THENCE SOUTH 89°43'33" EAST 109.00 FEET; THENCE SOUTH 00°16'27" WEST, 34.51 FEET; THENCE SOUTH 89°43'33' EAST, 95.00 FEET TO THE POINT OF BEGINNING.

CONTAINS 4.48 ACRES.

C) Declarant desires to subject the Property to the terms of this Declaration. Declarant intends to develop a residential subdivision on the Property pursuant to the Community Association Act, Utah Code Sections 57-8a-101, *et. seq.* Declarant will develop and convey all of the Lots within the Subdivision subject to a general plan of development, and subject to certain protective covenants, conditions, restrictions and easements, as set forth in this Declaration, as amended from time to time, which are deemed to be covenants running with the land mutually burdening and benefitting each of the Lots within the Subdivision. Common Areas and Limited Common Areas are those areas that are depicted in the recorded Plat(s), as amended, and as described in this Declaration.

(D) Declarant has deemed it desirable, for the efficient preservation of the values and amenities of the Property, to create an entity which possesses the powers to maintain and administer the Common Areas and Limited Common Areas and otherwise administer and enforce the provisions of this Declaration. For such purposes, contemporaneously with the recording of this Declaration, Declarant will register with the Utah Department of Commerce The Villas at Sleepy Ridge Homeowners Association, Inc. (the "Association").

(E) Declarant reserves the right to develop additional phases within the Undeveloped Land, which Subdivision does not constitute a cooperative.

(F) The Association is governed by the terms of this Declaration, the Articles of Incorporation for The Villas at Sleepy Ridge Homeowners Association, Inc., and the Bylaws for The Villas at Sleepy Ridge Homeowners Association, Inc. ("Bylaws"), which Bylaws are attached hereto as **Exhibit A** and shall be recorded in the Utah County Recorder's Office contemporaneously with the recording of this Declaration.

(G) Declarant declares that the Property shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied, and improved, subject to the following easements, restrictions, covenants, conditions and equitable servitudes, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of the Property, in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Property or any portion thereof. The covenants, conditions, restrictions, reservations, easements and equitable servitudes set forth herein shall run with each Lot located on the Property, including any additions thereto, and shall be binding upon all persons having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns and shall inure to the benefit of every portion of the Property and any interest therein; and shall inure to the benefit of and be binding upon Declarant, and its successors in interest; and may be enforced by the Declarant, any Owner and its successors in interest and by the Association.

(H) Notwithstanding the foregoing, no provision of this Declaration shall prevent the Declarant from doing any of the following, which shall be deemed to be among Declarant's reserved rights in addition to such rights as may be described elsewhere in this Declaration: (1) installation and completion of the Subdivision Improvements; (2) use of any Lot owned by the Declarant as a model home, or for the placement of a temporary construction or sales office; (3) installation and maintenance of signs incidental to sales or construction which are in compliance with applicable City or County ordinances; and (4) assignment of Declarant's rights under this Declaration in whole or part; and (5) retention of Declarant's rights with respect to subsequent phases of the Subdivision. This Declaration shall be binding upon the Declarant, as well as its successors in interest, and may be enforced by the Declarant or the Association. A supplemental declaration, with such modifications or supplemental provisions as may be deemed appropriate

by Declarant on a phase-by-phase basis, may be recorded to address differences in the circumstances affecting any Lots to be constructed after the initial phase.

## COVENANTS, CONDITIONS AND RESTRICTIONS

### ARTICLE I DEFINITIONS

1.0 Unless the context clearly requires the application of a more general meaning, the following terms, when used in the Declaration, shall have the following meanings:

(A) “Act” means the Community Association Act, Utah Code Ann. Sections 57-8a-101 *et. seq.*

(B) “Assessment” shall mean any monetary charge, fine or fee imposed or levied against an Owner by the Association, as provided in the Governing Documents, regardless of whether said assessment is identified as a regular assessment, special assessment, individual assessment, reserve assessment, capital improvement assessment, late fee or other charge.

(C) “Articles” shall mean the Articles of the Association, as amended from time to time.

(D) “Association” shall mean THE VILLAS AT SLEEPY RIDGE HOMEOWNERS ASSOCIATION, INC., and as the context requires, the officers or directors of that Association.

(E) “Board” or “Board of Directors” shall mean the duly elected and acting Board of Directors of THE VILLAS AT SLEEPY RIDGE HOMEOWNERS ASSOCIATION, INC.

(F) “Bylaws” shall mean the Bylaws of the Association, as amended from time to time, a copy of which is attached hereto as **Exhibit “A.”**

(G) “City” shall mean Orem, Utah and its appropriate departments, officials and boards.

(H) “County” shall mean Utah County, Utah and its appropriate departments, officials and boards.

(I) “Common Areas” shall mean all property designated on the recorded Plat(s) as Common Area, being intended ultimately to be owned by the Association for the common use and enjoyment of all Owners, together with all improvements thereon and all of the easements appurtenant thereto, including any private streets in the Project, which may be narrower than the

public roadways and which service some or all of the Lots within the Subdivision. The Association shall maintain the Common Areas.

(J) “Common Expenses” means any and all costs, expenses and liabilities incurred by or on behalf of the Association, including, without limitation, costs, expenses and liabilities for (A) managing, operating, insuring, improving, repairing, replacing and maintaining the Common Areas; (B) providing facilities, services and other benefits to Owners as set forth in this Declaration; (C) administering and enforcing the covenants, conditions, restrictions, reservations and easements created hereby; (D) levying, collecting and enforcing the assessments, charges, fines, penalties and liens imposed pursuant hereto; (E) operating the Association; and (F) creating reserves for any such costs, expenses and liability as required by this Declaration or the Act.

(K) “Declarant” shall mean and refer to The Villas at Sleepy Ridge Townhomes, LLC, a Utah limited liability company, and its successors and assigns.

(L) “Declaration” shall mean this Declaration of Covenants, Conditions and Restrictions for The Villas at Sleepy Ridge, a Planned Unit Development, together with any subsequent amendments or additions through supplemental declarations.

(M) “Dwelling” shall mean the single family residence built or to be built on any Lots, including the attached garage.

(N) “Governing Documents” shall mean this Declaration, Bylaws, Articles, Rules, and any other documents or agreements binding upon an Owner.

(O) “Improvement” shall mean all structures and appurtenances of every type and kind, including but not limited to buildings, dwellings, garages, walkways, retaining walls, driveways, fences, landscaping, decks, stairs, poles, lighting, signs, satellite dishes or other antennas, and any mechanical equipment located on the exterior of any building.

(P) “Limited Common Areas” shall mean all property designated on the recorded Plat Map(s), or as described in this Declaration as Limited Common Area, being intended ultimately to be owned by the Association but for the exclusive use and enjoyment of one or more appurtenant Lots but fewer than all of the Lots, including but not limited to: private driveways and private patio/deck areas, as depicted on the Plat.

(Q) “Limited Common Expenses” shall be the cost and expense associated with the maintenance and repairs to Limited Common Areas and shall be paid by the Owner(s) of the Lot(s) to which the Limited Common Area is appurtenant. All repairs or replacements, including replacement to any structural elements, including but not limited to private driveways and

private patio/deck areas will be the responsible of the Owner whose Lot is appurtenant to the Limited Common Area.

(R) "Lot" or "Unit" shall mean any numbered building Lot shown on any official and recorded Plat(s) of all or a portion of the Project, whether or not it contains an Improvement.

(S) "Manager" shall mean any entity or person engaged by the Board of Directors to manage the Project.

(T) "Member" shall mean and refer to every person who holds membership in the Association, including an Owner and the Declarant as set forth herein.

(U) "Owner" shall mean the person or persons having title to any Lot. Owner shall mean the person holding fee simple title, including the Declarant, and buyers under any contract for deed, but shall exclude any person or entity holding title for purposes of securing performance of any obligations, including the trustee and/or beneficiary under a deed of trust or mortgagee under a mortgage.

(V) "Party Wall" shall have the meaning set forth in the Declaration.

(W) "Person" shall mean a natural person or any legal entity with a right to hold title to real property in its own name in the State of Utah.

(X) "Plat(s)" shall mean an official and recorded plat of The Villas at Sleepy Ridge, as approved by the City and recorded in the office of the Utah County Recorder, as it may be amended from time to time. The Plat(s) is attached hereto as **Exhibit "B."**

(Y) "Property" shall have the meaning set forth in the recitals.

(Z) "Rules" mean any instrument adopted by the Board for the regulation and management of the Association as provided in the Governing Documents.

(AA) "Subdivision" or "Project" shall mean all phases of The Villas at Sleepy Ridge and all Lots, and other property within the Subdivision, as shown on the Plat(s) and any future Plat(s) covering the Property and Undeveloped Land.

(BB) "Subdivision Improvements" shall mean all improvements to be installed outside the boundaries of Lots or within easements as identified on the Plats that are necessary to provide public road access and/or private road access and utility service to the Lots, and including other construction work required to comply with any conditions of City or County or other governmental agencies to the approval of the Subdivision or any Plat(s) thereof.

(CC) "Undeveloped Land" shall, at any point in time, mean real property adjacent to the Property, including but not limited to the real property described in **Exhibit "C"** attached hereto, which may be developed on a phase-by-phase basis, in Declarant's sole discretion.

**ARTICLE II**  
**EASEMENTS, RIGHTS & RESPONSIBILITIES**

2.1 Easement Concerning Common Area. Each Owner shall have a nonexclusive right and easement of use and enjoyment in and to the Common Area. Such right and easement shall be appurtenant to and shall pass with title to each Lot and in no event shall be separated therefrom, or encumbered, pledged, assigned or otherwise alienated by an Owner. Any Owner may temporarily delegate the right and easement of use and enjoyment described herein to any family member, household guest, tenant, lessee, contract purchaser, or other person who resides on such Owner's Lot. Notwithstanding the foregoing, no Owner shall have any right or interest in any easements forming a portion of the Common Area except for the necessary parking, access, and utility easements for use in common with others.

2.2 Easement Concerning Limited Common Area. The Association shall have a non-exclusive drainage and public utility easement and an easement for maintenance in and to the Limited Common Area. With the exception of the rights and easements granted to the Association, the Owner(s) of a Lot shall have the exclusive use of all Limited Common Area appurtenant to their Lot.

2.3 Limitation on Easement. An Owner's right and easement of use and enjoyment concerning the Common Area shall be subject to the following:

(a) The right of the Association to govern by Rules the use of the Common Area for the Owners so as to provide for the enjoyment of said Common Areas by every Owner in a manner consistent with the preservation of quiet enjoyment of the Lots by every Owner, including the right of the Association to impose reasonable limitations on the number of guests per Owner who at any given time are permitted to use the Common Area;

(b) The right of the Association to suspend an Owner's right to the use of the Common Areas, or any amenities included therein, for any period during which an Owner is in violation of the terms and conditions of the Governing Documents or delinquent in the payment of a levied assessment or fee.

(c) The right of the City, County, and any other governmental or quasi-governmental body having jurisdiction over the Property, to enjoy access and rights of

ingress and egress over and across any street, parking area, walkway, or open area contained within the Common Areas for the purpose of providing police and fire protection, transporting school children, utility access/installation, and providing any other governmental or municipal service; and

(d) Following the Class B Control Period, the right of the Association to dedicate or transfer any part of the Common Areas to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the Association, provided that such dedication or transfer must first be assented to in writing by the Owners of at least seventy-five percent (75%) of the Lots. Further, no such dedication or transfer may take place without the Association first receiving written approval from the Declarant during the Class B Control Period and the City and/or County pursuant to all applicable state and city laws, rules and ordinances in effect at the time of such proposed dedication or transfer.

2.4 Reservation of Access and Utility Easements. Declarant hereby reserves an easement for access and utilities (including but not limited to: electrical, gas, communication, phone, internet, cable, sewer, drainage and water facilities) over, under, along, across and through the Property, together with the right to grant to a City and County, or any other appropriate governmental agency, public utility or other utility corporation or association, easements for such purposes over, under, across, along and through the Property upon the usual terms and conditions required by the grantee thereof for such easement rights, provided, however, that such easement rights must be exercised in such manner as not to interfere unreasonably with the use of the Property by the Owners and the Association and those claiming by, through or under the Owners or the Association; and in connection with the installation, maintenance or repair of any facilities as provided for in any of such easements, the Property shall be promptly restored by and at the expense of the person owning and exercising such easement rights to the approximate condition of the Property immediately prior to the exercise thereof. Each Owner in accepting the deed to a Lot expressly consents to such easements and rights-of-way and authorizes and appoints the Association as attorney-in-fact for such Owner to execute any and all instruments conveying or creating such easements or rights-of-way.

2.5 Easements for Encroachments. If any part of the Common Areas and Limited Common Areas as improved by Declarant now or hereafter encroaches upon any Lot or if any structure constructed by Declarant on any Lot now or hereafter encroaches upon any other Lot or upon any portion of the Common Area and Limited Common Areas, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. If any structure on any Lot shall be partially or totally destroyed and then rebuilt in a manner intended to duplicate the structure so destroyed, minor encroachments of such structure upon any other Lot or upon any portion of the Common Area and Limited Common Areas due to such



reconstruction shall be permitted; and valid easements for such encroachments and the maintenance thereof, so long as they continue, shall exist.

2.6 Easements for Construction and Development Activities. Declarant reserves easements and rights of ingress and egress over, under, along, across and through the Property and the right to make such noise, dust and other disturbance as may be reasonably incident to or necessary for the (a) construction of Dwellings on Lots, (b) to maintain sales or leasing offices, management offices and models throughout the Project and to maintain one or more advertising signs on the Common Area with respect to the sales of Lots, or other property in the Project or within the Undeveloped Land, (c) improvement of the Common Area and Limited Common Area, and construction, installation and maintenance thereon of roadways, walkways, buildings, structures, landscaping, and other facilities designed for the use and enjoyment of some or all of the Owners, and (d) construction, installation and maintenance on lands within, adjacent to, or serving the Property of roadways, walkways, and other facilities, planned for dedication to appropriate governmental authorities.

2.7 Easement in Favor of Association. The Lots, Common Area and Limited Common Area are hereby made subject to the following easements in favor of the Association and its directors, officers, agents, employees and independent contractors:

(a) For inspection during reasonable hours of the Lots, Common Area and Limited Common Area in order to verify the performance by Owners or other persons of all items of maintenance and repair for which they are responsible;

(b) For inspection, maintenance, repair and replacement of portions of the Common Area and Limited Common Area;

(c) For correction of emergency conditions on one or more Lots or on portions of the Common Area and Limited Common Area;

(d) For the purpose of enabling the Association, the Architectural Review Board or any other committees appointed by the Association to exercise and discharge during reasonable hours their respective rights, powers and duties;

(e) For inspection during reasonable hours of the Lots, Common Area and Limited Common Area in order to verify that the Owners and occupants, and their guests, tenants and invitees, are complying with the provisions of the Governing Documents.

2.8 Long Term Storm Water Management Plan. The Association is subject to a Long Term Storm Water Management Plan ("Water Management Plan"), dated September 19, 2016, entered into between the Association and City for the management of

storm water. The Association is responsible for implementing and abiding by the standard operating procedures within the Water Management Plan. Likewise, Owners should be familiar with the Water Management Plan and shall not engage in any conduct that is in violation of the Water Management Plan.

### ARTICLE III COMMON AREAS

3.1 The Common Areas shall be and are hereby conveyed to the Association, a Utah non-profit corporation, subject to this Declaration and subject to all easements as set forth in this Declaration.

3.2 The Common Areas consist of areas designated as Common Areas on the recorded Plat(s), including any structures related to the operation or maintenance of the Common Areas, together with any rights of way and utilities, as shown on the recorded Plat(s).

3.3 Notwithstanding anything contained in this Declaration to the contrary, all Common Areas appurtenant to each recorded Plat of the Project shall be conveyed to the Association upon recordation of a Plat depicting such Common Areas, reserving all easements as set forth in this Declaration. The Association shall maintain the Common Areas.

3.4 Except as otherwise provided in this Declaration, the Association, or its duly designated agent, shall maintain all Common Areas, including, without limitation, the improvements and landscaping located thereon in good order and repair and shall otherwise manage and operate all Common Areas as it deems necessary and appropriate. The Association shall have the authority to assess its members for the costs of said maintenance in accordance with the terms of this Declaration.

### ARTICLE IV LIMITED COMMON AREAS

4.1 The Limited Common Areas shall be and are hereby conveyed to the Association, a Utah non-profit corporation, subject to this Declaration and subject to all easements as set forth in this Declaration.

4.2 The Limited Common Areas consists of the areas designated as Limited Common Areas on the recorded Plat(s), or described in this Declaration, for the exclusive use of one or more appurtenant Lots but fewer than all of the Lots including the private driveways and patios/decks that are appurtenant to the individual Lots.

4.3 Notwithstanding anything contained in this Declaration to the contrary, all

Limited Common Areas depicted in each recorded Plat(s) of the Project shall be conveyed to the Association upon recordation of the Plat(s) depicting such Limited Common Areas, reserving all easements as set forth in this Declaration. Owners shall maintain the Limited Common Areas.

**ARTICLE V**  
**PARTY WALLS**

5.1 General Rules of Law to Apply. Each wall which is built as a part of the original construction of a Dwelling within the Project and placed on the dividing line between two Dwellings shall constitute a Party Wall, and, to the extent not inconsistent with the provisions of the Act, the general rules of law regarding Party Walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

5.2 Repair and Maintenance. Each Dwelling that shares one or more Party Wall(s), will also share elements of a common roof, a common exterior wall, or other common exterior elements with adjacent Dwelling(s). The Owners acknowledge that certain repairs or maintenance to Dwellings with a Party Wall(s) may become necessary, which repairs or maintenance cannot be performed on one Dwelling only, but may necessarily involve the other attached Dwellings. Therefore, all repairs to the roof and exterior walls of all Dwellings will be made by the Association.

5.3 Insurance. The existence of Party Walls within the Project will require blanket property insurance coverage as required by the Governing Documents and/or Act.

**ARTICLE VI**  
**MAINTENANCE OF COMMON AREAS, LIMITED COMMON AREAS, & LOTS**

6.1 Maintenance by the Association. The Association shall furnish and be responsible for, at the Association's expense, the maintenance, repair and replacement of the following:

- (a) Asphalt repair, maintenance and replacement of private roads within the Project;
- (b) General landscape and sprinkler maintenance, including the repair, maintenance and replacement of existing sprinkler systems and landscaping within the Project that have not been modified by an Owner;
- (c) Repair, maintenance and replacement of fencing within the Project that has not been modified or added to by an Owner.

(d) The Association shall make reasonable and prudent efforts to contract with a third party for the removal of snow from sidewalks, driveways and other relevant Common Areas within the Project. Owners shall be responsible for removing snow from entryways, porches, patio areas, and other applicable areas on their Lot. Owners shall be responsible and take reasonable precautions with respect to ice and ice accumulation. The work of removing snow will be delegated to a third party, who will utilize its discretion in the frequency of the snow removal and the amount of accumulation meriting removal. The Association shall not be responsible or liable for said third party's discretion and removal of snow.

(e) Light Poles;

(f) Community mailboxes;

(g) Walkways and sidewalks that serve more than one Lot and are not the responsibility of the City or County; and

(h) Private utility lines/infrastructure that serves more than one Lot and are not the responsibility of the City or County;

Dwellings: The Association will maintain, including repair and replacement the following items associated with those Dwellings:

(a) Roofs, and rain gutters;

(b) Foundations (excluding any concrete pad within a Dwelling);

(c) Structural components, framing, and insulation in Party Walls, any exterior or bearing walls, and walls that are common to two or more Dwellings;

(d) Sewer and drainage pipes, water, and utility lines to the extent said utilities serve two or more Dwellings and are not the responsibility of the City or County; and

(e) Outside exterior surfaces of Dwellings.

6.2 Owner's Responsibility for Maintenance of Dwellings & Limited Common Areas. Each Owner, at such Owner's sole cost and expense, shall maintain and/or replace such Owner's Dwelling and the Improvements constituting a part thereof, in good order and repair, including:

(a) Concrete driveway maintenance and replacement;

(b) Entryways, decks, patios, porches;

- (c) All interior and exterior doors, including frames, locks, hinges, door jams and garage doors;
- (d) Finished interior of the Dwelling, including: flooring, tiles, wallpaper, paint, carpet, wood, fireplaces, other material comprising finished interior floors, walls or ceilings;
- (e) Framing and insulation associated with interior walls;
- (f) Drywall, wallboard and similar materials within a Dwelling;
- (g) Skylights, windows, window wells, window sills, window frames, shutters, glass, screens, and patio doors;
- (h) Sewer and drainage pipes, wiring, power, water and other utility lines to the extent located within an Owner's Dwelling or serves on that Owner's Dwelling;
- (i) Concrete pads within Dwelling(s) or garage(s);
- (j) Plumbing fixtures, fans, stoves, refrigerators, appliances, heaters, furnaces, fireplaces, vents, chimneys, HVAC systems, compressors, condensers, ducting, air conditioning, water spigots, lighting fixtures, pipes, and similar appliances, fixtures and pipes that exclusively serve an Owner's Dwelling(s);
- (k) All other items that are owner improvements, including solar panels, awnings, attic vents, and roof-mounted equipment and devices (and necessary attachments and water seals therefore); and
- (l) Any of the following located wherever they might be located (inside or outside of the Dwelling) that serve an Owner's Dwelling exclusively: lighting fixtures (including lighting attached to exterior walls, but not including Association security lights), fans, plumbing fixtures (other than pipes located outside of a Dwelling and that do not exclusively serve that Dwelling), stoves, refrigerators, hot water heaters, air conditioning units (including compressors, condensers, ducting, and forced air units), intercoms, security systems, water spigots and bibs, vents, chimneys and fireplaces, and such other appliances, cabinets, fixtures, and decorations as an Owner may install as permitted in this Declaration.

6.3 Maintain in Clean Condition. The Owner shall be responsible for keeping the Dwelling and Improvements thereon in a clean and sanitary condition, free of pests and rodents, and uncluttered. The Board of Directors may set forth in the Rules any limits, restrictions, or guidelines on what may or may not be left, stored, or installed in any Dwelling, which may include a prohibition on leaving, installing or storing any items in such places;

6.4 Repairs by Association. In the event that an Owner permits his Dwelling or Improvements to fall into a state of disrepair that is dangerous, unsafe, unsanitary or unsightly condition or fails to comply with any other covenant or restriction in violation of this Declaration, the Association may give written notice to the Owner describing the condition complained of and demand that the Owner correct the condition within 30 days. If the Owner fails to take corrective action, the Association shall have the right, but not the obligation, to enter

upon the offending Owner's Lot and take corrective action to abate the condition. All costs of abatement shall be charged to the Owner, who agrees to promptly pay the reasonable costs of any work performed under this provision. In addition, each Owner hereby grants to the Association a lien on the Lot and any improvements to secure repayment of any sums advanced pursuant to this section, which lien may be foreclosed at any time by the Association in the manner prescribed in Utah for the foreclosure of mortgages. Alternatively, without requiring foreclosure, the Association may seek collection of sums advanced directly from the Owner of the Lot in question. Unpaid amounts will bear interest from the date advanced at the lawful judgment rate under applicable state law.

6.5 Alterations of Exterior Appearance. The Owners will maintain their Lots and Improvements in substantially the same condition and appearance as that approved by the Board. No subsequent exterior alterations, improvements or remodeling, whether structural or changes in landscaping, paint color or materials will be made without the advance consent of the Board.

6.6 Repair Following Damage. In the event of casualty loss or damage to the improvements, the Owner will be entitled to reconstruct the Improvements as they existed prior to the damage or loss without review by the Board, provided however that alterations or deviations from the original approved plans will require review. Nothing in this Declaration is intended to prevent an Owner who has suffered property damage or loss from taking temporary measures to secure the property and prevent injury or dangerous conditions following loss or damage, before re-construction begins. Such temporary measures may be taken without the consent or approval of the Board, provided that any such measure must be of a temporary nature, and repair or reconstruction must begin as soon as circumstances will permit. No damaged structure will be permitted to remain on any Lot for more than 90 days without repairs commencing and any damaged structure which does remain unrepaired after 90 days following the occurrence of damage is deemed a nuisance which may be abated by the Association.

## ARTICLE VII MEMBERSHIP

7.1 Membership in the Association shall at all times consist exclusively of the Owners and the Declarant. Each Owner shall be a member of the Association so long as such Owner has an ownership interest in a Lot and such membership shall automatically terminate when the Owner cease to have an ownership interest in the Lot. Upon the transfer of an ownership interest in a Lot the new Owner succeeding to such ownership interest shall likewise succeed to such membership in the Association. If titled ownership to a Lot is held by more than one Person, the membership appurtenant to that Lot shall be shared by all such Person in the same proportional interest and by the same type of tenancy in which title to the Lot is held. Declarant is also considered a Member and shall also be granted voting rights as a Class "B" member, as defined below.

**ARTICLE VIII**  
**VOTING**

8.1 The Association shall have two (2) classes of voting membership, Class "A" and Class "B", as follows:

(A) Class "A". Class "A" Members shall be all Owners with the exception of Class "B" membership, if any. Class "A" membership shall be entitled to one (1) equal vote for each Lot in which they are an Owner. Since an Owner may be more than one Person, if only one of such Person(s) is present at the meeting of the Association that Person shall be entitled to cast all votes appertaining to that Lot. But if more than one of such Person(s) is present, the votes appertaining to that Lot shall be cast only in accordance with the agreement of a majority of them, and such consent shall be conclusively presumed if any one of them purports to cast the votes appertaining to that Lot without protest being made forthwith by any of the others to the person presiding over the meeting. The votes appurtenant to any one Lot may not be divided between Owners of such Lot or with respect to matters before the Association, and all such votes appurtenant to any one Lot shall be voted in one block. If the vote of a majority of the owners of a Lot cannot be determined, no vote shall be cast in relation to such Lot.

(B) Class "B". The Class "B" Member shall be Declarant. In all matters requiring a vote, the Class "B" membership shall receive twenty (20) votes for each recorded Lot owned by Declarant and twenty (20) votes for each acre of property owned by Declarant within the Undeveloped Land but not yet a recorded Plat. The Class "B" membership shall also be entitled to appoint the members of the Board and Association during the Class "B" Control Period.

**ARTICLE VIX**  
**CONTROL PERIOD**

9.1 The Class "B" Control Period runs until ninety (90) days after the first to occur of the following:

(A) When the total number of votes for the Class B Member is less than the total number of votes for the Class A Members; or

(B) When, at its discretion, the Class B Member so determines.

9.2 Notwithstanding anything to the contrary in this Declaration, Declarant may

exercise its discretionary termination of control in whole or in part as to any portion of the Subdivision at its sole election and determination. In doing so as to a portion of the Subdivision, it does not waive any reversionary or remaining control as to all other portions of the Subdivision, the control of which is not expressly terminated by Declarant.

## ARTICLE X ANNEXATION

10.1 Annexation. Additional phases of Subdivision may be added to the Property pursuant to the following procedures, and subject to the limitations as follows:

10.2 Annexation by Declarant. Declarant may from time to time expand the Property subject to this Declaration by the annexation of all or part of the lands initially constituting the Undeveloped Land. The annexation of any such land shall become effective upon the recordation in the office of the County Recorder of Utah County, Utah, of a subdivision plat covering the land to be annexed and, if applicable, may record a supplemental declaration when additional limitations, restrictions, covenants and conditions as are applicable to the annexed land. When any such annexation becomes effective, the annexed land shall become part of the Subdivision and subject to this Declaration.

10.3 Annexation by the Association. Following the Class B Control Period, the Association may annex land to the Subdivision by obtaining approval of such annexation from (a) the owner or owners of the land to be annexed and (b) 67% of the Owners. Nothing in this paragraph shall be construed to require any prior approval for, or to limit or present, any annexation performed by Declarant, so long as such annexation satisfies the limitations set forth herein.

10.4 No Obligation to Annex or Develop. Declarant has no obligation hereunder to annex any additional land to the Subdivision or to develop or preserve any portion of the Undeveloped Land in any particular way or according to any particular time schedule. No land other than the Property as defined on the date hereof and land annexed thereto in accordance with the terms of this Declaration shall be deemed to be subject to this Declaration, whether or not shown on any subdivision plat or map filed by Declarant or described or referred to in any documents executed or recorded by Declarant.

## ARTICLE XI HOMEOWNER ASSOCIATION

11.1 Organization. The Association has been created to effectively enforce the Governing Documents and shall operate as a non-profit corporation. The Association shall be comprised of the Owners within the Project, and is established for the benefit of the Owners and



the enforcement of the Governing Documents. Membership in the Association is deemed an appurtenance to the Lot, and is transferable only in conjunction with the transfer of the title to the Lot. The Association shall serve as the organizational body for all Owners.

11.2 Enforcement Powers. The Association shall have all powers granted to it by the Governing Documents and the Act to enforce these covenants and restrictions by actions in law or equity brought in the name of the Association, and the power to retain professional services needed to the enforcement of the Governing Documents and to incur expenses for that purpose, including but not limited to: (1) record, lien, foreclose and other enforcement and collection actions against an Owner and their Lot; (2) initiate legal or similar proceedings; (3) impose fines; (4) collect any rents directly from tenant for past due assessments; (5) terminate an Owners' right to receive utility service paid as a common expense (with the exception of water, sewer, power and natural gas); (6) terminate an Owner's right to utilize Common Area and/or amenities; and (7) any other action or remedy allowed by the Governing Documents or Utah law.

(a) The Association shall have the exclusive right to initiate enforcement actions in the name of the Association. The Association may appear and represent the interest of the Project at all public meetings concerning zoning, variances, or other matters of general application and interest to the Owners.

(b) The Association shall have the authority to initiate and compromise claims and litigation on behalf of the Association resulting from the enforcement of the Governing Documents. In the event that the Association initiates legal action against a specific Owner or Owners to enforce these Governing Document, whether or not such action results in the commencement of a formal legal proceeding, the Association shall have the right to assess the costs of such litigation, dispute, or enforcement action, including reasonable attorney fees, against the Owner(s) or Lot(s) in question and collect those assessment in any manner authorized in the Governing Documents or Utah law.

(c) The Board shall be afforded discretion to utilize its reasonable judgment to determine whether and how to: impose fines, record liens, pursue legal action; otherwise enforce the Governing Documents; or when and how to settle or compromise claims.

11.3 Assessments. Assessments will be made to meet the anticipated and recurring costs, expenses and Common Expenses of the Association. The Association has the power to levy assessments against each Lot as necessary to carry out its functions. Assessments shall be levied against all Lots in the Property, whether vacant or improved. Each Owner shall by acquiring or in any way becoming vested with his/her interest in a Lot, be deemed to covenant and agree to pay to the Association the assessments described in these covenants, together with late payment fees, interest and costs of collection (including reasonable attorney fees), if and when applicable.

(a) All such amounts shall be, constitute and remain: (a) a charge and continuing lien upon the Lot with respect to which such assessment is made until fully paid; and (b) the personal, joint and several obligations of the Owner or Owners of such Lot at the time the assessment fails due. No Owner may exempt himself or his Lot from liability for payment of assessments by waiver of his rights in the Common Areas or by abandonment of his Lot. In a voluntary conveyance of a Lot, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments, late payment fees, interest and costs of collection (including reasonable attorney fees) which shall be a charge on the Lot at the time of the conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor.

(b) The Association may levy special assessments for the purpose of defraying, in whole or in part any expense or expenses not reasonably capable of being fully paid with funds generated by other assessments. No special assessment will be levied without approval of a majority of a quorum of the Owners at a Special or Regular Meeting, or upon the written consent of a majority of Owners.

(c) In addition, the Association may levy individual assessments on every Lot, Owner or occupant that shall cause any damage to the Project or otherwise causes the Association to incur any individual expense for maintenance, repairs, or enforcement action taken under the provisions of the Governing Documents. The amount of any such individual assessments shall be determined by the cost of such repairs, maintenance or enforcement action, including all overhead and administrative costs (including reasonable attorney fees), and shall be allocated among the affected Owner(s) or Lot(s) according to the cause of damage, maintenance, repair work or enforcement action, as the case may be, which individual assessment may be levied in advance of the performance of work.

(d) The Association may levy a reserve fund assessment, as set forth in this article.

(e) The Association may levy other assessments or fees, as authorized by the Governing Documents.

11.4 Budget. The Board is authorized and required to adopt a budget for each fiscal year.

(a) The Board may revise the approved budget from time to time as necessary to accurately reflect actual and/or anticipated expenses that are materially greater than previously budget.

(b) Unless otherwise established by the Board, regular Assessments shall be paid in equal monthly installments.

11.5 Reserve Fund Analysis. Following the Class B Period, the Board shall cause a reserve analysis to be conducted no less frequently than every six (6) years to analyze the cost of repairing, replacing or restoring Common Area that have a useful life of three years or more and a remaining useful life of less than 30 years. This reserve analysis should be reviewed no less frequently than every three (3) years and updated if necessary. The Board may conduct a reserve analysis itself or may engage a reliable person or organization, as determined by the Board, to conduct the reserve analysis.

11.6 Reserve Fund Account Creation. The Board shall create a reserve fund account that is separate and distinct from the Association's general account, which account shall be funded from the reserve fund assessments. The amount of the reserve fund assessment shall be a separate line item in the approved budget. The Board shall cause an assessment to be made against all Owners in an amount sufficient, within the Board's discretion, to fund the reserve account.

11.7 Reinvestment Fee. The Board shall have power to levy a one-time reinvestment fee when a change in ownership of a Lot occurs in the amount of \$300.00, unless a different amount is adopted by the Board.

11.8 Date of Commencement of Assessments. Assessments provided for herein shall commence as to each Lot on the first day of the first month following the effective date of the first budget. Assessments shall be due and payable in a manner and on a schedule, as the Board may provide. Notwithstanding, Assessments for those Lots owned by Declarant or its assigns, successors, subsidiaries, related construction entities, or other entities established by Declarant, or Declarant's members, for the purpose of constructing Dwellings on the Lot (collectively "Declarant Related Entities") shall not commence until the completed Dwelling is conveyed to an Owner that is not the Declarant or a Declarant Related Entity. No amendment of this Declaration changing the allocation ratio of such assessments shall be valid without the consent of the Declarant and Declarant Related Entity that owns a Lot adversely affected

11.9 Fines. Following notice as required by the Act, the Association shall have the power to assess a fine against an Owner (or their Lot) for a violation of the terms and conditions of the Governing Documents in an amount set by the Board.

11.10 Hearing Process. The Board shall have authority to create a reasonable hearing process, consistent with the Act, applicable when the Association takes an adverse action related to any particular Owner(s).

11.11 Association Rules. The Board from time to time and subject to the provisions of the Governing Documents, may adopt, amend, repeal and enforce Rules governing: (a) the use of the Common Areas and Limited Common Areas; (b) the use of any facilities owned by the Association; (c) the collection and disposal of refuse; (d) the maintenance of animals in the Project; (e) collection policies and procedures; and (f) other matters concerning the use and enjoyment of the Property and the conduct of residents, as deemed necessary by the Board. The Rules may supplement, clarify and add detail to issues addressed in Governing Documents. However, the Rules may not contradict the Governing Documents.

(a) During the Class B Period, Declarant shall be exempt from the rule making procedure required by Utah Code § 57-8a- 217.

11.12 Statement of Account & Payoff Information. Upon a written request from an Owner that the Association provide the Owner with a statement of his/her account, the Association may charge a fee, not to exceed \$10.00, for providing such statements. In addition, when a request is made to the Association to provide payoff information needed in connection with the financing, refinancing, or closing of a Lot Owner's sale of his/her Lot, the Association may charge a fee not to exceed \$50.

11.13 Availability of Documents. The Association shall make appropriate documents available to Owners (and their lenders, insurers and/or authorized agents) consistent with the Act and the Utah Revised Non-Profit Act. The Board may adopt a record retention policy to govern its record retention procedures.

11.14 Indemnity of Association Board and Officers. The Association will indemnify the officers, agents and Board of the Association against any and all claims arising against them personally which are a result of the good faith exercise of the powers, duties and responsibilities of their office under the Governing Documents.

11.15 Election, Notice of Election, Notice of Meeting and Special Meetings. Election procedures and notice of any meeting shall be conducted as set forth in the Articles of Incorporation and Bylaws of the Association.

11.16 Number of Board, Term of Office. The appointment, election and term of the Members of the Board are set forth in the Bylaws and Articles. Members of the Board of Directors may serve consecutive terms, and may also serve as officers of the Association.

11.17 Independent Accountant/Bookkeeper. The Association may retain the services of an independent accountant or bookkeeper to assist the Board of Directors and officers to maintain accurate financial records of the Association.

**ARTICLE XII**  
**NONPAYMENT OF ASSESSMENTS & THE APPOINTMENT OF TRUSTEE**

12.1 Delinquent Assessment. Any assessment not timely paid shall be delinquent, and the Association may invoke any and all remedies to recover said delinquent assessments including by: suit, judgment, lien, foreclosure, or other remedy authorized by the Governing Documents or the Act.

12.2 Due Date, Charges & Interest. Unless otherwise established by the Board, monthly assessments shall be due and payable on the first of each month and late if not received by the 10 of each month. The Board may charge a late fee in an amount set by the Board, but not to exceed \$50, for each unpaid or late assessment. In addition to late fees, interest shall accrue on all unpaid balances, including prior, unpaid interest and attorney fees (resulting in compounding interest), late fees, and assessments at 18% per annum or 1.5% per month. The Board may also impose other reasonable charges imposed by a Manager related to collections.

12.3 Lien. Upon recording of a notice of lien on any Lot, there shall exist a perfected lien for unpaid assessments prior to all other liens, except: (1) all taxes, bonds, assessments, and other levies which by law would be superior thereto; and (2) the lien or charge of any first or second mortgage of record made in good faith and for value recorded prior to a recorded notice of lien by the Association.

12.4 Foreclosure. The Association shall have the power to bid for the Lot at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which a Lot is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be charged or levied on it; and (c) each other Lot shall be charged, in addition to its usual assessment, its equal pro rata share of the assessment that would have been charged had such Lot not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid assessments and attorney fees shall be maintainable without foreclosing or waiving the lien securing the same.

12.5 Other Remedies. All rights and remedies of the Association shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy. The "One Action Rule" shall not be a defense to the enforcement of all rights and remedies of the Association. The Association may elect to bring an action to recover for a delinquent Assessment against the Owner or other obligee personally. Any attorney fees or costs incurred in these efforts shall also be assessed against the Owner(s), their Lot(s), and/or other obligees jointly and severally.

12.6 Payment by Tenant. The Association shall be entitled to demand and collect from

a tenant of any Lot, the amount of any assessment that is more than sixty (60) days past due.

12.7 Attorney Fees. In addition to the recovery of costs and attorney fees as provided herein, the Association shall be entitled to recover all reasonable attorney fees and costs incurred as a result of an Owner breach of the Governing Documents, including meetings, research, memoranda, monitoring and other legal work incurred in response to an Owner breach or violation of the Governing Documents. These fees may be collected by special or individual assessment against the subject Owner(s) or Lot(s).

12.8 Appointment of Trustee. The Declarant hereby conveys and warrants pursuant to U.C.A. Sections 57-1-20 and 57-8a-402 to Burt R. Willie, Esq., a licensed member of the Utah State Bar, with power of sale, the Lot and all Improvements to the lot for the purpose of securing payment of assessments under the terms of this Declaration.

### **ARTICLE XIII** **SUBORDINATION OF LIEN TO INSTITUTIONAL** **FIRST AND SECOND MORTGAGES**

13.1 The lien of assessments, including interest, late charges (subject to the limitations of Utah law), and costs (including attorney fees) provided for herein, shall be subordinate to the lien of any institutional first or second mortgage of record made in good faith and for value, recorded prior to a recorded notice of lien by the Association. The sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of a prior, recorded institutional first or second mortgage shall extinguish the lien of such assessments as to payments that became due prior to such sale or transfer; provided, that to the extent there are any proceeds of the sale on foreclosure of such mortgage or by exercise of such power of sale in excess of all amounts necessary to satisfy all indebtedness secured by and owed to the holder of such mortgage, the lien shall apply to such excess. No sale or transfer shall relieve such Lot from lien rights for any assessments thereafter becoming due. Where the mortgagee holding an institutional first or second mortgage of record or other purchaser of a Lot obtains title pursuant to remedies under the mortgage, its successors and assigns shall not be liable for the share of the assessments by the Association chargeable to such Lot that became due prior to the acquisition of title to such Lot by such acquirer. No foreclosure, sale or transfer shall relieve any Owner who was the Owner prior to such foreclosure, sale or transfer from personal liability for any assessments due and owing prior to such foreclosure, sale or transfer.

### **ARTICLE XIV** **USE LIMITATIONS & RESTRICTIONS**

14.1 Single Family. All Lots shall be used only for single-family residential purposes, and no more than one Dwelling shall be constructed on any Lot. "Single Family" shall mean one

household of persons related to each other by blood, marriage, adoption, legal guardianship/foster relationship, or one group of not more than three unrelated persons in a two bedroom Dwelling and not more than four unrelated persons in a three bedroom Dwelling.

14.2 Zoning Regulations. The lawfully enacted zoning regulations of the City and/or County, and any building, fire, and health codes are in full force and effect in the Project. No Lot may be occupied in a manner that is in violation of any statute, law or ordinance.

14.3 Licensed Contractor. Unless the Architectural Review Board gives a written waiver of approval to an Owner, no Improvement may be constructed, remodeled or altered on any Lot except by a licensed contractor, duly qualified and licensed by the appropriate governmental authorities.

14.4 No Mining Uses. The property within the Project shall be used for residential purposes only, and no mining, drilling, prospecting, mineral exploration or quarrying activity will be permitted.

14.5 No Business or Commercial Uses. No portion of the Subdivision may be used for any commercial business use, provided, however, that nothing in this provision is intended to prevent (a) the Declarant, or other builders, from using one or more Lots for purposes of a construction office or sales office during the actual period of construction of the Subdivision Improvements or until 100% of the Lots are sold in the Subdivision, whichever occurs later, or (b) the use by any Owner of his Lot for a home occupation pursuant to City or County ordinance. Businesses, professions or trades may not require heavy equipment or create a nuisance within the Project, and may not noticeably increase the traffic flow to the project.

14.6 Restriction on Signs. The Subdivision may be identified by permanent signs to be installed by Declarant, at Declarant's discretion. No signs will be permitted on any Lot or within the Subdivision, except for traffic control signs placed by the City, temporary signs warning of some immediate danger, or signs not in excess of eight square feet identifying the contractor and/or architect of any Dwelling while it is under construction. Signs indicating the Lot is for sale may be placed in accordance with City sign regulations. The Declarant may erect a sign at the entrances to the Subdivision announcing the availability of Lots and giving sales information. No permanent signs stating the address or the name of the owner of any Lot may be installed without the advance consent of the Board.

14.7 Completion Required Before Occupancy. No Dwelling may be occupied prior to its completion and the issuance of a certificate of occupancy by the City and/or County.

14.8 Dwelling to be Constructed First. No garage, out building or other Improvement may be constructed prior to the construction of Dwelling on the Lot.

14.9 Underground Utilities. All gas, electrical, telephone, television, and any other utility lines in the Project are to be underground, including lines within any Lot which service installations entirely within that Lot. No above-ground propane tanks may be installed on any Lot with the exception of average sized barbeque grills.

14.10 Sewer Connection Required. All Lots are served by sanitary sewer service, and no cesspools, septic tanks, or other types of waste disposal systems are permitted on any Lot. All Dwelling must be connected to the sanitary sewer system.

14.11 Drainage. No Owner shall alter the direction of natural drainage from his Lot, nor shall any Owner permit accelerated storm run-off to leave his Lot without first using reasonable means to dissipate the flow energy.

14.12 No Transient Lodging Uses. The Lots are to be used for residential housing purposes only, and shall not be rented in whole or in part for transient lodging purposes, boarding house, a bed and breakfast, or other uses for providing accommodations to travelers. No leases of any Dwelling on a Lot shall be for a period of less than 90 days. No Dwelling on a Lot shall be subjected to time interval ownership.

14.13 Attorney Fees. In addition to the recovery of costs and attorney fees as provided herein, the Association shall be entitled to recover all reasonable attorney fees and costs incurred as a result of an Owner breach of the Governing Documents, including meetings, research, memoranda, monitoring and other legal work incurred in response to an Owner breach or violation of the Governing Documents. These fees may be collected by special or individual assessment against the subject Owner(s) or Lot(s).No Re-Subdivision. No Lot may be re-subdivided.

14.14 Combination of Lots. No Lot may be combined with another Lot.

14.15 Maintenance of Property. All Lots, and the Improvements on them, shall be maintained in a clean, sanitary, attractive and marketable condition at all times. No Owner shall permit his Lot or the Improvements on it to fall into a state of disrepair.

14.16 No Noxious or Offensive Activity. No noxious or offensive activity shall be carried out on any Lot or the Project, including the creation of loud or offensive noises or odors that detract from the reasonable enjoyment of nearby Lots. No Owner or occupant shall engage in activity within the Project in violation of any law, ordinance, statute, rule or regulation of any local, county, state or federal body.

14.17 No Hazardous Activity. No activity may be conducted on any Lot that is, or



would be considered by a reasonable person to be unreasonably dangerous or hazardous, which would cause the cancellation of conventional homeowners' insurance policy. This includes, without limitation, the storage of caustic, toxic, flammable, explosive or hazardous materials in excess of those reasonable and customary for household uses, the discharge of firearms or fireworks, and setting open fires (other than property supervised and contained).

14.18 No Unsightliness. No unsightliness is permitted on any Lot. This shall include, without limitation, the open storage of any building materials (except during construction of an Improvement); open storage or parking of construction equipment; open storage or parking of vehicles, trailers or other pieces of equipment that are unusable, in poor condition or unsightly; accumulations of lawn or tree clippings or trimmings; accumulations of construction debris or waste; and the storage or accumulation of any other material that is unsightly.

14.19 Garbage. All garbage, rubbish, and trash shall be kept in covered containers. In no event shall such containers be maintained so as to be visible for neighboring Lots, roadways and Common Areas. The storage, collection and disposal of garbage, rubbish and trash shall be in strict compliance with applicable laws and the Rules of the Board.

14.20 No Annoying Lights. No outdoor lighting shall be permitted except for lighting that is designed to aim downward and reasonably limit the field of light to the confines of the Lot on which it is installed. This shall not apply to street lighting maintained by the City and/or County. Holiday or seasonal decorative lights, that otherwise comply with the terms of the Governing Documents, are permitted.

14.21 No Annoying Sounds. No speakers, windbells, windchimes, or other noise making devices may be used or maintained on any Lot which creates noise that might reasonably be expected to be unreasonably or annoyingly loud to adjoining Lots, except for security or fire alarms.

14.22 Livestock, Poultry and Pets. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets (maximum of two) may be kept provided that they are not kept, bred or maintained for any commercial purpose and are restricted to the owner's control. "Control" for the above purposes shall only mean on a leash or lead, within a vehicle, within the Dwelling of the Owner, or within confines on the premises of the Owner. Pet owners shall promptly remove and dispose of all excrement emitted by their pets. Fierce, dangerous or vicious animals or animals that cause a nuisance by barking or other offensive activity shall not be permitted. Failure to abide by these conditions shall result in fines as authorized by the Board.

14.23 Landscaping. The Association shall maintain the landscaping in the Project. No Owner shall make any changes to the landscaping with the Project without the prior, written

consent of the Board. Any approved change may result in the Owner (and any future owner) being responsible for the maintenance of the changed landscaping and any resulting increase in costs to landscaping being provided by the Association.

14.24 Fencing. The Association shall maintain, repair and replace the perimeter fencing around the Project. The Association shall maintain, repair and replace any originally installed privacy fences separating the Units. However, if an Owner, after receiving the required written permission from the Association, installs additional 6-foot-tall white vinyl privacy fencing to enclose the patio area, such Owner or future owner shall be responsible for maintenance, repair and replacement of any fencing enclosing the patio area, including the originally installed privacy fences separating the Units.

14.25 Vehicles & Parking The term “vehicle” shall include any and all types of automobiles, equipment, and recreations vehicles including, but not limited to: automobiles, cars, trucks, campers, motorcycles, scooters, atvs, trailers, boats, equipment, side by sides, or similar vehicles and equipment. No vehicles are to be parked or stored on the front or side streets, or lanes in the Project. No vehicles may be parked on driveways or elsewhere in the Project unless they are in running condition, properly licensed, regularly used and in compliance with City and/or County ordinances.

- (i) All Guest parking areas shall be used solely for Guest parking;
- (ii) Garage doors shall remain closed except when the garage is in use; and
- (iii) Vehicles parked in violation of this Declaration may be impounded or towed without further notice, and at the vehicle owner’s sole expense.

Due to safety concerns, any vehicle that is too big to be parked in a garage or driveway (i.e. vehicles cannot extend or overhang onto the sidewalk) cannot be parked in the Project. Vehicles violating these restriction may be fined or towed at vehicle owners or Owner’s expense.

No resident shall repair or restore any vehicles of any kind in, on or about any Lot or the Common Areas, except for emergency repairs, and then only to the extent necessary to enable movement thereof to a proper repair facility. 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 designed and constructed.

The Association reserves the right to adopt Rules relating to the parking of vehicles within the Project including, without limitation: (1) the right to immediately remove or cause to be removed any vehicles that are improperly parked, (2) restrictions on the time period and duration that any guest or visitor parking may be utilized; (3) restrictions or bans on vehicles without Department

of Transportation compliant mufflers and exhaust systems, and (4) the assessment of fines to Owners and occupants who violate such Rules.

14.26 Exterior Antennas and Satellite Dishes. Prior, written approval from the Board as to the location of any new satellite dishes, antennas, cables and related hardware is required.

14.27 Approved Builder. During the Class B Control Period, only contractors approved in advance by Declarant, in its sole discretion, may construct Improvement(s) upon the Lots.

14.28 Firearms, Incendiary Devices and Graffiti. The use of firearms and incendiary devices or the painting or graffiti, within the Project is prohibited. The terms firearms, including but is not limited to all guns, pistols, handguns, rifles, automatic weapons, semi-automatic weapons, BB guns, pellet guns, air-soft guns, sling shots, wrist-rockets, blow-dart guns, and other firearms of all types, regardless of size.

14.29 Temporary Structures. No Owner or resident shall place upon any part of the Project any temporary structures including, but not limited to tents, trailers, or sheds, without the prior written consent of the Board of Directors.

14.30 Energy Conservation Equipment. No solar energy device, solar energy collector panels, other energy conservation equipment or attendant hardware shall be constructed or installed within the Project without the prior written consent of the Board of Directors.

## ARTICLE XV ALTERATION OF EXTERIOR APPEARANCE

15.1 Duty to Maintain. It is the obligation of each Owner to maintain his Lot at all times in order to preserve and enhance the enjoyment of the Project.

15.3 Alterations of Exterior Appearance. The Owners will maintain their Lots and Improvements in substantially the same condition and appearance as constructed. No subsequent exterior alterations, improvements or remodeling, whether structural or changes in landscaping, paint color or materials will be made without the advance consent of the Board.

15.5 Approval by Board Required. Following the completion of original construction, no Improvements of any kind will be made on any Lot without the prior written approval of the Board.

15.6 Exemption of Declarant. At any time during the Class B Control Period, Declarant or Declarant Related Entities need not submit or receive any approval from the Board.

**ARTICLE XVI**  
**INSURANCE**

16.1 Insurance Requirement. The Association shall obtain insurance as required in this Declaration and as required by applicable law. The Association may obtain insurance that provides more or additional coverage than the insurance required in this Declaration. Different policies may be obtained from different insurance carriers and standalone policies may be purchased instead of or in addition to embedded, included coverage, or endorsements to other policies.

As used in this Article:

- (1) "Covered Loss" means a loss, resulting from a single event or occurrence that is covered by the Association's property insurance policy.
- (2) "Dwelling Damage" means damage to any Dwelling or a combination of Dwellings.
- (3) "Dwelling Damage Percentage" means the percentage of total damage resulting in a covered loss that is attributable to each Dwelling damaged.

16.2 Property Insurance.

(a) Blanket Policy of Property Insurance. The Association shall maintain a blanket policy of property insurance covering all Common Areas, Limited Common Areas and, if the Subdivision contains Dwellings or structures that share Party Walls, blanket insurance on all attached Dwellings (including fixtures and building service equipment) is required.

- (i) At a minimum, any required blanket policy shall afford protection against loss or damage by: (1) fire, windstorm, hail, riot, aircraft, vehicles, vandalism, smoke, and theft; and (2) all perils normally covered by "special form" property coverage.
- (ii) Any blanket policy shall be in an amount not less than one-hundred percent (100%) of current replacement cost of all property covered by such policy (including the Dwellings if applicable) at the time the insurance is purchased and at each renewal date. The actual replacement cost of the property shall be determined by using methods generally accepted in the insurance industry.
- (iii) A blanket policy shall include either of the following endorsements to assure full insurable value replacement cost coverage: (1) a Guaranteed Replacement Cost Endorsement under which the

insurer agrees to replace the insurable property regardless of the cost; or (2) a Replacement Cost Endorsement under which the insurer agrees to pay up to one-hundred percent (100%) of the Property's insurable replacement cost but not more. If the policy includes a coinsurance clause, it must include an Agreed Amount Endorsement which must waive or eliminate the requirement for coinsurance.

- (iv) Each property policy that the Association is required to maintain shall also contain or provide for the following: (i) "Inflation Guard Endorsement," if available (ii) "Equipment Breakdown," if the Subdivision has central heating or cooling or other equipment or other applicable fixtures, equipment, or installations, which shall provide that the insurer's minimum liability per accident at least equals the lesser of one million dollars (\$1,000,000) or the insurable value of the building containing the equipment.

(b) Owner Responsibility for Payment of Deductible. If a loss occurs that is covered by a property insurance policy in the name of the Association and another property insurance policy in the name of an Owner:

- (i) The Association's policy provides primary insurance coverage;
- (ii) The Owner is responsible for the Association's policy deductible;
- (iii) The Owner's policy, if any, applies to that portion of the loss attributable to the Association's policy deductible;
- (iv) An Owner who owns a Dwelling and has suffered Dwelling Damage as part of Covered Loss is responsible for an amount calculated by applying the Dwelling Damage Percentage for that Dwelling to the amount of the deductible under the Association's property insurance policy; and
- (v) If an Owner does not pay the amount required under this Article within 30 days after substantial completion of the repairs to, as applicable, the Dwelling or the appurtenant to the Dwelling, the Association may levy an assessment against the Owner for that amount.

(c) Flood Insurance. If any part of the property insured by the Association comes to be situated in a Special Flood Hazard Area as designated on a Flood Insurance Rate Map, a policy of flood insurance shall be maintained. If the property insured by the Association is not situated in a Special Flood Hazard Area, The Association may nonetheless, if approved by a majority of Owners, purchase flood insurance to cover floods not otherwise covered by blanket property insurance.

(d) Earthquake Insurance. The Association may nonetheless, if approved by a majority of Owners, purchase earthquake insurance to cover earthquakes not otherwise covered by blanket property insurance.

(e) Association's Right to Not Tender Claims that are Under the Deductible. If, in the exercise of its business judgment, the Board of Directors determines that a claim is likely not to exceed the Association's property insurance policy deductible: (a) the Owner's policy is considered the policy for primary coverage to the amount of the Association's policy deductible; (b) an owner who does not have a policy to cover the Association's property insurance policy deductible is responsible for the loss to the amount of the Association's policy deductible; and (c) the Association need not tender the claim to the Association's insurer.

(f) Notice Requirement for Deductible. The Association shall provide notice to each Owner of the Owner's obligation for the Association's policy deductible and of any change in the amount of the deductible.

16.3 Comprehensive General Liability (CGL) Insurance. The Association shall obtain CGL Insurance insuring the Association, the agents and employees of the Association, and the Owner, against liability incident to the use, ownership or maintenance of the Common Area, or membership in the Association. The coverage limits under such policy shall not be less than one million dollars (\$1,000,000) covering all claims for death of or injury to any one person or property damage in any single occurrence. Such insurance shall contain a Severability of Interest Endorsement or equivalent coverage which would preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or another Owner.

16.4 Directors and Officers Insurance. The Association shall obtain Directors and Officers liability insurance protecting the Board of Directors, the Officers, and the Association against claims of wrongful acts, mismanagement, failure to maintain adequate reserves, failure to maintain books and records, failure to enforce the Governing Documents, and breach of contract (if available). The policy shall:

- (a) Include coverage for volunteers and employees;
- (b) Include coverage for monetary and non-monetary claims;
- (c) Provide for the coverage of claims made under any fair housing act or similar statute or that are based on any form of discrimination or civil rights claims; and
- (d) Provide coverage for defamation. In the discretion of the Board of

Directors, the policy may also include coverage for any manager and any employees of the manager and may provide that such coverage is secondary to any other policy that covers the manager or any employees of the manager.

16.5 Insurance Coverage for Theft and Embezzlement of Association Funds. The Association may obtain insurance covering the theft or embezzlement of funds that shall:

- (a) Provide coverage for an amount of not less than the sum of three months regular assessment in addition to the prior calendar year's highest monthly balance on all operating and reserve funds; and
- (b) Provide coverage for theft or embezzlement of funds by:
  - (i) Officers, Board of Directors, or Members of the Association;
  - (ii) Employees and volunteers of the Association;
  - (iii) Any manager of the Association; and
  - (iv) Officers, directors and employees of any manager of the Association.

16.6 Certificates. Any insurer that has issued an insurance policy to the Association shall issue a certificate of insurance to the Association and upon written request, to any Owner or Lender.

16.7 Named Insured. The named insured under any policy of insurance shall be the Association. Each Owner shall also be an insured under all property and CGL insurance policies.

16.8 Association's Right to Negotiate All Claims and Losses and Receive Proceeds. Insurance proceeds for a loss under the Association's property insurance policy shall be payable the Association, and shall not be payable to a holder of a security interest. Insurance proceeds shall be disbursed first for the repair or restoration of the damaged property, if the property is to be repaired and restored as provided for in this Declaration. After any repair or restoration is complete and, if the damaged property has been completely repaired or restored, any remaining proceeds shall be paid to the Association. If the property is not to be repaired or restored, then any proceeds remaining after such action as is necessary related to the property has been paid for, shall be distributed to the Owners and lien holders, as their interests remain with regard to the Dwellings. Each Owner hereby appoints the Association, as attorney-in-fact for the purpose of negotiating all losses related thereto, including: the collection, receipt of, and the execution of releases of liability, and the execution of all documents and the performance of all other acts necessary to administer such insurance and any claim. This power-of-attorney is coupled with an interest, shall be irrevocable, and shall be binding on any heirs, personal representative, successors or assigns of an Owner.

16.9 Owner Act Cannot Void Coverage Under Any Policy. Unless an Owner is acting within the scope of the Owner's authority on behalf of the Association and under direct authorization of the Association, an Owner's act or omission may not void an insurance policy or be a condition to recovery under a policy.

16.10 Waiver of Subrogation against Owners and Association. All property and CGL policies must contain a waiver of subrogation by the insurer as to any claims against the Association and the Owners and their respective agents and employees.

16.11 Owners' Individual Coverage. **EACH OWNER SHOULD PURCHASE INDIVIDUAL PROPERTY AND/OR EXTENDED COVERAGE IN THE AMOUNT RECOMMENDED BY THE OWNER'S INDEPENDENT INSURANCE AGENT.**

**ARTICLE XVII**  
**DAMAGE & DESTRUCTION**

17.1 Immediately after damage or destruction by fire or other casualty to all or any part of the Common Areas and/or Limited Common Areas covered by insurance written in the name of the Association, the Board, or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed Common Areas and/or Limited Common Areas. Repair or reconstruction, as used in this paragraph, means repairing or restoring the Common Areas and/or Limited Common Areas to substantially the same condition in which they existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes.

17.2 Any damage or destruction to the Common Areas and/or Limited Common Areas shall be repaired or reconstructed unless Owners representing at least seventy-five (75%) percent of the total vote of the Association, shall decide within sixty (60) days after the casualty not to repair or reconstruct. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the costs of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) additional days. No mortgagee shall have the right to participate in the determination of whether the damage or destruction to Common Areas and/or Limited Common Areas shall be repaired or reconstructed; provided, however, this provision shall not apply to construction mortgagees providing construction financing for such damaged property.

17.3 In the event, that it should be determined in the manner described above that the



damage or destruction to the Common Areas and/or Limited Common Areas shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the affected portion of the Common Areas and/or Limited Common Areas shall be restored to their natural state and maintained by the Association, in a neat and attractive condition.

**ARTICLE XVIII**  
**DISBURSEMENT OF PROCEEDS**

18.1 If the damage or destruction for which the proceeds of insurance policies are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repair or reconstruction to the Common Areas and/or Limited Common Areas shall be retained by and for the benefit of the Association and placed in a capital improvements and/or reserve account. In the event no repair or reconstruction is made, any proceeds remaining after making such settlement as is necessary and appropriate with the affected Owner(s) shall be retained by and for the benefit of the Association and placed in a capital improvements and/or reserve account.

**ARTICLE XIX**  
**REPAIR AND RECONSTRUCTION**

19.1 If the damage or destruction to the Common Areas and/or Limited Common Areas for which insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board shall, without the necessity of a vote of the members, levy a special assessment against all Owners as provided in the Governing Documents.

**ARTICLE XX**  
**CONDEMNATION**

20.1 Whenever all of any part of the Common Areas and/or Limited Common Areas shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of members representing at least sixty-seven percent (67%) of the total Association vote by any authority having the power of condemnation or eminent domain), each Owner shall be entitled to notice thereof. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows: if the taking involves a portion of the Common Areas and/or Limited Common Areas on which improvements have been constructed, then, unless within sixty (60) days after such taking the Owners representing at least sixty-seven percent (67%) of the total vote of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Areas and/or Limited Common Areas to the extent lands are available therefor, in accordance with plans approved by the Board of Directors of the Association. If the taking

does not involve any improvements of the Common Areas and/or Limited Common Areas, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board shall determine.

**ARTICLE XXI**  
**MISCELLANEOUS PROVISIONS**

21.1 Violation Deemed a Nuisance. Any violation of these covenants that is permitted to remain on the Property is deemed a nuisance, and is subject to abatement by the Association or by any other Owner.

(a) Any single or continuing violation of the covenants contained in this Declaration may be enjoined in an action brought by an Owner or by the Association. In any action brought to enforce these covenants, the prevailing party shall be entitled to recover as part of its judgment the reasonable costs of enforcement, including reasonable attorney fees and court costs.

(b) Nothing in this Declaration shall be construed as limiting the rights and remedies that may exist at common law or under applicable federal, state or local laws and ordinances for the abatement of nuisances, health and safety, or other matters. This Declaration is to be construed as being in addition to those remedies available at law.

(c) The remedies available under this Declaration and at law or equity generally are not to be considered as exclusive, but rather as cumulative.

(d) The failure to take enforcement action shall not be construed as a waiver of the contents contained in this Declaration in the future or against other similar violations.

21.2 Association Litigation.

(a) In recognition of the expenses and disruption associated with litigation, the Association shall not commence a judicial or administrative proceeding without the approval of the Declarant for so long as the Members govern the Association and thereafter only upon the approval of Owners representing at least 75% of the total vote of the Association.

(b) Neither the Association nor any Owner shall institute an action against any person which arises out of an alleged defect in the development of the Subdivision until:

(i) Declarant and the person(s) who physically constructed the portion of the subdivision

in which the alleged defect exists have been notified and given a reasonable time and opportunity in which to inspect, assess, correct, or redesign any alleged defect or other portions of the Subdivision (provided, however, that the terms of this Section shall not create an obligation of any person to effect a repair of an alleged defect); (ii) the Association or Owner(s) have pursued their remedies under any express warranty covering all or any portion of the alleged defect; (iii) the Declarant and the affected contractor(s) have been given the opportunity to be heard at a meeting of the Association regarding the alleged defect; and (iv) all proposed parties to the action have been given a reasonable opportunity to mediate any dispute or disagreement relating to the alleged defect, and have either participated or refused to participate in such mediation.

(c) No action affected by this Section shall be conducted utilizing legal counsel who are compensated on a contingency fee or similar means of compensation in which litigation costs and attorneys fees are not paid on a current basis or are paid out of the settlement or judgment amount recovered by the Association in such action.

(d) This Section shall not apply to: (i) actions brought by the Association to enforce the Governing Documents (including, without limitation, the foreclosure of liens); (ii) the collection of assessments; (iii) proceedings involving challenges to ad valorem taxation; (iv) counterclaims brought by the Association in proceedings instituted against it; or, (v) actions brought by the Association against any contractor, vendor, or supplier of goods or services arising out of an express contract with the Association or its manager for services or supplies. This Section shall not be amended unless such amendment is approved by the percentage of votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

21.3 Repurchase Option for Construction Defect Claims. In the event any Owner shall commence action against Declarant or its assigns, successors, subsidiaries, related construction entities, or other entities established by Declarant, or Declarant's members, for the purpose of constructing Dwellings on the Lot (collectively "Declarant") in connection with any alleged construction defects in such Owner's Unit, Declarant shall have the option, but not the obligation, to purchase such Unit on the following terms and conditions:

(a) The purchase price shall be an amount equal to the sum of the following, less any sums paid to such Owner under any homeowner's warranty, in connection with the alleged defect:

(i) The purchase price paid by the original Owner of the Dwelling & Lot when originally purchased from Declarant;

(ii) The agreed upon value of any improvements made to the Dwelling by anyone other than Declarant;

(iii) The Owner's reasonable moving costs; and

(iv) Any closing costs incurred by the Owner in connection with the purchase of another primary residence within ninety (90) days after closing of repurchase provided for herein.

(b) Close of escrow shall occur not later than forty-five (45) days after written notice from Declarant to the Owner of Declarant's intent to exercise the option herein.

(c) Title shall be conveyed to Declarant free and clear of all monetary liens and other encumbrances other than non-delinquent real estate taxes.

(d) Exercise of the repurchase option as provided for herein above shall constitute full and final satisfaction of all claims relating to the subject Dwelling and Lot. The Owner shall promptly execute and deliver any notice of dismissal or other document necessary or appropriate to evidence such satisfaction.

(e) Declarant's option to repurchase granted herein with respect to any particular Dwelling and Lot shall automatically terminate upon the expiration of the last applicable statute of limitations applicable to any construction or warranty claim governing such Dwelling and Lot including all applicable tolling periods.

21.4 Amendment Requires Consent of Declarant. Notwithstanding any other provision of this Declaration, this Article and its subsections may not be amended except with the prior written consent of the Declarant.

21.5 Severability. Each of the covenants contained in this Declaration shall be independent of the others, and in the event that any one is found to be invalid, unenforceable, or illegal by a court of competent jurisdiction, the remaining covenants shall remain in full force and effect.

21.6 Limited Liability. Neither the Declarant, the Board (or its individual members), nor any Owner shall have personal liability to any other Owner for actions or inactions taken under these covenants, provided that any such actions or inactions are the result of the good faith exercise of their judgment or authority, under these covenants, and without malice.

21.7 Consent, Power of Attorney, Waiver. By acceptance of a deed, lease, or other conveyance of an interest in Dwelling, each Owner or Occupant consents to the rights reserved to the Association in this Declaration, including but not limited to, the right to prepare, execute, file, process, and record necessary and appropriated documents and other items to establish and

grant easements and to make necessary and appropriate amendments of this Declaration, the Plat and Bylaws. By such acceptance, each Owner or Occupant agrees to execute all documents and to do all other things as may be necessary or convenient to effect the same; and 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 Owner's or Occupant's behalf; and 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.

21.8 No Representations and Warranties. EACH OWNER AND OCCUPANT UNDERSTANDS, AGREES, AND ACKNOWLEDGES THROUGH TAKING TITLE OR RESIDING IN THE SUBDIVISION THAT THE DECLARANT, ASSOCIATION, AND THE BOARD OF DIRECTORS HAVE NOT MADE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND RELATED TO THE SUBDIVISION 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 SUBDIVISION.

21.9 Conflicting Provisions. In the case of any conflict between the Governing Documents, the order of priority from the highest to the lowest shall be the Declaration, the Plat, the Articles, Bylaws, and then the Rules.

21.10 Amendment. At any time while this Declaration is in effect, the covenants herein contained can be modified by the Declarant or Declarant's successors and assigns during the Class B Control Period at the sole discretion of the Declarant. Thereafter, the covenants herein contained can only be modified by the affirmative vote of the Owners representing not less than sixty-seven (67%) percent of the total votes of the Association. No meeting or voting shall be required for an amendment, if the required, written consent is obtained from the requisite number of Owners.

21.11 Constructive Notice. Every person who owns, occupies or acquires any right, title or interest in any Unit in the Subdivision is conclusively deemed to have notice of this Declaration and its contents, and to have consented to the application and enforcement of each of the provision of this Declaration against his/her Unit, whether or not there is any reference to this Declaration in the instrument by which he/she acquires interest in any Unit.

21.12 Notices. All notices under this Declaration are provided as set forth in the Bylaws.

21.13 Liberal Interpretation. The provisions of this Declaration shall be interpreted



## Exhibit "A"

**BYLAWS  
OF THE VILLAS AT SLEEPY RIDGE  
HOMEOWNERS ASSOCIATION, INC.**

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The following are the Bylaws of The Villas at Sleepy Ridge Homeowners Association, Inc., a Utah nonprofit corporation (the "Association"). Upon recordation of these Bylaws, they are binding upon the Association and all present and future Owners and/or occupants.

**ARTICLE I  
DEFINITIONS**

**Section 1.1 Definitions.** All terms used but not defined herein shall have the meanings given them under that certain Declaration of Covenants, Conditions & Restrictions for The Villas at Sleepy Ridge, of even date and recorded in the Official Records of the Utah County Recorder's Office (hereinafter referred to as the "Declaration"), and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein, as if set forth herein at length. The term "Owner" shall mean and refer to those persons entitled to membership in the Association, as provided in the Declaration and Articles of Incorporation of the Association.

**ARTICLE II  
MEETINGS OF OWNERS**

**Section 2.1 Annual Meetings.** An annual meeting of the Owners shall be held no less than once each calendar year at a location and time designated by the Board. The Board may set the date, time and location of the annual meeting in accordance with Section 2.3 below.

**Section 2.2 Special Meetings.** Special meetings of the Owners may be called at the request of the Board, or upon written request of the Owners holding at least twenty-five percent (25%) of the total membership, as defined in the Declaration.

**Section 2.3 Notice of Meetings.** Unless an Owner requests in writing that all notices be provided to said Owner by U.S. mail, all notices shall be given by, or at the direction of, the Board via: (1) email or other electronic communication, or (2) by hand-delivery, including affixing the notice to the front door of the Dwelling. Notice shall be provided at least ten (10) days before a meeting, but no more than sixty (60) days, to each Owner entitled to vote at the email or electronic address provided by the Owner to the Board, or by hand-delivery, including affixing the notice to the front door, of the Owner's Dwelling. Said notice is effective upon sending the email or electronic communication or upon affixing the notice to the front door of the Dwelling. Notices provided by U.S. mail shall be sent via U.S. First Class Mail and effective upon depositing in the mail. Such

notice shall specify the location, day and time of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Upon becoming a Member of the Association or upon the written request by the Association, Owners shall provide a valid email address for purpose of notification related to the Association unless the Owner has opted out by providing a written request for notice by U.S. mail.

**Section 2.4 Quorum.** The quorum required for any action by the Owners hereunder, unless otherwise specifically set forth in the Declaration, shall be as follows: at each scheduled meeting called, the presence of Owners holding, or holders of proxies entitled to cast, at least twenty-five percent (25%) of all outstanding votes shall constitute a quorum for the transaction of business. If a quorum is not met, the meeting shall be postponed to a date of not more than thirty (30) days and not less than twenty-four (24) hours at which time the Owners and proxies present shall constitute a quorum for transacting business. In the case of any postponement, no notice of such rescheduled meeting shall be required except an announcement thereof at the original meeting and an electronic notification with the new meeting time, date and location to those Owners who have previously provided an email or other electronic means to the Association for notice purposes.

**Section 2.5 Proxies.** At all meetings of Owners, each Owner may vote in person or by proxy. All proxies shall be in writing, signed by the Owner, and filed with the Board on or before said meeting. Notwithstanding, any proxy delivered to the Board at the meeting must be provided no later than any point in the meeting announced as the final time to deliver proxies. Every proxy shall be revocable and shall automatically terminate upon conveyance by the Owner of his Lot. If conflicting proxy votes for an Owner or Lot exist, said proxy votes will not be counted.

**Section 2.6 Conduct of Meetings.** The President, or in his absence the Vice President, shall preside over all meetings. The Secretary or other authorized person shall keep minutes of all meetings and maintain a record of the minutes including, but not limited to: election of directors, adopted resolutions, adopted Rules and other matters coming before the Owners.

**Section 2.7 Action Taken Without a Meeting.** Any action that may be taken at any annual or special meeting of members may be taken without a meeting and without prior notice, if one or more consents in writing, setting forth the action taken, are signed by the members having not less than the minimum voting power that would be necessary to authorize or take the action at a meeting at which all members entitled to vote on the action were present and voted.

In addition, the Board may obtain approvals and conduct business through mail or email/electronic ballots. The ballot must set forth each proposed action and provide the option of voting for or against each proposed action with the requisite number of members approving the action that would be necessary to authorize or take the action at a



meeting at which all members entitled to vote on the action were present and voted. The ballot must specify the period during which the Association shall accept written ballots for counting. Following this period, the Association shall provide notice of whether such action was or was not approved.

**Section 2.8 Voting.** Only an Owner that is current on all assessments and charges due and owing shall be deemed in good standing and entitled to vote at any annual or special meeting.

The Association shall have two (2) classes of voting membership, Class "A" and Class "B," as set forth in the Declaration:

Since an Owner may be more than one Person, if only one of such Person(s) is present at the meeting of the Association that Person shall be entitled to cast all votes appertaining to that Lot. But if more than one of such Person(s) is present, the votes appertaining to that Lot shall be cast only in accordance with the agreement of a majority of them, and such consent shall be conclusively presumed if any one of them purports to cast the votes appertaining to that Lot without protest being made forthwith by any of the others to the person presiding over the meeting. The votes appurtenant to any one Lot may not be divided between Owners of such Lot or with respect to matters before the Association, and all such votes appurtenant to any one Lot shall be voted in one block. If the vote of a majority of the owners of a Lot cannot be determined, no vote shall be cast in relation to such Lot.

The Association shall honor the vote of a trustee or successor trustee of any trust that is an Owner and shall honor the vote of an individual that is a holder of a Limited or General Durable Power of Attorney with respect to an Owner who is disabled or unavailable as though such vote were the vote of the Owner.

### **ARTICLE III BOARD, SELECTION AND TERM OF OFFICE**

**Section 3.1 Number & Tenure.** The Initial Board shall be selected or appointed by Declarant, which consists of three members, and their successors, that may hold office by the appointment of the Declarant, so long as Class B Control Period remains. The affairs of the Association shall be managed by a Board of Directors composed of three (3) individuals ("Board").

At the first meeting of the Members following the Class B Control Period at which the election of Directors will take place, the candidate who receives the most votes shall serve as a Director for three (3) years. The candidate that receives the second highest number of votes shall serve as a Director for two (2) years, and the third candidate who receives the third highest number of votes shall serve as Director for one (1) year. At each annual election thereafter, the successor to the Director whose term shall expire in that year shall be elected to hold office for the term of (3) years. Any change in the number of Directors may be made only by amendment of these Bylaws. Each Director

shall hold office until his term expires and until his successor has been duly elected and qualified.

**Section 3.2 Advisory Board Member.** During the Class B Control Period and prior to turnover of the Association to Owner control, the Declarant and/or Board may identify an owner(s) to be an advisory member of the Board and participate in Board meetings and activities. This advisory member(s) shall not vote.

**Section 3.3 Eligibility.** Following the Class B Control Period, all members of the Board shall be Owners.

**Section 3.4 Removal.** During the Class B Control Period, a Director may only be removed with the consent of the Declarant. Following the Class B Control Period, any Director may be removed from the Board, with or without cause, by a vote of at least (51%) of the Owners of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining Directors and shall serve for the unexpired term of his predecessor.

**Section 3.5 Compensation.** No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

**Section 3.6 Action Taken Without a Meeting.** The Directors may take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of a majority of Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board.

**Section 3.7 No Estoppel or Reliance.** No one may rely upon any authorization (from the Board or otherwise) contrary to the terms and conditions of the Governing Documents regardless of circumstances. No claim of estoppel, waiver or similar equitable claims or defense may be raised by anyone related to any alleged reliance.

**Section 3.8 Records Retention.** The Board shall take appropriate action to develop, implement and update procedures for record retention. The Board should maintain documents in a manner to be easily accessible and copied. The Board may budget specifically for this expense and may seek the advice of consultants in developing retention procedures.

#### **ARTICLE IV NOMINATION AND ELECTION OF DIRECTORS**

**Section 4.1 Nomination.** Following the Class B Control Period, nomination for election to the Board may be made in advance or from the floor at the annual meeting.

**Section 4.2 Election.** Following the Class B Control Period, the election of Directors may be by written ballot, which need not, but may be, secret, as determined at the

discretion of the Board. The persons receiving the largest number of votes shall be elected.

## ARTICLE V MEETINGS OF THE BOARD

**Section 5.1 Regular Meetings.** Regular meetings of the Board shall be held at least annually, or more frequently as determined by the Board. All notices to Directors shall be provided by email or other electronic means. Directors are required to provide an email or electronic address for purposes of notice of board meetings. Notice shall be provided at least five (5) days before a meeting, but no more than thirty (30) days.

Owners, and Owner representatives (if previously designated in writing) may attend Board meetings and may be present for all discussion, deliberation, and decisions except when the Board is in executive session. Owners shall comply with all reasonable rules established by the presiding officer for their attendance, including a requirement that they remain silent except when comments are solicited by the Board. The Board may limit Owners' comments and/or questions to a specific period of time within the meeting. The Board shall provide email notice in accordance with the Act to Owners that have requested, in writing, to be notified of Board Meetings and have provided a valid email address

**Section 5.2 Special Meetings.** When, in the discretion of the President or two members of the Board, circumstances require that a meeting be held sooner than the required five (5) days' notice for a regular meeting, a special meeting may be called by the President or by any two (2) Directors, after not less than twenty-four (24) hours' notice to each Director.

**Section 5.3 Quorum.** A majority of the number of Directors shall constitute a quorum for the transaction of business.

## ARTICLE VI POWERS AND DUTIES OF THE BOARD

**Section 6.1 Powers and Duties.** The Board shall have all of the powers and duties necessary for the administration of the affairs of the Association in accordance with the provisions of the Declaration and as outlined below. The Board may delegate its authority to a manager or managers, subject to any limitations or provisions contained in the Declaration, the Board shall be responsible for a number of activities including, but not limited to the following:

- (a) Management of the Association;
- (b) Preparation of annual assessments and budget;
- (c) Collection of assessments;
- (d) Maintenance of a bank account for the Association and designating required signatories;
- (e) Maintenance of the Common Areas, Limited Common Areas and Facilities;

- (f) Maintenance of private roadways;
- (g) Maintenance of any private irrigation system or other private utility;
- (h) Adoption and amendment of rules and regulations;
- (i) Enforcement of the Declaration, including the retention of legal counsel;
- (j) Commencement of legal action when necessary;
- (k) Imposition of fines, sanctions and citations;
- (l) Payment of any amount necessary to discharge any mechanic's or materialman's lien or other encumbrance levied against the Common Area or Facilities;
- (m) Purchase of and maintenance of insurance;
- (n) Maintenance of books and records of the Association;
- (o) Emergency repairs;
- (p) Maintenance of parking;
- (q) Adoption of reasonable pet restrictions; and
- (r) Performance of other actions and duties to enforce the terms and conditions of the Declaration and effectively manage the Association.

## ARTICLE VII OFFICERS AND THEIR DUTIES

**Section 7.1 Enumeration of Officers.** The officers of this Association shall be a president, vice-president and secretary/treasurer, who shall at all times be members of the Board, or such other officer as the Board may from time to time, by resolution, create.

**Section 7.2 Election of Officers.** Following the Class B Control Period, the election of officers shall take place at the first Board meeting following the annual meeting of the Owners. Elected officers shall serve in their office for a period of one (1) year. Notwithstanding, nothing in these Bylaws prevent an officer or directors from being re-elected to their respective positions.

**Section 7.3 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. Appointed officers, which do not include the elected or appointed Board of Directors may not vote and may be removed by the Board at any time, with or without cause.

**Section 7.4 Resignation and Removal.** Any officer may resign at any time by delivering a written resignation to any Director or to any Manager. Unless otherwise specified therein, such resignation shall take effect upon delivery. Following the Class B Control Period, any officer may be removed and replaced by a majority of the Board of Directors at any time, with or without cause. In the event of death, resignation or removal of an officer, his successor shall be selected by the Board and shall serve for the unexpired term of his predecessor.

**Section 7.5 Multiple Offices.** The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except temporarily in the case of special offices created pursuant to Section 8.3 of this Article or the death, resignation or removal of an officer.

**Section 7.6 Duties.** Unless modified by resolution of the Board, the duties of the officers are as follows. The Board may also utilize a manager or managers to assist in these duties. The Board may also adopt rules and policies governing the signing of checks, approval of invoices, deposit of accounts, limits on spending without Board approval and other polices governing the accounts and funds of the Association.

**President:** The president shall preside at all meetings of the Board and shall see that orders and resolutions of the Board and/or the Owners are carried out.

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

**Secretary/Treasurer:** The secretary/treasurer shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Owners; keep appropriate current records.

**Other Officers:** Other officers shall have the duties and obligations as set forth by the Board.

## ARTICLE VIII CONDUCT AT ASSOCIATION MEETINGS

**Section 8.1 Weapons.** No person, whether an Owner, occupant, owner representative, or other third party is permitted to bring (whether concealed or open) any firearm, knife, aerosol, weapon, or similar item to any Association or Board meeting, work session, event, get-together, or similar event regardless of the location of such event.

**Section 8.2 Recording.** No person, whether an Owner, occupant, owner representative, or other third party is permitted to record (whether audio, video, transcription or combination) any Association or Board meeting, work session, event, get-together, or similar event regardless of the location of such event.

## ARTICLE IX COMMITTEES

**Section 9.1 Committees.** The Board may, if it elects, appoint such committees as deemed appropriate in carrying out its purposes, including appointment of the Architectural Review Board. The Board may terminate any committee at any time and assume any responsibilities of a terminated committee.

**ARTICLE X  
AMENDMENTS, ORDER OF PRECEDENCE**

**Section 10.1 Amendment.** During the Class B Control Period, these Bylaws may be amended at any time by the Declarant. Thereafter, these Bylaws may be amended by the vote or written consent of Members holding at least sixty-seven percent (67%) of the total membership. An amendment to these Bylaws shall be effective immediately upon recordation in the Office of the Utah County Recorder, State of Utah. 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 XI  
INDEMNIFICATION**

**Section 11.1 Indemnification.** No Director, officer, or member of a committee shall be personally liable for any obligations of the Association or for any duties or obligations arising out of any acts or conduct of said Director, officer, or committee member performed for or on behalf of the Association. The Association shall and does hereby indemnify and hold harmless each person who shall serve at any time as a Director, officer of the Association, or a member of a duly formed committee, as well as such person's heirs and administrators, from and against any and all claims, judgments, and liabilities to which such persons shall become subject, by reason of that person having heretofore or hereafter been a Director, officer of the Association, or member of a committee or by reason of any action alleged to have been heretofore or hereafter taken or omitted to have been taken by him/her as such Director, officer, or committee member, and shall advance and reimburse any such person for all legal and other expenses reasonably incurred in connection with any such claim or liability; provided that the Association shall have the right, in its sole discretion, to defend such person from all suits or claims; provided further. However, that no such person shall be indemnified against or be reimbursed for or be defended against any expense or liability incurred in connection with any claim or action arising out of such person's intentional misconduct. The rights accruing to any person under the foregoing provisions of this section shall not exclude any other right to which such person may lawfully be entitled, nor shall anything herein contained restrict the right of the Association to indemnify or reimburse such person in any proper case, even though not specifically provided for herein or otherwise permitted.

**Section 11.2 Settlement of Association.** The right of any person to be indemnified shall be subject always to the right of the Association by the Board of Directors, in lieu of such indemnity, to settle any such claim, action, suit, or proceeding at the expense of the Association by the payment of the amount of such settlement and the costs and expenses incurred in connection therewith.

**ARTICLE XII  
WAIVER OF PROCEDURAL IRREGULARITIES**

**Section 12.1 Waiver of Procedural Irregularities.** All inaccuracies and irregularities in calls or notices of meetings, in the manner of voting, in the form of proxies, in the method of asserting persons present, in the method of making decisions, or in the method of accepting or counting votes shall be deemed waived under the following circumstances:

- (a) If the objecting person was in attendance at the meeting – they are waived if the issue upon which the objection was based was perceptible and no objection to the particular procedural issue is made at the meeting; or
- (b) If the objecting person was not in attendance at the meeting but has proper notice of the meeting, they are waived; or
- (c) If the objecting person was not in attendance at a meeting, did not have proper notice of the meeting, but had actual notice of the meeting before it occurred, they are waived; or
- (d) If the objecting person was not in attendance at the meeting and did not have actual and proper notice of the meeting before it occurred, within 60 days of receiving actual notice of the occurrence of the meeting or of any decision that was made at the meeting; or
- (e) For any action, vote, or decision that occurred without a meeting, within 60 days of receiving actual notice of the occurrence of the action, vote, or decision.

**Section 12.2 Requirements for Objections.** All objections except those made at a meeting shall be in writing. Whenever made, objections must be specific and shall include identification of the specific provision of the Governing Documents or other law that is alleged to have been violated and a brief statement of the facts supporting the claimed violation.

**Section 12.3 Irregularities that Cannot Be Waived.** The following irregularities cannot be waived under the prior subsection:

- (a) Any failure to comply with the provisions of the Declaration;
- (b) Any failure to obtain the proper number of votes required to pass a particular measure; or
- (c) Any irregularity that is the result of fraud or that was done knowingly and intentionally in violation the applicable standards.

**ARTICLE XIII  
CONTRACTS, LOANS AND DEPOSITS**

**Section 13.1. Contracts.** The Board may authorize any officer(s), agent(s), to enter into any contract or execute and deliver any instrument in the name of or on behalf of the Association, and such authority may be general or confined to specific instances.

**Section 13.2 Loans.** Any loan entered into by the Association must be in accordance with the Declaration.

**Section 13.3 Checks, Drafts.** All checks, drafts and other order for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer(s), employee(s), or agent(s) of the Association and in the manner of such from the time to time be determined by the resolution of the Board.

**Section 13.4 Deposits & Investments.** Association funds may only be deposited into institutions that are federally insured. The Board may deposit Association funds into savings accounts, money market accounts, or purchase certificates of deposits. Other investment options that may pose additional risks must be approved by at least 51% of the total membership prior to the investment.

**ARTICLE XIV  
FISCAL YEAR**

The fiscal year of the Association shall begin on the first day of January and end on the 31<sup>st</sup> day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

The foregoing Bylaws are adopted on this 13 day of October, 2016.

**THE VILLAS AT SLEEPY RIDGE  
HOMEOWNERS ASSOCIATION, INC.**

BY:

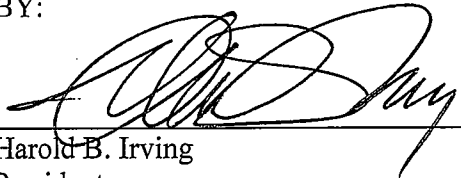
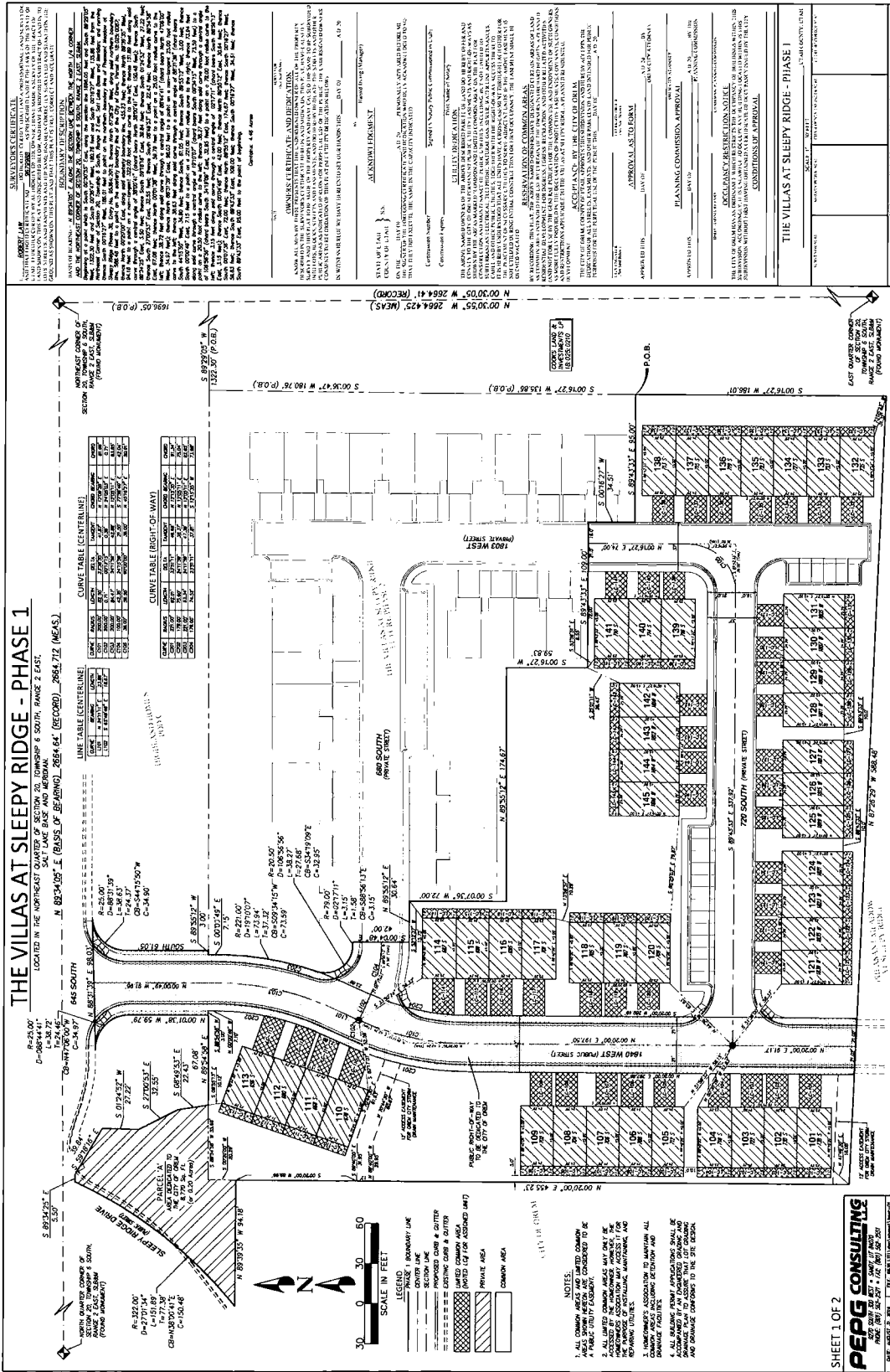
  
\_\_\_\_\_  
Harold B. Irving  
President



Exhibit "B"



**EXHIBIT "C"**  
**Undeveloped Land**

**The Villas at Sleepy Ridge**  
**Phase 2**

Beginning at a point which is South 00°30'55" East, along the section line 1696.05 feet and South 89°29'05" West, 1322.30 feet from the Northeast Corner of Section 20, Township 6 South, Range 2 East, Salt Lake Base and Meridian; and running thence South 00°36'47" West, 180.76 feet; thence South 00°16'27" West, 135.86 feet; thence North 89°43'33" West, 95.00 feet; thence North 00°16'27" East, 34.51 feet; thence North 89°43'33" West, 109.00 feet; thence North 00°16'27" East, 59.83 feet; thence South 89°55'12" West, 174.67 feet; thence North 00°07'36" West, 72.00 feet; South 89°55'12" West, 30.64 feet; thence North 00°04'48" West, 42.00 feet to a point on a non-tangent 79.00 foot radius curve to the right; thence 3.15 feet along said curve through a central angle of 02°17'11" (chord bears North 88°56'13" West, 3.15 feet) to a point on 20.50 foot radius curve to the right; thence 38.27 feet along said curve through a central angle of 106°56'56" (chord bears North 34°19'09" West, 32.95 feet) to a point on a 221.00 foot radius curve to the left; thence 73.94 feet along said curve through a central angle of 19°10'07" (chord bears North 09°34'15" East, 73.59 feet); thence North 00°00'49" West, 7.15 feet; thence North 89°55'12" East, 3.00 feet to a point on the boundary line of Sleepy Ridge Pod C Amended 2, Entry No. 70980:2012; thence North 89°55'12" East, along said Sleepy Ridge Pod C Amended 2 boundary line, 417.83 feet to the point of beginning.

Contains: 2.43 Acres (or 105,635 Sq. Ft.)