

12458083
1/20/2017 12:01:00 PM \$194.00
Book - 10522 Pg - 2683-2739
Gary W. Ott
Recorder, Salt Lake County, UT
VIAL FOTHERINGHAM LLP
BY: eCASH, DEPUTY - EF 57 P.

After Recording Return to:
Burt R. Willie
Vial Fotheringham, LLP
515 South 400 East
Salt Lake City, Utah 84111

**SECOND AMENDED & RESTATED
DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS**

For
Sandy Highlands, a Planned Unit Development
In Salt Lake County, Utah

THIS SECOND AMENDED & RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SANDY HIGHLANDS, A PLANNED UNIT DEVELOPMENT, (this "Declaration") is hereby adopted by Sandy Highlands Homeowners' Association, Inc. ("Association"), for and on behalf of its Members, and made effective as of the date recorded in the Salt Lake County Recorder's Office.

RECITALS:

(A) This Declaration affects and concerns the real property located in Salt Lake County, Utah and more particularly described as follows ("Property"):

BEGINNING AT A POINT ON THE EAST RIGHT OF WAY LINE OF 1000 EAST STREET SAID POINT MORE SPECIFICALLY DESCRIBED AS BEING NORTH 0°10'00" EAST 1533.70 FEET AND EAST 33.00 FEET FROM THE SOUTH QUARTER CORNER OF SECTION 32, TOWNSHIP 2 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE NORTH 0°10'00" EAST 130.30 FEET; THENCE EAST 297.00 FEET; THENCE NORTH 0°10'00" EAST 331.30 FEET; THENCE NORTH 89°56'41" EAST 667.30 FEET; THENCE SOUTH 0°7'30" WEST 659.82 FEET; THENCE SOUTH 89°58'30" WEST 535.77 FEET; THENCE NORTH 0°10'00" EAST 198.00 FEET; THENCE SOUTH 89°58'30" WEST 429.00 FEET TO THE POINT OF BEGINNING. Tax I.D. Nos. 22-32-403-24 through 065; Tax I.D. Nos. 22-32-405-004 through 013; Tax I.D. Nos. 22-32-404-001 through 021

(B) On or about January 4, 1979, a Declaration of Covenants, Conditions and Restrictions Sandy Highlands, a Planned Unit Development ("Enabling Declaration") was recorded in the Salt Lake County Recorder's Office, as Entry No. 3219519.

(C) On or about March 16, 1989, an Amended Declaration of Covenants, Conditions and Restrictions of Sandy Highlands, a Planned Unit Development ("First Amendment") was

recorded in the Salt Lake County Recorder's Office, as Entry No. 4747164.

(D) On or about February 9, 1996, an Amendment to Amended Declaration of Covenants, Conditions and Restrictions of Sandy Highlands, a Planned Unit Development ("Rental Amendment") was recorded in the Salt Lake County Recorder's Office as Entry No. 6276775. The Members of the Association previously and properly adopted and approved this rental restriction or prohibition on February 9, 1996, and the Association specifically, pursuant to Utah Code § 57-8a-(6)(c), does not desire to modify, adopt or amend a different rental restriction or prohibition. Instead, the Rental Amendment will continue in full force and effect and is not affected by this Declaration. A copy of the Rental Amendment is attached hereto as **Exhibit "A"**.

(E) On or about October 9, 1998, an Amendment to Amended Declaration of Covenants, Conditions and Restrictions of Sandy Highlands, a Planned Unit Development ("Second Amendment") was recorded in the Salt Lake County Recorder's Office as Entry No. 7114940.

(F) The Association and its Members, consistent with the Enabling Declaration, First Amendment & Second Amendment, hereby adopt this Declaration. This Declaration hereby amends, replaces and supersedes the Enabling Declaration, First Amendment, and Second Amendment. However, this Declaration DOES NOT ALTER, AMEND, or MODIFY THE RENTAL AMENDMENT, as set forth in Recital (D). This Declaration AND THE RENTAL AMENDMENT, along with any future amendment(s), shall govern the Property.

(G) The Property is subject to certain protective covenants, conditions, restrictions and easements, as set forth in this Declaration, as amended from time to time, which are deemed to be covenants running with the land mutually burdening and benefitting each of the Lots within the Project. Common Areas and Limited Common Areas are those areas that are depicted as Common Areas and Limited Common Areas in the recorded Plat Map(s), as well as any future recorded Plat Map(s), or as described in this Declaration. Plat Map(s) for the Property is attached hereto as **Exhibit "B."**

(H) The Association and its Members desire that the Board amend the existing Articles of Incorporation with the Utah Department of Commerce contemporaneously with the recording of this Declaration. The Association and its Members hereby authorize and approve filing the Amended & Restated Articles of Incorporation ("Articles") with the State of Utah, a copy of which has been previously provided to and approved by the Owners.

(I) The Association and its Members desire that the Board amend the Amended Bylaws for the Association, which were recorded as Exhibit "C" to the First Amendment described in Recital (C) above, on March 16, 1989 in Salt Lake County Recorder's Office as Entry No. 4747164, and hereby authorize and approve the recording of the Amended & Restated Bylaws of Sandy Highlands, a Planned Unit Development, a copy of which is attached hereto as

Exhibit "C" ("Bylaws"), which shall be recorded in the Salt Lake County Recorder's Office contemporaneously with the recording of this Declaration. The Association and its Members, consistent with any prior, existing bylaws and any subsequent amendments thereto (including any not referenced herein), hereby adopt the Bylaws attached hereto as **Exhibit "C."** These Bylaws hereby amend, replace and supersedes all prior bylaws and amendments, rendering the prior bylaws and amendments of no further force and effect. These Bylaws, along with any future amendment(s), shall be the sole Bylaws for the Property.

(J) Owners of record, holding not less than sixty-seven percent (67%) of the total voting power of the Association provided their written consent approving and consenting to the recording of this Declaration, the attached Bylaws, and filing of the Articles.

Sheila Southard and Lisa Weilenmann, of the Board, hereby certify and swear that the requisite number of votes were obtained accepting and approving of the recording of this Declaration, Bylaws and filing of the Articles.

Sheila Southard


Board Member

Lisa Weilenmann


Board Member

(K) The Association and its Members desire to subject the Property to the terms and conditions of this Declaration, the Utah Community Association Act, Utah Code Ann. § 57-8a-101 *et. seq.*, and the Utah Revised Nonprofit Corporation Act, Utah Code Ann. § 16-6a-101 *et. seq.* The Property does not constitute a cooperative.

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

(M) These Recitals are made a part of this Declaration.

COVENANTS, CONDITIONS AND RESTRICTIONS

ARTICLE I DEFINITIONS

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

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

(B) “Architectural Control Committee” or “ACC” shall mean the Architectural Control Committee created by this Declaration, the Bylaws, and/or Articles of Incorporation.

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

(D) “Articles” shall mean the Amended & Restated Articles of Incorporation for the Association, as amended from time to time.

(E) “Association” shall mean SANDY HIGHLANDS HOMEOWNERS’ ASSOCIATION, INC., and as the context requires, the officers or directors of that Association.

(F) “Board” or “Board of Directors” shall mean the duly elected and acting Board of Directors of SANDY HIGHLANDS HOMEOWNERS’ ASSOCIATION.

(G) “Bylaws” shall mean the Amended & Restated Bylaws of the Association, as amended from time to time, a copy of which is attached hereto as **Exhibit “C.”** No amendment to the Bylaws shall be effective until it is duly approved and recorded.

(H) “City” shall mean Sandy City, Utah and its appropriate departments, officials and committees.

(I) “County” shall mean Salt Lake County, Utah and its appropriate departments, officials and committees.

(J) “Common Area(s)” shall mean all property designated on the recorded Plat(s) as Common Area(s) or described within this Declaration as Common Area(s), being owned or intended ultimately to be owned by the Association for the common use and enjoyment of all Owners, together with all improvements or structures thereon and all of the easements appurtenant thereto including, but not limited to: open space, private streets, parking areas,

swimming pool, clubhouse, recreational area, kitchen, changing rooms, storage areas, RV parking and facilities related thereto.

(K) "Common Expenses" means any and all costs, expenses and liabilities incurred by or on behalf of the Association, including, without limitation, costs, expenses and liabilities for (A) managing, operating, insuring, improving, repairing, replacing and maintaining the Common Areas; (B) managing, operating, insuring, improving, repairing, replacing and maintaining those portions or items of Limited Common Areas that are the responsibility of the Association, if any; (C) providing facilities, services and other benefits to Owners as set forth in this Declaration; (D) administering and enforcing the covenants, conditions, restrictions, reservations and easements created hereby; (E) levying, collecting and enforcing the assessments; (F) operating the Association; and (G) creating reserves for any such costs, expenses and liability as required by this Declaration or the Act.

(L) "Declaration" shall mean this Amended & Restated Declaration of Covenants, Conditions and Restrictions for Sandy Highlands, a Planned Unit Development, together with any subsequent amendments or additions through subsequent recording amendments or supplements.

(M) "Dwelling" shall mean a structure which is designed and intended for use and occupancy as a single family residence, whether attached or detached from other residences, together with all improvements located on the same Lot and used in conjunction with such residence.

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

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

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

(Q) "Lot" shall mean any numbered building lot shown on any official and recorded Plat(s), including all Improvements located thereon. If the Project contains Improvements that share a Party Wall, Lot may also refer to each individually, owned Dwelling.

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

(S) "Owner" shall mean and refer to the Person or Persons who are vested with record title to a Lot, and whose interest in the Lot is held (in who or in part) in fee simple, according to the records of the Salt Lake County Recorder's Office, including buyers under any contract for deed. However, Owner shall exclude any person or entity holding title solely for purposes of securing performance of any obligations, including the trustee and/or beneficiary under a deed of trust or mortgagee under a mortgage. Membership in the Association is appurtenant to each Lot and an Owner shall be deemed a "Member" of the Association.

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

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

(V) "Plat(s)" or "Plat Map(s)" shall mean an official and recorded plat of Sandy Highlands, a Planned Unit Development in the Salt Lake County Recorder's Office, as it may be amended from time to time.

(W) "Project" shall mean all phases of Sandy Highlands, a Planned Unit Development and all Lots, Common Areas, Limited Common Area, and other property within the subdivision, as shown on the Plat(s) and any future Plat(s) covering the Property.

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

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

ARTICLE II EASEMENTS

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

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

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

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

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

(c) The right of the City, County, and any other governmental or quasi-governmental body having jurisdiction over the Property, to enjoy access and rights of ingress and egress over and across any street, parking area, walkway, or open area contained within the Common Areas for the purpose of providing police and fire protection, transporting school children, utility access/installation, and providing any other governmental or municipal service; and

(d) The right of the Association to dedicate or transfer any part of the Common Areas to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the Association, provided that such dedication or transfer must first be assented to in writing by the Owners of at least sixty-seven percent (67%) of the Lots. No such dedication or transfer, however, may take place without the Association first receiving written approval from City and/or County pursuant to all applicable state and city laws, rules and ordinances in effect at the time of such proposed dedication or transfer.

2.4 Reservation of Access and Utility Easements. The Association hereby reserves an easement for access and utilities (including but not limited to: electrical, gas, communication, phone, internet, cable, sewer, drainage and water facilities) over, under, along, across and through the Property, together with the right to grant to a City and County, or any other appropriate governmental agency, public utility or other utility corporation or association, easements for such purposes over, under, across, along and through the Property upon the usual

terms and conditions required by the grantee thereof for such easement rights, provided, however, that such easement rights must be exercised in such manner as not to interfere unreasonably with the use of the Property by the Owners and the Association and those claiming by, through or under the Owners or the Association; and in connection with the installation, maintenance or repair of any facilities as provided for in any of such easements, the Property shall be promptly restored by and at the expense of the person owning and exercising such easement rights to the approximate condition of the Property immediately prior to the exercise thereof. Each Owner in accepting the deed to a Lot expressly consents to such easements and rights-of-way and authorizes and appoints the Association as attorney-in-fact for such Owner to execute any and all instruments conveying or creating such easements or rights-of-way.

2.5 Easements for Encroachments. If any part of the Common Area or Limited Common Area now existing upon any Lot or hereinafter constructed by Association encroaches upon a Lot, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. If any Common Area or Limited Common Area improvement on any Lot shall be partially or totally destroyed and then rebuilt in a manner intended to duplicate the structure so destroyed, minor encroachments of such structure upon a Lot or upon any portion of the Common Area or Limited Common Area due to such reconstruction shall be permitted; and valid easements for such encroachments and the maintenance thereof, so long as they continue, shall exist.

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

- (a) For inspection during reasonable hours of the Lots, Common Area and Limited Common Area in order to verify the performance by Owners or other persons of all items of maintenance and repair for which they are responsible;
- (b) For inspection, maintenance, repair and replacement of portions of the Common Area and Limited Common Area;
- (c) For correction of emergency conditions on one or more Lots or on portions of the Common Area and Limited Common Area;
- (d) For the purpose of enabling the Association, the Architectural Control Committee or any other committees appointed by the Association to exercise and discharge during reasonable hours their respective rights, powers and duties;
- (e) For inspection during reasonable hours of the Lots, Common Area and Limited Common Area in order to verify that the Owners and occupants, and their guests, tenants and invitees, are complying with the provisions of the Governing Documents.

ARTICLE III
COMMON AREAS

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

3.2 The Common Areas consist of all property designated on the recorded Plat(s) as Common Area(s) or described within this Declaration as Common Area(s), being owned or intended ultimately to be owned by the Association for the common use and enjoyment of all Owners, together with all improvements or structures thereon and all of the easements appurtenant thereto including, but not limited to: open space, private streets, parking areas, swimming pool, clubhouse, recreational area, kitchen, changing rooms, storage areas, RV parking and facilities related thereto.

3.3 **RV Area.** The RV Area may only be utilized by resident Owners and tenants. Any vehicle to be stored within the RV Area must receive prior written approval from the Board. Further, all vehicles must be currently registered and licensed with the state and be in operable condition. The RV Area is a storage area, not a parking lot. No “in and out” or regular use of the RV Area will be allowed, except as approved by the Board for extenuating circumstances. No wrecked unlicensed, unregistered or inoperable vehicles will be allowed in the RV Area at any time. The Board may charge a fee, as set by the Board, for the replacement of a lost key. Any vehicle not registered with the Board may be towed at Owner’s expense.

ARTICLE IV
LIMITED COMMON AREAS

4.1 The Limited Common Areas consists of all property designated on the recorded Plat Map(s), or as described in this Declaration as Limited Common Area, being intended ultimately to be owned by the Association but for the exclusive use and enjoyment of one or more appurtenant Lots but fewer than all of the Lots, including but not limited to: private patios, porches, balconies, decks and driveways.

ARTICLE V
FENCES

5.1 No fencing, enclosure, barrier, or similar structure, whether temporary or permanent, shall be allowed within the Project, with the exception of a fences surrounding the pool area, the RV Lot, and bordering the over-all boundaries of the Project, as installed and/or maintained by the Association. The Association recognizes that there are currently five Owners with existing fences within the Project. It has been the Association’s position that these fences were not properly approved or allowed by the Governing Documents at the time of their

construction. No fences, barriers, or similar structures (whether temporary or permanent) will be approved or allowed without a vote of the Members to amend this Declaration accordingly.

5.2 Maintenance of the Existing Five Fences. The five Owners with existing fences shall be solely responsible for the maintenance of the existing fences and all areas within said fences.

ARTICLE VI
MAINTENANCE OF COMMON AREAS, LIMITED COMMON AREAS
AND DWELLINGS

6.1 Project. The Project consists of 19 Buildings, with 72 total Dwellings and an Association Clubhouse.

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

(a) Asphalt repair, maintenance and replacement of private roads within the Project;

(b) General landscape and sprinkler maintenance, including the repair, maintenance and replacement of existing sprinkler systems and landscaping within the Project that have not been modified by an Owner;

(c) Repair, maintenance and replacement of fencing surrounding the outer boundaries of the Project

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

(e) Light Poles;

(f) Community mailboxes;

(g) Walkways and sidewalks within the Common Areas; and

- (h) Private utility lines/infrastructure that serves more than one Lot;
- (i) RV Area; and
- (j) Pool, Clubhouse, and related infrastructure

(k) Landscaping. With the exception of an approximately three (3) foot area, extending from the patio or foundation of the Dwelling that has been modified by an Owner upon the prior, written approval of the Association, the Association shall maintain the landscaping within the Project. If an Owner, following this approval, has modified this three (3) foot area, such Owner or successor in interest shall be responsible to maintain such area, including any sprinkler maintenance or modification. Unless an Owner returns this area to grass prior to selling his/her Dwelling, such Owner shall notify a purchaser or successor in interest of this responsibility. Notwithstanding, any failure to notify does not alter the maintenance obligations of a purchaser or successor in interest.

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

- (a) Roofs, rain gutters, and down spouts;
- (b) Chimneys and chimney caps;
- (c) Foundations (excluding any concrete pad within a Dwelling);
- (d) Structural components, framing and insulation in Party Walls, any exterior or bearing walls, and walls that are common to two or more Dwellings;
- (e) Sewer and drainage pipes, water, and utility lines to the extent said utilities serve two or more Dwellings; and
- (f) Outside exterior surfaces of Dwellings.

Owner, or any family member, tenant or guest shall not be allowed upon the roof of any Dwelling, covered walkways, clubhouse, shed, without the written permission of the Board. An exception to this rule applies at the time work is done on the air conditioners/evaporative coolers/swamp coolers (“Cooler”) of an Owner’s Unit if the Owner does such work on his own. Notwithstanding, the Board strongly encourages that such work be done by a licensed and qualified contractor. Any work on the Cooler shall be accomplished when the shingles are at a cool temperature. Drain hoses shall be attached to Coolers during the time of year the Cooler is in use. The hose should be secured to rain gutter in order to drain into the rain gutter. All damage to Dwellings, Common Area, Limited Common Areas or other Association maintained

property caused by accessing the Cooler or performing any maintenance or repairs thereon, including the leaking of any water, shall be the responsibly of the Owner and any damage or cost incurred by the Association may be recovered through assessments and liens against said Owner and/or Dwelling.

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

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

do not exclusively serve that Dwelling), stoves, refrigerators, hot water heaters, air conditioning units (including compressors, condensers, ducting, and forced air units). Intercoms, security systems, water spigots and bibs, vents, chimneys and fireplaces, and such other appliances, fixtures, and decorations as an Owner may install as permitted in this Declaration;

6.5 Maintain in Clean Condition. The Owner shall be responsible for keeping the Dwelling and Improvements thereon in a clean and sanitary condition, free of pests and rodents, and uncluttered. Each Owner shall keep the interior of his Lot, including without limitation all interior walls, doors, windows, ceilings, floors, and permanent fixtures and appurtenances thereto, in a clean and sanitary condition and in a good state of repair. If any such Lot shall develop an unclean or unsanitary condition or fall into a state of disrepair, and in the event that the Owner of such Lot shall fail to correct such condition or state of disrepair promptly following written notice from the Association, the Association shall have the right under the Governing Documents or to petition any court of competent jurisdiction, for legal or equitable relief. Provided, however, that the Association shall in no event have the obligation to correct or eliminate any such condition or state of disrepair. The Board of Directors may set forth in the Rules any limits, restrictions, or guidelines on what may or may not be left, stored, or installed in any Dwelling, which may include a prohibition on leaving, installing or storing any items in such places.

6.6 Repairs by Association. In the event that an Owner permits his Dwelling or Improvements to fall into a state of disrepair that is dangerous, unsafe, unsanitary or unsightly condition or fails to comply with any other covenant or restriction in violation of this Declaration, the Association may give written notice to the Owner describing the condition complained of and demand that the Owner correct the condition within 30 days. If the Owner fails to take corrective action, the Association shall have the right, but not the obligation, to enter upon the offending Owner's Lot and take corrective action to abate the condition. All costs of abatement shall be charged to the Owner, who agrees to promptly pay the reasonable costs of any work performed under this provision. In addition, each Owner hereby grants to the Association a lien on the Lot and any improvements to secure repayment of any sums advanced pursuant to this section, which lien may be foreclosed at any time by the Association in the manner prescribed in Utah for the foreclosure of mortgages. Alternatively, without requiring foreclosure, the Association may seek collection of sums advanced directly from the Owner of the Lot in question. Unpaid amounts will bear interest from the date advanced at the lawful judgment rate under applicable state law.

6.7 Alterations of Exterior Appearance. The Owners will maintain their Lots and Improvements in substantially the same condition and appearance as that approved by the Association. No subsequent exterior alterations, improvements or remodeling, whether structural or changes in landscaping, paint color or materials will be made without the advance consent of the Board. No exterior of any unit shall be decorated by any Owner/resident in any manner without prior consent of the Board. Christmas time only is an exception. Shades,

awnings, window guards, ventilators, fans or air conditioning devices shall not be used or attached on the exterior of the buildings unless approved by the Board.

No radio, television antenna or aerial, and/or light fixtures shall be installed on the outside of any building without written approval of the Board.

No Owner/resident shall paint the exterior of the units, fences, garages, or storage areas without the written permission of Board. The decks may be painted with approved colors.

No Owner/resident shall be allowed to put their name on any entry of the unit except in the proper places provided by the Board for such purpose and in a style approved by the Board.

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

ARTICLE VII PARTY WALLS

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

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

7.3 Maintenance Obligations. The Association shall maintain, repair and replace only the exterior walls and roofs of Dwellings with a Party Wall(s).

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

ARTICLE VIII **MEMBERSHIP**

8.1 Membership in the Association shall at all times consist exclusively of the Owners. Each Owner shall be a member of the Association so long as such Owner has an ownership interest in a Lot and such membership shall automatically terminate when the Owner ceases to have an ownership interest in the Lot. Upon the transfer of an ownership interest in a Lot the new Owner succeeding to such ownership interest shall likewise succeed to such membership in the Association. If titled ownership to a Lot is held by more than one Person, the membership appurtenant to that Lot shall be shared by all such Person in the same proportional interest and by the same type of tenancy in which title to the Lot is held.

ARTICLE VIV **VOTING**

9.1 Only an Owner that is current on all assessments and/or other fees shall be deemed in good standing and entitled to vote at any annual or special meeting.

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

ARTICLE X **HOMEOWNER ASSOCIATION**

10.1 Organization. The Association has been created to effectively enforce the Governing Documents and shall operate as a non-profit corporation. The Association shall be

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

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

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

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

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

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

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

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

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

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

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

10.4 Budget. The Board is authorized and required to adopt a budget annually, which shall be presented to the Owners at a meeting of members.

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

(b) The budget shall estimate and include the total amount for the Common Expenses, shall contain an appropriate amount for reserves, and may include an amount for other contingencies. The budget shall also be broken down into reasonably detailed

expense and income categories.

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

(d) The Association shall not borrow money without the approval of at least sixty-seven percent (67%) of the Owners.

(e) The budget may be disapproved if, within 45 days after the meeting wherein the Board presented the adopted budget to the Owners, there is a vote of disapproval by at least 51% of the Owners at a Special Meeting called for that purpose. If a budget is disapproved, the budget shall return to the last approved budget.

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

(a) The Board may not use money in a reserve fund:

(i) For daily maintenance expenses, unless a majority of the Owners vote to approve the use of reserve fund money for that purpose;

(ii) For any purpose other than the purpose for which the reserve fund was established, unless a majority of the Owners vote to approve the alternate purpose; or

(iii) In the event that the Association experiences a surplus in any fiscal year, the Board may elect to place said surplus in the reserve fund account.

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

10.7 Reinvestment Fee. The Board shall have power to levy a one-time reinvestment fee when a change in ownership of a Lot occurs in an amount determined by the Board but not greater than \$350.00.

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

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

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

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

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

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

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

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

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

ARTICLE XI
NONPAYMENT OF ASSESSMENTS & THE APPOINTMENT OF TRUSTEE

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

11.2 Due Date, Charges & Interest. Unless otherwise established by the Board, monthly assessments shall be due and payable on the first of each month and late if not received by the 10th of each month. The Board may charge a late fee in an amount set by the Board, but not to exceed \$35, for each unpaid or late assessment. In addition to late fees, interest shall accrue on all unpaid balances, including prior, unpaid interest and attorney fees (resulting in compounding interest), late fees, and assessments at 18% per annum or 1.5% per month. The Board may also impose other reasonable charges imposed by a Manager or attorney related to collections.

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

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

11.5 Other Remedies. All rights and remedies of the Association shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or

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

11.6 Payment by Tenant. The Association shall be entitled to demand and collect from a tenant of any Lot, the amount of any assessment that is more than sixty (60) days past due.

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

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

ARTICLE XII
SUBORDINATION OF LIEN TO INSTITUTIONAL
FIRST AND SECOND MORTGAGES

12.1 The lien of assessments, including interest, late charges (subject to the limitations of Utah law), and costs (including attorney fees) provided for herein, shall be subordinate to the lien of any institutional first or second mortgage of record made in good faith and for value, recorded prior to a recorded notice of lien by the Association. No foreclosure, sale or transfer shall relieve any Owner who was the Owner prior to such foreclosure, sale or transfer from personal liability for any assessments due and owing prior to such foreclosure, sale or transfer.

ARTICLE XIII
USE LIMITATIONS & RESTRICTIONS

13.1 Single Family. All Lots shall be used only for single-family residential purposes, and no more than one Dwelling shall be constructed on any Lot. “Single Family” shall mean and refer to a group of natural persons residing in the same residential structure and maintaining a common household related to each other by blood, adoption or marriage, or a group of unrelated individuals of not more than two persons per bedroom.

13.2 Zoning Regulations. The lawfully enacted zoning regulations of the City and/or County, and any building, fire, and health codes are in full force and effect in the Project. No

Lot may be occupied in a manner that is in violation of any statute, law or ordinance.

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

13.4 No Business or Commercial Uses. No portion of the Project may be used for any commercial business use, provided, however, that nothing in this provision is intended to prevent the use by any Owner of his Lot for a home occupation pursuant to City or County ordinance. Businesses, professions or trades may not require heavy equipment or create a nuisance within the Project, and may not noticeably increase the traffic flow to the Project.

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

13.6 No Re-Subdivision. No Lot may be re-subdivided.

13.7 Combination of Lots. No Lot may be combined with another Lot without the consent of the Architectural Control Committee.

13.8 Construction. No Improvement shall be permitted to remain incomplete for a period in excess of one (1) year from the date of commencement of construction, re-construction or remodeling unless any delays are approved in writing by the Board.

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

13.10 No Hazardous Activity. No activity may be conducted on any Lot that is, or would be considered by a reasonable person to be unreasonably dangerous or hazardous, which would cause the cancellation of conventional homeowners' insurance policy. This includes, without limitation, the storage of caustic, toxic, flammable, explosive or hazardous materials in excess of those reasonable and customary for household uses, the discharge of firearms or fireworks, and setting open fires (other than properly supervised and contained).

13.11 No Unsightliness. No unsightliness is permitted on any Lot. This shall include, without limitation, the open storage of any building materials (except during construction of an Improvement); open storage or parking of construction equipment; open storage or parking of

vehicles, trailers or other pieces of equipment that are unusable, in poor condition or unsightly; accumulations of lawn or tree clippings or trimmings; accumulations of construction debris or waste; and the storage or accumulation of any other material that is unsightly.

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

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

13.14 No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets (maximum of two) may be kept provided that they are not kept, bred or maintained for any commercial purpose and are restricted to the owner's control. "Control" for the above purposes shall only mean on a leash or lead, within a vehicle, and within the confines of the Dwelling. No animal will be allowed to be tied or tethered to decks, stakes, Common Area or other areas in the Project unless an Owner is physically present with the animal.

Fierce, dangerous or vicious animals, or animals that cause a nuisance by barking or other offensive activity shall not be permitted. In addition, any pet which endangers the health or welfare of any Owner, resident, invitee or guest of the Project must be permanently removed from the Project upon seven (7) days written notice. The Board may adopt further Rules regarding the maintenance of animals in the Project. Failure to abide by these conditions shall result in fines, as authorized by the Board.

(A) Pet owners shall promptly remove and dispose of all feces emitted by their pets. Owners must carry plastic bags at all times to pick up any feces, which must be disposed of in the Owner's trash receptacle or in receptacles provided by the Association specifically for animal waste.

(B) If the Owner or resident of the Project fails to abide by these covenants or other Rules applicable to pets, the Association may take such further legal action as may be necessary to prevent continued violations or damage from violations including but not limited to: Fines, injunctions, restraining orders, enforcement action, prohibition against use of the Common Areas and such further allowed actions.

13.15 Vehicles & Parking. The term "vehicle" shall include all other types of automobiles, equipment and recreational vehicles including, but not limited to: automobiles,

trucks, campers, motorcycles, scooters, atvs, trailers, boats, equipment, side by sides, or similar vehicles and equipment. No vehicles are to be parked or stored on the streets in the Project. No vehicles may be parked on driveways or elsewhere in the Project unless they are in running condition, properly licensed, regularly used and in compliance with City and/or County ordinances.

- (i) All Guest parking areas shall be used solely for Guest parking;
- (ii) Vehicles may not be parked in any driveway without that Owner's permission,
- (iii) Garage doors shall remain closed except when the garage is in use; and
- (iv) Vehicles parked in violation of this Declaration may be impounded or towed without further notice, and at the vehicle owner's sole expense.

(a) Due to safety concerns, any vehicle that is too big to be parked in a garage or driveway must be parked off-site. Vehicles may not extend beyond the driveway and protrude into the sidewalk or street.

(b) No resident shall repair or restore any vehicles of any kind in, on or about any Lot or the Common Areas, except for emergency repairs, and then only to the extent necessary to enable movement thereof to a proper repair facility. No garage may be altered in such a manner that the number of motor vehicles which may reasonably be parked therein after the alteration is less than the number of motor vehicles that could have been reasonably parked in the garage as originally designed and constructed.

(c) The Association reserves the right to adopt Rules relating to the parking of vehicles within the Project including, without limitation: (1) the right to immediately remove or cause to be removed any vehicles that are improperly parked, (2) restrictions on the time period and duration that any guest or visitor parking may be utilized; (3) restrictions or bans on vehicles without Department of Transportation compliant mufflers and exhaust systems, and (4) the assessment of fines to Owners and occupants who violate such Rules.

13.16 Exterior Antennas and Satellite Dishes. An Owner is first required to utilize existing cables, satellite dishes, antennas and related structures before installing any new hardware to the exterior of the Dwelling or Lot. Prior, written approval from the Board as to the location of any new satellite dishes, antennas, cables and related hardware is required.

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

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

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

13.20 Awnings. Upon written approval of the Association, awnings and canopies are allowed at the option and expense of each Owner. Awnings shall be of rigid metal construction attached to the building and meet the uniform specifications of material and design approved by the Board. All awnings shall be of the same color and design and installed in a uniform manner. The Board shall determine qualified suppliers and specifications.

13.21 Laundry and Garbage. No clothes, sheets, blankets, laundry of any kind, or other articles shall be hung out or exposed on any part of the Common Areas. The Common Areas shall be kept free and clear of rubbish, garbage, debris, and other unsightly materials, equipment, or disabled motor vehicles. All garbage and refuse from the units shall be deposited with care in provided garbage containers. Garbage containers put out on the street earlier than the night before pickup and empty garbage containers left out longer than 8 hours after pickup is prohibited. Garbage containers should be stored in the garage. Garbage "tote" containers must not be overfilled so that the lid will not close. The garbage contractor may not empty containers that are overfilled and are at risk of spilling refuse when dumped onto the truck. If you have extra garbage, please contact a Board Member to get access to dumpster trailers in the RV area.

13.22 Toys and Child Care Equipment. There shall be no parking of baby carriages, or play pens, bicycles, wagons, toys, vehicles, benches, chairs, other child care equipment, or personal property on the Common Areas or Limited Common Areas, or any part thereof, except in accordance with the Association Rules. Toys, bikes etc. should not be left within the Project overnight but should be stored inside.

13.23 Garages. Garages appurtenant to each Lot, and assigned to Lot Owners, shall constitute Limited Common Areas. Use of the garages shall be limited to the Lot Owners to whom they belong. Owners may, however, lease their garages to other Sandy Highlands' Owners or residents. Owner must keep the interior of their garage clean and free from fire hazards. The Board assumes no liability for loss or damage to articles stored or placed on the decks or in the garages or in the home. Garage doors must be kept closed. Garages are for storing vehicles and limited articles. A garage filled with storage items is not an excuse to use guest or RV parking, except as may be authorized by the Board.

13.24 Restrictions on Signs. No signs, flags, or advertising devices of any nature shall be erected or maintained on any part of the Project without the prior written approval of the

Association, except for as may be necessary temporarily to caution or warn of danger. If the Association consents to the erection of any such signs or devices, the same shall be removed at the request of the Association. One For Sale sign may be placed on the inside of one of the windows (preferably an upstairs window if you have one). Additionally, one small For Sale sign may be placed on the front lawn if it does not interfere with the sprinkling system/watering in its surrounding areas. This restriction is not intended to prevent the display of patriotic flags and/or symbols on State or Federal Holidays.

ARTICLE XIV
RENTAL/LEASE RESTRICTIONS

14.1 The Association does not adopt, modify, alter or amend the existing Rental Amendment that is attached hereto as **Exhibit “A”**. The Rental Amendment shall continue in full force and effect independent of the adoption of this Declaration.

ARTICLE XV
ARCHITECTURAL CONTROL COMMITTEE

15.1 Architectural Control Committee (“ACC”). An Architectural Control Committee may be appointed by the Board in accordance with the Bylaws and Articles of the Association to oversee any construction, re-construction, remodeling or altering of exterior Improvements. If no ACC is appointed, the Board will assume the duties and responsibilities of the ACC.

15.2 Approval by Board or ACC Required. No exterior Improvement of any kind will be constructed or commenced on any Lot(s) without the prior, written approval of the ACC. Approval of the Committee will be sought in the following manner:

(a) Plans Submitted. A written rendering, prepared by a licensed architect or engineer, of the proposed remodeling or construction must be submitted. The Plans shall also include: (1) a description of how debris will be removed; (2) name, address and phone number of contractor(s) performing the work; (3) when construction or remodeling will begin and conclude; and (4) proposal to mitigate any nuisance to other Owner(s).

(b) Review. Within 15 days from receipt of the submitted plans, the Board will review the plans and respond in writing to the Owner determining whether or not the plans comply with the conditions imposed by the Declaration and are consistent with and in architectural harmony with other Improvements within the Project. The Board may: (1) approve the plans; (2) reject the plans; (3) request additional information; or (4) require that certain conditions be met.

(c) Failure to Act. If the Board fails to respond, the Owner may complete the construction in accordance with the submitted plans. Notwithstanding the

Improvement(s) shall not violate the terms and condition of the Declaration and shall be in architectural harmony with the other Improvements in the Project.

15.3 Variances. The Board cannot grant any variance that has the effect of modifying applicable zoning or building code regulations or directly violates the Governing Documents. The burden of obtaining a variance is entirely on the applicant.

15.4 Board and ACC Not Liable. The Board, ACC, and its members shall not be liable to the applicant for any damages, or to the Owners of any Lots within the Project for their actions, inactions, or approval or disapproval of any set of plans submitted for review. The Owners' shall have no claim against the Board or ACC as a result of the performance or failure to perform the duties created by this Declaration. Each Owner has an equal duty and right to enforce these covenants against every other Owner, and may seek independent redress if it believes the Board has acted improperly.

15.5 Limitations on Review. The Board's review is limited to those matters expressly granted in this Declaration. The Board shall have no authority over the enforcement of building codes, zoning ordinances, or other statutes, laws or ordinances affecting the development or improvement of real property and shall have no liability to any Owner whose plans were approved in a manner that included any such violation. Corrections or changes in plans to bring them into conformity with applicable codes must be approved by the Board prior to construction.

15.6 Structural Alterations. Without the prior consent of the Board, no structural alterations of any kind or nature to any Lot, Limited Common Areas, or Common Areas shall be made, and no plumbing, electrical or similar work within the Limited Common Areas or the Common Areas shall be done; nor shall any Lot Owner cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the building and no trellises, shutters, cables, or radio/television antennas shall be affixed to or placed upon the Limited Common Areas, Common Areas, or Lots, including, but not limited to, the exterior walls or roof, or any part thereof. The Board shall have the authority to establish standards and mandatory guidelines for the foregoing and for all exterior .door colors, window coverings, levelors, shades and blinds as necessary to maintain the aesthetics and uniformity of the Community.

ARTICLE XVI INSURANCE

16.1 Insurance Requirement. The Association shall obtain insurance as required in this Declaration and as required by the Act. The Association may obtain insurance that provides more or additional coverage than the insurance required in this Declaration. Different policies may be obtained from different insurance carriers and standalone policies may be purchased instead of or in addition to embedded, included coverage, or endorsements to other policies. At or before each annual meeting, the Board shall provide information describing the insurance

coverage obtained by the Association, including any changes in the coverage, deductible or exclusions.

As used in this Article:

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

16.2 Property Insurance.

(a) Blanket Policy of Property Insurance. The Association shall maintain a blanket policy of property insurance covering all Common Areas, Limited Common Areas, Buildings and Units.

(1) At a minimum, any required blanket policy shall afford protection against loss or damage by: (1) fire, windstorm, hail, riot, aircraft, vehicles, vandalism, smoke, and theft; and (2) all perils normally covered by "special form" property coverage.

(2) Any blanket policy shall be in an amount not less than one hundred percent (100%) of current replacement cost of all property covered by such policy (including the Units) at the time the insurance is purchased and at each renewal date. The actual replacement cost of the property shall be determined by using methods generally accepted in the insurance industry.

(3) A blanket policy shall include either of the following endorsements to assure full insurable value replacement cost coverage: (1) a Guaranteed Replacement Cost Endorsement under which the insurer agrees to replace the insurable property regardless of the cost; or (2) a Replacement Cost Endorsement under which the insurer agrees to pay up to one hundred percent (100%) of the Property's insurable replacement cost but not more. If the policy includes a coinsurance clause, it must include an Agreed Amount Endorsement which must waive or eliminate the requirement for coinsurance.

(4) Each property policy that the Association is required to maintain shall also contain or provide for the following: (i) "Inflation Guard Endorsement," if available (ii) "Equipment Breakdown," if the project has

central heating or cooling or other equipment or other applicable fixtures, equipment, or installations, which shall provide that the insurer's minimum liability per accident at least equals the lesser of one million dollars (\$1,000,000) or the insurable value of the building containing the equipment.

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

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

(c) Earthquake Insurance. The Association may, if approved by a majority of Owners, purchase earthquake insurance.

(d) Flood Insurance. If the Property insured by the Association is not situated in a Special Flood Hazard Area, the Association may nonetheless, if approved by a majority of Owners, purchase flood insurance to cover water and flooding perils not otherwise covered by blanket property insurance.

(e) Associations Obligation to Segregate Property Insurance Deductible. The Association shall keep in a segregated bank account an amount equal to the Association's property insurance policy deductible or \$10,000, whichever is less. This requirement shall not apply to any earthquake or flood insurance deductible. If the amount held in this account is used to pay any deductible, it shall be replenished within (12) months.

(f) Association's Right to Not Tender Claims that are Under the Deductible. If, in the exercise of its business judgment, the Board of Directors determines that a claim is likely not to exceed the Association's property

insurance policy deductible: (a) the Owner's policy is considered the policy for primary coverage to the amount of the Association's policy deductible; (b) an owner who does not have a policy to cover the Association's property insurance policy deductible is responsible for the loss to the amount of the Association's policy deductible; and (c) the Association need not tender the claim to the Association's insurer.

(g) Notice Requirement for Deductible. The Association shall provide notice to each Owner of the Owner's obligation) for the Association's policy deductible and of any change in the amount of the deductible.. The failure to provide notice shall not invalidate or affect any other provision in this Declaration.

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

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

- (a) Include coverage for volunteers and employees;
- (b) Include coverage for monetary and non-monetary claims;
- (c) Provide for the coverage of claims made under any fair housing act or similar statute or that are based on any form of discrimination or civil rights claims; and
- (d) Provide coverage for defamation. In the discretion of the Board of Directors, the policy may also include coverage for any manager and any employees of the manager and may provide that such coverage is secondary to any other policy that covers the manager or any employees of the manager.

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

(a) Provide coverage for an amount of not less than the sum of three months regular assessment in addition to the prior calendar year's highest monthly balance on all operating and reserve funds; and

(a) Provide coverage for theft or embezzlement of funds by:

- (i) Officers and Board of Directors member of the Association;
- (ii) Employees and volunteers of the Association;
- (iii) Any manager of the Association; and
- (iv) Officers, directors and employees of any manager of the Association.

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

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

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

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

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

16.11 Owners' Individual Coverage. EACH OWNER SHALL PURCHASE INDIVIDUAL PROPERTY, FIRE AND EXTENDED COVERAGE IN THE AMOUNT RECOMMENDED BY THE OWNER'S INDEPENDENT INSURANCE AGENT.

ARTICLE XVII
DAMAGE & DESTRUCTION

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

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

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

ARTICLE XVIII
DISBURSEMENT OF PROCEEDS

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

ARTICLE XIX
REPAIR AND RECONSTRUCTION

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

ARTICLE XX
CONDEMNATION

20.1 Whenever all of any part of the Common Areas and/or Limited Common Areas shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of members representing at least sixty-seven percent (67%) of the total Association vote by any authority having the power of condemnation or eminent domain), each Owner shall be entitled to notice thereof. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows: if the taking involves a portion of the Common Areas and/or Limited Common Areas on which improvements have been constructed, then, unless within sixty (60) days after such taking the Owners representing at least sixty-seven percent (67%) of the total vote of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Areas and/or Limited Common Areas to the extent lands are available therefor, in accordance with plans approved by the Board of Directors of the Association. If the taking does not involve any improvements of the Common Areas and/or Limited Common Areas, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board shall determine.

ARTICLE XXI
MISCELLANEOUS PROVISIONS

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

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

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

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

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

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

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

21.4 Consent, Power of Attorney, Waiver. By acceptance of a deed, lease, or other conveyance of an interest in Dwelling, each Owner or Occupant consents to the rights reserved to the Association in this Declaration, including but not limited to, the right to prepare, execute, file, process, and record necessary and appropriated documents and other items to establish and grant easements and to make necessary and appropriate amendments of this Declaration, the Plat and Bylaws. By such acceptance, each Owner or Occupant agrees to execute all documents and

to do all other things as may be necessary or convenient to effect the same; and such acceptance shall be deemed an appointment of the Association, with full right of substitution, as the attorney-in-fact of such Owner or Occupant to execute such documents and to do such things on Owner's or Occupant's behalf; and such appointment, being coupled with an interest, shall be irrevocable for the specific period of the Association's reserved rights as set forth in this Declaration and shall not be affected by the disability of any such Owner or Occupant.

21.5 No Representations and Warranties. Each Owner and occupant understands, agrees, and acknowledges through taking title or residing in the Project that the Association and the Board have not made any representations or warranties of any kind related to the Project and that each Owner or occupant has not relied upon any reorientations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose relative to the Project.

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

21.7 Amendment. At any time while this Declaration is in effect, the covenants herein contained can only be modified by the affirmative vote of the Owners representing not less than sixty (60%) percent of the total votes of the Association. No meeting or voting shall be required for an amendment, if the required, written consent is obtained from the requisite number of Owners.

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

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

21.10 Liberal Interpretation. The provisions of this Declaration shall be interpreted liberally to further the goal of creating a uniform plan for the development of the Project. Headings are inserted for convenience only and shall not be considered in interpretation of the provisions. Singular will include plural, and gender is intended to include masculine, feminine and neuter as well.

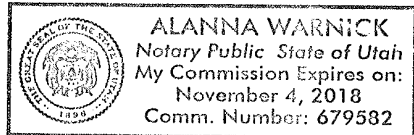
\

SANDY HIGHLANDS HOMEOWNERS' ASSOCIATION, INC.
A Utah non-profit corporation

Sheila Southard
By: Sheila Southard
Its: Board Member

STATE OF UTAH)
 : ss
COUNTY OF)

On this 29th day of Dec., 2016, personally appeared before me Sheila Southard, who being by me duly sworn, did say that she is a Board Member of Sandy Highlands Homeowners' Association, Inc., a Utah non-profit corporation and that the within and foregoing instrument was signed on behalf of said corporation by authority and said individual duly acknowledged to me that said corporation approved the same.



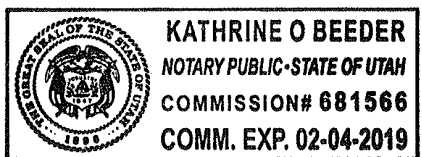
Alanna Warnick
Notary Public

SANDY HIGHLANDS HOMEOWNERS' ASSOCIATION, INC.
A Utah non-profit corporation

Lisa Weilenmann
By: Lisa Weilenmann
Its: Board Member

STATE OF UTAH)
 : ss
COUNTY OF)

On this 13th day of December, 2016, personally appeared before me Lisa Weilenmann, who being by me duly sworn, did say that she is a Board Member of Sandy Highlands Homeowners' Association, Inc., a Utah non-profit corporation and that the within and foregoing instrument was signed on behalf of said corporation by authority and said individual duly acknowledged to me that said corporation approved the same.



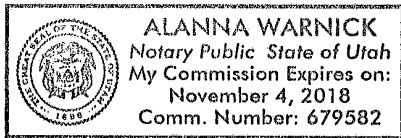
Kathrine O. Beeder
Notary Public

SANDY HIGHLANDS HOMEOWNERS' ASSOCIATION, INC.
A Utah non-profit corporation


By: Irina Lee
Its: Board Member

STATE OF UTAH)
 : ss
COUNTY OF)

On this 13th day of December, 2016, personally appeared before me Irina Lee, who being by me duly sworn, did say that she is a Board Member of Sandy Highlands Homeowners' Association, Inc., a Utah non-profit corporation and that the within and foregoing instrument was signed on behalf of said corporation by authority and said individual duly acknowledged to me that said corporation approved the same.




Notary Public

SANDY HIGHLANDS HOMEOWNERS' ASSOCIATION, INC.
A Utah non-profit corporation

By: Jennifer Lyman
Its: Board Member

STATE OF UTAH)
 : ss
COUNTY OF)

On this _____ day of _____, 2016, personally appeared before me Jennifer Lyman, who being by me duly sworn, did say that she is a Board Member of Sandy Highlands Homeowners' Association, Inc., a Utah non-profit corporation and that the within and foregoing instrument was signed on behalf of said corporation by authority and said individual duly acknowledged to me that said corporation approved the same.

Notary Public

SANDY HIGHLANDS HOMEOWNERS' ASSOCIATION, INC.
A Utah non-profit corporation

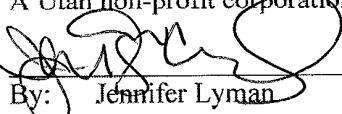
By: Irina Lee
Its: Board Member

STATE OF UTAH)
 : ss
COUNTY OF)

On this _____ day of _____, 2016, personally appeared before me Irina Lee, who being by me duly sworn, did say that she is a Board Member of Sandy Highlands Homeowners' Association, Inc., a Utah non-profit corporation and that the within and foregoing instrument was signed on behalf of said corporation by authority and said individual duly acknowledged to me that said corporation approved the same.

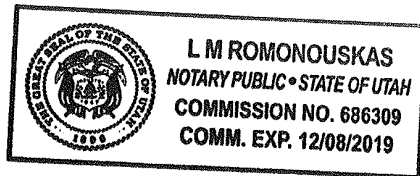
Notary Public

SANDY HIGHLANDS HOMEOWNERS' ASSOCIATION, INC.
A Utah non-profit corporation


By: Jennifer Lyman
Its: Board Member

STATE OF UTAH)
 : ss
COUNTY OF Salt Lake)

On this 14th day of December, 2016, personally appeared before me Jennifer Lyman, who being by me duly sworn, did say that she is a Board Member of Sandy Highlands Homeowners' Association, Inc., a Utah non-profit corporation and that the within and foregoing instrument was signed on behalf of said corporation by authority and said individual duly acknowledged to me that said corporation approved the same.



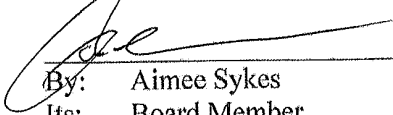

Notary Public

Second Amended & Restated Declaration of Covenants, Conditions & Restrictions
For Sandy Highlands, a Planned Unit Development

37

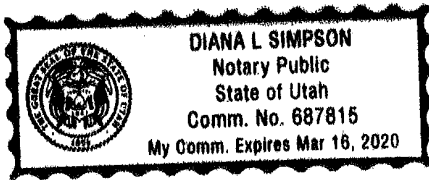
BK 10522 PG 2720

SANDY HIGHLANDS HOMEOWNERS' ASSOCIATION, INC.
A Utah non-profit corporation


By: Aimee Sykes
Its: Board Member

STATE OF UTAH)
 : ss
COUNTY OF)

On this 15th day of December, 2016, personally appeared before me Aimee Sykes, who being by me duly sworn, did say that she is a Board Member of Sandy Highlands Homeowners' Association, Inc., a Utah non-profit corporation and that the within and foregoing instrument was signed on behalf of said corporation by authority and said individual duly acknowledged to me that said corporation approved the same.



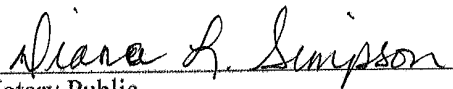

Notary Public

EXHIBIT "A"
(Rental Amendment)

37

AMENDMENT TO AMENDED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF SANDY HIGHLANDS,
a Planned Unit Development

6270775

The undersigned being all of the Board of Trustees of Sandy Highlands, a Planned Unit Development, hereby execute this amendment, effective January 1, 1996.

R E C I T A L S

WHEREAS, Sandy Highlands, a Planned Unit Development, (the "Association") desires to amend its Amended Declaration of Covenants, Conditions and Restrictions dated March 7, 1989, recorded March 16, 1989 as Entry No. 4747164, in Book 6110, at Page 2196 of the Records of the Salt Lake County Recorder ("DCC&Rs");

WHEREAS, the Association desires to amend paragraphs 13.1 and 13.4 of the DCC&Rs;

WHEREAS, the Association presented the amendment to its membership and obtained a vote at its regular annual meeting to make such amendment; and

WHEREAS, owners owning more than 67% of the percentage interest in the common areas voted in favor of said amendment;

NOW, THEREFORE, the Amended Declaration of Covenants, Conditions and Restrictions of Sandy Highlands, a Planned Unit Development are hereby amended as follows:

1. Delete paragraph 13.1 in its entirety and substitute the following:

13.1: Lot Use Restrictions. Each of the lots in the Project is intended to be used for Owner occupied single family residential housing and is restricted to the use of the Lot Owner and the Lot Owners immediate legal Family.

2. Delete paragraph 13.4 in its entirety and substitute the following:

BK 7327 PG 0455

13.4: Lease of Lots. No lot owners shall be permitted to rent or lease his lot, any part thereof, or any structure or part thereon for any purpose, except as follows:

A. A lot Owner may lease his entire lot, including the structure thereon on a long-term basis (1 year or more), to a legal, primary family member (father, mother, son, daughter, brother, or sister, including their legal family), subject to the other provisions of 13.4.

B. Lot owners, who at the time this amendment to the DCC&Rs, becomes effective, are renting or leasing their units, contrary to these provisions, will have one-year to either sell his/her unit or take occupancy, or otherwise come into compliance. The Executive Board will have the authority and responsibility to determine compliance and non-compliance, and shall take whatever legal remedies provided in the DCC&Rs.

C. Lot owners may lease their entire lot, including the structure thereon on a long-term basis (of 1 year or more), to a responsible non-relative, under the following conditions:

(1) Lot owner desires to be absent from his lot for a specified period of time, but intends to return and resume occupancy after his/her absence.

(2) A copy of the lease is presented to the Executive Board for approval and has the following provisions and affidavit included therein:


a. Lessee has been furnished a copy of S.H.H.A. complex rules and agrees in writing to comply with them as well as all current provisions of the DCC&Rs and Bylaws as amended from time to time.

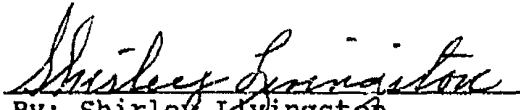
b. Lease provides for authority of the Executive Board to act as agent for the Lot Owner to resolve issues of non-compliance with DCC&Rs, Bylaws and Rules. The Board shall have authority to evict for non-compliance, or for reasonable cause, with due process notice, any lessee who commits three or more violations of the DCC&Rs, Bylaws, Rules, or disturbs the peace, becomes nuisance or threat to the safety or security of the complex or any resident living therein. A written copy of any violation will be furnished to the Lot Owner.

c. Lot owner may "Lease with option to purchase," if there is an earnest money offer, stating the sale price, and monetary consideration equal to three months lease payment is received and documented. This lease will require approval of the Executive Board.

Executed by the Association on the day and year first above written.

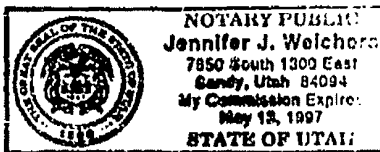
Sandy Highlands
Homeowners Association

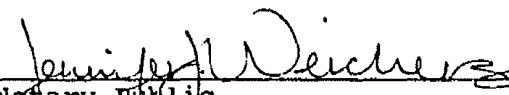

By: Gary Taylor, President


By: Shirley Livingston,
Secretary

STATE OF UTAH)
) : SS
COUNTY OF SALT LAKE)

On the 3 day of ^{Feb.} January, 1996, personally appeared before me, Gary Taylor, the president and Shirley Livingston, the secretary of the Sandy Highlands Homeowners Association, the signers of the foregoing instrument, who duly acknowledged to me that they executed the same on behalf of the Association.




Notary Public
Residing in Salt Lake County
State of Utah

My commission expires:

May 13, 1997

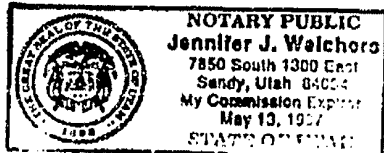
CERTIFICATION

COMES NOW, Shirley Livingston, the secretary of the Association and under oath acknowledges and certifies that the foregoing Amended Declaration was approved by sixty-seven percent (67%) or more if the members of the Association required by Article XV of the Amended Declaration of Covenants, Conditions and Restrictions of the Association.

Shirley Livingston
Shirley Livingston

STATE OF UTAH)
) :ss
COUNTY OF SALT LAKE)

SUBSCRIBED AND SWORN to before me this 3 day of Feb., 1996.



Jennifer J. Welchors
NOTARY PUBLIC
Residing in Salt Lake County,
State of Utah

My Commission Expires:
May 13, 1997

6276775
02/09/96 10:35 AM 87.00
NANCY WORKMAN
RECORDER, SALT LAKE COUNTY, UTAH
ASHTON, BRAUNBERGER, POULSEN
& BOUD SOITE 103
302 W 5400 S MURRAY, UT 84107
REC BY: B GRAY DEPUTY - MP

BK7327PG0459

**EXHIBIT “B”
(Plat)**

**EXHIBIT “C”
(Bylaws)**

**SECOND AMENDED & RESTATED BYLAWS
OF
SANDY HIGHLANDS HOMEOWNERS' ASSOCIATION, INC.**

The following are the Second Amended & Restated Bylaws (“Bylaws”) of Sandy Highlands, a Planned Unit Development (the “Association”). These Bylaws shall replace any prior bylaws, whether or not recorded, and any amendments thereto, through the date these Bylaws are recorded. Upon recordation of these Bylaws, they are binding upon the Association and all present and future Owners and/or occupants.

**ARTICLE I
DEFINITIONS**

Section 1.1 Definitions. All terms used but not defined herein shall have the meanings given them under that certain Second Amended & Restated Declaration of Covenants, Conditions & Restrictions for Sandy Highlands, a Planned Unit Development, of even date and recorded in the Official Records of the Salt Lake County Recorder’s Office (hereinafter referred to as the “Declaration”), and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein, as if set forth herein at length. The term “Owner” shall mean and refer to those persons entitled to membership in the Association, as provided in the Declaration and Articles of Incorporation of the Association.

**ARTICLE II
MEETINGS OF OWNERS**

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

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

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

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

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

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

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

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

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

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

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

An Owner may revoke a prior written consent if the revocation is provided to the Board in writing and is received by the Board prior to the effectiveness of the action taken, as provided for in this Section.

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

The Association shall have one class of voting membership, and each Owner shall be entitled to one equal vote for each Lot in which they are an Owner. There shall only be one vote for each Lot in the Project. Since an Owner may be more than one Person, if only one of such Person(s) is present at the meeting of the Association, that Person shall be entitled to cast the vote appertaining to that Lot. But if more than one of such Person(s) is present, the vote appertaining to that Lot shall be cast only in accordance with the agreement of a majority of them, and such consent shall be conclusively presumed if any one of them purports to cast the vote appertaining to that Lot without protest being made forthwith by any of the others to the person presiding over the meeting. The vote appurtenant to any one Lot may not be divided between Owners of such Lot. If the vote of a majority of the Owners of a Lot cannot be determined, no vote shall be cast in relation to such Lot.

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

ARTICLE III BOARD, SELECTION AND TERM OF OFFICE

Section 3.1 Number & Tenure. The affairs of the Association shall be managed by a Board of Directors composed of five (5) individuals ("Board"). Members of the Board of Directors shall serve for a term of one year. Notwithstanding, there is no limit on the amount of terms or consecutive terms that a Board Member may be elected. The members of the Board of Directors shall serve until their respective successors are elected, or until their death, resignation or removal. Any change in the number of Directors may be made only by amendment of these Bylaws.

Section 3.2 Eligibility. All members of the Board shall be Owners.

Section 3.3 Resignation & Removal. A Director may resign at any time by delivering a written resignation to either the President or the Board. Unless otherwise specified

therein, such resignation shall take effect upon delivery. Any Director may be removed from the Board, with or without cause, by a vote of at least (51%) of the Owners of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining Directors and shall serve for the unexpired term of his predecessor.

Section 3.4 Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 3.5 Action Taken Without a Meeting. The Directors may take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board.

Section 3.6 No Estoppel or Reliance. No one may rely upon any authorization (from the Board or otherwise) contrary to the terms and conditions of the Governing Documents regardless of circumstances. No claim of estoppel, waiver or similar equitable claims or defense may be raised by anyone related to any alleged reliance.

Section 3.7 Records Retention. The Board shall take appropriate action to develop, implement and update procedures for record retention. The Board should maintain documents in a manner to be easily accessible and copied. The Board may budget specifically for this expense and may seek the advice of consultants in developing retention procedures.

ARTICLE IV NOMINATION AND ELECTION OF DIRECTORS

Section 4.1 Nomination. Nomination for election to the Board may be made by the Board or by Owners from the floor at the annual meeting.

Section 4.2 Election. At the discretion of the Board, the election of Directors may be by written ballot or by simply a raising of the hand vote. The persons receiving the largest number of votes shall be elected. Cumulative voting is not authorized.

ARTICLE V MEETINGS OF THE BOARD

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

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

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

Section 5.3 Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 5.4 Conduct of Meetings. The President, or in his absence the Vice President, shall preside over all meetings. The Secretary or other authorized person shall keep minutes of all meetings and maintain a record of the minutes including, but not limited to: election of Officers, adopted resolutions, adopted Rules and other non-privileged matters coming before the Directors. The Board shall keep a copy of all approved minutes and make them reasonably available to Owners upon their written request. Corrections and/or changes to the minutes shall be made at the next meeting of the Board.

ARTICLE VI POWERS AND DUTIES OF THE BOARD

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

- (a) Management of the Association;
- (b) Preparation of annual assessments and budget;
- (c) Collection of assessments;
- (d) Maintenance of a bank account for the Association and designating required signatories;
- (e) Maintenance of the Common Areas, Limited Common Areas and Facilities;
- (f) Maintenance of any private roadways and gates;
- (g) Maintenance of any private water system or other private utility;
- (h) Adoption and amendment of rules and regulations;

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

ARTICLE VII OFFICERS AND THEIR DUTIES

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

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

Section 7.3 Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine. Appointed officers, which do not include the elected or appointed Board of Directors, must be: Owners; may not vote; and may be removed by the Board at any time, with or without cause.

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

Section 7.5 Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except temporarily in the case of special offices created pursuant to Section 7.3 of this Article or the death, resignation or removal of an officer.

Section 7.6 Duties. Unless modified by resolution of the Board, the duties of the officers are as follows. The Board may also utilize a manager or managers to assist in these duties:

President: The president shall preside at all meetings of the Board and shall see that orders and resolutions of the Board and/or the Owners are carried out; shall sign all leases, mortgages, deeds and other written instruments and may co-sign all checks on behalf of the Association.

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

Secretary: The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Owners; keep appropriate current records showing the Owners of the Association together with their addresses and shall perform such other duties as required by the Board.

Treasurer: The secretary/treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by the Board; keep proper books of account; if the Board deems appropriate, cause an annual audit or other review of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Owners.

Other Offices: Other offices shall have the duties and obligations as set forth by the Board.

ARTICLE VIII COMMITTEES

Section 8.1 Committees. The Board may, if it elects, appoint such committees as deemed appropriate in carrying out its purposes, including appointment of an Architectural Review Board. A committee shall not have any powers, duties, or responsibilities beyond those specifically assigned by the Board. The Board may terminate any committee at any time.

ARTICLE IX CONDUCT AT ASSOCIATION MEETINGS

Section 9.1 Recording. No person, whether an Owner, occupant, owner representative, or other third party is permitted to record (whether audio, video, transcription or combination) any Association or Board meeting, work session or similar event regardless of the location of such event.

ARTICLE X INDEMNIFICATION

Section 10.1 Indemnification. No Director, officer, or member of a committee shall be personally liable for any obligations of the Association or for any duties or obligations arising out of any acts or conduct of said Director, officer, or committee member performed for or on behalf of the Association. The Association shall and does hereby indemnify and hold harmless each person who shall serve at any time as a Director, officer of the Association, or a member of a duly formed committee, as well as such person's heirs and administrators, from and against any and all claims, judgments, and liabilities to which such persons shall become subject, by reason of that person having heretofore or hereafter been a Director, officer of the Association, or member of a committee or by reason of any action alleged to have been heretofore or hereafter taken or omitted to have been taken by him/her as such Director, officer, or committee member, and shall advance and reimburse any such person for all legal and other expenses reasonably incurred in connection with any such claim or liability; provided that the Association shall have the right, in its sole discretion, to defend such person from all suits or claims; provided further. However, that no such person shall be indemnified against or be reimbursed for or be defended against any expense or liability incurred in connection with any claim or action arising out of such person's intentional misconduct. The rights accruing to any person under the foregoing provisions of this section shall not exclude any other right to which such person may lawfully be entitled, nor shall anything herein contained restrict the right of the Association to indemnify or reimburse such person in any proper case, even though not specifically provided for herein or otherwise permitted.

Section 10.2 Settlement of Association. The right of any person to be indemnified shall be subject always to the right of the Association by the Board of Directors, in lieu of such indemnity, to settle any such claim, action, suit, or proceeding at the expense of the Association by the payment of the amount of such settlement and the costs and expenses incurred in connection therewith.

ARTICLE XI WAIVER OF PROCEDURAL IRREGULARITIES

Section 11.1 Waiver of Procedural Irregularities. All inaccuracies and irregularities in calls or notices of meetings, in the manner of voting, in the form of proxies, in the method of asserting persons present, in the method of making decisions, or in the method of accepting or counting votes shall be deemed waived under the following circumstances:

- (a) If the objecting person was in attendance at the meeting – they are waived if the issue upon which the objection was based was perceptible and no objection to the particular procedural issue is made at the meeting; or
- (b) If the objecting person was not in attendance at the meeting but has proper notice of the meeting, they are waived; or

- (c) If the objecting person was not in attendance at a meeting, did not have proper notice of the meeting, but had actual notice of the meeting before it occurred, they are waived; or
- (d) If the objecting person was not in attendance at the meeting and did not have actual and proper notice of the meeting before it occurred, within 60 days of receiving actual notice of the occurrence of the meeting or of any decision that was made at the meeting; or
- (e) For any action, vote, or decision that occurred without a meeting, within 60 days of receiving actual notice of the occurrence of the action, vote, or decision.

Section 11.2 Requirements for Objections. All objections except those made at a meeting shall be in writing. Whenever made, objections must be specific and shall include identification of the specific provision of the Governing Documents or other law that is alleged to have been violated and a brief statement of the facts supporting the claimed violation.

Section 11.3 Irregularities that Cannot Be Waived. The following irregularities cannot be waived under the prior subsection:

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

ARTICLE XII AMENDMENTS/ ORDER OF PRECEDENCE

Section 12.1 Amendment. These Bylaws may be amended, at a regular or special meeting of the Owners, by Owners holding at least fifty-one percent (51%) of the total membership or by the written consent of at least fifty-one percent (51%) of the total membership. An amendment to these Bylaws shall be effective immediately upon recordation in the Office of the Salt Lake County Recorder, State of Utah. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIII FISCAL YEAR

Section 13.1 Fiscal Year. 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.

The foregoing Bylaws are adopted by the undersigned and made effective upon recordation in the Office of the Salt Lake County Recorder, State of Utah.

**ARTICLE XIV
CONTRACTS, LOANS AND DEPOSITS**

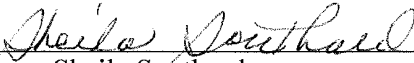
Section 14.1. Contracts. The Board may authorize any officer(s), agent(s), to enter into any contract or execute and deliver any instrument in the name of or on behalf of the Association, and such authority may be general or confined to specific instances.

Section 14.2 Loans. Any loan entered into by the Association must be in accordance with the Declaration.

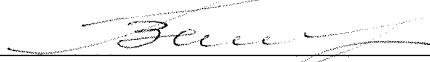
Section 14.3 Checks, Drafts. All checks, drafts and other order for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer(s), employee(s), or agent(s) of the Association and in the manner of such from the time to time be determined by the resolution of the Board.


Section 14.4 Deposits & Investments. Association funds may only be deposited into institutions that are federally insured. The Board may deposit Association funds into checking accounts, savings accounts, money market accounts, or purchase certificates of deposits. Other investment options that may pose additional risks must be approved by at least 51% of the total membership prior to the investment.

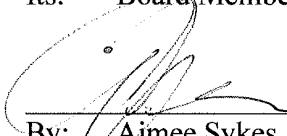
SANDY HIGHLANDS HOMEOWNERS' ASSOCIATION, INC.
A Utah non-profit corporation

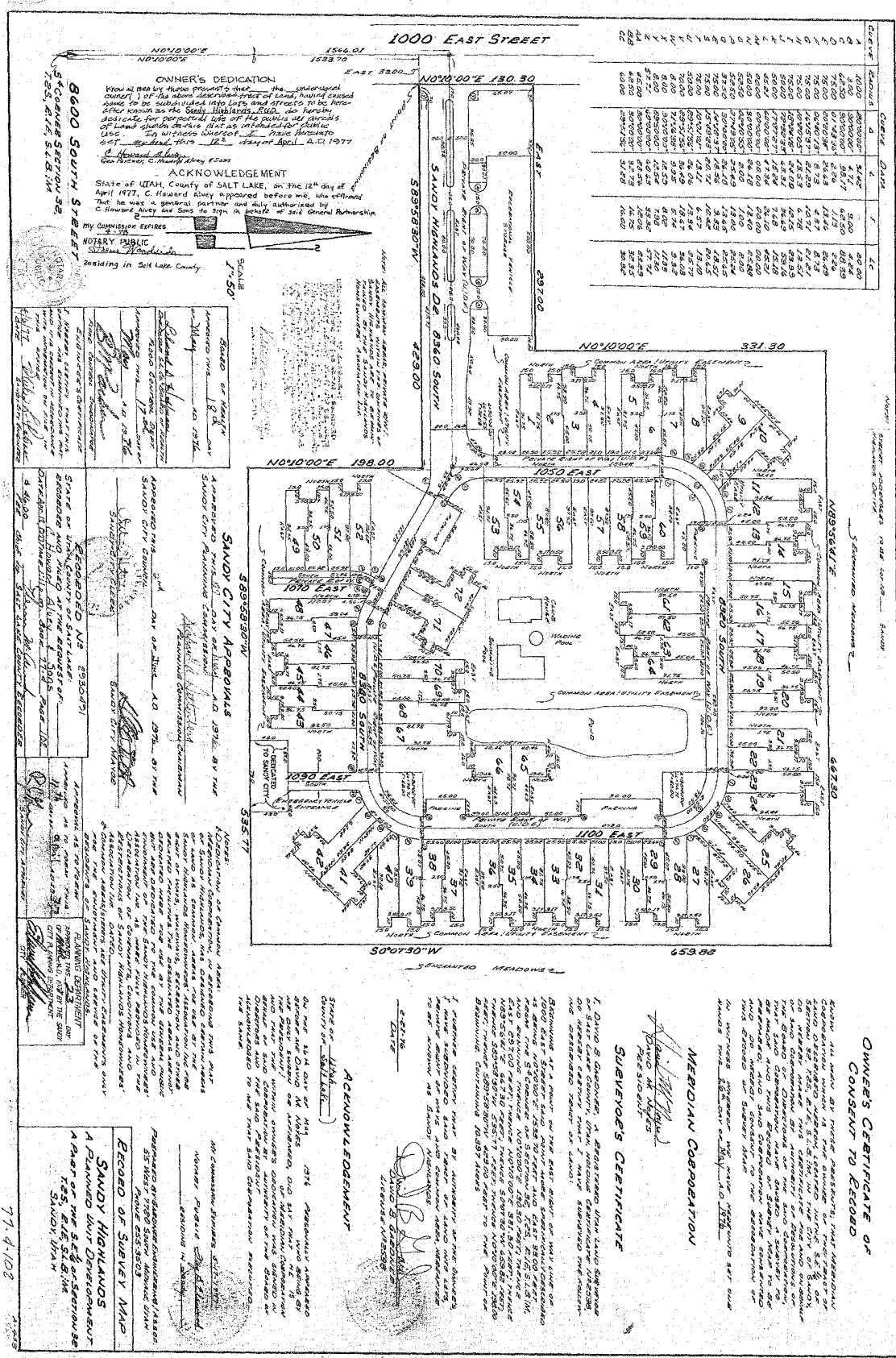

By: Sheila Southard
Its: Board Member


By: Lisa Weilenmann
Its: Board Member


By: Irina Lee
Its: Board Member


By: Jennifer Lyman
Its: Board Member


By: Aimee Sykes
Its: Board Member



Block	Area	Acres	Area	Acres
1	1000	1000	0.44	0.44
2	1000	1000	0.44	0.44
3	1000	1000	0.44	0.44
4	1000	1000	0.44	0.44
5	1000	1000	0.44	0.44
6	1000	1000	0.44	0.44
7	1000	1000	0.44	0.44
8	1000	1000	0.44	0.44
9	1000	1000	0.44	0.44
10	1000	1000	0.44	0.44
11	1000	1000	0.44	0.44
12	1000	1000	0.44	0.44
13	1000	1000	0.44	0.44
14	1000	1000	0.44	0.44
15	1000	1000	0.44	0.44
16	1000	1000	0.44	0.44
17	1000	1000	0.44	0.44
18	1000	1000	0.44	0.44
19	1000	1000	0.44	0.44
20	1000	1000	0.44	0.44
21	1000	1000	0.44	0.44
22	1000	1000	0.44	0.44
23	1000	1000	0.44	0.44
24	1000	1000	0.44	0.44
25	1000	1000	0.44	0.44
26	1000	1000	0.44	0.44
27	1000	1000	0.44	0.44
28	1000	1000	0.44	0.44
29	1000	1000	0.44	0.44
30	1000	1000	0.44	0.44
31	1000	1000	0.44	0.44
32	1000	1000	0.44	0.44
33	1000	1000	0.44	0.44
34	1000	1000	0.44	0.44
35	1000	1000	0.44	0.44
36	1000	1000	0.44	0.44
37	1000	1000	0.44	0.44
38	1000	1000	0.44	0.44
39	1000	1000	0.44	0.44
40	1000	1000	0.44	0.44
41	1000	1000	0.44	0.44
42	1000	1000	0.44	0.44
43	1000	1000	0.44	0.44
44	1000	1000	0.44	0.44
45	1000	1000	0.44	0.44
46	1000	1000	0.44	0.44
47	1000	1000	0.44	0.44
48	1000	1000	0.44	0.44
49	1000	1000	0.44	0.44
50	1000	1000	0.44	0.44
51	1000	1000	0.44	0.44
52	1000	1000	0.44	0.44
53	1000	1000	0.44	0.44
54	1000	1000	0.44	0.44
55	1000	1000	0.44	0.44
56	1000	1000	0.44	0.44
57	1000	1000	0.44	0.44
58	1000	1000	0.44	0.44
59	1000	1000	0.44	0.44
60	1000	1000	0.44	0.44
61	1000	1000	0.44	0.44
62	1000	1000	0.44	0.44

OWNER'S DEDICATION
Know all men by these presents that the undersigned owner of the above described lots and streets do hereby dedicate the same to the public use and for the benefit of the community as shown on the attached map and for the use and enjoyment of the public as shown on the attached map and for the use and enjoyment of the public as shown on the attached map...

ACKNOWLEDGEMENT
State of UTAH, County of SALT LAKE, on the 21st day of April 1977, C. Howard Alley appeared before me, who certified that he was a general partner and duly authorized by C. Howard Alley and Sons to sign in behalf of said General Partnership...

RECORD OF MAP
Approved this 18th day of May 1977 by the Board of Health, Sandy City Planning Commission, Sandy City Council, and Sandy City Mayor.

RECORDED IN 2038-01

RECORDED IN 2038-01

NOTICE
Notice is hereby given that the undersigned has prepared preliminary plat maps for the above described lots and streets, and that the same have been filed for record in the office of the County Clerk of Salt Lake County, Utah, and that the same will be subject to the approval of the Board of Health, Sandy City Planning Commission, Sandy City Council, and Sandy City Mayor.

ACKNOWLEDGEMENT
I, [Signature], of the County of Salt Lake, State of Utah, do hereby certify that the above described lots and streets have been surveyed and shown on the attached map and that the same are subject to the approval of the Board of Health, Sandy City Planning Commission, Sandy City Council, and Sandy City Mayor.

OWNER'S CERTIFICATE OF CONSENT TO RECORD
I, David B. Gardner, a partner in the Sandy Highlands Development, do hereby certify that I have approved the plat map and the same is subject to the approval of the Board of Health, Sandy City Planning Commission, Sandy City Council, and Sandy City Mayor.

SURVEYOR'S CERTIFICATE
I, David B. Gardner, a partner in the Sandy Highlands Development, do hereby certify that I have approved the plat map and the same is subject to the approval of the Board of Health, Sandy City Planning Commission, Sandy City Council, and Sandy City Mayor.

MERIDIAN CORPORATION
[Signature]
President

RECORD OF MAP
Approved this 18th day of May 1977 by the Board of Health, Sandy City Planning Commission, Sandy City Council, and Sandy City Mayor.

RECORDED IN 2038-01

RECORDED IN 2038-01

RECORDED IN 2038-01

RECORDED IN 2038-01

RECORDED IN 2038-01

RECORDED IN 2038-01

1000 EAST STREET
SANDY HIGHLANDS DR
SANDY CITY AVE

1000 EAST
1050 EAST
1100 EAST

1000 EAST
1050 EAST
1100 EAST

1000 EAST
1050 EAST
1100 EAST

1000 EAST
1050 EAST
1100 EAST

1000 EAST
1050 EAST
1100 EAST

1000 EAST
1050 EAST
1100 EAST

1000 EAST
1050 EAST
1100 EAST

1000 EAST
1050 EAST
1100 EAST

1000 EAST
1050 EAST
1100 EAST

1000 EAST
1050 EAST
1100 EAST

1000 EAST
1050 EAST
1100 EAST

1000 EAST
1050 EAST
1100 EAST