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Gary Christensen Washington County Recorder
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By JENKINS & BAGLEY

Recorded at the request of:
Bella Vista at Stone Mountain Owners Association

Record against the Property
Described in Exhibit A

After recording mail to:
JENKINS BAGLEY SPERRY, PLLC
Attn: Bruce C. Jenkins
285 W. Tabernacle, Ste. 301
St. George, UT 84770

AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS, AND RESTRICTIONS FOR BELLA VISTA AT STONE MOUNTAIN

A RESIDENTIAL SUBDIVISION LOCATED IN WASHINGTON CITY
WASHINGTON COUNTY, UTAH

Prepared by:

JENKINSBAGLEY SPERRY PLLC ATTORNEYS

Attn: Bruce C. Jenkins
285 W. Tabernacle, Ste. 301
St. George, UT 84770

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AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS, AND RESTRICTIONS FOR BELLA VISTA AT STONE MOUNTAIN

This Amended and Restated Declaration of Protective Covenants for Bella Vista at Stone Mountain was unilaterally approved during the Period of Administrative Control by the Declarant without any vote or approval of Owners, pursuant to Article 6, Section 6.2, of the Original Declaration (defined below), and amends and restates in its entirety and substitutes for the following:

- Protective Covenants for Bella Vista at Stone Mountain, recorded with the Washington County Recorder on March 8, 2007, as Document No. 20070012074 ("Original Declaration");
- Amendment No. 1 to Protective Covenants for Bella Vista at Stone Mountain, recorded with the Washington County Recorder on March 7, 2011, as Document No. 20110007108;
- Declaration of Annexation, recorded with the Washington County Recorder on April 13, 2012, as Document No. 20120011982;
- Amendment No. 2 to Protective Covenants for Bella Vista at Stone Mountain, recorded with the Washington County Recorder on April 29, 2013, as Document No. 20130016077;
- Amendment No. 3 to Protective Covenants for Bella Vista at Stone Mountain, recorded with the Washington County Recorder on September 24, 2013, as Document No. 20130036181;
- Declaration of Annexation, recorded with the Washington County Recorder on March 24, 2014, as Document No. 20140008514;
- Amendment No. 4 to Protective Covenants for Bella Vista at Stone Mountain, recorded with the Washington County Recorder on December 17, 2014, as Document No. 20140038216; and
- any other amendments, supplements, or annexing documents to the covenants, conditions, and restrictions for Bella Vista at Stone Mountain whether or not recorded with the Washington County Recorder.

This Declaration affects the following property:

SEE EXHIBIT A THAT IS ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE

The Community Association Act, Utah Code §§ 57-8a-101 et. seq. (the "Act"), as amended from time to time, shall supplement this Declaration. If an amendment to this Declaration adopts

a specific section of the Act, such amendment shall grant a right, power, and privilege permitted by such section of the Act, together with all correlative obligations, liabilities, and restrictions of that section. The remedies in the Act and this Declaration—provided by law or in equity—are cumulative and not mutually exclusive.

Declarant included the Property in the plats recorded with the Washington County Recorder of Bella Vista at Stone Mountain and divided the Property into Lots as shown on said Plats. The easements indicated on said Plats are hereby perpetually reserved for public utilities and for any other uses as designated thereon or set forth herein, and no structures other than for such utility or other indicated purposes are to be erected within the lines of said easements.

Declarant intends to develop and construct Bella Vista at Stone Mountain as a gated community with private roads. Declarant shall be responsible for the initial construction of the gated entrance and private roads. After the entrance and private roads have been built to the standards as required by Washington City, any maintenance of any type whatsoever on the private roads and entryway shall be the responsibility of the Association and its Owners. .

Except to the extent already terminated, the obligation of the Declarant to construct the gated entrance and private roads shall exist only with respect to the portion of the Property made subject to this Declaration and shall also terminate (or shall have terminated) to the extent that such improvements are reflected upon any plat upon the recording of such plat. The obligations of the Association to maintain such improvements shall commence (or shall have commenced), with respect to such improvements upon such recording.

Declarant will cause each contractor improving each Lot while the Declarant is the Owner of such Lot to agree to make such improvements in accordance with applicable law; provided, however, any failure by such contractor to make such improvements in accordance with applicable law shall not result in any liability for Declarant and the sole remedies of each Owner of such Lot shall be exclusively against such contractor and/or such contractor's subcontractors, as applicable.

Declarant further declared that all of the Property described herein is held and shall be held, conveyed, hypothecated, or encumbered, leased, rented, used, occupied, and improved subject to the following limitations, restrictions, covenants, and conditions, all of which are declared and agreed to be in furtherance of a plan for the subdivision, improvement, and sale of the Property, and are established and agreed upon for the purposes of enhancing and protecting the value, desirability, and attractiveness of the Property and every Lot, part, or portion thereof. The acceptance of any deed to or conveyance of any Lot, part or portion of the Property by the grantees therein named or by their legal representatives, heirs, executors, administrators, successors, or assigns, shall constitute their covenant and agreement with the Declarant, the Association, and with each other to accept, hold, improve, use, and convey the Property described and conveyed in or by such deed or conveyance subject to said covenants, conditions, and restrictions. These covenants, conditions, and restrictions shall run with the land.

Notwithstanding any other provision of this Declaration, during the Period of Administrative Control (as defined below), (a) Declarant shall be exempt from this Declaration (including, without limitation all provisions, restrictions, and requirements of this Declaration), as

this Declaration may be amended, modified, supplemented, restated, or replaced from time to time; and (b) Declarant (and each assign and/or successor to Declarant, including, without limitation, Declarant) hereby exempts Declarant from the Rules of the Association and each rulemaking procedure under applicable law. In addition to Declarant's right to amend this Declaration from time to time as set forth in Section 6.2 of this Declaration, Declarant may restate this Declaration from time to time.

The definitions in this Declaration are supplemented by the definitions in the Act. In the event of any conflict, the more specific and restrictive definition shall apply. The following definitions shall control in this Declaration:

a. "**Act**" means the Community Association Act, Utah Code § 57-8a-101 et. seq., as amended from time to time.

b. "**Articles**" means and refers to the Articles of Incorporation of Bella Vista at Stone Mountain Owners Association.

c. "**Association**" means Bella Vista at Stone Mountain Owners Association, a Utah nonprofit corporation, its successors and assigns.

d. "**Bylaws**" means and refers to the Amended and Restated Bylaws of Bella Vista at Stone Mountain Owners Association.

e. "**Common Area**" means all real property (including the improvements thereto and facilities thereon) owned or hereafter acquired by the Association for the common use and enjoyment of the Members and includes that portion of Property owned by the Association, shown on the Plats as Common Area. Common Area is dedicated to the common use and enjoyment of the Owners and is not dedicated for the use of the general public, except as specifically determined by the Board. Specifically exempted from Common Area are Lots that are identified on the Plats. Common Area shall also include all land in which the Association has an easement right.

f. "**Declaration**" or "**CC&Rs**" means this instrument and any amendments, restatements, supplements, or annexations thereto, which are recorded in the office of the Washington County Recorder.

g. "**Directors,**" "**Board of Directors,**" or "**Board**" means the governing body of the Association.

h. "**Governing Documents**" means the Articles, Declaration, Plat, Bylaws, Rules, design criteria, and any other written instrument by which the Association may exercise powers or manage, maintain, or otherwise affect the Property, and any amendments to these documents.

i. "**Limited Common Area**" if any, means all real property (including the improvements thereto and facilities thereon) owned or hereafter acquired by the Association for the common use and enjoyment of the Members and includes that portion of Property owned by the Association, shown on the Plat as Limited Common Area. Limited Common Area is dedicated

to the common use and enjoyment of the Owners and is not dedicated for the use of the general public, except as specifically determined by the Board. Specifically exempted from Limited Common Area are private ownership areas that are identified on the Plats. Limited Common Area shall also include all land in which the Association has an easement right. At the time of recording of this Declaration no Limited Common Area is planned in the Property.

j. **"Lot"** means a separately numbered and individually described plot of land shown on the Plats designated as a lot for private ownership, but specifically excludes any Common Area, roads, streets, and/or parking areas within the Property.

k. **"Lot Owner"** means and is synonymous with the term "Owner."

l. **"Member"** means every person or entity with membership in the Association.

m. **"Mortgage"** includes "deed of trust," and mortgagee includes trust deed beneficiary."

n. **"Owner"** means the entity, natural person, or group of entities or natural persons having ownership of any Lot that is within the Property. Regardless of the number of parties participating in ownership of each Lot, the group of those parties shall be treated, collectively, as one (1) Owner. The term "Owner" includes contract purchasers but does not include persons who hold an interest merely as security for the performance of an obligation unless and until title is acquired by foreclosure or similar proceedings. "Ownership" means having record title. An Owner's status as a Member (and membership in the Association) is appurtenant to and may not be separated from ownership of a Lot.

o. **"Period of Administrative Control"** means the time period beginning on March 8, 2007, and ending on the first to occur of the following dates (i) the date on which (A) no entity constituting Declarant holds record title to any of the Lots and (B) a single family dwelling has been constructed on each Lot; and (ii) the date on which each entity constituting Declarant records a written statement in the official records of the Recorder expressly stating that such period has terminated. Notwithstanding any other provision that may have existed in this Declaration from time to time, until the first to occur of the dates described in clauses (i) and (ii) of this definition, the following shall be deemed, for all purposes, to be true with respect to the period described in the first sentence of this definition: completion of such period shall not have occurred, such period shall not have ended, and the period commencing on May 8, 2007, and ending on the first to occur of such dates shall be the Period of Administrative Control.

p. **"Plat"** means the subdivision plats recorded with the Washington County Recorder entitled "Bella Vista at Stone Mountain Phase 1 – Amended," "Bella Vista at Stone Mountain Phase 2," "Bella Vista at Stone Mountain Phase 3," as the same may be amended or expanded.

q. **"Properties," "Property,"** or **"Project"** means that certain real property described on Exhibit A attached hereto and incorporated herein by this reference.

r. **"Residence"** means a detached single-family dwelling.

s. **"Rules and Regulations"** or **"Rules"** means and refers to any rules or regulations created by the Board, pursuant to its authority, to govern the Association.

t. **"BVP1"** means BV Phase 1, LLC, a Utah limited liability company (aka BV Phase 1, LLC.), and the successors and/or assigns designated by such limited liability company.

t. **"Declarant"** and **"Developer"** (used synonymously in the Association Governing Documents) means, (i) prior to October 21, 2010, Bella Vista Properties LLC, a Utah limited liability company; (ii) from and after October 21, 2010, BVP1; (iii) from and after April 13, 2012, BVP1 and DTB; (iv) from and after March 24, 2014, BVP1, DTB, and VPE; (iv) from and after the date that additional property is annexed into the Property in accordance with Section 6.3 of this Declaration, each person declared to be one of the parties that constitutes "Declarant" in the declaration of annexation effecting such annexation and (v) each assign and/or successor to one or more of the foregoing entities.

u. **"DTB"** means DTB Development, Inc., a Utah corporation.

v. **"Recorder"** means the County Recorder of Washington County, Utah (which recorder is also known as the Washington County Recorder). A document that is "recorded with the Recorder" includes documents recorded in the official records of the Recorder.

w. **"VPE"** means VPE Development Inc., a Utah corporation.

ARTICLE 1 - USE RESTRICTIONS

1.1. LAND USE AND BUILDING TYPE. All Lots shall be used only for single family residential purposes. No professional, business, or commercial use shall be made of the same, or any portion thereof. The provisions of this Section shall not preclude an occupant who is engaged in individual professional work within the Residence, where there is no external evidence such as, shipping of items, client traffic, or non-occupant employees, so long as: (a) such occupant conducts its activities in conformance with all ordinances, (b) such business activity is merely incidental to the use thereof as a dwelling, and (c) such occupant does not solicit or invite the public to the Lot or Residence as part of such business activity.

1.2. SOILS. The Declarant or its assign has performed a geotechnical/soil test study on the area of the Project in accordance with the Washington City subdivision ordinance. The Declarant has improved Lots in accordance with the engineer's recommendations. A Lot purchaser may, at the purchaser's own expense, obtain any additional soils test studies and recommendation on foundation from a Utah registered soils engineer prior to construction. The Architectural Control Committee may require that a Lot Owner obtain a soils test and recommendation on foundation prior to any final approval. Furthermore, the Architectural Control Committee may condition final approval following the recommendations set forth in the soils test document.

1.3. CARE AND MAINTENANCE OF LOT.

(a) During the Period of Administrative Control, and continuing thereafter until changed by a two-thirds (2/3) vote of the Members, the Association shall be responsible for maintenance of the landscaped areas in the front- and side-yard areas of each Lot, and, to the extent that the providers of such maintenance services have, to such providers' knowledge, unrestricted access to the rear-yard area of each Lot during such providers' normal working hours, the Association shall also be responsible for maintaining the landscaped areas in the rear yard area of each Lot. The front- and side-yard area of a Lot means that portion of the Lot that is located in front of a perpendicular line that intersects each side of the foundation of the Residence at a point that is twenty (20) feet back from the front foundation line of the Residence). In the event of any question where the front- and side-yard area of a Lot are located, the Architectural Control Committee shall determine where such line is located and such determination shall be final for all purposes. This provision shall control over any conflicting provision in this Declaration.

(b) To the extent that the Association is not responsible to maintain the rear-yard area of a Lot pursuant this Declaration, all rear-yard landscaping shall be maintained by the Owner of such Lot at a reasonable standard compatible with front- and side-yard maintenance by the Association, and with other Residences in the Project.

(c) An Owner shall be responsible for the maintenance of all other areas of the Owner's Lot, including all walls, fences, and other barriers that surround the Residence and/or Lot. The Owner of each Lot shall keep the same free from rubbish, litter, and noxious weeds. All structures, landscaping, and improvements shall be maintained in good condition and repair at all times.

(d) Each Lot shall be subject to an easement for access to make repairs upon adjoining Lots and structures; provided however, that:

(i) Any damage caused by such entry shall be repaired at the expense of the Owner whose property was the subject of the repair work which caused the same;

(ii) Any such entry shall be made only at reasonable times and with as little inconvenience as possible to the Owner of the entered Lot; and

(iii) In no event shall said easement be deemed to permit entry into the interior portion of any Residence on a Lot.

(e) In the event any Owner fails to perform any maintenance that is the responsibility of the Owner in a manner that detracts from the appearance of the Property, affects adversely the value or use of any other Lot or fails to comply with the requirements of this Declaration, the Association shall have the right to have maintenance performed on the Lot and the cost of said maintenance shall be added to and become part of the assessment to which such Lot is subject.

(f) The Board, or its authorized representative, after giving not less than twenty-four (24) hours advance notice posted to the Lot, may access a Lot from time to time during reasonable hours, as necessary for maintenance, repair, or replacement of any of the Common Areas. If repair to a Lot or Common Area—that if not made in a timely manner—will likely result in immediate

and substantial damage to a Common Area or another Lot or Residence, then the Board may enter the Lot to make the emergency repair upon such notice as is reasonable under the circumstances.

1.4. CARE AND MAINTENANCE OF THE COMMON AREA. The Association shall be responsible for care and maintenance of any Common Areas and improvements thereon, including but not limited to the entryway and streets, as shown on the Plat. Any damage caused to Common Areas and improvements by any Lot Owner and/or their agents, guests, or invitees must be repaired by the Lot Owner as soon as possible after such damage is discovered, and in the event of failure of the Owner to make such repairs, the Association may make such repairs and the expense of such repair shall be added to and become part of the assessment to which such Lot is subject.

1.5. EASEMENTS. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the Plats. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation, maintenance, or replacement of utilities, or which may change the direction or flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible. The title holder of each Lot shall from time to time as may be reasonably required grant rights over, across, on, under, and upon these easements for such additional uses and services as may be provided from time to time by a public authority or private utility company.

1.6. NO HAZARDOUS ACTIVITIES. No activities shall be conducted on the Property and no improvements shall be constructed on the Property which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon the Property, no fireworks or other pyrotechnics may be used within the Property, and no open fires shall be lighted or permitted on the Property except in a contained, safe operation designed, barbecue unit, fire pit, or fireplace.

1.7. MOTORIZED VEHICLES. All motorcycles, three or four-wheel recreational type vehicles, and automobiles, are to be operated only by individuals with driver's licenses, in accordance with traffic laws, and only on established streets and parking areas and are specifically prohibited from all other portions of the Property and are to be used on said streets only for ingress, egress, and access purposes and not for recreational purposes anywhere within the Property.

1.8. WEED CONTROL. Each Lot Owner shall, to the extent reasonably feasible, control the growth and proliferation of noxious weeds and flammable materials on the Owner's Lot so as to minimize weeds, fire, and other hazards to surrounding Lots, Residences, the Common Area, and surrounding properties, and shall otherwise comply with any applicable ordinances, laws, Rules, or Regulations pertaining to the removal and/or control of noxious weeds. Noxious weeds shall mean and refer to those plants that are injurious to crops, livestock, land, or the public health.

1.9. NUISANCES. No offensive noise or activity shall be carried on upon any Lot, part, or portion of the Property, nor shall anything be done thereon which may be or may become an annoyance or be detrimental to the neighborhood. No clothes drying facilities shall be placed outside a Residence, nor shall clothes drying or storage of any articles which are visible from the street be permitted within the Property.

No use of a Lot shall endanger the health or disturb the reasonable enjoyment of any other Owner or resident.

1.10. SAFE CONDITION. Without limiting any other provision of this Declaration, each Owner shall maintain and keep such Owners Lot at all times in a safe, sound, and sanitary condition and repair and shall correct any condition or refrain from any activity which might interfere with the safety or reasonable enjoyment of other Owners of their respective Lots.

1.11. OIL AND MINING OPERATIONS. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in any Lot, part, or portion of the Property, nor shall any oil well, gas well, fixed storage tank, tunnel, mineral excavation, or shaft be permitted upon or in any such Lot or portion of the Property. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted upon any Lot or portion of the Property.

1.12. ANIMALS, LIVESTOCK, AND POULTRY. No animals shall be bred for commercial purposes. No livestock or poultry of any kind shall be kept anywhere within the Properties. Pets are a privilege in the Properties, not a right. No more than two (2) in number of dogs, cats, or other household pets may be kept in Residences or upon any Lot. All dogs must be currently licensed by the City of Washington. Pet owners are solely responsible for the conduct and actions of their pets, including, but not limited to, any injury, damage, or disturbance caused by their pet. All pets, while not in a Residence or in the fenced yard area of a Lot shall be on a physical leash, caged, or in a secured vehicle. Cats shall not be allowed to roam the Properties. Owners are responsible to clean up their pet's waste anywhere within the Properties.

1.13. GARBAGE AND REFUSE DISPOSAL. No Lot, part, or portion of the Property, shall be used or maintained as a dumping ground for rubbish, rubble, trash, garbage, or other waste. Such trash, rubbish, rubble, garbage, or other waste as produced within the Property, shall be kept only in sanitary containers within an enclosed structure or appropriately screened from view except during trash pickup. No rubbish, trash, papers, junk, or debris shall be burned upon the Property.

Each Lot shall use the standard, approved Washington City trash container for garbage collection, and shall use the same in accordance with City policies. Other such containers, as permitted by Washington City, may be used. All trash collection containers are not to be visible from the street except for collection. Containers may be put out on the street no earlier than the evening prior to pick up and returned no later than the end of pick up day.

1.14. WATER SUPPLY. Each Residence on a Lot shall be connected to and use the municipal culinary water supply. No individual culinary water supply system shall be used or permitted to be used on any Lot, part, or portion of the Property.

1.15. SEWAGE DISPOSAL. Each Residence on a Lot shall be connected to and use the municipal sewage disposal system. No individual sewage disposal system shall be permitted on any Lot, part, or portion of the Property.

1.16. RULES AND REGULATIONS. The Board may adopt, amend, cancel, limit, create exceptions to, expand, or enforce rules and design criteria of the Association that are not inconsistent with this Declaration or the Act. The rules may supplement, clarify, and add detail to items otherwise addressed in this Declaration so long as the rules do not contradict the same. Except in the case of imminent risk of harm to a Common Area, a Limited Common Area, an Owner, a Lot, or a Residence, the Board shall give at least fifteen (15) days advance notice of the date and time the Board will meet to consider adopting, amending, canceling, limiting, creating exceptions to, expanding, or changing rules and design criteria. The Board may provide in the notice a copy of the particulars of the rule or design criteria under consideration. A rule or design criteria adopted by the Board is only disapproved if Member action to disapprove the rule or design criteria is taken in accordance with § 57-8a-217 of the Act. Rules should conform to the limitations in §§ 57-8a-217 and 218 of the Act.

1.17. BUSINESS AND SALES. Notwithstanding any provisions to the contrary herein contained, it shall be expressly permissible for Declarant, or its written designee, to maintain such facilities and conduct such activities as in the sole opinion of Declarant may be reasonably required, convenient, or incidental to the construction of Residences and sale of Lots during the Period of Administrative Control, and upon such portion of the Property as Declarant deems necessary, including but not limited to, a business office, storage areas, construction yard, signs, model units, and sales offices. As part of the overall program of development of the Property into a residential community and to encourage the marketing thereof, the Declarant shall have the right of use of the Property and any Common Area and or facilities thereon without charge during the Period of Administrative Control to aid in its marketing activities.

1.18. OWNERS' EASEMENTS OF ENJOYMENT. Every Owner has a right and easement of use and enjoyment in and to any Common Area. This easement is appurtenant to and passes with the title to every Lot, subject to:

(a) The right of the Association to limit the number of guests of Members using the Common Area.

(b) The right of the Association to suspend the voting rights or any other rights of a Member, after notice and opportunity for a hearing, for any period during which any assessment or portion thereof against the Member's Lot remains unpaid; and for a period of not to exceed sixty (60) days for any infraction of its published Rules and Regulations.

(c) The right of the Association to grant easements for public utilities or other public purposes consistent with the intended use of the Common Area by the Association. The right of the Association to take such steps as is reasonably necessary or desirable to protect the Common Area against foreclosure.

(d) The terms and conditions of this Declaration.

(e) The right of the Association, through its Board, to adopt Rules and Regulations concerning use of the Common Area. The right of the Declarant to take such actions as it may deem necessary so long as the expansion of the Properties shall not be complete, including granting leases, easements, modifying the improvements and design of the Common Area.

(f) The Board, by rule, may restrict a sex offender, as defined in Utah Code § 77-27-21.7 from accessing a protected area that is maintained, operated, or owned by the Association, subject to the exceptions described in Utah Code § 77-27-21.7(3).

1.19. LEASE OCCUPANCY OR OTHER TEMPORARY OCCUPANCY. No Owner shall lease a Residence for transient or hotel purposes. Timeshare is prohibited. No Residence shall be made subject to any timeshare program, interval ownership, or similar program whereby the right to exclusive use of Residence rotates among multiple owners or members of a program on a fixed or floating time schedule over a period of years.

An Owner may rent or lease the Owner's Residence to another individual(s) provided such rental/lease shall comply with the provisions of this Section.

(a) Minimum Lease Term. Any temporary or other occupancy, other than by the titled Owner, the Owner's family, friends, and invited guests, must be for a period of at least six (6) months. No Owner may designate as a tenant, family, friends, or invited guests in order to avoid the intent of this Section.

(b) Written Agreement and Lease Notification Form Required. Each such occupancy shall be established between the parties by a written lease/rental/occupancy agreement, a copy of which shall be submitted by the Owner to the Board, or manager, together with a signed copy of the Lease Notification Form (available from the Board or manager). Notwithstanding anything herein, any occupancy that is for a period of longer than two (2) consecutive weeks must comply with the provisions of this Section.

(c) Subject to Governing Documents. Any lease agreement between an Owner and a lessee/renter shall provide that the terms of the lease shall be subject in all respects to the provisions of the Governing Documents. The lease agreement must further provide that any failure by lessee/renter to comply with the terms of such documents and Rules and Regulations shall be a default under the lease.

(d) Lease Notification Form. The Lease Notification Form may require the following information: (i) that the Owner has conducted credit and reference checks and concluded, thereby, that the lessee/renter will be a responsible, qualified renter; and (ii) that the lessee has read this Declaration, the Association Rules and Regulations, and such other documents as published by the Association from time to time, and, by signature of the lessee/renter, agrees to abide by same. The Lease Notification Form shall also bear the signature of the Owner, indicating thereby that the Owner has performed all of the above. Failure of the Owner to provide a copy of a properly referenced lease/rental agreement and Lease Notification Form to the Association shall result in

the Association imposing on the Owner a fine of Two-Hundred Fifty Dollars ($250.00), which shall be a lien upon such Owner's Lot and shall be added to the annual assessment as provided in Article 4 (and permits the Association to pursue any remedy of law available to it in the enforcement of this provision). (A modified version of the Lease Notification Form may be used in cases of family, friends, and guests occupying the Residence for a period longer than two (2) consecutive weeks.)

Notwithstanding any other rights of enforcement under this Declaration, the Bylaws, all Rules and Regulations enacted by the Board, or by applicable law, the Association may impose a fine on the Owner, according to the Schedule of Fines as stated in the Rules and Regulations, which shall be deemed a lien upon such Owner's Lot and shall be added to a single lot assessment for that Owner's Lot as provided in Article 4, for each violation by Owner's lessee/renter of this Declaration, the Bylaws, or any Rules and Regulations enacted by the Board. Such fine shall be imposed after a ten (10) day notice is given to the Owner of such violation, which notice shall be deemed given as set forth in the Bylaws.

As allowed by § 57-8a-209 of the Act, the Association, by resolution of the Board, may require an Owner who leases the Owner's Lot to pay an annual fee to defray the Association's additional administrative expenses directly related to a Lot that is leased (as of the date of recording, the annual fee is limited by the Act to Two Hundred Dollars ($200.00)).

(e) Lease of Entire Residence. No lease shall be for less than the entire Residence, except for approved internal accessory dwelling units as required by Section 1.19(f) and § 57-8a-209 of the Act.

(f) Internal Accessory Dwelling Unit. For an internal accessory dwelling unit ("IADU") approved by the local governmental authority pursuant to Utah Code §§ 10-9a-530, the Owner shall provide to the Association and as a condition to maintain an IADU within the existing footprint of the Owner's dwelling unit, the following information:

(i) Copies of IADU permits from the local governmental authority;
(ii) Proof of additional parking required by the local governmental authority;
(iii) Copies of business licenses for operating an IADU;
(iv) Copies of liens, if any, held on an IADU by the local governmental authority;
(v) Verification of the minimum lot size required for an IADU, if any, by ordinance of the local governmental authority;
(vi) Verification that the lease will be for at least six (6) months in accordance with Section 1.19(a).

1.20. NO DISTURB AREA AND NO BUILD AREA. Some Lots contain areas designated as "No Disturb Area" on a Plat or a Map. An Owner may not make any use for any purpose of any portion of such Owner's Lot designated as a No Disturb Area on any Plat or any Map. Some Lots contain areas designated as "No Build Area" on a Plat or a Map. An Owner may landscape the portion of such Owner's Lot designated as a No Build Area on a Plat or Map but may not put any buildings of any kind within such No Build Area.

1.21. HOUSEKEEPING UNIT.

(a) Subject only to Section 1.21(b) of this Declaration, notwithstanding any other provision of this Declaration, no provision of this Declaration shall be interpreted to interfere with the freedom of the Owner of a Lot to determine the composition of the household of the Owner of the Lot.

(b) All occupants of a Residence must be members of a single housekeeping unit. A "housekeeping unit" means a group of individuals that are a Family or that are living together in a Residence with cooking, living, sanitary, and sleeping facilities in common. The Board may limit the total number of occupants permitted in each Residence on the basis of the Residence's: (i) size and facilities and (ii) fair use of the Common Area.

1.22. COMMUNITY-WIDE STANDARD. Owners recognize that the Community-Wide Standard is for the benefit of the Property and that it contains both objective and subjective standards, appearances, and other factors which may evolve over time. Owners further agree to abide by the Community-Wide Standard prevailing at the Property at any given time.

1.23. LAWFUL ACTIVITY.

(a) Subject only to Section 1.23(b) of this Declaration, notwithstanding any other provision of this Declaration, no provision of this Declaration shall be interpreted to interfere with an activity of the Owner of a Lot within the confines of a dwelling on such Lot, to the extent that the activity is in compliance with local laws and ordinances.

(b) Activities in Residences and Backyards.

(i) Notwithstanding anything to the contrary in this Declaration and except as provided for in Subsections (ii) and (iii) below, the Association may not interfere with a reasonable activity of an Owner within the confines of a Residence or Lot, including backyard landscaping or amenities, to the extent that the activity is in compliance with local laws and ordinances, including nuisance laws and ordinances.

(ii) However, any activity within the confines of a Residence or Lot, including backyard landscaping or amenities, is prohibited where the activity: (A) is not normally associated with a project restricted to residential use; or (B) (1) creates monetary costs for the Association or other Lot Owners; (2) creates a danger to the health or safety of occupants of other Lots; (3) generates excessive noise or traffic; (4) creates unsightly conditions visible from outside the Residence; or (5) creates an unreasonable source of annoyance to persons outside the Lot.

(iii) Unless prohibited by law, the Association may also adopt Rules described in Subsection (ii) above that affect the use of or behavior inside the Residence.

1.24. STORM WATER POLLUTION PREVENTION PLANS. Each Owner shall be solely responsible for the condition of any water, sewer, storm water, and drainage system facilities and improvements (such water, sewer, storm water, and drainage facilities and improvements being "Water Facilities") (a) on or under such Owner's Lot and/or (b) to the extent affected by such

Owner's ownership of such Lot such Owner, or such Owner's employees, agents, contractors, builder, guests, or invitees, connected to such Lot. Such responsibility includes, without limitation, any notices of intent ("NOI"), storm water pollution prevention plans ("SWPPP"), best management practices ("BMPs"), and permits relating to Water Facilities affecting such Lot. Each Owner shall be solely responsible for filing a change of ownership with respect to such Owner's Lot with the appropriate authorities under any NOI existing for such Lot at the time of such Owner's purchase of such Lot (without regard to whether such NOI relates to any other property) and adopt each existing SWPPP for such Lot (without regard to whether such SWPPP relates to any other property), including the implementation and maintenance of any BMPs not previously implemented (such change of ownership being the "Change of Ownership"), and, if applicable, filing of and complying with Owners own NOI, complying with the SWPPP or Owner's own SWPPP, implementing and maintaining all BMPs, conducting and documenting all required inspections, and providing adequate protection against infiltration of liquid and solid materials into the Water Facilities. Each Owner shall be further solely responsible for all fines, costs and expenses incurred by reason of: (a) processing the Change of Ownership or filing a new NOI and SWPPP with respect to such Owner's Lot or any portion thereof; (b) implementing and maintaining any and all required BMPs (whether new or existing) with respect to such Lot or any portion thereof; (c) noncompliance with any SWPPP related to such Lot or any portion thereof or required BMPs (without regard to whether any such noncompliance may have occurred prior to such Owner's ownership of such Lot); (d) discharges of sediment and other pollutants from any portion of such Lot, including, without limitation, costs incurred to clean such systems to the satisfaction of all governmental authorities and (e) noncompliance with this Section 1.23.

1.25. WATER CONSERVANCY DISTRICT. Any restrictions imposed by Washington County Water Conservancy District and any Lot and the related impact fees for such Lot are the sole and exclusive responsibility of such Lot's Owner.

1.26. COOPERATION WITH DEVELOPMENT.

(a) During the Period of Administrative Control:

(i) each Owner shall cooperate with Declarant in all respects, as requested by Declarant, in connection with the Development of the Property and all other property owned by Declarant or any of Declarant's affiliates, successors, assignees, or designees; and

(ii) no Owner shall take any action to interfere with the Development of such property.

(b) For purposes of this Declaration, the term "Development" shall mean: the development, entitlement, rezoning, subdivision, dedication, transfer, sale, financing, and/or disposition of property, construction of improvements, installation of infrastructure, dedication of Common Areas, finishing of Lots, submittal of applications, requests for approval of any of the foregoing and adoption of covenants, conditions, and/or restrictions relating to such property.

1.27. LIMITATION ON RESALES.

(a) During the Period of Administrative Control, and continuing thereafter until changed by a two-thirds (2/3) vote of the Members, each Owner

(i) shall not permit any person who is an offender registered, or known to such Owner to be required to be registered, on Utah's Sex Offender and Kidnap Offender Notification and Registration website (or other online or public registry developed or operated pursuant to Utah Code § 77-41-104 or any successor thereto, such registry being the "Registry" and such an offender being an "Offender") to remain at such Owner's Lot for more than a total of seven (7) days (the presence of an Offender at such Lot for any time during a twenty-four (24) -hour calendar day constituting one (1) day for purposes of this Section 1.26) during any twelve (12)- month period or, if shorter, for any period that would require such offender to register the dwelling at the Lot as such offender's primary residence or secondary residence (as "primary residence" and "secondary residence" are defined in § 77-41-102 or any successor thereto);

(ii) shall not enter into any contract or agreement providing for the sale, option, conveyance, transfer, lease, or other disposition of any or all of a Lot or any interest therein (each such contract or agreement being a "Property Contract") with an Offender or any person whose spouse is an Offender; provided, however, Owner shall not have any liability under this Section 1.26(a)(ii) if Owner shall cause such Property Contract to contain the following:

(A) a covenant by each party, other than Owner, to such Property Contract to comply with this Declaration and the designation of the Association and, during the Period of Administrative Control, Declarant as intended beneficiaries of such covenant;

(B) a representation and warranty from each party, other than Owner, to such Property Contract setting forth the name of each person who proposes to reside at the Lot and each address of residence for each such person during the twelve (12) -month period immediately preceding the date that the Property Contract is signed by such parties and the designation of the Association and, during the Period of Administrative Control, Declarant as intended beneficiaries of such representation and warranty; and

(C) a copy of the page from the Registry or the successor to or replacement of the Registry indicating a search of the Registry for each individual and each address identified pursuant to Section 1.26(a)(ii)(C).

1.28. DISPLAY OF THE FLAG. The Association may not prohibit the display of the United States flag inside a Residence or on the Owner's Lot if the display complies with United States Code, Title 4, Chapter 1. The Association may, by rule of the Board, restrict the display of a flag on the Common Area.

1.29. ELECTRONIC VEHICLE CHARGING. The Association may not prohibit a Lot Owner from installing or using a charging system in an approved parking space on the Lot Owner's Lot that is used for the parking or storage of a vehicle or equipment. However, the Association may: (a) require a Lot Owner to submit an application for approval of the installation of a charging

system to the Board; (b) require the Lot Owner to agree in writing to hire a general electrical contractor or residential electrical contractor to install the charging system; (c) require a charging system to comply with: (i) the Association's reasonable design criteria governing the dimensions, placement, or external appearance of the charging system; or (ii) applicable building codes; (d) impose a reasonable charge to cover costs associated with the review and permitting of a charging station; (e) impose a reasonable restriction on the installation and use of a charging station that does not significantly: (i) increase the cost of the charging station; or (ii) decrease the efficiency or performance of the charging station; or (f) require a Lot Owner to pay the costs associated with installation, metering, and use of the charging station, including the cost of: (i) electricity associated with the charging station; and (ii) damage to a Common Area, a Limited Common Area, or an area subject to the exclusive use of another Lot Owner that results from the installation, use, maintenance, repair, removal, or replacement of the charging station.

A Lot Owner who installs a charging system shall disclose to a prospective buyer of the Lot: (a) the existence of the charging station and (b) the Lot Owner's related responsibilities under this Section.

Unless the Lot Owner and the Association or the Declarant otherwise agree: (a) a charging station installed under this Section is the personal property of the Lot Owner of the Lot with which the charging station is associated; and (b) a Lot Owner who installs a charging station shall, before transferring ownership of the Owner's Lot, unless the prospective buyer of the Lot accepts ownership and all rights and responsibilities that apply to the charging station under this Section: (i) remove the charging station; and (ii) restore the premises to the condition before installation of the charging station.

As used in this Section, the terms "charging system," "general electrical contractor," and "residential electrical contractor" are as defined in § 57-8a-801 of the Act.

ARTICLE 2 - ARCHITECTURAL CONTROL

2.1. ARCHITECTURAL CONTROL COMMITTEE.

(a) During the Period of Administrative Control, the Architectural Control Committee shall be the Declarant, or any other person appointed in writing by Declarant. Following the Period of Administrative Control, the Board shall designate an Architectural Control Committee responsible for administering and enforcing the Architectural/Design Guidelines ("Guidelines") in accordance with this Declaration, and shall have the right to recommend amendments to the Guidelines from time to time as it deems reasonably appropriate. Any amendment to the Guidelines shall be by Board approval. In addition, the Board shall have the right to amend the Guidelines without the recommendation or approval of the Architectural Control Committee. Any amendment to the Guidelines shall comply with Section 1.16.

(i) The Architectural Control Committee shall have the right to grant variances or exceptions to the Guidelines with respect to individual Owners, where to enforce the Guidelines as written would impose an unreasonable and unnecessary hardship on the Owner, and provided the variance granted does not substantially or materially deter from the Properties and the ambiance and character of the Properties. Any decision of the

Architectural Control Committee with respect to a variance or exception may be appealed to the Board and the Board may override the decision of the Architectural Control Committee.

(b) An individual may be a member of both the Architectural Control Committee and the Board. The Architectural Control Committee need not be comprised of Members. If an Architectural Control Committee is not so appointed, the Board itself shall perform the duties required and shall constitute the Architectural Control Committee. Each member of the Architectural Control Committee shall serve until submitting resignation or until the Board replaces the Architectural Control Committee member with a new Architectural Control Committee member. The Architectural Control Committee shall meet from time to time as necessary in order to properly perform its duties.

(c) Unless authorized by resolution of the Board, the members of the Architectural Control Committee shall not receive any compensation for services rendered. Members shall be entitled to reimbursement for reasonable expenses incurred by them in connection with the performance of any Committee function or duty. Professional consultants retained by the Architectural Control Committee shall be paid such compensation as the Architectural Control Committee determines.

(d) Declarant shall be exempt from the provisions, restrictions, and requirements of this Article, as the same exists or as it may be amended, supplemented, or replaced in accordance with other provisions of this Declaration.

2.2. SUBMISSION AND APPROVAL. Prior to the commencement of any excavation, construction, or remodeling the exterior of any structure or of any addition to any structure, or modification of the natural topography of any Lot, or installation of fences or landscaping elements, approval of the Architectural Control Committee is required. A member of the Board or the manager should be contacted to obtain an application form for submission of plan approval by the Architectural Control Committee.

(a) Two (2) complete sets of working-size, to scale building plans and specifications shall be filed with the Architectural Control Committee, together with a site or plot plan showing grading, landscaping, and all lighting, indicating the exact part of the building site which the improvements will cover, with such a fee as the Architectural Control Committee may determine from time to time, and an application and such supporting material, such as samples of building materials, as the Architectural Control Committee deems necessary. No work shall commence unless and until the Architectural Control Committee shall endorse on one (1) set of such plans its written approval that such plans are in compliance with the covenants herein set forth and with the standards herein or hereafter established by said Architectural Control Committee pursuant hereto. The second set of such plans shall be the property of the Architectural Control Committee until completion and final approval of any proposed construction.

(b) Said Architectural Control Committee shall have the right to refuse to approve any such plans and specifications and shall have the right, in so doing, to take into consideration the suitability of the proposed building, the materials of which it is to be built, the site upon which it

is proposed to be erected, the harmony thereof with the surroundings, and the effect of said building, or other structure so planned, on the outlook from adjacent or neighboring property.

(c) The Architectural Control Committee shall promulgate and maintain a list of standards for guidance in approving or disapproving plans and specifications pursuant to this Article.

(d) In the event said Architectural Control Committee fails to approve or disapprove in writing any such plans within thirty (30) days after the submission thereof to the Architectural Control Committee, then approval shall be deemed to have been given.

(e) The Architectural Control Committee shall not be held liable for damages by reason of any action, inaction, approval, or disapproval by it with respect to any request made pursuant to this Article. Any errors or omissions in the design of any building, other improvement or landscaping and any violation of any governmental ordinance are the sole responsibility of the Lot Owner and the Lot Owner's designer, architect, or contractor. The Architectural Control Committee's review of plans shall in no way be concerned with structural or mechanical integrity or soundness.

(f) The approval of the Architectural Control Committee of any plans and specifications for any work done or proposed shall not constitute a waiver of any right of the Architectural Control Committee to disapprove any similar plans and specifications subsequently submitted.

(g) Once construction begins on any improvement, landscaping, or alteration, which construction has been approved by the Architectural Control Committee, construction shall be diligently pursued to completion. In the event work begins and remains uncompleted for a period of six (6) months, the Association may undertake to complete the exterior work of the construction, and the cost of which shall be a lien against the Lot which benefited from the construction.

(h) The Association may charge a plan fee that is equivalent to the cost of reviewing the plans. As used in this Section, "plans" mean any plans for the construction or improvement of a Lot which are required to be approved by the Association before the construction or improvement may occur.

2.3. GOVERNMENTAL PERMIT REQUIRED. No Residence, accessory, or addition to a Residence, other structure, or building shall be constructed or maintained, and no grading or removal of natural vegetation or change in natural or approved drainage patterns or installation of fencing or landscaping elements shall occur on a Lot until any required permit or required approval therefor is obtained from the appropriate governmental entity following submission to the appropriate governmental entity of such information as it may reasonably require. The granting of a permit or approval by any governmental entity with respect to any matter shall not bind or otherwise affect the power of the Architectural Control Committee to refuse to approve any such matter.

2.4. ARCHITECTURAL GUIDELINES AND DESIGN RESTRICTIONS. In order to promote a harmonious community development and protect the character of the neighborhood, the following guidelines, together with any guidelines hereafter established by the Architectural Control Committee, are applicable to the Property:

(a) Purpose and Intent. The intent of these Architectural Guidelines is to encourage a blending of styles within the Property with the natural surroundings and prevailing architecture of the created environment of the Property. These standards allow design latitude and flexibility, while ensuring that the value of the property will be enhanced through the control of site planning, architecture, and landscape elements.

The Architectural Guidelines serve as an evaluative aid to Owners, builders, project developers, design professionals, City staff, the Planning Commission, City Council, and the Architectural Control Committee in the design review of individual, private, and public developments within the Property. The City of Washington Zoning Regulations will apply for any area of design not addressed in these guidelines.

(b) Permitted Structures. The only buildings or structures permitted to be erected, placed, or permitted to be located on any Lot within the Property shall be a single-family dwelling placed within the building envelope for each Lot and not to exceed the height requirements found in this Section. All construction shall be of new materials. All structures shall be constructed in accordance with the zoning and building ordinances of the City of Washington, Utah, in effect from time to time. Courtyard walls are considered to be part of the structure.

(c) Dwelling Size. A minimum and maximum square footage size for each Residence shall be established by the Architectural Control Committee on a case-by-case basis so that no Residence is built to a size that would detract from the Property as a whole or the Residences located in its vicinity. Both maximum and minimum sizes will vary depending on Lot area, Lot location, and the unique features of each Lot and Residence. The minimum total square footage of living area on the ground floor of any single-story Residence shall be not less than one thousand eight hundred (1,800) square feet exclusive of porches, balconies, patios, and garages. Residences with a walk out basement shall be not less than one thousand five hundred (1,500) square feet on the main level. For a level to be considered a "main level" the level must be at street level and totally visible above ground from the street providing principal access to the Residence.

(d) Setbacks. The following minimum setback standards apply to each Lot. All measurements shall be made from the applicable Lot line to the foundation, porch, or other extension of such building, whichever is nearer to such Lot line.

Front - Minimum of twenty (20) feet Lot line to structure.

Side - Minimum of ten (10) feet from Lot line to structure on one (1) side with a minimum of eight (8) feet from the Lot line to the structure on the other side.

Rear - Minimum of ten (10) feet from Lot line to structure

In no event shall any portion of any building, including eves or steps, encroach upon any other Lot.

(e) Building Height. Building height shall be measured from the high side of the curb elevation of the Lot to the highest point of the roofline of a Residence. Residences shall not exceed

twenty-five (25) feet in height. "Two-story residence" is to be understood as a residence with two distinctly visible levels as viewed from the front. Two-story houses shall not be allowed. Single-story Residences with full walkout basements are allowed under the provisions of the stated building height allowances.

(f) Garages. All Residences constructed on a Lot in the Property shall include a fully enclosed, private attached garage, built to accommodate not less than two (2), nor more than four (4) vehicles. In the case of four (4) garage spaces, not more than three (3) garage doors may face the street fronting the Lot. The height of the garage door header shall be limited to the height of the roofline of the house and shall not exceed ten (10) feet, except that (12) feet may be approved by the Architectural Control Committee on a case-by-case review; one such approval by the Architectural Control Committee shall not constitute a "precedent." Carports are not a substitute for a garage and are not allowed. All garages shall be constructed of the same exterior materials and in harmony and be architecturally compatible with the Residence constructed on the Lot.

Each Owner shall use the garage portion for the storage of motor vehicles. No Owner shall use a garage for any purpose which results in residents parking outside of the garage in driveways or on streets. This includes, but is not limited to, storage of items, recreational vehicles, trailers, or any modifications that cause a violation of this Declaration. There is to be no parking in driveways or on the streets, except as may be provided in the Rules and Regulations.

(g) Driveways and Walkways. Any driveways and walkways shall be constructed of concrete, stamped concrete, or other hard materials as approved by the Architectural Control Committee. In no event shall a driveway or walkway be constructed of dirt, sand, cinders, clay, road base material, or asphalt. Any proposed stamped concrete designs and colors must first be submitted and approved by the Architectural Control Committee. Driveways must be a minimum width of not less than twenty (20) feet. It is the Owner's responsibility to keep driveways in reasonable repair.

(h) Fenced or Screened Lot Area. The side portion of a Lot, behind the front setback area, may be fenced or screened, in compliance with requirements in the Guidelines, to allow for parking or storage of motor vehicles, motorhomes, boats, trailers, campers, and similar recreational vehicles. Parking and storage are not allowed without the fence or screening in place. No Owner shall park, store, or keep anywhere within the Property any vehicle or vehicular equipment, mobile or otherwise, deemed to be a nuisance by the Board. Other parking information, restrictions, and enforcement of violations to be stated in the Rules and Regulations.

(i) Residence Elevations. Elevations should be consistent with the intended architectural style of the Residence and carried around all four (4) elevations of the structure.

(j) Exterior Building Materials. Exterior building construction materials will be limited to materials approved by the Architectural Control Committee.

(k) Facades. Facades shall be stucco, masonry, or stone, with accents of stone or such other material as approved by the Architectural Control Committee.

(l) Roofs and Roofing Materials. Roof pitch, roof height, and roofing materials shall be as approved and allowed by the Architectural Control Committee.

(m) Trim and Protrusions. Sheet metal, flashing, vents, and pipes must be colored or painted to match the material to which they are attached or from which they project. No reflective exterior surfaces or materials shall be used.

(n) Colors. Building colors shall be in earth tones as may be allowed by the Architectural Control Committee. Colors for windows and doors must be designated on the plans that are submitted to the Architectural Control Committee for approval prior to construction.

(o) Prohibited Structures. Dome Structures, log homes, pre-manufactured homes, prefabricated homes, mobile homes, re-located homes, and earth or berm homes of any type are not allowed.

(p) Temporary or Other Structures. No structure of a temporary nature, and no trailer, bus, basement, outhouse, tent, shack, garage, or other outbuilding shall be used at any time as a residence either temporarily or permanently, nor shall any such structures be erected or placed on the Property at any time. No old or secondhand structures shall be moved onto any of said Lots. It is the intention that all dwellings and other buildings to be erected within the Property be new construction, of good quality workmanship and materials.

(q) Accessory Buildings. No storage or buildings are allowed unless first submitted to and approved by the Architectural Control Committee, provided such approval for backyard amenities is in accordance with Section 1.22. Accessory buildings shall comply with the setback requirements as defined in Section 2.4(d). Any approved accessory building must meet Washington City requirements for zoning, size, etc., and must have the appropriate governmental approval or permit before construction commences.

(r) Fences and Sight Obstructions. No structure, fence, wall, hedge, or shrub planting which obstructs sight lines at elevations between two (2) and six (6) feet above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points thirty (30) feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended. The same sight line limitations shall apply on any Lot within the (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at such height to prevent obstruction of such sight lines. No fence, wall, hedge row barrier, or other structure shall be placed along any front property line. No fence, wall, hedge, tree, plant, shrub, or foliage shall be planted, kept, or maintained in such manner as, in the opinion of the Architectural Control Committee, shall create a potential hazard or an aesthetically unpleasant appearance to the neighborhood.

(s) Walls, Fences, and Barriers. All walls, fences, and barriers proposed for construction within the Property shall be approved by the Architectural Control Committee and shall be constructed of such materials and in such colors as approved by the Architectural Control

Committee, provided such approval for backyard landscaping and amenities is in accordance with Section 1.22.

All walls, fences, and barriers shall be kept and maintained in a visually pleasing manner and in good repair. Fences on a lot line shall be constructed so that they can be used by Lot Owners on each side of such fence. The Owners of adjacent Lots are responsible for coordinating with a contractor for location and cost of fences approved by the Architectural Control Committee.

(t) Retaining Walls. Retaining walls are restricted to a maximum height of five (5) feet, unless otherwise approved by the Architectural Control Committee. In the event approval is given for a retaining wall higher than the restrictions herein, the retaining wall must be tiered and landscaping must be installed to hide the retaining wall.

(u) Lighting. Light used to illuminate patios, parking areas, or for any other purposes, in a directional manner (flood lights) shall be so arranged as to prevent the light beam being focused into adjacent Residences or into the vision of passing motorists. Low-level outdoor illumination may be used for particular landscape features (trees, rock formations, etc.). The address numbers for the Lot must be placed on the front of the Residence and there must be adequate lighting for address numbers to be seen.

(v) Antennas. No television, radio, satellite dishes, or other external antennas shall be erected, placed, or maintained upon any of the Property, or in front of any building constructed thereon without the prior approval of the Architectural Control Committee and said Architectural Control Committee shall have the right to designate an approved satellite dish and further shall have the right to remove or cause removal of any antennas, satellite dishes, or other external antennas erected, placed, or maintained without said prior approval. Notwithstanding the foregoing, satellite antennas, such as Direct Broadcast Satellite ("DBS") antennas (dishes) one (1) meter in diameter or less, and designed to receive direct broadcast satellite service, including direct-to-home satellite service, or receive or transmit fixed wireless signals via satellite, may be installed. Location of an FCC approved dish may not be restricted by the Association so as to unreasonably delay in installation; unreasonably increase the cost of the equipment or its installation, maintenance, or use; or preclude reception of an acceptable quality signal. No dish may encroach upon the Common Area or the property of another Owner. The dish must comply with all applicable city, county, and state laws, regulations, and codes. The Association must be provided with a copy of any applicable governmental permits. Installation must be pursuant to the manufacturer's instructions. In order to protect against personal injury and property damage, a dish may not be placed in a location where it may come into contact with a power line. In order to protect against personal injury and property damage, all dishes must be properly grounded and secured. In order to protect against personal injury, dishes may not block or obstruct any driver's view of an intersection or street. The Owner is responsible for all costs associated with the installation and maintenance of a dish. The Owner is responsible for all damage caused by or connected with the dish. The Owner must hold the Association harmless and indemnify the Association in the event someone is injured by the dish. The Owner shall keep the dish in good repair so that it does not violate any portion of this Declaration.

(w) Equipment Placement. Air conditioning and heating equipment, generators, and similar equipment shall be earth tone colored or screened from view from neighboring Lots or the

street. Soft water tanks shall be placed in an enclosed structure. Solar panels, air conditioning units, and/or heat pumps are not permitted on roofs or through windows.

The provisions of §§ 57-8a-701 to -703 of the Act allowing solar energy systems under certain conditions, do not apply during the Period of Administrative Control (the "period of administrative control" as defined in § 57-8a-102(20) of the Act). As used in this Section, the term "solar energy system" is as defined in § 57-8a-102(27) of the Act.

(x) Utility Meters. Utility meters shall be placed in as inconspicuous a location as possible. Locations of meters are to be shown on the plans, and meters must be screened from view from neighboring Lots. Exposed piping should be painted to match exterior colors of the Residence. The area immediately around the meters should be cleared to allow for access. Electric meters, switches, or circuit breaker boxes are not to be located in the same enclosure with the gas meter and regulator. Enclosures for gas meters and regulators are to be vented in compliance with the Uniform Building Code.

(y) Mailboxes. Cluster Mailboxes are the only allowed mail receptacles. The mailboxes shall conform to postal regulations and to the style and construction as set forth in the plans and specifications maintained at the Association office and shall be approved by the Architectural Control Committee. Replacement of cluster-type or shared boxes shall be of a type, style, color, and function as the original box. In the event an exact replacement is not available, the Board shall make provisions for a substitute box which the style and location of must be approved by the Architectural Control Committee. The decision of the Architectural Control Committee shall be binding.

(z) External Accoutrement. No Lot Owner shall cause or permit anything (including, without limitation, awnings, canopies, shutters, or lighting) to hang, be displayed, or otherwise affixed to or placed on the exterior walls or roof of a Residence or any part thereof or on the outside of windows or doors of a Residence, without the prior written consent of the Architectural Control Committee.

(aa) Landscaping.

(i) The landscaping on the entirety of each Lot shall be installed by the Owner of such Lot and shall be in place prior to occupancy of a Residence on a Lot.

(ii) Failure by the Lot Owner to complete landscaping as provided in Section 2.4(aa) of this Declaration may result in the following action:

(A) The Association may notify the Lot Owner that a violation has occurred. This notification, if any, shall be sent in accordance with the Bylaws. After notice and an opportunity for a hearing, the Association may levy a Five Hundred Dollar ($500.00) fine against a Lot Owner notified of violation of Section 2.4(aa). Such fine shall be deemed a Single Lot Assessment and shall be a charge against the Owner and shall be a lien on the Lot as provided in Article 4.

(B) In the event such a notice of violation is delivered, the Lot Owner shall have forty-five (45) days from the date of receipt of such notice to complete such landscaping of the Lot. After notice and an opportunity for a hearing, any failure by the Lot Owner to complete such landscaping within the allotted forty-five (45) days shall result in an additional One Hundred Dollar ($100.00) fine, to

be levied each and every month until the landscaping is complete. Said fine or fines, as levied, shall be a charge against the Owner and shall be a continuing lien on the Owner's Lot as provided in Article 4.

(C) Notwithstanding the provisions of Sections 2.4(aa)(i) and (ii), the Architectural Control Committee may extend the time frame an Owner has in which to complete the landscaping of a Lot, and any such extension shall be determined on a case-by-case basis.

(iii) All landscaping installed by any party must be approved by the Architectural Control Committee and shall comply, at a minimum, with the following:

(A) Shrub and tree planting on corner Lots shall be located so as not to create a hazard for the movement of vehicles along streets, in accordance with local ordinances.

(B) Landscaping on each Lot shall incorporate xeriscaping to facilitate water conservation in lawn areas or accents, trees, shrubs, planting beds, and all other areas on such Lot.

(C) Landscaping on each Lot shall include a clock-controlled irrigation system, access to which is located on the exterior of the Residence, to facilitate access by the Association during maintenance or emergencies and/or the absence of the Owner.

(iv) In the event that a Lot Owner or a Lot Owner's contractor or agent damages any landscaping, such Lot Owner, at the Owner's own expense, shall restore such landscaping to its condition immediately preceding such damage.

(v) The Board shall adopt rules supporting water-efficient landscaping, including allowance for low water use on lawns during drought conditions.

(bb) Planting and Gardening. All front and side yard area planting shall be done in compliance with the Guidelines and rules so as to provide for a consistent and harmonious appearance throughout the neighborhood. Produce gardens are not allowed in front or side yards and must comply with the Guidelines and Rules. Any planting and/or gardening not clearly defined in the Governing Documents must receive prior approval by the Architectural Control Committee prior to commencement of the project, provided such approval for backyard landscaping and amenities is in accordance with Section 1.22.

(cc) Slope and Drainage Control. No structure, planting, or other material shall be placed or permitted to remain or other activities undertaken which may damage or interfere with established slope ratios, create erosion or sliding problems, or which may change the direction or flow of drainage channels. The slope control areas of each Lot and all improvements in them shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible. Lot Owners are responsible to see that no nuisance or damage is created by drainage location or flow to any adjacent property.

(dd) Lateral and Subjacent Support and Drainage. Any Owner who conducts activities that affect the lateral or subjacent support, or both, of adjacent landowners shall be responsible for damages proximately caused by such activities. An Owner shall be solely responsible for all damage proximately caused by drainage from the Owner's Lot to adjacent landowners.

(ee) Signs; Commercial Activity Signs; Restrictions; Commercial Activity. Except as provided below, no advertising signs, billboards, objects of unsightly appearance, or nuisances shall be erected, placed, or permitted to remain on any Lot or any portion of the Properties. For rent signs are not allowed at any time on any portion of the Property or on a Lot or in the window of a Residence. No commercial signs of any kind whatever shall be permitted in any building or on any portion of the Properties.

The restrictions in this Subsection shall not apply to the commercial activities, signs, and billboards, if any, of the Declarant or its agents during the construction and sales period, or by the Association in furtherance of its powers and purposes set forth hereinafter and in the Articles, Bylaws, and Rules and Regulations, as the same may be amended from time to time.

(i) Religious and Holiday Signs.

(A) The Association may not abridge the rights of a Lot Owner to display a religious or holiday sign, symbol, or decoration: (1) inside a Residence on a Lot; or (2) outside a Residence on: (a) a Lot; (b) the exterior of the Residence, unless the Association has an ownership interest in, or a maintenance, repair, or replacement obligation for, the exterior; or (c) the front yard of the Residence, unless the Association has an ownership interest in, or a maintenance, repair, or replacement obligation for, the yard.

(B) The Association may, by rule, prohibit a religious or holiday sign, symbol, or decoration on the exterior of the Residence and on the front yard of the Residence where the Association has an ownership interest in, or a maintenance, repair, or replacement obligation for the exterior or front yard.

(C) Notwithstanding Subsection (i)(A) above, the Association may adopt, by rule, a reasonable time, place, and manner restriction with respect to a display that is: (1) outside a dwelling on: (a) a Lot; (b) the exterior of the dwelling; or (c) the front yard of the dwelling; and (2) visible from outside the Lot.

(ii) Political Signs.

(A) The Association may not prohibit a Lot Owner from displaying a political sign: (1) inside a Residence on a Lot; or (2) outside a Residence on: (a) a Lot; (b) the exterior of the dwelling, regardless of whether the Association has an ownership interest in the exterior; or (c) the front yard of the Residence, regardless of whether the Association has an ownership interest in the yard.

(B) The Association may not regulate the content of a political sign.

(C) Notwithstanding Subsection (ii)(B) above, the Association may, by rule, reasonably regulate the time, place, and manner of posting a political sign.

(D) The Association's design criteria may not establish design criteria for a political sign.

(iii) For-Sale Signs.

(A) The Association may not prohibit a Lot Owner from displaying a for-sale sign: (1) inside a Residence on a Lot; or (2) outside a Residence on: (a) a Lot; (b) the exterior of the Residence, regardless of whether the Association has an ownership interest in the exterior; or (c) the front yard of the Residence, regardless of whether the Association has an ownership interest in the yard.

(B) One (1) "For Sale" sign of not more than four (4) square feet is permitted per Lot and shall comply with the design standards provided in the Rules and Regulations.

(C) Notwithstanding Subsection (iii)(C), the Association may, by rule, reasonably regulate the time, place, and manner of posting a for-sale sign.

(iv) Security Signs. One (1) alarm/monitoring sign of not more than eight inches by ten inches (8"x10") is permitted per Lot and shall comply with the design standards provided in the Rules and Regulations, if any.

(ff) Pools and Spas. Swimming pools and spas are not allowed on any Lot in the Property without prior written approval from Washington City, and the prior written approval from the Architectural Control Committee.

2.5. MAINTENANCE OF VALUE. During the Period of Administrative Control, unless Declarant otherwise consents in writing (which consent may be withheld in Declarant's sole and absolute discretion), each Owner shall not convey such Owner's Lot, or any portion thereof or interest therein to one or more builders, developers, or other third parties without a completed dwelling located thereon. On or before the first anniversary of such Owner's purchase of a Lot, such Owner shall cause such Lot to be improved with a finished dwelling in conformity with plans for such dwelling approved by the Architectural Control Committee. Such dwelling shall be deemed to be finished upon the issuance of the certificate of occupancy for such dwelling by Washington City. In addition to any and all requirements applicable to such dwelling and the Lot by the Architectural Control Committee and this Declaration, such Owner covenants and agrees as follows:

(a) Such Owner shall ensure that all plans for such dwelling conform to applicable law and this Declaration, including, without limitation, applicable ordinances and building codes;

(b) Such Owner shall ensure that such dwelling shall not be built with more than one (1) story above grade level;

(c) On or before the earlier of (i) the date such dwelling is occupied or (ii) thirty (30) days after a certificate of occupancy is issued for such dwelling by Washington City, such Owner shall cause the entire Lot to be fully landscaped, including without limitation the front and back yards of such dwelling and the Lot; and

(d) The amount of damage that Declarant would suffer as a result of the breach of the provisions of this Section 2.5 is uncertain and not reasonably foreseeable. Accordingly, in the event of a breach by such Owner of this Section 2.5, Declarant shall be entitled to liquidated damages, payable by such Owner, in the amount of Ten Thousand Dollars ($10,000.00) per Lot of such Owner conveyed in violation of this Section 2.5. At this time, it is difficult to ascertain the potential damages to Declarant in the event that such Owner defaults as set forth in this Section 2.5 and the amount of liquidated damages is the best estimate of Declarant and each Owner acquiring such Owner's Lot after September 1, 2013, of what the actual damages of breach may be. Such liquidated damages are not a penalty.

2.6. BUILDERS RULES.

(a) During the Period of Administrative Control, and continuing thereafter until changed by a two-thirds (2/3) vote of the Members, the Declarant and the Architectural Control Committee shall have the right to promulgate rules and regulations governing construction and safety procedures and policies at the Property (all such rules and regulations being the "Builders Rules"), and each Owner shall comply and shall require and ensure that each of the following (together with each such Owner being, collectively, the "Builder Parties" and, individually, a "Builder Party") agrees to and complies with the Builders Rules in all respects: builders, contractors, subcontractors, vendors, and suppliers, and each of their respective employees, agents, representatives, successors, and assigns performing construction and/or providing labor, services, and/or goods on, in, or to such Owner's Lot or any portion thereof.

(b) Nothing shall require either the Architectural Control Committee or Declarant to enforce any provision of the Builders Rules or take any action with respect to the Builders Rules. The Builders Rules shall be for the exclusive benefit of each of the Architectural Control Committee and Declarant. A Builder Party's failure to comply with one (1) or more of such rules in all respects shall entitle Declarant to seek remedies for such failure as a default under this Declaration as well as all other remedies available to Declarant at law or in equity for a Builder Party's failure to comply with the Builders Rules as Owner's obligations separate and apart from this Declaration. In the event any damages are obtained for breach of the Builders Rules, such damages shall be payable to Declarant unless the property damaged was owned by the Association.

ARTICLE 3 - OWNERS ASSOCIATION: MEMBERSHIP AND VOTING RIGHTS

3.1. CREATION OF OWNERS ASSOCIATION. A homeowners association named Bella Vista at Stone Mountain Owners Association is currently in existence. Every Owner of a Lot within the Property subject to this Declaration, including Declarant, shall be a Member of the Association. Each new Owner automatically becomes a Member of the Association upon acquisition of a Lot. Upon disposition of a Lot such Owner's membership automatically terminates and the membership interest is transferred to the new Owner of said Lot. Mortgage holders or other equitable holders of rights shall not be Members of the Association.

3.2. VOTING RIGHTS. Declarant and each other Owner of a Lot within the Property is hereby designated a Member. The Association shall have two (2) classes of voting membership.

(a) CLASS A MEMBERS. Until Declarant ceases to be a Class B Member (as defined in Section 3.2(b) below), the term "Class A Member" means each Member other than the Declarant and the term "Class A Members" means all such Members, collectively. From and after the Declarant ceasing to be a Class B Member, to the extent Declarant is still a Member, Declarant shall be a Class A Member. Class A Members are entitled to one (1) vote for each Lot owned. When more than one (1) person or entity holds an interest in any Lot, the group shall collectively constitute a Member. The vote for such Lot shall be exercised as such constituents of such Member determine by agreement among themselves, but in no event shall more than one (1) vote be cast with respect to any Lot of a Class A Member. A vote cast at any Association meeting by any Owner of a Lot, whether in person, by ballot, or by proxy, is conclusively presumed to be the vote

attributable to the Lot concerned unless written objection is made prior to that meeting or verbal objection is made at that meeting by another Owner of the same Lot. In the event an objection is made, the vote involved shall not be counted for any purpose except to determine whether a quorum exists.

(b) CLASS B MEMBERS. BVP1, DTB, and VPE are hereby designated as the only Class B Members. Each Class B Member is hereby allocated three hundred fifty (350) votes for each Lot owned by such Class B Member. Unless each Class B Member records a written notice with the Recorder with respect to the Property expressly resigning as a Class B Member, each Class B Member shall continue to be a Class B Member and shall constitute a Class B Member until the last of the events to occur after January 1, 2015, that would constitute the termination of the Period of Administrative Control under definition (o).

(c) If Declarant shall exercise its option to add additional Lots by platting additional phases as provided in this Declaration, then at such time as additional subdivision plats are recorded with the Recorder, the voting shall be adjusted accordingly, so that Declarant continues or regains its status as a Class B Member and has the number of votes per Lot specified in Section 3.2(b) for all Lots owned by Declarant, even if previously converted to Class A status in prior phases and according to the terms hereof.

(d) As long as BVP1, DTB, or VPE is a Class B Member, any action proposed to be taken by the Members shall require the requisite percentage of votes provided in this Declaration where the denominator in determining such percentage shall be equal to the sum of the votes of the Class A Members and the votes of the Class B Members held by such Members at the time that such action is proposed to be taken (even if not all Members holding such votes are present at any meeting at which such action is proposed to be taken).

3.3. BOARD OF DIRECTORS. The Association shall be governed by a Board of Directors. During the Period of Administrative Control, which is defined above, Declarant shall have the sole and exclusive right, power, and authority to appoint and remove members of the Board. As long as Declarant has the right to appoint members of the Board, the Board shall consist of at least three (3) Directors. Declarant's appointees need not be Members of the Association. The appointment of a Member (whether designated through election by other Members) shall not affect Declarant's right, power, or authority to appoint or remove members of the Board (and shall not constitute a waiver of any such right). After the Period of Administrative Control ends, the Board will be selected in accordance with the Bylaws. All power and authority of the Association is exercisable by the Board.

3.4. BYLAWS. Notwithstanding any provision of law, to the extent that such law permits this Declaration to provide otherwise, the Board shall determine the form of the Bylaws from time to time and the Bylaws shall not be required to set forth any particular statement. The Bylaws may be amended as set forth therein. In the event any provision of the Bylaws is inconsistent with the provisions of this Declaration, the provisions of this Declaration shall control.

3.5. POWERS AND DUTIES OF THE ASSOCIATION. The Association by action of the Board on behalf of the Association shall have the duties and powers contained in the Bylaws. The Association shall have the responsibility for maintenance, repair, and replacement of Common Areas. The Association shall be responsible for adopting Rules and Regulations governing utilization of the Association property (subject to the limitations contained herein). To the extent deeded to the Association, the Association shall be obligated to accept ownership of all Association property including amenities designated on any recorded Plat of any portion of the Property that is made subject to the terms and provisions of this Declaration.

ARTICLE 4 - FINANCES AND OPERATIONS

4.1. CREATION OF LIEN AND PERSONAL OBLIGATION OF ASSESSMENT. Each Owner of any Lot, by acceptance of a deed or conveyance therefor, whether or not it shall be so expressed in any such deed or other conveyance, covenants and agrees to pay to the Association assessments or charges and interest, costs of collection, and a reasonable attorney fee, as hereinafter provided. All such amounts shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment or amount is charged. Such assessments and other amounts shall be the personal obligation of (a) the person who was the Owner of such Lot at the time when the assessment fell due and (b) successors-in-title who took title when assessments were delinquent.

4.2. PURPOSE OF ASSESSMENTS. The assessments levied by the Association shall provide for, but are not limited to, the payment of taxes on Association property; insurance maintained by the Association and insurance deductible amounts; payment of administrative expenses of the Association; payment of cost for water and utilities for Common Areas; payment of the cost for landscape maintenance of the front, side, and accessible rear yard areas of each Lot; the establishment of a reserve account for the cost of repairing, replacing, or restoring Common Areas; and other amounts required that the Board shall determine to be necessary to meet the primary purposes of the Association.

4.3. MAXIMUM MONTHLY ASSESSMENTS. At least annually the Board shall prepare and adopt a budget for the Association and the Board shall present the budget at a meeting of the Members. A budget presented by the Board is only disapproved if Member action to disapprove the budget is taken in accordance with § 57-8a-215 of the Act.

(a) The maximum monthly assessment may be increased by fifteen percent (15%) above the maximum assessment for the previous month, without a vote of the membership not more than two (2) times a year based on a budget prepared by the Board, provided the budget is not disapproved by Member action in accordance with § 57-8a-215 of the Act.

(b) The Association may change the basis and maximum of the assessments beyond fifteen percent (15%) prospectively for any monthly period provided that any such change shall have the assent of two-thirds (2/3) votes of Members, voting in person, by ballot, or by proxy, at a meeting duly called for this purpose.

4.4. SPECIAL ASSESSMENTS. In addition to monthly assessments, the Association may levy in any assessment year a special assessment, applicable to that year only. Special assessments may only be levied to defray, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of the Common Area. Special assessments must have the assent of two-thirds (2/3) votes of Members voting in person, by ballot, or by proxy, at a meeting duly called for this purpose.

4.5. ADDITIONAL ASSESSMENTS. In addition to the monthly assessments and special assessments authorized herein, the Association shall levy such additional assessments as may be necessary from time to time for the purpose of repairing and restoring the damage or disruption resulting to streets or other Common Area from the activities of Washington City (the "City") or other utility provider in maintaining, repairing, or replacing the utility lines and facilities thereon. It is acknowledged that the ownership of said utility lines, underground or otherwise, is in the City or other utility provider up to and including the meters for individual Residences, and that they are installed and shall be maintained to City or utility provider specifications.

4.6. NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 4.3, 4.4., and 4.5. Written notice of any meeting called for the purpose of taking any action authorized under Sections 4.3, 4.4, or 4.5 above shall be sent to all Members not less than thirty (30) days, nor more than sixty (60) days, in advance of the meeting (such notice shall be sent in accordance with the Bylaws). At the first such meeting called, the presence of Members, present in person, by ballot, or by proxy, entitled to cast two-thirds (2/3) of all the votes of the membership shall constitute a quorum. If the required quorum is not present, another meeting shall be called subject to the same notice requirement, and the required quorum of the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

4.7. EMERGENCY ASSESSMENTS. Notwithstanding anything contained in this Declaration, the Board, without Member approval, may levy Emergency Assessments for an emergency situation. An emergency situation is one in which the Board finds:

(a) an expenditure, in its discretion, required by an order of a court, or to settle litigation;

(b) an expenditure necessary to repair or maintain the Property or any part of it for which the Association is responsible where a threat to personal safety on the Property is discovered; or

(c) an expenditure necessary to repair, maintain, or cover actual Association expenses for the Properties or any part of it that could not have been reasonably foreseen by the Board in preparing and distributing the pro forma operating budget, (for example: increases in utility rates, landscape or maintenance contract services, etc.).

Provided, however, that prior to the imposition or collection of any assessment due to an emergency situation, the Board shall pass a resolution containing the written findings as to

the necessity of such expenditure and why the expenditure was not or could not have been reasonably foreseen or accurately predicted in the budgeting process and the resolution shall be distributed to the Members with the notice of the emergency assessment. If such expenditure was created by an unbudgeted utility maintenance or similar expense increase, the emergency assessment created thereby shall be discontinued by the Board by a similar resolution, if such expense is subsequently reduced, or to the extent the next succeeding annual budget incorporates said increase into the annual assessment.

4.8. SINGLE LOT ASSESSMENT. The Association may also levy a single lot assessment against any Member and Member's Lot to reimburse the Association for costs incurred in bringing a Member and Member's Lot into compliance with the provisions of this Declaration. The single Lot assessment may be levied upon the vote of the Board after notice and the opportunity to be heard.

4.9. UNIFORM RATE OF ASSESSMENT; PERIODIC ASSESSMENT. Assessments, other than single lot assessments, must be fixed at a uniform rate for all Lots; provided, however, that assessments shall not accrue against the Declarant or Lots owned by the Declarant.

4.10. EXEMPT PROPERTY. The following property subject to this Declaration is exempt from the assessments created herein:

(a) All property dedicated to and accepted by any local public authority.

(b) All Common Areas.

(c) All Lots owned by Declarant.

4.11. DATE OF COMMENCEMENT OF MONTHLY ASSESSMENTS; DUE DATES. The assessments provided for herein shall commence to accrue upon closing on the sale of a Lot.

Assessments shall be payable on a monthly basis. At least thirty (30) days prior to the effective date of any change in amount of the monthly assessment, the Association shall give each Owner written notice of the amount and first due date of the assessment concerned. This notice shall not be a pre-requisite to validity of the assessment.

The assessment shall be payable on an annual, quarterly, or monthly, basis and the due dates shall be established by the Board.

4.12. NON-PAYMENT OF ASSESSMENT AND FINES—REMEDIES. The Association has a lien for the following (1) any Assessment not paid when due, including any monthly installment payment of an Assessment, together with the fees, charges, and costs associated with collecting the unpaid Assessment and (2) any fine not paid as provided in Utah Code § 57-8a-301. The fees, charges, and costs associated with collecting an unpaid Assessment and fine include reasonable attorney fees and court costs, late charges, interest, and any other amount the Association is entitled to recover under this Declaration or the Act. If an Assessment or fines are not paid within ten (10) days of when it is due, then a late charge may be charged for twenty percent (20%) of the amount due or a greater amount as set by rule of the Board. Any

Assessments or fines not paid within thirty (30) days after the due date shall accrue interest at the rate of eighteen percent (18%) per year, simple interest..

The Association shall have the right to collect assessments through a lawsuit, judicial foreclosure, non-judicial foreclosure, or other means as provided in §§ 57-8a-301 to -311 of the Act and may restrict, limit, or totally terminate any or all services performed by the Association in behalf of the delinquent Lot Owner. Such remedies shall be cumulative and not exclusive.

There shall be added to the amount of any delinquent assessment the costs and expenses of any action, sale, or foreclosure, and a reasonable attorney fee.

A power of sale is hereby conferred upon the Association that it may exercise. Under the power of sale the Lot of an Owner may be sold in the manner provided by Utah law pertaining to deeds of trust as if said Association were beneficiary under a deed of trust.

The Association and each Lot Owner hereby conveys and warrants, pursuant to §§ 57-8a-212 and 57-8a-302 of the Act, and Utah Code § 57-1-20, to attorney Bruce C. Jenkins, of the law firm Jenkins Bagley Sperry, PLLC, or any other attorney that the Association engages to act on its behalf to substitute for Bruce C. Jenkins, with power of sale, the Lot and all improvements to the Lot for the purpose of securing payment of assessments under the terms of this Declaration.

No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or by abandonment of the Lot.

4.13. RESERVED.

4.14. SUBORDINATION OF THE LIEN TO MORTGAGES. The lien of the assessments provided for herein shall be subordinate to the lien of any first or second Mortgage held by an institutional lender. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of a first or second Mortgage or any proceeding in lieu thereof shall extinguish the assessment lien as to payments that became due prior to such sale or transfer. No sale or transfer, however, shall relieve a Lot or Owner from personal liability for assessments coming due after the Owner takes title or from the lien of such later assessments.

4.15. BOOKS, RECORDS, AND AUDIT. The Association shall maintain current copies of this Declaration, the Articles, the Bylaws, the Rules and Regulations, and other similar documents, as well as its own books, records, and financial statements as provided in the Bylaws. A Lot Owner or holder, insurer, or guarantor of a first or second Mortgage may obtain an audit of Association records at its own expense so long as the results of the audit are provided to the Association.

4.16. RESERVE ANALYSIS/RESERVE FUND. The Board shall cause a reserve analysis to be conducted no less frequently than every six (6) years and shall review and, if necessary, update a previously prepared reserve analysis every three (3) years. The Board may conduct the reserve analysis by itself or may engage a reliable person or organization to conduct the reserve analysis. The Board shall annually provide Owners a summary of the most recent reserve analysis or update and provide a complete copy of the reserve analysis or update to an Owner upon request. In formulating the budget each year, the Board shall include a reserve line item in an amount required by the Governing Documents, or, if the Governing Documents do not

provide for an amount, the Board shall include an amount it determines, based on the reserve analysis, to be prudent.

"Reserve fund money" means money to cover: (a) the cost of repairing, replacing, or restoring Common Areas and facilities that have a useful life of three (3) years or more and a remaining useful life of less than thirty (30) years, if the cost cannot reasonably be funded from the general budget or other funds of the Association; or (b) a shortfall in the general budget, if: (i) the shortfall occurs while a state of emergency, declared in accordance with Utah Code § 53-2a-206, is in effect; (ii) the geographic area for which the state of emergency is declared extends to the entire state; and (iii) at the time the money is spent, more than ten percent (10%) of the Owners that are not Board members are delinquent in the payment of assessments as a result of events giving rise to the state of emergency.

The Board may not use reserve fund money for any purpose other than the purpose for which the reserve fund was established, including daily maintenance expenses, unless a majority of Owners vote to approve the use of reserve fund money for that purpose.

The Association shall maintain a reserve fund separate from other Association funds.

4.17. REINVESTMENT FEE ASSESSMENT.

(a) In addition to all other assessments and upon the conveyance of a Lot there shall be one (1) reinvestment fee charged to the buyer or seller, as the buyer and seller may determine, comprised of one (1) or more of the following charges, as determined pursuant to resolution of the Board:

(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) Association expenses as defined in Utah Code § 57-1-46(1)(a).

(b) This reinvestment fee shall not exceed one-half percent (0.5%) of the fair market value of the Lot, plus all improvements. When the seller is a financial institution, the reinvestment fee shall be limited to the costs directly related to the transfer, not to exceed Two Hundred and Fifty Dollars ($250.00). The Association may assign the charges directly to the Association's manager.

(c) This reinvestment fee may not be enforced upon: (i) an involuntary transfer; (ii) a transfer that results from a court order; (iii) a bona fide transfer to a family member of the seller within three degrees of consanguinity who, before the transfer, provides adequate proof of consanguinity; or (iv) a transfer or change of interest due to death, whether provided in a will, trust, or decree of distribution.

4.18. TENANT PAYMENT OF ASSESSMENTS.

(a) The Board may require a tenant under a lease with a Lot Owner to pay the Association all future lease payments due to the Lot Owner if the Lot Owner fails to pay an assessment for a period of more than sixty (60) days after the assessment is due and payable, beginning with the next monthly or periodic payment due from the tenant and until the Association is paid the amount owing. Before requiring a tenant to pay lease payments to the Association, the Association's manager or Board shall give the Owner notice, which notice shall state: (i) the amount of the assessment due, including any interest, late fee, collection cost, and attorney fees; (ii) that any costs of collection, including attorney fees, and other assessments that become due may be added to the total amount due and be paid through the collection of lease payments; and (iii) that the Association intends to demand payment of future lease payments from the Lot Owner's tenant if the Lot Owner does not pay the amount owing within fifteen (15) days.

(b) If a Lot Owner fails to pay the amount owing within fifteen (15) days after the Association's manager or Board gives the Lot Owner notice, the Association's manager or Board may exercise the Association's rights by delivering a written notice to the tenant. The notice to the tenant shall state that: (i) due to the Lot Owner's failure to pay an assessment within the required time, the Board has notified the Lot Owner of the Board's intent to collect all lease payments until the amount owing is paid; (ii) the law requires the tenant to make all future lease payments, beginning with the next monthly or other periodic payment, to the Association, until the amount owing is paid; and (iii) the tenant's payment of lease payments to the Association does not constitute a default under the terms of the lease with the Lot Owner. The manager or Board shall mail a copy of this notice to the Lot Owner.

(c) A tenant to whom notice is given shall pay to the Association all future lease payments as they become due and owing to the Lot Owner: (i) beginning with the next monthly or other periodic payment after the notice is delivered to the tenant; and (ii) until the Association notifies the tenant under Subsection (d) that the amount owing is paid. A Lot Owner shall credit each payment that the tenant makes to the Association under this Section against any obligation that the tenant owes to the Owner as though the tenant made the payment to the Owner; and may not initiate a suit or other action against a tenant for failure to make a lease payment that the tenant pays to the Association as required under this Section.

(d) Within five (5) business days after the amount owing is paid, the Association's manager or Board shall notify the tenant in writing that the tenant is no longer required to pay future lease payments to the Association. The manager or Board shall mail a copy of this notification to the Lot Owner. The Association shall deposit money paid to the Association under this Section in a separate account and disburse that money to the Association until the amount owing is paid; and any cost of administration, not to exceed Twenty-Five Dollars ($25.00), is paid. The Association shall, within five (5) business days after the amount owing is paid, pay to the Lot Owner any remaining balance.

ARTICLE 5 - INSURANCE

5.1. INSURANCE ON LOTS AND RESIDENCES. THE ASSOCIATION HAS NO DUTY OR RESPONSIBILITY TO PROCURE OR MAINTAIN ANY FIRE, LIABILITY, FLOOD, EARTHQUAKE, OR SIMILAR CASUALTY COVERAGE FOR LOTS OR RESIDENCES, OR FOR THE CONTENTS OF ANY RESIDENCE. THE ASSOCIATION ALSO HAS NO DUTY TO INSURE AGAINST ANY NEGLIGENT ACTS OR EVENTS OCCURRING AT, IN, OR ON ANY LOT OR IN ANY RESIDENCE.

5.2. ASSESSMENTS. Funds for insurance, as required, to be maintained by the Association shall be provided for from monthly assessments as allowed by Article 4.

5.3. REQUIRED INSURANCES. The Association shall secure and at all times maintain the following insurance coverages:

(a) Multi-Peril Coverage. A multi-peril type policy covering any Common Area and facilities, if any. Such policy shall provide coverage against loss or damage by the standard extended coverage endorsement, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, fire, earthquake, hailstorm, water damage, and such other risks as customarily are covered with respect to projects similar to this Project in its construction, location, and use. As a minimum, such policy shall provide coverage on a replacement cost basis in an amount not less than that necessary to comply with any coinsurance percentage specified in the policy, but not less than one hundred percent (100%) of the full insurable value (based upon replacement cost). Such policy shall include an "agreed amount endorsement" or its equivalent, a "demolition endorsement" or its equivalent, an "increased cost of construction endorsement" or its equivalent, and a "contingent liability from operation of building laws endorsement" or its equivalent. In the event the Declarant has not provided any Common Area, this coverage shall not be required.

(b) Broad-Form Public Liability Coverage. A comprehensive policy insuring the Owners, the Association, its Directors, officers, agents, trustees, and employees against all damage or injury caused by their negligence to the public, invitees, tenants, or Owners on the Common Area. Limits of the liability under such coverage shall not be less than One Million Dollars ($1,000,000.00) for all claims for personal injury or property damage, or both, arising out of a single occurrence. Such policy or policies shall be issued on a comprehensive liability basis, shall provide that cross-insurers as between themselves are not prejudiced, and shall contain "a severability of interest" clause or endorsement to preclude the insurer from denying the claim of an Owner in the development because of negligent acts of the Association or others. In the event the Declarant has not provided any Common Area, this coverage shall not be required.

(c) Fidelity Coverage. A fidelity policy or policies to protect against dishonest acts on the part of any Director, officer, manager, trustee, employee of the Association and all others, including volunteers, who handle or are responsible for handling funds of the Association. The fidelity coverage shall name the Association as the obligee or insured and shall be written in an amount sufficient to offer the protection reasonably required, but in no event less than one hundred percent (100%) of the reserves. The fidelity bond or insurance shall contain waivers of any defense

based upon the exclusion of persons who serve without compensation from any definition of employee or similar expression.

5.4. ADDITIONAL PROVISIONS. The following additional provisions shall apply with respect to insurance:

(a) Approval of Policies. All insurance policies shall be written by a reputable company approved by the Board.

(b) Contribution. Insurance secured and maintained by the Association shall not be brought into contribution with insurance held by any individual Owners or their mortgagees.

(c) Flood Insurance. In the event that some part of the Project is now or may in the future be classified by the Department of Housing and Urban Development as an area having special flood hazards, a blanket policy of flood insurance on the flood areas may, at the election of the Board, be maintained in an amount customarily required in projects of this type to ensure against flood damage.

(d) Premiums Maintained in the Name of the Association as Trustee. Premiums for all insurance coverage obtained by the Association shall be written in the name of the Association as trustee for the Owners.

(e) Review of Insurance Policies. The Board shall periodically, and whenever demand is made by twenty percent (20%) or more of the Members, review the adequacy of the Association's insurance program and shall report in writing the conclusions and actions of any mortgagee of any Lot who shall have requested a copy of such report. Copies of every policy of insurance procured by the Board shall be available for inspection by the Owners.

(f) Rebuilding After Damage or Destruction. In the event of damage or destruction by fire or other casualty to any Common Area covered by insurance written in the name of the Association as trustee for the Owners, the Board shall, upon receipt of insurance proceeds, contract to rebuild or repair such damage or destroyed portions of the Property to as good a condition as formerly. All such insurance proceeds shall be deposited in a bank or other financial institution, whose accounts are insured by a federal governmental agency, with the proviso agreed to by said bank or institution that such funds may be withdrawn only by the signatures of at least two (2) members of the Board. The Board shall advertise for sealed bids with any licensed contractors. The contractors shall be required to provide a full performance and payment bond for the repair, construction, or rebuilding of destroyed property. In the event the insurance proceeds are insufficient to pay all of the costs of repairing or rebuilding, or both, to the same condition as formerly, the Board shall levy a special assessment against all Owners in such proportions as the Board deems fair and equitable in light of the damage sustained.

(g) Several Owners have made certain disclaimers, representations, and warranties relating to title to such Owner's Lot. Such Owners have acquired such Lots "as-is, where-is" with all faults as more particularly set forth in the respective real estate purchase contracts pursuant to which such Lots were acquired. Such respective disclaimers, representations, and warranties shall

survive closing and delivery of any deed and run with such Lots and neither such Owners nor any person taking title to or an interest in such Lots (or any portion thereof or interest therein) may take any action or pursue any claims contrary to such disclaimers, representations, and warranties. Each Owner is encouraged to obtain its own owner's policy of title insurance in the full amount of the purchase price of such Owner's Lot at the time such Lot is acquired.

5.5. DIRECTOR'S AND OFFICER'S INSURANCE. The Board shall obtain director's and officer's liability insurance for officers and Directors of the Association. Such insurance shall, among other coverages, include coverage for both monetary and non-monetary claims and shall be in an amount customary for a project of a type the same as or similar to this Project.

ARTICLE 6 - DURATION, ENFORCEMENT, AMENDMENT

6.1. DURATION OF RESTRICTIONS. The covenants and restrictions contained herein shall run with and bind the land for a period of fifty (50) years from the date this document is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each, subject to amendment as herein set forth. Until the Declarant or its designee ceases to act as the Architectural Control Committee, the covenants and restrictions contained herein may be modified, amended, or repealed in whole or in part only by the Declarant or its successor or assigns by a written recorded instrument.

6.2. AMENDMENT. During the Period of Administrative Control, Declarant may unilaterally amend this Declaration without any vote or approval of Owners. Upon completion of the Period of Administrative Control, the covenants and restrictions contained herein may be amended by a recorded instrument signed by no less than the Owners of two-thirds (2/3) of the Lots, provided that all signatures must be obtained within a one hundred and eighty (180) day period.

6.3. ANNEXATION OF ADDITIONAL PROPERTY. Additional property may be annexed and made subject to this Declaration by the Declarant. The Declarant shall indicate its intent to have such property bound by this Declaration on the plat of such property; and by recording a declaration of annexation and thereafter such additional property shall be considered as part of the Property in all respects, and Lots therein shall constitute Lots under this Declaration. Declarant's Class B Membership shall extend to all Lots in the annexed areas. This right of the Declarant shall be assignable to one or more assignees. Declarant extends the Period of Administrative Control with any such annexation of additional property.

6.4. NOTICES. When notice is required under this Declaration, notice shall be given as provided in the Bylaws.

6.5. CONSTRUCTION AND SEVERABILITY. All of the restrictions, covenants, and conditions contained in this document shall be construed together. Invalidation of any one of said restrictions, covenants, or conditions, or any part thereof, shall not affect the enforceability or applicability of any of the remaining restrictions, covenants, or conditions, or parts thereof.

6.6. VIOLATION CONSTITUTES NUISANCE. Every act or omission whereby any restriction, covenant, or condition in this document set forth is violated in whole or in part, is declared to be and shall constitute a nuisance, and may be abated by appropriate legal action by the Declarant, the Association, or a Lot Owner or Owners. Remedies hereunder shall be deemed cumulative and not exclusive.

6.7. ENFORCEMENT. Each and all of the restrictions, covenants, and conditions contained in this document is and are for the benefit of the Declarant, the Association and of the Owner or Owners from time to time of any Lot, part, or portion of the Property. Each such restrictive covenant and condition shall inure to the benefit of and pass with each and every Lot, part, or portion of the Property and shall apply to and be binding upon each and every successor in interest. Said restrictions, covenants, and conditions are and shall be deemed covenants of equitable servitude, and the actual or threatened breach thereof, or the continuance of any such breach, or compliance therewith, may be enforced, enjoined, abated, or remedied by appropriate proceedings at law or in equity by the Declarant, the Association, or a Lot Owner or Owners; provided, however, that no such breach shall affect or impair the lien of any bona fide Mortgage which shall have been given in good faith and for value, except that any subsequent Owner of said Lot, part, or portion of the Property shall be bound and obligated by the said restrictions, covenants, and conditions, whether such ownership is obtained by foreclosure, at a trustee's sale, or otherwise. All reasonable attorney fees and costs incurred by the Association whether pursued in law or in equity and whether an action is filed or arbitration commenced, or not, and all expenses incurred and any fines levied, shall constitute a lien on such Lot Owner's Lot. Such lien shall be charged as a single lot assessment, and shall also be a personal obligation of said Lot Owner, enforceable at law, until such payment therefor is made. Except for the Association's collection of assessments, actions by a party for injunctive relief, and claims for non-monetary relief, the following provisions shall apply:

(a) Small Claims. Any demand for damages, up to the jurisdictional limit of the Washington County, Utah, Small Claims Court, shall be filed in the Washington County, Utah, Small Claims Court. Any dispute that exceeds such jurisdictional limit shall be arbitrated as provided in Subsection 6.7(b) below.

(b) Binding Arbitration. Any disagreement, controversy, or claim that arises between the Association and an Owner regarding the interpretation, enforcement, or implementation of any provision of this Declaration, or regarding the rights and obligations of the parties (including, without limitation, the validity, the arbitrability of the issues submitted to arbitration hereunder, and any conflict of laws issues in connection with this Declaration) exceeding the jurisdictional limit of the Washington County, Utah, Small Claims Court, shall be exclusively, finally, and conclusively determined by binding arbitration in Washington County, Utah. The arbitration shall be conducted by a single arbitrator mutually selected by the parties. If the parties cannot agree upon an arbitrator within fourteen (14) calendar days, then the president of the Association shall select an arbitrator from the Utah Academy of Mediators and Arbitrators who was not initially suggested by either the Association or the Owner.

6.8. RIGHT TO ENFORCE. The provisions contained in this Declaration shall bind and inure to the benefit of and be enforceable by the Declarant, the Association, or a Lot Owner or

Owners, and each of their legal representatives, heirs, successors, and assigns, and failure to enforce any of said restrictions, covenants, or conditions shall in no event be deemed a waiver of the right to do so thereafter.

6.9. ASSIGNMENT OF POWERS. Any and all rights and powers of the Declarant herein contained may be delegated, transferred, or assigned. Wherever the term "Declarant" is used herein, it includes Declarant and its successors and assigns.

ARTICLE 7 - GENERAL

7.1. ACTION OF THE ASSOCIATION. Except as limited in this Declaration or the Bylaws, the Board acts in all instances on behalf of the Association.

7.2. RULES AGAINST PERPETUITIES. The rule against perpetuities and the rule against unreasonable restraints on alienation of real estate may not defeat or otherwise void a provision of the Governing Documents. If for any reason this Declaration does not comply with the Act, such noncompliance does not render a Lot or Common Area unmarketable or otherwise affect the title if the failure is insubstantial.

7.3. FINES. The Association, through its Board, shall have the power to levy fines for violations of the Association's Governing Documents and fines may only be levied for violations of the Governing Documents. In addition to the levying of fines, the Board may also elect to pursue other enforcement remedies and/or damages permitted under the Governing Documents. The Board shall adopt a rule for the procedure to enforce the Governing Documents and levy fines, including a schedule of fines.

7.4. TENANT LIABILITY. Pursuant to § 57-8a-218(2)(b) of the Act, a tenant shall be jointly and severally liable to the Association with the Owner leasing to such tenant for any violation of the Governing Documents by the tenant.

7.5. EMINENT DOMAIN. If part of the Common Area is taken by eminent domain: (a) the entity taking part of the Common Area shall pay to the Association the portion of the compensation awarded for the taking that is attributable to the Common Area; and (b) the Association shall equally divide any portion of the award attributable to the taking of a Limited Common Area among the Owners of the Lots to which the Limited Common Area was allocated at the time of the taking. The Association shall also submit for recording to the county recorder the court judgment or order in an eminent domain action that results in the taking of some or all of the Common Area.

[*signatures on following page*]

IN WITNESS WHEREOF, Declarant executed this Declaration on the 30 day SEPT, 2024

DECLARANT:
VPE DEVELOPMENT INC.

By: DEAN BAWDEN
Its: PRES.

STATE OF UTAH)
:ss.
COUNTY OF Salt Lake)

On this 30 day of September, 2024, personally appeared before me Dean Bawden, who being personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he is the President of VPE Development Inc. a Utah corporation, and that he executed the foregoing Declaration on behalf said Company being authorized and empowered to do so by the Bylaws of said Company or resolution of its directors, and he acknowledged before me that such Company executed the same for the uses and purposes stated therein.

Notary Public

NOTARY PUBLIC
MISTY ANN HUBER
Commission No. 732546
Commission Expires
AUGUST 9, 2027
STATE OF UTAH

Exhibit A
(Legal Description)

This Amended and Restated Declaration of Protective Covenants for Bella Vista at Stone Mountain affects the following real property, all located in Washington County, State of Utah:

All of Lots 1 through 26, Lots 27-A through 28-A, and Lots 29 through 35, together with all Common Area, Bella Vista at Stone Mountain 1 Amd (W), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: W-BVMT-1-1 through W-BVMT-1-26
PARCEL: W-BVMT-1-27-A through W-BVMT-1-28-A
PARCEL: W-BVMT-1-29 through W-BVMT-1-35

All of Lots 36 through 55, together with all Common Area, Bella Vista at Stone Mountain 2 (W), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: W-BVMT-2-36 through W-BVMT-2-55

All of Lots 56 through 80, together with all Common Area, Bella Vista at Stone Mountain 3 (W), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: W-BVMT-3-56 through W-BVMT-3-80