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**MASTER DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
STUCKI FARMS**

A MULTI-USE PLANNED COMMUNITY DEVELOPMENT

IN

WASHINGTON COUNTY, UTAH

**MASTER DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
STUCKI FARMS, A MULTI-USE PLANNED COMMUNITY DEVELOPMENT**

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**MASTER DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR STUCKI FARMS, A MULTI-USE PLANNED COMMUNITY DEVELOPMENT**

THIS MASTER DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR STUCKI FARMS, A MULTI-USE PLANNED COMMUNITY DEVELOPMENT (this “**Declaration**”) is executed this 22 day of February, 2024 (the “**Effective Date**”), by PRESERVE AT STUCKI FARMS HOLDING COMPANY, LLC, a Utah limited liability company, whose address is 11275 N Normandy Way Highland, UT 84003 (hereinafter referred to as “**Declarant**”).

RECITALS

A. Declarant is the owner of certain real property located in the City of Washington (the “**City**”), Washington County, Utah, as more particularly described on Exhibit A (the “**Real Property**”), attached hereto and incorporated herein by this reference. Pursuant to the Act (as hereinafter defined), Declarant has obtained approval from the City to develop the Real Property into a multi-use planned community development known as Stucki Farms (the “**Project**”), as evidenced by that certain Specific Site Plan approved by the City on August 19, 2019 (the “**Community Plan**”).

B. In order to develop the Project as a multi-use planned community development, Declarant desires to establish certain covenants, conditions, and restrictions upon the Project, for the mutual benefit of the “**Lots**” (as hereinafter defined) and every portion of each thereof (except to the extent otherwise stated herein).

C. Accordingly, Declarant has recorded against the Real Property this Declaration to provide for the development of the Project, in addition to any additional covenants, conditions, or restrictions Declarant determines are necessary to govern the Project.

D. Each and all of the easements, covenants, conditions, restrictions, liens and charges set forth in this Declaration shall run with the land of each of the Lots (as further defined herein) and every portion thereof, and shall apply to and bind the respective successors in interest to each of the Lots and every portion thereof, for the benefit of each of the Lots and every portion thereof (except to the extent otherwise stated herein). Each and all of the easements, covenants, conditions, restrictions, liens and charges set forth in this Declaration are imposed on each portion of the Lots as mutual equitable servitudes in favor of each and all other portions of and interests in the Lots (except to the extent otherwise stated herein) and constitute covenants running with the land pursuant to applicable law.

**ARTICLE 1
DEFINITIONS**

The terms used in this Declaration shall generally be given their natural, commonly accepted definitions, except as otherwise specified. Capitalized terms shall be defined as set forth below.

1.1. “**Act**” means the Community Association Act (Utah Code Ann. § 57-8a-101 *et seq.*), as amended from time to time.

1.2. “**Additional Land**” means and consists of any other real property within one (1) mile of the exterior of the Property, which Property Declarant or Declarant’s Affiliate now owns or in the future may own. This Declaration is not intended as and should not be deemed to constitute any lien, encumbrance, restriction, or limitation upon the Additional Land unless and until such land is incorporated as part of the Project in accordance with the provisions of this Declaration

1.3. “Architectural Review Committee” or “ARC” shall mean the committee appointed by the Declarant, or the Board, to review and approve applications for proposed Improvements, as more particularly described in Article 6 below.

1.4. “Articles of Incorporation” mean and refer to the Articles of Incorporation of Stucki Farms Master Association, Inc., as they may be amended from time to time.

1.5. “Assessment(s)” means a charge imposed or levied by the Master Association on or against a Lot or an Owner pursuant to the terms of this Declaration or any other Governing Document, and includes, Base Assessments, Special Assessments, and Reinvestment Fees.

1.6. “Base Assessment(s)” shall mean and refer to assessments levied in accordance with Section 12.1.2, of this Declaration.

1.7. “Board” means the Board of Directors of the Master Association.

1.8. “Bylaws” mean and refer to the Bylaws of the Master Association, as they may be amended from time to time. A copy of the Master Association’s existing Bylaws are attached hereto as Exhibit B.

1.9. “COA” shall mean and refer to the Condominium Ownership Act (Utah Code Ann. § 57-8-1, *et seq.*)

1.10. “Community Plan” means that certain Conceptual Site Plan approved by the City on November 19, 2019, commonly referred to as the Stucki Farms Specific Site Plan, as the same may be amended from time-to-time.

1.11. “City” shall mean and refer to the City of Washington, Utah.

1.12. “Common Area(s)” shall mean and refer to those portions of the Project designated as Open Space or Common Areas from time-to-time on various plats of subdivision and generally shown on the Community Plan.

1.13. “Common Expense(s)” shall mean and refer to the actual and estimated expenses incurred by the Master Association in maintaining the Common Areas for the general benefit of all Owners within the Project, including, without limitation, any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the Bylaws, and the Articles of Incorporation of the Master Association, and may include, without limitation, when determined by the Board, expenses incurred in bringing or defending lawsuits and other litigation expenses. It is expressly acknowledged and agreed by the Owners that the Master Association may be responsible to reimburse Declarant for costs and expenses Declarant may incur in the exercise of Declarant’s rights further provided in this Declaration, and that such costs and expenses shall be considered a Common Expense under this Declaration.

1.14. “Community-Wide Standard(s)” shall mean and refer to the most stringent of: (a) the standard of use, conduct, architecture, landscaping, or aesthetic matters generally prevailing in the Project, (b) the minimum standards described in this Declaration, (c) those standards set forth in the Community Plan, or (d) the Design Guidelines. Declarant may record additional guidelines clarifying the Community-Wide Standard, and subject the Project, or portions thereof, to such design standards. The Community-Wide Standard may contain objective elements, such as specific maintenance requirements, and subjective elements. Declarant shall initially establish such standard(s); however, the Community-Wide Standard may evolve as development progresses and as the Project changes. Furthermore, the Community-Wide Standard

may vary from Neighborhood to Neighborhood, with the potential for architectural review committees to be established within Neighborhoods.

1.15. "Declarant" shall mean and refer to PRESERVE AT STUCKI FARMS HOLDING COMPANY, LLC, a Utah limited liability company, and its successors and assigns.

1.16. "Declarant Affiliate" shall mean Declarant, and any entity or Person controlling, controlled by or under common control with the same.

1.17. "Declarant Control Period" shall mean and refer to the period of time commencing on the date of the Master Association's incorporation and terminating upon the first of the following to occur: (i) when Declarant no longer owns real property that is subject to this Declaration; or (ii) when, in its discretion, Declarant so determines and declares in a recorded instrument.

1.18. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions, and Restrictions for Stucki Farms.

1.19. "Design Guidelines" shall mean those standards for design, landscaping, and aesthetics promulgated by Declarant, or the Architectural Review Committee (if applicable). The Design Guidelines shall at all times be subject to the Community Plan.

1.20. "Effective Date" shall mean the date set forth in the introductory paragraph.

1.21. "Governing Documents" shall mean and refer to this Declaration, any Supplement, the Bylaws, Articles of Incorporation, Design Guidelines, Community Plan, and all other documents executed by Declarant, or the Master Association, for the orderly administration of the Project.

1.22. "Improvement(s)" shall mean all site work, landscaping, structures, improvements, and other items placed on a Lot in a manner or location visible from outside of any existing structures on the Lot.

1.23. "Law(s)" shall mean and refer to any and all current and future local, state, and federal laws, statutes, regulations, ordinances, referendums, resolutions, orders, and decrees.

1.24. "Lot(s)" shall mean and refer to a separately numbered and individually described plot of land shown on the Plat designated as a Lot for private ownership, but specifically excludes Common Areas or any real property owned by Declarant or a Declarant Affiliate.

1.25. "Master Association" shall mean and refer to the Stucki Farms Master Association, Inc.

1.26. "Mortgage" means a mortgage, a deed of trust, a deed to secure debt, or any other form of security deed.

1.27. "Mortgagee" means a beneficiary or holder of a Mortgage.

1.28. "Neighborhood(s)" shall mean and refer to any collection of Lots and Plats formed into a sub-association.

1.29. "Neighborhood Association" shall mean and refer to any separate condominium or homeowners association created by Declarant, which may include multiple Villages, for the purpose of administering additional covenants, conditions, and restrictions applicable to a particular portion of the Project.

1.30. "Neighborhood Declarations" shall mean and refer to any additional restrictions, obligations and amenities on the land described therein Declarant deems necessary for the use and enjoyment of certain Neighborhoods, which additional restrictions and obligations shall be recorded against applicable portions of Neighborhoods, shall run with the land, and be enforceable by Declarant or the Master Association.

1.31. "Owner(s)" shall have the definition ascribed in Section 3.5.

1.32. "Open Space Maintenance Agreement" means any agreement entered into between Declarant or the Master Association, and the City, to provide for the maintenance, repair, and replacement of Common Areas, including any additional real property more particularly described or depicted in the Open Space Maintenance Agreement

1.33. "Parcel" means one or more legally subdivided Lots within the Project as designated on the Plat.

1.34. "Person(s)" shall mean and refer to a natural person, a corporation, a partnership, a trustee, or any other legal entity

1.35. "Plat" shall mean and refer to any recorded and City-approved plat for any portion of the Project.

1.36. "Project" shall mean and refer to the development known as Stucki Farms, located in City of Washington, Washington County, Utah, as depicted in the Community Plan.

1.37. "Real Property" shall mean and refer to the real property more particularly described on Exhibit A, attached hereto and incorporated herein by this reference.

1.38. "Reinvestment Fees" shall mean and refer to a "reinvestment fee" as that term is defined by Utah Code Ann. § 57-1-46((1)(i), as it may be amended or supplemented from time to time. Reinvestment Fees may be assessed to individual Lots for the benefit of the Lot and the Master Association, including payment for: (i) common planning, facilities, and infrastructure; (ii) obligations arising from an environmental covenant; (iii) community programming; (iv) resort facilities; (v) open space; (vi) recreation amenities; (vii) charitable purposes; or (viii) the Master Association's expenses.

1.39. "Reinvestment Fee Covenant" shall mean and refer to the covenant set forth herein which authorizes the charging of a Reinvestment Fee.

1.40. "Related Party(ies)" shall mean and refer to the Master Association, Declarant, Declarant Affiliate, and their respective officers, directors, partners, co-venturers, committee members, servants, agents, representatives and employees regarding all acts or omissions related to any of the foregoing representative capacities.

1.41. "Reviewer" shall have the definition ascribed in Section 6.3.2.

1.42. "Service Areas" shall mean and refer to any portion of the Project designated by Declarant, or the Master Association, to receive special benefits or services specific to that portion of the Project.

1.43. "Special Assessment(s)" shall mean and refer to assessments levied in accordance with Article 12 of this Declaration.

1.44. "Supplement" shall mean and refer to any amendment or supplement to this Declaration executed by or consented to by Declarant which may, but need not, impose, expressly or by reference, additional

restrictions and obligations on the land described therein, or may modify or delete any restriction or obligation of this Declaration as same applies to the land described therein.

1.45. "Village(s)" shall mean those portions of the Project referenced in the Community Plan.

ARTICLE 2 DECLARATION

2.1. Scope and Applicability. Declarant hereby declares that all of the Real Property shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the desirability of and which shall run with the Real Property subjected to this Declaration and which shall be binding on all parties having any right, title, or interest in the Project or any part thereof, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each Owner thereof. All of the property within the Project shall be held, sold and conveyed subject to this Declaration. By acceptance of a deed or by acquiring any interest in any of the property subject to this Declaration, each Person, for himself, herself or itself, and his, her or its heirs, personal representatives, successors, transferees and assigns, binds himself, herself or itself, and his, her or its heirs, personal representatives, successors, transferees and assigns, to all of the provisions, restrictions, covenants, conditions, rules and regulations now or hereafter imposed by this Declaration. In addition, each such Person by so doing acknowledges that this Declaration sets forth a general scheme for the development and use of the Project and evidences his, her or its agreement that all the restrictions, conditions, and covenants contained in this Declaration shall run with the land and be binding on all subsequent and future Owners, grantees, purchasers, assignees, lessees and transferees thereof. Furthermore, each such Person fully understands and acknowledges that this Declaration shall be mutually beneficial, prohibitive and enforceable by Declarant, the Master Association (upon its formation), and all Owners.

2.2. Additional Covenants. Declarant, or its assigns, may impose additional covenants on property within the Project that Declarant, or its assigns, deems reasonably necessary for the orderly administration of the Project. If the provisions of any such additional covenants are more stringent than the provisions of this Declaration, the more stringent provisions control. Declarant shall have standing and the power, but not the obligation, to enforce any such additional covenants.

2.3. Conflicts. If there are conflicts between any of the Governing Documents and Utah law, Utah law shall control. If there are conflicts between or among any of the Governing Documents, then the Declaration shall control. If there is a conflict between the Governing Documents and any additional covenants recorded on any property within the Project (or the rules or policies adopted pursuant to any such additional covenants), the Governing Documents will control.

2.4. No Condominium Association. Declarant and each Owner hereby agree and understand that the Project is not, by execution and recording of this Declaration, being submitted to the provisions of the COA, and that no association is being created whereby this Declaration and the Project would be subject to the COA. This Declaration does not constitute a declaration as provided for in the COA.

2.5. Readjustment of Parcel Boundaries. Declarant hereby reserves for itself, Declarant Affiliates and Declarant's successors and assigns, the right to effectuate minor realignment and adjustment of the boundary lines between Parcels for purposes of proper configuration and final engineering of the Project; provided that any such realignment and adjustment does not affect any existing Lot or improvement (other than landscaping) on the affected Parcel. The authority to realign and adjust such Parcel boundary lines shall be exclusively reserved to the Declarant, Declarant Affiliate and Declarant's successors or assigns, in their sole and reasonable discretion, subject to the other provisions of this Section 2.5. All Owners specifically acknowledge and agree that they shall cooperate with Declarant to effectuate such minor

realignment and adjustment of their respective Parcel boundary lines by deed in form and content as requested by the Declarant for the purposes of proper configuration and final engineering of the Lots in relationship to the development of the Project. Further, all Owners acknowledge and agree that no amendment to this Declaration or any Plat shall be required to effectuate any Parcel boundary line adjustments so long as such adjustments are made pursuant to the Laws.

ARTICLE 3 COMMUNITY ADMINISTRATION

3.1. Declarant. The Community Plan and Declarant have set forth the founding principles that will guide the Project. The Community Plan encompasses all of the Real Property. In addition, Declarant may submit property to this Declaration as more particularly described in Article 14. Declarant has reserved various rights in the Governing Documents with respect to development and administration of the Project, which right may be exercised so long as Declarant or any Declarant Affiliate owns fee simple title to any Real Property or has the ability to expand the Project pursuant to Article 14. Declarant may assign its status and rights as the Declarant under the Governing Documents to any Person who takes title to any portion of the property described in Exhibit A for the purpose of development and/or sale. Such assignment shall be made only in a recorded instrument signed by both parties.

3.2. Declarant Control Period. By taking title to a Lot, each Owner acknowledges Declarant has reserved certain rights that may be exercised only during the Declarant Control Period.

3.3. Master Association. The administration of the Project shall be performed by the Master Association, which shall exist for the sole purpose of performing the functions and providing the services contemplated in this Declaration. The Master Association shall be organized as required by the Utah Revised Nonprofit Corporation Act (Utah Code Ann. § 16-6a-1, *et seq.*) and register the Master Association with the Utah Department of Commerce. The Master Association shall operate as a nonprofit corporation and shall be governed by the Board and officers authorized by the Bylaws. The Board may amend and revise from time to time the Bylaws which shall constitute written procedures for the regulation or management of the affairs of the Master Association, provided, however, that no provision of the Bylaws shall substantially alter or amend the rights or obligations of the Owners set forth in this Declaration. The Master Association may exercise all rights and powers which the Governing Documents and Utah law expressly grant to it, as well as any rights and powers that may reasonably be implied under the Governing Documents. It may also take any action reasonably necessary to effectuate any such right or privilege.

3.4. The Board. On most matters, the Master Association acts through the Board. However, in some instances the Governing Documents or applicable laws limit the Board's ability to act without the approval of the Master Association's members. Unless the Governing Documents or Utah law specifically provide otherwise, the Board may exercise the Master Association's rights and powers without a vote of the Owners. The Board may institute, defend, settle, or intervene on behalf of the Master Association in mediation, binding or non-binding arbitration, litigation, or administrative proceedings in matters pertaining to the Common Areas, enforcement of the Governing Documents, or any other civil claim or action. However, the Board has no legal duty to institute litigation or any other proceeding on behalf of or in the name of the Master Association or its members. In exercising the Master Association's rights and powers, making decisions on the Master Association's behalf (including, without limitation, deciding whether to file a lawsuit or take other legal action under any circumstances), and conducting the Master Association's affairs, Board members and the Master Association's officers are required to comply with, and shall be judged by, the standards set forth in the Bylaws.

3.5. Owners. Each Person(s) who holds record title to a Lot is referred to in the Governing Documents as an "Owner." However, a Person who holds title merely as security for the performance of an obligation

(such as a lender holding a Mortgage or similar security instrument) is not considered an “Owner.” If a Lot is sold under a recorded contract of sale, and the contract specifically so states, the purchaser (rather than the holder of fee simple title) will be considered the Owner. If a Lot has more than one Owner, all co-Owners are jointly and severally obligated to perform the responsibilities of the Owner under the Governing Documents.

3.6. Neighborhood Associations. Declarant, in Declarant’s sole and absolute discretion, shall have the right to create any Neighborhood Association that Declarant deems necessary for the orderly development of the Project, or portions of the Project, by recording against portions of the Project additional Neighborhood Declarations. Upon the creation of any Neighborhood Association, Declarant shall be a third-party beneficiary of any Neighborhood Declaration, and shall have the express right to enforce any provisions in such Neighborhood Declarations. However, nothing in this Declaration requires the creation of a Neighborhood Association, and the jurisdiction of any Neighborhood Association shall be subordinate to that of the Declarant and the Master Association. Neighborhood Associations, if any, are responsible for administering the additional covenants applicable to the property within their jurisdiction and for maintaining, in accordance with the those standards set forth herein, any property which they own or which their respective covenants designate as being for the common benefit of their members.

3.7. Mortgagees. If a Lot is made subject to a Mortgage, then the Mortgagee also has an interest in the administration of the Project.

ARTICLE 4 ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

4.1 Membership. Every Owner shall be deemed to have a membership in the Master Association. No Owner, whether one (1) or more Persons, shall have more than one (1) membership per Lot owned. In the event the Owner of a Lot is more than one (1) Person, the vote for such Lot shall be exercised as provided below. The membership rights of a Lot owned by a corporation or partnership shall be exercised by the individual designated from time to time by the Owner in a written instrument provided to the secretary of the Master Association, subject to the provisions of this Declaration and the Bylaws.

4.2 Class of Membership. The Master Association shall have two (2) initial classes of membership, Class “A” Member and Class “B” Member as follows:

4.2.1 Class A Member. Class “A” Members shall be all Owners of a Lot, including Declarant, with the exception of the Class “B” Member, if any. However, there shall be only one (1) membership per Lot. If an Owner is a corporation, a partnership, or other legal entity, its membership rights may be exercised by any officer, director, partner, or trustee, or by an individual the Owner designates from time to time in a writing to the Master Association. Declarant may, by Supplement, create additional classes of membership comprised of the Owners of Lots within any portion of the additional property submitted to this Declaration. Declarant shall specify in any such Supplement the rights, privileges, and obligations of the members of any class of membership created by that Supplement.

4.2.2 Class B Member. Declarant holds the sole Class “B” membership. The Class B membership shall terminate upon the earlier to occur of (i) expiration of the Declarant Control Period, or (ii) the surrender of Class B membership status by the express written action of the Declarant. Upon termination of Declarant’s Class “B” Membership, Declarant’s Class “A” Membership shall remain.

4.3 Voting. Each Lot is assigned one equal vote, subject to the limitations on voting set forth in this Declaration and the other Governing Documents. Declarant’s consent shall be required for all actions taken by the Board, the membership, and committees during such time as there is a Class B Membership.

4.4 Suspension of Voting Rights. Except for Declarant's voting rights, the Board may elect to prohibit an Owner from exercising any voting rights as an Owner of the Master Association during any period in which the Owner is delinquent in the payment of any Assessments.

4.5 Appurtenant Right. Membership shall be appurtenant to and shall run with the property interest which qualifies the Owner thereof for membership, and membership may not be severed from, or in any way transferred, pledged, mortgaged, or alienated except together with the title to such property interest.

ARTICLE 5 COMMUNITY STRUCTURE AND ORGANIZATION

5.1. Designation of Properties Comprising the Project.

5.1.1. Lots. The Governing Documents refer to all individual, subdivided parcels of real property located within the Project as "Lots." A Lot is a portion of the Project, depicted in a recorded subdivision plat, survey, or condominium instrument, which may be independently owned and conveyed and is zoned or otherwise intended for development and use in the planned community development. The term "Lot" refers to the land, if any, which is part of the Lot, as well as to any structures or other improvements on the Lot. A parcel of land is considered a single Lot until such time as a subdivision plat, survey, or condominium instrument is recorded subdividing it into more than one Lot.

5.1.2. Common Areas. Any property and facilities that the Master Association owns or in which it otherwise holds possessory or use rights for the common use or benefit of more than one Lot is referred to as "Common Area(s)." The Common Areas also includes any property that the Association holds under a lease and any easements in favor of the Association, or designated on any plat for use by the Master Association.

5.2. Neighborhoods. Declarant may assign Lots to a specific Neighborhood (by name, Plat, or other identifying designation) in a Supplement, including, without limitation, the right to combine Neighborhoods, or portions of Neighborhoods into existing Neighborhoods. In addition, Declarant may unilaterally record a Supplement, or an amendment to this Declaration or any previously recorded Supplement, to designate or change Neighborhood boundaries.

5.3. Service Areas. Lots also may be part of one or more Service Areas in which the Lots share or receive special benefits or services. A Lot may be assigned to more than one Service Area, depending on the number and types of special benefits or services it receives. A Service Area may be comprised of Lots of more than one use type and may include Lots that are not contiguous. Declarant may initially designate Service Areas (by name or other identifying designation) and assign Lots to a particular Service Area in a Supplement. Declarant may unilaterally amend this Declaration or any Supplement to change Service Area boundaries at any time without consent of the Owners or Master Association.

ARTICLE 6 ARCHITECTURAL AND LANDSCAPE CONTROL

6.1. General. All Improvements are subject to the Community Wide Standards, as well as the Design Guidelines and the approval procedures set forth in this Section 6. No prior approval is necessary to repaint the exterior of structures on any Lot or to rebuild or restore any damaged structures on a Lot in a manner consistent with the plans and specifications most recently approved for such structures. Generally, no approval is required for work done to the interior of a structure; however, modifications to any portions of a Lot visible from outside a structure may require prior approval. Any dwelling constructed on a Lot shall

be designed by and built in accordance with the plans and specifications of a licensed architect unless the Declarant or its designee otherwise approves. Approval under this Section 6 is not a substitute for any approvals or reviews required by the City or any municipality or governmental agency or entity having jurisdiction over architectural or construction matters. This Article 6 shall not apply to the Declarant's, or any Declarant Affiliate's, design and construction activities.

6.2. Design Review Authority.

6.2.1. Declarant. Declarant has exclusive authority to review and act upon all applications for review of proposed Improvements, except as provided herein, until the later of (i) the expiration of the Declarant Control Period, or (ii) such time as all Lots planned for the property described in Exhibit A have been improved with dwellings for which a certificate of occupancy has been issued. Declarant may designate one or more persons to act on its behalf in reviewing any application. In reviewing and acting upon any request for approval, Declarant and its designee act solely in Declarant's interest and owes no duty to any other Person. From time to time, Declarant may delegate any or all of its rights under this Article 6 to other Persons or committee. Any such delegation shall be in writing, shall specify the scope of responsibilities delegated, and shall be subject to (a) Declarant's right to revoke such delegation at any time and reassume its prior control, and (b) Declarant's right to veto any decision which it determines to be inappropriate or inadvisable. So long as Declarant has any rights under this Article 6, the jurisdiction of others shall be limited to such matters as Declarant specifically delegates. Declarant may establish and charge reasonable fees for its review of applications and may require that such fees be paid in advance. Such fees may also include reasonable costs incurred in having professionals review any application.

6.2.2. Architectural Review Committee. Upon Declarant's delegation of authority pursuant to Section 6.2.1 Declarant shall appoint, or upon expiration or termination of Declarant's rights under this Article 6 the Board shall appoint the Architectural Review Committee to assume jurisdiction over matters within the scope of the delegated authority of this Article 6, as applicable. The ARC shall consist of at least three (3), but not more than seven (7), persons, who shall serve and who may be removed and replaced in the Board's discretion. ARC members need not be Owners or representatives of Owners. The ARC may, but need not, include architects, engineers, or similar professionals. The Master Association may compensate ARC members in such manner and amount, if any, as the Board may determine appropriate. Until expiration of Declarant's rights under this chapter, the ARC shall notify Declarant in writing within three (3) business days of any action (*i.e.*, approval, partial approval, or disapproval) it takes under this Article 6. A copy of the application and any additional information Declarant may require shall accompany the notice. Declarant shall have ten (10) days after receipt of such notice to veto any such action, in its discretion, by written notice to the ARC. The Master Association shall have no jurisdiction over architectural matters unless and until such a time as (a) Declarant delegates all or a portion of its reserved rights to the ARC, or (b) Declarant's rights under this Article 6 terminate.

6.3. Guidelines and Procedures.

6.3.1. Design Guidelines. Declarant may prepare the initial Design Guidelines, which may contain both general provisions applicable to all of the Project, and specific provisions that vary among uses or locations within the Project. The Design Guidelines shall conform to any entitlement for the Project established by the City. Declarant has sole and full authority to amend the Design Guidelines so long as Declarant has the authority under Section 6.2.1. Declarant's right to amend the Design Guidelines shall continue even if it delegates reviewing authority to the ARC, unless Declarant also delegates the power to amend to the ARC. Upon termination or delegation of the Declarant's right to amend, the ARC may amend the Design Guidelines with the Board's consent. Any amendments to the Design Guidelines shall be prospective only. They shall not require modifications to or removal of any structures previously approved once the approved construction or modification has begun. However, any new work on such structures

must comply with the Design Guidelines as amended. There shall be no limitation on the scope of amendments to the Design Guidelines, and such amendments may remove requirements previously imposed or otherwise make the Design Guidelines less restrictive. In Declarant's discretion, the Design Guidelines may be recorded, in which event the recorded version, as it may be amended from time to time, shall control in the event of any dispute as to which version of the Design Guidelines was in effect at any particular time.

6.3.2. Reviewer. For purposes of this chapter, the entity having jurisdiction in a particular case shall be referred to as the "Reviewer." The Reviewer may establish and charge reasonable fees for its review of applications and may require that such fees be paid in advance. Such fees may also include reasonable costs incurred in having professionals review any application. The Board may include the compensation of such persons in the Master Association's annual operating budget.

6.3.3. Procedures. Unless the Design Guidelines provide otherwise, no Improvements may be constructed on any portion of the Project until a written application is submitted to and approved by the Reviewer. The application must be accompanied by plans and specifications and such other information as the Reviewer or the Design Guidelines require. In reviewing each application, the Reviewer may consider any factors it deems relevant, including, without limitation, harmony of the proposed external design with surrounding structures and environment. Decisions may be based on purely aesthetic considerations. Each Owner acknowledges that such determinations are purely subjective and that opinions may vary as to the desirability and/or attractiveness of particular improvements. The Reviewer shall have the discretion to make final, conclusive, and binding determinations on matters of aesthetic judgment, and such determinations shall not be subject to dispute resolution, nor shall they be subject to judicial review so long as they are made in good faith and in accordance with required procedures. The Reviewer shall make a determination on each application after receipt of a completed application with all required information. The Reviewer may permit or require that an application be submitted or considered in stages, in which case a final decision shall not be required until after the final, required submission.

The Reviewer may (i) approve the application with or without conditions; (ii) approve a portion of the application and disapprove other portions; or (iii) disapprove the application. The Reviewer shall notify the applicant in writing of the final determination on any application no later than thirty (30) business days after its receipt of a completed application and all required submissions. Notice shall be deemed given at the time the envelope containing the response is deposited in the U.S. mail. Hand delivery, electronic mail, or similar delivery of such written notice also shall be sufficient and shall be deemed given at the time of confirmed delivery to the applicant. If the Reviewer fails to respond in a timely manner, approval shall be deemed given. However, no approval, whether expressly granted or deemed granted, shall be inconsistent with the Design Guidelines unless a written variance has been granted pursuant to Section 6.5.

As part of any approval, the Reviewer may require that construction commence within a specified time period. If construction does not commence within the required period, the approval shall expire, and the Owner must reapply for approval before commencing any activities. Once construction is commenced, it shall be diligently pursued to completion. All work shall be completed within one (1) year of commencement unless otherwise specified in the notice of approval or unless the Reviewer, in its discretion, grants an extension in writing. The Reviewer may exempt certain activities from the application and approval requirements of this Article 6, if such activities are undertaken in compliance with the Design Guidelines and the Community-Wide Standard.

6.3.4. Appeals Process. After the Board's appointment of the ARC, an applicant may appeal any disapproval of its application to the Board. To request an appeal, the applicant must submit to the Master Association, no later than fifteen (15) days after the delivery of the notification of disapproval, a copy of the original application, the notification of disapproval, and a letter requesting review of the decision. The

appeal request shall also contain a response to any specific concerns or reasons for disapproval listed in the notification of disapproval. The Board may (i) affirm the ARC's decision, (ii) affirm a portion and overturn a portion of the ARC's decision, or (iii) overturn the ARC's entire decision. The Board shall notify the applicant and the ARC in writing of its decision no later than thirty (30) days after its receipt of the request for appeal with all required information. The Board's decision shall include a description of its reasons for overturning the ARC's decision. During the appeal process the Owner shall not commence any work requiring approval hereunder.

6.4. No Waiver of Future Approvals. The people reviewing applications under this Article 6 will change from time to time, and opinions on aesthetic matters, as well as interpretation and application of the Design Guidelines, may vary accordingly. It may not always be possible to identify objectionable features until work is completed. In such cases, Declarant may elect not to require changes to objectionable features, and Declarant may refuse to approve similar proposals in the future. Approval of applications or plans shall not constitute a waiver of the right to withhold approval as to any similar applications, plans, or other matters subsequently or additionally submitted for approval.

6.5. Variances. Declarant may authorize variances from compliance with any of the Design Guidelines and any procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with duly adopted rules. No variance shall (a) be effective unless in writing; (b) be contrary to this Declaration; or (c) prevent Declarant from denying a variance in other circumstances.

6.6. Limitation of Liability. This Article 6 establishes standards and procedures as a mechanism for maintaining and enhancing the overall aesthetics of the Project; they do not create any duty to any Person. Review and approval of any application pursuant to this Article 6 may be based purely on aesthetic considerations. Declarant is not responsible for the structural integrity or soundness of approved construction or modifications, for compliance with building codes and other governmental requirements, or for ensuring that all dwellings are of comparable quality, value, size, or design, or are aesthetically pleasing or otherwise acceptable to other Owners. Neither Declarant, nor any committee, nor any member of any of the foregoing shall be liable for (a) soil conditions, drainage, or other general site work; (b) any defects in plans revised or approved hereunder; (c) any loss or damage arising out of the action, inaction, integrity, financial condition, or quality of work of any contractor or its subcontractors, employees, or agents, whether or not Declarant has approved or featured such contractor; or (d) any injury, damages, or loss arising out of the manner or quality or other circumstances of approved construction or modifications to any.

6.7. Certificate of Compliance. Any Owner may request in writing that Declarant issue a certificate of compliance certifying that there are no known violations of this Article 6 or the Design Guidelines. Declarant shall either grant or deny such written request within thirty (30) days after receipt and may charge a reasonable administrative fee. Issuance of such a certificate shall prevent the Declarant from taking enforcement action against an Owner for any condition known to the Master Association on the date of such certificate.

ARTICLE 7 MAINTENANCE, REPAIR, AND REPLACEMENT

7.1 Maintenance by Owners. Each Owner of a Lot will maintain and repair the exterior elements of his or her Lot, including any landscaping (i.e. grass, trees, shrubs, or other landscaping material) located thereon or within any parkstrip located adjacent to said Lot, or, for businesses, any improvements and surrounding paved surfaces, signs, and parking areas, in a good, attractive, clean, and sanitary condition, and in accordance with the Community-Wide Standard and the applicable Neighborhood Declarations.

Each Owner shall comply with any and all applicable Laws and shall not cause or permit any private or public nuisance on his or her Lot, such as excessive noise, odor, dust, vibration, or any other activity that would reasonably disturb other Owners within the Project. Each Owner shall also be responsible for maintaining and irrigating the landscaping within that portion of any adjacent Maintenance Area or public or private right-of-way lying between the Lot boundary and any wall, fence, or curb located on the Maintenance Area or public or private right-of-way; provided, trees within the area may be irrigated with the City or the Master Association's irrigation system, if one is provided. However, Owners may not remove or replace trees, shrubs, or similar vegetation from this area without Declarant's prior approval.

7.2 Responsibility for Repair and Replacement. Each Owner shall carry property insurance for the full replacement cost of all insurable Improvements on his or her Lot, less a reasonable deductible. Within three (3) months of any damage to or destruction of a structure on a Lot, the Lot's Owner shall promptly repair or reconstruct the damaged structure in a manner consistent with the original construction or such other plans and specifications as are approved. Alternatively, the Owner shall clear the Lot of debris and maintain it in a neat and attractive condition consistent with the Community-Wide Standard and this Declaration and Neighborhood Declaration. The Owner shall pay any costs that insurance proceeds do not cover. Additional recorded covenants applicable to any Neighborhood or Service Area may establish additional insurance requirements and more stringent standards for rebuilding or reconstructing structures on Lots and for clearing and maintaining the Lots in the event the structures are not rebuilt or reconstructed.

7.3 Maintenance and Repair of Party Walls and Similar Structures. Except as may otherwise be provided by law or by a written agreement between Owners of adjacent Lots, or other recorded documents applicable to adjacent Lots:

7.3.1 Each wall, fence, driveway, or similar structure built as part of the original construction on the Lots that serves and/or separates any two adjoining Lots shall be considered a "party structure." The cost of reasonable repair and maintenance of a party structure shall be shared equally by the Owners who use the party structure.

7.3.2 If a party structure is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has used the structure may restore it. If other Owners thereafter use the structure, they shall contribute to the restoration cost in equal proportions. However, such contribution will not prejudice the right to call for a larger contribution from the other users under any rule of law regarding liability for negligent or willful acts or omissions.

7.3.3 The right to and the obligation of contribution for party walls and similar structures between Owners, as provided in this Section 7.3, shall be appurtenant to the land and shall pass to such Owner's successor-in-title.

7.3.4 To the extent not inconsistent with the provisions of this Section 7.3, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply to any party structure.

7.4 Common Areas.

7.4.1 By Master Association. The Master Association shall maintain, or cause to be maintained, the Common Areas in accordance with the Community-Wide Standard. The Master Association may (i) enter into Open Space Maintenance Agreements, and (ii) maintain other property it does not own, including, without limitation, Lots, property dedicated to or owned by the public, or property owned or maintained by a Neighborhood Association, if the Board determines that such maintenance is necessary or desirable to

maintain the Community-Wide Standard. The Master Association shall not be liable for any damage or injury occurring on, or arising out of the condition of, property it does not own except to the extent that it has been negligent in performing its maintenance responsibilities. Any costs or expenses the Master Association incurs in the performance of its duties under this Section 7.4 shall be included as a Common Expense.

7.4.2 By Neighborhood Association. The Master Association may, in the Master Association's sole and absolute discretion, assign its maintenance and repair obligations for specific portions of the Common Areas to a Neighborhood Association. Upon assignment of said obligation, the applicable Neighborhood Association shall maintain and repair the applicable portions of Common Areas in accordance with the Community-Wide Standards, and any costs and expenses incurred by the Neighborhood Association in performing its maintenance and repair obligations shall be reimbursed by the Master Association within fifteen (15) days of written request.

7.4.3 By Declarant. During the Declarant Control Period, Declarant, in Declarant's sole and absolute discretion, may (i) assume responsibility for all maintenance, repair, and replacement associated with the Common Areas, or (ii) enter into service agreements with the City for the maintenance, repair, and replacement of Common Areas, or portions thereof. If Declarant assumes responsibility for maintaining and repairing the Common Areas, the following shall apply:

(A) The Master Association shall continue to be responsible for the orderly enforcement and administration of this Declaration, except for the obligation to maintain and repair the Common Areas;

(B) The Master Association shall indemnify, defend, and hold harmless Declarant from any and all claims, liabilities, damages, loss, costs, expenses, suits and judgments of whatsoever kind, including reasonable attorneys' fees whether incurred prior to, during or after proceedings in a court of competent jurisdiction, resulting, directly or indirectly, from Declarant maintaining and repairing the Common Areas and fulfilling Declarant's obligations under any Open Space Maintenance Agreement;

(C) Declarant shall maintain and repair the Common Areas in accordance with the Community-Wide Standards; and

(D) The Master Association shall reimburse Declarant within fifteen (15) days of request for all costs and expenses Declarant incurs in maintaining and repairing the Common Areas, including any costs or expenses Declarant may incur as a result of entering into any Open Space Maintenance Agreement.

ARTICLE 8 PERMITTED USES AND OCCUPANCY

8.1. Use, Occupancy. Each Lot will be used for uses that are legally permitted on such Lot under applicable zoning ordinances and the Community Plan, including non-conforming uses and non-complying structures.

8.1.1. Residential and Other Uses. Lots designated as dwellings may be used only for residential and related purposes, except as Declarant may otherwise authorize. A business activity shall be considered "related" to a residential use and thus permitted in dwellings under this Section 8.1 only if conducted by a person or persons residing in the Lot and only if the business activity:

(A) is not apparent or detectable by sight, sound, or smell from outside of a permitted structure;

(B) complies with applicable zoning requirements;

(C) does not involve regular visitation of the Lot by employees who do not reside in the Lot, or by clients, customers, suppliers, or other business invitees, or involve door-to-door solicitation within the Project; and

(D) is consistent with Project's residential character and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of others, as the Board determines in its discretion.

"Business" shall have its ordinary, generally accepted meaning and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis that involves providing goods or services to Persons other than the family of the producer and for which the producer receives a fee, compensation, or other form of consideration, regardless of whether (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required.

All Lots designated as a business or non-residential use on the Community Plan, may be used only for its designated purpose and shall not be permitted to have any dwelling thereon.

8.1.2. Lease Agreements. For purposes of this Article, the terms "Lease" and "Leasing" shall refer to the short-term or long-term, occupancy of a Lot by any Person other than the Owner, for which the Owner receives any consideration or benefit. Subject to receipt of the authorizations required pursuant to Section 8.1.5 below, any dwelling on a Lot that is leased shall be leased only in its entirety for a minimum period of thirty (30) days unless a shorter time period is expressly authorized in such authorization; separate rooms, floors, or other areas within a dwelling may not be separately leased; however, any detached "in-law suite" or "guest house" approved pursuant to Article 6 may be leased separate from the main dwelling.

(A) All leases shall be in writing and shall disclose that the tenants and all occupants of the leased Lot are bound by and obligated to comply with the Governing Documents. However, the Governing Documents shall apply regardless of whether such a provision is specifically set forth in the lease.

(B) Within ten (10) days of a lease being signed, the Owner of the leased Lot shall notify the Board or the Master Association's managing agent of the lease and provide any additional information the Board may reasonably require. The Owner must give its tenant copies of the Governing Documents. In addition to, but consistent with this subsection, the Master Association or the Board may adopt rules governing leasing and subleasing.

8.1.3. Subdivision and Combination of Lots. No Person other than Declarant or those whom Declarant may authorize shall subdivide or change the boundary lines of any Lots or combine Lots without the Board's prior written approval. Any such action that the Board approves shall be effective only upon recording a Plat or other legal instrument reflecting the sub-division or new boundaries of the affected Lot(s). In the absence of such recorded instrument, adjacent Lots owned by the same Owner shall continue to be treated as separate Lots for purposes of voting and assessment, even though such Lots may be improved with a single dwelling.

8.1.4. Timesharing. No Lot shall be used for operation of a timesharing, fraction-sharing, or similar program whereby the right to exclusive use of the Lot rotates among participants in the program on

a fixed or floating time schedule over a period of years, unless such program is established by Declarant or with Declarant's prior written approval.

8.1.5. Limitation on Rental. An Owner of a residential Lot may not lease or rent such residential Lot to any Person without the prior written approval of the Board and Declarant, which approval may be withheld in the sole discretion of either of them. To the fullest extent allowed by Applicable Law, the Board and Declarant may impose conditions on any approval, including without limitation a requirement that all occupants of a dwelling be members of a single housekeeping unit, limiting the total number of occupants permitted in each residential Lot on the basis of the residential Lot's size and facilities and fair use of the Common Areas, and reasonable limit on the number of individuals who may use the Common Areas as Guests of the Owner or Lessee of the residential Lot, provided that such conditions shall not include approval of the prospective renter, payment of an additional fee, or, unless the Owner is required to provide the Board with such documents pursuant to a court order or as part of discovery under the Utah Rules of Civil Procedure, provision of a copy of the rental agreement, provision of the prospective renter's credit information, credit report or background check. As a condition of the ongoing approval for short-term rentals provided for in this Section 8.1.5, the Owner of any Lot being rented for a period of less than 30 days shall timely remit to the applicable Governmental Authority any taxes or fees (including but not limited to, any transient occupancy taxes) applicable to such Lot or the renting thereof. The failure to timely remit any such taxes and fees shall be a violation of this Declaration and subject such Owner to the remedies provided for herein, including, but not limited to, the withdrawal of approval by Board or Declarant for such Owner to conduct short-term rentals from the applicable residential Lot.

8.2. Quiet Enjoyment. No noxious or offensive activity, as reasonably determined by the Declarant, shall be carried on any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to Owners, or which shall in any way interfere with the quiet enjoyment of each of the Owners, or which shall in any way increase the rate of insurance.

8.3. Use of Common Areas. Each Owner of a Lot shall be permitted to use the Common Areas for their intended purpose, as further described in the Community Plan, and as provided herein. Except as provided herein, Owners are hereby prohibited and restricted from using any of the Common Areas. It is expressly acknowledged and agreed by all parties concerned that this restriction is for the mutual benefit of all Owners and is necessary for the protection of the interests of all said Owners in and to the Common Areas.

8.4. Rulemaking Authority and Procedures. The Governing Documents establish a framework of covenants and conditions that govern the Community. However, within that framework, the Master Association must be able to respond to unforeseen issues and changes affecting the Project. Therefore, the Board is authorized to adopt, amend and otherwise modify the Rules in accordance with the following procedures, subject to the limitations set forth in Section 8.5.

8.4.1. Board Authority. Subject to (a) the notice requirements in subsection (c), (b) Declarant's prior approval during the Declarant Control Period, and (c) the Board's duty to exercise judgment and reasonableness on behalf of the Master Association and its members, the Board may adopt new Rules and modify or rescind existing Rules by majority vote of the directors at any Board meeting.

8.4.2. Membership Authority. Subject to the notice requirements in Section 8.4.2, a majority of the votes of the total Members eligible to vote in the Master Association may also adopt new Rules and modify or rescind existing Rules at any meeting of the Master Association duly called for such purpose, regardless of the manner in which the original Rule was adopted. However, any such action shall also be subject to the Declarant's approval during the Declarant Control Period.

8.4.3. Notice. The Board shall send notice to all Owners concerning any proposed Rule change at least five (5) business days prior to the meeting at which such action is to be considered. At any such meeting, Members shall have a reasonable opportunity to be heard before the proposed action is put to a vote.

8.5. Protection of Owners and Others. Except as may be set forth in this Declaration (either initially or by amendment) or in the initial Rules, all Rules shall comply with the following provisions:

8.5.1. Similar Treatment. Similarly situated Lots shall be treated similarly; however, the Rules may vary by Neighborhood or Service Area.

8.5.2. Household Composition. No Rule shall interfere with an Owner's freedom to determine household composition, except that the Master Association may impose and enforce reasonable occupancy limitations and conditions based on Lot size and facilities and its fair share use of the Common Areas.

8.5.3. Activities Within Dwellings. No Rule shall interfere with the activities carried on within a dwelling, except that the Master Association may prohibit activities not normally associated with residential property. It may also restrict or prohibit activities that create monetary costs for the Master Association or other Owners, that create a danger to anyone's health or safety, that generate excessive noise or traffic, that create unsightly conditions visible from outside the dwelling, or that are an unreasonable source of annoyance.

8.5.4. Abridging Existing Rights. No Rule shall require that an Owner dispose of personal property kept in or on a Lot in compliance with the Rules in effect at the time such personal property was brought onto the Lot. This exemption shall apply only during the period of such Owner's ownership of the Lot and shall not apply to subsequent Owners who take title to the Lot after adoption of the Rule.

8.6. Signs. All exterior signage on any building located on the Project is subject to review and approval of the Board, except (a) such signs as may be used by Declarant and residential developers in connection with the development of the Project and the sale of Lots, (b) such signs of customary and reasonable dimensions as may be displayed in any area designated by the Master Association advertising a Lot for sale or lease (which shall be limited in number to one sign per Lot), (c) such signs and markers as are reasonably appropriate to warn people of an emergency or dangerous condition, and (d) such signs of customary and reasonable dimensions as may be consistent with a Lot's designated use. Notwithstanding the foregoing, the Board's consent shall not be required for the displaying of the American flag.

8.7. Nuisances; Violation Constitutes a Nuisance. Declarant, the Master Association, or the Neighborhood Association shall have the authority, in its reasonable discretion, to identify specific acts or omissions as nuisances. Without limiting the foregoing, any act or omission whereby any restriction, condition or covenant as set forth in this Declaration is violated in whole or in part is hereby declared to be and shall constitute a nuisance. Any nuisance may be abated by affected property Owners and such remedy shall be deemed to be cumulative and not exclusive.

8.8. Owners' Acknowledgment and Notice to Purchasers. By accepting a deed, each Owner acknowledges and agrees that the use, enjoyment, and marketability of his or her Lot is limited and affected by the Governing Documents, which may change from time to time. All lot purchasers are hereby notified that the Master Association may have adopted changes to the Governing Documents and that such changes may not be set forth in a recorded document. A copy of the current Governing Documents and all administrative policies are available from the Master Association upon request. The Master Association may charge a reasonable fee to cover its reproduction costs.

**ARTICLE 9
COMPLIANCE AND ENFORCEMENT**

9.1. Compliance. Every Owner, occupant, and visitor to a Lot must comply with the Governing Documents and shall be subject to sanctions for violations as described in this Article 9. Each Owner shall be responsible for, and may be sanctioned for, all violations of the Governing Documents by the occupants of or visitors to their Lot, and for any damage to the Common Areas that such occupants or visitors cause.

9.2. Remedies for Non-Compliance. The Master Association, Declarant, Declarant Affiliate, and every affected Owner shall have the right to file suit at law or in equity to enforce the Governing Documents. In addition, the Board may impose sanctions for violation of the Governing Documents, including those listed below and any others described elsewhere in the Governing Documents.

9.2.1. Sanctions Requiring Prior Notice and Hearing. After written notice and an opportunity for a hearing in accordance with the Bylaws, the Board may:

(A) Impose reasonable monetary fines, which shall constitute a lien upon the violator's Lot. In the event that any occupant, guest, or invitee of a Lot violates the Governing Documents and a fine is imposed, the fine may, but need not, first be assessed against the violator; provided, if the fine is not paid by the violator within the time period set by the Board, the Owner shall pay the fine upon notice from the Board;

(B) Suspend an Owner's right to vote (except that no hearing is required if the Owner is more than ninety (90) days delinquent in paying any Assessment);

(C) Suspend services the Master Association provides (except that no hearing is required if the Owner is more than sixty (60) days delinquent in paying any Assessment or other charge owed to the Master Association);

(D) Exercise self-help or take action to abate any violation of the Governing Documents in a non-emergency situation (including removing personal property that violates the Governing Documents);

(E) Levy Special Assessments to cover costs the Master Association incurs in bringing a Lot into compliance with the Community-Wide Standards or other requirements under the Governing Documents; and

(F) Record a notice of violation with respect to any Lot on which a violation exists.

9.2.2. Other Sanctions. The Board may take the following actions to obtain compliance with the Governing Documents without prior notice or a hearing:

(A) Exercise self-help or take action to abate a violation on a Lot in any situation which requires prompt action to avoid potential injury or damage or involves unreasonable inconvenience to other Persons or their property (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations);

(B) Require an Owner or a Neighborhood Association, at its own expense, to perform maintenance or to remove any structure or improvement on such Owner's Lot or on the Neighborhood Association's property, respectively, that is in violation of the Community-Wide

Standards or other requirements under the Governing Documents and to restore the property to its previous condition;

(C) Enter the property and exercise self-help to remove or cure a violating condition if an Owner or Neighborhood Association fails to take action as required pursuant to subsection (B) above within ten (10) days after receipt of written notice to do so, and any such entry shall not be deemed a trespass;

(D) Bring suit at law for monetary damages and/or in equity to stop or prevent any violation.

9.2.3. Neighborhood Associations. Declarant and the Master Association also shall have the power to require specific action to be taken by any Neighborhood Association in connection with its obligations and responsibilities, such as requiring specific maintenance or repairs or aesthetic changes to be effectuated. A Neighborhood Association shall take appropriate action when required by Declarant or the Master Association in a written notice within the reasonable time frame set forth in the notice. If the Neighborhood Association fails to comply, Declarant or the Master Association shall have the right to effect such action on behalf of the Neighborhood Association and levy Special Assessments to cover the costs, as well as an administrative charge and sanctions.

9.2.4. Board Decision to Pursue Enforcement Action. The decision to pursue enforcement action in any particular case shall be left to the sole and absolute discretion of the Board, except that the Board shall not act in an arbitrary or capricious manner. A decision not to enforce a particular provision shall not prevent the Board from enforcing the same provision at a later time or prevent the enforcement of any other covenant, restriction, or rule.

9.2.5. Attorneys' Fees and Costs. In any action to enforce the Governing Documents or the applicable Neighborhood Declarations, if the Declarant or Master Association prevails, it shall be entitled to recover all costs, including, without limitation, attorneys' fees and court costs, reasonably incurred in such action.

ARTICLE 10 PROPERTY MANAGEMENT

10.1. Acceptance and Control of Common Areas.

10.1.1. Transfers and Conveyances by Declarant. Declarant, its designees, or any Declarant Affiliate may transfer or convey to the Master Association interests in real or personal property within or for the benefit of the Project, and the Master Association shall accept such transfers and conveyances. Such property may be improved or unimproved and may consist of fee simple title, easements, leases, licenses, or other real or personal property interests. Upon Declarant's written request, the Master Association shall reconvey to Declarant any unimproved real property that Declarant originally conveyed to the Master Association for no payment, to the extent conveyed in error or needed to make minor adjustments in property lines or accommodate changes in the development plan.

10.1.2. Management and Control. The Master Association is responsible for management, operation, and control of the Common Areas, subject to any covenants set forth in the deed or other instrument transferring the property to the Master Association, or in any Open Space Maintenance Agreement. The Master Association may enter into leases, licenses, or operating agreements with respect to portions of the Common Areas, any Open Space Maintenance Agreement, for payment or no payment, as the Board deems appropriate. The Master Association may permit use of Common Areas by persons

other than Owners and occupants of Lots and may charge use fees, in such amounts as the Board may establish

10.2. Common Areas. As further described in Section 7.4, the maintenance obligation with respect to the Common Areas is additionally subject to the terms, conditions, agreements and obligations set forth in any Open Space Maintenance Agreement. By taking title to a Lot, each Owner acknowledges that this Declaration is subject to the Open Space Maintenance Agreement, and all terms, conditions, agreements, and obligations set forth therein, including, without limitation, the City's right to assess each Lot in order to fund the City's obligation to maintain and repair the Common Areas or any portion thereof. To the extent any provision of this Section 10.2 conflicts with the Open Space Maintenance Agreement, the Open Space Maintenance Agreement shall control.

ARTICLE 11 INSURANCE

11.1 Master Association Insurance.

11.1.1 Insurance Policies. The Master Association shall obtain and maintain in effect the following insurance coverage, if reasonably available, or if not reasonably available, the most nearly equivalent coverage as is reasonably available:

(A) Commercial general liability insurance on the Common Areas, insuring the Master Association and its Owners for damage or injury caused by the negligence of the Master Association or any of its Owners, employees, agents, or contractors while acting on its behalf. If generally available at reasonable cost, such coverage shall have a limit of at least one million dollars (\$1,000,000.00) per occurrence and two million dollars (\$2,000,000) general aggregate, with respect to bodily injury, personal injury, and property damage. Such coverage may be provided through a combination of primary and umbrella policies. However, if additional coverage and higher limits are available at reasonable cost, such that a reasonably prudent person would obtain such additional coverage and higher limits, the Master Association shall obtain such additional coverage or limits;

(B) Workers compensation insurance and employers liability insurance, if and to the extent required by Law;

(C) Directors and officers liability coverage; and

(D) Commercial crime insurance, including fidelity insurance covering all Persons responsible for handling Master Association funds in an amount determined in the Board's business judgment but not less than an amount equal to one-sixth of the annual Base Assessments on all Lots plus reserves on hand. Fidelity insurance policies shall contain a waiver of all defenses based upon the exclusion of Persons serving without compensation.

11.1.2 Deductibles. The Master Association's policies may contain a reasonable deductible, which shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of this Article 11. In the event of an insured loss, the deductible shall be treated as a Common Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the Bylaws, that the loss is the result of the negligence or willful misconduct of one or more Owners, their guests, invitees, or lessees, then the Board may assess the full amount of such deductible against such Owner(s) and their Lots as a Special Assessment.

11.1.3 Policy Requirements. All Master Association policies shall provide for a certificate of insurance to be furnished to the Master Association and, upon request, to each Owner. To the extent available at reasonable cost and terms, all Master Association insurance shall:

(A) Be written with a company authorized to do business in Utah which satisfies the requirements of the Federal National Mortgage Association, or such other secondary mortgage market agencies or federal agencies as the Board deems appropriate;

(B) Be written in the name of the Master Association as trustee for the benefited parties. All policies shall be for the benefit of the Master Association and its members, as their interests may appear;

(C) Not be brought into contribution with insurance purchased by Owners, occupants, or their Mortgagees individually;

(D) Contain an inflation guard endorsement;

(E) Include an agreed amount endorsement, if the policy contains a co-insurance clause;

(F) Provide that each Owner is an insured person with respect to liability arising out of such Owner's status as a member of the Master Association;

(G) Provide a waiver of subrogation against any Owner or household member of an Owner; and

(H) Include an endorsement precluding cancellation, invalidation, suspension, or non-renewal by the insurer on account of any act or omission of one or more Owners, unless acting on the Master Association's behalf within the scope of their authority, or on account of any curable defect or violation, without prior written demand to the Master Association and allowance of a reasonable time to cure the defect or violation.

(I) In addition, the Board shall use reasonable efforts to secure insurance policies that list the Owners as additional insureds.

11.1.4 Insurance Premiums; Deductible. Premiums, including deductible payments, for all Master Association insurance shall be a Common Expense, unless the Board reasonably determines that other treatment of the premiums is more appropriate. The deductible on a claim made against the Master Association's property insurance policy shall be paid by the Owner who would be liable for the loss, damage, claim, or repair in the absence of insurance, and in the event multiple Lots are damaged then the deductible will be the sole responsibility of the Owner of the Lot where the loss originated. To the extent required by applicable law, the Owner's property insurance policy, if any, applies to that portion of the loss attributable to the Master Association's policy deductible.

ARTICLE 12 ASSOCIATION FINANCES

12.1 Assessments.

12.1.1 Creation of Assessments. There are hereby created assessments for the Master Association and Common Expenses as may from time to time specifically be authorized by the Board, to be commenced at the time and in the manner further set forth herein. There shall be three (3) types of assessments: (a) Base Assessments to fund Common Expenses for the benefit of all Owners within the Master Association; (b) Special Assessments as further described herein; and (c) Reinvestment Fees. Each Owner, by acceptance of a deed, is deemed to covenant and agree to pay these assessments. All Assessments, together with interest at the greater of fifteen percent (15%) per annum or the prime lending rate (as published in The Wall Street Journal) plus four hundred (400) basis points (provided that the interest rate cannot exceed the maximum rate allowed by Utah law), as computed from the date the delinquency first occurs, late charges, costs, and reasonable attorneys' fees, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each Assessment is made until paid. Each such Assessment, together with interest, late charges, costs, and reasonable attorneys' fees, shall also be the personal obligation of the Person who was the Owner of such Lot at the time the Assessment arose, and, in the event of a transfer of title, his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance, except no first Mortgagee who obtains title to a Lot pursuant to the remedies provided in the Mortgage shall be liable for unpaid Assessments which accrued prior to such acquisition of title.

The Master Association shall, upon demand at any time, furnish to any Owner liable for any type of Assessment a certificate in writing setting forth whether such Assessment has been paid as to any particular Lot. Such certificate shall be conclusive evidence of payment to the Master Association of any Assessments therein stated to have been paid. The Master Association may require the advance payment of a reasonable processing fee for the issuance of such certificate, which fee shall not exceed the maximum fee permitted by applicable Law.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board. If any Owner is delinquent in paying any Assessments or other charges levied on his Lot, the Board shall require any unpaid installments of any Assessments to be paid in full immediately, unless exceptional circumstances exist (as determined by the Board in its sole discretion). No Owner may waive or otherwise exempt himself from liability for the Assessments provided for herein, including, by way of illustration and not limitation, by non-use of Common Areas or abandonment of the Lot. The obligation to pay Assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of any Assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Master Association or Board to take some action or perform some function required to be taken or performed by the Master Association or Board under this Declaration or the Governing Documents, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Master Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

12.1.2 Computation of Varying Base Assessment. It shall be the duty of the Board, at least sixty (60) days before the beginning of each fiscal year, to prepare a budget covering the estimated Common Expenses of the Master Association during the coming year. The budget shall include a capital contribution establishing a reserve fund in accordance with a budget separately prepared, as further described herein. The Base Assessments shall be collected from the Owners of each Lot within the Project and shall be intended to fund Common Expenses of the Master Association. The budgeted Common Expenses for any given year shall be allocated as Base Assessments.

Notwithstanding the above, the Board may, in its sole discretion, re-allocate or adjust the Base Assessments taking into account commercially reasonable factors and shall provide advanced notice of any such adjustment prior to or together with the notice of the amount of the Base Assessment due from each Owner as more fully set forth herein below.

The Board shall cause a copy of the Common Expenses budget and notice of the amount of the Base Assessment to be presented to the Owners at a meeting of the Master Association. The budget and the amount of the Base Assessment shall become effective unless disapproved by at least fifty-one percent (51%) of all the allocated voting interests of the Owners in the Master Association. The budget may also be disapproved if within forty-five (45) days after the date of the meeting where the budget is presented, there is a vote of disapproval by at least fifty-one percent (51%) of all of the allocated voting interests of the Owners in the Master Association, and the vote is taken at a special meeting called for that purpose by Owners under this Declaration or the Governing Documents. If the budget is disapproved, the budget that the Board last adopted that was not disapproved by the Owners continues as the budget until and unless the Board presents another budget to the Owners and that budget is not disapproved. Notwithstanding the above, the Board shall have the right to approve the budget without Owner approval if the budget does not increase by more than ten percent (10%) in any given year.

Notwithstanding the foregoing, however, in the event the proposed budget is disapproved or the Board fails for any reason so to determine the budget for any year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the immediately preceding year, increased by ten percent (10%), shall continue for the current year.

12.1.3 Special Assessments.

(A) Entire Membership. The Master Association may levy Special Assessments against all the Owners as follows:

(i) For purposes of defraying, in whole or in part, the cost of any action or undertaking on behalf of the Master Association in connection with, or the cost of, any construction or replacement of, a specific capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto;

(ii) For purposes of collecting transfer fees to reflect changes of ownership, tenancy or occupancy on the records of the Master Association, including, but not limited to a fee for providing Master Association payoff information needed in connection with the financing, refinancing, or losing of an Owner's Lot, which amount shall not exceed the maximum amount allowed by applicable law; and

(iii) For purposes of providing any necessary funds for restoration and repair of damaged or destroyed Common Areas in accordance with the provisions hereof;

(iv) For purposes of collecting plan fees and other fees associated with reviewing, processing and approving applications for architectural approval, which fee may not exceed the actual cost of reviewing, processing and approving such applications; and.

(v) For purposes of collecting fines as from time to time established by the Master Association for any violation of this Declaration or other Governing Documents.

Special Assessments levied against all the Owners shall be equally allocated to the Lots unless the Board determines that another method is more equitable. Special Assessments pursuant to this paragraph shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines.

(B) Less Than All Members. The Master Association may levy a Special Assessment against any Owner individually and against such Owner's Lot to reimburse the Master Association for costs incurred in bringing an Owner and his or her Lot into compliance with the provisions of this Declaration and the other Governing Documents, which Special Assessment may be levied upon the vote of the Board after compliance with this Declaration.

12.1.4 Reinvestment Fee Covenant. The Master Association may impose a Reinvestment Fee Covenant, and that by taking title to a Lot, each Owner acknowledges that (i) each Lot may be subject to a Reinvestment Fee Covenant imposed by the Master Association, and (ii) the buyer or seller of a Lot may be required to pay to the Master Association at the time of closing or settlement of the sale of said Lot a Reinvestment Fee.

12.1.5 Payment; Waiver. Any Assessment as authorized herein is due and payable immediately upon the occurrence of the event giving rise to liability for payment of same. Failure of the Master Association to impose or collect any Assessment is not grounds for any action against the Master Association or their respective directors, officers, agents or employees, and does not constitute a waiver of the right to exercise authority to collect any Assessments in the future. For good cause shown as determined in the sole opinion of the Board, the Board may waive, wholly or partially, imposition of any Assessment authorized by this Article 12, provided, any such waiver must be conditioned upon payment in full of all remaining monetary obligations or receipt of written commitment that same will be paid within a specified period of time.

12.1.6 Reserve Budget and Capital Contribution. The Board shall prepare a reserve fund analysis as required by the Act, and the Master Association shall review and, if necessary, update the reserve fund analysis as required by the Act. Based upon the reserve fund analysis, the Board shall establish a reserve budget. The Board will provide a copy of the reserve fund analysis and any update thereto to any Owner requesting the same. The Board shall set the required capital contribution in an amount sufficient to permit meeting the projected needs of the Master Association, as shown on the budget, with respect both to amount and timing by annual Base Assessments over the period of the budget. The capital contribution required, if any, shall be fixed by the Board and shall be included and distributed with the applicable budget and notice of Assessments. The reserve funds shall not be used for daily maintenance expenses, unless a majority of Owners vote to approve the use of the reserve funds for that purpose, or for any purpose other than the purpose for which the reserve fund was established. The reserve fund shall be maintained separate from other Master Association funds. The Board will prepare and submit the reserve fund analysis as required by the Act.

12.1.7 Date of Commencement of Assessments. The obligation to pay the Assessments provided for herein shall commence as to each Lot on the first day of the month. Assessments shall be due and payable in a manner and on a schedule as the Board may provide. The first annual Base Assessment levied on a Lot shall be adjusted according to the number of months remaining in the fiscal year at the time assessments commence on the Lot.

12.1.8 Written Statement of Unpaid Assessment. The Master Association will issue a written statement indicating any unpaid Assessment with respect to a Lot covered by the request upon the written request of any Owner and payment of a reasonable fee not to exceed the maximum amount permitted by applicable law.

12.1.9 Fines. The Board may assess a fine against any Owner for a violation of the Governing Documents, subject to the following: (a) before assessing a fine, the Board will (i) notify the Owner of the violation as provided herein, and (ii) inform the Owner that a fine will be imposed if the violation is not

remedied. Any unpaid fines shall be treated as Special Assessments and such fines shall be subject to any applicable interest and late fees commencing as of the later of (1) the date of the assessment, or (2) if the Owner requests a hearing, the date of the final decision following the hearing. If an Owner disputes the assessment of a fine, the Owner may request an informal hearing to protest or dispute the fine within fourteen (14) days from the date of the notice of the fine. For any of the fines imposed against the offending Owner, the offending Owner shall be barred from challenging the validity of the fine if the Owner does not deliver a written hearing request to the Board within fourteen (14) days of the notice of the fine. At any such informal hearing, the Board shall make a reasonable determination, based on the information provided by the Owner and any other information available to the Board, whether to rescind, reduce, or waive the fine. Without limiting the application of fines to violations of the Governing Documents, fines may be issued for violation of the following covenants:

(A) No animals, livestock, or poultry of any kind shall be permitted on Common Areas or on any Lot except such domesticated household pets or birds as are allowed pursuant to this Declaration;

(B) No outside television or radio aerial or antenna, or other similar device for reception or transmission, shall be permitted on any Common Area or the exterior of any Lot except pursuant to written approval of the Board which approval shall be site specific and non-precedent setting;

(C) No Lots within the Project shall contain any window mount evaporative coolers or air conditions;

(D) Resident's business vehicles in excess of 3/4 ton trucks shall not be parked in front of Lots overnight, nor shall any vehicle be repaired, disassembled, or reassembled on any Common Area, garage apron, public street, or designated guest parking in the Project;

(E) Lot garages are to be used for the parking of automobiles and not for general storage, boats, recreational vehicles or miscellaneous items. The garages must actually accommodate the number of cars the garage is designed to accommodate (i.e., two cars in a two-car garage). Garages shall be used for overnight vehicle parking;

(F) Except for trash collection days, trash receptacles are not to be left outside within view of the community streets. Empty trash receptacles must be returned to garages the day of collection;

(G) Lot interior windows shall be covered within 30 days of occupancy with permanent window coverings, white or off white in color (as seen from the exterior); and

(H) Lot patios and balconies shall not be used as general storage areas, for the hanging and drying of laundry, nor for decorative items visible from adjoining Lots or public streets.

12.1.10 Lien for Assessments. The Master Association has a lien on a Lot for Assessments and, except as otherwise provided in this Declaration, for fines, fees, charges, and costs associated with collecting an unpaid Assessment, including court costs and reasonable attorney fees, late charges, interest, and any other amount that the Master Association is entitled to recover under this Declaration, at law, or an administrative or judicial decision, and a fine that the Master Association imposes against the Owner. The obligation to pay Assessments hereunder is part of the purchase price of each Lot when sold to an Owner, and an express vendor's lien is hereby retained to secure the payment thereof and is hereby transferred and assigned to the Master Association. Additionally, a lien with a power of sale is hereby granted and conveyed

to the Master Association to secure the payment of such Assessments. The recording of this Declaration constitutes record notice and perfection of the above-described lien. If an Assessment is payable in installments, the lien will be for the full amount of the Assessment from the time the first installment is due, unless the Master Association otherwise provides in a notice of Assessment. An unpaid Assessment or fine accrues interest at the rate provided in this Declaration. The lien provided in this Section 12.1.10 has priority over each other lien and encumbrance on a Lot except: (a) a lien or encumbrance recorded before the Declaration is recorded; (b) a first or second security interest on the Lot secured by a Mortgage that is recorded before a recorded notice of lien by or on behalf of the Master Association; or (c) a lien for real estate taxes or other governmental assessments or charges against the Lot. To evidence any lien hereunder, the Master Association may prepare a written notice of an Assessment lien, which shall be signed by an officer of the Master Association and may be recorded in the Official Records of Washington County, Utah. The written notice of the Assessment lien will set forth the description of the Lot, the name of the Owner of the Lot, and the amount of the Assessment and any other amounts due and owing with respect to the Lot subject to such Assessments.

12.1.11 Enforcement of a Lien. In accordance with Utah Code Ann. §§57-8a-301 *et seq.*, the Master Association may cause a Lot to be sold through non-judicial foreclosure as though the lien were a deed of trust, in the manner provided by Utah Code Ann. §§57-1-24, 57-1-25, 57-1-26, and 57-1-27 (as amended from time to time) and the Act, or foreclose the lien through a judicial foreclosure in the manner provided by Law for the foreclosure of a mortgage and the Act. For purposes of a non-judicial or judicial foreclosure, the Master Association is considered to be the beneficiary under a trust deed; and the Owner is considered to be the trustor under a trust deed. In the event of the election by the Board to foreclose the liens herein provided for nonpayment of sums secured to be paid by such lien, then it shall be the duty of the trustee, or his successor, as hereinabove provided, at the request of the Board (which request shall be presumed by a request by the President of the Master Association) to enforce this trust and to sell such Lot, and all rights appurtenant thereto. Notwithstanding the foregoing, the Association may bring an action against an Owner to recover an amount for which a lien is created under Utah Code Ann. § 57-8a-301 (as amended from time to time) or from taking a deed in lieu of foreclosure, if the action is brought or deed taken before the sale or foreclosure of the Owner's Lot. At any judicial foreclosure or non-judicial foreclosure, the Master Association shall be entitled to bid up to the amount of the sum secured by its lien, together with interest, costs, and expenses of sale, including trustee's and attorneys' fees and other amounts due and owing, and to apply as a cash credit against its bid all sums due to the Master Association covered by the lien foreclosed. The Master Association need not pursue a judicial foreclosure or non-judicial foreclosure to collect an unpaid Assessment but may file an action to recover a money judgment for the unpaid Assessment without waiving the lien or its rights and remedies as provided herein or available at law or in equity.

The Master Association's non-judicial foreclosure of a Lot is governed by Utah Code Ann. §§ 57-1-19 through §57-1-34 to the same extent as though the Master Association's lien were a trust deed. If there is a conflict between a provision of the Act and a provision of Utah Code Ann. §§57-1-19 through §57-1-34 with respect to the Master Association's non-judicial foreclosure of a Lot, the Act controls.

A court entering a judgment or decree in a judicial action brought by the Master Association shall award the prevailing party its costs and reasonable attorneys' fees incurred before the judgment or decree and, if the Master Association is the prevailing party, any costs and reasonable attorney fees that the Master Association incurs collecting the judgment. In a non-judicial foreclosure, the Master Association may include in the amount due, and may collect, all costs and reasonable attorney fees incurred in collecting the amount due, including the costs of preparing, recording, and foreclosing a lien.

12.1.12 Subordination of the Lien. The lien of Assessments, including interest, late charges (subject to the limitations of Utah law), and costs (including attorney fees and costs) provided for herein,

shall be subordinate to tax liens and to the lien of any first Mortgage upon any Lot. The sale or transfer of any Lot shall not affect the Assessment lien. However, the sale or transfer of any Lot pursuant to judicial or non-judicial foreclosure (i.e., power of sale) of a first Mortgage shall extinguish the lien of such Assessments as to payments which became due prior to such sale or transfer unless the Owner against whom the original Assessment was made is the purchaser at the foreclosure sale (in which event such lien shall remain in full force and effect). Where the Mortgagee holding a first Mortgage of record or other purchaser of a Lot obtains title pursuant to judicial or non-judicial foreclosure of the Mortgage, such Mortgagee shall not be liable for the share of the Common Expenses or Assessments by the Master Association chargeable to such Lot which became due prior to such acquisition of title. Such unpaid share of Common Expenses or Assessments shall be deemed to be Common Expenses collectible from Owners of all the Lots, including such acquirer, its successors and assigns.

12.1.13 Property Manager. The Board may contract with an independent third-party professional property manager to provide the services and/or to perform the duties of the Master Association herein, and in connection therewith, by contract or resolution, assign to such managing agent the right to set the amounts of and to receive payments of the applicable charges. The property manager so engaged shall be an independent contractor and not an agent or employee of the Master Association. The obligation to contract with a property manager may not be waived, cancelled, modified, or amended in any way. The right and authority of any property manager to set the amounts and receive payment as aforesaid is deemed to be assigned by virtue of contracting with a property manager to provide the associated functions and services for so long as the applicable contract remains in effect unless the applicable contract expressly provides otherwise. Subject to the aforesaid notice requirement as to a property manager and as required regarding this Declaration, the Board or its property manager, as applicable, may adopt, amend, revise and repeal any such charges from time to time without notice.

12.1.14 Enforcement. The Board shall use its reasonable judgment to determine whether to exercise the Master Association's powers to impose sanctions or pursue legal action for a violation of the Governing Documents, including: (a) whether to compromise a claim made by or against the Board or the Master Association; and (b) whether to pursue a claim for an unpaid Assessment. The Master Association may not be required to take enforcement action if the Board determines, after fair review and acting in good faith and without conflict of interest, that under the particular circumstances: (i) the Master Association's legal position does not justify taking any or further enforcement action; (ii) the covenant, restriction, or rule in the Governing Documents is likely to be construed as inconsistent with current law; (iii) a technical violation has or may have occurred, and the violation is not material as to a reasonable person or does not justify expending the Association's resources; or (iv) it is not in the Master Association's best interests to pursue an enforcement action, based upon hardship, expense, or other reasonable criteria. If the Board decides to forego enforcement, the Master Association is not prevented from later taking enforcement action and any inaction by the Board or the Master Association shall not be deemed a waiver of any rights to take any enforcement action in the future. The Board may not be arbitrary, capricious, or against public policy in taking or not taking enforcement action.

12.1.15 Exempt Property. Notwithstanding anything to the contrary herein, the following portions of the Real Property shall be exempt from payment of Base Assessments and Special Assessments: (i) Common Areas; (ii) all property dedicated to and accepted by any governmental authority or public utility, including, without limitation, public schools, public streets, and public parks, if any; and (iii) all property held in fee simple or leased by Declarant or a Declarant Affiliate.

ARTICLE 13 EASEMENTS

13.1. Encroachments. Subject to the terms of this Declaration, each Lot and the Common Areas shall be subject to an easement for encroachments created by construction, settling and overhangs, as designed or constructed by the Declarant. A valid easement for said encroachments and for the maintenance of same, so long as it stands, shall and does exist. In the event any structure containing Maintenance Area is partially or totally destroyed, and then rebuilt, the Owners of the Lots so affected agree that minor encroachments of parts of the adjacent Lots or Common Areas due to construction shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist.

13.2. Use of Common Areas. The Declarant reserves the right to execute agreement(s) which may confer on itself or adjacent landowners or owners' associations the right to use Common Areas and common facilities.

13.3. Easement for Declarant. Upon the recording of the conveyance of any portion of the Common Areas to the City, Declarant shall have a transferable easement over and on the Common Areas and facilities and utilities for the purpose of making improvements on the Real Property or on any additional land under the Declaration, or any development, related or unrelated, on land described herein or adjacent to the Real Property, for the purpose of maintaining the Common Areas, and for the purpose of doing all things reasonably necessary and proper in connection with the same.

13.4. Easement for Cross-Drainage. All portions of the Real Property shall be burdened with easements for natural drainage of stormwater runoff from other portions of the Real Property; provided, no Person shall alter the natural drainage on any Lot to increase materially the drainage of stormwater onto adjacent portions of Real Property without the consent of the Owner(s) of the affected property and Declarant, as long as it owns any property subject to the Declaration.

13.5. Master Association Easement. There is hereby created a nonexclusive easement in favor of the Master Association for ingress and egress over the entire Project (except the interior of an occupied dwelling unit) for the purpose of enabling the Master Association and its contractors and Related Parties to implement the provisions of this Declaration. The rights of access established in this Section 13.4 shall be exercised so as to reasonably minimize interference with the quiet enjoyment of a Lot by its Owner. Every Lot is also hereby subjected to a nonexclusive easement for overspray and runoff of water from any irrigation systems serving the Common Areas. Under no circumstance will the Master Association or any Related Party of the Master Association be responsible for any property damage or personal injury resulting from any overspray or from the operation of the irrigation systems serving the Maintenance Area.

13.6. Other Easements. The easements provided for in this Article 13 shall in no way affect any other recorded easement.

ARTICLE 14 ADDITIONAL RIGHTS RESERVED TO DECLARANT

14.1. Withdrawal of Property. A Supplement shall be effective upon recording unless otherwise specified in the Supplement. On the effective date of the Supplement, any additional property made subject to this Declaration shall be assigned voting rights in the Master Association and assessment liability in accordance with the provisions of this Article. During the Declarant Control Period, Declarant may amend this Declaration to remove any unimproved portion of the Property from the coverage of this Declaration. Such amendment shall not require the consent of any Person other than the Owner(s) of the property to be withdrawn, if not Declarant. If the property is Maintenance Area, the Master Association shall consent to such withdrawal.

14.2. Marketing and Sales Activities. Notwithstanding anything in the Governing Documents to the contrary, during the Declarant Control Period Declarant and its designees or assigns may construct, use, and maintain upon portions of the Property owned and controlled by Declarant and other property they own, such facilities and activities as, in Declarant's opinion, may reasonably be required, convenient, or incidental to the construction or sale of Lots.

14.3. Right to Approve Changes in Design Guidelines. During the Declarant Control Period, no amendment to or modification of any rules or Design Guidelines shall be effective without prior notice to and the written approval of Declarant.

14.4. Exclusive Rights to Use Name "Stucki Farms." No Person shall use the name "Stucki Farms" or any derivative of such name or in any logo or depiction associated with Stucki Farms in any printed or promotional material without Declarant's prior written consent. However, Owners may use the name "Stucki Farms" in printed or promotional material where such term is used solely to specify that particular property is located within Stucki Farms.

14.5. Right to Transfer or Assign Declarant Rights. Any or all of Declarant's rights and obligations set forth in this Declaration or the Bylaws may be transferred in whole or in part to other Persons. However, such a transfer shall not reduce an obligation or enlarge a right beyond that which Declarant has under this Declaration or the Bylaws. No such transfer or assignment shall be effective unless it is in a recorded instrument Declarant signs. The foregoing sentence shall not preclude Declarant from permitting other Persons to exercise, on a one-time or limited basis, any right reserved to Declarant in this Declaration where Declarant does not intend to transfer such right in its entirety. In such case, it shall not be necessary to record any written assignment unless necessary to evidence Declarant's consent to such exercise.

14.6. Right to Approve Changes in Community-Wide Standards. No amendment or modification to the Community-Wide Standards shall be effective without Declarant's prior written consent, which consent may be withheld in Declarant's sole and absolute discretion.

14.7. Easement to Inspect and Right to Correct. Declarant reserves for itself and others it may designate the right, but not the obligation, to inspect, monitor, test, redesign, and correct any structure, improvement, or condition which may exist on any portion of the property within the Project, including the Lots, and a perpetual nonexclusive easement of access throughout the Project to the extent reasonably necessary to exercise such right. Except in an emergency, entry onto a Lot shall be only after reasonable notice to the Owner, and no entry into an enclosed structure shall be permitted without the Owner's consent. The Person exercising this easement shall promptly repair, at such Person's own expense, any damage he or she causes. Nothing in this paragraph shall relieve an Owner of the responsibility for the maintenance and repair of his or her Lot.

14.8. Self-Help. In the event the Master Association fails to fulfill its obligations, Declarant, or a Declarant Affiliate, may, upon not less than fifteen (15) days written notice to the Master Association, undertake to complete the Master Association's obligations under this Declaration. If Declarant, or a Declarant Affiliate, exercises its self-help rights herein, then the Master Association shall reimburse Declarant, or said Declarant Affiliate, for all costs and expenses incurred in performing the Master Association's obligations within fifteen (15) days of written request therefor

ARTICLE 15 TERMINATION AND AMENDMENT OF DECLARATION

15.1. Term and Termination. This Declaration shall be effective for a minimum of thirty (30) years from the date it is recorded. After thirty (30) years, this Declaration shall be extended automatically for successive

10-year periods unless at least sixty-seven percent (67%) of the then-Owners sign a document stating that the Declaration is terminated and that document is recorded within the year before any extension. In such case, this Declaration shall terminate on the date specified in the termination document.

15.2. Amendment.

15.2.1. By Declarant. In addition to specific amendment rights granted elsewhere in this Declaration, until termination of the Declarant Control Period, Declarant may unilaterally amend this Declaration for any purpose. Thereafter, Declarant may unilaterally amend this Declaration if such amendment is necessary (a) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (b) to enable any reputable title insurance company to issue title insurance coverage on the Lots; (c) to enable any institutional or governmental lender, purchaser, insurer, or guarantor of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure, or guarantee mortgage loans on the Lots; or (d) to satisfy the requirements of any local, state, or federal governmental agency. However, any amendment under this paragraph shall not adversely affect the title to any Lots unless the Owner shall consent in writing.

15.2.2. By Owners. Except as otherwise specifically provided above and elsewhere in this Declaration, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Owners representing sixty-seven percent (67%) of the total votes in the Master Association. In addition, during the Declarant Control Period, any such amendment shall also require Declarant's written consent.

15.2.3. Validity and Effect. No amendment may remove, revoke, or modify any right or privilege of Declarant or a Declarant Affiliate without the written consent of Declarant or a Declarant Affiliate, respectively (or the assignee of such right or privilege). If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third-party will affect the validity of such amendment. Any amendment shall become effective upon recording unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within six (6) months of its recordation, or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

ARTICLE 16
ANNEXATION, TRANSFER AND WITHDRAWAL OF PROPERTY

16.1. Annexation by Declarant. During the Period of Administrative Control, Declarant, acting without the consent or approval of the Master Association or any other Owner, shall have the right to bring within the scheme of this Declaration additional land (an "Annexation") within the area defined as Additional Land herein, so long as the owner of such land (if not Declarant) consents to such action. Such Annexation shall be accomplished by filing in the Official Public Records of Washington County, Utah, a Supplemental Declaration annexing such property in the form prescribed below. Any such Annexation shall be effective upon the filing for record of such Supplemental Declaration unless otherwise provided therein.

16.2. Annexation by Association. Subject to the consent of the owner thereof, the Master Association may annex real property into the Project at any time upon the affirmative vote of Declarant (if during the Period of Administrative Control) or (if after the expiration of the Period of Administrative Control) the Members representing a majority of the Class "A" votes of the Master Association present at a meeting duly called for such purpose. Such Annexation shall be accomplished by filing of record in the Official Public Records of Washington County, Utah, a Supplemental Declaration in the form described below,

signed by the President and the Secretary of the Association, and by the owner of the property being annexed. Any such Annexation shall be effective upon filing unless otherwise provided therein.

16.3. Form of Supplemental Declaration. Each Supplemental Declaration must state that land is being annexed, and must contain at least the following provisions: (i) a reference to this Declaration, which reference shall state the document number under which this Declaration is Recorded in the Official Public Records of Washington County; (ii) statement that the provisions of this Declaration shall apply to the annexed land, except as expressly provided otherwise therein; (iii) a legal description of the annexed land; and (iv) if Declarant or the Master Association is not the owner of the land being annexed, the signatures of both such owner and Declarant, if during the Period of Administrative Control or the Master Association, if after the Period of Administrative Control. A Supplemental Declaration may, but need not, contain a description of any Common Area within the annexed land.

16.4. Common Area. At any time and from time to time during the Period of Administrative Control, Declarant may convey to the Master Association fee simple or easement interests in real property, improved or unimproved. Upon such conveyance to the Master Association, such real property interest shall be accepted by the Master Association as Common Area and thereafter shall be maintained by the Master Association at its expense.

16.5. Withdrawal of Property. During the Period of Administrative Control, Declarant shall have the right at any time to remove or withdraw lands or grant easements or licenses on, over, under or across such lands then owned by Declarant (or other Persons with Declarant's consent) from the Project, so long as such withdrawal or grant of such easement or right is not prohibited by the relevant governing authority. Upon any such withdrawal (but excluding the grant of an easement or license) this Declaration and the covenants, conditions, restrictions and obligations set forth herein shall no longer apply to the lands withdrawn. In order to withdraw lands from the Project hereunder, Declarant shall be required only to record a notice of withdrawal of land which contains: (i) a reference to this Declaration (including the document number under which this Declaration is Recorded); (ii) a statement that the provisions of this Declaration shall no longer apply to the withdrawn land; (iii) if Declarant is not the owner of the land so withdrawn, the signatures of both such owner and Declarant; and (iv) a legal description of the withdrawn land.

ARTICLE 17 GENERAL PROVISIONS

17.1. Successors and Assigns. Each easement, restriction and covenant contained herein shall be appurtenant to and for the benefit of all portions of the Project and shall be a burden thereon, for the benefit of all portions of the Project, and shall run with the land. This Declaration and the restrictions, easements, covenants, benefits and obligations created hereby shall inure to the benefit of and be binding upon Declarant, Owners and their successors, transferees and assigns; provided, however, that, if any Owner transfers all of its interest in a Lot or Parcel, the transferee thereof shall automatically be deemed to have assumed and agreed to be bound by the covenants and agreements herein contained, and the transferor shall thereupon be released and discharged from any and all obligations under this Declaration accruing after the date of sale.

17.2. No Dedication to Public. Nothing herein contained shall be deemed to be a gift or dedication of any portion of the Project to the general public or for the general public or for any public purposes whatsoever, it being the intention of Declarant that this Declaration shall be strictly limited to and for the purposes herein expressed.

17.3. Survival. If any clause, sentence or other portion of this Declaration shall become illegal, null or void for any reason, or shall be held by any court of competent jurisdiction to be so, the remaining portions hereof shall remain in full force and effect.

17.4. No Merger. The ownership of the entire Project by the same party shall not affect the termination of this Declaration.

17.5. Mortgagee Protection. Breach of any of the covenants or restrictions contained in this Declaration shall not defeat or render invalid the lien of any Mortgage made in good faith and for value as to the Project or any part thereof, including a Lot, but all of the foregoing provisions, restrictions and covenants shall be binding upon and effective against any Owner whose title thereto is acquired by foreclosure, trustee's sale, deed in lieu of foreclosure or otherwise.

17.6. Remedies. Declarant and any Owner of any portion of the Project may prosecute any proceedings at law or in equity against any Person or entity violating or attempting to violate any of the agreements, covenants, conditions and restrictions herein, to prevent it, him or them from so doing and/or to recover damages from or on account of such violation. All costs and expenses of any such suit or proceedings, including attorneys' fees, as well as any judgment thereof, shall be assessed against the losing party and shall constitute a lien against the real property or the interest therein in the Project belonging to such party as provided in Article 12 above, which the prevailing party may foreclose in the manner provided in such Article 12. All remedies set forth herein or otherwise available at law or equity shall be cumulative.

17.7. Third-Party Beneficiaries. By taking title to a Lot, each owner acknowledges and agrees that the Declarant Affiliate is an intended third-party beneficiary; provided, however, no rights, privileges or immunities set forth herein shall inure to the benefit of any other customer, employee, guest, licensee or invitee of any Owner, tenant or any other occupant of any portion of the Project, nor shall any other customer, employee, guest, licensee or invitee of such Owner, tenant or occupant be deemed to be a third-party beneficiary of any of the provisions contained herein.

17.8. Captions. The captions heading the various Articles of this Declaration are for convenience and identification only, and shall not be deemed to limit or define the contents of their respective sections.

17.9. Consent. Unless otherwise set forth herein, any approval or consent required or requested of the Declarant or the Master Association may be withheld in its sole and absolute discretion. Unless otherwise specified herein, any approval or consent required to be obtained hereunder by any Owner, other than the Declarant or the Master Association, shall not be unreasonably withheld and shall be given or withheld within thirty (30) days after delivery of the request therefor. In the event an Owner whose approval or consent is sought pursuant to the immediately preceding sentence fails to respond within the applicable time period, such Owner shall be deemed to have approved of, or consented to, the matter in question.

17.10. Assignment. Except as otherwise expressly set forth herein, no Owner shall have the right to assign all or any portion of its rights, benefits, duties or obligations under this Declaration except in connection with a transfer or conveyance by such Owner of its interest in property within the Project (and any conveyance made by deed of trust, Mortgage or other security instrument as security for any obligation or indebtedness shall not be deemed to be a transfer or conveyance within the meaning of the foregoing).

17.11. Notices. Any notice, demand, request or other communication required or permitted to be given by an Owner to another Owner, or to Declarant, shall be in writing, signed by the party giving the notice, and shall be given by delivering the same in person, by a recognized overnight courier service which maintains delivery records (such as Federal Express) or by depositing the same in the United States mail, registered or certified, return receipt requested, first-class postage, and postage prepaid. All notices shall be sent to

the respective mailing addresses of the parties hereto at the following addresses, until such addresses are changed as hereinafter provided:

Declarant: Preserve at Stucki Farms Holding Company, LLC
11275 N Normandy Way
Highland, UT 84003

To any other Owner: At such address as such Owner shall designate in writing to Declarant or at such Owner's address in the Project if such Owner shall fail to designate in writing another address to Declarant.

Any Owner may change its mailing address at any time by giving written notice of such change to the Declarant in the manner provided herein at least ten (10) days prior to the date such change is effective. Personal service and service by recognized overnight courier service will be deemed to be complete upon receipt, and service by mail will be deemed complete on deposit of said notice in the United States mail.

17.12. Jurisdiction. Any matter arising under this Declaration shall be governed by and determined in accordance with the Laws of the State of Utah.

17.13. Other Agreements. Nothing contained in this Declaration shall be construed as a limitation on Declarant's right to enter into any supplemental agreement with the grantee or lessee of any Parcel (or portion thereof) on terms and conditions more favorable to Declarant or otherwise different than those contained herein; provided, however, in all events, any such agreement shall be subordinate to this Declaration.


(Signature and Acknowledgement to follow)

IN WITNESS WHEREOF, Declarant has executed this Declaration to be effective as of the Effective Date.

DECLARANT: PRESERVE AT STUCKI FARMS HOLDING COMPANY, LLC, a Utah limited liability company

By: The Preserve at Stucki Farms DevCo, LLC, a Utah limited liability company, its Manager

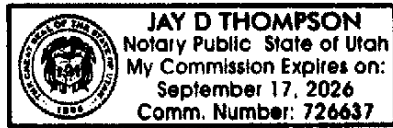
By: Skyhawk Development, L.L.C., a Utah limited liability company, its Manager

By: 
Name: Todd Amberry
Title: Manager

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

On this 22 day of February, 2024, before me personally appeared Todd Amberry, whose identity is personally known to or proved to me on the basis of satisfactory evidence, and who, being duly sworn (or affirmed), did say that he is a Manager of Skyhawk Development, L.L.C., the Manager of The Preserve at Stucki Farms DevCo, LLC, the Manager of PRESERVE AT STUCKI FARMS HOLDING COMPANY, LLC, a Utah limited liability company, and that the foregoing document was signed by him on behalf of said company in his capacity as Manager.


Notary Public



**EXHIBIT A
TO
MASTER DECLARATION**

Description of Real Property

The following real property located in Washington County, State of Utah:

**Legal Description located in:
Section 11 & 12, T43S, R15W SLB & Meridian**

WEST PORTION LEGAL DESCRIPTION:

BEGINNING AT A POINT S 88°55'44" E 349.47 FEET ALONG THE SOUTH LINE OF SECTION 12, TOWNSHIP 43 SOUTH, RANGE 15 WEST, SALT LAKE BASE AND MERIDIAN, FROM THE SOUTHWEST CORNER OF SAID SECTION 12, POINT ALSO BEING ON A PARCEL MORE PARTICULARLY DESCRIBED IN DOCUMENT NO. 20080032278, RECORDED AND ON FILE IN THE OFFICE OF THE RECORDER, WASHINGTON COUNTY, STATE OF UTAH, AND RUNNING THENCE ALONG SAID PARCEL THE FOLLOWING TWO (2) COURSES, (1) N 24°13'18" E 394.81 FEET, (2) THENCE N 65°46'35" W 560.07 FEET, TO THE SOUTHEAST CORNER OF A PARCEL MORE PARTICULARLY DESCRIBED IN DOCUMENT NO. 20210024582, RECORDED AND ON FILE IN THE OFFICE OF SAID RECORDER; THENCE ALONG SAID PARCEL THE FOLLOWING THREE (3) COURSES, (1) THENCE N 34°24'58" E 521.29 FEET, TO A POINT ON A 1593.50 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT, WITH A RADIUS WHICH BEARS N 3°43'07" W, (2) THENCE ALONG THE ARC OF SAID CURVE 632.26 FEET THROUGH A CENTRAL ANGLE OF 22°44'01", (3) THENCE S 24°13'25" W 333.88 FEET, TO A POINT ON SAID PARCEL MORE PARTICULARLY DESCRIBED IN DOCUMENT NO. 20080032278; THENCE ALONG SAID PARCEL THE FOLLOWING TWO (2) COURSES, (1) N 65°46'35" W 2330.15 FEET, (2) THENCE S 24°13'25" W 55.29 FEET, TO A POINT ON THE CENTER SECTION LINE OF SECTION 11, TOWNSHIP 43 SOUTH, RANGE 15 WEST, SALT LAKE BASE AND MERIDIAN; THENCE N 0°56'01" E 1742.65 FEET ALONG SAID LINE, TO THE SOUTHERN MOST POINT OF A PARCEL MORE PARTICULARLY DESCRIBED IN DOCUMENT NO. 20210009285, RECORDED AND ON FILE IN THE OFFICE OF SAID RECORDER; THENCE ALONG SAID PARCEL THE FOLLOWING TWO (2) COURSES, (1) N 28°12'11" E 1005.24 FEET, (2) THENCE N 20°37'37" E 1151.51 FEET, TO A POINT ON THE NORTH LINE OF SAID SECTION 11; THENCE S 88°55'08" E 179.81 FEET ALONG SAID LINE, TO THE NORTHWEST CORNER OF THE HOMESTEAD HEIGHTS AT STUCKI FARMS PHASE 1, RECORDED AND ON FILE IN THE OFFICE OF SAID RECORDER; THENCE ALONG THE BOUNDARY OF SAID SUBDIVISION THE FOLLOWING TWELVE (12) COURSES, (1) S 1°04'52" W 175.15 FEET, (2) THENCE S 79°31'08" E 122.45 FEET, TO A POINT ON A 20.00 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT, WITH A RADIUS WHICH BEARS S 63°07'59" W, (3) THENCE ALONG THE ARC OF SAID CURVE 9.07 FEET THROUGH A CENTRAL ANGLE OF 25°59'07", (4) THENCE S 88°55'08" E 50.13 FEET, (5) THENCE

N 1°04'52" E 3.84 FEET, TO THE POINT OF A 20.00 FOOT RADIUS CURVE TO THE RIGHT, (6) THENCE ALONG THE ARC OF SAID CURVE 31.42 FEET THROUGH A CENTRAL ANGLE OF 90°00'00", (7) THENCE S 88°55'08" E 90.00 FEET, (8) THENCE S 5°26'10" W 112.53 FEET, (9) THENCE S 76°49'29" E 111.05 FEET, (10) THENCE S 79°43'30" E 50.00 FEET, TO A POINT ON A 825.00 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT, WITH A RADIUS WHICH BEARS N 79°43'30" W, (11) THENCE ALONG THE ARC OF SAID CURVE 12.01 FEET THROUGH A CENTRAL ANGLE OF 0°50'02", (12) THENCE S 80°33'32" E 112.97 FEET, TO A POINT ON THE WESTERLY BOUNDARY OF THE HOMESTEADS AT STUCKI FARMS PHASE 3 SUBDIVISION, RECORDED AND ON FILE IN THE OFFICE OF SAID RECORDER; THENCE ALONG SAID BOUNDARY THE FOLLOWING FIVE (5) COURSES, (1) S 12°09'17" W 89.38 FEET, (2) THENCE S 74°35'39" E 163.92 FEET, TO A POINT ON A 815.00 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT, WITH A RADIUS WHICH BEARS N 74°35'39" W, (3) THENCE ALONG THE ARC OF SAID CURVE 23.93 FEET THROUGH A CENTRAL ANGLE OF 1°40'57", (4) THENCE S 76°16'37" E 130.42 FEET, (5) THENCE N 11°24'23" E 139.32 FEET, TO A POINT ON THE SOUTHERLY BOUNDARY LINE OF THE HOMESTEADS AT STUCKI FARMS PHASE 3 PARTIAL AMENDED & EXTENDED "A" (LOTS 56 & 57); THENCE S 88°55'08" E 128.31 FEET ALONG SAID LINE, TO A POINT ON SAID BOUNDARY OF THE HOMESTEADS AT STUCKI FARMS PHASE 3 SUBDIVISION, RECORDED AND ON FILE IN THE OFFICE OF SAID RECORDER; THENCE ALONG SAID BOUNDARY THE FOLLOWING EIGHT (8) COURSES, (1) S 44°59'33" E 72.86 FEET, (2) THENCE S 87°24'32" E 24.93 FEET, (3) THENCE S 54°12'22" E 7.22 FEET, TO A POINT ON A 20.00 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT, WITH A RADIUS WHICH BEARS N 54°12'22" W, (4) THENCE ALONG THE ARC OF SAID CURVE 26.07 FEET THROUGH A CENTRAL ANGLE OF 74°40'45", TO THE POINT OF A 53.50 FOOT RADIUS REVERSE CURVE TO THE LEFT, (5) THENCE ALONG THE ARC OF SAID CURVE 251.80 FEET THROUGH A CENTRAL ANGLE OF 269°40'08", TO THE POINT OF A 20.00 FOOT RADIUS REVERSE CURVE TO THE RIGHT, (6) THENCE ALONG THE ARC OF SAID CURVE 4.91 FEET THROUGH A CENTRAL ANGLE OF 14°03'48", TO THE POINT OF A 3229.00 FOOT RADIUS REVERSE CURVE TO THE RIGHT, (7) THENCE ALONG THE ARC OF SAID CURVE 6.50 FEET THROUGH A CENTRAL ANGLE 0°06'55", (8) THENCE S 55°01'01" E 74.00 FEET; THENCE S 34°00'42" W 114.73 FEET; THENCE S 31°52'41" W 20.86 FEET; THENCE S 31°23'55" W 131.33 FEET; THENCE S 28°56'45" W 131.02 FEET; THENCE S 29°30'17" W 141.26 FEET; THENCE S 24°11'51" W 157.73 FEET; THENCE S 65°45'45" E 362.37 FEET; THENCE N 23°58'11" E 91.68 FEET, TO THE POINT OF A 2800.00 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE 36.20 FEET THROUGH A CENTRAL ANGLE OF 0°44'27"; THENCE S 68°48'19" E 536.84 FEET; THENCE S 30°36'13" E 108.28 FEET; THENCE N 90°00'00" E 140.63 FEET; THENCE N 50°07'01" E 139.89 FEET; THENCE N 1°51'14" W 140.03 FEET; THENCE N 46°12'22" W 96.01 FEET; THENCE N 36°00'02" E 224.13 FEET; THENCE S 66°40'05" E 96.91 FEET; THENCE S 44°28'36" E 125.56 FEET; THENCE S 26°13'41" E 105.94 FEET; THENCE S 11°05'38" E 105.38 FEET; THENCE S 8°21'13" E 220.00 FEET; THENCE S 5°29'25" E 105.10 FEET; THENCE S 2°22'23" W 107.43 FEET; THENCE S 33°40'39" W 107.40 FEET; THENCE S 37°19'01" W 440.00

FEET; THENCE S 52°40'59" E 160.00 FEET, TO A POINT ON THE WESTERLY LINE OF A PARCEL MORE PARTICULARLY DESCRIBED IN DOCUMENT NO. 20180039439, RECORDED AND ON FILE IN THE OFFICE OF SAID RECORDER; THENCE ALONG SAID PARCEL THE FOLLOWING SIX (6) COURSES, (1) S 37°19'01" W 243.21 FEET, TO THE POINT OF A 20.00 FOOT RADIUS CURVE TO THE LEFT, (2) THENCE ALONG THE ARC OF SAID CURVE 31.29 FEET THROUGH A CENTRAL ANGLE OF 89°38'38", TO THE POINT OF A 820.00 FOOT COMPOUND CURVE TO THE LEFT, (3) THENCE ALONG THE ARC OF SAID CURVE 96.10 FEET THROUGH A CENTRAL ANGLE OF 6°42'54", (4) THENCE S 59°02'31" E 362.90 FEET, TO THE POINT OF A 20.00 FOOT RADIUS CURVE TO THE LEFT, (5) THENCE ALONG THE ARC OF SAID CURVE 31.42 FEET THROUGH A CENTRAL ANGLE OF 90°00'00", (6) THENCE N 30°57'29" E 305.63 FEET, TO A POINT ON THE SOUTH LINE OF A PARCEL MORE PARTICULARLY DESCRIBED IN DOCUMENT NO. 201900325520, RECORDED AND ON FILE IN THE OFFICE OF SAID RECORDER; THENCE S 89°08'08" E 352.71 FEET ALONG SAID LINE, TO A POINT ON THE WEST RIGHT OF WAY OF WASHINGTON FIELDS ROAD (SOUTH MOUNTAIN PORTION), DOCUMENT NO. 20110004479, RECORDED AND ON FILE IN THE OFFICE OF SAID RECORDER ; THENCE ALONG SAID RIGHT OF WAY THE FOLLOWING SEVEN (7) COURSES, (1) S 0°51'36" W 366.98 FEET, TO THE POINT OF A 25.00 FOOT RADIUS CURVE TO THE RIGHT, (2) THENCE ALONG THE ARC OF SAID CURVE 39.27 FEET THROUGH A CENTRAL ANGLE OF 90°00'00", (3) THENCE S 0°51'36" W 90.00 FEET, TO THE POINT OF A 25.00 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT, WITH A RADIUS WHICH BEARS S 0°51'36" W, (4) THENCE ALONG THE ARC OF SAID CURVE 39.27 FEET THROUGH A CENTRAL ANGLE OF 90°00'00", (5) THENCE S 89°08'20" E 106.00 FEET, TO THE POINT OF A 25.00 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT, WITH A RADIUS WHICH BEARS S 89°08'20" E, (6) THENCE ALONG THE ARC OF SAID CURVE 39.27 FEET THROUGH A CENTRAL ANGLE OF 90°00'00", (7) THENCE S 89°08'24" E 855.88 FEET, TO A POINT ON THE WEST RIGHT OF WAY LINE OF SOUTHERN PARKWAY PROJECT NO. S-LC53(45); THENCE ALONG SAID RIGHT OF WAY THE FOLLOWING TWO (2) COURSES, (1) S 67°01'37" E 45.10 FEET, (2) THENCE S 7°28'03" E 36.91 FEET, TO A POINT ON A PARCEL MORE PARTICULARLY DESCRIBED IN DOCUMENT NO. 20100014912, RECORDED AND ON FILE IN THE OFFICE OF THE SAID RECORDER; THENCE ALONG SAID PARCEL THE FOLLOWING THREE (3) COURSES, (1) N 88°51'28" W 368.64 FEET, (2) THENCE S 1°08'32" W 660.00 FEET, (3) THENCE S 88°51'28" E 364.84 FEET TO THE SOUTHWEST CORNER OF A PARCEL MORE PARTICULARLY DESCRIBED IN DOCUMENT NO. 20110011858, RECORDED AND ON FILE IN THE OFFICE OF SAID RECORDER; THENCE S 88°51'28" E 97.67 FEET ALONG SAID PARCEL TO THE NORTHWEST CORNER OF A PARCEL MORE PARTICULARLY DESCRIBED IN DOCUMENT NO. 20110039032, RECORDED AND ON FILE IN THE OFFICE OF SAID RECORDER; THENCE ALONG SAID PARCEL THE FOLLOWING TWO (2) COURSES, (1) S 6°45'11" E 127.20 FEET, (2) THENCE S 8°26'17" E 152.12 FEET TO A POINT ON THE SAID WESTERLY RIGHT OF WAY OF SAID SOUTHERN PARKWAY; THENCE ALONG SAID RIGHT OF WAY THE FOLLOWING FOUR (4) COURSES, (1) S 1°08'32" W 849.01 FEET, (2) THENCE S 88°51'28" E 4.79 FEET, (3) THENCE S 1°08'59" W 660.89 FEET, (4) THENCE S 1°12'20" W 0.35 FEET, TO A

POINT ON THE SAID SOUTH LINE OF SECTION 11; THENCE N 88°55'44" W 2140.64 FEET ALONG SAID LINE, TO THE POINT OF BEGINNING.

TOGETHER WITH:

EAST PORTION LEGAL DESCRIPTION:

BEGINNING AT A POINT S 88°50'54" E 1320.06 FEET ALONG THE NORTH LINE OF SECTION 12, TOWNSHIP 43 SOUTH, RANGE 15 WEST, SALT LAKE BASE AND MERIDIAN, FROM THE NORTHWEST CORNER OF SAID SECTION 12, AND RUNNING THENCE S 88°50'54" E 933.54 FEET CONTINUING ALONG SAID SECTION LINE, TO A POINT ON THE WESTERLY RIGHT OF WAY OF SOUTH PARKWAY PROJECT NO. S-LC53(45); THENCE ALONG SAID RIGHT OF WAY THE FOLLOWING SEVEN (7) COURSES, (1) S 1°00'44" W 460.27 FEET, TO A POINT ON A 4100.00 FOOT RADIUS CURVE TO THE LEFT, (2) THENCE ALONG THE ARC OF SAID CURVE 410.02 FEET THROUGH A CENTRAL ANGLE OF 5°43'47", (3) THENCE S 4°43'04" E 751.86 FEET, (4) THENCE S 3°15'07" W 504.88 FEET, (5) THENCE S 1°26'50" E 350.57 FEET, (6) THENCE S 6°35'32" W 203.96 FEET, (7) THENCE S 68°40'02" W 41.74 FEET, TO A POINT ON THE NORTH RIGHT OF WAY OF WASHINGTON FIELDS ROAD (SOUTH MOUNTAIN PORTION), DOCUMENT NO. 20110004479, RECORDED AND ON FILE IN THE OFFICE OF THE RECORDER, WASHINGTON COUNTY, STATE OF UTAH; THENCE ALONG SAID RIGHT OF WAY THE FOLLOWING FOUR (4) COURSES, (1) N 89°08'24" W 847.09 FEET, TO THE POINT OF A 25.00 FOOT RADIUS CURVE TO THE RIGHT, (2) THENCE ALONG THE ARC OF SAID CURVE 39.27 FEET THROUGH A CENTRAL ANGLE OF 90°00'00", (3) THENCE N 0°51'36" E 1140.41 FEET, TO THE POINT OF A 3303.00 FOOT RADIUS CURVE TO THE LEFT, (4) THENCE ALONG THE ARC OF SAID CURVE 320.30 FEET THROUGH A CENTRAL ANGLE OF 5°33'22", TO A POINT ON THE BOUNDARY OF THE COTTAGES AT THE VILLAGE AT STUCKI FARMS PHASE 1 AMENDED, POINT ALSO BEING ON A 22.50 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG SAID BOUNDARY THE FOLLOWING THIRTY TWO (32) COURSES, (1) ALONG THE ARC OF SAID CURVE 34.91 FEET THROUGH A CENTRAL ANGLE OF 88°53'17", (2) THENCE N 84°11'31" E 98.87 FEET, (3) THENCE S 89°43'06" E 84.51 FEET, TO THE POINT OF A 20.00 FOOT RADIUS CURVE TO THE RIGHT, (4) THENCE ALONG THE ARC OF SAID CURVE 31.42 FEET THROUGH A CENTRAL ANGLE OF 90°00'00", (5) THENCE S 0°16'54" W 298.17 FEET, TO THE POINT OF A 575.00 FOOT RADIUS CURVE TO THE LEFT, (6) THENCE ALONG THE ARC OF SAID CURVE 135.87 FEET THROUGH A CENTRAL ANGLE OF 13°32'18", (7) THENCE S 13°15'24" E 39.50 FEET, (8) THENCE N 76°44'36" E 50.00 FEET, TO THE POINT OF A 20.00 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT, WITH A RADIUS WHICH BEARS N 76°44'36" E, (9) THENCE ALONG THE ARC OF SAID CURVE 31.99 FEET THROUGH A CENTRAL ANGLE OF 91°39'13", TO THE POINT OF A 324.00 FOOT RADIUS COMPOUND CURVE TO THE RIGHT, (10) THENCE ALONG THE ARC OF SAID CURVE 74.94 FEET THROUGH A CENTRAL ANGLE OF 13°15'07", (11) THENCE S 88°21'04" E 84.65 FEET, TO THE POINT OF A 176.00 FOOT RADIUS CURVE TO

THE LEFT, (12) THENCE ALONG THE ARC OF SAID CURVE 46.35 FEET THROUGH A CENTRAL ANGLE OF 15°05'22", (13) THENCE N 76°33'34" E 46.90 FEET, TO THE POINT OF A 224.00 FOOT RADIUS CURVE TO THE RIGHT, (14) THENCE ALONG THE ARC OF SAID CURVE 14.53 FEET THROUGH A CENTRAL ANGLE OF 3°42'55", (15) THENCE N 9°43'31" W 52.00 FEET, TO A POINT ON A 276.00 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT, WITH A RADIUS WHICH BEARS S 9°43'31" E, (16) THENCE ALONG THE ARC OF SAID CURVE 12.27 FEET THROUGH A CENTRAL ANGLE OF 2°32'50", (17) THENCE N 1°38'56" E 153.11 FEET, (18) THENCE S 88°21'04" E 10.00 FEET, (19) THENCE N 1°38'56" E 52.00 FEET; (20) THENCE S 88°21'04" E 67.59 FEET, (21) THENCE N 1°38'56" E 331.66 FEET, (22) THENCE N 89°43'06" W 263.27 FEET, (23) THENCE N 0°16'54" E 86.64 FEET, (24) THENCE N 9°43'53" W 158.78 FEET, (25) THENCE N 24°42'03" W 54.54 FEET, (26) THENCE S 65°12'00" W 111.51 FEET, TO THE POINT OF A 15.00 FOOT RADIUS CURVE TO THE LEFT, (27) THENCE ALONG THE ARC OF SAID CURVE 23.56 FEET THROUGH A CENTRAL ANGLE OF 90°00'00", (28) THENCE S 24°48'00" E 22.29 FEET, (29) THENCE S 65°12'00" W 50.00 FEET, (30) THENCE N 24°48'00" W 67.69 FEET, (31) THENCE S 65°12'00" W 196.68 FEET, (32) THENCE S 50°23'42" W 34.31 FEET, TO A POINT ON THE SAID EASTERLY RIGHT OF WAY OF SAID WASHINGTON FIELDS ROAD, POINT ALSO BEING ON A 3303.00 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT, WITH A RADIUS WHICH BEARS S 79°34'42" W; THENCE ALONG THE ARC OF SAID CURVE 816.85 FEET THROUGH A CENTRAL ANGLE OF 14°10'10", TO A POINT ON THE SOUTH BOUNDARY OF THE MEADOWS AT STUCKI FARMS PHASE 5, RECORDED AND ON FILE IN THE OFFICE OF THE SAID RECORDER; THENCE N 65°24'31" E 258.96 FEET ALONG SAID BOUNDARY, TO THE POINT OF BEGINNING.

LESS AND EXCEPTING:

WASHINGTON FIELDS ROAD DEDICATION:

BEGINNING AT A POINT N88°55'58"W, 1114.14 FEET ALONG THE SECTION LINE FROM THE SOUTH ¼ CORNER OF SECTION 12, T43S, R15W, SLB&M, RUNNING THENCE N88°55'58"W, 110.85 FEET ALONG THE SECTION LINE TO THE POINT OF CURVATURE OF A 1442.00 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT, RADIAL LINE BEARS N71°17'03"W; THENCE NORTHEASTERLY 434.06 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 17°14'48"; THENCE N1°28'09"E, 467.66 FEET TO THE POINT OF CURVATURE OF A 2447.25 FOOT RADIUS CURVE TO THE LEFT; THENCE NORTHWESTERLY 651.99 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 15°15'52" TO THE POINT OF CURVATURE OF A 2553.25 FOOT RADIUS REVERSE CURVE; THENCE NORTHWESTERLY 653.00 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 14°39'13"; THENCE N0°51'29"E, 285.95 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF WASHINGTON FIELDS ROAD (SOUTH MOUNTAIN PORTION) (WARNER VALLEY ROAD) ROADWAY DEDICATION FILED AS

DOCUMENT NO. 20110004479 IN THE OFFICE OF THE WASHINGTON COUNTY RECORDER; THENCE S89°08'20"E, 106.00 FEET ALONG SAID RIGHT OF WAY LINE; THENCE SO°51'29"W, 285.95 FEET TO THE POINT OF CURVATURE OF A 2447.25 FOOT RADIUS CURVE TO THE LEFT; THENCE SOUTHEASTERLY 625.89 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 14°39'13" TO THE POINT OF CURVATURE OF A 2553.25 FOOT RADIUS REVERSE CURVE; THENCE SOUTHEASTERLY 680.23 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 15°15'52"; THENCE S1°28'09"W, 467.66 FEET TO THE POINT OF CURVATURE OF A 1548.00 FOOT RADIUS CURVE TO THE RIGHT; THENCE SOUTHWESTERLY 432.35 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 16°00'10" TO THE POINT OF BEGINNING.

CONTAINING 6.065 ACRES.

CONTAINS A TOTAL OF 408.975 ACRES MORE OR LESS

**EXHIBIT B
TO
MASTER DECLARATION**

Master Association Bylaws

[See attached.]

4875-5165-0469, v. 5

**BYLAWS
OF
STUCKI FARMS MASTER ASSOCIATION, INC.**

**ARTICLE I
NAME, PRINCIPAL OFFICE AND DEFINITIONS**

1.1 **Name.** The name of the corporation is Stucki Farms Master Association, Inc. (the “Master Association”).

1.2 **Principal Office.** The principal office of the Master Association shall be located at 11275 N. Normandy Way Highland, UT 84003. The Master Association may have such other offices, either within or outside the State of Utah, as the Board may determine or as the affairs of the Master Association may require.

1.3 **Definitions.** The words used in these Bylaws shall be given their normal, commonly understood definitions, except that capitalized terms shall have the same meaning as set forth in the Master Declaration to which these Bylaws are attached unless the context indicates otherwise.

**ARTICLE II
MEMBERSHIP: MEETINGS, QUORUM, VOTING, PROXIES**

2.1 **Membership.** The Master Association shall have two classes of membership, Class “A” and Class “B,” as more fully set forth in the Master Declaration. Class “A” Members shall be known as “Members.” The provisions of the Master Declaration pertaining to membership are incorporated by this reference.

2.2 **Place of Meetings.** Meetings of the Master Association shall be held at the principal office of the Master Association or at such other suitable place convenient to the Members as the Board may designate.

2.3 **Annual Meetings.** The Master Association's first meeting, whether a regular or special meeting, shall be held within one year after the date of the Master Association's incorporation. Subsequent regular annual meetings shall be set by the Board so as to occur during the third quarter of the Master Association's fiscal year on a date and at a time set by the Board.

2.4 **Special Meetings.** The president of the Master Association (the “President”) may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board or upon a petition signed by Class “A” Members representing at least 10% of the total Class “A” votes of the Master Association.

2.5 **Notice of Meetings.** Written or printed notice stating the place, day, and hour of any meeting of the Master Association shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than 10 nor more than 30 days before the date of such meeting, by or at the direction of the President or the secretary of the Master Association (the “Secretary”) or the officers or persons calling the meeting. In the case of a special meeting or when otherwise required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice. If mailed, the notice shall be deemed to be delivered when deposited with a mail carrier in accordance with Section 6.5 hereof and addressed to the Member at the Member's address as it appears on the Master Association's records, with postage

prepaid.

2.6 Waiver of Notice. Waiver of notice of a meeting of the Master Association shall be deemed the equivalent of proper notice. Any Member may waive, in writing, notice of any meeting of the Master Association, either before or after such meeting. Any Member who attends a meeting waives notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.7 Voting. The voting rights of the Members shall be as set forth in the Master Declaration and in these Bylaws, and such voting rights provisions are specifically incorporated by this reference.

2.8 Proxies. Members may not vote by proxy, but only in person.

2.9 Quorum. For purposes of any Master Association meeting, a quorum shall consist of the Members actually in attendance at such Master Association meeting.

2.10 Conduct of Meetings. The President shall preside over all meetings of the Master Association, and the Secretary shall keep the minutes of the meetings and record in a minute book all resolutions adopted and all other transactions occurring at such meetings.

2.11 Actions Without a Meeting. Any action required or permitted by law to be taken at a meeting of the Master Association may be taken without a meeting, prior notice, or a vote if written consent specifically authorizing the proposed action is signed by Members holding at least the minimum number of votes necessary to authorize such action at a meeting if all Members entitled to vote thereon were present. Such consents shall be signed within 60 days after receipt of the earliest dated consent, dated, and delivered to the Master Association. Such consents, as filed with the minutes of the Master Association, shall have the same force and effect as a vote of the Members at a meeting. Within 10 days after receiving written consent authorization for any action, the Secretary shall give written notice to all Members entitled to vote who did not give their written consent, fairly summarizing the material features of the authorized action.

ARTICLE III BOARD OF DIRECTORS: SELECTION, MEETINGS, POWERS

A. Composition and Selection

3.1 Governing Body: Composition. The Board shall govern the Master Association's affairs. Each director of the Board ("Director") shall have one vote. Except with respect to the Class "B" Member's appointees, Directors shall be Owners owning the majority interest in a Lot or, if the majority Owner of a Lot is not a natural person, the natural person owning a controlling interest in such majority Owner.

3.2 Number of Directors. The Board shall initially consist of three (3) Directors. Provided the Board shall at all times consist of an odd number of Directors, the number of Directors comprising the Board may be altered, by the vote of Members holding a majority of the votes entitled to be cast for the election of Directors, to include between three (3) and seven (7) Directors. The initial Board shall consist of three (3) Directors as identified in the Articles.

3.3 Directors During Declarant Control Period. Directors appointed by the Class "B" Member pursuant to Section 3.5 hereof shall be appointed by the Class "B" Member acting in its sole discretion and shall serve at the pleasure of the Class "B" Member.

3.4 **Nomination and Election Procedures.**

(a) **Nominations and Declarations of Candidacy.** Prior to each election of Directors, the Board shall prescribe the opening date and the closing date of a reasonable filing period in which each and every eligible person who has a bona-fide interest in serving as a Director may file as a candidate for any position that Class "A" votes shall fill. The Board shall also establish such other rules and regulations as it deems appropriate to conduct the nomination of Directors in a fair, efficient and cost-effective manner. Except with respect to Directors selected by the Class "B" Member, nominations for election to the Board may also be made by a nominating committee (the "Nominating Committee"). The Nominating Committee, if any, shall consist of a chairperson, who shall be a member of the Board, and three or more representatives of Members. The Board shall appoint members of a nominating committee (the "Nominating Committee") not less than 30 days prior to each annual meeting to serve a term of one year and until their successors are appointed, and such appointment shall be announced in the notice of each election. The Nominating Committee may make as many nominations for election to the Board as it shall in its discretion determine. The Nominating Committee shall nominate Directors to be elected at large by all Class "A" votes. In making its nominations, the Nominating Committee shall use reasonable efforts to nominate candidates representing the diversity which exists within the pool of potential candidates. Nominations for Directors may also be made by petition filed with the Secretary at least seven (7) days prior to the annual meeting of the Master Association, which petition shall be signed by ten (10) or more Members and signed by the nominee named therein indicating such nominee's willingness to serve as a Director, if elected. Each candidate shall be given a reasonable, uniform opportunity to communicate his or her qualifications to the Members and to solicit votes. In the event that the Class "B" Member designates Voting Groups as set forth in the Master Declaration, a nominee for a Director position elected by the Commercial Voting Group (defined below) must be an Owner of a Lot designated for commercial or business uses and a nominee for a Director position elected by the Residential Voting Group (defined below) must be an Owner of a Lot designated for residential uses.

(b) **Election Procedures.** Each Member may cast all of its votes for each position to be filled from the candidates nominated by the Nominating Committee. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected. Directors may be elected to serve any number of consecutive terms.

3.5 **Election and Term of Office.** Except as these Bylaws may otherwise specifically provide, election of Directors shall take place at the Master Association's annual meeting. Notwithstanding any other provision of these Bylaws:

(a) During the Declarant Control Period, the Class "B" Member shall appoint the three (3) Directors comprising the initial Board. If any such Director resigns or is removed from such position prior to the happening of the event described in subsection (b), the Class "B" Member shall appoint a successor Director.

(b) Within 120 days after termination of the Declarant Control Period, the then-sitting Board will be dissolved, the number of Directors elected to the Board shall be increased to five (5) and the President shall call for an election by which the Members shall be entitled to elect each of the five (5) Directors. Directors elected by the Members shall not be subject to removal by the Class "B" Member and shall serve until the first annual meeting following their election to the Board.

(c) Notwithstanding the foregoing Subsection 3.5(b), in the event that the Class "B" Member designates Voting Groups as set forth in the Master Declaration, the election of Directors to the Board shall be governed by this Subsection 3.5(c). Within 120 days after termination of the Declarant Control Period, the then-sitting Board will be dissolved, the number of Directors elected to the Board shall be increased to five (5) and the President shall call for an election by which the Voting Group or Voting Groups designated for non-residential phases comprised of commercial or other business uses ("Commercial Voting Group") shall be entitled to elect two (2) of the five (5) Directors and the Voting Group or Voting Groups designated for residential phases comprised of residential uses ("Residential Voting Group") shall be entitled to elect two (2) of the five (5) Directors. If the number of Class "A" votes held by Owners of Lots in the Commercial Voting Group is greater than the number of Class "A" votes held by Owners of Lots in the Residential Voting Group, the Commercial Voting Group shall be entitled to elect the fifth (5th) Director. If the number of Class "A" votes held by Owners of Lots in the Residential Voting Group is greater than the number of Class "A" votes held by Owners of Lots in the Commercial Voting Group, the Residential Voting Group shall be entitled to elect the fifth (5th) Director.

3.6 Removal of Directors and Vacancies. By the vote of Members holding a majority of the votes entitled to be cast for the election of Directors, the Members may remove, with or without cause, any Director elected by Members. Any Director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a Director, a successor shall be elected by the Members to fill the vacancy for the remainder of the term of such Director. Any Member-elected Director who has three consecutive unexcused absences from Board meetings, or who is more than 30 days delinquent (or is the representative of a Member who is so delinquent) in the payment of any Assessment or other charge due the Master Association, may be removed by a majority of the Directors present at a regular or special meeting at which a quorum is present, and the Board may appoint a successor to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a Director, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members may elect a successor for the remainder of the term. Any Director whom the Board appoints shall be selected from among the Members. This Section shall not apply to Directors the Class "B" Member appoints. The Class "B" Member shall be entitled to appoint a successor to fill any vacancy on the Board resulting from the death, disability or resignation of a Director appointed by or elected as a representative of the Class "B" Member. In the event that the Class "B" Member designates Voting Groups as set forth in the Master Declaration, Directors elected by the Commercial Voting Group may be removed only by the vote of Members holding a majority of the votes entitled to be cast in the Commercial Voting Group for the election of Directors, and Directors elected by the Residential Voting Group may be removed only by the vote of Members holding a majority of the votes entitled to be cast in the Residential Voting Group for the election of Directors.

B. Meetings

3.7 Organizational Meetings. The first meeting of the Board following each annual meeting of the membership shall be held within 10 days thereafter at such time and place as the Board shall fix.

3.8 Regular Meetings. Regular meetings of the Board may be held at such time and place as a majority of the Directors shall determine, but at least four such meetings shall be held during each fiscal year with at least one per quarter.

3.9 Special Meetings. The Board shall hold special meetings when the President or the vice president of the Master Association (the "Vice President") or any two Directors signs and communicates written notice of such.

3.10 Notice; Waiver of Notice.

(a) Notices of Board meetings shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be considered. The notice shall be given to each Director by: (i) personal delivery; (ii) first class mail or air mail, postage prepaid; (iii) telephone communication, either directly to the Director or to a person at the Director's office or home who would reasonably be expected to communicate such notice promptly to the Director; or (iv) facsimile, computer, fiber optics, or other electronic communication device, with confirmation of transmission. All such notices shall be given at the Director's telephone number, fax number, electronic mail number, or sent to the Director's address as shown on the records of the Master Association. Notices sent by first class mail or air mail shall be deposited with the mail carrier at least five business days before the time set for the meeting. Notices given by personal delivery, telephone, or other device shall be delivered or transmitted at least 72 hours before the time set for the meeting.

(b) Transactions of any Board meeting, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (i) a quorum is present, and (ii) either before or after the meeting each Director not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.11 Telephonic Participation in Meetings. Members of the Board or any committee designated by the Board may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this subsection shall constitute presence in person at such meeting.

3.12 Quorum of Board. At all Board meetings, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board, unless otherwise specifically provided in these Bylaws or the Master Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any Board meeting cannot be held because a quorum is not present, a majority of the Directors present at such meeting may adjourn the meeting to a time not less than five nor more than 30 days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.13 Conduct of Meetings. The President shall preside over all Board meetings, and the Secretary shall keep a minute book of Board Meetings, recording all Board resolutions and all transactions and proceedings occurring at such meetings.

3.14 Open Meetings; Executive Session.

(a) Except in an emergency, notice of Board meetings shall be posted at least 48 hours in advance of the meeting at a conspicuous place within the Resort which the Board establishes for the posting of notices relating to the Master Association. Notice of any meeting at which Assessments are to be established shall state that fact and the nature of the Assessment. Subject to

the provisions of Section 3.15 hereof, all Board meetings shall be open to all Members and, if required by law, all Owners; but attendees other than Directors may not participate in any discussion or deliberation unless a Director requests that they be granted permission to speak. In such case, the President may limit the time any such individual may speak.

(b) Notwithstanding the above, the President may adjourn any Board meeting and reconvene in executive session, and may exclude persons other than Directors, to discuss matters of a sensitive nature, such as pending or threatened litigation, personnel matters, etc.

3.15 Action Without a Formal Meeting. Any action to be taken at a meeting of the Directors or any action that may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Directors. Such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties

3.16 Powers. The Board shall have all of the powers and duties necessary for the administration of the Master Association's affairs and for performing all responsibilities and exercising all rights of the Master Association as set forth in the Governing Documents, and as provided by law. The Board may do or cause to be done on behalf of the Master Association all acts and things except those which the Governing Documents or Utah law require to be done and exercised exclusively by the Members or the membership generally.

3.17 Duties. Duties of the Board shall include, without limitation:

(a) preparing and adopting, in accordance with the Master Declaration, an annual budget, which budget shall include a line item for future Assessments for the Reserve Fund, which shall be approved in accordance with the Master Declaration, and establishing each Owner's share of the Common Expenses;

(b) levying and collecting fines or Assessments from the Owners;

(c) providing for the operation, care, upkeep, and maintenance of the Area of Common Responsibility consistent with the Community-Wide Standard;

(d) designating, hiring, and dismissing personnel necessary to carry out the Master Association's rights and responsibilities and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(e) depositing all funds received on behalf of the Master Association in a bank depository which it shall approve, and using such funds to operate the Master Association; provided, any reserve funds may be deposited, in the Board's judgment, in depositories other than banks;

(f) making and amending use restrictions and rules in accordance with the Master Declaration;

(g) opening bank accounts on behalf of the Master Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions, and improvements to or alterations of the Master Common Area in accordance with the Master Declaration and these Bylaws;

(i) enforcing by legal means the provisions of the Governing Documents and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Master Association; provided, the Master Association's obligation in this regard shall be conditioned in the manner provided in the Master Declaration;

(j) obtaining and carrying property and liability insurance, as provided in the Master Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;

(k) paying the cost of all services rendered to the Master Association;

(l) keeping books with detailed accounts of the Master Association's receipts and expenditures;

(m) making available to any prospective purchaser of a Lot, any Owner, and the holders, insurers, and guarantors of any Mortgage on any Lot, current copies of the Governing Documents and all other books, records, and financial statements of the Master Association as provided in Section 6.4 hereof;

(n) permitting utility suppliers to use portions of the Master Common Areas reasonably necessary to the ongoing development or operation of the Resort;

(o) indemnifying a Director, officer or committee member, or former Director, officer or committee member of the Master Association to the extent such indemnity is required by Utah law, the Articles, or the Master Declaration; and

(p) assisting in the resolution of disputes between Owners and others without litigation, as set forth in the Master Declaration.

3.18 Compensation. Directors shall not receive any compensation from the Master Association for acting as such unless approved by Members representing a majority of the total Class "A" votes in the Master Association at a regular or special meeting of the Master Association. Any Director may be reimbursed for expenses incurred on behalf of the Master Association upon approval of a majority of the other Directors. Nothing herein shall prohibit the Master Association from compensating a Director, or any entity with which a Director is affiliated, for services or supplies furnished to the Master Association in a capacity other than as a Director pursuant to a contract or agreement with the Master Association, provided that such Director's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board, excluding the interested Director.

3.19 Right of Class "B" Member to Disapprove Actions. So long as the Class "B" membership exists, the Class "B" Member shall have a right to disapprove any action, policy, or program of the Master Association, the Board and any committee which, in the sole judgment of the Class "B" Member, would tend to impair the rights of the Class "B" Member or Builders under the Master Declaration or these Bylaws, or interfere with development or construction of any portion of the Resort, or diminish the level of services the Master Association provides.

(a) **Notice.** The Class "B" Member shall be given written notice of all meetings and proposed actions approved at meetings (or by written consent in lieu of a meeting) of the Master

Association, the Board, or any committee. Such notice shall be given by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the Master Association, which notice complies, as to Board meetings, with Sections 3.9 and 3.10 hereof and which notice shall, except in the case of the regular meetings held pursuant to these Bylaws, set forth with reasonable particularity the agenda to be followed at such meeting; and

(b) **Opportunity to be Heard.** The Class "B" Member shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein.

No action, policy or program subject to the right of disapproval set forth herein shall become effective or be implemented until and unless the requirements of subsections (a) and (b) above have been met. The Class "B" Member, its representatives or agents, shall make its concerns, thoughts, and suggestions known to the Board and/or the members of the subject committee. The Class "B" Member, acting through any officer or Director, agent or authorized representative, may exercise its right to disapprove at any time within 10 days following the meeting at which such action was proposed or, in the case of any action taken by written consent in lieu of a meeting, at any time within 10 days following receipt of written notice of the proposed action. This right to disapprove may be used to block proposed actions but shall not include a right to require any action or counteraction on behalf of any committee, the Board or the Master Association. The Class "B" Member shall not use its right to disapprove to reduce the level of services which the Master Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

3.20 Management. The Board may employ for the Master Association a professional management agent or agents at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The Board may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policy-making authority or those duties set forth in Sections 3.17(a) (with respect to adoption of the budget), 3.17(b), 3.17(f), 3.17(g) and 3.17(i). The Class "B" Member or its affiliate may be employed as managing agent or manager. The Board may delegate to one of its members the authority to act on the Board's behalf on all matters relating to the duties of the managing agent or manager, if any, which might arise between Board meetings.

3.21 Accounts and Reports. The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise:

- (a) accrual accounting, as defined by generally accepted accounting principles, shall be employed;
- (b) accounting and controls should conform to generally accepted accounting principles;
- (c) cash accounts of the Master Association shall not be commingled with any other accounts;
- (d) no remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Master Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; any thing of value received shall benefit the Master Association;
- (e) any financial or other interest which the managing agent may have in any firm

providing goods or services to the Master Association shall be disclosed promptly to the Board;

(f) commencing at the end of the quarter in which the first Lot is sold and closed, financial reports shall be prepared for the Master Association at least quarterly containing:

(i) an income statement reflecting all income and expense activity for the preceding period on an accrual basis;

(ii) a statement reflecting all cash receipts and disbursements for the preceding period;

(iii) a variance report reflecting the status of all accounts in an “actual” versus “approved” budget format;

(iv) a balance sheet as of the last day of the preceding period; and

(v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent (any assessment or installment thereof shall be considered to be delinquent on the 15th day following the due date unless otherwise specified by Board resolution); and

(g) an annual report consisting of at least the following shall be made available to all Members within 120 days after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. Such annual report shall be prepared on an audited, reviewed, or compiled basis, as the Board determines, by an independent public accountant; provided, upon written request of any holder, guarantor or insurer of any first Mortgage on a Lot, the Master Association shall provide an audited financial statement. During the Declarant Control Period, the annual report shall include certified financial statements.

3.22 Borrowing. The Master Association shall have the power to borrow money for any legal purpose; provided, the Board shall fulfill the requirements provided in the Master Declaration for Special Assessments if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous 12-month period, exceeds or would exceed 50% of the Master Association's budgeted gross expenses for that fiscal year.

3.23 Rights to Contract. The Master Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, or Member and other owners or residents associations, within and outside the Resort. Any common management agreement shall require the consent of a majority of the Board.

3.24 Enforcement. The Master Association shall have the power, as provided in the Master Declaration, to impose sanctions for any violation of the Governing Documents. To the extent specifically required by the Master Declaration, the Board shall comply with the following procedures prior to imposition of sanctions:

(a) **Notice.** The Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed,

including any fine in an amount set forth in the Resort Rules, (iii) a period of not less than 10 days within which the alleged violator may present a written request for a hearing to the Board or the Covenants Committee (as hereinafter defined), if one has been appointed pursuant to Article V hereof; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within 10 days of the notice. If a timely request for a hearing is not made, the sanction stated in the notice shall be imposed; provided the Board or Covenants Committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the 10-day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

(b) **Hearing.** If a hearing is requested within the allotted 10-day period, the hearing shall be held before the Covenants Committee, or if none has been appointed, then before the Board in executive session. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, Director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(c) **Appeal.** Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the Board. To exercise this right, a written notice of appeal must be received by the Master Association's manager, President, or Secretary within 10 days after the hearing date.

(d) **Additional Enforcement Rights.** Notwithstanding anything to the contrary in this Article, the Board may elect to enforce any provision of the Governing Documents by self-help (specifically including, but not limited to, towing vehicles that violate parking rules) or, following compliance with the dispute resolution procedures set forth in the Master Declaration, if applicable, by suit at law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation, if such abatement is sought, shall pay all costs, including reasonable attorneys' fees actually incurred. Any entry onto a Lot for purposes of exercising this power of self-help shall not be deemed a trespass.

3.25 **Board Standards.** In the performance of their duties, Master Association Directors and officers shall be insulated from personal liability as provided by Utah law for directors and officers of non-profit corporations, and as otherwise provided in the Governing Documents. Directors are required to exercise the ordinary and reasonable care of directors of a corporation, subject to the business judgment rule. As defined herein, a Director shall be acting in accordance with the business judgment rule so long as the director: (a) acts within the express or implied terms of the Governing Documents and his or her actions are not *ultra vires*; (b) affirmatively undertakes to make decisions which are necessary for the continued and successful operation of the Master Association and, when decisions are made, they are made on an informed basis; (c) acts on a disinterested basis, promptly discloses any real or potential conflict of interests (pecuniary or other), and avoids participation in such decisions and actions; and (d) acts in a non-fraudulent manner and without reckless indifference to the affairs of the Master Association. A Director acting in accordance with the business judgment rule shall be protected from personal liability. Board determinations of the meaning, scope, and application of Governing Documents provisions shall be upheld and enforced so long as such determinations are reasonable. The Board shall exercise its power in a fair and nondiscriminatory manner and shall adhere to the procedures established in the Governing Documents.

ARTICLE IV OFFICERS

4.1 **Officers.** Officers of the Master Association shall be a President, Vice President, Secretary, and treasurer. The President and Secretary shall be elected from among Board members; other officers may, but need not be Board members. The Board may appoint such other officers, including one or more assistant secretaries and one or more assistant treasurers, as it shall deem desirable. Such officers to have such authority and perform such duties as the Board prescribes. Any two or more officers may be held by the same person, except the offices of President and Secretary.

4.2 **Election and Term Office.** The Board shall elect the Master Association's officers at the first Board meeting following each annual meeting of the Members, to serve until their successors are elected.

4.3 **Removal and Vacancies.** The Board may remove any officer whenever in its judgment the best interests of the Master Association will be served, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term.

4.4 **Power and Duties.** The Master Association's officers shall each have such powers and duties as generally pertain to their respective officers, as well as such powers and duties as may specifically be conferred or imposed by the Board. The President shall be the chief executive officer of the Master Association. The treasurer shall have primary responsibility for preparation of the budget as provided for in the Master Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

4.5 **Resignation.** Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any time later specified therein, and unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective.

4.6 **Agreements, Contracts, Deeds, Leases, Checks, Etc.** All agreements, contracts, deeds, leases, checks, and other instruments of the Master Association shall be executed by at least two officers or by such other person or persons as may be designated by Board resolution.

4.7 **Compensation.** Compensation of officers shall be subject to the same limitations as compensation of Directors under Section 3.18 hereof.

ARTICLE V COMMITTEES

5.1 **General.** The Board may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

5.2 **Covenants Committee.** In addition to any other committees which the Board may establish pursuant to Section 5.1 hereof, the Board may appoint a covenants committee (the "Covenants Committee") consisting of at least three and no more than seven Members. Acting in accordance with the provisions of the Master Declaration, these Bylaws, and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Master Association and shall conduct all hearings held pursuant to Section 3.24 hereof.

**ARTICLE VI
MISCELLANEOUS**

6.1 **Fiscal Year.** The Master Association's fiscal year shall be the calendar year unless the Board establishes a different fiscal year by resolution.

6.2 **Parliamentary Rules.** Except as may be modified by Board resolution, *Robert's Rules of Order* (current edition) shall govern the conduct of Master Association proceedings when not in conflict with Utah law or the Governing Documents.

6.3 **Conflicts.** If there are conflicts among the provisions of Utah law, the Articles, the Master Declaration, and these Bylaws, the provisions of Utah law, the Master Declaration, the Articles, and the Bylaws (in that order) shall prevail.

6.4 **Books and Records.**

(a) **Inspection by Members and Mortgagees.** The Board shall make available for inspection and copying by any holder, insurer or guarantor of a first Mortgage on a Lot, any Member, or the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in a Lot; the Governing Documents, the membership register, books of account, and the minutes of meetings of the Members, the Board, and committees. The Board shall provide for such inspection to take place at the Master Association's office or at such other place within the Project as the Board shall designate

(b) **Rules for Inspection.** The Board shall establish rules with respect to:

- (i) notice to be given to the custodian of the records;
- (ii) hours and days of the week when such an inspection may be made; and
- (iii) payment of the cost of reproducing documents requested.

(c) **Inspection by Directors.** Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Master Association and the physical properties owned or controlled by the Master Association. The right of inspection by a director includes the right to make a copy of relevant documents at the Master Association's expense.

6.5 **Notices.** Except as otherwise provided in the Master Declaration or these Bylaws, all notices, demands, bills, statements, or other communications under the Master Declaration or these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally, sent by U.S. mail. First class postage prepaid:

(a) if to a Member or Members, at the address which the Member or Members have designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such Member or Members;

(b) if to the Master Association, the Board, or the managing agent, at the principal office of the Master Association or the managing agent or at such other address as shall be designated by notice in writing to the Members pursuant to this Section; or

(c) if to any committee, at the principal address of the Master Association or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

6.6 Amendment.

(a) **By Class "B" Member.** Prior to termination of the Declarant Control Period, the Class "B" Member may unilaterally amend these Bylaws. Thereafter, the Class "B" Member may unilaterally amend these Bylaws at any time and from time to time if such amendment is necessary (i) to bring any provision into compliance with any applicable governmental statute, rule or regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Lots; or (iii) to enable any institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans, to make, purchase, insure or guarantee mortgage loans on the Lots; provided, however, any such amendment shall not materially and adversely affect the title to any Lot unless the Owner shall consent thereto in writing. Additionally, so long as the Class "B" membership exists, the Class "B" Member may unilaterally amend these Bylaws for any other purpose, provided the amendment has no materially adverse effect upon the rights of more than 2% of the Members.

(b) **By Members Generally.** Except as provided above, these Bylaws may be amended only by the affirmative vote or written consent, or any combination thereof, of Members representing 51 % of the total Class "A" votes in the Master Association, and the consent of the Class "B" Member, if such exists. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(c) **Validity and Effective Date of Amendments.** Amendments to these Bylaws shall become effective upon Recordation unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six months of its Recordation, or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws.

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