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**DECLARATION
OF
COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS
FOR
THE COTTAGES AT THE NORTH DISTRICT**

BDN Land Development, Inc.,
Declarant

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**DECLARATION
OF
COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS
FOR
THE COTTAGES AT THE NORTH DISTRICT**

This Declaration of Covenants, Conditions, Restrictions, and Easements for The Cottages at the North District ("**Declaration**") is executed as of April 23, 2010, by **BDN Land Development, Inc.**, a Utah corporation ("**Declarant**").

BACKGROUND

A. Declarant owns certain property located in South Jordan City, Salt Lake County, Utah, and legally described on Exhibit A ("**Land**"). Declarant intends to develop the Land into a planned unit development to be known as The Cottages at the North District.

B. The Land and all improvements constructed thereon will be held, operated, and conveyed subject to the following covenants, conditions, restrictions, and easements, which will run with the land and will be binding upon and inure to the benefit of all parties having or acquiring any right, title, or interest in or to the Land or the Development.

**Section 1
DEFINITIONS**

As used in this Declaration, the terms set forth below will have the following meanings:

1.1 Additional Land.

Property that is made subject to this Declaration from time to time in accordance with Section 13, including the property described on Exhibit A. Additional Land, including the Additional Land described on Exhibit B, will not be subject to this Declaration unless and until it is annexed to the Development in accordance with Section 13.

1.2 Applicant.

Any Owner seeking to construct improvements on its Lot who submits an Application to the Architectural Control Committee.

1.3 Application.

Defined in Section 9.4.

1.4 Approval.

Unless otherwise specified in this Declaration: (a) with respect to Declarant, the Association, the Board, or the Architectural Control Committee: advance written approval; and (b) with regard to Members (other than Declarant): approval by the requisite percentage of votes entitled to be cast by the Members participating in a duly called meeting in person, by proxy, by

written ballot, or by action without a meeting. This definition will apply to other forms of the word "approval" as well, whether capitalized or not.

1.5 Architectural Guidelines.

The architectural, design, and construction guidelines and review procedures adopted in accordance with Section 9, as amended.

1.6 Architectural Control Committee.

The committee appointed in accordance with Section 9.

1.7 Articles.

The articles of incorporation of the Association, as amended.

1.8 Assessments.

All assessments and other charges, fines, and fees imposed by the Association on an Owner in accordance with the Governing Documents, including General Assessments, Special Assessments, Individual Assessments, and Transfer Assessments.

1.9 Association.

The Cottages at the North District Homeowners Association, Inc., a Utah nonprofit corporation (and its successors and assigns).

1.10 Board.

The Board of Directors of the Association.

1.11 Bylaws.

The bylaws of the Association, as amended.

1.12 City.

South Jordan City, Utah.

1.13 Common Areas.

Those parcels (and any improvements on such parcels) intended for the common use and enjoyment of the Owners and their Tenants and Guests, including the areas designated as "Common Areas" on the Plat or established by this Declaration or any Supplemental Declaration. Common Areas do not include any publicly dedicated streets.

1.14 Common Expenses.

The actual and estimated costs and expenses incurred, or anticipated to be incurred, by the Association in carrying out its powers and obligations under the Governing Documents, including any reasonable reserve, and including any items specified as Common Expenses in this Declaration.

1.15 County.

Salt Lake County, Utah.

1.16 Declarant.

BDN Land Development, Inc., a Utah corporation; and its successors and assigns if the successor or assignee acquires Declarant's interest in the Development, or less than all of Declarant's interest in the Development if a recorded instrument executed by Declarant assigns to the assignee all of Declarant's rights under this Declaration.

1.17 Declarant Control Period.

The period beginning on the date this Declaration is recorded in the official records of the County, and ending at the first to occur of the following:

(a) 90% of the Lots have been conveyed to Purchasers; or

(b) Declarant records a written statement in the official records of the County voluntarily terminating the Declarant Control Period, effective as of the date set forth in the statement.

1.18 Development.

As used in this Declaration, the term "Development" will refer to the Land, any Additional Land made subject to this Declaration from time to time in accordance with Section 13, and the improvements constructed thereon.

1.19 Director.

A member of the Board.

1.20 Eligible Mortgagee.

Any Mortgagee of a Lot (or any insurer or guarantor of a Mortgage on a Lot) who has provided a written request to the Association (such request to state the name and address of such Eligible Mortgagee and the street address of the Lot to which its Mortgage relates), to be notified of any of the events listed in Section 12.1.

1.21 General Assessment.

Defined in Section 8.5.

1.22 Governing Documents.

This Declaration, the Articles, the Bylaws, the Architectural Guidelines, the Rules and Regulations, the fine schedule adopted in accordance with Section 11.2, and any other document, rule, or regulation adopted by the Association in accordance with the Governing Documents.

1.23 Guest.

Any person who is a visitor or invitee and who (a) is accompanied by an Owner or a Tenant, or (b) has been granted permission by an Owner to occupy its Residence for a time.

1.24 Individual Assessment.

Defined in Section 8.7.

1.25 Lot.

Each parcel designated for private ownership and for the construction of a Residence, including Lots 101 through 133 as shown on the Plat and including any Additional Land designated as a Lot on a Supplemental Plat or in a Supplemental Declaration.

1.26 Member.

Any Person, including Declarant, holding a membership in the Association in accordance with Section 2.2.

1.27 Mortgage.

Any mortgage, deed of trust, or other document pledging any Lot or interest therein as security for payment of a debt or obligation.

1.28 Mortgagee.

Any Person named as a mortgagee or as a trustee or beneficiary under any Mortgage and any successor to the interest of any such Person under a Mortgage.

1.29 Owner.

Any Person having a fee ownership interest in a Lot. "Owner" does not include a Tenant or a Person holding less than a fee interest in a Lot. The rights, obligations, and other status of being an Owner commence upon acquisition of the fee interest in a Lot and terminate upon disposition of that interest, but termination of ownership will not discharge an Owner from obligations incurred before termination.

1.30 Person.

A natural person, a corporation, a partnership, a limited liability company, a trust, or any other legal entity.

1.31 Plat.

(a) the plat entitled "Cottages at the North District Phase 1", subdividing the Land, and recorded concurrently with this Declaration in the official records of the County; and

(b) any plat subdividing Additional Land and recorded concurrently with a Supplemental Declaration in accordance with Section 13.

1.32 Purchaser.

A Person other than Declarant who acquires a fee simple interest in a Lot.

1.33 Reserve Fund.

A fund established for the replacement of Common Area improvements, as described in Section 8.10.

1.34 Residence.

A building located on a Lot and designated for single-family residential occupancy.

1.35 Rules and Regulations.

Those rules and regulations adopted by the Board governing the conduct of persons on, and the operation and use of, the Common Areas.

1.36 Special Assessment.

Defined in Section 8.6

1.37 Supplemental Declaration.

Defined in Section 13.1(a).

1.38 Supplemental Plat.

Defined in Section 13.1(b).

1.39 Tenant.

Any Person who is leasing or renting a Residence.

1.40 Transfer Assessment.

Defined in Section 8.8.

1.41 Turnover Meeting.

The meeting called by Declarant to turn over administrative responsibility for the Development to the Members, as described in Section 3.2.

Section 2 MEMBERSHIP IN THE ASSOCIATION

2.1 Organization.

The Association will be a Utah nonprofit corporation and will have the property, powers, and obligations set forth in this Declaration for the benefit of the Development and all Owners. The Articles will provide for the Association's perpetual existence, but if the Association is at any time dissolved, whether inadvertently or deliberately, it will automatically be succeeded by an unincorporated association of the same name. In that event all of the property, powers, and obligations of the incorporated association existing immediately before its dissolution will automatically vest in the successor unincorporated association, and such vesting will thereafter be confirmed as evidenced by appropriate conveyances and assignments by the incorporated association. To the greatest extent possible, any successor unincorporated association will be governed by the Articles and Bylaws as if they were the governing documents of the unincorporated association.

2.2 Membership.

Every Owner of one or more Lots within the Development will be a Member of the Association. Membership will begin automatically when a Person becomes an Owner and will continue until the Person is no longer an Owner, at which point the membership will expire automatically.

2.3 Voting Rights.

Each Member will be entitled to one vote for each Lot owned, except that no more than one vote may be cast with respect to any one Lot. When a Lot is owned by multiple Owners, all such Persons will be Members and the vote for such Lot will be exercised as the Owners among themselves determine. However, if the Owners of a Lot cannot agree on how to exercise their vote with respect to a pending matter, any such Owner may deliver notice of such disagreement to the Association before the vote is finalized, and the vote will then be disregarded with respect to such matter.

Section 3 MANAGEMENT OF THE ASSOCIATION

3.1 Board of Directors.

The affairs of the Association will be conducted by the Board and by such officers as the Board may elect or appoint in accordance with the Articles and Bylaws. During the Declarant Control Period, the Board will consist of three Directors, appointed by Declarant in its sole discretion. Directors appointed by Declarant will serve until replaced by Declarant or until their

successors take office at the Turnover Meeting, whichever occurs earlier. Effective as of the Turnover Meeting, the Board will be composed of five Directors, who will be elected by the Members and whose terms and qualifications will be set in accordance with the Bylaws.

3.2 Turnover Meeting.

Declarant will call a meeting (“**Turnover Meeting**”) of the Association for the purpose of turning over administrative responsibility for the Development to the Members sometime before the expiration of the Declarant Control Period. At the Turnover Meeting, the Members will elect Directors to replace the Directors appointed by Declarant. The newly elected Directors will take office, and the Directors appointed by Declarant will resign, effective as of the expiration of the Declarant Control Period or such earlier date as Declarant may specify. If Declarant fails to call the Turnover Meeting, any Member or Mortgagee may call the meeting by giving notice as provided in the Bylaws.

3.3 Liability.

A Director or officer of the Association will not be liable to the Association or any Member for any damage, loss, or prejudice suffered or claimed on account of any action or failure to act in the performance of his duties, except for acts of gross negligence or intentional misconduct. If any Director or officer of the Association is made a party to any proceeding because the individual is or was a Director or officer of the Association, the Association will indemnify such individual against liability and expenses incurred, to the maximum extent permitted by law.

Section 4

POWERS AND OBLIGATIONS OF THE ASSOCIATION

4.1 General Powers and Obligations.

The Association will have, exercise, and perform all of the following powers, duties, and obligations:

(a) The powers, duties, and obligations granted to the Association by this Declaration.

(b) The powers, duties, and obligations of a nonprofit corporation under the Utah Revised Nonprofit Corporation Act.

(c) Any additional powers, duties, and obligations necessary or desirable for the purpose of carrying out the functions of the Association and promoting the general welfare of the Owners, all in accordance with this Declaration.

4.2 Specific Powers and Duties.

The specific powers and duties of the Association will include the following:

(a) **Maintenance.** The Association will maintain the Common Areas in an attractive condition and in a good and workmanlike manner so as to carry out the purpose for which the Common Areas are intended. The Association will also perform the maintenance specified in Section 7.1.

(b) **Services.** The Association may provide or contract for such services as the Board may reasonably deem to be of benefit to the Development, including garbage removal and security services for the Development. The Association may also create various classes of service and levy appropriate Individual Assessments against the Owners and Lots benefiting from such services, without being required to render such services to Members who do not agree to pay such charges.

(c) **Insurance.** The Association will obtain and maintain at least \$2,000,000 of commercial general liability insurance. The Association may obtain property insurance insuring the Association against casualty damage to the Common Area improvements in an amount deemed necessary by the Board.

(d) **Rulemaking.** The Association may make, establish, promulgate, amend, and repeal Rules and Regulations governing the Common Areas.

(e) **Assessments.** The Association will adopt budgets and impose and collect Assessments as provided in Section 8.

(f) **Enforcement.** The Association will enforce the Governing Documents in accordance with Section 11.

(g) **Employment of Agents, Advisers, and Contractors.** The Association may employ the services of any Person as manager; hire employees to manage, conduct, and perform the business, obligations, and duties of the Association; employ professional counsel and obtain advice from landscape architects, recreational experts, architects, planners, lawyers, accountants or other advisers; and contract for or otherwise provide for all services necessary or convenient for the management, maintenance, and operation of the Development.

(h) **Acquiring, Holding, and Conveying Property.** The Association may acquire, hold, and convey, with or without consideration, real and personal property and interests therein, including easements across all or any portion of the Common Areas, and will accept any real or personal property interests within the Development conveyed to the Association by Declarant.

(i) **Transferring, Dedicating, and Encumbering the Common Areas.** Subject to Section 6.4, the Association may sell, transfer, or encumber all or any portion of the Common Areas to a Person, whether public or private, and dedicate or transfer all or any portion of the Common Areas to any public agency, authority, or utility for public purposes.

4.3 **Implied Rights and Obligations.**

The Association may exercise any other power reasonably implied by, or necessary to carry out, an express power given to the Association under this Declaration.

Section 5
PROPERTY RIGHTS IN LOTS

5.1 Use and Occupancy.

Each Lot Owner will be entitled to the exclusive use and benefit of its Lot, but the Lot will be bound by, and the Owner will comply with, the Governing Documents.

5.2 Easements Reserved.

In addition to any utility and drainage easements shown on the Plat, Declarant hereby reserves the following easements for the benefit of Declarant and the Association:

(a) **Maintenance.** The Association will have an easement over and across the Lots as necessary to perform the maintenance obligations set forth in Section 7.1.

(b) **Right of Entry.** The Association may at any reasonable time, upon reasonable notice to the Lot Owner, enter upon any Lot (i) to determine whether the use or improvements of the Lot comply with the Governing Documents or (ii) to enforce the Governing Documents in accordance with Section 11. No such entry will be deemed to constitute a trespass or otherwise create any right of action in the Owner of the Lot.

5.3 Snow Easement.

The "Snow Easement" identified on the Plat is granted in favor of the City to allow City snowplows to push snow into the area covered by the Snow Easement.

5.4 Form for Conveyancing.

Any deed, lease, mortgage, deed of trust, or other instrument conveying or encumbering title to a Lot will describe the interest or estate involved substantially as follows:

Lot No. _____, Cottages at the North District Phase 1, identified on the Plat recorded in Book _____ at Page _____ of the official records of Salt Lake County, and in the Declaration of Covenants, Conditions, Restrictions, and Easements for The Cottages at the North District, recorded as Entry No. _____ in Book _____ at Page _____, of the official records of Salt Lake County, together with a right and easement of use and enjoyment in and to the Common Areas described in the Declaration and on the Plat.

Section 6
PROPERTY RIGHTS IN COMMON AREAS

6.1 Easement of Enjoyment.

Subject to Section 6.3, each Owner will have a nonexclusive right and easement of use and enjoyment in and to the Common Areas. Such right and easement will be appurtenant to and will pass with the title to each Lot. Any Owner may delegate this right and easement to its Tenants or Guests.

6.2 Title to Common Areas.

Title to the Common Areas will be conveyed to the Association by Declarant, free and clear of monetary liens, before the expiration of the Declarant Control Period.

6.3 Limitations on Easement of Enjoyment.

The right and easement of use and enjoyment in and to the Common Areas will be subject to the easements shown on the Plat, and to the following easements and limitations:

(a) the right of the Association to suspend the right of an Owner to use the Common Areas in accordance with Section 11.

(b) the right of the Association to adopt, amend, or repeal Rules and Regulations governing the conduct of persons on, and the operation and use of, the Common Areas as it deems necessary or appropriate to ensure the peaceful and orderly use and enjoyment of the Common Areas in accordance with the Governing Documents. A copy of the Rules and Regulations, as amended from time to time, will be promptly delivered to each Owner by the Board and will be binding upon the Owners as of the date of delivery.

(c) an easement for ingress and egress to and from the Lots, Common Areas, and streets, in favor of Declarant, the Association, and the Owners.

(d) an easement in favor of Declarant for the purpose of carrying out activities related to the sale and construction of the Development.

(e) an easement in favor of Declarant and the Association for ingress and egress to and from the Common Areas for the installation, maintenance, and repair of wires, lines, and conduits connected with the transmission of electricity, gas, water, communications, and other utilities.

(f) an easement in favor of Declarant and the Association for ingress and egress to and from the Common Areas and the right to store materials thereon and to make such other use thereof as may be reasonably necessary or incidental to the construction and maintenance of new and existing improvements on the Common Areas or any other real property owned by Declarant, as long as Declarant and the Association do not unreasonably interfere with any Owner's use and enjoyment of its Lot.

(g) an easement over the Common Areas in favor of police, fire, and other public officials in the performance of their official duties.

(h) the right of Declarant to establish easements, reservations, exceptions, and exclusions consistent with the ownership of the Development and the best interests of the Owners and the Association.

6.4 Alienation of the Common Areas.

The Association may not abandon, partition, subdivide, encumber, sell, or transfer the Common Areas without the approval of at least 67% of the Members and, during the Declarant Control Period, the approval of Declarant.

Section 7 MAINTENANCE

7.1 Association's Responsibilities.

The Association will be responsible for maintaining, repairing, and replacing the Common Areas and for maintaining the landscaping on the park strip along Summer Heights Drive in accordance with City standards. The cost and expense incurred by the Association in performing the obligations set forth in the previous sentence will be a Common Expense.

7.2 Owners' Responsibilities.

Maintenance of each Lot and all improvements on the Lot will be the sole responsibility of the Lot Owner, who will maintain its Lot and improvements in a clean, sanitary, attractive, and marketable condition and in good repair at all times. Such maintenance will include repair and replacement of irrigation systems, utility lines, roofs, gutters, leaders, downspouts, exterior building surfaces, glass surfaces, walks, and other exterior improvements. Trees, shrubs, grass, flowers, and other landscaping will be neatly trimmed and properly cultivated. Lots will be kept free of trash, weeds, and other unsightly material at all times. Damage caused by fire, flood, storm, earthquake, riot, vandalism, or other causes will be repaired by the Owner within a reasonable period of time.

Section 8 ASSESSMENTS

8.1 Purpose of Assessments.

The Assessments levied by the Association will be used exclusively to promote the recreation, health, safety, and welfare of the Owners and occupants of the Development and for the improvement, operation, and maintenance of the Common Areas and the Lots.

8.2 Types of Assessments.

The Association may levy General Assessments, Special Assessments, and Individual Assessments, all as more particularly described below.

8.3 Apportionment of Assessments.

Lots owned by Declarant will not be subject to Assessments until such time as the Lot is occupied for residential use. Each other Lot will be assessed its pro rata share of the General Assessments and Special Assessments as soon as it is conveyed to an Owner other than

Declarant. The pro rata share will be calculated by dividing the total dollar amount of each such Assessment by the total number of Lots subject to assessment.

8.4 Annual Budget.

The Board will prepare an annual budget for the Association each fiscal year, taking into account the Common Expenses, contributions to be made to the Reserve Fund, any surplus from previous years, and any income expected from sources other than Assessments. During the Declarant Control Period, the annual budget will be prepared and adopted by the Board. After the Declarant Control Period expires, the annual budget will be prepared by the Board but must be approved by the Members. The fiscal year will be as provided in the Bylaws.

8.5 General Assessments.

Based on the annual budget, the Board will determine the amount of the General Assessment, which will be apportioned among the Lots as provided in Section 8.3. At the closing of the sale of each Lot, the Owner purchasing the Lot will pay an amount equal to the prorated portion of the General Assessment and any Special Assessment due for the month or year (depending on whether Assessments installments are paid monthly or annually) in which the closing occurs. An Owner who sells its Lot will not be entitled to a refund from the Association of any Assessments paid in advance. However, the purchasing Owner will be entitled to a credit for any Assessments paid in advance by a previous Owner, and the selling Owner may seek a corresponding credit from the purchasing Owner. The manner of billing and collecting Assessments will be as provided in the Bylaws.

8.6 Special Assessments.

In addition to the General Assessments authorized in Section 8.4, the Board may levy during any fiscal year a Special Assessment applicable to that year only, for the purpose of deferring all or any part of the cost of structural improvements, landscaping improvements, unbudgeted expenses, expenses in excess of those budgeted, or other unanticipated, extraordinary, or emergency expenses. Special Assessments which in the aggregate in any fiscal year exceed an amount equal to 15% of the budgeted gross expenses of the Association for the fiscal year may be levied only if approved by at least 67% of the Members and, during the Declarant Control Period, Declarant. Special Assessments will be apportioned as provided in Section 8.3 and may be payable in lump sum or in installments, with or without interest or discount, as determined by the Board.

8.7 Individual Assessments.

The cost of any service benefiting less than all of the Lots may, in the discretion of the Board, be assessed exclusively against the Lots benefited as an Individual Assessment. Individual Assessments will also include fines imposed for violation of the Governing Documents and charges against a Lot to reimburse the Association for costs incurred in bringing the Lot or its Owner into compliance with the Governing Documents. Unless otherwise provided by the Board, an Individual Assessment will be due 30 days after the Board has notified the Owner subject to the Individual Assessment.

8.8 Transfer Assessment.

Upon taking title to a Lot, a Purchaser will pay to the Association a Transfer Assessment in an amount to be established and adjusted from time to time by the Board.

8.9 Assessment of Lots Created on Additional Land.

A Lot created on any Additional Land will become subject to Assessments as soon as it is (a) conveyed to an Owner other than Declarant or (b) occupied for residential use. Upon annexation of Additional Land, the Board will revise the annual budget to account for the Additional Land and recompute Assessments for all Lots, including the new Lots subject to Assessments, for the balance of the fiscal year. However, a declaration annexing Additional Land may provide that the Additional Land does not have the right to use particular Common Areas or particular facilities located on such Common Areas, in which case such Additional Land will not be assessed for the costs of operating, maintaining, repairing, replacing, or improving such Common Areas or facilities.

8.10 Reserve Fund.

The Association may establish a Reserve Fund for replacement of Common Area improvements. When budgeting for the Reserve Fund, the Board will take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repairs or replacement cost. The Board may borrow funds from the Reserve Fund to meet high seasonal demands on the regular operating funds or to meet other temporary expenses which will later be paid from General Assessments or Special Assessments. The Association may prudently invest the Reserve Fund.

8.11 Assessment Lien.

Declarant covenants, and each Lot Owner is deemed to covenant, for each Lot owned by it within the Development, to pay to the Association all Assessments as may be fixed, established, and collected from time to time in accordance with this Declaration. Such Assessments, together with any interest, expenses, or attorneys' fees imposed in accordance with Section 11.4, will be a continuing lien upon the Lot against which each such Assessment or charge is made. However, no lien will attach to any Lot owned by Declarant until the Lot is subject to Assessment in accordance with Section 8.3. Assessments will be the personal obligation of the Person who was the Owner of the Lot at the time the Assessment was assessed.

Section 9 ARCHITECTURAL CONTROL

9.1 General.

No improvements of any kind, including the construction of any Residence, garage, outbuilding, parking area, driveway, tennis court, walkway, swimming pool, outdoor hot tub or spa, fence, wall, curb, pool, trampoline, swing set or playground equipment, satellite dish or antenna, solar panel, outside air conditioning equipment, or any other permanent structure may be constructed, erected, or installed on a Lot without the approval of the Architectural Control

Committee (“**Committee**”). No excavation, grading, filling, draining, landscaping, or planting or removal of existing vegetation may be performed without the approval of the Committee. No approval will be required to repaint the exterior of a structure in accordance with the originally approved color scheme or to rebuild in accordance with originally approved plans and specifications. Any Owner may remodel, paint, or redecorate the interior of its Residence without approval by the Committee. However, modifications to the interior of screened porches, patios, or similar portions of a Lot visible from outside the structure will be subject to Committee approval. All Residences constructed on the Lots will be designed by and built in accordance with the plans and specifications of a licensed architect. This Section will not apply to Declarant’s activities.

9.2 Composition of Architectural Control Committee.

The Committee will consist of at least three individuals, appointed by the Board in its discretion.

9.3 Architectural Guidelines.

The Committee may prepare Architectural Guidelines that establish standards, rules, regulations, restrictions, and guidelines, in addition to those set forth in this Declaration, with respect to design features, architectural styles, exterior colors and materials, details of construction, location and size of structures, landscaping, and other matters requiring approval by the Committee. The Architectural Guidelines may also specify the content of the Application that must be submitted to the Committee by an Owner seeking approval to construct improvements and will establish the procedures for submitting the Application. If there is a conflict between the Architectural Guidelines and this Declaration, this Declaration will prevail. During the Declarant Control Period, the Committee may amend the Architectural Guidelines in its sole discretion. Upon the expiration of the Declarant Control Period, the Committee may amend the Architectural Guidelines subject to the approval of the Board. The Architectural Guidelines will be binding on all Owners and their respective architects, design professionals, builders, contractors, and agents. However, amendments to the Architectural Guidelines will be applied prospectively only and will not be applied so as to require modifications to or removal of improvements previously approved once construction of the approved improvements has begun. The Committee will make the Architectural Guidelines available to Owners who seek to construct improvements within the Development, but each Owner (and its architects, design professionals, builders, contractors, and agents) will be responsible for obtaining, understanding, and following the latest version of the Architectural Guidelines. Declarant may, in its sole discretion, record the Architectural Guidelines in the official records of the County, in which case the most recently recorded version will control if there is a dispute as to which version of the Architectural Guidelines was in effect at any particular time.

9.4 Application.

Any Owner seeking to construct improvements must submit an Application to the Committee for review, as specified in the Architectural Guidelines. The required Application materials may include plans and specifications showing site layout, structural design, exterior elevations, exterior materials and colors, landscaping, drainage, exterior lighting, irrigation, and

other features of the proposed improvements, as applicable. The Committee may require the submission of such additional information as may be reasonably necessary to consider any Application. The Committee may also waive certain Application requirements depending on the nature of the proposed improvements.

9.5 Standard.

The Committee will review each Application for compliance with this Declaration and the Architectural Guidelines, and may consider issues such as (a) whether the proposed improvements are consistent with the architectural character of the Development, considering the nature, shape, color, size, material, location, height, form, proportion, volume, and aesthetic quality of the proposed improvements; (b) whether the dimensions of the Lot can accommodate the proposed improvements; (c) whether the proposed improvements harmonize with the exterior design, topography, grade, and finished ground elevations of neighboring Lots, Common Areas improvements; (d) whether the proposed improvements will be adequately screened (if applicable); and (e) whether landscaping, drainage, utility service systems, and lighting are adequate. Each Owner acknowledges that the decisions of the Committee will be based partly on subjective standards of appearance, and that an Application may be rejected entirely on aesthetic grounds. The Committee will have the sole discretion to make final, conclusive, and binding determinations on matters of aesthetic judgment, and such determinations will not be subject to review so long as they are made in good faith and in accordance with the procedures set forth in this Section and in the Architectural Guidelines.

9.6 Approval Procedure.

The Committee will make a determination on each Application within 30 days after receipt of a completed Application and all required information. The Committee may (a) approve the Application, with or without conditions; (b) approve portions of the Application and disapprove other portions; or (c) disapprove the Application. The Committee will notify the Applicant of its decision within ten days of making the decision. In the case of disapproval, the Committee will specify the reasons for disapproval or offer suggestions for curing any objections. If the Committee fails to render its decision within 30 days after receipt of a completed Application, approval will not be required, and the Applicant will be deemed to have fully complied with this Section.

9.7 Appeal.

Any Owner adversely affected by an action of the Committee may appeal such action to the Board. Appeals must be made in writing within ten days of the Committee's action and must contain specific objections to the Committee's decision or mitigating circumstances justifying overturning the Committee's decision. A final, conclusive decision will be made by the Board within 30 days after receipt of the appeal.

9.8 Fees.

The Committee may collect a fee for reviewing an Application ("**Review Fee**") and may require the Review Fee to be paid in full before the Committee reviews an Application. The Review Fee may include the reasonable cost of having the Application reviewed by architects,

engineers, or other professionals whom the Committee may employ as it deems necessary to perform the review. The Board may change the amount of the Review Fee from time to time to cover increasing costs.

9.9 Enforcement.

The Committee will notify the Board of any Applicant who fails to comply with this Section. The Board may then enforce such violation in accordance with Section 11.

9.10 Majority Action.

Except as otherwise provided in this Declaration, a majority of the members of the Committee will have the power to act on behalf of the Committee, without the necessity of a meeting and without the necessity of consulting the remaining members of the Committee. Committee decisions will be rendered in writing and will set forth the actions taken by the consenting Committee members.

9.11 Liability.

No Committee member will be liable to any Owner, occupant, builder, or developer for any damage, loss, or prejudice suffered or claimed because of any act or omission of the Committee or a member of the Committee, as long as the Committee member has acted in good faith.

9.12 Nonwaiver.

Consent by the Committee to any matter will not be deemed to be a precedent or waiver preventing the Committee from withholding consent to any similar matter.

9.13 Effective Period of Consent.

The Committee's consent to any Application will automatically be revoked one year after issuance unless Owner has begun construction of the proposed improvements or has applied for and received an extension of time from the Committee.

9.14 Estoppel Certificate.

Within 30 days after written request is delivered to the Committee by any Owner, and upon payment to the Committee of a reasonable fee fixed by the Board to cover costs, the Committee will provide such Owner with an estoppel certificate executed by a member of the Committee, certifying with respect to any Lot owned by the Owner that as of the date of the certificate, either: (a) all improvements located on the Lot comply with this Declaration, or (b) certain improvements do not comply with this Declaration, in which event the certificate will also identify the noncomplying improvements and specify the nature of the noncompliance. Any purchaser of the Owner's Lot and any Mortgagee or other lienholder will be entitled to rely on the estoppel certificate, which will be conclusive as between the Owner, the Committee, the Association, and such purchaser, Mortgagee, or other lienholder.

Section 10
RESTRICTIONS

10.1 Further Subdivision, Lot Line Adjustments, Property Restrictions, Rezoning.

No Lot may be further subdivided or otherwise separated into smaller parcels by any Owner, and no portion less than all of any Lot, nor any easement or other interest therein, will be conveyed or transferred by any Owner without the approval of the Board. Lot line adjustments are prohibited without the approval of the Board and all Owners of the affected Lots. No further covenants, conditions, restrictions, or easements will be recorded by any Owner or other Person against any Lot without the approval of the Board. No application for rezoning of any Lot and no applications for variances or use permits will be filed with any governmental authority unless the proposed use of the Lot has been approved by the Board and the proposed use otherwise complies with this Declaration.

10.2 Common Areas.

Dumping of trash, rubbish, debris, dirt, yard rakings, construction materials, or other unsightly material onto the Common Areas is prohibited. There will be no obstruction of the Common Areas, nor will anything be kept or stored on the Common Areas, nor will anything be altered or constructed or planted in or removed from the Common Areas without the approval of the Board.

10.3 Permitted Use.

(a) **Residential Use.** Subject to Section 10.3(b), the Lots will be used for single-family residential purposes only.

(b) **Commercial Use Restricted.** No trade, craft, business, profession, or commercial activity will be conducted within the Development, nor will any goods, equipment, vehicles, materials, or supplies used in connection therewith be kept or used within the Development. However, the previous sentence will not prohibit: (i) activities relating to the rental or sale of Lots; (ii) the right of Declarant, the Association, or any contractor to construct improvements on a Lot or to store construction materials and equipment on a Lot in the normal course of construction, (iii) Declarant's right to use any Residence as a sales or rental office or as a model home for sale or rental purposes; and (iv) the right of an Owner to maintain its professional library, records, or accounts, or to communicate with professional associates, clients, or customers in its Residence, as long as there is no external evidence thereof.

(c) **Leases.** No Lot may be leased for a period of less than 30 days. Any lease agreement will be in writing and will provide that the lease is subject to the Governing Documents, and that any failure by the Tenant to comply with the Governing Documents will be considered a default under the lease. Any Owner who leases its Lot will provide a copy of the lease to the Association within 30 days after execution of the lease. No Lot will be subjected to time interval ownership.

(d) **Transient Lodging Use Prohibited.** Lots may not be leased for transient lodging, boarding house, “bed and breakfast”, or other uses for providing accommodations to travelers.

(e) **Use of Temporary Structures as a Residence Prohibited.** No trailer, mobile home, camper, camper shell, tent, shack, garage, barn, shed, outbuilding, basement of an incomplete building, or temporary building or structure of any kind may be used at any time for a Residence, either temporary or permanent.

(f) **Drilling, Mining Prohibited.** No oil drilling, oil development operations, oil refining, mining, drilling, prospecting, quarrying, mineral exploration, or similar activities will be permitted within the Development.

(g) **Unlawful Use Prohibited.** No unlawful use will be made of the Development or any part thereof, and all applicable federal, state, and local laws, ordinances, and regulations will be observed.

10.4 Permitted Structures.

No structures will be erected or permitted to remain on any Lot except Residences—and structures normally accessory to Residences—that comply with the Architectural Guidelines and are approved by the Architectural Control Committee. No mobile home, trailer house, or other previously erected, used, or temporary structure may be installed or maintained on any Lot. No derrick, oil well, tunnel, mine, or similar structure designed for use in drilling for oil, natural gas, water, or minerals will be erected or maintained on any Lot.

10.5 Exterior of Residence.

The exterior of all Residences must be constructed of stone, brick, fiber cement board, stucco, or some combination thereof, except that all Residences must include at least some stone or brick, such that the surface area of stone or brick (or combination thereof) on the exterior of a Residence (measured in square feet) equals or exceeds three times the perimeter of the Residence (measured in linear feet). For example, if the perimeter of the Residence is 120 linear feet, the total surface area of stone or brick on the exterior of the Residence must be at least 360 square feet. The exterior of Vinyl siding and aluminum siding are prohibited. Exterior colors must be natural earth tones, including tans, browns, reds, and greens, with appropriate accent colors (white, black, dark blue, red, and dark green). Each Residence must include a front porch of at least 45 square feet in size. Roof pitch must slope at least 6:12 but may not exceed 14:12. Roof shingles must be architectural-grade. The front façade of each Residence must also include shutters, grid windows, or garage door windows, or some combination thereof.

10.6 Setbacks.

Minimum setbacks will be as follows:

Front Yard:	14 feet to Residence; 20 feet to garage
Side Yard:	5 feet
Side Yard Facing Public Street:	10 feet to Residence; 20 feet to garage
Rear Yard:	15 feet

10.7 Height.

The height of a Residence may not exceed 35 feet and may not exceed two stories. Height is measured from a baseline parallel to the existing Lot grade to a parallel line intersecting the highest point of any roof element.

10.8 Size.

Each Residence must have at least 2,000 total square feet of living area (whether finished or unfinished).

10.9 Garages.

Each Lot with a Residence built on it must have a garage, and each garage must be at least a two-car garage. The length of each garage must be at least 20 feet, measured from the interior wall surfaces of the garage. The width of each garage must be at least 20 feet, measured from the interior wall surfaces of the garage.

10.10 Fences, Walls, Hedges, Screens.

All fencing, walls, hedges or similar structures will be maintained in a first-class and attractive manner. When an Owner's installation, modification, removal or replacement of a fence, wall, hedge or other structure or landscaping element risks weakening the lateral support of an adjoining Owner's property, such Owner will install and maintain bracing to support and protect against damage to the adjoining Owner's property.

10.11 Landscaping.

No more than 10% of the landscaped area of the front yard may be inorganic material. Inorganic material includes rock, brick, boulders, gravel or brick over sand. Front yard landscaping must be completed within 6 months after a certificate of occupancy is issued for the Residence, and rear yard landscaping must be completed within 18 months after a certificate of occupancy is issued for the Residence. Front landscaping will include at least two 1.5-inch caliper trees within the park strip area of each Lot.

10.12 Irrigation.

Each Lot Owner will be required to install, use, and maintain an automatic outdoor sprinkler system along with a compatible timer to maintain optimal irrigation.

10.13 Completion of Construction.

No structure may be constructed on a Lot before the Residence is completed. The construction of any improvement on a Lot, including painting and all exterior finish, will be completed within 12 months after the beginning of construction. The Architectural Control Committee may extend this deadline when an Owner is unable to meet it because of undue hardship. The construction area will be kept reasonably clean, free of litter, and in workmanlike order during the construction period. All unimproved Lots will be kept in a neat and orderly condition, free of brush, vines, weeds, and other debris.

10.14 Maintenance.

Each Owner will maintain its Lot and improvements in a clean, sanitary, attractive, and marketable condition and in good repair at all times. Such maintenance will include repair and replacement of utility lines, roofs, gutters, leaders, downspouts, exterior building surfaces, glass surfaces, walks, and other exterior improvements. Trees, shrubs, grass, flowers, and other landscaping will be neatly trimmed and properly cultivated. Lots will be kept free of trash, weeds, and other unsightly material at all times. Damage caused by fire, flood, storm, earthquake, riot, vandalism, or other causes will be repaired by the Owner within a reasonable period of time.

10.15 Nuisances.

No nuisance will be permitted to exist or operate upon any Lot so as to be offensive or detrimental to any other property in the vicinity thereof or its occupants.

(a) **Noxious or Offensive Activity.** No noxious or offensive activity will be carried out on any Lot or in any part of the Development.

(b) **Unsightliness.** No unsightliness will be permitted on any Lot. This will include, without limitation:

(i) open storage of any construction materials (except during the construction of improvements);

(ii) open storage or parking of farm or construction equipment, inoperable motor vehicles, mobile homes, graders, wagons, buses, sleighs, motorcycles, motor scooters, snow removal equipment, landscaping equipment, snowmobiles, boats, recreational vehicles, campers, camper shells, trailers, or trucks other than noncommercial pick-up trucks (except during periods of actual use);

(iii) performance of any repair or maintenance work on any motor vehicles or equipment, other than minor emergency repairs, except in an enclosed garage or other structure, or appropriately screened from view;

(iv) service areas, storage areas, compost piles, and facilities for hanging, drying, or airing clothing or household fabrics, except as appropriately screened from view;

(v) liquid propane, gas, oil, and other exterior tanks except as kept in an enclosed structure or appropriately screened from view;

(vi) accumulation of lawn or tree clippings or trimmings;

(vii) accumulation of construction debris or waste;

(viii) household refuse or garbage except as stored in tight, noiseless containers screened from view or kept within an enclosed structure; and

(ix) storage or accumulation of any other material, vehicle, or equipment on the Lot in a manner that is visible from anywhere outside of the Lot.

(c) **Lights.** Outdoor lighting will be designed to direct the light downward and limit the field of light to the confines of the Lot on which it is installed.

(d) **Sounds.** No continuously barking dogs, loud speakers or other noises will be permitted to continue on any Lot in a way that might reasonably be expected to annoy or disturb other Owners, Tenants, or Guests, except for security or fire alarms and noise incident to legitimate construction and maintenance work.

(e) **Odors.** Any activity or thing that causes offensive odors is prohibited.

(f) **Pests.** No Owner will permit any thing or condition to exist upon any portion of the Development which will induce, breed, or harbor infectious plant diseases or noxious insects or vermin.

10.16 **Smoking.**

(a) Under Utah law:

(i) Environmental tobacco smoke is a Group A carcinogen, in the same category as other cancer-causing chemicals such as asbestos.

(ii) There is no acceptable level of exposure to Class A carcinogens.

(iii) Exposure to environmental tobacco smoke causes an increase in respiratory diseases and disorders among exposed persons.

(iv) A person who desires to not be exposed to drifting environmental tobacco smoke must be able to determine in advance of entering into a lease or purchase agreement whether its residence may be exposed to environmental tobacco smoke.

(v) Tobacco smoke that drifts from one residential unit into another may be deemed a public nuisance.

(b) Declarant has determined that smoking is a noxious and offensive activity that creates a nuisance and that it is in the best interests of the Owners to prohibit smoking within the Development.

(c) In light of Sections 10.16(a) and (b), smoking within the Development, including within Residences and enclosed Common Area facilities, is strictly prohibited. Owners will be fined for smoking violations in accordance with Section 11.2. Any Owner who leases its Residence or Lot will include a specific provision in the lease agreement prohibiting smoking within the Residence, on the Lot, or elsewhere in the Development. All Owners will inform their respective Guests of the smoking ban and will be responsible for any violation of the smoking ban by their respective Tenants or Guests.

10.17 Hazards.

No activity may be conducted on any Lot that is, or would be considered by a reasonable person to be unreasonably dangerous or hazardous, or which could lead to the cancellation of a conventional homeowner's insurance policy. This includes, without limitation, the storage of caustic, toxic, flammable, explosive or hazardous material in excess of those reasonable and customary for household uses, the discharge of firearms or fireworks, and setting open fires (other than properly supervised and contained barbecues). All stacks and chimneys from fire places in which combustibles, other than natural gas, are burned will be fitted with spark arresters. Exterior fires are prohibited, except fires contained within appropriate receptacles as provided by City ordinance.

10.18 Animals.

No wild or dangerous animals, horses, cows, pigs, sheep, fowl, livestock or animals, other than ordinary household pets that do not constitute a nuisance, will be allowed within the Development. Dogs kept on a Lot must be kept within an enclosure. The enclosure must be maintained such that the dog cannot escape therefrom. Any such contained enclosure areas must be cleaned on a regular basis to minimize odors and maintain a clean appearance. Invisible fencing may be used where appropriate. All dogs must be restrained on a leash when off the Owner's Lot. Each animal Owner is responsible for immediately picking up all animal droppings that are deposited within the Development outside of the Owner's Lot. In no case may any household pet or other animal kept at or around a Residence be allowed to create a nuisance for neighboring Owners due to noise, odors or otherwise. No more than two dogs and two cats older than six months may be kept on a Lot at any time.

10.19 Motor Vehicles.

Within the Development, motor vehicles may be operated only on streets, parking lots, and driveways. No inoperable, unlicensed, unregistered, junk or junked motor vehicle or motorized machinery or equipment of any kind or nature (except for such equipment and machinery as may be reasonable, customary and usual in connection with the use and maintenance of a Lot) may be kept within the Development or repaired on any portion of the Development, except in an emergency. No motor vehicles other than private passenger vehicles, vans, trucks, golf carts, or permitted commercial vehicles may be kept or used within the Development.

10.20 Parking.

Parking on the Common Areas is prohibited, except in areas designated by the Association. Parking on a Lot, including in the driveway, is prohibited except in an enclosed garage. No commercial vehicle may be parked in the Development longer than is necessary to perform the business function of the vehicle in the area. However, commercial vehicles and trailers used in connection with construction of improvements in the Development or in connection with Declarant's activities in the Development will be permitted. No Owner will permit any vehicle which is either unregistered, inoperable, or in an extreme state of disrepair to be abandoned or to remain parked on the Common Areas.

10.21 Signs.

No signs will be permitted on a Lot except as follows: (a) one for-sale sign no larger than 2 square feet; (b) one sign, no larger than 50 square feet, placed by a contractor or builder to advertise the improvements being constructed on a Lot; (c) traffic-control signs placed by the City; (d) temporary signs warning of an immediate danger; (e) signs placed by Declarant or its agents in connection with the sale of the Lots.

10.22 Sewer; Drainage; Fuel; Service Facilities.

(a) **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 Residences must be connected to the sanitary sewer system.

(b) **Drainage.** Gutters and leaders will be connected to an underground drainage system.

(c) **Fuel.** No fuel, oil, gasoline, propane, or other fuel storage tanks may be installed or maintained on a Lot. Residences must be heated with natural gas, solar, or electric power. Propane or other containerized fuels, other than small tanks for outdoor barbecues, may be used only during construction of a Residence until the permanent heating system is installed and operational.

(d) **Service Facilities.** Clotheslines, service yards, storage yards, and mechanical equipment visible from any other Lot or any street are prohibited.

10.23 Antennas.

No shortwave radio antennas or large ground mounted satellite dishes may be installed on any Lot. Satellite dishes no larger than 20 inches in diameter are permitted as long as they are located in an area approved by the Architectural Control Committee and placed or screened so that they are not readily visible from any street.

10.24 Deviations.

Deviations from the standards and restrictions set forth in this Section may be allowed only with the approval of the Architectural Control Committee (or, where applicable, the Board) for good cause shown.

Section 11 ENFORCEMENT

11.1 General.

The Board will notify any Member of any violation of the Governing Documents for which the Member is responsible, including violations caused by a Tenant or Guest of the Member, and will specify any necessary remedial action. If the Member (1) has not begun and diligently pursued the remedial action within 10 days of notification; (2) the Member and the Association cannot agree to a mutually acceptable solution consistent with the Governing Documents; and (3) the Association has given the Member reasonable opportunity to be heard; then the Association may do any or all of the following:

- (a) subject to the additional requirements of Section 11.2, impose reasonable fines as an Individual Assessment upon the Member;
- (b) subject to the additional requirements of Section 11.2, retain the Deposit of an Applicant who violates Section 9.
- (c) suspend the Member's voting rights and right to use the Common Areas for the period that the violation remains uncured;
- (d) where applicable, enter the offending Member's Lot and remove the cause of the violation, or alter, repair, or change the item which is in violation of the Governing Documents in such a manner as to make it conform thereto, in which case the Association may assess the cost of the remedy as an Individual Assessment against the Member and the Member's Lot;
- (e) bring suit or action against the Member to enforce the Governing Documents;
- (f) pursue any other remedy available at law or in equity.

Nothing in this Section will authorize the Association to deprive any Member of access to and from its Lot.

11.2 Fines.

The Board may assess a fine against a Member only for a violation of a rule, covenant, condition, or restriction that is specifically listed in the Governing Documents. A fine must be in the amount specifically provided for in the Governing Documents for the specific type of violation, or in an amount commensurate with the nature of the violation. The Board will prepare and publish from time to time a fine schedule listing the various offenses and the corresponding fine amounts. Any Member assessed a fine may request an informal hearing before the Board to protest or dispute the fine within 14 days from the date the fine is assessed (“Hearing”). The Hearing will be conducted in accordance with the standards set forth in the Bylaws. No interest or late fees may accrue on a fine until after the Hearing has been conducted and a final decision has been rendered, unless the fined Member fails to request a Hearing within the 14-day time period.

11.3 Enforcement of Assessment Lien.

The Association will have a lien against each Lot for any Assessment levied against the Lot and the Owner thereof under the Governing Documents from the date on which the Assessment is due. If a Member fails to pay an Assessment levied under the Governing Documents within 30 days of its due date, the Association may foreclose on the lien and may, through its duly authorized agents, bid on the Lot at such foreclosure sale and may acquire, hold, lease, mortgage, or convey the Lot. The Association may bring an action to recover a money judgment for unpaid Assessments without foreclosing or waiving the lien described in this Section. Recovery on any such action, however, will operate to satisfy the lien, or the portion thereof, for which recovery is made.

11.4 Interest, Expenses, and Attorneys’ Fees.

Any Assessment or other amount not paid to the Association when due in accordance with this Declaration will bear interest from the due date (unless the Assessment is a fine and a Hearing is timely requested, in which case no interest or late fees may accrue until after the Hearing has been conducted and a final decision has been rendered) until paid at a rate 3 percentage points per annum above the prime rate published in the *Wall Street Journal* at the time, or such other rate as may be established by the Board, but not to exceed the lawful rate of interest under Utah law. A late charge may be levied for each delinquent Assessment in an amount established from time to time by the Board, as long as the late charge does not exceed 20% of the Assessment. If the Association files a notice of lien, the lien amount will also include the recording fees associated with filing the notice and a fee for preparing the notice of lien, which fee will be established from time to time by the Board. If the Association prevails in any procedure to enforce the Governing Documents, the Association is entitled to an award of its costs and reasonable attorneys’ fees associated with the action.

11.5 Remedies Cumulative.

An election by the Association to pursue any remedy provided for in this Declaration will not prevent concurrent or subsequent exercise of another remedy permitted under this Declaration. The remedies provided in this Declaration are not exclusive but will be in addition

to all other remedies, including actions for damages and suits for injunctions and specific performance, available under applicable law. Failure by the Association to enforce the Governing Documents will not be deemed a waiver of the right to do so thereafter. Any aggrieved Member may bring an action against another Member or the Association to recover damages or to enjoin, abate, or remedy any violation of the Governing Documents by appropriate legal proceedings.

Section 12 MORTGAGEE PROTECTIONS

12.1 Notification of Eligible Mortgagees.

Each Eligible Mortgagee will be entitled to timely written notice of:

(a) any condemnation loss or any casualty loss which affects a material portion of the Development or which affects any Lot subject to a Mortgage held by the Eligible Mortgagee.

(b) any delinquency in the payment of Assessments owed by a Lot subject to a Mortgage held by the Eligible Mortgagee, where such delinquency has continued for a period of 60 days, or any other violation of the Governing Documents relating to such Lot or the Owner or its Tenants which is not cured within 60 days; and

(c) any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

12.2 Reimbursement of Mortgagees.

Mortgagees of Lots may, jointly or singly, pay taxes or other charges which are in default and which may or have become a lien against any Common Areas and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage upon the lapse of a policy for such Common Areas. Mortgagees making such payments will be promptly reimbursed by the Association upon written request.

Section 13 ADDITION OR WITHDRAWAL OF PROPERTY

13.1 Annexation of Additional Land.

Declarant may from time to time and in its sole discretion annex to the Development as Additional Land any real property now owned or hereafter acquired by it, and may also from time to time and in its sole discretion permit other holders of real property to annex the real property owned by them to the Development. The annexation of such real property will be accomplished as follows:

(a) The owner or owners of such real property will record a “**Supplemental Declaration**” which will be executed by or bear the approval of Declarant and will, among other things, describe the real property to be annexed, establish land classifications for the Additional

Land, establish any additional limitations, uses, restrictions, covenants, and conditions applicable to such property, and declare that such property is held and will be held, conveyed, hypothecated, encumbered, used, occupied, and improved subject to this Declaration.

(b) Concurrently with the supplemental declaration, the owner or owners of such real property will record a "**Supplemental Plat**", which will be executed by or bear the approval of Declarant and will, among other things, depict the real property to be annexed and establish land classifications for the Additional Land.

(c) The property included in any such annexation will thereby become a part of the Development and subject to this Declaration, and Declarant and the Association will have and will accept and exercise administration of this Declaration with respect to such property.

(d) There is no limitation on the number of Lots or the amount of Common Area which Declarant may create or annex to the Development, except as may be established by City ordinance.

(e) Upon annexation, additional Lots so annexed will be entitled to voting rights as set forth in Section 2.3.

(f) The manner of reallocating the Common Expenses if additional Lots are annexed is set forth in Section 8.9.

13.2 Withdrawal of Property.

Declarant may withdraw property from the Development only by duly adopted amendment to this Declaration, except that Declarant may withdraw all or a portion of any Additional Land at any time before the sale of the first Lot in such Additional Land. Such withdrawal will be effected by a declaration executed by Declarant and recorded in the official records of the County. If a portion of the Development is withdrawn, all voting rights otherwise allocated to Lots being withdrawn will be eliminated, and the Common Expenses will be reallocated as provided in Section 8.9.

Section 14 AMENDMENT AND REPEAL

This Declaration and the Plat may only be amended or repealed with the approval of at least 67% of the Members. However, (a) no amendment under this Section may create, limit, or diminish Declarant's rights without Declarant's approval; and (b) no amendment under this Section may change the boundaries of any Lot without the consent of the Board and all Owners of the affected Lots.

Section 15
MISCELLANEOUS PROVISIONS

15.1 Joint Owners.

Where two or more Owners share the ownership of any Lot, the responsibility of such Owners to comply with this Declaration will be a joint and several responsibility.

15.2 Tenants/Guests.

Tenants and Guests using the Development under rights derived from an Owner will comply with all applicable provisions of the Governing Documents. Each Owner will be responsible for its Tenants' and Guests' compliance and will be liable for any failure of compliance by its Tenants or Guests in the same manner and to the same extent as if the failure had been committed by the Owner himself.

15.3 Construction; Severability; Number; Captions; Exhibits.

This Declaration will be liberally construed as an entire document to accomplish the purposes stated in the Background paragraphs. However, each provision of this Declaration will be deemed independent and severable, and the invalidity of any provision will not affect the validity of any other provision. As used in this Declaration, the singular includes the plural and the plural the singular, and the masculine and neuter include the masculine, feminine, and neuter, as the context requires. All captions used in this Declaration are intended solely for convenience of reference and will in no way limit this Declaration. The Background paragraphs and all exhibits attached to this Declaration are incorporated into this Declaration by reference.

15.4 Approvals, Notices, and Other Writings.

(a) Within 15 days after taking title to a Lot, the Owner of the Lot will provide the Association with the Owner's current mailing address (if other than the address at the Lot), phone number, and email address, and will provide the Association with a copy of the deed by which the Owner acquired title to the Lot. An Owner will notify the Association of any change in such Owner's contact information within 15 days after the change.

(b) All approvals, notices, and other writings required or permitted to be given under this Declaration must be delivered in person, by first-class United States mail, or by Federal Express, UPS, or other nationally recognized private commercial carrier, postage prepaid. Delivery of such approval, notice, or other writing will be deemed made two business days after having been deposited with the United States Postal Service or nationally recognized private commercial carrier, addressed to an Owner at the address provided under Section 15.4(a), or addressed to Declarant, the Association, or the Architectural Control Committee, at the following address (or at such other address as may be designated in writing from time to time):

BDN Land Development, Inc.
c/o The Boyer Company, L.C.
90 S 400 W, Ste 200
Salt Lake City, UT 84101-1365

Declarant has executed this Declaration to be effective as of the date first set forth above.

BDN Land Development, Inc.,
a Utah corporation

By: 

Name: Steven B. Oster

Title: Manager

State of Utah)
) ss.
County of Salt Lake)

The foregoing instrument was acknowledged before me on April 22nd, 2010, by Steven B. Oster, Manager of BDN Land Development, Inc.



Rachael N. Niusulu
Notary Public

Exhibit A

Legal Description of the Land

Lots 101 through 133, Cottages at the North District Phase 1, according to the official plat thereof on file and of record in the Salt Lake County Recorder's Office.

Exhibit B

Legal Description of the Additional Land

Parcel A and Parcel B, Cottages at the North District Phase 1, according to the official plat thereof on file and of record in the Salt Lake County Recorder's Office.