



After Recording Return to:
PO Box 1722, Draper, Utah 84020
Salt Lake City, Utah 84111

DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS

For

C STREET TOWNHOMES

A Planned Unit Development in Salt Lake County, Utah

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS for C Street Townhomes, a Planned Unit Development, (this "Declaration") is made and executed, as of the last date set forth in the notarized signature below, by C Street Townhomes, LLC ("Declarant").

RECITALS:

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

(B) Declarant is the owner of certain real property located in Salt Lake County, Utah and more particularly described as follows (the "Property"): C Street Townhomes, PUD, to include all 26 townhomes and Common Areas as depicted on the plat map recorded on or about October 11, 2022

(C) On or about October 11, 2022 a Plat Map depicting the Property was recorded in the Salt Lake County Recorder's Office, as Entry No. 14029446 ("Plat").

(D) Declarant desires to subject the Property to the terms of this Declaration. Declarant intends to develop a residential planned unit development on the Property pursuant to the Community Association Act, Utah Code Sections 57-8a-101, *et. seq.* Declarant will develop and convey all of the Lots within the Planned Unit Development subject to a general plan of development, and subject to certain protective covenants, conditions, restrictions, and easements, as set forth in this Declaration, as amended from time to time, which are deemed to be covenants running with the land mutually burdening and benefitting each of the Lots within the Planned Unit Development. Common Areas are those areas that are depicted in the recorded Plat(s), as amended, and as described in this Declaration. The Property does not constitute a cooperative.

(E) Declarant has deemed it desirable, for the efficient preservation of the values and amenities of the Property, to create an entity which possesses the powers to maintain and administer the Common Areas and otherwise administer and enforce the provisions of this Declaration. For such purposes, contemporaneously with the recording of this Declaration, Declarant will register with the Utah Department of Commerce the Articles of Incorporation for C Street Townhomes Homeowners Association, Inc. (the "Association"). It is intended that this Declaration shall serve as a binding contract between the Association and each Owner.

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

(G) Declarant declares that the Property shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied, and improved, subject to the following easements, restrictions, covenants, conditions and

attractiveness and desirability of the Property, in furtherance of a general plan for the protection, maintenance, planned unit development improvement and sale of the Property or any portion thereof. The covenants, conditions, restrictions, reservations, easements and equitable servitudes set forth herein shall run with each Lot located on the Property, including any additions thereto, and shall be binding upon all persons having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns and shall inure to the benefit of every portion of the Property and any interest therein; and shall inure to the benefit of and be binding upon Declarant, and its successors in interest; and may be enforced by the Declarant and by the Association.

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

(I) Supplemental Declarations, as may be deemed appropriate by Declarant, on a phase-by-phase basis to address differences in circumstances may be recorded related to expansion of the Subdivision. Declarant may also record plats alone to annex additional phases.

(J) 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 the Board. If no ACC is established, the Board shall fulfill the duties of the ACC. Declarant may also fulfill these duties during the Class B Control Period, as set forth in the Articles and Bylaws.

(C) "Articles" shall have the meaning as set forth in the Recitals.

(D) "Assessment" or "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.

(E) "Association" shall have the meaning as set forth in the Recitals 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 the

Association as duly elected in accordance with the terms and conditions of the Articles of Incorporation and Bylaws. The Board is the governing body of the Association.

(G) "Bylaws" shall have the meaning as set forth in the Recitals.

(H) "City" shall mean Midvale City, Utah and its appropriate departments, officials and boards.

(I) "Common Areas" shall mean all property designated on the recorded Plat(s) for the Townhomes or described in the Plat or this Declaration as Common Area, being intended ultimately to be owned by the Association for the common use and enjoyment of all Owners, together with all Improvements thereon and all of the easements appurtenant thereto, including:

1. Open space (if any);
2. Landscaped areas;
3. Community signage;
4. Retention basins;
5. Private roads (if any);
6. Curbing and sidewalks not maintained by the City;
7. Light posts not maintained by the City;
8. Visitor parking; and,
9. Amenity areas.

(J) "Common Expenses" means any and all costs, expenses and liabilities incurred by or on behalf of the Association, including, without limitation, costs, expenses and liabilities for (i) managing, operating, insuring, improving, repairing, replacing and maintaining the Common Areas; (ii) providing facilities, services and other benefits to Owners as set forth in this Declaration; (iii) expenses agreed upon as common expenses by the Board of Directors; (iv) administering and enforcing the covenants, conditions, restrictions, reservations and easements created hereby; (v) levying, collecting and enforcing the assessments, charges, fines, penalties and liens imposed pursuant hereto; (vi) operating the Association; (vii) expenses agreed upon as common expenses by the Association or its Board of Directors; (viii) costs arising under the "STORMWATER MAINTENANCE AGREEMENT" with Midvale City recorded in the office of the Salt Lake County Recorder and (ix) creating reserves for any such costs, expenses and liability as required by this Declaration or the Act.

(K) "County" shall mean Salt Lake County, Utah and its appropriate departments, officials, and boards.

(L) "Declarant" shall mean and refer to C Street Townhomes, LLC, a Utah corporation, and its successors and assigns.

1. "Declarant Related Entity or Entities" shall mean Declarant, parent companies, subsidiaries, assigns, successors, related or designated construction entities, or other entities established by Declarant or Declarant's members for the purpose of owning, developing, constructing and/or selling Lots or Units in the Property.

(M) "Declaration" shall have the meaning set forth in the Recitals.

(N) "Governing Documents" shall mean this Declaration, Bylaws, Articles, Plat, 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, Units, garages, walkways, retaining walls, fences, landscaping, decks, stairs, lighting, signs, satellite dishes or other antennas, and any mechanical equipment located on the exterior of any building.

(P) "Lot" shall mean each of the individual Lots within the Project, as shown on the Plat as "Private Ownership" and labeled as "Unit" followed by the Lot number. A Lot shall include the Unit and Improvements, or structure constructed thereon. Each Lot consists generally of all structures on or within the boundary of the Lot. The Lot shall extend to the center of the Party Wall, which shall form the boundary of the Lots sharing that wall. Subject to dividing lines between Lots, any above-ground structure that extends beyond the vertical plane of the ground-level boundary of the Lot is part of the Lot if it: (1) is part of and an integral part of the Unit's structure (such as bay windows, pop-outs, eaves, decks, etc., not to include fences, or other appurtenant structures that merely connect to the structure); or (2) was constructed as part of the original construction of the Lot.

(Q) "Manager" shall mean any entity, person, or persons, if any engaged by the Board of Directors to manage the affairs of the Association and the Planned Unit Development.

(R) "Member" or "Owner" shall mean and refer to the person who is the Owner of record (in the office of the County Recorder of Salt Lake County, Utah) of a fee simple or an undivided interest in any Lot. Notwithstanding any applicable theory relating to a mortgage, deed of trust, or like instrument, the term "Owner" shall not mean or include a mortgagee or a beneficiary of trustee under a deed of trust unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof. The Owner may include a non-natural, but legally recognized entity, such as a limited liability company, corporation, partnership, limited partnership, trust, and/or other legally entity recognized by Utah State law. Accordingly, such an Owner may designate a natural person of its selection as Owner's agent to serve and act in the Owner's place. Notwithstanding the foregoing, an Owner may designate only one natural person to serve as its agent at any one time.

(S) "Occupant" shall mean and refer to any Person, living, dwelling, visiting, or staying in a Unit. This includes, but is not limited to, all lessees, tenants, and the family members, agents, and representatives living, dwelling, visiting, or staying in a Unit. Occupants shall be bound by the Restrictions in this Declaration and shall be liable for any fines that are assessed for violations of the Governing Documents

(T) "Party Wall" shall mean a wall, including without limitation a foundation wall, that forms part of a Unit and is located on or adjacent to a boundary line between two or more adjoining Lots or Units that have separate ownership vesting and is used or is intended to be used by the Owners of the benefitted Units as a structural partition wall.

(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) "Planned Unit Development" shall mean C Street Townhomes and all Lots, as shown on the Plat(s) and any future Plat(s) covering the Property.

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

(X) "Plat(s)" shall mean an official and recorded plat of C Street Townhomes, including all subsequent phases when recorded, as approved by the City, and recorded in the office of the Salt Lake County Recorder, as it may be amended from time to time. The Plat is hereby incorporated into and made an integral part of this Declaration, and all requirements and specifications set forth on the Plat and required by the Act are deemed included in this Declaration. If any conflict exists between the Plat and this Declaration, the Declaration shall control.

(Y) "Project" shall include the real property described as Property above, together with the buildings, improvements, and permanent fixtures located thereon, and all easements and rights appurtenant thereto and shall at any point in time mean and refer to the C Street Townhomes Planned Unit Development. The Project shall also include any additional land annexed into the Association and made subject to this Declaration.

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

(AA) "Unit" shall mean the single family residence built or to be built on any Lot, whether or not it shares a Party Wall and includes all mechanical equipment and appurtenances located within any one Unit or located without said Unit but designated and designed to serve only that Unit, such as appliances, electrical receptacles and outlets, air conditioning compressors and other air conditioning apparatus, furnaces, stoves, fixtures and the like, shall be considered part of the Unit, as shall all structural walls, floors and ceilings, windows and window frames, doors and door frames, and garage doors. All pipes, wires, conduits, or other public utility lines or installations constituting a part of the Unit and serving only the Unit, and any other property of any kind, including fixtures within any Unit shall be considered part of the Unit. The components of a Unit shall be maintained and insured as further provided in this Declaration.

1. Unit shall also include:
 - a) The residential structure itself, including foundations, walls, roof, windows, doors, and all related components.
 - b) Porches, decks, balconies, stairs, landings, driveways, garages, pop outs, eves, and similar Improvements.

ARTICLE II EASEMENTS & OTHER RIGHTS

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 Unit and in no event shall be separated therefrom, or encumbered, pledged, assigned, or otherwise alienated by the 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 Unit. 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.

- (a) The Association shall be the trustee for all Owners with respect to easements, licenses, agreements, and conveyances of Common Areas, consistent with the Declaration and Utah law.

2.2 Title to Common Areas. The Declarant may convey title to the Association of various Common Areas; however, neither this conveyance nor any other provision of the Declaration shall be construed to create a contractual relationship between the Association and Declarant.

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

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

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

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

(d) The right of the Association to dedicate or transfer any part of the Common Areas to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the Association, provided that such dedication or transfer must first be assented to in writing by the Owners of at least seventy-five percent (75%) of the Units (not including Units owned by Declarant). 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. In addition to the easements identified in the Plats, the Project is subject to a blanket easement over, across, above, and under it for ingress, egress, installation, maintenance, repair, and replacement of utilities. Utilities include, without limitation, water, sewer, gas, telephone, electricity, data, video, and cable. If any utility company or municipal authority requests that a more specific easement be granted in its favor in substitution for the easement hereby established with respect to the Common Areas, the Board shall have the power and authority, without the need for any consent by the Owners to grant the more specific easement on such terms and conditions as the Board deems appropriate. It is intended that this utility easement be construed broadly, and such easement shall specifically include the areas directly in garage ceilings and underneath and across the entire main floor of each Unit for the installation and maintenance of utility lines across and through each townhome building and all Units therein. Each Owner in accepting the deed to a Unit expressly consents to such easements and rights-of-way and authorizes and appoints the Association as attorney-in-fact for such Owner to execute any and all instruments conveying or creating such easements or rights-of-way.

2.5 Easements for Encroachments. If any part of the Common Areas as improved by Declarant now or hereafter encroaches upon any Lot or if any structure constructed by Declarant on any Lot now or hereafter encroaches upon any other Lot or upon any portion of the Common Area as a result of the manner in which the improvements were initially approved of constructed, or due to settling, shifting, alteration, replacement, repair or restoration by the Association, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. If any structure on any Unit shall be partially or totally destroyed and then rebuilt in

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

2.7 Easement in Favor of Association. The Association, its Board, employees, agents, and contractors shall have non-exclusive easements to use the Common Areas.

2.8 Delegation of Use. Any Owner may delegate, in accordance with the Governing Documents, their right of enjoyment to the Common Area and any common amenities located thereon to the members of their family and their tenants and shall be deemed to have delegated said rights to contract purchasers who reside on said Owner's Lot.

2.9 Right to Modify Lot Boundaries and Interior Boundary Lines. Declarant reserves the unilateral right to modify Lot boundaries and interior boundary lines and/or combine Lots or Units so long as it owns the Lots; provided, however, such changes may not extensively alter the boundaries of the Common Area and facilities nor change the percentages of ownership interest.

2.10 Income generated from negotiation, installation or provision of certain utilities and amenities. Declarant and/or Declarant Related Entities invest time, experience, infrastructure and/or capital in the negotiation, provision or installation of certain utilities and amenities (e.g., internet, cable, fiber, phone, solar power, etc.) that provide services and benefits to Owner in the Property that would not otherwise be available or at a reduced cost. Any income gained by these parties from these efforts may be retained by the Declarant, Declarant Related Entities, or their assigns, even after the Class B Control Period. The Association may enter into contracts with third parties related to the provisions of such utilities and amenities for the benefit of Owners in the Property, which utilities and amenities may be paid for through Assessments. Owners contracting separately with individual third-party providers will still be required to pay any normal and customary access fee for applicable bulk rate contract services entered into by the Association.

ARTICLE III ANNEXATION

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

3.2 Annexation by Declarant. Declarant may from time to time and in its sole discretion expand the Property subject to this Declaration by the annexation of all or part of the lands adjacent to the Property. The annexation of any such land shall become effective upon the recordation of the office of the county Recorder of Salt Lake County, Utah, (a) a subdivision plat or map covering the land to be annexed and (b) may include a

supplemental declaration which (i) describes the land to be annexed or incorporated by reference to the description contained in the subdivision plat, (ii) declares that the annexed land is to be held, sold, conveyed, encumbered, leased, occupied and improved as part of the property subject to this Declaration, (iii) sets forth such additional limitations, restrictions, covenants and conditions as are applicable to the annexed land, (iv) states which portions of the annexed land are Common Areas and which portions are Lots within any new land classification, provided that the nature and incidents of any such new land classification shall be fully set forth in such supplemental declaration or in another supplemental declaration previously filed with respect to some portion of the property, and (v) describes generally any improvements situated on the annexed land. Upon the recordation of a subdivision plat covering the land to be annexed such land shall become part of the Subdivision and subject to this Declaration, as amended.

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

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

ARTICLE IV
MEMBERSHIP, VOTING & CONTROL PERIOD

4.1 Membership of 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. Notwithstanding the foregoing, the Declarant shall also be granted voting rights as a Class "B" Member, as defined below.

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

(a) Class "A". Class "A" Members shall be all Owners with the exception of Class "B" membership, if any. Class "A" membership shall be entitled to one (1) equal vote for each Lot in which they are an Owner. Only an Owner that is current on all Assessments and/or other fees thirty days in advance of the meeting or vote shall be deemed in good standing and entitled to vote. With regard to any approval that requires a specified percentage of total membership, the total membership shall be calculated from the total number of Owners eligible to vote at the time such approval is sought. 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. If the vote of a majority of the owners of a Lot cannot be determined, no vote shall be cast in relation to such Lot.

(b) Class "B". The Class "B" Member shall be the Declarant. In all matters requiring a vote, the Class "B" membership shall receive five hundred (500) votes for each recorded Lot or acre of property in the Undeveloped Land owned by Declarant. The Class "B" membership shall also be entitled to appoint the members of the Board and Association during the Class "B" Control Period.

- 4.3 The Class "B" Control Period runs until ninety (90) days after the first to occur of the following:
- (a) When Declarant no longer owns any Lot or property in the Project or Undeveloped Land; or
 - (b) When, at its discretion, the Class B Member so determines.

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

ARTICLE V COMMON AREAS, UNIT & PARTY WALL MAINTENANCE

5.1 Planned Unit Development. The Planned Unit Development consists of twenty six (26) townhomes contained in five (5) buildings.

5.2 Common Areas. Except as otherwise provided in this Declaration, the Association, or its duly designated agent, shall maintain, repair, and replace all Common Areas, including, without limitation, the Improvements and landscaping located thereon in good order and repair and shall otherwise manage and operate all Common Areas as it deems necessary and appropriate.

- (a) The Association, or its duly designated agent, shall maintain all Common Areas including, without limitation, the landscaping located outside of the Unit footprint and on the Common Area in good order and repair and shall otherwise manage and operate all Common Areas as it deems necessary and appropriate. The Association shall have the authority to assess its members for the costs of said maintenance in accordance with the terms of this Declaration. The Association may adopt Rules to add further detail with regard specific landscape maintenance services provided by the Association. Notwithstanding, it is the intent that the Association shall generally provide for all landscaping within the Association.
- (b) Snow Removal. The Association may adopt Rules to add further detail with regard specific snow removal services provided by the Association. Notwithstanding, it is the intent that the Association shall generally provide for all snow removal in the Common Areas. The Association may make reasonable and prudent efforts to contract with a third party for the removal of snow from Common Areas within the Property. Owners shall be responsible for such areas and other applicable areas on their Lot, including, but not limited to sidewalks immediately adjacent to or primarily serving an Owner's Lot and parking facilities within their Lot. Owners shall be responsible and take reasonable precautions with respect to ice and ice accumulation. The work of removing snow may 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. To the extent allowed by law, the Association shall not be responsible for or liable for said third party's discretion and removal of snow.

- (c) Stormwater Maintenance Agreement. The Association and the Project are subject to the terms and obligations in the LONG TERM STORMWATER MANAGEMENT AGREEMENT recorded in the office of the Salt Lake County Recorder. The obligations include maintenance of all stormwater facilities in accordance with the Stormwater Maintenance Plan and annual inspections and reporting. All costs incurred in compliance with the STORMWATER MAINTENANCE AGREEMENT.

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

5.4 Party Wall Maintenance. Each Unit 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 Unit(s). The Owners acknowledge that certain repairs or maintenance to Units with a Party Wall(s) may become necessary, which repairs, or maintenance may not be able to be performed on one Unit only and shall cooperate in good faith with providing access and sharing costs of Party Wall maintenance between two adjoining Unit.

5.5 Destruction of Party Wall; Common Roof or Exterior. If a party wall is damaged or destroyed by the fault of negligence of one of the Owners, such damage shall be repaired by the applicable Owner to the condition equal to or better than immediately prior to the damage and the negligent Owner or Owner at fault shall reimburse such adjacent Owner for any and all costs incurred to cure the damage. Should a party wall be damaged or destroyed by any cause other than by default or by an act of negligence of an Owner of the adjacent Unit, the damage shall be rebuilt or repaired to a condition equal to or better than immediately prior to the damage, at the joint expense of the owners of the two affected Units, provided that any amount received from insurance companies for such damage shall first be applied to the restoration of the affected Units. Should a common roof be damaged or destroyed by any cause other than by fault or by an act of negligence of an Owner of the adjacent Unit, the damage shall be rebuilt or repaired by the Association to a condition equal to or better than immediately prior to the damage, at the expense of the Association, provided that any amount received from insurance companies for such damage shall first be applied to the restoration of the affected Units. Notwithstanding, Owners remain subject to all applicable ACC submittals and approval requirements.

5.6 Party Wall 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 all attached Units.

5.7 Association Maintenance of Units. The Association shall maintain, repair, and replace the roofs, shingles, rain gutters and downspouts for all buildings (which include the Units). All other maintenance responsibilities for Units shall be the responsibility of the appurtenant Unit Owner.

5.8 Association Maintenance of Lots. Any landscaping outside of the Unit's footprint shall be performed by the Association. The Association may adopt necessary rules and procedures related to landscape maintenance and obligations or requirements of Owners to facilitate this maintenance by the Association.

5.9 Owner Maintenance of Lot & Unit. All other components or Improvements within the Lot, including the Unit, that are not specifically assigned to the Association herein shall be maintained by Owners. It is the obligation of each Owner to maintain their Lot and Improvements located thereon in a clean and sanitary condition and uncluttered in order to preserve and enhance the enjoyment of the Project. 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 Unit, which may include a prohibition on leaving, installing, or storing any items in such places.

5.10 Repairs by Association. In the event that an Owner permits their Lot 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 15 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, plus 15%. 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.

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

5.12 Repair Following Damage. In the event of casualty loss or damage to the improvements, the Improvements may be constructed 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 reconstruction 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 permit. Unless delayed by City approval or insurance carrier approval, 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.

5.13 Utilities. The charges for utilities that are metered separately to each Lot or Unit shall be the responsibility of the respective Lot Owner. In the event water, electrical, sewer, or other utilities are metered collectively or metered separately for Common Areas, then the Association shall be responsible for paying for such utility expenses, which expenses shall be a Common Expense of the Association and shall be paid through regular assessments.

ARTICLE VI – ASSOCIATION & ASSESSMENTS

6.1 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 Property 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 a Lot. The Association shall serve as the organizational body for all Owners.

6.2 Enforcement Powers. The Association shall have all powers granted to it by the Governing Documents 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; (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. In the event the Association fails to exercise any power granted in this Article, the Association shall have the right to exercise enforcement powers.

- (a) The Association shall have the exclusive right to initiate enforcement actions in the name of the Association. The Association may appear and represent the interest of the Project at all public meetings concerning zoning, variances, or other matters of general application and interest to the Owners.
- (b) The Association shall have the authority to initiate and compromise claims and litigation on behalf of the Association resulting from the enforcement of the Governing Documents. In the event that the Association initiates legal action against a specific Owner or Owners to enforce these Governing Document, whether or not such action results in the commencement of a formal legal proceeding, the Association shall have the right to assess the costs of such litigation, dispute, or enforcement action, including reasonable attorney fees, against the Owner(s) or Lot(s) in question and collect those assessment in any manner authorized in the Governing Documents or Utah law.
- (c) The Board shall be afforded discretion to utilize its reasonable judgment to determine whether and how to: impose fines, record liens, pursue legal action; otherwise enforce the Governing Documents; or when and how to settle or compromise claims.

6.3 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 the Property.

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

6.4 Violation Deemed a Nuisance. Any violation of the Governing Documents that is permitted to remain in the Project is deemed a nuisance and is subject to abatement by the Association.

- (a) Any single or continuing violation of the covenants contained in this Governing Documents may be enjoined in an action brought 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 under 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.

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

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

6.7 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 Project, whether vacant or improved. Each Owner shall by acquiring or in any way becoming vested with their 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).

- (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 themselves or their Lot from liability for payment of assessments by waiver of their rights in the Common Areas or by abandonment of their 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.
- (b) Special Assessment. The Association may levy special assessments for the purpose of defraying, in whole or in part: (a) any expense or expenses not reasonably capable of being fully paid with funds generated by monthly assessments; or (b) the cost of any construction, reconstruction, or unexpectedly required repairs or replacement of the Common Areas.
- (c) Individual Assessment. The Association may levy individual assessments on every Lot, Owner or occupant that shall cause any damage to the Property 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) Lot Type Assessments. Lot Type Assessments will be made to meet the anticipated and recurring costs, expenses and Common Expenses of a specific housing project that includes varying maintenance, insurance, and reserve needs different from other housing products in the Property.
- (e) Reserve Fund. The Association may levy a reserve fund assessment, as set forth in this article.
- (f) The Association may levy other assessments or fees, as authorized by the Governing Documents.

6.8 Date of Commencement of Assessments. Assessments provided for herein shall commence as to each Lot on the first day of the first month following the effective date of the first budget. Assessments shall be due and payable in a manner and on a schedule, as the Board may provide. Notwithstanding, Assessments for those Lots owned by Declarant or their assigns, successors, subsidiaries, related construction entities, or other entities established by Declarant, or Declarant' members, for the purpose of constructing Units on the Lot (collectively "Declarant' Related Entities") shall not commence until the completed Unit is conveyed to an Owner

that is not the Declarant or a Declarant' Related Entity. No amendment of this Declaration changing the allocation assessments with regard to Declarant or Declarant Related Entities shall be valid without the consent of the Declarant.

6.9 Reinvestment Fee. The Association shall have power to levy a reinvestment fee each time a change in ownership of a Lot occurs; in the amount of \$750.00 for the first buyer of each Lot and in the amount of \$1,000.00, for every subsequent buyer, unless a lesser amount is determined by the Board.

6.10 Statement of Account & Payoff Information. Upon a written request from an Owner that the Association provide the Owner with a statement of their 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 their Lot, the Association may charge a fee not to exceed \$50.00.

6.11 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.

6.12 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.

6.13 Due Date, Charges & Interest. Unless otherwise established by the Board through adopted policies, monthly assessments shall be due and payable on the first of each month and late if not received by the 15th of each month. The Board may charge a late fee in an amount set by the Board. In addition to late fees, interest at 18% per annum may accrue on all unpaid balances. The Board may also impose other reasonable charges imposed by a Manager related to collections.

6.14 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.

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

6.16 Foreclosure Sale. The Association shall have all the rights and power of foreclosure granted by the Act, both judicially and non-judicially. The Association may also bid for the Lot at foreclosure sale, acquire, 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 any Special 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.

6.17 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.

6.18 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).

6.19 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 the previous 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.

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

6.21 Reserve Fund Account Creation. The Association 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.

ARTICLE VII USE LIMITATIONS & RESTRICTIONS

7.1 Single Family. All Units shall be used only for single-family residential purposes. "Single Family" shall mean one household of persons related to each other by blood, marriage, or adoption, or one group of not more than two unrelated persons per bedroom.

7.2 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 Planned Unit Development. No Unit may be occupied in a manner that is in violation of any statute, law, or ordinance.

7.3 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 Unit except by a licensed contractor, duly qualified and licensed by the appropriate governmental authorities.

7.4 No Business or Commercial Uses. No portion of the Planned Unit Development may be used for any commercial business use, provided, however, that nothing in this provision is intended to prevent (a) the

Declarant, or other builders, from using one or more Units for purposes of a construction office or sales office during the actual period of construction of the Planned Unit Development Improvements or until 100% of the Units are sold in the Planned Unit Development, whichever occurs later, or (b) No gainful occupation, business, trade, or other nonresidential use shall be conducted on any Lot or Unit except with the prior written consent of the Board and applicable governmental entities. Notwithstanding the foregoing, activities otherwise prohibited by this Section are permitted without Board approval if only normal residential activities would be observable outside of the Unit; the business activity does not involve persons coming on to the Project who do not reside in the Project; the business activity does not involve the solicitation of Occupants or Owners; the business will not result in the increase of the cost of the Association's insurance; and that the activities would not be in violation of applicable local ordinances

7.5 Restriction on Signs. The Association may regulate and restrict signs in the Project to the extent permitted by law in the Rules. Such Rules may vary or expand upon the restrictions set forth in this Section. Unless otherwise designated in the Rules, lawn signs are prohibited, except "For Sale" or "For Rent" signs that may be placed outside the main entry of the Unit or as directed by the Board. All other signs may only be erected or maintained on the Project, whether in a window or otherwise, with the prior written approval of the Board. Owner signs may not exceed 18" X 24" in size and may only be posted into the ground with wire or stakes no more than 1" in diameter. Occupants may display one reasonably sized American flag on the exterior of a Unit consistent with the Freedom to Display the American Flag Act of 2005, the Utah Display of Flag Act, and Utah Code§ 57-8a-219. Flags, if displayed, must be displayed in accordance with United States Code Title 4, Chapter 1. No commercial billboard or advertising shall be displayed to the public view on or from any Lot. Signs advertising the name of the builder, developer, its real estate broker, and the name of the institution providing financing may be displayed on a Lot during construction of the improvements are allowed providing said sign and hanging apparatus may not exceed 16 square feet. Lighted, moving, or flashing signs for any purposes are prohibited. Directional signs may be used to give directions to traffic or pedestrians or give special instructions provided the same is approved by the ACC prior to installation. The Declarant shall regulate project and builder signage during the development phases of construction and marketing of homes within the Planned Unit Development. Signs advertising the development of the Planned Unit Development may be displayed at the entrances to the Planned Unit Development or elsewhere within the Planned Unit Development as approved by the ACC. The Declarant is exempt from all signage restrictions.

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

7.7 Utilities. Utility lines may be underground or through walls in the buildings or Units.

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

7.9 Short-Term & Long Term Rentals. Any occupancy by tenant(s) for longer than 30 days shall be considered a long-term lease, anything less will be a short term lease. All occupants are bound by the terms and conditions of the Governing Documents, and any failure to comply shall be default under their lease or occupancy.

- (a) For long term leases, an Owner shall provide the Board with information identifying the occupants, vehicles, phone numbers, and other applicable contact information.
- (b) A copy of any lease agreement for long term leasing shall be delivered to the Association prior to occupation by the tenants.
- (c) No room rentals are allowed.

- (d) In the event of a lease of an approved Accessory Dwelling Unit (“ADU”), as defined by Utah law, the Owner must reside in the Dwelling at the same time there is a long term lease of an ADU. (Short term lease of an ADU is prohibited).
- (e) The Owner(s) of a Lot shall be responsible for the occupant’s or any guest’s compliance with the Governing Documents. In addition to any other remedy for noncompliance with this Declaration, the Association, following notice to the Owner, shall have the right to initiate a forcible entry and unlawful detainer action, or similar such action, with the purpose of removing the offending non-owner occupant. The Association, the Board, and the Manger shall not have any liability for any action taken pursuant to this subparagraph and the Owner shall indemnify and pay the defense costs of the Association, the Board, and the Manager arising from any claim related to any action taken in good faith by any of them pursuant to this subparagraph. For purposes of this subparagraph, each Owner in accepting the deed to a Lot expressly consents to such authority and authorizes and appoints the Association as attorney-in-fact for such Owner to execute any and all instruments and pursue any and all remedies available to remove the offending non-owner occupant.
- (f) Violations of the provisions of this Article shall result in the imposition of fines and/or other legal action, as allowed by the Declaration and Utah Community Association Act.

7.10 Maximum Number of Rental Units. Currently, the total number of Units that may be non-owner occupied shall not exceed 30% of the total Units (collectively “Existing Rental Units”). The ability to lease an existing non-owner-occupied Unit expires upon the sale or transfer of ownership of said Unit, or if an Owner re-occupies the Unit. The Association may develop and maintain an application and waiting list for those Owners that desire to lease their Unit. The Association will maintain a waiting list when the cap has been reached and additional Owner’s desire to lease their Unit but cannot due to the rental cap.

7.11 Exempt Non-Owner-Occupied Units. In addition to the Existing Rental Units, the following Units may be non-owner-occupied Units:

- i. An Owner in the military for the period of the Owner’s deployment;
- ii. A Unit occupied by an Owner’s parent, child, or sibling;
- iii. An Owner whose employer has relocated the Owner for less than two years;
- iv. An Owner that participates in a religious or humanitarian service for a period of three years or less with the intent of re-occupying the Unit; and
- v. A Unit owned by a trust or other entity created for the estate planning purposes if the trust or other estate planning entity was created for:
 - 1. The estate of a current resident of the Unit; or
 - 2. The parent, child, or sibling of the current resident of the Unit.

The Board of Directors may adopt Rules requiring:

- i. Reporting and procedural requirement related to non-owner-occupied Lots; and
- ii. Other reasonable administrative provisions consistent with, and as it deems appropriate to enforce, the requirements of this Declaration.

Declarant and Declarant Related Entities are exempt from these rental restrictions.

7.12 No Re-Subdivision. No Unit may be re-subdivided.

7.13 Combination of Units. No Unit may be combined with another Unit without the consent of the

Architectural Control Committee.

7.14 Timeshare. No Owner shall be permitted to timeshare or allow any form of interval ownership or interval right to use form of timesharing of any 'Unit within the Project.

7.15 Construction. No Unit or structure shall be permitted to remain incomplete for a period in excess of one (1) year from the date of commencement of construction unless any delays are approved in writing by the ACC. This shall not be applicable during the Class B Control Period.

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

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

7.18 No Hazardous Activity. No activity may be conducted on any Unit 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.

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

7.20 Garbage. All garbage, rubbish, and trash shall be kept in covered containers to be kept in the garage of each Lot. The storage, collection and disposal of garbage, rubbish and trash shall be in strict compliance with applicable laws and the Rules of the Board. Garbage cans shall only be placed out for garbage collection the night before no earlier than 7:00 PM and shall be returned to the garage of each Lot by 9:00 PM on the garbage collection day.

7.21 Lighting. All porch end units and garage exterior lighting are to remain operable via photosensors to better illuminate the street and promote safety in the community. The lighting is appurtenant to each respective unit and such utility expense will be the responsibility of the respective Unit Owner. Holiday or seasonal decorative lights, that otherwise comply with the terms of the Governing Documents, are permitted.

7.22 No Annoying Sounds. No speakers, wind-bells, windchimes, or other noise making devices may be used or maintained on any Unit which creates noise that might reasonably be expected to be unreasonably or annoyingly loud to adjoining Units, except for security or fire alarms. This section shall also include too much noise or traffic in, on or about any Lot or the Common Area, especially after 10:00 p.m. and before 7:00 a.m.

7.23 Livestock, Poultry and Pets. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Unit, 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, each pet does not weigh in excess of 50

pounds, and are restricted to the owner's control. "Control" for the above purposes shall only mean on a leash or lead, within a vehicle, within the Unit of the Owner, or within confines on the premises of the Owner. Pets may not be tied or tethered in the Common Area. The Board may adopt Rules that vary or expand upon the restrictions related to pets in this Declaration including, but not limited to, restrictions on the number and types of pets, requirements for registration with the Association, and noise limitations. All pets abide by all pet Rules adopted by the Board from time to time. Pets may not create a nuisance. The following acts of an animal may constitute a nuisance: (a) it causes damage to property of anyone other than its owner; (b) it causes unreasonable fouling of the air by odors; (c) it causes unsanitary conditions; (d) it defecates on any Common Area and the feces are not immediately cleaned up by the responsible party; (e) it barks, whines, or howls, or makes other disturbing noises in an excessive, continuous, or untimely fashion; or (f) it molests or harasses a passersby by lunging at them or chasing passing vehicles. Fierce, dangerous, or vicious animals should not be permitted. Failure to abide by these conditions shall result in fines as authorized by the Board and potential removal of the offending animal.

- (a) No exterior fencing, containment, or kennel (whether permanent or temporary) is permitted.

7.24 Use of Garages. No Owner of Lot or Unit, nor any renter, lessee, or occupant of Lot or Unit, shall cause or permit the use, renovation, reconstruction, outfitting, making over or furnishing of a garage or any portion of a garage located in the Property into a kitchen, dining room, bedroom, family room, recreation room, dining room, study, den, bathroom or other similar or dissimilar areas intended for the day to day occupancy by those occupying those portions of the Unit originally designed for human occupancy. It is the express intention of this provision that the garage portion of a Unit be continued to be used as a garage for the Parking of vehicles as originally designed. The Association shall be entitled to obtain injunctive relief to terminate any conversion in progress in violation hereof, prohibit any use of such area in violation of this provision, or to compel an Owner of a Unit to restore said garage to such a condition as shall permit its use for parking of vehicles.

7.25 Parking. The Association is not obligated to treat all areas equally and may adopt different parking rules for different areas or streets 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, 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. The Association shall have the right to perform ongoing inspections of Owner's garages to ensure compliance with this Section or any Rules adopted pursuant to this Section.

7.26 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 Unit. Prior, written approval from the ACC as to the location of any new satellite dishes, antennas, cables, and related hardware is required.

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

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

7.29 Temporary Structures. No Owner or resident shall place upon any part of the Planned Unit

Development any temporary structures including, but not limited to tents, trailers, or sheds, without the prior written consent of the Board of Directors.

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

7.31 Clotheslines. No clotheslines shall be permitted.

7.32 Nuisances. No noxious or offensive trade, activity or nuisance shall be permitted on any Lot nor shall anything be done which may be or become an annoyance to the neighborhood. For purposes of this Section a "nuisance" includes any behavior which annoys, disturbs, or interferes with other residents and interferes with their right to the quiet and peaceful enjoyment of their property. The Board shall have the sole and absolute discretion and authority to determine if an activity or condition constitutes a nuisance.

7.33 No Patio / Deck / Driveway Storage. No observable outdoor storage of any kind shall be permitted on patios, decks, front yards, driveways, porches, etc., except for patio furniture and portable barbecue grills in good condition which may be maintained on decks. The use of barbecues grills shall be for relatively short periods and be conducted in a manner as to prevent any damage to the exterior of the Unit(s). Said patio furniture and outdoor storage items shall conform with standards set by the Board, which may include the regulation of colors, materials, and product types. The Association may vary or expand upon the provisions of this Section by Rule.

7.34 Window Coverings. Every Owner shall be obligated to ensure that window coverings are installed within their Unit within 30days of purchasing or taking possession of the Unit, Furthermore, the Boards is authorized to adopt and implement reasonable Rules pertaining to the type, color, material, etc. of window coverings.

ARTICLE VIII ARCHITECTURAL CONTROL COMMITTEE

8.1 Purpose. It is the intention and purpose of this Declaration to impose architectural standards on the Improvements and landscaping to any Unit of a type and nature that result in buildings and yards which are architecturally and aesthetically compatible in terms of Unit coverage, proportion, materials, colors, and general appearance. To accomplish this goal, the Association shall have authority to establish the ACC, which is empowered to oversee and enforce the Design Guidelines, which, if adopted are contained within a separate document maintained by the Board.

8.2 Architectural Control Committee Created. If no ACC is appointed, those duties will be fulfilled by the Board.

8.3 Approval by Committee Required. Following the Class B Control Period, no Improvements of any kind will be made on any Unit without the prior written approval of the ACC.

8.4 Declarant and Board not Liable. The Declarant, the Board, and its members shall not be liable to the applicant for any damages, or to the Owners of any Units within the Planned Unit Development for their actions, inactions, or approval or disapproval of any set of plans submitted to the ACC for review. The Owners shall have no claim against the Declarant as a result of the performance or failure to perform the duties of the ACC.

8.5 Exemption of Declarant. At any time during the Class B Control Period, Declarant need not submit or receive any approval from the ACC.

ARTICLE IX
INSURANCE

9.1 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.

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) “Unit Damage” means damage to a Unit.
- (3) “Unit Damage Percentage” means the percentage of total damage resulting in covered loss that is attributable to Unit Damage.

8.2 Property Insurance.

(a) Hazard Insurance.

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

(b) 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.

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

(d) Association’s Obligation to Segregate Property Insurance Deductible. The Association shall keep 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.

(e) Association’s Right to Not Tender Claims that are Under the Deductible. If, in the exercise of its business judgment, the Board of Directors determines that a claim is likely not to exceed the Association’s property insurance policy deductible the Association need not tender the claim to the Association’s insurer.

9.3 Comprehensive General Liability (CGL) Insurance. The Association shall obtain CGL Insurance insuring the Association, the agents and employees of the Association, and the Owner, against liability incident to the use, ownership or maintenance of the Common Area or membership in the Association. The coverage limits under such policy shall not be less than One Million Dollars (\$1,000,000) covering all claims for death of or

injury to any one person or property damage in any single occurrence.

9.4 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.

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

9.6 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.

9.7 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 to the Association, as insurance trustee; 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 Units. Each Owner hereby appoints the Association, as insurance trustee and 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.

8.8 Owner Act Cannot Void Coverage under Any Policy. An Owner's act or omission may not void an insurance policy or be a condition to recovery under a policy.

9.9 Owners' Individual Coverage. **EACH OWNER SHOULD PURCHASE INDIVIDUAL INSURANCE COVERAGE IN THE AMOUNT RECOMMENDED BY THE OWNER'S INSURANCE AGENT.**

9.10 Special Assessment. If the damage or destruction to the 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 X - MISCELLANEOUS PROVISIONS

10.1 Amendment. At any time while this Declaration is in effect, the covenants herein contained can be modified by the Declarant or Declarant's successors and assigns during the Class B Control Period at the sole discretion of the Declarant. Thereafter, the covenants contained herein can only be modified by the affirmative vote of the Owners representing not less than sixty-seven (67%) percent of the total votes of the Association and the approval 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.

10.2 Repurchase Option for Construction Defect Claims. In the event any Owner shall commence action against Declarant or Declarant' Related Entities for the purpose of constructing Units on the Lot (collectively "Declarant") in connection with any alleged construction defects in such Owner's Dwelling, Declarant shall have the option, but not the obligation, to purchase such unit on the following terms and conditions:

- (a) The purchase price shall be an amount equal to the sum of the following, less any sums paid to such Owner under any homeowner's warranty, in connection with the alleged defect:
 - (i) The purchase price paid by the original Owner of the Unit & Lot when originally purchased from Declarant;
 - (ii) The agreed upon value of any improvements made to the Unit by anyone other than Declarant; and
 - (iii) The Owner's reasonable moving costs.
- (b) Close of escrow shall occur not later than forty-five (45) days after written notice from Declarant to the Owner of Declarant' intent to exercise the option herein.
- (c) Title shall be conveyed to Declarant free and clear of all monetary liens and other encumbrances other than non-delinquent real estate taxes.
- (d) Exercise of the repurchase option as provided for herein above shall constitute full and final satisfaction of all claims relating to the subject Unit and Lot. The Owner shall promptly execute and deliver any notice of dismissal or other document necessary or appropriate to evidence such satisfaction.
- (e) Declarant's option to repurchase granted herein with respect to any particular Unit and Lot shall automatically terminate upon the expiration of the last applicable statute of limitations applicable to any construction or warranty claim governing such Unit and Lot including all applicable tolling periods.

10.3 Condemnation. Whenever all of any part of the Common Areas shall be taken (or conveyed in lieu of and under threat of condemnation), the Board may act on behalf of the Association in negotiating and completing such transaction.

10.4 Damage & Destruction. Immediately after damage or destruction by fire or other casualty to all or any part of the 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. Repair or reconstruction, as used in this paragraph, means repairing or restoring the 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.

- (a) Any damage or destruction to the 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 shall be repaired or reconstructed; provided, however, this provision shall not apply to construction mortgagees providing construction financing for such damaged property.

- (b) In the event, that it should be determined in the manner described above that the damage or destruction to the 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 shall be restored to their natural state and maintained by the Association, in a neat and attractive condition.
- (c) If the damage or destruction to the 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.

10.5 Constructive Notice. Every person who owns, occupies, or acquires any right, title or interest in any Lot 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 their Lot, whether or not there is any reference to this Declaration in the instrument by which they acquire interest in any Lot.

10.6 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 Property. 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.

10.7 Consent, Power of Attorney, Waiver. By acceptance of a deed, lease, or other conveyance of an interest in Unit, 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.

10.8 No Representations and Warranties. Each Owner and occupant understand, agrees, and acknowledges through taking title or residing in the Property that the Declarant, Association, and the Board have not made any representations or warranties of any kind related to the Property 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 Property.

10.9 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.

C STREET TOWNHOMES LLC, DECLARANT

[Handwritten Signature]

By: Darren Nate
Its: Authorized Representative



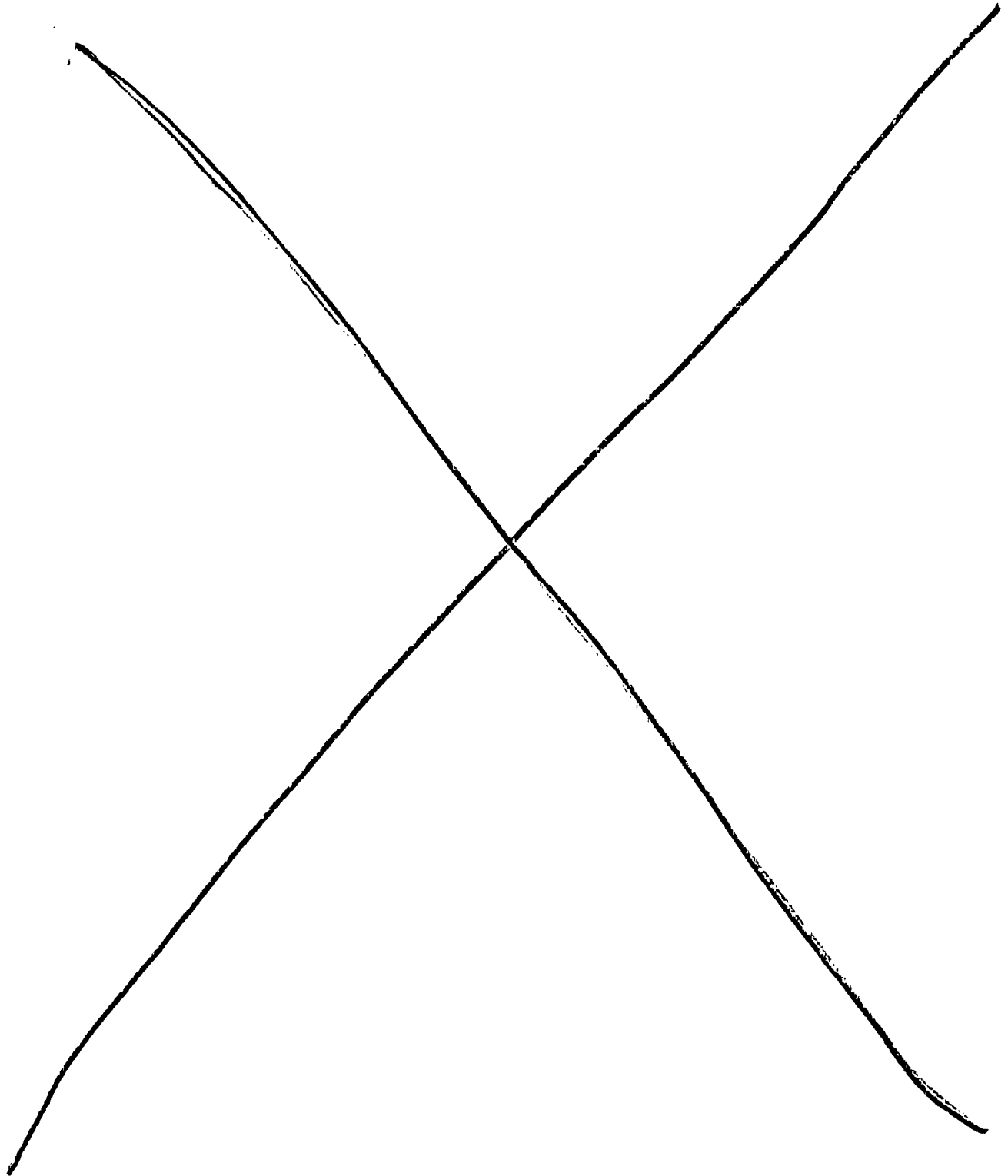
STATE OF UTAH)
 : ss
COUNTY OF SALT LAKE)

On this 14th day of Nov, 2023, personally appeared before me Darren Nate, who being by me duly sworn, did say that his is an authorized representative of C Street Townhomes LLC, and that the within and foregoing instrument was signed on behalf of said corporation and duly acknowledged to me that they executed the same.

[Handwritten Signature]

Notary Public
Residing at: Salt Lake County
My Commission Expires: 1-24-2023

Exhibit A



**BYLAWS OF
C STREET TOWNHOMES HOMEOWNER'S ASSOCIATION, INC.**

The following are the Bylaws of C Street Townhomes Homeowner's Association, Inc. ("Bylaws"), a Utah nonprofit corporation ("Association"). Upon recordation of these Bylaws, they are binding upon the Association and all present and future Owners and/or occupants.

ARTICLE I - DEFINITIONS

Section 1.1 Definitions. All terms used but not defined herein shall have the meanings given them under that certain Declaration of Covenants, Conditions & Restrictions for C Street Townhomes recorded in the Official Records of the Salt Lake County Recorder's Office, as amended ("Declaration").

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 of Directors ("Board"). The Board may set the date, time, and location of the annual meeting in accordance with Section 2.3 below, which locations may include virtual or electronically held meetings through available technology. During the Class B Control Period, annual meetings shall not be required but may be held at the sole discretion of Declarant.

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 fifty-one percent (51%) of all eligible votes. Notwithstanding, the Board remains the only authorized body to act for and on behalf of the Association. During the Class B Control Period, only the Declarant may call Special Meetings.

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 electronic communication, which may include but is not limited to email, text, voicemail, or posted on the community website (if applicable). Notice shall be provided at least ten (10) days before a meeting, but no more than ninety (90) days, to each Owner at the email or electronic address provided by the Owner. Said notice is effective upon sending the email or electronic communication. Notices provided by U.S. mail shall be sent via U.S. First Class Mail and effective upon deposit in the mail. Such notice shall specify the location, day, and time of the meeting, and, in the case of a special meeting, the purpose of the meeting.

- (a) Upon becoming an Owner of the Association, or upon the written request by the Association, Owners shall provide a valid email address or other requested electronic information 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. If no address is registered with the Association, an Owner's Lot address shall be deemed to be their registered address for purposes of notice.

- (b) The location of meetings may also occur virtually, telephonically, or through other available technology.

Section 2.4 Quorum. Unless otherwise specifically set forth in the Declaration, at any meeting of Owners, a quorum shall be established by those Owners present, in person or by proxy, at a properly noticed meeting. Notwithstanding, the Board remains the only authorized body to act for and on behalf of the Association. Further, a majority of those Owners present in person or proxy at such meeting may vote to reschedule the meeting based upon low attendance. Otherwise, the meeting shall proceed as scheduled.

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 at 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. The proxy form provided with any notice of a meeting may also provide additional requirements and a deadline to return proxies. Every proxy shall be revocable and shall automatically terminate upon conveyance by the Owner of their 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 Board, or its authorized representatives, shall preside over all meetings. The Secretary or other authorized person shall keep and maintain the minutes of all meetings. The Board may adopt further policies and procedures with regard to conduct at an Association meeting.

- (a) **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 meeting, work session or similar event regardless of the location without the written consent of the Association.

Section 2.7 Action Taken Without a Meeting. Under the direction of the Board, any action that may be taken at any annual or special meeting of Owners 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 Owners having not less than the minimum voting power that would be necessary to authorize or take the action at a meeting at which all Owners eligible to vote on the action were present and voted, unless a different approval percentage for the action is specifically set forth in the Declaration. The Board may obtain such approvals and conduct business through mail or email/electronic ballots.

- (a) Ballots shall set forth each proposed action and provide the option of voting for or against each proposed action. The ballot must specify the period of time, up to 120 days, during which the Association shall accept written ballots. Following this period, the Association shall provide notice if such an action was approved.

Section 2.8 Voting. Only an Owner that is current on all assessments and charges due and owing at least thirty (30) days prior a duly noticed meeting shall be deemed in good standing and eligible vote. The Association shall have two (2) classes of voting membership, Class "A" and Class "B," as set forth in the Declaration. The number of votes for each Lot shall be in accordance with the Declaration.

- (a) The votes appurtenant to any one Lot may not be divided between Owners of such Lot and all such votes appurtenant to any one Lot shall be voted in one block. If the vote of a majority of the Owners of a Lot cannot be determined, no vote shall be cast in relation to such Lot. The Association shall honor the vote of a duly authorized trustee or successor trustee of a trust that is an Owner; the duly authorized representative of a legal entity 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 as though such vote were the vote of the Owner.

ARTICLE III - BOARD, SELECTION AND TERM OF OFFICE

Section 3.1 Number & Tenure. Except for the Initial Board selected by Declarant, which consists of three members and their successors that may hold office during the Class B Control Period, the affairs of the Association shall be managed by a Board of Directors composed of three (3) individuals. At the first meeting of the Owners at which the election of Directors will take place following the Class B Control Period, the candidate who receives the most votes shall serve as a Director for three (3) years. The candidate that receives the second highest number of votes shall serve as a Director for two (2) years, and the third candidate who receives the third highest number of votes shall serve as Director for one (1) year. At each annual election, the successor to the Director whose term shall expire in that year shall be elected to hold office for the term of (3) years. Any change in the number of Directors may be made only by amendment of these Bylaws. The members of the Board of Directors shall serve until their respective successors are elected, or until their death, resignation, or removal.

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

Section 3.3 Eligibility. Following the Class B Control Period, all members of the Board shall be Owners or an Owners' spouse or legal partner that resides with Owner in the Lot. Notwithstanding, only one member of a single household can be a member of the Board at any one time. During the Class B Control Period, eligibility requirements shall not apply.

Section 3.4 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, except during

Class B Control Period, may be removed from the Board with or without cause by a majority vote, a quorum being present, at a special meeting called for such purpose. In the event of death, resignation or removal of a Director, their successor shall be selected by the remaining Directors and shall serve for the unexpired term of their predecessor.

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

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. Following the Class B Control Period, Nomination for election to the Board may be made by the Board, Owners from the floor at the annual meeting, or pursuant to other written notice and procedures established by the Board.

Section 4.2 Election. Following the Class B Control Period, the election of Directors may be by vote or written ballot, as determined at the discretion of the Board. The persons receiving the largest number of votes shall be elected. Cumulative voting is not authorized. The Association may utilize available technology for casting and counting votes.

ARTICLE V - MEETINGS OF THE BOARD

Section 5.1 Regular Meetings. Regular meetings of the Board shall be held at least annually, or more frequently as determined by the Board. All notices 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. During the Class B Control Period, board meetings shall not be required but may be held at the sole discretion of Declarant.

- (a) Owners, and Owner representatives (if designated in writing in advance) may attend Board meetings and may be present for all discussions, deliberations, 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. 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) day 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. During the Class B Control Period, only the Declarant may call Special Meetings.

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 Board, or its authorized representatives, shall preside over all meetings. The Secretary or other authorized person shall keep and maintain the minutes of all meetings. The Board may adopt further policies and procedures with regard to conduct at a Board meeting.

- (a) **Recording.** No person, whether an Owner, occupant, owner representative, or other third party is permitted to record (whether audio, video, transcription, or combination) any Board meeting, work session or similar event regardless of the location without the written consent of the Association.

Section 5.5 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 a majority of the Directors. Any action so approved shall have the same effect as though taken at a 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 Governing Documents and Utah law. The Board may delegate its authority to manager(s), subject to any limitations or provisions contained in the Governing Documents.

ARTICLE VII - OFFICERS AND THEIR DUTIES

Section 7.1 Enumeration of Officers. The officers of this Association shall be a president, secretary, and treasurer, or as otherwise designated by the Board.

Section 7.2 Election of Officers. The election/appointment of officers shall take place at the first Board meeting following the annual meeting of the Owners. Officers shall serve in their office for a period of one (1) year. Notwithstanding, nothing in these Bylaws prevent an officer or director 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 a period, have such authority, and perform such duties as the Board may, from time to time, determine. Appointed Officers may be removed by the Board 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, their successor shall be selected by the Board and shall serve for the unexpired term of their predecessor.

Section 7.5 Duties. The Board may adopt policies and resolutions to define the respective duties of Directors and Officers.

Section 7.6 Committees. The Board may appoint such committees as deemed appropriate in carrying out its purposes. 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 VIII - MISCELLANEOUS

Section 8.1 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 attended the meeting and no objection to the particular procedural issue was made at the meeting;
- (b) If the objecting person was not in attendance at the meeting but had proper notice of the meeting; or
- (c) 12 months following the meeting.

Section 8.2 Requirements for Objections. All objections except those made at a meeting shall be in writing. Whenever made, objections must specifically describe the circumstances giving rise to the objection and reference the specific provision of the Governing Documents or law that is alleged to have been violated, with a brief statement of the facts supporting the claimed violation.

Section 8.3 Irregularities that Cannot Be Waived. Any irregularity that is the result of fraud or that was done knowingly and intentionally in violation of the Governing Documents or Utah law.

Section 8.4 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.

Section 8.5 Amendment. During the Class B Control Period, these Bylaws may be amended at any time by the Declarant. Following the Class B Control Period, these Bylaws may be amended by Owners holding at least sixty-seven percent (67%) of all eligible votes. An amendment to these Bylaws shall be effective immediately upon recordation in the Office of the Salt Lake County Recorder, State of Utah.

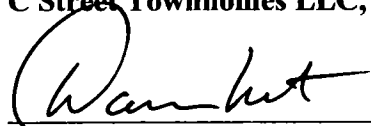
The foregoing Bylaws are adopted by the undersigned and made effective upon recordation in the Office of the Salt Lake County Recorder, State of Utah. Pursuant to Utah Code § 16-6-801(2)(b) and the Articles, the Declarant C Street Townhomes LLC is authorized to execute these Bylaws and may act for the Board during the Class B Control Period.

ACKNOWLEDGMENT

In witness hereof and under penalty of perjury, I hereby acknowledge that I am authorized by the Articles to execute these Bylaws on behalf of the Association.

DATED this 14TH day of NOVEMBER, 2023.

C Street Townhomes LLC, Declarant



By (printed): Darren Nate

Its: MANAGER