

WHEN RECORDED RETURN TO:
THE COVE AT RIVERWOOD, INC
RYAN BUTTON
13191 WOODRIDGE OAK CIRCLE
DRAPER, UT 84020

10955473
05/19/2010 02:49 PM \$102.00
Book - 9826 Pg - 7895-7938
GARY W. OTT
RECORDER, SALT LAKE COUNTY, UTAH
INTEGRATED TITLE INS. SERVICES
BY: ZJM, DEPUTY - WI 44 P.

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
THE COVE AT RIVERWOOD,**

This Declaration of Covenants, Conditions, and Restrictions for The Cove at Riverwood (the "Declaration") is made and executed by THE COVE AT RIVERWOOD, INC, 13191 WOODRIDGE OAK CIRCLE, DRAPER, UT 84020 (the "Developer").

RECITALS

A. This Declaration affects that certain real property located in the City of Sandy in Salt Lake County, Utah described with particularity in Article II below (the "Property").

B. Developer is the owner of the Property.

C. Developer has constructed or is in the process of constructing upon the Property a planned residential Development which shall include certain Lots, Common Area, and other improvements of a less significant nature. The construction will be completed in accordance with the plans contained in the THE COVE AT RIVERWOOD Final Plat to be recorded concurrently herewith.

D. Developer intends to sell to various purchasers the fee title to the individual residential Lots contained in the Property, together with Common Area a corresponding membership interest in the Association, subject to the Project Documents.

E. The Project is to be known as "THE COVE AT RIVERWOOD."

F. Developer desires, by filing this Declaration and THE COVE AT RIVERWOOD Final Plat, to submit the Property and all improvements now or hereafter constructed thereon to the provisions and protective covenants set forth in the Project Documents.

G. Since the completion of the THE COVE AT RIVERWOOD may be in phases, the completed THE COVE AT RIVERWOOD will consist of the original phase and all subsequent phases.

COVENANTS, CONDITIONS, AND RESTRICTIONS

NOW, THEREFORE, for the reasons recited above and subject to the covenants, conditions and restrictions set forth below, Developer hereby makes the following declaration:

ARTICLE I. DEFINITIONS

1.1 Additional Charges shall mean and refer cumulatively to all collection and administrative costs, including but not limited to all attorneys fees, late charges, accruing interest, service fees, filing and recordation fees, and other expenditures incurred or charged by the Association.

1.2 Area of Common Responsibility shall mean and refer to the area which the Association is responsible to maintain, repair, replace, administer and regulate.

1.3 Area of Personal Responsibility shall mean and refer to the area which the Owner is responsible to maintain, repair and replace.

1.4 Articles of Incorporation shall mean and refer to the Articles of Incorporation of the THE COVE AT RIVERWOOD Association on file or to be filed with the Utah Department of Commerce.

1.5 Assessment shall mean and refer to any amount imposed upon, assessed or charged an Owner or Permittee.

1.6 Association shall mean and refer to the association of Owners at THE COVE AT RIVERWOOD taken or acting as a group in accordance with this Declaration.

1.7 Board of Directors shall mean and refer to the Governing Board of the Association, the members of which shall be elected in accordance with the Bylaws.

1.8 Builder shall mean an owner, developer or contractor who obtains a construction or occupancy permit for one or more Lots.

1.9 Building shall mean and refer to any of the structures constructed in the Property.

1.10 Bylaws shall mean and refer to the Bylaws of the Association, a copy of which is attached hereto, marked Exhibit "B," and incorporated herein by this reference.

1.11 Capital Improvement or Addition shall mean and refer to a permanent addition to or the betterment of real property that enhances its capital value and improves the expenditure of labor or money and is designed to make the property more useful or valuable as distinguished from ordinary repairs.

1.12 City shall mean and refer to the City of Sandy in Salt Lake County, Utah.

1.13 Common Areas shall mean and refer to all real property in the Property owned in common by the Lot Owners including but not limited to the following items:

1.13.1 The real property and interests in real property submitted hereby, including the entirety of the Property and all improvements constructed thereon, excluding the individual Lots.

1.13.2 All Common Areas designated as such in the Final Plat;

1.13.3 All utility installations and all equipment connected with or in any way related to the furnishing of utilities to the Property and intended for the common use of all Lot Owners, such as telephone, electricity, gas, water, cable television, and sewer, and not otherwise owned and operated by the utility, municipality or individual lot owner;

Provided, however, utility installations such as telephone, electricity, gas, water, and sewer may be dedicated to the City or other public utility and, if so, this definition shall not be construed to allow the Association to exclude the City or other public utility from the ownership and control of the utility systems so dedicated.

1.13.4 The Property's outdoor grounds including landscaping, open and green space, Entry;

1.13.5 All portions of the Property not specifically included within the individual Lots; and

1.13.6 All other parts of the Property normally in common use or necessary or convenient to the use, existence, maintenance, safety, operation or management of the Property owned by the Association for the common benefit of its Members.

1.14 Common Expense shall mean and refer to:

1.14.1 All sums lawfully assessed against the Owners;

1.14.2 Expenses allocated by the Association among the Owners;

1.14.3 Expenses agreed upon as common expenses by the Association; and

1.14.4 Expenses declared common expenses by this Declaration.

1.15 Community shall mean and refer to THE COVE AT RIVERWOOD.

1.16 Community Standard shall mean and refer to the standard of conduct, maintenance, or other activity generally prevailing in the THE COVE AT RIVERWOOD, as determined by the Board of Directors from time to time.

1.17 Declaration shall mean and refer to this Declaration of Covenants, Conditions, and Restrictions for THE COVE AT RIVERWOOD.

1.18 Developer shall mean and include THE COVE AT RIVERWOOD, INC and any person or persons who might acquire title from it to all or some of the unsold Lots, Units through purchase, assignment or other transfer including foreclosure or deed in lieu of foreclosure; or, in the situation where, any person purchases all, or some of the remaining Lots, in a sale in the nature of a bulk sale. The person acquiring any of such property from the Developer shall be considered a Developer with respect to that portion of the property so acquired and shall have the right to develop the property and/or sell such property in accordance with the terms and provisions of this; provided, however, a notice of succession shall be recorded in the Office of the County Recorder signed by both the current Developer and by its successor in interest as the new Developer.

1.19 Dwelling, Dwelling Unit or Home shall mean and refer to a dwelling, home or living unit constructed upon a Lot.

1.20 Eligible Guarantor shall mean and refer to a governmental guarantor of a mortgage or trust deed who has requested notice in writing of certain matters from the Association in accordance with the Declaration.

1.21 Eligible Insurer shall mean and refer to an insurer of a mortgage or trust deed who has requested notice in writing of certain matters from the Association in accordance with this Declaration.

1.22 Eligible Mortgagee shall mean and refer to a mortgagee, beneficiary under a trust deed, or lender who has requested notice in writing of certain matters from the Association in accordance with this Declaration.

1.23 Final Plat shall mean and refer to the THE COVE AT RIVERWOOD Final Plat, the official map of the THE COVE AT RIVERWOOD, which includes phases 1 - 9, excluding Parcel B, as approved by the City and on file in the Office of the County Recorder.

1.24 Guest shall mean and refer to a family member, guest, invitee, or licensee, of an Owner or Unit.

1.25 Improvement shall mean and refer to any physical change or addition to the Land to make it more valuable.

1.26 Individual Charge shall mean and refer to a charge levied against an Owner, Guest or Permittee for all expenses resulting from the act or omission of such Person, excepting the Owner's failure to pay any Assessment.

1.26.1 The act or negligence of any Guest or Permittee shall be deemed to be the act or negligence of the Owner responsible for such Person.

1.26.2 Individual Charges shall include, by way of illustration but not limitation, any expense resulting from the act or omission of any Owner, Guest or Permittee including:

1.26.2.1 The cost to repair any damage to any portion of the Property on account of loss or damage caused by such Person; or

1.26.2.2 The cost to satisfy any expense to any other Owner or Owners or to the Association due to any intentional or negligent act or omission of such Person, or resulting from the breach by such Person of any provisions of the Project Documents; and

While Individual Charges are not Assessments, they are secured by a lien in the same manner as Assessments, as set forth below. The Association also shall have all other remedies, both legal and equitable, described in the Project Documents available against any Owner for nonpayment.

1.27 Lot shall mean and refer to a separate physical part of the Property intended for independent use as shown on the THE COVE AT RIVERWOOD Final Plat. Each Lot shall be assigned a separate "parcel" or tax identification number by the appropriate governmental agency.

1.28 Lot Number shall mean and refer to the number, letter or combination thereof designating a particular Lot.

1.29 Majority shall mean and refer to those eligible votes of Owners or other groups as the context may indicate totaling more than fifty (50%) percent of the total eligible number.

1.30 Manager shall mean and refer to the professional person appointed or hired by the Association to manage and operate the Property, and assist in the administration of the Association.

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

1.32 Mortgagee shall mean and refer to any person or entity named as the mortgagee, beneficiary or holder of the seller's interest (so long as a copy of the contract for deed is given to the Association) under any Mortgage by which the interest of any Owner is encumbered, or any successor to the interest of such person under such Mortgage. A *First Mortgagee* shall mean and refer to any person or entity holding a First Mortgage including any insurer or guarantor of a

First Mortgage. Any and all Mortgagee protections contained in the Declaration shall also protect the Developer as the holder of a First Mortgage of a Lot, or any interest therein.

1.33 Office of the County Recorder or County Recorder shall mean and refer to the Office of the County Recorder of Salt Lake County, Utah.

1.34 Owner shall mean and refer to a Person who is the owner of a fee or an undivided fee interest in a Lot, excluding a mortgagee or a beneficiary or trustee under a deed of trust unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.

1.35 Period of Developer's Control shall mean and refer to the period of time during which the Class B Member is entitled to appoint the members of the Board of Directors.

1.36 Permittee shall mean a tenant, resident occupant, visitor, guest, invitee or family member.

1.37 Person shall mean and refer to a natural person, corporation, partnership, trust, limited liability company, or other legal entity.

1.38 Project shall mean and refer to all of the THE COVE AT RIVERWOOD, as shown on the Plat unless the context clearly requires otherwise.

1.39 Project Documents shall mean and refer to this Declaration, the Final Plat, Bylaws, Rules and Regulations, and Articles of Incorporation of the Association.

1.40 Property shall mean and refer to all of the land or real estate, improvements and appurtenances comprising the THE COVE AT RIVERWOOD submitted to this Declaration.

1.41 Repair shall mean and refer to merely correcting the damage done sometimes by accident or fire or other cause, but more often due to the ravages of time and the deterioration resulting from ordinary wear and tear, by substituting for the damage, decayed or worn-out parts, new material, usually similar to that replaced, and so restoring the structure to its original sound condition.

1.42 Resident shall mean and refer to any person living or staying at THE COVE AT RIVERWOOD. This includes but is not limited to natural person or persons residing in the Dwelling Unit.

1.43 Single Family shall mean and refer to *one* of the following: (a) a single person, (b) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, and an additional person or persons as a caretaker or as domestic help, or (c) a group of not more than three unrelated persons who maintain a common household to be distinguished from a group occupying a boarding house, club, fraternity or hotel.

1.44 Single Family Residence shall mean and refer to (a) both the architectural style of a Dwelling Unit and the nature of the residential use permitted; and (b) a single family detached residence in the THE COVE AT RIVERWOOD as shown on the Final Plat, which shall include fee title to the Lot on which the Dwelling Unit is located, an undivided interest in the use of the Common Area, subject to the Declaration.

1.45 Total Votes of the Association shall mean and refer to the total number of votes appertaining to all Lots in the Property and the Developer's votes.

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

ARTICLE II. SUBMISSION

The Property, described with particularity on Exhibit "A" attached hereto and incorporated herein by this reference, is hereby resubmitted to the Declaration.

The Property is hereby again made subject to, and shall be governed by the Declaration, and the covenants, conditions and restrictions set forth herein.

The Property is SUBJECT TO the described easements and rights of way.

TOGETHER WITH all easements, rights-of-way, and other appurtenances and rights incident to, appurtenant to, or accompanying the above-described parcel of real property.

ARTICLE III. PROPERTY DESCRIPTIONS AND EASEMENTS

3.1 Description of Improvements. The significant improvements contained in THE COVE AT RIVERWOOD include or will include up to 35 Lots, landscaping, play area, and other improvements of a less significant nature. The location and configuration of the improvements referred to in the foregoing sentences are depicted on the Final Plat.

3.2 Description of Property. The Final Plat shows the type and location of each Lot and its Lot Number.

3.3 Legal Status of the Property. All Lots shall be capable of being privately and independently owned, encumbered, and conveyed, and shall have separate tax identification or parcel numbers.

3.4. Easements and Rights of Way. Developer hereby grants and conveys to the Association, each Owner and Permittee the right and non-exclusive easement to use and enjoy

the Common Area. Such rights and easements shall be appurtenant to and shall pass with the title to every Lot, subject to the following restrictions: (1) The right of the Association to limit the number of Guests and Permittees; (2) The right of the Association to suspend the voting privilege; and (3) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for the purpose of regulating transportation, maintaining the roadways or providing utilities and other similar or related purposes. During the Developer's Period of Control, any such dedication or transfer shall be effective only if approved in writing by the Developer and Sandy City. Each Owner by virtue of his acceptance of a deed or other document of conveyance shall be entitled to the exclusive ownership and possession of his Lot, and membership in the Association.

3.5. Joint or Common Utility Easements with Neighboring Subdivisions or Developments. The Developer for itself and/or its successors in interest (including but not limited to the Association), hereby reserves the irrevocable and exclusive right, without any additional consent required, to enter into easement agreements with or to convey to owners or developers of adjoining subdivisions, projects or developments any and all reasonable and necessary utility easements or rights of way for gas, water, power, sewer, storm drain systems or the like under, over, across or through THE COVE AT RIVERWOOD.

ARTICLE IV. MEMBERSHIP AND VOTING

4.1 Membership in the Association and Voting Allocations. Membership in the Association is mandatory and may not be partitioned from the ownership of a Lot. Each Owner by virtue of his accepting a deed or other document of conveyance to a Lot is deemed to be a member of the Association.

4.1.A The Association shall have two classes of membership, Class A and Class B as follows:

4.1.A.1 Class A. Class A Members shall be all Owners with the exception of the Class B Members. Class A Members shall be entitled to vote on all issues before the Association. Each Class A Member shall have one (1) vote per Lot owned. No vote shall be cast or counted for any Lot not subject to assessment. When more than one (1) person or entity holds such interest in a Lot, the vote for such Lot shall be exercised as those persons or entities themselves determine and advise the Secretary of the Association prior to any meeting. In the absence of such advice, the vote of the Lot shall be suspended in the event more than one (1) person or entity seeks to exercise it. Any Owner of a Lot which has been leased may, in the lease or other written instrument, assign the voting right appurtenant to that Lot to the lessee, provided that a copy of such instrument is furnished to the Secretary of the Association at least three (3) days prior to any meeting.

4.1.A.2 The Class B Member shall be the Developer. Each Class B Member shall have ten (10) votes per Lot owned. The rights of the Class B Member, including the right to approve actions taken under this Declaration and the Bylaws, are specified elsewhere in the Declaration and the Bylaws. The Class B Member shall be entitled to appoint a

majority of the members of the Board of Directors during the Class B Control Period. The Class B membership shall terminate and shall be converted to Class A membership upon the first to occur of the following: (a) December 31, 2020, or (b) when 100% of the Lots created have certificates of occupancy issued thereon and have been conveyed to Persons other than the Developer or builders holding title solely for purposes of development and sale, or (c) when, in its discretion, the Class B Member so determines.

4.2. Conveyancing. Any deed, lease, mortgage, deed of trust, or other instrument conveying or encumbering a Lot shall describe the interest or estate involved substantially as follows:

All of Lot No _____ contained within THE COVE AT RIVERWOOD, PHASE [_____], a Utah planned residential development, as the same is identified in the Final Plat recorded in Salt Lake County, Utah as Entry No. _____: _____ at Page _____ of the official records of the County Recorder of Salt Lake County, Utah (as said Final Plat may have heretofore been amended or supplemented) and in the Declaration of Covenants, Conditions, and Restrictions of THE COVE AT RIVERWOOD, recorded in Salt Lake County, Utah as Entry No. _____ in Book _____ at Page _____ of the official records of the County Recorder of Salt Lake County, Utah (as said Declaration may have heretofore been supplemented), together with an undivided interest in the Common Area.

Regardless of whether or not the description employed in any such instrument is in the above-specified form, all provisions of the Project Documents shall be binding upon and shall inure to the benefit of any party who acquires any interest in a Lot. Membership in the Association Common Area shall not be separated from the Lot to which it appertains; and, even though not specifically mentioned in the instrument of transfer, such mandatory membership in the Association shall automatically accompany the transfer of the Lot to which they relate.

4.3. Mandatory Association. Each purchaser of a Lot by virtue of his acceptance of a deed or other document of conveyance shall automatically become a Member of the Association.

4.4. Nature and Restrictions on Ownership and Use in General. Each Owner shall have and enjoy the privileges of fee simple ownership of his Lot. There shall be no requirements concerning who may own a Lot, it being intended that they may and shall be owned as any other property rights by any Person. The Property shall be used only for residential purposes, except as expressly set forth below, and the Common Area shall only be used in a manner consistent with the residential nature of THE COVE AT RIVERWOOD.

ARTICLE V. PROPERTY RIGHTS

5.1 Reasonable Rights to Develop. No rule or action by the Association or Board of Directors shall unreasonably impede Developer's right to develop the Property in accordance

with the development approvals and Final Plat approved by the City, including, but not limited to, the rights of the Developer as set forth herein.

5.2 Rules and Rights of Owners. Except as may be specifically set forth below, and subject to City ordinances and the Declaration, whichever is more restrictive, neither the Board of Directors nor the Association may adopt any rule in violation of the following provisions:

5.2.A Similar Treatment. Similarly situated Owners, Guests and Permittees shall be treated similarly.

5.2.B Religious and Holiday Displays. The rights of Owners and Permittees to display religious and holiday signs, symbols, and decorations on their Lots of the kinds normally displayed in residences located in the Project shall not be abridged, except that the Association may adopt time, place, and manner restrictions regulating displays which are visible from outside the Lot.

5.2.C Household Composition. No rule shall interfere with the freedom of the occupants of Dwelling Units to determine the composition of their households, except that the Declaration limits residency in a Dwelling Unit to a single family and the Association shall have the power to limit the total number of occupants permitted in each Dwelling Unit on the basis of the size and facilities of the Dwelling Unit and its fair share use of the Common Area.

5.2.D Activities Within Lots. No rule shall interfere with the activities carried on within the confines of Lots, except that the Association may prohibit activities not normally associated with property restricted to residential use, and it may restrict or prohibit any activities that create monetary costs for the Association or other Owners, that create a danger to the health or safety of occupants of other Lots, that generate excessive noise or traffic, that create unsightly conditions visible from outside the Lot, or that create an unreasonable sounds of annoyance.

5.2.E Allocation of Burdens and Benefits. No rule shall alter the basis for allocation of financial burdens among various Lots or rights to use the Common Area to the detriment of any Owner over that Owner's objection expressed in writing to the Association. Nothing in this provision shall prevent the Association from changing the use of the Common Area, from adopting generally applicable rules for use of Common Area, or from denying use privileges to those who abuse the Common Area, violate the Project Documents, or fail to pay Assessments. This provision does not affect the right of the Association to increase or decrease the amount of Assessments.

5.2.F Abriding Existing Rights. Any rule which would require Owners to dispose of personal property being kept on the Property shall apply prospectively only and shall not require the removal of any property which was being kept on the Property prior to the adoption of such rule and which was in compliance with all rules in force at such time unless

otherwise required to be removed by law. The limitations in this subsection shall apply to rules only; they shall not apply to amendments to this Declaration.

ARTICLE VI. USE RESTRICTIONS

6.1 Private Residence. No Lot (except as set forth below) shall be used except for residential purposes and all residents shall be obligated by the following requirements: No temporary structure including trailers, tents, shacks, garages, barns or other outbuildings shall be used on any Lot at any time.

6.2 Business Use. No resident may operate a commercial trade or business in or from his Lot with employees of any kind. No commercial trade or business may store any inventory over 250 cubic feet, and it must be contained within the Lot. No commercial trade or business may be conducted in or from a Lot unless (a) the business activity conforms to all home occupation and zoning requirements governing THE COVE AT RIVERWOOD; (b) the operator has a City issued business license; (c) the business activity satisfies the Home Occupation Guidelines adopted by the Board of Directors, as they may be modified from time to time; and (d) the resident has obtained the prior written consent of the Board of Directors. Notwithstanding the foregoing, the leasing of a Lot shall not be considered a trade or business within the meaning of this subsection.

6.3 Storage and Parking of Vehicles. The driving, parking, standing, and storing of motor vehicles in, on or about the Property shall be subject to rules and regulations adopted by the Board of Directors; provided, however, there shall be no outside storage or parking upon any Lot or the Common Area of any automobile, Recreational, Commercial or Oversized vehicle, truck, tractor, mobile home or trailer (either with or without wheels), camper, camper trailer, boat or other watercraft, boat trailer, or any other transportation divide of any kind, except for Owners within the parking spaces in the Owner's garage and for visitors temporarily parking in spaces and in accordance with rules and regulations designated and promulgated by the Board of Directors. No Owners, Guests or Permittees shall repair or restore any vehicle of any kind upon any Lot or Common Area, 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 constructed. Parking shall be allowed in driveways located in tandem with the garage as long as it complies with the above requirements. Due to the strict parking restrictions within the Project, and subject to City conditions of approval for the development, sufficient space shall be retained in each garage to permit the parking of the intended number of vehicles therein.

6.4 Garbage and Refuse Disposal. No Lot shall be used as a dumping ground. All trash, garbage, debris, rubbish or other waste shall be kept in a sealed, sanitary bag or container, and stored either in the garage or behind the provided screened enclosure on each lot. The Board of Directors may adopt, amend or repeal rules for garbage disposal and pick-up.

6.5 Aerials, Antennas, and Satellite Systems. Satellite dishes, aerials, antenna, or systems may only be installed in accordance with FCC regulations taking into consideration any written guidelines established by the Board. The Board of Directors may bar, in its sole discretion, satellite dishes, aerials, antenna, or systems, including HAM radio antenna, not expressly authorized by FCC regulations.

6.6 Animals and Pets. Large animals as that term is defined by City Ordinance are not allowed. No pets, animals, livestock, or poultry of any kind may be commercially bred at the Property. Up to two (2) domestic pets as that term is defined by City Ordinance per Lot are allowed; provided, however, pets must be properly licensed and registered. Pets may not create a nuisance. The following acts shall be considered a nuisance: (a) causing damage to the property of anyone other than the pet owner; (b) causing unreasonable fouling of the air by odors; (c) causing unsanitary conditions; (d) running loose throughout the Property and not in a cage or on a leash and under the control of a responsible person; (e) barking, howling, whining, or making other disturbing noises in an excessive, continuous or untimely fashion; (f) molesting or harassing passersby by lunging at them or chasing passing vehicles; (g) attacking or threatening to attack people or other domestic animals; (h) otherwise acting so as to bother, annoy or disturb the sensibilities of a reasonable person or interfering with the right of residents to the peaceful and quiet enjoyment of their property; or (i) the mere number of pets maintained creates an offensive or dangerous condition to the health, welfare or safety of other residents.

6.7 Signs. No signs, billboards or advertising structures or devices of any kind may be built, installed or displayed on the Property or any Lot except for a single sign with a maximum size , as determined by the Board, for specific purpose of advertising the sale of a Dwelling Unit; provided, however, this restriction does not apply to and is not binding upon the Developer, who may use whatever signs it deems appropriate to market its Lots. "For Rent" or "For Lease" signs in the Common Area, on a Lot, or showing from a Dwelling Unit are prohibited.

6.8 Zoning. All land use and buildings shall be in compliance with all zoning and land use ordinances as well as all regulations of the municipalities and agencies governing the Property land use and buildings.

6.9 Nuisances. No noxious or offensive activity shall be carried on, in or about the Property, nor shall anything be done or permitted thereon which may be or may become an annoyance, disturbance, bother or nuisance to the other residents, or which might interfere with the right of other residents to the quiet and peaceful enjoyment of their property.

6.10 Temporary Structures. No structure of a temporary nature or character, including but not limited to any trailer, shack, shed, tent, garage, barn or other outbuilding shall be used on any Lot at any time as a residence.

6.11 Neighborhood. This Property is located by and is subject to the normal, everyday sounds, odors, and all other aspects associated with the nearby residential and commercial areas.

6.12 Laws. Nothing shall be done or kept in, on or about any Lot or any part thereof, which would be a violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body.

6.13 Damage or Waste. Each Owner shall repair any damage he or any other residents, guests, or invitees of his Lot may cause to another Owner, Lot, or Dwelling Unit, and promptly restore the property to its original condition.

6.14 Leases. Owners leasing their units are subject to rental rules and regulation adopted by the Board from time to time

ARTICLE VII. ARCHITECTURAL REVIEW

7.1 Architectural Review Committee (ARC). The Board of Directors may act as the Architectural Review Committee or may, at their discretion, appoint members to the ARC.

7.1.A The ARC shall have the authority and standing to pursue all legal and equitable remedies available to enforce the provisions of this Section and its decisions

7.2 Architectural Guidelines. The Architectural Review Committee may create an Architectural Guidelines document which further defines community standards.

7.3 Landscaping. All Lots shall be fully landscaped as per the landscaping plans approved by the City attached to the Development Agreement. Installation shall occur during the construction of the home. The landscaping in the front yards of each home shall be maintained by the HOA. The Association has the option to maintain backyards by resolution of the Board.

7.4 Rear Yard and Other Fencing. If not already installed, The Developer shall install fencing along the rear yard of each home. The Homeowner will maintain fencing. Additional fencing and/or gates shall be of a material approved by the Board.

7.5 Easements. Easements and rights of way for the installation and maintenance of utilities, drainage systems and facilities, and irrigation are reserved, as set forth herein and in the legal descriptions of the Property.

7.5.A Within these easements and rights of way, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in, on or about the easements and rights of way, or which may obstruct or retard the flow of water through the drainage channels in the easements and rights of way.

7.5.B The easement and right of way area of each Lot and all improvements within said area shall be maintained continuously by their Owners, excepting those improvements for which a public authority or utility company is expressly responsible.

7.6 Slope and Drainage Control. No structure, plant, improvement or other material may be placed or permitted to remain, or other activities undertaken which may damage or interfere with established Lot ratios, create erosion or sliding problems, or which may change the direction or flow of drainage channels, or obstruct or retard the flow of water through the channels.

7.6.A The slope control area of each Lot and all improvements therein shall be maintained continuously by the Owner of the Lot, excepting those improvements for which a public authority or utility company is expressly responsible.

7.7 Approval for Modifications. Any exterior modification, including but not limited to structural; appearance; landscape; drainage and etc is required to have prior written authorization from the ARC. In reviewing submittals the ARC may consider harmony of external design with existing structures in the community. Decisions of the ARC may be based purely on aesthetic considerations. Each Owner acknowledges, by acceptance of a deed or other document of conveyance, that opinions on aesthetic matters are subjective and may vary as ARC members change over time. A reasonable fee may be charged by the ARC to cover any costs association with reviewing any submittal.

7.8 No Waiver of Future Approvals. The approval of the ARC of any submittal for any work done or proposed, or in connection with any other matter requiring the approval and consent of the ARC, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters whatever subsequently or additionally submitted for approval or consent.

7.9 Variance. The ARC may authorize variances from compliance with any of the architectural guidelines when circumstances such as topography, natural obstructions, hardship, aesthetic, or environmental considerations require, but only in accordance with its duly adopted rules and regulations. Such variances may only be granted when unique circumstances dictate and no variance shall (a) be effective unless in writing, (b) be contrary to the restrictions set forth in the body of this Declaration, or (c) stop the ARC from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit or the terms of financing shall not be considered a hardship warranting a variance.

7.10 Limitation of Liability. Neither the Developer nor the ARC, or any of their employees, agents, representatives or consultants shall be responsible in any way for any defects in any submittals, revised or approved in accordance with the provisions of this Declaration, nor for any structural or other defects in any work done according to such plans and specifications. By accepting a deed or other document of conveyance to a Lot, each Owner agrees to and shall defend, indemnify, save and hold the Developer and the ARC, and their employees, agents, representatives or consultants, harmless from any and all loss, damage or liability they may suffer, including defense costs and attorney fees, as a result of any claims, demands, actions, costs, expenses, awards or judgments arising out of their review or approval of architectural submittals.

7.11 Enforcement of Architectural Guidelines. Any construction, installation, alteration, or other work done in violation of this Declaration shall be considered to be nonconforming.

7.11.A Upon written request from the ARC an Owner shall at his own cost and expense remove such non-conforming alteration or other work and shall restore the land to substantially the same condition as existed prior to the non-conforming construction, alteration, or other work.

7.11.B Should an Owner fail to remove and restore as required hereunder, the ARC shall have the right to enter the property, remove the violation, and restore the property to substantially the same condition as existed prior to the construction, alteration or other work, without being deemed to be a trespasser.

ARTICLE VIII. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

8.1 Board of Directors. The Association shall be governed, directed and managed by a Board of Directors comprised of three (3) natural persons who shall be duly qualified and elected (or appointed).

8.2 Status and General Authority of Board of Directors. Any instrument executed by the Board of Directors that recites facts which, if true, would establish the power and authority of the Board of Directors to accomplish through such instrument what is purported to be accomplished thereby, shall conclusively establish said power and authority in favor of any person who in good faith and for value relies upon said instrument. The Association shall, in connection with its exercise of any of the powers delineated in subparagraphs below, constitute a legal entity capable of dealing in its own name or in the name of the Board of Directors. The Board of Directors shall have, and is hereby granted, the following authority and powers:

8.3 Access. To enter into or upon any Lot to (A) make repairs to and to do other work necessary for the proper maintenance and operation of any Common Area during reasonable hours and after reasonable notice to the occupant of the Lot; and (B) for making emergency repairs necessary to prevent damage to the Common Area or to another Lot, provided that a reasonable effort is made to provide notice to the occupant of the Lot prior to entry.

8.4 Grant Easements. With or without the vote or consent of the Owners, Mortgagees, insurers or guarantors of any Mortgage, or of any other person, to grant or create, on such terms as it deems advisable, reasonable permits, licenses, and non-exclusive easements over, under, across, and through the Common Area for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance, operation or regulation of THE COVE AT RIVERWOOD.

8.5 Execute Documents. To execute and record, on behalf of all Owners, any amendment to the Declaration or THE COVE AT RIVERWOOD Final Plat which has been approved by the vote or consent necessary to authorize such amendment.

8.6 Standing. To sue and be sued.

8.7 Enter Into Contracts. To enter into contracts which in any way concern THE COVE AT RIVERWOOD, so long as any vote or consent necessitated by the subject matter of the agreement has been obtained.

8.8 Transfer Interests in Real Property. To exchange, convey or transfer any interest in real property, so long as it has been approved by at least seventy five percent (75%) of the Members of the Association.

8.9 Purchase. To purchase, otherwise acquire, and accept title to, any interest in real property, so long as it has been approved by at least seventy five percent (75%) of the Members of the Association.

8.10 Add Property. To add any real property, or interest therein, to THE COVE AT RIVERWOOD, so long as it has been approved by the Developer or his affiliates. Parcel B may be added by the Developer or by approval of at least fifty one percent (51%) of the Members of the Association. If Parcel B is added, the Board may set a proportionate assessment based on scope of maintenance.

8.11 Promulgate Rules. To promulgate such reasonable administrative guidelines, rules, regulations, policies and procedures as may be necessary or desirable to aid the Board of Directors in carrying out any of its functions or to ensure that the THE COVE AT RIVERWOOD is maintained and used in a manner consistent with this Declaration.

8.12 Meetings. To establish procedures for the conduct of its meetings, including but not limited to the power to decide what portion of the meeting shall be open or closed to Owners, to retire to executive session, and to regulate record keeping.

8.13 Delegation of Authority. To delegate its responsibilities over the management and control of the THE COVE AT RIVERWOOD to a professional manager, reserving the right, power and authority, however, to control and oversee the administration thereof.

8.14 Interpret and Enforce Project Documents. To interpret and enforce this Declaration, the Bylaws, Rules and Regulations, and Articles of Incorporation.

8.15 Borrow. To borrow funds and pledge assets of the Association.

8.16 All other Acts. To perform any and all other acts, and to enter into any other transactions which may be reasonably necessary for the Board of Directors to perform its functions on behalf of the Owners.

8.17 Delegation of Management Responsibilities. The Property shall be managed by a professional manager, selected by the Developer or, upon the termination of the Period of Developer's Control, the Board of Directors.

8.18. Lists of Owners, Eligible Mortgagees, and Eligible Insurers or Guarantors. The Board of Directors shall maintain up-to-date records showing: (A) the name of each person who is an Owner, the address of such person, and the Lot which is owned by him; and (B) the name and address of each resident. The Board of Directors may for all purposes act and rely on the information concerning ownership in its records or, at its option, the official records of the County Recorder. The address of any Owner shall be deemed to be the address of the Lot owned by such person unless the Board of Directors is otherwise advised in writing.

8.19 Capital Improvements. All Common Expenses for Capital Improvements or Additions to the Project shall be governed by and subject to the following conditions, limitations and restrictions:

8.19.A Board of Directors Discretionary Expenditure Limit. Any Capital Improvement or Addition to the Project which costs ten percent (10%) or less of the Total Annual Budget for the Project, and does not alter the nature of the Project, may be authorized unilaterally by the Board of Directors (the "Capital Improvement Expenditure Ceiling").

8.19.B Expenditure Requiring Consent of Owners. Any Capital Improvement or Addition, the cost of which will exceed the Capital Improvement Expenditure Ceiling, must, prior to the commencement of construction, be authorized by at least a majority of the Owners and certified in writing.

8.19.C Improvements Changing the Nature of THE COVE AT RIVERWOOD. Any Capital Improvement which would materially alter the nature of the Project must, regardless of its cost and prior to being constructed or accomplished, be authorized by at least sixty-seven (67%) percent of the Owners.

ARTICLE IX. COMMON ASSESSMENTS AND EXPENSES

9.1 Common Expenses and Assessments. Each Owner by virtue of his acceptance of a Deed or other document of conveyance to a Lot covenants to and shall pay his share of the Common Expenses, and Assessments, including Additional Charges, and Individual Charges to the Association in accordance with the Declaration

9.2 Declarant Assessments. Anything to the contrary notwithstanding, the Declarant shall not be obligated to pay Assessments on any Lots owned by it until such time as: (1) the physical structures are substantially completed; (2) certificates of permanent occupancy are issued and the Lots are sold or rented; or (3) Declarant elects in writing to pay the Assessments, whichever first occurs.

9.3 Purpose of Common Area Expenses. The Assessments provided for herein shall be used for the general purpose of operating the Project, promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and residents, including the maintenance of any real and personal property owned by the Association, and regulating the Community, all as may be more specifically authorized from time to time by the Board of Directors.

9.4 Creation of Assessments. Since the Assessments shall pay for the common expenses of the Association, as shall be determined by the Board of Directors from time to time, each Owner, by acceptance of a deed to a Lot, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association in a timely manner all Assessments assessed by the Board of Directors.

9.5 Budget. The Board of Directors shall annually prepare a budget which:

9.5.A Itemization. Shall set forth an itemization of the anticipated Common Expenses for the twelve (12) month calendar year, commencing with the following January 1.

9.5.B Basis. Shall be based upon advance estimates of cash requirements by the Board of Directors to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the Common Areas and regulation of the Association, which estimate shall include but is not limited to expenses of management, irrigation water, grounds maintenance, taxes and special assessments, premiums for all insurance which the Board of Directors is required or permitted to maintain, common lighting and heating, water charges, trash collection, sewer service charges, repairs and maintenance of the Common Areas and replacement of those elements of the Common Areas that must be replaced on a periodic basis, wages for Board of Directors employees, legal and accounting fees, any deficit remaining from a previous period; the creation of a reasonable contingency reserve, surplus or sinking fund, capital improvement reserve, and other expenses and liabilities which may be incurred by the Association for the benefit of the Owners under and by reason of this Declaration. Until the Project is completed, and all Phases are added, this estimate may need to be adjusted periodically as each new Phase is completed.

9.5.C Apportionment. The common profits, losses and voting rights of the Project shall be distributed among and the common expenses shall be charged equally to the Lot Owners.

9.6 Payment of Assessments. The Board of Directors has the sole authority and discretion to determine how and when the Assessments are paid.

9.7 Additional Services. The Board of Directors may but is not obligated to add to the Assessment of any particular Lot or Lot Owner additional charges for individual services offered or provided, not a Common Expense.

9.8 Personal Obligation of Owner. Owners are liable to pay all Assessments assessed and Additional Charges; provided, however, no first mortgagee or beneficiary under a first deed of trust (but not the Seller under a uniform real estate contract, land sales contract, or other similar instrument), who obtains title to a Lot pursuant to the remedies provided in the mortgage or trust deed shall be liable for unpaid Assessments which accrued prior to the acquisition of title. For purposes of this Section, the term "Owner" shall mean and refer jointly and severally to: (a) the Owner of both the legal and equitable interest in any Lot; (b) the owner of record in the offices of the County Recorder of Weber County, Utah; and (c) both the Buyer and Seller under any executory sales contract or other similar instrument.

9.10 Equitable Changes. If the aggregate of all monthly payments on all of the Lots is too large or too small as a result of unanticipated income or expenses, the Board of Directors may from time to time effect an equitable change in the amount of said payments. Owners shall be given at least thirty (30) days notice of any changes.

9.11 Dates and Manner of Payments. The dates and manner of payment shall be determined by the Board of Directors.

9.12 Initial Assessment. Upon any transfer of title of a Lot, the Board shall have the right to charge an Initial Assessment and/or Administrative Set-up Fees as determined by Board Resolution.

9.13 Reserve Account. The Board of Directors shall establish and maintain a reserve account to pay for capital improvements.

9.14 Acceleration. Assessments shall be paid in the manner and on dates fixed by the Board of Directors who may, at its option and in its sole discretion, elect to accelerate the entire annual Assessment for delinquent Owners. If, however, the Assessment is accelerated and an Owner subsequently files bankruptcy or the Board of Directors otherwise decides acceleration is not in its best interest, the Board of Directors, at its option and in its sole discretion, may elect to decelerate the obligation.

9.15 Statement of Assessments Due. Upon written request, the Board of Directors shall furnish to any Owner a statement of Assessments due, if any, on his Lot. The Association may require the advance payment of a processing charge not to exceed \$15.00 for the issuance of such certificate.

9.16 Superiority of Assessments. All Assessments and liens created to secure the obligation to pay Assessments are superior to any homestead exemptions to which an Owner may be entitled which insofar as it adversely affects the Association's lien for unpaid Assessments each Owner by accepting a deed or other document of conveyance to a Lot hereby waives.

9.17 Suspension of Right to Vote for Non-Payment. At the discretion of the Board of Directors, the right of an Owner to vote on issues concerning the Association may be suspended

if the Owner is delinquent in the payment of his Assessments, and has failed to cure or make satisfactory arrangements to cure the default after reasonable notice of at least ten (10) days.

9.18 Special Assessments. In addition to the other Assessments authorized herein, the Association may levy special assessments in any year, subject to the following:

9.18.A Board of Directors Based Assessment. So long as the special assessment does not exceed the sum of Five Hundred and 00/100th Dollars (\$500.00) per Lot in any one fiscal year (the "Special Assessment Limit"), the Board of Directors may impose the special assessment without any additional approval.

9.18.B Association Approval. Any special assessment which would exceed the Special Assessment Limit shall be effective only if approved by a majority of the members of the Association. The Board of Directors in its discretion may allow any special assessment to be paid in installments.

9.19 Benefit Assessments. If an Owner has the choice to accept or reject the benefit, then the Board of Directors shall have the power and authority to assess an Owner in a particular area as follows:

9.19.A Benefit only To Specific Lot. If the expense benefits less than all of the Lots, then those Lots benefited may be specifically assessed, and the specific assessment shall be equitably apportioned among those Lots according to the benefit received.

9.19.B Unequal or Disproportionate Benefit. If the expense benefits all Lots, but does not provide an equal benefit to all Lots, then all Lots shall be specifically assessed, but the specific assessment shall be equitably apportioned among all Lots according to the benefit received.

Failure of the Board of Directors to exercise its authority under this Section shall not be grounds for any action against the Association or the Board of Directors and shall not constitute a waiver of the Board of Directors's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board of Directors has not previously exercised its authority under this Section.

9.20 Collection of Assessments. The Owners must pay their Assessments in a timely manner. Payments are due in advance on the first of the month. Payments are late if received after the 10th day of the month in which they were due.

9.21 Delinquent Assessments. Any Assessment not paid when due shall be deemed delinquent and a lien securing the obligation shall automatically attach to the Lot, regardless of whether a written notice is recorded.

9.22 Late Fees and Default Interest. A reasonable late fee may be charged by the Board of Directors on all late payments. Default interest at a rate determined by the Board of Directors shall accrue on the outstanding balance of any account.

9.23 Lien. If any Lot Owner fails or refuses to make any payment of any Assessment or his portion of the Common Expenses when due, that amount shall constitute a lien on the interest of the Owner in the Property, and upon the recording of notice of lien by the Manager, Board of Directors or their designee it is a lien upon the Owner's interest in the Property prior to all other liens and encumbrances, recorded or unrecorded, except: (1) tax and special assessment liens on the Lot in favor of any assessing Lot or special improvement district; and (2) encumbrances on the interest of the Owner recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

9.24 Foreclosure of Lien and/or Collection Action. If the Assessments remain unpaid, the Association may, as determined by the Board of Directors, institute suit to collect the amounts due and/or to foreclose the lien.

9.25 Personal Obligation. Each Owner, by acceptance of a deed or as a party to any other type of conveyance, vests in the Association or its agents the right and power to bring all actions against him or her personally for the collection of the charges as a debt or to foreclose the lien in the same manner as mechanics liens, mortgages, trust deeds or encumbrances may be foreclosed.

9.26 No Waiver. No Owner may waive or otherwise exempt himself or herself from liability for the Assessments provided for herein, including but not limited to the non-use of Common Areas or the abandonment of his Lot.

9.27 Duty to Pay Independent. No reduction or abatement of Assessments shall be claimed or allowed by reason of any alleged failure of the Association or Board of Directors to take some action or perform some function required to be taken or performed by the Association or Board of Directors under this Declaration or the By Laws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate and independent covenant on the part of each Owner.

9.28 Application of Payments. All payments shall be applied as follows: Additional Charges, Delinquent Assessments and Current Assessments.

9.29 Foreclosure of Lien as Mortgage or Trust Deed. The lien for nonpayment of Assessments may be enforced by sale or foreclosure of the Owner's interest therein by the Board of Directors. The sale or foreclosure shall be conducted in the same manner as foreclosures in deeds of trust or mortgages or in any other manner permitted by law. In any foreclosure or sale, the Owner shall pay the costs and expenses of such proceedings, including but not limited to the cost of a foreclosure report, reasonable attorney's fees, and a reasonable rental for the Lot during the pendency of the foreclosure action. The Association in the foreclosure action may require the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The Board of Directors may bid for the Lot at foreclosure or other sale and hold, lease, mortgage, or convey the same.

9.30 Appointment of Trustee. If the Board of Directors elects to foreclose the lien in the same manner as foreclosures in deeds of trust, then the Owner by accepting a deed to the Lot hereby authorizes the Board of Directors to execute and record a written Appointment of Trustee, appointing the attorney for the Association as the Trustee, provided he or she is a member of the Utah State Bar, and hereby confers upon said Trustee the power of sale set forth with particularity in Utah Code Annotated, Section 57-1-23 (1953), as amended. In addition, Owner hereby transfers in trust to said Trustee all of his/her right, title and interest in and to the real property for the purpose of securing his performance of the obligations set forth herein.

9.31 Appointment of Attorney in Fact to Collect Rents. Each Owner by virtue of his/her acceptance of a deed or other document of conveyance to a Lot hereby irrevocably appoints the Association as his attorney in fact to collect rent from any person renting his Lot, if the Lot is rented and Owner is more than thirty (30) days delinquent in his Assessments. Rent due shall be paid directly to the Association, upon written demand, until such time as the Owner's Assessments are current; and the Owner shall credit the Renter, against rent due, for the amount of money paid to the Association.

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

9.33 Liability of Board of Directors. The Association shall indemnify every officer and member of the Board of Directors against any and all expenses, including but not limited to attorneys fees reasonably incurred by or imposed upon any officer or member of the Board of Directors in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which s/he may be a party by reason of being or having been an officer or member of the Board of Directors. The officers and members of the Board of Directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, misconduct or bad faith. The officers and members of the Board of Directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or members of the Board of Directors may also be Owners), and the Association shall indemnify and forever hold each such officer and member of the Board of Directors free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall be exclusive of any other rights to which any officer or member of the Board of Directors, or former officer or member of the Board of Directors, may be entitled. The Association shall, as a common expense, maintain adequate general liability and officers and directors insurance coverage to fund this obligation, if such insurance is reasonably available.

ARTICLE X. MAINTENANCE AND REPAIR OBLIGATIONS

10.1 The Area of Common Responsibility. The Association has the responsibility to maintain, repair and replace the Common Areas, including the emergency access and maintenance of public trail as designated in Exhibit C. No alterations to emergency access, public trails or public access areas may be made without the prior written approval of the City.

10.1.A All landscape and irrigation installed in the front and side yards, including the area along Crescent Oak Way next to Lot 101, will be the responsibility of the Association to maintain. This includes lawns and beds. The Board of Directors, in their sole discretion, can decide to include rear yards as part of the Association's responsibility.

10.1.C The Association shall maintain yard drains.

10.1.B The Association shall remove ice and snow accumulations from public sidewalks and emergency access trails on Parcel A. The snow removal along Crescent Oak Way will be maintained by both Canyons School District and the Association. The City is responsible for the removal of snow and ice accumulations from the streets.

10.2 The Area of Personal Responsibility. Each Owner shall maintain, replace, and keep his Lot and any property he privately owns in a state of good condition and repair.

10.2.A Sidewalks shared by one or more lots shall be the equal maintenance responsibility of the adjoining lots sharing the sidewalk.

10.3 Standard of Care - Generally. The Property shall be maintained in a usable, clean, functional, safe, healthy, sanitary, attractive, and good condition, consistent with Community Standards. If a dispute arises between a Owner or resident and the Association as to the condition of a Lot, the decision of the Board of Directors shall be final, binding and conclusive.

10.4 Changes to Areas of Personal or Common Responsibility. The Board of Directors may unilaterally add items to or subtract items from the Areas of Personal or Common Responsibility

ARTICLE XI. INSURANCE

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

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

11.2.A Public Liability. Public liability coverage for the Common Areas;

11.2.B Common Area. Property and extended hazard coverage for all Common Areas; and

11.2.C D&O. Directors and officers coverage.

11.3 Minimum Amount of Insurance Coverage. The liability insurance purchased by the Association shall be in an amount not less than \$1,000,000.00 per occurrence and \$2,000,000.00 per aggregate and optional umbrella liability coverage to be determined by the Board of Directors from time to time for bodily injury, death, and property damage. This amount may be increased or decreased unilaterally by the Board of Directors.

11.4 Name Association as "Loss Payee" or "Additional Insured." Any insurance policy obtained independently by the Association, if any, shall name the Association as a certificate holder, additional insured and/or loss payee if applicable.

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

11.6 Insurance Obligation of Owner. Each owner shall insure their entire Dwelling Unit and Lot. All such insurance shall be for the full replacement value of the Dwelling Unit with automatic inflation coverage.

11.7 Owner's Default. If a Unit Owner fails to obtain a Unit Owner Policy or fails to provide a Certificate of Insurance within three (3) days of a request, and fails to remedy a default within ten (10) days of written notice, the Association may but is not obligated to purchase the required insurance and treat the cost as an Individual Expense. Anything to the contrary notwithstanding, if a Unit Owner fails to obtain his required Unit Owner Policy, then s/he shall be personally responsible to pay any deductible on the Master Association Policy as well as any and all costs, up the minimum amount of coverage, incurred for repairs of or to the building as defined above.

11.8 Payment of Deductible. It is presumed that the claimant is responsible to pay the deductible; provided, however, the deductible on a claim made against the Association Master

Policy shall be paid for by the party (A) who would be liable for the loss, damage, claim, or repair in the absence of insurance or (B) from whose Unit the causal event originates. In the event of multiple responsible parties, the loss shall be allocated in relation to the amount each party's responsibility bears to the total. If a loss is caused by an act of God or nature or by an element, risk or peril beyond the control of the parties, then the Unit Owner shall be responsible for the deductible. It is the intent of the Declarant to obtain property, fire and extended hazard insurance with a \$5,000.00 deductible. This amount may be increased or decreased unilaterally by the Board of Directors upon a written recommendation for its insurance agent without amending the Declaration. Each Unit Owner is encouraged to purchase insurance to cover the cost of the deductible.

11.9 Damages. Each Unit Owner is responsible for the maintenance of his/her Home and for the repair of any damage s/he causes to another Home or the Common Area.

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

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

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

ARTICLE XII. MISCELLANEOUS

12.1 Termination of Legal Status. Any action to terminate the legal status of the Property after Substantial Destruction or Condemnation occurs shall be agreed to by Owners who represent at least sixty-seven (67%) percent of the total allocated votes in the Association, by Eligible Mortgage holders who represent at least fifty-one (51%) percent of the votes of the Lots that are subject to mortgages held by eligible holders, sixty-seven (67%) of all of the Lot and Lot Owners in the Property, and the Developer until the expiration of the Period of Developer's Control.

The termination of the legal status of THE COVE AT RIVERWOOD for reasons other than Substantial Destruction or Condemnation of the property shall be agreed to by Eligible Mortgage holders that represent at least sixty-seven (67%) percent of the votes of the mortgaged Lots. However, implied approval may be assumed when an Eligible Mortgage holder fails to submit a response to any written proposal for an amendment within thirty (30) days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a "return receipt" requested.

12.2 Consent in Lieu of Vote. In any case in which this Declaration requires the vote of an Owner for authorization or approval of an act or a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Lots which collectively hold the required percentages, subject to the following conditions:

12.3 Sixty-Day Limit. All necessary consents must be obtained prior to the expiration of sixty (60) days from the time the first written consent is obtained; and

12.4 Change in Ownership. Any change in ownership of a Lot which occurs after consent has been obtained from the Owner having an interest therein shall not be considered or taken into account for any purpose.

ARTICLE XIII. MORTGAGEE PROTECTION CLAUSE

13.1 Mortgagee Protection. The lien or claim against a Lot for unpaid Assessments levied pursuant to the Declaration shall be subordinate to any Mortgage recorded on or before the date such Assessments become due, subject to the following:

13.1.A Effects of Voluntary and Involuntary Sale. The lien or claim against a Lot for such unpaid Assessments shall not be affected by any sale or transfer of such Lot, except that a sale or transfer pursuant to a foreclosure of the Mortgage affecting such Lot or the exercise of a power of sale available there under shall extinguish any debt due more than six (6) months prior to such sale or transfer. Nevertheless, any such unpaid Assessments which are extinguished in accordance with the foreclosure or power of sale shall not relieve the purchaser or transferee of such Lot from liability for, nor such Lot the lien of any Assessments becoming due thereafter.

13.1.B Books and Records Available for Inspection. The Management Board of Directors or the Association shall make available to the Owners, to Mortgagees, and lenders, and to holders, insurers, or guarantors of any Mortgage current copies of the Declaration, Bylaws, and administrative rules and regulations concerning THE COVE AT RIVERWOOD, as well as the books, records, and financial statements of the Board of Directors and the Association. The term "Available," as used in the Paragraph, shall mean available for reasonable inspection upon request during normal business hours or under other reasonable circumstances. The Association shall have the right to recover its photocopying and service charges incurred in making the inspection and photocopying available.

13.2 Right to Financial Statement. The holder, insurer or guarantor of any Mortgage shall be entitled, upon written request, to a financial statement for the immediately preceding fiscal year. Any financial statement requested pursuant hereto shall be furnished to the requesting party within a reasonable time following such request.

13.3 Eligible Mortgagee Designation. Upon written request to the Association or Board of Directors by the holder, insurer, or guarantor of a Mortgage (which request identifies the name and address of such holder, insurer or guarantor and the Lot Number or address of the property encumbered by the Mortgage held or insured by such holder, insurer, or guarantor), such holder insurer, or guarantor shall be deemed thereafter to be an "Eligible Mortgagee" or "Eligible Insurer" or "Eligible Guarantor," as the case may be, shall be included on the appropriate lists maintained by the Association, and shall be entitled to timely written notice of any of the following:

13.3.A Condemnation Loss or Award. Any condemnation loss or any casualty loss which affects a material portion of THE COVE AT RIVERWOOD or any Lot on which there is a Mortgage held, insured, or guaranteed by such Eligible Insurer or Guarantor.

13.3.B Delinquency. Any delinquency in the payment of Assessments owed by an Owner of a Lot subject to a Mortgage held, insured or guaranteed by such Eligible Insurer or Guarantor, which delinquency remains uncured for a period of sixty (60) days.

13.3.C Lapse of Insurance. Any lapse, cancellation, or material modification of any insurance maintained by the Board of Directors or the Association.

13.3.D Consent Required. Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees.

ARTICLE XIV. DEVELOPER'S RIGHTS

14.1 Developer's Rights. No provision of this Declaration reserving or granting to Developer the Developmental Rights shall be amended without the prior express written consent of Developer, which consent may be withheld, conditioned or delayed for any reason or for no reason at Developer's sole and exclusive discretion.

14.2 Developer's Sales Program. Anything to the contrary notwithstanding, for so long as Developer continues to own any of the Lots, the following provisions shall be deemed to be in full force and effect, none of which shall be construed so as to relieve the Developer from any obligations of an Owner to pay Assessments, except as herein otherwise provided, as to each Lot owned by Developer in accordance with the Declaration. Until the Developer has sold all of its Property in the Property, neither the Owners, the Association nor the Board of Directors shall interfere with the completion of improvements and sale of all remaining Lots, and Developer shall have the following rights in furtherance of any sales, promotions or other activities designed to accomplish or facilitate the sale of all Lots owned by Developer:

14.2.A Sales Office and Model Dwelling Units. Developer shall have the right to maintain one (1) or more sales offices and one (1) or more model Dwelling Units at any one time. Such office and/or models may be one or more of the Lots owned by the Developer, one or more separate structures or facilities placed on the Property for the purpose of aiding Developer's sales effort, or any combination of the foregoing;

14.2.B Promotional. Developer shall have the right to maintain a reasonable number of promotional, advertising and/or directional signs, banners or similar devices at any place or places on the Property, as permitted by Sandy City Ordinances.

14.2.C Use of Common Area. Developer shall have the right to use the Common Area located in THE COVE AT RIVERWOOD.

14.2.D Relocation and Removal. Developer shall have the right from time to time to locate or relocate any of its sales offices, models, or signs, banners or similar devices, but in connection with each such location or relocation shall observe the limitations imposed by the preceding portion of this Section. Until one hundred and twenty (120) days after the date of closing of Developer's last Lot in THE COVE AT RIVERWOOD, Developer shall have the right to remove from THE COVE AT RIVERWOOD any signs, banners or similar devices and any separate structure or facility which was placed on the Property for the purpose of aiding Developer's sales effort.

14.3 Limitation on Improvements by Association. Until one hundred and twenty (120) days after the date of the closing of the sale of Developer's last Lot or Dwelling Unit in the Property, neither the Association nor the Board of Directors shall, without the written consent of Developer, make any improvement to or alteration in any of the Common Area created or constructed by Developer, other than such repairs, replacements, or similar matters as may be necessary to properly maintain the Common Area as originally created or constructed by Developer.

14.4 Developer's Rights Assignable. All of the rights of Developer under this Declaration may be assigned or transferred either by operation of law or through a voluntary conveyance, transfer or assignment. Any Mortgage covering all Lots or Buildings in THE COVE AT RIVERWOOD title to which is vested in Developer shall, at any given point in time and whether or not such Mortgage does so by its terms, automatically cover, encumber, and include all of the then unexercised or then unused rights, powers, authority, privileges, protections and controls which are accorded to Developer (in its capacity as Developer) herein.

14.5 Alterations to the Common Area. Anything to the contrary notwithstanding and until the termination of the Period of Developer's Control, the Developer may create and/or make changes to the Common Area without the consent of either the Association or the Board of Directors; provided, however, no Owner or resident may at any time modify the drainage patterns or systems, landscaping, or make any structural alterations, modifications, changes or improvements to the Common Area including but not limited to the construction or installation of any additions, the extension or enclosure of any existing structures not shown on the approved plans and specifications, without the prior written consent of the Board of Directors. No alterations to emergency access, public trails or public access areas may be made without the prior written approval of the City.

14.6 Transfer of Management. Anything to the contrary notwithstanding, Developer may at any time relinquish its reserved right (as a Class B Member) to select the Members of the Board of Directors and may elect to transfer the management of THE COVE AT RIVERWOOD to a Board of Directors elected by the Owners. Upon the termination of the Period of Developer's Control, Developer shall notify Owners in writing of the effective date of such transfer (the "Transfer Date"). Thereupon, the Owners shall call a meeting to elect the Members of the Board of Directors to take office as of the Transfer Date. Developer covenants to cooperate with the Owners in effecting an orderly transition of management. Moreover, Developer shall cause all obligations for Common Expenses of the Association prior to the Transfer Date to be paid in full on or before such date, and shall transfer any Association funds to the newly elected Board of Directors.

ARTICLE XIV. GENERAL PROVISIONS

15.1 Amendment.

15.1.A General. Except as provided elsewhere in this Declaration, including by way of illustration but not limited to sections pertaining to the annexation or withdrawal

of land, any amendment to this Declaration shall require the affirmative written vote or consent of at least sixty-seven percent (67%) of the Total Votes of the Association cast either in person or by proxy at a meeting duly called for such purpose or otherwise approved in writing by such Owners without a meeting. Any Amendment authorized pursuant to this Section shall be accomplished through the recordation in the Office of the County Recorder of an instrument executed by the Association. In such instrument an officer or delegate of the Association shall certify that the vote required by this Section for Amendment has occurred.

15.1.B Initial Developer Right to Amend. The Developer alone may amend or terminate this Declaration prior to the closing of a sale of the first Lot .

15.1.C Unilateral Right to Amend Under Certain Conditions. Notwithstanding anything contained in this Declaration to the contrary, this Declaration may be amended unilaterally at any time and from time to time by Developer if such Amendment is (i) necessary to correct typographical errors or inadvertent omissions; (ii) necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; or (iii) reasonably necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots s subject to this Declaration; provided, however, any such Amendment shall not materially adversely affect the title to any Lot unless any such Owner shall consent thereto in writing.

15.1.D Developer's Right to Amend Unilaterally Prior to Termination of Developer's Right to Control. Prior to the expiration of the Period of Developer's Control, Developer may unilaterally amend this Declaration for any other purpose; provided, however, any such Amendment shall not materially adversely affect the substantive rights of any Owner or Member hereunder, nor shall it adversely affect title to any property without the consent of the affected Owner or Member.

15.1.E To Satisfy Requirements of Lenders. Notwithstanding anything to the contrary, Developer reserves the unilateral right to amend all or any part of this Declaration to such extent and with such language as may be requested by a State Department of Real Estate (or similar agency), FHA, VA, the FHLMC or FNMA and to further amend to the extent requested by any other federal, state or local governmental agency which requests such an amendment as a condition precedent to such agency's approval of this Declaration or approval of the sale of Lots s, or by any federally chartered lending institution as a condition precedent to lending funds upon the security of any Lot , or any portions thereof. Any such amendment shall be effected by the recordation by Developer of an Amendment duly signed by the Developer, specifying the federal, state or local governmental agency or the federally chartered lending institution requesting the amendment and setting forth the amendatory language requested by such agency or institution. Recordation of such an Amendment shall be deemed conclusive proof of the agency's or institution's request for such an amendment, and such Amendment, when recorded, shall be binding upon all Lots and Memberships and all persons having an interest therein. It is the desire of Developer to retain control of the Association and its activities during the anticipated period of planning and development. If any amendment requested pursuant to the provisions of hereof deletes, diminishes or alters such control in any manner whatsoever in the opinion of Developer, Developer shall have the unilateral right to amend this Declaration to restore such control.

15.1.F Interpretation. To the extent Utah law is consistent with this Declaration, such provisions shall supplement the terms hereof and are incorporated herein. The captions which precede the Articles and Sections of this Declaration are for convenience only and shall in no way affect the manner in which any provision hereof is construed. Whenever the context so requires, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include both genders.

15.1.G Severance. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof. If any covenant, condition, restriction, part, term or provision of this Declaration is deemed to be inconsistent, incongruent or in conflict with (the "Inconsistent Provision") any condominium approval guidelines of the Department of Veterans Affairs (VA) pursuant to CFR, Title 38, § 36.4357(b)(4) for the financing, insuring or the guaranty of the Property, or any part thereof (the "Required Provision"), then (a) the rights and obligations of the parties shall be construed and enforced as if the Declaration did not contain such Inconsistent Provision, and (b) the Required Provision shall be and is hereby incorporated herein by this reference, anything to the contrary notwithstanding.

15.2 Covenants to Run with Land. This Declaration and all the provisions hereof shall constitute covenants to run with the land or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of Association, all other signatories hereto, all parties who hereafter acquire any interest in a Lot or in THE COVE AT RIVERWOOD, and their respective grantees, transferees, heirs, devisees, personal representative, successors, and assigns. Each Owner or occupant of a Lot shall comply with, and all interests in all Lots shall be subject to, the terms of this Declaration and the provisions of any rules, regulations, agreements, instruments, supplements, amendments, and determinations contemplated by this Declaration. By acquiring any interest in a Lot in THE COVE AT RIVERWOOD, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.

15.3 Enforcement and Right to Recover Attorneys Fees.

15.3.A General Remedies. Should the Association, Board of Directors or an aggrieved Owner be required to take action to enforce the Project Documents, or to pursue any remedy provided hereunder or by applicable law, whether such remedy is pursued by filing suit or otherwise, they may recover all Additional Charges, including a reasonable attorneys fee, which may arise or accrue.

15.3.B Additional Remedies. In addition, the Board of Directors may impose the following sanctions after proper notice and the opportunity to be heard:

15.3.B.1 imposing Individual Charges and fines, which may be secured by a lien against the Owner's interest in the Property;

15.3.B.2 suspending an Owner's right to vote;

15.3.B.3 suspending any Person's right to use any of the Swim and Tennis Club and other recreational amenities located in the Common Area; provided, however, nothing herein contained shall authorize the Board of Directors to limit ingress or egress to or from a Lot or Dwelling Unit;

15.3.B.4 exercising self-help or taking action to abate any violation of THE COVE AT RIVERWOOD Documents in a non-emergency situation;

15.3.B.5 exercising self-help in any emergency situation (specifically including but not limited to the towing of vehicles that are in violation of the parking rules);

15.3.B.6 requiring an Owner at his sole expense to remove any structure or improvement in the Common Area, and upon the failure of the Owner to do so, the Board of Directors or its designee shall have the right to enter the property and remove the violation and restore the property to its original condition, and such action shall not be deemed a trespass;

15.3.B.7 without liability to any Person, precluding any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the Project Documents; and

15.3.B.8 levying Individual Charges to cover costs and expenses incurred by the Association to bring an Owner into compliance.

15.4 Expansion. If the Project is expanded then it is further provided that:

15.4.1 Parcel B, in its entirety or portions thereof, may be added to the Project by the Developer or affiliates or with fifty one percent (51%) approval of the Members of the Association. If Parcel B is added, the Board may set a proportionate assessment based on scope of maintenance.

15.4 Agreement to Share Costs. The Developer or the Association may enter into a contract or agreement, which includes a Covenant to Share Costs, for the use of facilities or the procurement of services for the benefit of the Association, and the present and future Owners which obligates the Association and such Owners to share the costs of maintaining and/or operating the same.

15.5 Agent for Service of Process. The President of the Association or Managing Agent as filed with the Secretary of State is the person to receive service of process.

15.6 Term. This Declaration shall continue perpetually unless sooner terminated by the unanimous written consent of all Owners.

15.7 Effective Date. This Declaration, any amendment or supplement hereto, and any amendment or supplement to the Final Plat shall take effect upon its being filed for record in the Office of the County Recorder.

EXECUTED the 10 day of MAY, 2010.

DEVELOPER:
THE COVE AT RIVERWOOD, INC

By: 
Name: RYAN BUTTON
Title: PRESIDENT

EXHIBIT "A"
LEGAL DESCRIPTION
THE COVE AT RIVERWOOD

The land referred to in the foregoing document as THE COVE AT RIVERWOOD is located in Salt Lake County, Utah and more particularly described as follows:

THE COVE AT RIVERWOOD SUBDIVISION - PHASE 1 LESS PARCEL B

Beginning at a point on the Sixteenth Section Line of Section 19, Township 3 South, Range 1 East, Salt Lake Base and Meridian, said point being South 89°35'40" East 998.02 feet along the Section Line and South 1328.23 feet from the Northwest Corner of said Section 19; and running

thence South 89°42'15" East 256.23 feet along the Sixteenth Section Line;
thence Southwesterly 7.80 feet along the arc of a 28.00 foot radius curve to the left (center bears South 61°49'17" East and the chord bears South 20°11'42" West 7.78 feet with a central angle of 15°58'01");
thence South 12°12'42" West 23.57 feet;
thence Southwesterly 25.15 feet along the arc of a 118.00 foot radius curve to the left (center bears South 77°47'18" East and the chord bears South 06°06'22" West 25.10 feet with a central angle of 12°12'41");
thence South 00°00'01" West 133.50 feet;
thence Southwesterly 119.91 feet along the arc of a 416.00 foot radius curve to the right (center bears North 89°59'59" West and the chord bears South 08°15'28" West 119.49 feet with a central angle of 16°30'54");
thence Southwesterly 85.46 feet along the arc of a 384.00 foot radius curve to the left (center bears South 73°29'05" East and the chord bears South 10°08'22" West 85.29 feet with a central angle of 12°45'07");
thence South 89°48'45" East 117.18 feet to the Westerly Boundary Line of ARC Communities 9, LLC Property;
thence South 00°00'01" West 36.00 feet along the Westerly Boundary Line of said ARC Communities 9, LLC Property;
thence North 89°48'45" West 118.00 feet;
thence South 00°00'01" West 95.62 feet;
thence South 89°59'59" East 5.00 feet;
thence Southeasterly 36.05 feet along the arc of a 23.00 foot radius curve to the left (center bears South 89°59'59" East and the chord bears South 44°54'22" East 32.47 feet with a central angle of 89°48'46");
thence South 89°48'45" East 90.08 feet to the Westerly Boundary Line of ARC Communities 9, LLC Property;
thence South 00°00'01" West 37.00 feet along the Westerly Boundary Line of said ARC Communities 9, LLC Property;
thence North 89°48'45" West 252.00 feet;
thence South 00°00'01" West 85.00 feet to the Northerly Boundary Line of the Home Depot – Sandy City Subdivision, recorded as Entry No. 7899547 in Book 2001P at Page 116 in the Office of the Salt Lake County Recorder;
thence North 89°48'45" West 78.31 feet along the Northerly Boundary Line of said Home Depot - Sandy City Subdivision to the Easterly Boundary Line of The Falls at Hunters Pointe Holdings, LLC Property;
thence North 00°02'59" West 668.16 feet along the Easterly Boundary Line of said The Falls at Hunters Pointe Holdings, LLC Property to the point of beginning.

Less and Excepting Future Parcel:

Beginning at a point being South 89°35'40" East 1119.77 feet along the Section Line and South 1495.92 feet from the Northwest Corner of Section 19, Township 3 South, Range 1 East, Salt Lake Base and Meridian; and running

thence South 89°48'45" East 82.14 feet;
thence South 00°00'01" West 21.30 feet;
thence Southwesterly 107.80 feet along the arc of a 374.00 foot radius curve to the right (center bears North 89°59'59" West and the chord bears South 08°15'28" West 107.43 feet with a central angle of 16°30'54");
thence Southwesterly 122.79 feet along the arc of a 426.00 foot radius curve to the left (center bears South 73°29'05" East and the chord bears South 08°15'28" West 122.37 feet with a central angle of 16°30'54");
thence South 00°00'01" West 39.19 feet;
thence North 89°48'45" West 101.14 feet;
thence North 07°38'12" East 87.27 feet;
thence North 10°02'21" East 186.69 feet;
thence North 24°12'01" East 19.18 feet to the point of beginning.

Excepting Parcel B, said parcel being more particularly described as follows:

Beginning at a point on the Sixteenth Section Line of Section 19, Township 3 South, Range 1 East, Salt Lake Base and Meridian, said point being South 89°35'40" East 998.02 feet along the Section Line and South 1328.23 feet from the Northwest Corner of said Section 19; and running

thence South 89°42'15" East 212.20 feet along the Sixteenth Section Line;
thence South 12°12'42" West 22.18 feet;
thence Southwesterly 28.53 feet along the arc of a 160.00 foot radius curve to the left (center bears South 77°47'18" East and the chord bears South 07°06'09" West 28.50 feet with a central angle of 10°13'06");
thence North 89°42'15" West 34.74 feet;
thence South 40°47'18" West 85.10 feet
thence South 24°28'28" West 59.94 feet;
thence South 09°47'53" West 313.84 feet;
thence South 00°02'59" East 26.26 feet;
thence South 24°25'09" West 84.50 feet to the Easterly Boundary Line of The Falls at Hunters Pointe Holdings, LLC Property;
thence North 00°02'59" West 582.32 feet along said Easterly Boundary Line to the point of beginning.

THE COVE AT RIVERWOOD SUBDIVISION - PHASE 2

Beginning at a point being South 89°35'40" East 1089.53 feet along the Section Line and South 1640.03 feet from the Northwest Corner of Section 19, Township 3 South, Range 1 East, Salt Lake Base and Meridian; and running

thence South 89°48'45" East 92.46 feet;
thence Southwesterly 105.86 feet along the arc of a 426.00 foot radius curve to the left (center bears South 75°45'43" East and the chord bears South 07°07'09" West 105.59 feet with a central angle of 14°14'16");

thence South 00°00'01" West 39.19 feet;
thence North 89°48'45" West 101.14 feet;
thence North 07°38'12" East 87.27 feet;
thence North 10°02'21" East 58.32 feet to the point of beginning.

THE COVE AT RIVERWOOD SUBDIVISION - PHASE 3

Beginning at a point being South 89°35'40" East 1076.91 feet along the Section Line and South 1911.08 feet from the Northwest Corner of Section 19, Township 3 South, Range 1 East, Salt Lake Base and Meridian; and running

thence South 89°48'45" East 144.00 feet;
thence South 00°00'01" West 85.00 feet to the Northerly Boundary Line of the Home Depot – Sandy City Subdivision, recorded as Entry No. 7899547 in Book 2001P at Page 116 in the Office of the Salt Lake County Recorder;
thence North 89°48'45" West 144.00 feet along the Northerly Boundary Line of the said Home Depot - Sandy City Subdivision;
thence North 00°00'01" East 85.00 feet to the point of beginning.

THE COVE AT RIVERWOOD SUBDIVISION - PHASE 4

Beginning at a point being South 89°35'40" East 1210.91 feet along the Section Line and South 1755.05 feet from the Northwest Corner of Section 19, Township 3 South, Range 1 East, Salt Lake Base and Meridian; and running

thence South 89°48'45" East 118.00 feet to the Westerly Boundary Line of ARC Communities 9, LLC Property;
thence South 00°00'01" West 118.53 feet along the Westerly Boundary Line of said ARC Communities 9, LLC Property;
thence North 89°48'45" West 90.08 feet;
thence Northwesterly 36.05 feet along the arc of a 23.00 foot radius curve to the right (center bears North 00°11'15" East and the chord bears North 44°54'22" West 32.47 feet with a central angle of 89°48'46");
thence North 89°59'59" West 5.00 feet;
thence North 00°00'01" East 95.62 feet to the point of beginning.

THE COVE AT RIVERWOOD SUBDIVISION - PHASE 5

Beginning at a point being South 89°35'40" East 1239.81 feet along the Section Line and South 1574.93 feet from the Northwest Corner of Section 19, Township 3 South, Range 1 East, Salt Lake Base and Meridian; and running

thence South 89°48'45" East 89.11 feet to the Westerly Boundary Line of ARC Communities 9, LLC Property;
thence South 00°00'01" West 144.00 feet along the Westerly Boundary Line of said ARC Communities 9, LLC Property;
thence North 89°48'45" West 117.18 feet;
thence Northeasterly 85.46 feet along the arc of a 384.00 foot radius curve to the right (center bears South 86°14'12" East and the chord bears North 10°08'22" East 85.29 feet with a central angle of 12°45'07");

thence Northeasterly 61.41 feet along the arc of a 416.00 foot radius curve to the left (center bears North 73°29'05" West and the chord bears North 12°17'09" East 61.36 feet with a central angle of 08°27'31") to the point of beginning.

THE COVE AT RIVERWOOD SUBDIVISION - PHASE 6

Beginning at a point being South 89°35'40" East 1119.77 feet along the Section Line and South 1495.92 feet from the Northwest Corner of Section 19, Township 3 South, Range 1 East, Salt Lake Base and Meridian; and running

thence South 89°48'45" East 82.14 feet;
thence South 00°00'01" West 21.30 feet;
thence Southwesterly 107.80 feet along the arc of a 374.00 foot radius curve to the right (center bears North 89°59'59" West and the chord bears South 08°15'28" West 107.43 feet with a central angle of 16°30'54");
thence Southwesterly 16.93 feet along the arc of a 426.00 foot radius curve to the left (center bears South 73°29'05" East and the chord bears South 15°22'36" West 16.93 feet with a central angle of 02°16'38");
thence North 89°48'45" West 92.46 feet;
thence North 10°02'21" East 128.37 feet;
thence North 24°12'01" East 19.18 feet to the point of beginning.

THE COVE AT RIVERWOOD SUBDIVISION - PHASE 7

Beginning at a point being South 89°35'40" East 1243.91 feet along the Section Line and South 1430.92 feet from the Northwest Corner of Section 19, Township 3 South, Range 1 East, Salt Lake Base and Meridian; and running

thence South 89°48'45" East 85.00 feet to the Westerly Boundary Line of ARC Communities 9, LLC Property;
thence South 00°00'01" West 144.00 feet along the Westerly Boundary Line of said ARC Communities 9, LLC Property;
thence North 89°48'45" West 89.11 feet;
thence Northeasterly 58.49 feet along the arc of a 416.00 foot radius curve to the left (center bears North 81°56'36" West and the chord bears North 04°01'42" East 58.45 feet with a central angle of 08°03'23");
thence North 00°00'01" East 85.69 feet to the point of beginning.

THE COVE AT RIVERWOOD SUBDIVISION - PHASE 8

Beginning at a point being South 89°35'40" East 1257.66 feet along the Section Line and South 1322.73 feet from the Northwest Corner of Section 19, Township 3 South, Range 1 East, Salt Lake Base and Meridian; and running

thence South 89°42'15" East 71.25 feet to the extension of the Westerly Boundary Line of ARC Communities 9, LLC Property;
thence South 00°00'01" West 108.00 feet along the extension and the Westerly Boundary Line of said ARC Communities 9, LLC Property;
thence North 89°48'45" West 85.00 feet;
thence North 00°00'01" East 47.81 feet;

thence Northeasterly 25.15 feet along the arc of a 118.00 foot radius curve to the right (center bears South 89°59'59" East and the chord bears North 06°06'22" East 25.10 feet with a central angle of 12°12'41");

thence North 12°12'42" East 23.57 feet;

thence Northeasterly 13.85 feet along the arc of a 28.00 foot radius curve to the right (center bears South 77°47'18" East and the chord bears North 26°22'58" East 13.71 feet with a central angle of 28°20'33") to the point of beginning.

THE COVE AT RIVERWOOD SUBDIVISION - PHASE 9

Beginning at a point being South 89°35'40" East 1220.91 feet along the Section Line and South 1910.54 feet from the Northwest Corner of Section 19, Township 3 South, Range 1 East, Salt Lake Base and Meridian; and running

thence South 89°48'45" East 108.00 feet to the Westerly Boundary Line of ARC Communities 9, LLC Property;

thence South 00°00'01" West 85.00 feet along the Westerly Boundary Line of said ARC Communities 9, LLC Property to the Northerly Boundary Line of the Home Depot – Sandy City Subdivision, recorded as Entry No. 7899547 in Book 2001P at Page 116 in the Office of the Salt Lake County Recorder;

thence North 89°48'45" West 108.00 feet along the Northerly Boundary Line of the said Home Depot - Sandy City Subdivision;

thence North 00°00'01" East 85.00 feet to the point of beginning.

EXHIBIT "B"

BYLAWS

OF

THE COVE AT RIVERWOOD HOMEOWNERS ASSOCIATION

ARTICLE I

NAME AND LOCATION

Section 1 .01 Name and Location. The name of the association is THE COVE AT RIVERWOOD HOMEOWNERS ASSOCIATION (the "Association"). The principal office of the corporation shall be located at 12159 Business Park Drive, Suite 100, Draper, UT 84020, but meetings of Members and Board of Directors may be held at such places within the State of Utah, as may be designated by Board of Directors.

ARTICLE II

DEFINITIONS

Section 2.01 Definitions. Except as otherwise provided herein or as may be required by context, all terms defined in Section 1 of the Declaration shall have such defined meanings when used in these Bylaws.

ARTICLE III

MEETINGS OF MEMBERS OF THE ASSOCIATION

Section 3.01 Annual Meeting. The members of the Association shall meet as often as the Board deems reasonably necessary but not less than annually at a convenient time and place.

Section 3.02 Special Meetings. Special meetings of the Members of the Association may be called at any time by the President or by a majority of the Members of the Board of Directors.

Section 3.03 Notice of Meetings. Written notice of each meeting of the Association shall be given to each Owner by or at the direction of the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to said Owner addressed to the Owner's address last appearing on the books of the

Association, or supplied by such Owner to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 3.04 Quorum. Owners present in person or by proxy shall constitute a quorum for any action except as otherwise provided in the Articles, the Declaration, or these Bylaws.

Section 3.05 Proxies. At all Association meetings, each Owner may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall expire, if not previously revoked, eleven (11) months after the date it is given by the Owner.

ARTICLE IV

BOARD OF DIRECTORS AND TERM OF OFFICE

Section 4.01 Number. The affairs of the Association shall be managed by a Board of Directors comprised of three (3) natural persons. Each Member must be duly qualified and appointed or elected.

Section 4.02 Replacement. If a Member resigns or is otherwise unable or unwilling to serve, then the remaining Members shall appoint a replacement to complete his term of office.

Section 4.03 Term of Office. Each Member on the Board of Directors shall serve a term of two (2) years. At the first annual meeting after termination of declarant's period of control two (2) members will be elected to a two (2) year term: one (1) member will be elected to a one (1) year term. Upon expiration of the one (1) year term a member will be elected to a two (2) year term.

Section 4.04 Compensation. No Member shall receive compensation for any service he may render to the Association as a member of the Board of Directors, although he may be reimbursed for his actual expenses incurred in the performance of his duties

Section 4.05 Action Taken Without a Meeting. The Board of Directors shall have the right to take any action in the absence of a meeting which it could take at a meeting by obtaining the written approval of all the Members. Any action so approved shall have the same effect as though taken at a meeting of the Board of Directors.

Section 4.06 Voting. Each Member shall have one vote.

Section 4.07 Managing Member. Anything to the contrary notwithstanding, during the Period of Developer's Control, the Board of Directors hereby assigns and delegates all of its rights, power and authority, as set forth in the Project Documents, to a Managing Member selected or to be selected by the Developer, who shall manage the Common Areas and administer the Project Documents for and in behalf of the Association and the Architectural Review Committee.

ARTICLE V

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 5.03 Powers. The Association shall have all of the powers of a Utah non-profit corporation, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws and this Declaration. The Association shall have the power to perform any and all lawful acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers of the Association. Without in any way limiting the generality of the foregoing, the Association may act through its Board of Directors and shall specifically have the powers and duties set out in this Article V, including

Section 5.03.1 Assessments. The power and duty to levy Assessments on the Owners, and to enforce payment of such assessments in accordance with the Declaration.

Section 5.03.2 Association Property. The right to own and/or lease the Association Property and the duty to maintain and manage the Common Areas and Facilities and improvements thereon. In particular the Association shall:

- a. Maintain and repair in an attractive, safe and functional condition the Common Areas and Facilities;
- b. Pay all taxes and assessments levied upon the Common Areas and Facilities and all taxes and assessments payable by the Association;
- c. Obtain any water, sewer, gas and electric services needed for the Common Areas and Facilities; and
- d. Do each and every other thing reasonable and necessary to operate the Common Areas and Facilities and the Association.

Section 5.03.3 Committees. The Board of Directors may appoint such committees as deemed appropriate in carrying out its purpose.

ARTICLE VI

OFFICERS AND THEIR DUTIES

Section 6.01 Enumeration of Officers. The officers of the Association shall be a president and secretary, plus such other officers as the Board of Directors may from time to time by resolution create. The same individual may not hold the office of president and secretary at the same time. The officers need not be Members of the Board of Directors.

Section 6.02 Election of Officers. The Board of Directors shall elect or appoint officers at the first meeting of the Board of Directors following the Annual Meeting.

Section 6.03 Term. Each officer of the Association shall hold office for one (1) year unless he shall sooner resign, or shall be removed or otherwise disqualified to serve.

Section 6.04 Special Appointments. The Board of Directors 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 of Directors may from time to time determine.

Section 6.05 Resignation and Removal. Any officer may be removed from office with or without cause by a majority vote of the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6.06 Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 6.07 President. The president shall (a) preside at all meetings of the Board of Directors, (b) see that orders and resolutions of the Board of Directors are carried out and (c) sign all contracts.

Section 6.08 Secretary. The secretary shall (a) record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Association, (b) keep the corporate seal of the Association and affix it on all papers requiring said seal, (c) serve notice of meetings of the Board of Directors and of the Association, (d) keep appropriate current record showing the Members of the Association together with their addresses and (e) perform such other duties as may be required by the Board of Directors.

ARTICLE VII

BOOKS AND RECORDS

Section 7.01 Books and Records. The books and records shall be kept with detailed accounts of the receipts and expenditures affecting the Property, and the administration of the Property, specifying the maintenance, repair and any other expenses incurred. The books and records, including any invoices, receipts, bills, proposals, documents, financial statements, and vouchers accrediting the entries thereupon shall be available for examination by the Owners, their duly authorized agents or attorneys, during general business hours on working days at the times and in the manner that shall be set and announced by the Board of Directors for the general knowledge of the Owners. All books and records shall be kept in accordance with generally accepted accounting practices.

Section 7.02 Bookkeeping. The accounting and financial statements for Association must be kept and prepared by either the property manager or an independent bookkeeper or accountant, who may not be a member of the Board of Directors or an officer of the Association.

Section 7.03 Audit. Either a (a) majority vote of the Members of the Board of Directors or (b) majority vote of all of the Owners is necessary and sufficient to require either a Compilation Report, Reviewed Statement or Audited Statement of the Association.

ARTICLE VIII

AMENDMENTS

Section 8.01 Amendment to Bylaws. These Bylaws may be amended either (a) unilaterally by the Developer until the expiration of the Period of Developer's Control, (b) the affirmative vote of a majority of the Owners, or (c) by the Board of Directors.

Section 8.02 Conflict Between Articles, Bylaws and Declaration. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall in all respects govern and control.

ARTICLE IX

MISCELLANEOUS

Section 9.01 Miscellaneous. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, the Developer has hereunto set his hand this 18 day of MAY, 2010.

DEVELOPER:
THE COVE AT RIVERWOOD, INC

By: 

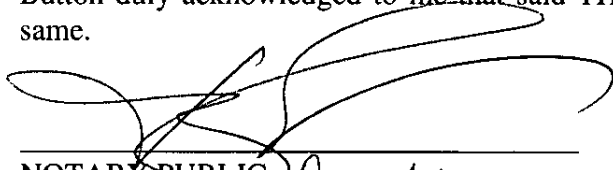
Name: RYAN BUTTON

Title: PRESIDENT

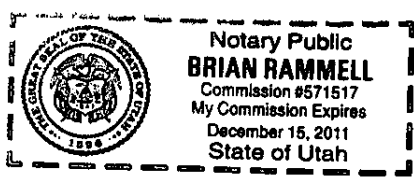
ACKNOWLEDGMENT

STATE OF UTAH)
 SS:
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 28th day May, 2010 by Ryan Button, the President of THE COVE AT RIVERWOOD, INC, and said Ryan Button duly acknowledged to me that said THE COVE AT RIVERWOOD, INC executed the same.



NOTARY PUBLIC
Residing at: Midvale, Utah
My Commission Expires: 12/15/11



**EXHIBIT "C"
MAINTENANCE MAP AREA**

