

**AMENDED AND RESTATED  
DECLARATION OF COVENANTS, CONDITIONS,  
AND RESTRICTIONS  
FOR  
CRAIG ESTATES, A HOA COMMUNITY**

This AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR CRAIG ESTATES, A HOA COMMUNITY (this "Declaration") is adopted by the Craig Estates Homeowners Association, Inc. and is effective as of the date it is recorded in the Davis County Recorder's office.

**RECITALS**

A. The original, or enabling, Declaration of Covenants, Conditions, and Restrictions for Craig Estates, a cluster subdivision, was recorded on July 1, 1999, as Entry No. 1529355 in Book 2527 and beginning at Page 488 (the "Enabling Declaration").

B. The Enabling Declaration was amended pursuant to the First Amendment to Declaration of Covenants, Conditions, and Restrictions for Craig Estates, recorded June 19, 2001 as Entry No. 1669001, in Book 2830 and beginning at Page 719 (the "First Amendment").

C. The Enabling Declaration was amended pursuant to the Second Amendment to Declaration of Covenants, Conditions, and Restrictions for Craig Estates, recorded on June 20, 2001, as Entry No. 1669153 in Book 2831 and beginning at Page 126 (the "Second Amendment").

D. The Enabling Declaration was amended pursuant to the Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for Craig Estates, recorded on October 6, 2006, as Entry No. 2208797 in Book 4133 and beginning at Page 1827 (the "Supplement").

E. The Enabling Declaration was amended pursuant to the Third Amendment to Declaration of Covenants, Conditions, and Restrictions for Craig Estates, recorded June 15, 2007, as Entry No. 2280160 in Book 4305 and beginning at Page 86 (the "Third Amendment").

F. The Enabling Declaration was amended pursuant to the Fourth Amendment to Declaration of Covenants, Conditions and Restrictions for Craig Estates, recorded on July 21, 2008, as Entry No. 2380659 in Book 4577 and beginning at Page 432 (the "Fourth Amendment").

G. The Enabling Declaration was amended pursuant to the Fifth Amendment to Declaration of Covenants, Conditions and Restrictions for Craig Estates, recorded on January 24, 2012, as Entry No. 2639506 in Book 5443 and beginning at Page 692 (the "Fifth Amendment").

H. The Enabling Declaration was amended pursuant to the Sixth Amendment to Declaration of Covenants, Conditions and Restrictions for Craig Estates, recorded on January 23, 2017, as Entry No. 2996995 in Book 66897 and beginning at Page 62 (the "Sixth Amendment").

I. The Enabling Declaration was amended pursuant to the Seventh Amendment to Declaration of Covenants, Conditions and Restrictions for Craig Estates, recorded on February 11, 2020, as Entry No. 3225727 in Book 7447 beginning at Page 1522 (the "Seventh Amendment").

J. The Association, with the Owners' approval, has sold and conveyed (or will convey) a portion of its Common Area which area is now being converted to seven additional Lots, which Lots will be part of the Project and the Owners of such Lots will be members of the Association. The Association believes that, at some future date and upon the Owners approving such transaction, additional Common Area may be sold and conveyed and converted to two Lots which will be part of the Project.

K. It is necessary and desirable that the Enabling Declaration be superseded and amended in its entirety. This Declaration, along with and subject to any future amendments, shall be the sole Declaration for the Project and completely replaces and supersedes in all respects, unless otherwise expressly stated, the Enabling Declaration, the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Sixth Amendment, the Seventh Amendment, Supplement, and all other prior declarations, supplements, and amendments thereto made prior to the date of the recording of this Declaration, regardless of whether or not such prior declarations and amendments were recorded, properly adopted, or referenced in this Declaration.

L. This Declaration is adopted, *inter alia*: (1) to clarify and define the rights of the Association and the Owners, in and to the Project; (2) to conform to changes to the Utah Community Association Act and other Utah law; (3) to allow for the creation, incorporation, and development of additional Lots in the Project; and (4) in furtherance of the effort to efficiently and economically provide a quality living environment and protect and enhance the value of the Project.

M. The real property subject to easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of the real property and be binding on all parties having any right, title or interest in the described property or any part thereof, their heirs, successors, and assigns and shall be inure to the benefit of each Owner thereof is located in Davis County, Utah and described with particularity on **Exhibit A**, which exhibit is attached hereto and incorporated herein by reference.

N. The Bylaws of the Association attached hereto as **Exhibit B** supersede and replace any previously adopted bylaws of the Association and any amendments thereto.

O. Capitalized terms in this Declaration are defined in Article I or in other sections of this Declaration.

P. The Community Association Act, Utah Code Section 57-8a-101, *et. seq.*, 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.

Q. The Board of Directors obtained the approval of the requisite Owners and any first Mortgagees necessary to adopt and record this amended Declaration.

NOW, THEREFORE, pursuant to the Recitals set forth above, which are incorporated herein, and subject to the other terms and provisions set forth herein, the Association hereby adopts this Declaration, and the exhibits attached hereto. This Declaration, together with the

other Governing Documents of the Association, and applicable statutes, defines and governs the rights of the Owners and the Association related to the Project.

## ARTICLE I

### Definitions

Unless the context clearly indicates otherwise, certain terms used in this Declaration and the foregoing Recitals shall have the meanings set forth in this Article I. The definitions in this Declaration are further supplemented by the definitions in the Act. In the event of any conflict between the definitions in this Declaration and the Act, the more specific and restrictive definition shall apply.

**1.01 "Act"** shall mean the Community Association Act (Utah Code § 57-8a-101 *et seq.*) in effect at the time this Declaration is recorded, and as such statute may be amended from time to time.

**1.02 "Allocated Interest"** shall mean the interest, or share, of an Owner in the Common Expense liability, the Owner's interest for purposes of voting in the Association, and the Owner's interest used for other purposes indicated in this Declaration, in other Governing Documents of the Association, or in the Act. Each Lot in the Project shall have an equal Allocated Interest.

**1.03 "Articles"** shall mean the Articles of Incorporation, as amended, or the chartering document of any other legal entity, if any shall be formed for the Association.

**1.04 "Assessment" or "Assessments"** shall mean any monetary charge imposed or levied on an Owner by the Association as provided for in this Declaration, other Governing Documents of the Association, or the Act.

**1.05 "Association"** shall mean and refer to Craig Estates Homeowners Association, Inc., a Utah non-profit corporation, its successors and assigns.

**1.06 "Architectural Review Committee" or "ARC"** shall mean the Association's Architectural Review Committee established by the Board. In the event that a separate Architectural Review Committee is not established, then the Board shall act as the ARC.

**1.07 "Board of Directors" or "Board"** shall mean the governing board of the Association, which is appointed or elected in accordance with the Governing Documents of the Association.

**1.08 "Board Member"** shall mean a duly qualified and elected or appointed member of the Board of Directors.

**1.09 "Bylaws"** shall mean the Association's Bylaws attached hereto as **Exhibit B** and all valid amendments and supplements thereto. No amendment to the Bylaws is effective until it is recorded with the County Recorder's office.

**1.10 "Committee Member"** shall mean an appointed member of the Architectural Review Committee or another type of sub-committee established by the Board.

**1.11 "Common Area"** shall mean all real property (including the improvements thereon) owned by the Association for the common use and enjoyment of the Owners.

**1.12 "Common Expense"** shall mean the actual and estimated costs for: (a) maintenance, management, operation, repair, and replacement of the Common Area which is maintained by the Association; (b) management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys, consultants, and employees; (c) landscaping, and other related services for the Common Areas as determined by the Board; (d) insurance and bonds required or allowed by this Declaration; (e) the establishment of reserves; (f) other miscellaneous charges incurred by the Association as provided for or allowed in the Act or the Governing Documents; (g) any expenses incurred by the Association related to bulk service agreements entered into by the Association; and (h) any other expenses of the Association arising from operating the Association and not otherwise defined or precluded by the Governing Documents or any applicable law.

**1.13 "Common Expense Fund"** shall mean the amounts budgeted, allocated, and/or collected by the Association for the purposes of paying the Common Expenses of the Association.

**1.14 "Common Facilities"** shall mean all furniture, fixtures, furnishings, equipment, facilities, and other personal property within the Project for the use and benefit of all Owners and Occupants, and all furniture, fixtures, furnishings, equipment, facilities, and other real or personal property acquired in accordance with this Declaration by the Association for the use and benefit of all Owners and Occupants. Common Facilities shall be deemed to be part of the Common Area except as otherwise expressly provided for in this Declaration. Common Facilities shall not include any furniture, fixtures, furnishings, equipment, facilities, and other personal property which are appurtenant to or serve only one Lot.

**1.15 "Declaration"** shall mean this Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Craig Estates, a HOA Community, as such may be amended from time to time.

**1.16 "Design Guidelines"** shall mean those requirements, as adopted by the Board, governing the site location and architectural design of Residential Homes and other buildings, structures, and improvements on Lots and within the Project. Unless otherwise set forth in the Declaration, Plat, Articles, or Bylaws, such Design Guidelines shall be considered a part of the Rules and Regulations.

**1.17 "Dwelling"** shall mean a detached structure built, or to be built, on the Lot and all improvements thereto, including, but not limited to, garages, patios, and any mechanical equipment located outside of the Lot but designed to serve only that Lot and the structure built on the Lot, and all utility lines or installations serving only the Lot and the structure built on the Lot, and which structure is designed and intended for residential use and occupancy.

**1.18 "Electronic Transmission" and "Electronically Transmitted"** shall mean a process of communication not directly involving the physical transfer of paper that is suitable for the receipt, retention, retrieval, and reproduction of information by the recipient, whether by email, texting, facsimile, or otherwise.

**1.19 "Governing Documents"** shall mean and refer to the Declaration, the Plat, the Bylaws, the Rules, Design Guidelines, the Articles, and any other written instrument by which the Association may exercise power, manage, maintain, or otherwise affect the

Project. The hierarchy of the Governing Documents is that set forth in Section 228 of the Act.

**1.20 "Lender"** shall have the same meaning as "Mortgagee" (defined below).

**1.21 "Limited Common Area"** shall mean a portion of the Common Area specifically identified on the Plat or otherwise designated and described in this Declaration for the exclusive use of an Owner, or Owners, of one or more Lots to the exclusion of other Owners and Occupants.

**1.22 "Lot"** shall mean and refer to any one of the numbered plots of land within the boundary of the Project as such are shown upon and designated on the Plat for private ownership and individually numbered and are intended to be used and occupied by a single family, together with additional numbered plots of land contiguous to the Property as shown upon and designated upon any subsequently recorded plats.

**1.23 "Lot Number"** shall mean and refer to the number, or other identifier, which designates an individual Lot on the Plat.

**1.24 "Manager"** shall mean any entity or Person engaged by the Board of Directors to manage the Project.

**1.25 "Mortgage"** shall mean any mortgage, deed of trust, or other security instrument, which is collateralized by and constitutes a lien or secured interest against a Lot, or any part thereof

**1.26 "Mortgagee"** shall mean a holder, or beneficiary, of a Mortgage secured by a Lot, and any successor or assignee of such secured interest.

**1.27 "Nonprofit Act"** shall mean the Utah Revised Nonprofit Corporation Act (Utah Code § 16-6a-101 *et seq.*) in effect at the time this Declaration is recorded, and as such statute may be amended from time to time.

**1.28 "Occupant"** shall mean a Person or Persons, other than an Owner, in possession of, using, entering into, or living on a Lot or in the Project, including, without limitation, family members, tenants, guests, and invitees of an Owner or another Occupant. Occupants shall include any trespassers or previously lawful Occupants if the Owner fails to secure the Lot against trespass, fails to take action necessary and appropriate to remove trespassers or previously lawful Occupants immediately upon notice of the trespass or occupancy, or fails to take reasonable measures to become aware of any unauthorized Occupants of the Lot or of any unauthorized entry upon and use of the Lot (which shall include the duty to verify the physical condition and occupancy of the Residential Home, if it has been left unoccupied).

**1.29 "Owner"** shall mean any person or entity or combination thereof, which, according to the official records of the County Recorder, which is maintained for such purpose, is the owner of fee simple title to any Lot. The term "Owner" shall not refer to, or include, any Mortgagee unless such Mortgagee has acquired title to the Lot for other than security purposes.

**1.30 "Person"** shall mean a natural individual, corporation, estate, limited liability company, partnership, trustee, association, government, governmental subdivision or agency, or any other legal entity with the legal capacity to hold title to real property.

**1.31 "Plat"** shall mean the certain subdivision plat, and any amendments and supplements thereto, for the Craig Estates Phase 1 Cluster Subdivision, Craig Estates Phase 2 Cluster Subdivision, Jackson Court Subdivision, and Craig Estates Phase 3 Cluster Subdivision – Second Amended recorded in the official records of the Davis County Recorder.

**1.32 "Project"** shall mean all areas within the Property, including the Lots and Common Area, and any and all improvements constructed thereon which are the subject of this Declaration and the Plat.

**1.33 "Property"** shall mean the property legally described and identified in **Exhibit A** and all easements and rights appurtenant thereto.

**1.34 "Residential Home"** shall have the same meaning as "Dwelling" (defined above).

**1.35 "Rules and Regulations" or "Rules"** shall mean and refer to the rules, policies, guidelines, procedures, regulations, and resolutions adopted by the Board of Directors.

## **ARTICLE II**

### **Nature and Incidents of Ownership**

**2.01 Nature of Project.** The Project is named "Craig Estates" and is located entirely in Davis County, State of Utah. The Project is an individual single-family residential subdivision consisting of sixty-nine (69) residential Lots (with the potential of up to 71 residential Lots if the Owners later approve converted portions of the Common Areas to Lots), roadways (public and private), and open areas. Each Lot may contain a separate Dwelling. The Project, and each Lot therein, is subject to the Act. The Project is a planned unit development and is not a cooperative or a condominium.

**2.02 Separate Ownership.** Each Lot, together with the Residential Home and any other improvements constructed thereon, is and shall hereafter be a parcel of real property which may be separately held, conveyed, devised, mortgaged, encumbered, occupied, improved and otherwise used in accordance with the provisions of this Declaration.

**2.03 Renting, Leasing, and Non-Owner Occupancy of Residential Homes – Restrictions.** Notwithstanding anything to the contrary in this Declaration or in the Bylaws, any renting, leasing, and other form of Non-Owner Occupancy of a Residential Home shall be governed by this Section 2.03 and any other Rules and Regulations adopted by the Association.

**2.03.01 Definitions.** For purposes of this Declaration:

(a) "Non-Owner Occupied" or "Non-Owner Occupancy" means:

(1) For a Lot owned in whole or in part by an individual or individuals, the Residential Home on the Lot is occupied by someone when no individual Owner occupies the Residential Home as the individual Owner's primary residence; or

(2) For a Lot owned entirely by one or more entities or trusts, the Residential Home on the Lot is occupied by anyone other than the Person for whom the entity or trust was created or anyone other than the owners of such entity.

(b) "Non-Owner Occupant" means the Person(s) occupying the Non-Owner Occupied Residential Home.

(c) "Short-Term Rental" means a Residential Home or any portion of a Residential Home which the Owner or the Non-Owner Occupant lessee of the Residential Home offers for occupancy for fewer than thirty (30) consecutive days or a Residential Home or any portion thereof which is actually used for accommodations or lodging of guests for payment or other compensation for a period of less than thirty (30) consecutive days.

**2.03.02** Limitation on Non-Owner Occupancy. Subject to the provisions in Section 2.03, and its subsections, the number of Residential Homes in the Project permitted to be Non-Owner Occupied may not exceed six (6) Residential Homes. So long as there are less than six (6) total Non-Owner Occupied Residential Homes within the Project, any Residential Home may be rented, leased, or Non-Owner Occupied as long as such Non-Owner Occupancy complies with the provisions of Section 2.03 and other applicable provisions of the Declaration and Act. The number of Non-Owner Occupied Residential Homes in the Project shall be calculated by including any Residential Homes which are permitted to be Non-Owner Occupied pursuant to the exemptions in subsection 2.03.03 and the grandfathering exemption in subsection 2.03.04.

(a) Lease-to-own arrangements, in which title to the Lot is held by someone other than an Occupant, have not been permitted in the Project since August 16, 2011, with the exception of any lease-to-own arrangements where were in place as of August 16, 2011, and remain in place. Any current lease-to-own arrangements will be permitted until they end under their own terms, title to the property is transferred (in which case the new owner must occupy the property), or the lessee/purchaser ceases residency of the property, whichever occurs first.

**2.03.03** Residential Homes Exempt from the Limitation on Non-Owner Occupancy. The following Owners and their Lots are exempt from limitation of only six (6) Residential Homes being Non-Owner Occupied as set forth in Subsection 2.03.02:

- (a) An Owner in the military for the period of the Owner's deployment;
- (b) A Residential Home occupied by the Lot Owner's parent, child, grandchild, or sibling;
- (c) An Owner whose employer has relocated the Owner for a period of two (2) years or less;
- (d) An Owner who has temporarily relocated for and during a time of charitable service for a period of three (3) years or less;
- (e) A Lot owned by an entity and the Residential Home on the Lot is occupied by an individual who: (1) has voting rights under the entity's organizing documents; and (2) has a twenty-five percent (25%) or greater share of ownership, control, and right to profits and losses of the entity;
- (f) A Lot owned by a trust or other entity created for estate planning purposes if the trust or other estate planning entity was created for the estate of: (1) a current Occupant of the Residential Home on the Lot, or (2) the parent, child, grandchild, or sibling of the current Occupant of the Residential Home on the Lot; or

(g) An Owner qualifying for a hardship exemption pursuant to the standards or circumstances which may be established or determined by the Board, in the Board's sole discretion.

**2.03.04 Grandfathered Non-Owner Occupied Residential Homes.**

Residential Homes which were Non-Owner Occupied before the date this Declaration is recorded with the County Recorder are grandfathered from the limitation on Non-Owner Occupancy and such Residential Homes may continue to be Non-Owner Occupied (even if there are more than six Non-Owner Occupied Residential Homes in the Project) until the earlier of any of the following occurring: (a) an Owner of the Lot occupies the Residential Home on the Lot; (b) an officer, owner, member, trustee, beneficiary, director, or Person holding a similar position of ownership or control of an entity or trust which holds an ownership interest in the Lot occupies the Residential Home on the Lot; or (c) the Lot is transferred. Upon the occurrence of any of these events, the Residential Home's qualification for this grandfathering exception irrevocably terminates.

(a) For purposes of subsection 2.03.04, a Lot is transferred when one or more of the following occurs: (i) the conveyance, sale, or other transfer of a Lot by deed, as evidenced by the records at the County Recorder's office; (ii) the granting of a life estate in the Lot; or (iii) if the Lot is owned by any type of a business entity then the sale or transfer of more than seventy-five percent (75%) of the business entity's share, stock, membership interest or partnership interest occurs during a twelve month period.

**2.03.05 Requirements for Renting, Leasing and Non-Owner Occupancy.** The Owners of all Lots must comply with the following provisions:

(a) No Owner shall be allowed to lease or rent the Owner's Residential Home unless and until the Residential Home has been occupied by the Owner for a period of at least one year; however, if any of the exemptions identified in subsections 2.03.03 or 2.03.04 apply to the Owner or Residential Home then the prerequisite one-year Owner-occupancy requirement in this subsection shall not apply.

(b) Any lease or agreement for Non-Owner Occupancy must be in writing, must be for an initial term of at least twelve (12) months, and shall provide as a term of the agreement that the Occupant(s) shall comply with the Association's Governing Documents, and that any failure to comply shall be a default under the lease or agreement. If a lease or agreement for Non-Owner Occupancy (whether in writing or not) does not include these provisions, they shall nonetheless be deemed to be part of the lease or agreement and binding on the Owner and the Non-Owner Occupant(s).

(c) No Owner shall lease the Owner's Residential Home for transient, hotel, seasonal, rental pool or corporate/exclusive use purposes (whether for pay or not), which shall be deemed to be any rental with an initial term of less than twelve (12) months.

(d) Short-Term Rentals are prohibited. Daily or weekly rentals are prohibited. This prohibition includes Short-Term Rentals through Airbnb, VRBO, and in similar websites and services. Except as a non-paying guest of an Owner, daily and weekly occupancy by a Non-Owner Occupant is prohibited.

(e) If required in the Rules and Regulations or requested by the Board, the Lot Owner shall deliver a copy of any lease or other agreement for such Non-Owner



Occupancy to the Association within the time period provided for in the Rules and Regulations or in the Board's request.

(f) Any Owner who shall lease the Owner's Residential Home shall be responsible for assuring compliance by the Non-Owner Occupant(s) with the Governing Documents. Failure by an Owner to take legal action, including the institution of a forcible entry and unlawful detainer proceeding against the Owner's Non-Owner Occupant who is in violation of the Governing Documents within ten (10) days after receipt of written demand to do so from the Board, shall entitle the Association to take any and all such action including the institution of proceedings in forcible entry and unlawful detainer on behalf of such Owner against the Owner's non-compliant Non-Owner Occupant(s). Neither the Association, the Board, the Manager, and any agent of the Association shall be liable to the Owner or any Non-Owner Occupant for any eviction under this section which is made in good faith, and the Owner shall indemnify against all losses and liabilities and pay the defense costs of the Association (with the Association's choice of counsel), the Board, the Manager, and any agent of the Association arising from any claim related to any action taken in good faith by any of these representatives of the Association pursuant to this subsection. Any expenses incurred by the Association related to an eviction, including attorney fees, service fees, storage fees, constable or sheriff fees, and costs of suit, shall be charged as an Assessment to the Lot Owner.

(g) All Non-Owner Occupied Residential Homes must be professionally managed by a licensed, bonded, and insured property management company.

**2.03.06 Joint and Several Liability of Owner and Non-Owner Occupants.** The Owner of a Lot shall be responsible for the Non-Owner Occupant's or any guest's compliance with the Governing Documents. Pursuant to Utah Code Section 57-8a-218(2)(b), the Owner and the Non-Owner Occupant shall be joint and severally liable for any violations of the Governing Documents. In addition to any other remedy for noncompliance with the Governing Documents, the Association shall have the right under subsection 2.03.05(f) to initiate a forcible entry and unlawful detainer action, or similar such action, with the purpose of removing the Non-Owner Occupant.

(a) Owners violating the Non-Owner Occupancy provisions set forth in Section 2.03, including all subsections thereof, may be fined by the Association pursuant to and in amounts set forth in the Association's Rules and Regulations or any separate fine policy established by the Association. The levying of fines by the Association does not prohibit the Association from pursuing any other remedy or enforcement against the Owner and Non-Owner Occupants.

**2.03.07 Required Rules.** The Board shall adopt Rules and Regulations to: (a) determine and track the number of Non-Owner Occupied Residential Homes in the Project, including those exempt under subsection 2.03.03 and grandfathered under subsection 2.03.04 and; and (b) ensure consistent administration and enforcement of the restrictions on Non-Owner Occupancy in this Declaration.

**2.03.08 Permitted Rules.** The Board may adopt Rules and Regulations requiring or implementing: (a) reporting and procedural requirements related to Non-Owner Occupied Residential Homes and the Occupants of those Residential Homes, including requiring informational forms to be filled out by Owners and/or Occupants identifying Non-Owner Occupants, the age of any adult Non-Owner Occupants, vehicles, phone numbers, etc.; (b)

limitations on notices and advertisements identifying the Residential Home as available to be rented, leased, or Non-Owner Occupied; and (c) other reasonable administrative provisions consistent with and as it deems appropriate to enforce the requirements of this Declaration and other provisions of the Governing Documents.

**2.03.09 Exceptions for Exempt Units.** If a Non-Owner Occupied Residential Home is exempt under subsections 2.03.03(b), (e), or (f), then no written lease or rental agreement between the Owner and the Occupant is required.

**2.04 Use and Occupancy.** Subject to the other terms and limitations contained in the Association's Governing Documents, each Owner has the exclusive right to use and enjoy the Owner's Lot and the improvements thereon.

**2.05 Exterior of Residential Homes.** Each Owner shall keep the exterior of the Owner's Residential Home, including, without limitation, exterior walls, roofs, gutters, drain spouts, all exterior building surfaces, and any and all other exterior improvements to the Lot in a sanitary condition and in a state of good repair. All such maintenance and repair shall be for the purpose of maintaining said Residential Home in a manner consistent with existing design, materials, colors, and other such items in use on other Residential Homes within the Project unless different materials shall have been previously approved in writing by the ARC in accordance with the provisions of this Declaration and any Design Guidelines adopted by the Association.

**2.06 Maintenance of Lots.** The Association shall be responsible for aerating, edging, and fertilizing, mowing, trimming and weed and pest control for all Lot lawns. The Owner shall be responsible to keep the Owner's Lot, including without limitation, all trees, shrubs, flower beds and grounds, including their sprinkler system, in a sanitary condition and in a state of good repair, free from all accumulation of weeds, refuse, rubbish or abandoned articles of any kind. A Lot's sprinkler system and related equipment are to be repaired at the Lot Owner's expense.

**2.07 Owner's Default in Maintenance.** If an Owner or Occupant fails to: (1) maintain a Lot, including the Residential Home, or the Limited Common Area appurtenant to the Owner's Lot, according to the maintenance standard set forth by the Association and as required in the Governing Documents; or (2) make repairs otherwise required of the Owner in such a manner as may be deemed reasonably necessary in the Board's judgment to preserve and protect the structural integrity of a Residential Home or other improvements on the Lot, attractive appearance, good condition, and value of the Lots in the Project, then the Association may take any action allowed for a failure to comply with the Governing Documents and may give written notice to such Owner or Occupant stating with particularity the nature of the default and the corrective action that the Board determines to be required and requesting that the same be carried out within a period of at least fourteen (14) days or a greater length of time if the Board so determines. This notice is a remedy available to the Association in addition to levying a fine against the Owner. If the Owner or Occupant fails to carry out such action within the period specified by the notice, then the Association may take any action allowed for a default of the Governing Documents. In addition, the Association may cause corrective action to be taken, which may include, but is not limited to, the Association, at the expense of the Owner, and without liability for

trespass or otherwise, to enter upon said Owner's Lot and correct or eliminate said condition. The Association may assess the Owner for all costs associated therewith as an Assessment as allowed under the Association's Governing Documents.

**2.08 Common Area Maintenance.** Except as the maintenance responsibilities are otherwise assigned to the Owners pursuant to this Declaration, the Association shall maintain the Common Areas, including Craig Park, in a state of good repair and maintenance, free from all damage and accumulations of snow on walks, refuse, rubbish, and other inappropriate material of any kind. (See Rules and Regulations for Craig Park reservations and procedures.)

**2.09 Limited Common Area and Maintenance Thereof.** The Limited Common Area consists of the areas spatially associated with and lying adjacent to but outside the boundaries of particular Lots, which may include but are not necessarily limited to the side and rear yards, patios, porches, decks, walkways, and driveways appurtenant to the particular Lots. The Association expects that such Limited Common Areas will exist primarily, if not only, in the Jackson Court phase of the Project. If an Owner, with approval from the Board and/or ARC, installs a fence around the Owner's Residential Home in the Jackson Court phase of the Project, then the fenced-in area shall then constitute and be treated as Limited Common Area for purposes of the Association's Governing Documents. The right to the exclusive use of the Limited Common Area, excepted as otherwise stated in the Declaration, shall be appurtenant to each respective Lot where so identified. In addition to the foregoing:

(a) Any equipment, apparatus, or utility line intended to serve only one Lot, but located in Common Area outside the boundaries of the Lot, shall constitute Limited Common Area pertaining to that particular Lot for purposes of the Association's Governing Documents.

(b) Should it be unclear from the Plat or this Declaration if a particular area of the Project is Limited Common Area, the Board of Directors shall have absolute authority in determining the proper designation of that particular area. The Board may further create and adopt a map identifying the specific boundaries of the Limited Common Areas for particular Lots.

(c) To the extent possible, Owners shall acquire insurance covering the Limited Common Area appurtenant to the Owner's Lot as set forth in Section 10.06 of this Declaration.

(d) Notwithstanding any notes on the Plat and unless otherwise set forth in the Rules and Regulations adopted by the Board:

(1) the Association shall cut the lawn located in any Limited Common Areas, except that if the gate to such area is locked by an Owner, if dogs are present, or if animal waste is present on the lawn, such Owner shall be responsible for all mowing the lawn in the Limited Common Area; and

(2) Owners of the Lots to which the particular Limited Common Area applies are responsible to maintain, repair, replace, and care for the following located in the Limited Common Area: (i) the lawn (other than mowing) and sprinkler systems (including shut-off valves); (ii) snow removal; (iii) tree trimming; (iv) trimming of any shrubs and bushes; and (v) removal of weeds.

**2.10 Tree Maintenance.** The Association is responsible for the maintenance, including the trimming, pruning, removal, and replacement of the trees in the Common Areas (other than in Limited Common Areas) and in the park strips in the Project. The Owners are responsible for the trimming, pruning, removal, and replacement of the trees located within the particular Owner's Lot or the Limited Common Area appurtenant to the Owner's Lot.

**2.11 Fence Maintenance.** The Association is responsible for the maintenance, repair, and replacement of the Project's perimeter fencing. Owners are responsible for the maintenance, repair, and replacement of fencing, including any gates thereof, located on or adjacent to the boundaries of the Owner's Lot or the Limited Common Area appurtenant to the Owner's Lot. Owners of the Lots sharing a common fence and/or common gate shall equally pay and be responsible for the maintenance, repair, and replacement of such fence.

**2.12 Default in Maintenance.** If an Owner or Occupant fails to: (a) maintain a Lot or Limited Common Area as required in the Governing Documents; or (b) make repairs otherwise required of the Owner in such a manner as may be deemed reasonably necessary in the judgment of the Board to preserve and protect the structural integrity, attractive appearance, good condition, and value of the Lots in the Project, then the Association may take any action allowed for a failure to comply with the Declaration, and may give written notice to such Owner or Occupant stating with particularity the nature of the default and the corrective action that the Board determines to be required, and requesting that the same be carried out within a period of time set forth in the notice, which time shall be at least forty-eight (48) hours. If the Owner or Occupant fails to carry out such action within the period specified by the notice, then the Association may cause corrective action to be taken (which may include completing the repairs and replacements) and assessing the Owner for all costs associated therewith as a Corrective Assessment.

**2.13 Architectural Control.** No building, fence, wall or other structure on any Lot, or Common Area, shall be commenced, erected, or maintained, nor shall any exterior addition to or change (including painting) or alteration therein be made to the Residential Home or any other structure on the Lot until Plans and Specifications showing the nature, kind, shape, height, colors, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location to surrounding structures and topography by the Board and Architectural Review Committee. No fence or fences of any nature whatsoever shall be constructed, placed upon, or maintained on any Lot or any portion thereof without the express prior written approval of the Board and Architectural Review Committee.

**2.13.01 Plans and Specifications Review Fee.** The Association may charge a Plans and Specifications review fee that is equivalent to the cost of reviewing the plans. As used in this Section, "Plans and Specifications" mean any plans for the construction or improvement of a Lot, or any structure thereon, which are required to be approved by the Association before the construction or improvement may occur.

**2.13.02** If the Architectural Review Committee fails to act upon any written submission for Plans and Specifications to be reviewed and does not give a final written response to the Owner within sixty (60) days after a complete submission of documents in a form

acceptable to the Architectural Review Committee, such request will be deemed to have been approved as submitted, and no further action will be required. The sixty (60) day-period does not start to run if the Architectural Review Committee has requested, or requests, additional information in support of the Owner's submission.

**2.13.03** The Board may adopt Architectural Design Guidelines as Association Rules. Such Architectural Design Guidelines may include but are not limited to restrictions on: minimum and maximum square footage, building height, exterior siding and roofing materials, fencing materials and locations, and landscaping.

**2.13.04** Lot Owners in the Jackson Court phase of the Project may obtain authorization, in writing, from the Board to install fences in the Common Area around the Owner's Residential Home. The Board may decide where the fences in this phase may be located. Once fences are installed in the Jackson Court phase, the fenced-in area will be treated as Limited Common Area for purposes of the Association's Governing Documents and for the benefit of the particular Lot Owner.

**2.13.05** In the event of a permanent personal fence partially blocks access to Common Areas, or is on open space, the Board may require that a gate be installed to allow access to the Common Areas, or open space, by other Owners and/or the Association, its agents, employees, or subcontractors.

**2.13.06** If an Owner fails to obtain prior approval before making improvements to the Lot, the Owner may be subject to a fine for a continuing violation of the Association's Governing Documents. The Association may further pursue an action to remove the improvement, or to enjoin the Owner from further installation or construction of the improvement until approval is given. The Association may recover its reasonable attorney fees and costs incurred in pursuing any such action and in seeking legal advice (regardless of whether a lawsuit is commenced) concerning the Association's legal remedies and rights to bring the Owner into compliance with the Association's Governing Documents.

**2.14 Parking.** No trailer, boat, truck larger than one (1) ton, recreational vehicle or similar vehicle shall be parked on a permanent basis on a Lot in the Project unless the vehicles is parked inside a garage. As used herein, "permanent basis" means more than seven (7) days out of any thirty (30) day period. The Association may adopt additional Rules and Regulations relating to the parking of vehicles within the Project by Owners, Occupants, and their respective family members, tenants, guests, and invitees. Owners may not install parking pads on their Lot which could be used to park vehicles prohibited by this Section, nor shall Owners install additional pads on their Lot except as approved by the Architectural Review Committee.

**2.15 Energy Conservation Equipment.** The Board may adopt Rules and Regulations relating to solar panels to the extent permitted by law, including but not limited to, the type, style, reflectivity, size, or color of the panels. The Board may also adopt Rules related to the installation and maintenance of the panels, including, but not limited to the method of installation, adopting a list of approved installers and disallowing unapproved installers, and setting a level or standard of maintenance. Solar energy collection panels, other

energy conservation equipment or attendant hardware that is constructed or installed on the ground must not be visible from the street fronting the Lot on which the equipment is installed. Maintenance and required upkeep of solar energy collection panels, or other equipment and hardware, to include those portions of the Property or dwelling roofing that are affected by said equipment, shall be the sole responsibility of the Property Owner. The Board has the right to review any and all plans for energy conservation equipment prior to construction or installation, including proposed location. The Board or the ARC may assess an Owner for any actual cost or expense incurred to review the Owner's application to install such equipment, including for any review, report, or analysis performed by a solar engineer, legal counsel, or other third-party professional. The Board may adopt Rules and Regulations requiring an Owner to pay a deposit in advance for such actual costs or expenses. All Owners are required to obtain any permits with the governing municipality and comply with building code requirements and zoning restrictions.

**2.16 No Subdivision or Recording of Lot Owner's Personal Terms and Conditions.** No Lot may be split, subdivided, separated, or timeshared into two or more Lots or Dwellings or property interests (whether temporally or spatially). Owners or other Persons shall not record any covenants, conditions, or restrictions, plat, or similar document with the Owner's own terms and conditions, with respect to any Lot(s), which may impact the Association or other Lots in the Project, unless the Board and/or other Owners (as required in this Declaration) have first approved the proposed covenants, conditions, or restrictions, plat, or other document. Any document recorded in violation of this Section will be null, void, and of no legal effect.

**2.17 Display of the American Flag.** The Association may not prohibit an Owner from displaying the United States flag inside a Dwelling or on the Owner's Lot or Limited Common Area appurtenant to the Owner's Lot if the display complies with United States Code, Title 4, Chapter 1. The Association may, through a Rule adopted by the Board, restrict the display of a United States flag on the Common Areas.

### **ARTICLE III** **Title to Lots and Common Area**

**3.01 Title to Lots.** Title to a Lot within the Project may be held or owned by any Person and in any manner in which title to any other real property may be held or owned in the State of Utah, including, without limitation, joint tenancy or tenancy in common.

**3.02 Title to Common Area.** Title to the Common Areas within the Project shall be held in the name of the Association and is subject to the rights of any Owner to the use of the Common Areas in any manner which is not contrary to the provisions of Association's Governing Documents.

**3.03 Inseparability.** Every devise, encumbrance, conveyance, or other disposition of a Lot shall be construed to be a devise, encumbrance, conveyance, or other disposition of the entire Lot, together with all appurtenant rights created by law or by this Declaration, including

appurtenant membership in the Association as hereinafter set forth.

**3.04 No Partition.** The Association shall own the Common Areas (including all Limited Common Areas), and no Owner may bring any action for partition thereof.

**3.05 Separate Mortgages by Owners; Binding Effect of Declaration.** Each Owner shall have the right separately to mortgage or otherwise encumber the Owner's Lot. No Owner shall attempt to, or shall have the right to mortgage or otherwise encumber the Common Areas or any part thereof. The Lots within the Project are held, transferred, mortgaged, encumbered, occupied, used, and improved subject to the terms and provisions of the Association's Governing Documents and, to the extent such terms and provisions are included in recorded documents, constitute equitable servitudes, covenants, and conditions running with the land and are binding upon the Property and inure to the benefit of the Association, and each Owner, including the Owner's heirs, executors, administrators, personal representatives, successors, and assigns. By acquiring any interest in a Lot such Owner consents to, and agrees to be bound by, the provisions in the Governing Documents. In the event of a foreclosure by a Mortgagee, or other judicially ordered sale, the provisions of this Declaration shall survive and be binding upon any Owner who gained title to the Lot through the foreclosure or other sale.

**3.06 Separate Taxation.** Each Lot in the Project shall be assessed separately for all taxes, assessments, and other charges of the State of Utah or of any political subdivision thereof of any special improvement district or of any other taxing or assessing authority. For purposes of assessment, the valuation of the Common Areas shall be assessed separately from the Lots. No forfeiture or sale of any Lot or any Residential Home constructed thereon for delinquent taxes, assessments, or other governmental charges shall divest or in any way affect title to any other Lot.

**3.07 Mechanic's Liens.** No labor performed or material furnished for use in connection with any Lot or Residential Home constructed thereon with the consent, or at the request of, an Owner or the Owner's agent or subcontractor shall create any right to file a mechanic's lien against a Lot of any other Owner not expressly consenting to or requesting the same or against any interest in the Common Areas, unless such work was performed upon express written consent of the Association and the labor performed or material furnished was provided directly for the improvement, repair, or construction of the Common Areas.

**3.08 Description of Lot.** Each respective Lot shall be legally described for all purposes by using the applicable Lot Number as established on the Plat.

#### **ARTICLE IV** **Easements**

**4.01 Right to Ingress, Egress, and Enjoyment of Common Areas.** Subject to the other terms and limitations contained in the Association's Governing Documents, each Owner has the non-exclusive right of ingress and egress over, upon, and across the Common Areas and shall have the right of easement and enjoyment in and to the Common

Areas which shall be appurtenant to and pass with the title to every Lot subject to the terms and conditions of said easements as herein set forth. The Association has the nonexclusive right to grant permits, licenses, and easements upon, across, over, under, and through the Common Areas for purposes necessary for the proper operation of the Project.

**4.01.01 Limitation on Easement.** Notwithstanding the foregoing, an Owner's right and easement for the use and enjoyment of the Common Areas is subject to the following:

(a) The right of the Association to suspend an Owner's right to the use of any recreational facilities included in the Common Areas: (1) for any period during which an Assessment on such Owner's Unit remains unpaid; (2) for a period not exceeding sixty (60) days for any infraction by such Owner of the provisions of this Declaration or any Association Rule; and (3) for successive sixty (60) day periods, if any such infraction is not corrected during any prior sixty (60) day suspension period;

(b) The Limited Common Area appurtenant to a Lot is limited to the use and enjoyment of the Owner(s) and Occupant(s) of the Lot to which the Limited Common Area pertains and not to all Owners generally;

(c) The right of the Association to impose reasonable limitations on the number of guests per Lot Owner or Occupant who at any given time are permitted to use the Common Areas;

(d) The right of any governmental or quasi-governmental body having jurisdiction over the Project to access and rights of ingress and egress over and across any street, parking area, walkway, or open area contained within the Project for purposes of providing police and fire protection, transporting school children, and providing any other governmental or municipal service;

(e) Any and all recorded easements, easements by encroachments, and easements or licenses granted by the Association to third parties;

(f) The right of the Association to dedicate, transfer, or sell all or any part of the Common Areas and Common Facilities to any particular Person, public agency, or governmental authority for such purposes and subject to such conditions as may be agreed to by the Association; and

(g) Any other limitation in the Governing Documents.

**4.02 Delegation of Use.** Any Owner may delegate, in accordance with the Rules and Regulations, the Owner's easement of use and right of enjoyment to the Common Areas and any recreational facilities located thereon to the Owner's family member, tenant, lessee, contract purchaser, or other Occupant of the Lot who resides in the Residential Home located on the Lot. Authorized Occupants shall have the same rights of access to and use of the Common Areas as an Owner.

**4.03 Easement for Maintenance of Lots.** The Association, its agents, employees, or subcontractors, have the right of access to and an easement over and across each Lot, and any Limited Common Areas appurtenant to the Lot, to make inspections, to prevent or mitigate damage to Lot and Common Areas, to maintain, repair, replace or effectuate the restoration



of the Common Area and facilities that the Association is responsible for maintaining which are accessible from such Lot, to complete maintenance on a Lot after giving notice to the Owner of the Owner's default in completing necessary maintenance and an opportunity for the Owner to complete such maintenance, and to complete or effectuate any other actions or tasks related to Association business or operations. Such access rights to the Lot by the Association shall be exercised only after giving reasonable notice to the Owner, or Occupant, except in emergency situations.

**4.04 Right of Entry.** As used in this Section: "Emergency Repair" means a repair that, if not made in a timely manner, will likely result in immediate and substantial damage to a Common Area or to another Lot; and "Reasonable Notice" means notice consistent with the provisions of the Association's Governing Documents and applicable provisions of the Nonprofit Act.

**4.04.01** Except as otherwise provided in the Declaration, after reasonable notice to the Owner or Occupant of the Lot being entered, the Board, Manager, or contractor hired by the Association may access a Lot or Limited Common Area without trespass:

- (a) From time to time during reasonable hours, as necessary for the maintenance, repair, or replacement of any of the Common Areas; or
- (b) For making an emergency repair.

**4.04.02** The Board, Manager, or contractor hired by the Association may enter the Limited Common Area appurtenant to a Lot without notice, as necessary, to repair the sprinkler system, broken pipes, and to mow the lawn.

**4.04.03** Before accessing a Lot to correct a violation of the Governing Documents, the Association shall comply with the following:

- (a) Send two notices to the Owner (at least ten (10) days apart);
- (b) Fine the Owner pursuant to the Association's schedule of fines;
- (c) Give the Owner at least fourteen (14) days after receipt of the 2<sup>nd</sup> notice and fine to correct the violation; and
- (d) If the Owner continues to be in violation of the Governing Documents after the Association has satisfied the above notice requirements, then the Association, acting through the Board or its duly authorized agent, may access a Lot, without trespass, and correct the violation of the Governing Documents. Owners shall be responsible for any costs and fees incurred by the Association as a result of entering a Lot under this Section, which costs and fees shall be assessed to the Lot Owner and against the Lot as an individual Assessment pursuant to the Declaration.

**4.04.04** The Association has no right of entry into a Residential Home except for in the case of an emergency or as necessary to complete maintenance on the Residential Home after Reasonable Notice has been given to the Owner by the Association of the Association's intent to exercise its rights under the Governing Documents to complete the maintenance.

## **ARTICLE V** **Restrictions on Use**

**5.01 Residential Uses.** All Lots are intended to be used for single-family residential housing and are restricted to such use. No Residential Home shall be used for business or commercial activities without permission of the Board. Unless otherwise determined by law, as used herein, "single-family" shall mean: Persons related to each other by blood within two generations or legally related to each other by marriage or adoption, or a group of not more than three (3) Persons not all so related, inclusive of their domestic servants, who maintain a common household in a residence on a Lot. Notwithstanding the definition of single-family, because of the Project's zoning, no more than two people shall reside in any bedroom in any Residential Home and no more than a total of eight people shall be permitted to reside in any Residential Home built on a Lot within the Project. No Owner shall permit more than three vehicles to be parked on a Lot (including inside the garage) on a permanent basis. As used herein, permanent basis means no more than ten (10) days out of any thirty-day period. The Board of Directors must approve any deviation.

**5.02 No Noxious or Offensive Activity.** No noxious, offensive, or illegal activity shall be carried on in or upon any part of the Project, nor shall anything be done or placed in or upon any part of the Project which is or may become a nuisance or may cause embarrassment, disturbance, or annoyance to residents, including but not limited to loud or disturbing behavior by pets and children. No activities shall be conducted, nor improvements constructed, in or upon any part of the Project, which are or may become unsafe or hazardous to any person or property. No automobile or other vehicles shall be parked on a street within the Project or at any other location within the Project, which impairs or tends to impair vehicular or pedestrian access within the Project or to and from its various parts.

**5.03 Restrictions on Animals.** The Association and the City of Syracuse adopt and adhere to the Davis County's "Comprehensive Animal Control Ordinance. Section 6.12.060 "No person or persons at anyone (1) residence within the jurisdiction of this title shall at any one (1) time own, harbor, license or maintain more than two (2) dogs." There can be no more than a total of two pets per Lot. The animal cannot become a nuisance either through damage, unsanitary conditions, unreasonable odors, and noise or safety concerns. Whenever a dog is allowed outside, it shall be on a leash or some other appropriate restraint. The Association may adopt additional Rules and Regulations related to animals in the Project.

**5.04 Prohibition of Damage and Certain Activities.** Except with the prior written consent of the Board of Directors, nothing shall be done or kept in any Residential Home or upon any Lot which would result in the cancellation of any insurance on the Project or any part thereof, nor shall anything be done or kept in any Residential Home which would increase the rate of insurance on the Project or any part thereof over that which, but for such activity, would be paid. Nothing shall be done or kept in any Residential Home, upon any Lot, or upon the Common Areas, or upon any part of the Project, which would be in violation of any statute, ordinance, regulation, rule, permit, or other validly imposed requirement of any governmental authority. No damage to, or waste of, the Common Areas or Common Facilities

or any part thereof shall be committed by any Owner, Occupant, or guest or invitee of any Owner or Occupant, and each such Owner shall indemnify and hold harmless the Association and the other Owners against all loss resulting from any such damage or waste caused by such Owner, Occupant of the Owner's Lot, Owner's family guests, tenants, licensees, or invitees.

**5.05 Rules and Regulations.** Each Owner and any Occupant of a Lot or using the Common Areas or Common Facilities within the Project shall comply with each and every provision of the Rules and Regulations applicable to the use of such areas. The Association's Rules and Regulations may from time to time be adopted, amended, or revised by the Association pursuant to Section 7.04 herein.

**5.06 Construction Exemption.** During the construction of any permitted structures or improvements, the Board may grant, in writing, a temporary waiver or variance from certain provisions, covenants, conditions, and restrictions contained in this Declaration to the extent necessary or convenient to permit such construction; provided, however, that, during the course of such construction, nothing shall be done which will result in a violation of the Association's Governing Documents upon completion of the construction.

## **ARTICLE VI** **The Association**

**6.01 The Association.** The administration of this Project shall be through the Association, a Utah non-profit corporation, which has been organized and will be operated to perform the functions and provide the services contemplated in this Declaration and other Governing Documents of the Association. Said Association shall operate in accordance with the laws of the State of Utah and the Governing Documents of the Association.

**6.02 Membership.** Each Owner shall be entitled and required to be a member of the Association. Membership shall begin immediately and automatically upon becoming an Owner and shall terminate immediately and automatically upon ceasing to be an Owner. If title to a Lot is held by more than one person, the membership appurtenant to that Lot shall be shared by all such persons in the same proportionate interests and by the same type of tenancy in which title to the Lot is held. An Owner shall be entitled to one membership for each Lot owned by said Owner. Each membership shall be appurtenant to the Lot to which it relates and shall be transferred automatically by conveyance of that Lot. Ownership of a Lot within the Project cannot be separated from membership in the Association, and any devise, conveyance, or disposition of a Lot shall be construed to be a devise, conveyance, or other disposition, respectively, of that Owner's membership in the Association and all rights appurtenant thereto. No person or entity other than an Owner may be a member of the Association, and membership in the Association may not be transferred except in connection with the transfer of a Lot.

**6.03 Board of Directors.** A Board of Directors shall govern the Association as the same shall be established and defined in the Bylaws of the Association. Except as limited in this Declaration or the Bylaws, the Board acts in all instances on behalf of the Association.

**6.04 Votes.** Each Owner shall be entitled to one (1) vote for each Lot owned. If membership is jointly held; all or any holders of the joint membership may attend any and all meetings of the members of the Association, but such holders of the joint membership must act unanimously to cast one (1) vote relating to their joint membership. If joint Owners of a Lot submit conflicting votes, then no vote for that Lot will be counted except for purposes of establishing a quorum.

**6.05 Power of Attorney and Amendments.** Each Owner makes, constitutes, and appoints the Association the true and lawful attorney in said Owner's name, place, and stead to make, execute, sign, acknowledge, and file with respect to the Project such amendments to this Declaration and the Plat as may be required by law or by vote taken pursuant to the provisions of this Declaration.

## **ARTICLE VII**

### **Certain Rights and Obligations of the Association**

**7.01 The Common Area.** The Association, subject to the rights and duties of the Owners as set forth in this Declaration, shall be responsible for the exclusive management, control, operation, and maintenance of the Common Area, including all improvements thereon (including the Common Facilities), and shall keep the same in a good, clean, attractive, safe, sanitary order and repair. All goods and services procured by the Association in performing its responsibilities under the Section shall be paid for with funds from the Common Expense Fund.

**7.02 Miscellaneous Goods and Services.** The Association may obtain or pay for out of the Common Expense Fund the services of such personnel as the Association shall determine to be necessary or desirable for the proper operation of the Project, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may also obtain or pay for out of the Common Expense Fund legal and any accounting services necessary or desirable in connection with the operation of the Project or the enforcement of this Declaration. In addition to the foregoing, the Association may acquire and pay for out of the Common Expense Fund water, sewer, garbage collection, electrical, gas, and other necessary or desirable utility services for the Common Areas and insurance, bonds, and other goods and services common to the Lots and necessary to implement the intent of this Declaration.

**7.03 Property Acquisition.** The Association may acquire (by purchase, lease, or otherwise), hold and dispose of real, personal, and mixed property of all types for the use and benefit of all Owners. The costs of acquiring all such property, including Common Facilities, shall be paid for out of the Common Expense Fund and all proceeds from the disposition of such property shall be part of the Common Expense Fund.

**7.04 Rules and Regulations.** The Board of Directors may adopt, amend, cancel, limit, create exceptions to, expand or enforce reasonable Rules and Regulations, including Design Guidelines, governing the Project and all aspects thereof including the Common Areas, Common Facilities, Limited Common Areas, and Lots provided however, that such Rules and Regulations shall be consistent with the rights and obligations established by this

Declaration or the Act. Except in the case of imminent risk of harm to a portion of the Common Areas or Limited Common Areas, an Owner, a Lot or a Residential Home, 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 the procedures for enforcing 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 the limitations under Section 217 of the Act.

**7.05 Creation of Easements.** The Board may, without vote or consent of the Owners or of any person, grant or create, on such terms, as it deems advisable, reasonable utility and similar easements over, under, across, or through the Common Areas, which may be determined by the Association to be reasonably necessary.

**7.06 Implied Rights.** The Association may exercise any right or privilege given to it expressly by this Declaration or by law and every other right or privilege reasonably implied from the existence of any right, privilege, or duty given to it herein or reasonably necessary to effectuate any such right, privilege, or duty.

**7.07 Powers of the Association.** Notwithstanding the powers of the Association as set forth in this Article VII, neither the Association nor the Board of Directors as delegee of the Association's powers and duties shall enter into a contract with a third person or entity whereby such person or entity shall furnish goods or services for the Project for a term longer than one to three years at the discretion of the Board of Directors.

**7.08 Financial Statements.** The Board of Directors shall cause financial statements for the Association to be prepared at least annually, or at more frequent intervals if required by a majority vote of the Owners, and cause copies thereof to be made available to all Owners in accordance with the Act and Nonprofit Act. Such statements shall be prepared in accordance with normally accepted accounting procedures and presented in such a manner as to fairly and accurately reflect the financial condition of the Association. Nothing herein shall be construed to require an audit of the Association's financial records by a certified public accountant.

## **ARTICLE VIII**

### **Assessments**

**8.01 Assessments.** The Association has the right to charge to, and collect from, each Owner of a Lot within the Project said Owner's equal share of all sums which are expended on behalf of all Owners and all sums which are required by the Association to perform or exercise the functions, duties, rights, and powers of the Association under its Governing Documents adopted in accordance with the provisions thereof.

**8.02 Agreement to Pay Assessments.** Each Owner shall be deemed to covenant and agree with the Association to pay to the Association all Assessments made for the

purposes provided for in this Declaration. Such Assessments shall be fixed, established and collected from time to time as provided in this Article.

**8.03 Commencement of Assessments.** For Lots where a Residential Home will be constructed, the Regular Assessments shall commence on the first day of the first calendar month following the Owner, or the Owner's builder, starting to dig the whole for the foundation of the Residential Home. Regular Assessments for Lots with existing Residential Homes are on-going and will commence against any new Owner on the first day of the first calendar month following recordation of a conveyance instrument transferring the Lot within the Project to the new Owner.

**8.04 Regular Assessments.** Based upon the Budget prepared by the Board, the Association shall charge each Lot Owner a monthly Assessment amount (a "Regular Assessment") in equal amounts to all Owners. Such Regular Assessment shall consist of each Owner's equal share of the estimated annual total of: (1) the amount which is reasonably anticipated to be expended on behalf of all Owners; (2) the sum of all amounts which are required to perform or exercise the rights, powers, and duties of the Association during each fiscal year; and (3) the amount to be set aside in the Association's reserve account fund. The Regular Assessments should be equal for all Lots.

**8.04.01 Notice and Payment of Regular Assessment.** The Regular Assessments shall be made on a January 1 through December 31 fiscal-year basis. On or before January 1 each year, the Association may give written notice to each Owner as to the amount of the Regular Assessment with respect to the Owner's Lot for the fiscal year commencing on January 1 immediately following such date. Failure of the Association to give any timely notice of any Regular Assessment shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, nor shall such failure affect the liability of the Owner of any Lot for payment of such Regular Assessment. Each Regular Assessment shall be payable on a monthly basis due on the first day of each month commencing January 1, and shall be subject to a late charge if it is not timely paid.

**8.04.02 Inadequate Funds.** In the event that the Common Expense Fund proves inadequate during any fiscal year for whatever reason, including non-payment of Owner's Assessments, the Association may either borrow funds and/or levy additional Assessments in accordance with the procedure set forth in this Declaration, except that the vote herein specified shall not be necessary. If the Association elects to levy such an additional Assessment, then no such Assessment or Assessments levied in any fiscal year may, in the aggregate, exceed five percent (5%) of the monthly Regular Assessment for that fiscal year without the vote or written consent of a majority of owners.

**8.04.03 Increase in Regular Assessments.** The amount of Regular Assessment for a new fiscal year shall not exceed twenty percent (20%) of the Regular Assessment amount for the immediately preceding fiscal year unless a majority of Owners shall consent to a greater increase by vote or written consent.

**8.05 Special Assessments.** In addition to Regular Assessments, the Association may levy, at any time, and from time to time, upon the affirmative vote of at least fifty percent

(50%) of the total votes of the Association, a special Assessment ("Special Assessment"), payable over such periods as the Association may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement or any part thereof, or for any other expenses incurred or to be incurred as provided in this Declaration. This Section shall not be construed as an independent source of authority for the Association to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other Sections or Articles hereof. Any amounts assessed pursuant hereto shall be assessed to Owners, in the same manner as other assessments. Notice in writing of the amount of such Special Assessments and the time for payment thereof shall be given promptly to the Owners, provided that no payment shall be due less than thirty (30) days after such notice shall have been given. Special Assessments shall be subject to the same rate of late charges and interest as any other unpaid Assessment. All funds received from Special Assessments shall be part of the Common Expense Fund

**8.06 Corrective Assessment.** In addition to the Regular Assessments and any Special Assessment, the Association may levy a corrective Assessment against a particular Owner and the Owner's Lot to pay the following: costs directly attributable to, or reimbursable by, that Owner, equal to the costs incurred by the Association for corrective action, performed pursuant to the provisions of this Declaration, plus interest, an administration fee of fifteen percent (15%) of the total cost of the corrective action, and other charges as necessary to bring the Owner and/or the Owner's Lot into compliance with the Association's Governing Documents (a "Corrective Assessment"). The Board shall deliver a notice and right to hearing to the Owner upon whom it intends to levy a Corrective Assessment.

**8.07 Benefitted Assessment.** The Board may also levy an Assessment against particular Lots for expenses incurred or to be incurred by the Association to cover the costs, including overhead and administrative costs, of providing benefits, items, or services to the Lot or Occupants thereof upon request of the Owner pursuant to a menu of special services which the Board may from time to time authorize (which might include, without limitation, landscape maintenance, caretaker services, etc.) (a "Benefitted Assessment"), which Benefitted Assessment may be levied in advance of the provision of the requested benefit, item or service as a deposit against charges to be incurred by the Owner.

**8.08 Reinvestment Fee Assessment.** In addition to all other Assessments, and upon the conveyance of a Lot, there shall be one (1) reinvestment fee Assessment (the "Reinvestment Fee Assessment") charged to the buyer or seller, as the buyer and seller may determine, comprised of one or more of the following charges:

**8.08.01** An Assessment determined pursuant to resolution of the Board and charged for:

- (a) common planning, facilities, and infrastructure;
- (b) obligations arising from an environmental covenant;
- (c) community programming;
- (d) recreational facilities and amenities; or
- (e) Association expenses as provided for in Utah Code § 57-1-46(1)(a).

**8.08.02** No Reinvestment Fee Assessment shall 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 Assessment 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 in this subsection directly to the Association's manager.

**8.08.03** A reinvestment fee covenant 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.

**8.08.04** The Association has the authority to record against all Lots in the Project any separate notice regarding the reinvestment fee covenant, which notice will be recorded with the County Recorder's office.

**8.09 Lien for Assessments.** The Association has a lien on each Lot for all Assessments, which include but are not limited to interest, collection charges, late fees, attorney fees, court costs, and other costs of collection (which include all costs and are not limited by those costs that may be awarded under the Utah Rules of Civil Procedure). Pursuant to and as provided for in the Act, this lien arises for unpaid amounts owed and is deemed perfected as of the date of the recording of the Enabling Declaration and will have priority over all encumbrances recorded after this Declaration is recorded, except as otherwise required by law. If an Assessment is payable in installments, the lien is for the full amount of the Assessment from the time the first installment is due, unless the Association provides otherwise in the notice of Assessment.

**8.09.01 Fines Included in Lien.** The Association also has a lien on each Lot for all fines imposed against an Owner by the Association. This lien for fines will arise when: (1) the time for appeal described in Utah Code § 57-8a-208(5) has expired and the Owner did not file an appeal; or (2) the Owner timely filed an appeal under Utah Code § 57-8a-208(5) and the district court issued a final order upholding the fine. The Association's lien will have priority over every other lien and encumbrance on a Lot except only: (1) a lien or encumbrance recorded before this Declaration is recorded; (2) a first or second security interest on the Lot secured by a mortgage or trust deed that is recorded before a recorded notice of lien by or on behalf of the Association; and (3) a lien for real estate taxes or governmental assessments or charges against the Lot. If the Association's lien is not paid off at or before a Lot is sold or conveyed, the lien shall continue to encumber the Lot and the Association may seek to recover the full amount of the lien from the new Lot Owner through enforcing the lien against the Lot (i.e., through foreclosure), and the Association may still pursue the prior Lot Owner for a monetary judgment of the Assessments owed at the time the Lot was sold or conveyed. The Association may, but need not, record a notice of lien on a Lot.

**8.10 Personal Obligation of Owner.** The amount of each and every Assessment against any Lot with the Project shall also be the personal obligation of the Owner of such



Lots to the Association. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the same. No Owner may avoid or diminish any such personal obligation by waiver of the use and enjoyment of any Common Areas or by abandonment of the Owner's Lot, or by waiving any services or amenities provided for in this Declaration. In the event of any suit to recover a money judgment for unpaid Assessments hereunder, the involved Owner shall pay the costs and expenses incurred by the Association in connection therewith, including court costs and reasonable attorney's fees both before and after judgment.

**8.11. Budget.** 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 Owner. A budget presented by the Board is only disapproved if Owner action to disapprove the budget is taken in accordance with the limitations under Section 215 of the Act.

**8.12. 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.

**8.12.1 Reserve fund money means money to cover:** (a) the cost of repairing, replacing, or restoring Common Areas and Common Facilities which 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 Section 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.

**8.12.2** 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.

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

**8.13 Tenant Payment of Assessments.** The Board may require an Occupant, or tenant, under a lease with a Lot Owner to pay the Association all future lease payments due to the Lot Owner if the Owner fails to pay an Assessment to the Association 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.

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.

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 (1) 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 an Association as required under this section.

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

## **ARTICLE IX**

### **Enforcement of Restrictions**

**9.01 General.** Each Owner shall comply with the provisions of the Association's Governing Documents. In addition to any other remedies allowed or provided for in the Governing Documents for any violation of the Governing Documents, the Association may: (1) impose fines; (2) collect rents directly from tenants if Owners fail to pay Assessments; and (3) take any other action or seek any other remedy allowed by the Act or other applicable Utah law. The Association shall have the right to collect Assessments through a lawsuit, judicial foreclosure, non-judicial foreclosure, or other means as provided in Sections 301 through 311 of the Act. Such remedies shall be cumulative and not exclusive

**9.02 Late Fees and Interest.** Unless otherwise specifically set forth in this Declaration, all sums payable hereunder by an Owner shall bear a late fee of ten percent (10%) of the Assessment per month from the due date. In addition, all unpaid and

delinquent Assessments (including previously assessed late fees, interest, attorney's fees, costs, and other charges of the Association) shall bear interest at the rate of one and one-half (1.5%) per month, compounded monthly, from the date such Assessment become due.

**9.03 Certain Specific Enforcement Powers.** In amplification of, and not in limitation of, the general powers specified in Section 9.01 above, the Association shall have the following enforcement remedies:

**9.03.01 Suspension of Privileges.** If any Owner shall be in breach of the Governing Documents, including, but not limited to, the failure of such Owner to pay any Assessments on or before the due date thereof, subject to the limitations hereinafter set forth in this paragraph, the Association may suspend the Owner's rights and privileges to the extent allowed under this Declaration, the Bylaws, and the Act. The decision as to whether such privileges should be suspended shall be made by a majority of the members of the Board present at a special meeting of the Board duly called and held for such purpose. No suspension under this paragraph shall be effective until written notice has been given to the Owner of the suspension, the reasons therefore, and the actions that must be taken by said Owner to have all suspended privileges reinstated. If such suspension of privileges is based on the failure of an Owner to pay Assessments when due, the suspended privileges of an Owner shall be reinstated automatically at such time as the Owner shall have paid to the Association, in cash or by cashier's or certified check, all amounts past due as of the date of such reinstatement.

**9.03.2 Fines.** In accordance with Section 57-8a-208 of the Act, 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. The Board shall adopt a Rule for the procedure to enforce the Governing Documents and levy fines, including a schedule of fines. In addition to the levy of fines, the Board may also elect to pursue other enforcement remedies and/or damages permitted under the Governing Documents.

**9.03.03 Foreclosure Sale and Appointment of Trustee.** The Association shall have all rights of foreclosure granted by the Act, both judicially and non-judicially. For purposes of pursuing foreclosures on behalf of the Association appoints the Association's legal counsel as trustee, pursuant to Utah Code Ann. § 57-1-21(1)(a)(i). The Association and each Lot Owner hereby conveys and warrants pursuant to Utah Code Ann. §§ 57-1-20 and 57-8a-302 to Quinn A. Sperry with power of sale, each of the Lots and all improvements to the Lots for the purpose of securing payment of Assessments under the terms of the Declaration. An Owner's acceptance of an interest in a Lot constitutes a simultaneous conveyance of the Lot in trust, with power of sale to the trustee for the benefit of the Association, for the purpose of securing payment of Assessments under the terms of the Declaration. The Association may appoint a qualified successor trustee by executing and recording a substitution of trustee form.

## **ARTICLE X**

### **Insurance**

**10.01 Types of Insurance.** The Association shall obtain and keep in full force and effect at all times the following types of insurance coverage, provided by companies licensed

to do business in the State of Utah:

**10.01.1 Public Liability and Property Damage Insurance.** The Association shall obtain a broad form of comprehensive liability insurance coverage to provide adequate protection against liability for personal injury, death, and property damage in amounts not less than Five Hundred Thousand Dollars (\$500,000.00) per person and One Million Dollars (\$1,000,000.00) per occurrence with regard to injury or death and not less than One Hundred Thousand Dollars (\$100,000.00) per occurrence with respect to property damage. Coverage shall include, without limitation, liability for operation of vehicles and equipment on behalf of the Association and all activities in connection with the ownership, operation, maintenance, and other use of the Project and the facilities located therein;

**10.01.2 Fidelity Insurance or Bond.** The Association may purchase, in such amounts and in such forms as it deems appropriate, fidelity insurance or a bond to cover against dishonesty of employees, destruction or disappearance of money or securities, and forgery.

**10.02 Form of Insurance.** Insurance coverage relating to the Project, in so far as possible, shall be in the following form:

**10.02.1 Casualty Insurance.** Casualty insurance shall be carried in a form or forms naming the Association as the insured. Each policy shall also provide that it cannot be cancelled by either the insured or the insurance company until after ten (10) days' prior written notice.

**10.02.2 Public Liability and Property Damage Insurance.** Public liability and property damage insurance shall name the Association as the insured and shall protect the Association, and the Board of Directors against liability for acts or omissions of the Association, and the Board of Directors in connection with the ownership, operation, maintenance, or other use of the Project or any part thereof. Each such policy shall provide that it cannot be cancelled either by the insured or the insurance company until ten (10) days' prior written notice to the Board of Directors.

**10.02.3 Policies.** The Association shall make every effort to secure insurance policies that will provide that:

(a) The insurer shall waive subrogation as to any claims against the Association, the Board of Directors, agents and guests;

(b) The policy or policies on the Project cannot be cancelled, invalidated, or suspended on account of the conduct of any one or more individual Owners, without a prior demand in writing that the Association cure the defect; and

(c) The policy or policies on the Project cannot be cancelled, invalidated, or suspended on account of the conduct of any officer, or employee of the Association without a prior demand in writing that the Association cure the defect; and

(d) Any "no other insurance" clauses in the policy or policies on the Project shall exclude individual Owners' policies from consideration.

**10.03 Insurance Proceeds.** The Association shall receive the proceeds of any casualty insurance payments made under policies obtained and maintained by the Association pursuant to this Article. To the extent that reconstruction or repair is required herein, all proceeds of such insurance shall be made available as a fund for such reconstruction or repair and shall be disbursed by the Association as provided in Article XI.

**10.04 Additional Coverage.** The provisions of this Declaration shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage in addition to any insurance coverage required by this Declaration in such amounts and in such forms as the Association may deem appropriate from time to time.

**10.05 Adjustment and Contribution.** Exclusive authority to adjust losses under policies hereafter in force on the Project shall be vested in the Association. In no event shall the insurance coverage obtained and maintained by the Association hereunder be brought into contribution with insurance purchased by individual Owners or their Mortgagees.

**10.06 Owner's Own Insurance.** Notwithstanding any other provisions of this Article, each Owner shall be responsible to obtain insurance at the Owner's own expense providing coverage upon the Owner's Lot, Residential Home, any and all other improvements located on the Owner's Lot, the Owner's personal property, for the Owner's personal liability, and covering such other risks as the Owner may deem appropriate; provided that each such policy shall provide that it does not diminish the insurance carrier's coverage for liability arising under insurance policies obtained by the Association pursuant to this Article. To the extent it is reasonably available, Owner shall also obtain insurance at the Owner's own expense providing coverage upon the Limited Common Area appurtenant to the Owner's Lot and all activities conducted on, in, and over such Limited Common Area and name the Association as an additional insured on the Owner's policy. The Owner's insurance policy will provide primary coverage for such areas.

**10.06.1** If Owner fails to obtain insurance as required under Section 10.6 and a Person brings a claim against the Association which claim would have covered by the Owner's insurance policy if the Owner had obtained such policy (as required herein), then the Owner is responsible to indemnify and hold harmless the Association for any damages the Association suffers, including, but not limited to, any attorney's fees and costs the Association incurs in investigating and defending itself against such claim(s) or any amounts paid by the Association to settle or otherwise resolve such claim(s). The Association may levy a Corrective Assessment against the Owner and the Owner's Lot for such damages incurred by the Association.

**10.07 Review of Insurance.** The Association shall review annually the coverage and policy limits of all insurance on the Common Areas and Common Facilities and adjust the same at its discretion within the limitations set forth within this Article. Such review may include an appraisal of the improvements in the Project by a representative of the insurance

carrier or carriers providing the policy or policies on the Project, or by such other qualified appraisers as the Association may elect.

## **ARTICLE XI** **Damage or Destruction**

**11.01 Damage or Destruction of Lot or Residential Home.** In the event that a Lot or any improvement located thereon, including a Residential Home, is damaged or destroyed by fire or other casualty, the Owner thereof shall cause such Lot or Residential Home to be promptly repaired, restored, or reconstructed to the extent required to restore the Lot or Residential Home to substantially the same condition in which it existed prior to the occurrence of the damage or destruction. In addition, if any Common Area is damaged or destroyed in connection with the repair, restoration, or reconstruction of a damaged Lot, then the cost of repair, restoration, or reconstruction of the Common Area so damaged shall be paid by the Owner of the said Lot.

**11.02 Damage or Destruction of Common Areas.** In the event that the Common Areas or any portion thereof, any improvements constructed on the Common Areas, or any Common Facilities are damaged or destroyed by fire or other casualty, the Association shall be responsible to promptly repair, restore, replace, or reconstruct same to the extent required to return them to substantially the same condition in which they existed prior to the occurrence of the damage or destruction. The Association shall have full and complete authorization, right, and power to make, execute, and deliver any contract or other instrument and may take all action which may be necessary or appropriate to exercise the powers herein granted and no consent or other action by any Owner shall be necessary in connection therewith.

**11.03 Repair or Reconstruction.** Repair, restoration, replacement, or reconstruction of damaged portions of the Project as used in this Article means restoring, by whatever means, method, or process that shall be necessary, the damage portions of the Project to substantially the same condition in which it existed prior to the damage, with each Lot and the Common Areas having substantially the same boundaries as before. The term "repair" as used herein shall be deemed to include, without limitation, each and every process or procedure necessary to comply with the intent of the Article.

**11.04 Estimate of Costs.** As soon as practicable after an event causing damage to or destruction of any part of the Common Areas and Common Facilities, the Association shall obtain complete and reliable estimates of the costs of repair of that part of the Common Areas or Common Facilities damaged or destroyed. As soon as practicable after receiving said estimates, the Association shall diligently pursue to completion the repair of that part of the Common Areas and Common Facilities damaged or destroyed.

**11.05 Funds for Reconstruction.** The proceeds of any casualty insurance collected by the Association due to damage to the Common Areas or Common Facilities shall be available to the Association for the purpose of repair of the Common Areas or Common Facilities. If the proceeds of the insurance are insufficient to pay the estimated or actual cost

of such repair, the Association may levy, in advance, a Special Assessment sufficient to provide funds to pay such estimated or actual costs of repair. Such Special Assessments shall be allocated and collected as provided in the Governing Documents, except that the vote therein specified shall not be necessary. Further levies may be made in like manner if the proceeds of insurance and the Assessment collected prove insufficient to pay the costs of repair.

**11.06 Disbursement of Funds for Repair.** The insurance proceeds received by the Association and any amounts received from Special Assessments made pursuant to Section 11.05 shall constitute a fund for the payment of costs of repair after casualty. It shall be deemed that the first money disbursed in payment for cost of repair shall be made from insurance proceeds, if there is a balance after payment of all costs of such repair, such balance shall be deposited to the Common Expense Fund.

## **ARTICLE XII** **Condemnation**

**12.01 Condemnation of Lot.** If at any time or times during the continuance of ownership pursuant to this Declaration, all or part of one or more Lots shall be taken or condemned by any public authority under power of eminent domain, the provisions of this Article shall apply. A voluntary sale or conveyance of all or any part of a Lot, but under threat of condemnation, shall be deemed to be taken by power of eminent domain.

**12.02 Proceeds.** All compensation, damages, and other proceeds from any taking of a Lot by power of eminent domain (hereinafter "the Condemnation Award") shall be made payable to the Owner of each respective Lot so condemned.

**12.03 Termination of Membership.** If all of a Lot is taken by condemnation, or if such a portion of a Lot is taken by condemnation such that the remaining portion of the Lot may not practically or lawfully be used for any purpose permitted in the Declaration, then the membership, vote, easement rights, liability for payment of the Assessments, and all other rights and duties granted by this Declaration which are appurtenant to such Lot shall be and are automatically terminated upon such taking.

**12.04 Remaining Portion of Lot.** If any portion of a Lot shall remain after a complete taking as set forth in Section 12.03, then the remaining portion thereof shall be subject to purchase by the Association, at the sole election of the Association, at the fair market value thereof after such condemnation is complete and less any portion of the Condemnation Award paid to the Owner of such Lot which is properly allocated to such remaining portion of the Lot. Any portions of a Lot so purchased by the Association shall be Common Area.

## **ARTICLE XIII** **Condemnation of Common Areas**

**13.01 Condemnation of Common Areas.** If, at any time or times during the

continuance of ownership pursuant to this Declaration, all of any part of the Common Areas or Common Facilities shall be taken or condemned by any public authority under power of eminent domain, the provisions of this Article shall apply. A voluntary sale or conveyance of all or any part of the Common Areas or Common Facilities in lieu of condemnation, but under threat of condemnation, shall be deemed to be a taking by power of eminent domain.

**13.02 Proceeds.** All compensation, damages, and other proceeds from any such taking of Common Areas or Common Facilities by power of eminent domain (hereafter "the Condemnation Award") shall be made payable to the Association and shall be distributed by the Association as provided herein.

**13.03 Complete Taking.** In the event the entire Project is taken by power of eminent domain, ownership pursuant hereto shall terminate, and the Condemnation Award shall be allocated among, and distributed to, the Owners in proportion to their respective undivided interests in the Common Areas and Common Facilities. For the purposes of this Article, the undivided interest owned in common which shall appertain to each Owner shall be that percentage obtained by dividing one hundred (100) by the number of Lots existing in the Project immediately prior to the condemnation as such number is set forth in the Plat.

**13.04 Partial Taking.** In the event less than the entire Project is taken by power of eminent domain, the following shall occur:

**13.04.1 Allocation of Award.** If appointment of all allocation is established by applicable negotiations, judicial decree, or statute, the Association shall employ such apportionment and allocation to the extent appropriate. Otherwise, as soon as possible, the Association shall, reasonably and in good faith, apportion the Condemnation Award between compensation, severance damages, or other proceed, and shall allocate such apportioned amounts and pay the same to the Owners as follows:

(a) The total amount apportioned to taking of or injury to the Common Areas shall be allocated and distributed to all Owners (including Owners whose entire Lots have been taken) in proportion to their respective undivided interests in the Common Areas;

(b) The total amount apportioned to severance damages shall be allocated among, and distributed to, the Owners of those Lots that have not been taken in the proportion that said Owners' undivided interests in the Common Area bears to the total of all such Owners' undivided interests in the Common Areas;

(c) The respective amounts apportioned to the taking of or injury to the particular Lot shall be allocated and distributed to the Owner or Owners of such Lot;

(d) The total amount portioned to consequential damages and any other takings or injuries shall be allocated distributed as the Association determines to be equitable under the circumstances;



(e) Distribution of allocated proceeds shall be made by check payable jointly to each Owner and the Owner's respective Mortgagees, as appropriate.

**13.05 Continuation and Reorganization.** If less than the entire Project is taken by power of eminent domain, ownership pursuant hereto shall not terminate, but shall continue.

**13.06 Reconstruction or Repair.** Any reconstruction or repair necessitated by condemnation shall be governed by the procedures specified in Article XI hereof for cases of damage or destruction.

#### **ARTICLE XIV** **Mortgage Protection**

**14.01 Mortgagee Protection.** No breach of any of the covenants, conditions, restrictions, or limitations contained herein shall defeat or render invalid the lien of any Mortgage made in good faith and for value; provided, however, that all such covenants, conditions, restrictions, and limitations contained herein shall be binding upon an Owner whose title is derived through foreclosure, Trustee's sale, or by deed or assignment in lieu of foreclosure.

**14.02 Priority of Liens.** The Association's lien, and other liens, against a Lot shall have the priority as set forth in Utah Code § 57-8a-301.

**14.03 Prior Liens Relate Only to Individual Lots.** All taxes, Assessments and charges, which may become liens prior to the first Mortgage under local law shall relate only to the individual Lot and not to the Project as a whole.

**14.04 Mortgage Holder Rights in Event of Foreclosure.** Whenever the Mortgagee of a Mortgage, which is superior to the Association's Lien against the Lot, obtains title to a Lot by the foreclosure of the Mortgage on the Lot, then such Mortgagee or any purchaser at a foreclosure sale shall take the Lot free of any claims for unpaid Assessments and charges against the Lot which accrued prior to the date of the acquisition of title to such Lot by such acquirer except for claims for equal share of such Assessments or charges resulting from an equal reallocation of such Assessments or charges to all lots in the Project, including the mortgaged Lot. Such unpaid share of Assessments shall be deemed to the Common Expenses collectible prospectively equal from all of the Lots in the Project, including the Lot which has been acquired in accordance with the provisions of this Section.

**14.05 Notices to First Mortgage Holders.** The Association may, but is not required to, give the applicable first Mortgagee, if any; notice of any default or delinquent in the Lot Owner's obligation under the Declaration not cured within thirty (30) days of the date of such notice.

**14.06 Matters Requiring Mortgagee Approval.** Notwithstanding any other provision contained within this Declaration, a majority of the voting power (based upon one vote for each first Mortgage secured per Lot) of the first Mortgagees of any Lot as then

appear on the official Records of Davis County, Utah, shall have given their prior written approval before the Association shall be entitled to:

- (a) By act or omission, seek to abandon or terminate the Project;
- (b) Change the equal interest or obligations of any individual Lot for the purpose of levying Assessments or charges or allocating distributions of hazard insurance proceeds of Condemnation Awards;
- (c) By act or omission, seek to abandon, encumber, sell, or transfer the Common Areas (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Areas and Common Facilities by the Project shall not be deemed a transfer within the meaning of this clause); or
- (d) Use hazard insurance proceeds for losses to the Project (whether to Common Areas or Common Facilities) for other than the repair, replacement, or reconstruction of such property.

**14.07 Amendment.** No provisions of this Article XIV shall be amended without the prior written consent of a majority of the voting power of all first Mortgagees as such appear on the official records of Davis County, State of Utah, as of the record date of the vote, or action, regarding such amendment.

## **ARTICLE XV** **General Provisions**

**15.01 Intent and Purpose.** The provisions of this Declaration and any supplemental or subsequent Declaration or amendments thereto shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of the Project. Failure to enforce any provision, restriction, covenant, or condition of this Declaration, or in any supplemental or subsequent Declaration or amendments hereto shall not operate as a waiver of any such provision, restriction, covenant, or condition or any other provisions, restrictions, covenants, or conditions.

**15.02 Interpretation.** Whenever used herein, unless the context shall otherwise provide, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include all other genders. The Article and Section headings set forth herein are for the convenience and reference only and are not intended to describe, interpret, define, or otherwise limit or affect the content, meaning, or intent of this Declaration or any Article, Section or provision hereof. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision hereof.

**15.03 Notice.** Notwithstanding any other provision in the Governing Documents, the Association may provide notice to Owners by electronic means, including text message, email

or facsimile, except that an Owner may, by written demand, require the Association to provide notice to that Owner by mail. Any notice required to be given will be deemed to have been given upon the earlier to occur of the following:

(a) when sent by telecopy, the notice is deemed given when the sender receives a facsimile acknowledgment confirming delivery of the telecopy;

(b) when placed into the care and custody of the United States Postal Service, first-class mail, and addressed to the most recent address of the recipient according to the records of the Association, the notice is deemed effective at the earliest of the following: (i) when received; (ii) six (6) days after it is mailed; or (iii) on the date shown on the return receipt if sent by registered or certified mail, sent return receipt requested, and the receipt is signed by or on behalf of the addressee;

(c) when sent via electronic means such as an e-mail, text message or similar electronic communication, the notice is deemed given within twenty-four (24) hours of being sent and a rejection or undeliverable notice is not received by the sender;

(d) when hand delivered, the notice is deemed given immediately upon delivery; or

(e) when delivered by other means, the notice is deemed given upon such circumstances and conditions as are reasonably calculated to give notice to the recipient.

**15.01 Registration of Mailing Address.** Each Owner shall register from time to time with the Association the Owner's current mailing address. All notices or demands intended to be served upon any Owner may be sent by First Class U.S. Mail, postage prepaid, addressed to the Owner at the Owner's last registered mailing address, or, if no address has been registered, to the mailing address of the Lot owned by such Owner. All notices or demands intended to be served upon the Association may be sent by First Class U.S. Mail, postage prepaid, addressed to the Association at the address of its offices as may be furnished to the Owners in writing from time to time. Any notice or demand referred to in this Declaration shall be deemed given when deposited in the U.S. Mail, postage prepaid, and in the form provided for in this Section.

**15.02 Availability of Documents for Inspection.** The Association shall make available to the Owners, Lenders, and insurers of any Lender, current copies of the Governing Documents and other minutes, books, records, and financial statements related to the Association's operations. The term "available" as used in this Section means available for inspection and copying within thirty days, unless a shorter time period is required by law, after receiving a proper written request, during normal business hours and under other reasonable conditions. The Association has the right to refuse to disclose information that the Board of Directors determines, in good faith, would reveal sensitive personal or financial information of another Owner or of an employee or agent of the Association, such as bank account numbers, birth dates, or social security numbers. The Association may require that the Owner comply with any statutory provision or other legal requirement applicable to providing this information before providing it.

**15.03 Amendment.** This Declaration may be amended with or without a meeting by the affirmative vote, or written consent, of Owners holding at least fifty-one percent (51%) of the Allocated Interests of the Association. Any amendment so authorized shall be accomplished through the recordation of an instrument executed by an officer of the

Association certifying that the affirmative vote, or consent, required by this Section occurred.

**15.04 Owner's Obligations.** All obligations of an Owner under and by virtue of the provisions contained in this Declaration shall continue, notwithstanding that said Owner may be leasing, renting, or selling the Owner's Lot. The Owner of a Lot within the Project shall have no obligation for expenses or other obligations (except interest on prior obligations) accruing after the conveyance of such Lot to a subsequent Owner.

**15.05 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 this Declaration, the Articles, Bylaws, Plat, Rules, or other Governing Documents of the Association. 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.

**15.06 Rules & Regulations.** The Association, acting through its Board, has authority to promulgate and enforce such reasonable Rules as may aid the Association in carrying out any of its functions and to ensure that the Project is maintained, operated, and used in a manner consistent with the interest of the Owners. If Rules are adopted, the Board shall consistently and uniformly enforce them. The Rules may supplement, clarify, and add detail to issues addressed in other Governing Documents so long as they do not contradict the same. Pursuant to Utah Code § 57-8a-218(15), the requirements of Section 218, Subsections (1) through (13), except Subsection (1)(b)(ii) of the Act, are hereby modified to not apply to the Association; accordingly, the Board has the authority and flexibility to adopt Rules that are tailored for the Association and the Project. The Board's determination as to whether a particular activity being conducted, or to be conducted, violates or will violate, the Rules will be conclusive, subject to a judicial determination if any is timely sought. The standard for adoption of Rules is one of reasonableness. A Rule must be reasonable in light of the circumstances pertaining to the situation or issue addressed by the Rule. Except in the case of imminent risk of harm to a portion of the Common Areas or Limited Common Areas, an Owner, a Lot or a Residential Home, 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 the procedures for enforcing 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 the limitations under Section 217 of the Act.

**15.07 Right to Sell or Transfer Common Area.** The Board may sell or transfer Common Area (including Limited Common Area) only with approval of at least sixty-seven percent (67%) of the Allocated Interests of the Association and in compliance with the requirements of Utah Code § 10-9a-606.

**15.08 Effective Date.** This Declaration and every provision hereof shall take effect upon recording.

**CERTIFICATION**

IN WITNESS THEREOF, the undersigned officer of the Association hereby certifies that the Board of Directors has obtained the affirmative vote, consent, or other approval of at least fifty-one percent (51%) of the of the Owners who approved and adopted this Declaration. This **AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR CRAIG ESTATES, A HOA COMMUNITY** is executed as of the day and year written below.

DATED as of the 2<sup>nd</sup> day of August, ~~2021~~ 2022.

**CRAIG ESTATES HOMEOWNERS ASSOCIATION, INC.**

By: Doug Hammond  
Doug Hammond, President

STATE OF UTAH )  
                          ) ss.  
COUNTY OF DAVIS )

On this 2 day of August, ~~2021~~ 2022, personally appeared before me, Doug Hammond, whose identity is personally known to me (proven on the basis of satisfactory evidence), and who by me duly sworn/affirmed, did say that he is the President of the Craig Estates Homeowners Association, Inc. (the "Association"), and that said document was signed by him on behalf of the Association with all necessary authority, and acknowledged to me that said Association executed the same.

Heather L Davies  
Notary Public



**CONSENT TO RECORDING**

The undersigned owner of Lots 327 through 333 of the Craig Estates Phase 3 Cluster Subdivision – Second Amended hereby consents to the recording of the AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR CRAIG ESTATES, A HOA COMMUNITY against said lots and real properties.

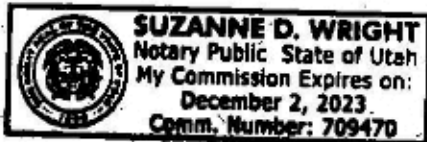
DATED as of the 2<sup>nd</sup> day of August, <sup>2022</sup>~~2021~~.

Owner: *[Signature]*

By (Signature): *[Signature]*  
Name (Printed): Douglas Hammond  
Its (Title, if any): President  
Craig Estates HOA

STATE OF UTAH )  
COUNTY OF DAVIS ) ss.

On this 2 day of August, <sup>2022</sup>~~2021~~, personally appeared before me, Douglas J. Hammond, whose identity is personally known to me (proven on the basis of satisfactory evidence), and who by me duly sworn/affirmed, did say that he/she is the owner, or an authorized agent of the owner, of Lots 327 through 333 of the Craig Estates Phase 3 Cluster Subdivision – Second Amended (the "Association"), and that said document was signed by him/her with all necessary authority, and acknowledged to me that he/she executed the same.



*[Signature]*  
Notary Public  
Suzanne D. Wright

# EXHIBITA

## LEGAL DESCRIPTION

All of the following in the Craig Estates Phase 1 Cluster Subdivision: Lots 101 through 120; Parcel Nos. 12-351-0101 through 12-351-0120, 12-351-0122 through 12-351-0125; and all common areas (including Craig Park), inclusive of Craig Estates Phase 1 Cluster Subdivision, Syracuse City, Davis County, Utah, according to the official plat thereof.

All of the following in the Craig Estates Phase 2 Cluster Subdivision: Lots 201 through 222; Parcel Nos. 12-487-0201 through 12-487-0222, 12-598-0327; Lot 12-598-0328 (Craig Park); and all common areas, inclusive of Craig Estates Phase 2 Cluster Subdivision, Syracuse City, Davis County, Utah, according to the official plat thereof.

All of the following in the Jackson Court Subdivision: Lots 401 through 420; Jackson Lane; and all common areas and open spaces inclusive of the Jackson Court Subdivision, Syracuse City, Davis County, Utah, according to the official plat thereof.

*12-877-0401 thru 0428*

All of the following in the Craig Estates Phase 3 Cluster Subdivision – Second Amended; Lots 327 through 333; Parcel 1 Common Area Open Space, Parcel 2 Common Area Open Space, and all common areas and open spaces inclusive of the Craig Estates Phase 3 Cluster Subdivision – Second Amended, Syracuse City, Davis County, Utah, according to the official plat thereof; but excluding Lots 301 through 325 of the Craig Estates Phase 3 Cluster Subdivision.

*12-956-0327 thru 0335*

# **EXHIBIT B**

**Bylaws  
of  
Craig Estates  
Homeowners Association, Inc.**



**BYLAWS  
OF  
Craig Estates  
Homeowners Association, Inc.**

These bylaws are hereby adopted and established as the Bylaws of Craig Estates Homeowners Association, Inc. (the "Association"). These Bylaws and any amendments thereto apply to the Association upon their recording and bind all present and future Owners and Occupants.

**ARTICLE 1:  
DEFINITIONS**

- 1.1 **Definitions.** Except as otherwise provided herein or as may be required by the context, all terms defined in the AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR CRAIG ESTATES, A HOA COMMUNITY (the "Declaration"), as amended, have the same defined meanings when used in these Bylaws.
- 1.2 **Notice.** Notice as required in these Bylaws will be accomplished as provided for in the Declaration.
- 1.3 **Limitation of Board Authority.** Any limitations of the Board's authority set forth in the Declaration shall apply to the scope of the Board's authority set forth these Bylaws.

**ARTICLE 2:  
OWNERS**

- 2.1 **Annual Meetings.**
- (a) **Requirement.** The Association shall hold an annual meeting of the Owners no less than once each calendar year.
- (b) **Date and Time.** Unless changed by the Board of Directors, the annual meeting of Owners will be held prior to April 1<sup>st</sup> of each year, the specific date and time of which will be set by the Board of Directors. The Board of Directors may from time to time change the date and time for the Annual Meeting of the Owners.
- (c) **Purpose.** The Annual Meeting will be held for any, or all, of the following purposes:
- (1) Electing Board Members;
  - (2) Discussing the most recent financial report(s) and reserve study; so long as required by law, distributing the most recent reserve study; permitting discussion on reserve funding options; and voting on whether and how to fund the reserve account;
  - (3) Presentation of the budget for the next fiscal year.
  - (4) Review and discussion of any provisions of the Association's Governing Documents;
  - (5) Discussing insurance issues and coverage; and

- (6) Transacting such other business as may properly come before the meeting.
  - (d) Election of Board Members. If Board Member elections cannot be held on the day designated for the Owners' Annual Meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Owners, to be convened as soon thereafter as may be convenient.
  - (e) Minutes of Meetings. The minutes of each Annual Meeting, not previously approved, must be approved by a majority of the Board Members in attendance at the following Annual Meeting.
- 2.2 **Special Meetings.**
- (a) Who May Call. Special meetings of the Owners may be called by a majority of the Board of Directors, the President, or upon the written request of Owners holding not less than twenty-five percent (25%) of the Allocated Interest of the Association.
  - (b) Requirements for Request of Owners. Any written request for a special meeting by the Owners must include the signature of each Owner affirmatively supporting such request along with a statement of the purpose of the meeting. The statement of affirmation and purpose must be on every document containing signatures. Such written request is to state the purpose or purposes of the meeting and must be delivered to the Manager, or the President, who shall then call a special meeting, provide notice of the special meeting, and conduct a special meeting within sixty (60) days of receipt of the request that must address the purpose identified on the request, but no other issues.
- 2.3 **Place of Meetings.** The Board may designate any place in Davis County which is reasonably convenient for the Owners as the place of meeting for any annual or special meeting.
- 2.4 **Notice of Meetings.** The Board of Directors shall cause written notice of the time and place, and in the case of a special meeting, the purpose, for all meetings of the Owners (whether annual or special) to be delivered, not more than 30 nor less than 10 days prior to the meeting.
- 2.5 **Owners of Record.** For the purpose of determining Owners entitled to notice of or to vote at any meeting of the Owners, or any adjournment thereof, the Board of Directors may designate a record date, which must not be more than 30 days nor less than 10 days, prior to the meeting. If no record date is designated prior to sending notice of the meeting, the first date on which a notice of the meeting is sent will be deemed to be the record date for determining Owners entitled to notice of or to vote at the meeting. The Persons or entities appearing in the Association's records on such record date as the Owners of record of Lots in the Project will be deemed to be the Owners of record entitled to notice of and to vote at the Owners' meeting.
- 2.6 **Qualified Voters.** An Owner shall be deemed to be in "good standing" and "entitled to vote" at any meeting of the Association if the Owner has fully paid the Assessments owed to the Association (together with interest or other fees) such that the Association receives the payment on any outstanding Assessments prior to the commencement of the meeting. Notwithstanding the foregoing, the Association must give any delinquent Owner

notice of the delinquency and that the Owner's voting rights will be suspended for any meeting prior to the Association determining that an Owner is not a qualified voter, meaning that the Owner is not in good standing and not entitled to vote. The notice to the Owner must be sent at least 10 days prior to the meeting at which a vote will take place and must inform the Owner that the Owner's voting rights will be suspended and the Owner will be unable to vote at the meeting unless the Association receives payment of the delinquency prior to the commencement of the meeting.

- 2.7 **Quorum.** At any duly called Owners' meeting, the presence (in person or by some other means allowing for participation) of Owners holding at least fifty percent (50%) of the Allocated Interest of the Association will constitute a quorum for the adoption of decisions. If a quorum is not present, the Association may hold an informational workshop session to disseminate information to those Owners who are present but no voting may take place during the workshop session and the meeting to transact business may be postponed to a date of not more than sixty (60) days and not less than fifteen (15) days from the date of the original meeting. At any reconvened meeting, the Owners represented in person, by proxy, or by ballot shall constitute a quorum. In the case of any such postponement, notice of the meeting shall again be provided to all Owners at least ten (10) days before the postponed meeting which shall include the statement: "The meeting will occur without any requirement for a minimum number of Owners present." The vote of the Owners representing a majority of the Allocated Interests of the Owners in attendance (in person or by proxy allowing for participation), will decide any question brought before the meeting. (For clarification, this vote to approve an action or issue requires only a majority of the Allocated Interests represented by the Owners at the meeting and not a majority of the Allocated Interests of the entire Association.) Notwithstanding the foregoing, if the Act, the Nonprofit Act, the Articles of Incorporation, the Declaration, or these Bylaws require a fixed percentage of Owners or Allocated Interest to approve any specific action (i.e., amending Governing Documents, changing voting rights, or transferring Common Area), then that percentage will be required to approve such action.
- 2.8 **Proxies.** At each Owners' meeting, each Owner entitled to vote is entitled to vote in person or by proxy (directed or undirected); provided, however, that the right to vote by proxy exists only where the instrument authorizing such proxy to act has been executed by the Owner or by the Owner's attorney when duly authorized in writing. If a Lot is jointly owned, the instrument authorizing a proxy to act may be executed by any one (1) co-Owner of such Lot. Such instrument authorizing a proxy to act must set forth the specific matters or issues upon which the proxy is authorized to act. Such instrument must be delivered either prior to or at the meeting (but no later than any point after the start of the meeting and announced as the final time to deliver proxies) to the Association's Secretary, or to such other officer or person who the Association has authorized to accept proxies at the meeting.
- 2.9 **Votes.** With respect to each matter submitted to a vote of the Owners, each Owner entitled to vote at the meeting has the right to cast, in person or by proxy, the number of votes appertaining to the Lot of such Owner, as shown in the Declaration. The affirmative vote of Owners holding the majority of the Allocated Interests entitled to be cast by the Owners present or represented by proxy at a meeting at which a quorum was initially

present is necessary for the adoption of any matter voted on by the Owners, unless a greater proportion is required by these Bylaws, the Declaration, Articles of Incorporation, the Act, or the Nonprofit Act. When more than one Owner holds an interest in a Lot, any Owner may exercise the vote for such Lot on behalf of all co-Owners of the Lot. In the event of two conflicting votes by co-Owners of one Lot, no vote will be counted for that Lot but it will be counted for the purposes of establishing a quorum. In no event will fractional votes be exercised in respect to any Lot.

- 2.10 **Ballots and Written Consent.** The Association may, consistent with the requirements of the Utah Revised Nonprofit Corporation Act, utilize (1) written consents to take action without a meeting; or (2) mailed ballots. Any Owner may deliver written consent by electronic transmission. A written consent delivered by electronic transmission is considered to be written, signed and dated for purposes of action without a meeting if it is delivered with information from which the Association can determine that it was sent by the Owner and the date on which it was transmitted.
- 2.11 **Action Taken Without a Meeting.** Owners have the right to take any action in the absence of a meeting which they could take at a meeting in accordance with the requirements of Utah Code Ann. §§ 16-6a-707 or -709 and any other applicable section of the Act.
- 2.12 **Minutes of Meetings.** The Secretary shall take minutes of all Owners' meetings. The minutes should include, at a minimum, (1) the identification of the Persons present at the meeting in person (sign-in sheet) and by proxy; (2) the date of the meeting; (3) the identification of any issue that is voted on or decided in the meeting; (4) the number of votes cast for and against any issue decided upon; and (5) the wording of any resolution passed at the meeting. The failure to take appropriate minutes or otherwise comply with this Section does not invalidate any action taken at a meeting.
- 2.13 **Meetings by Telecommunication.** Owners may participate in any annual, regular, or special meeting of the Owners by, or the meeting may be conducted through the use of, any means of telephonic or electronic communication (such as web conferencing, video conferencing, or telephone conferencing ) by which all persons participating in the meeting may hear each other and communicate with one another in real time during the meeting. An Owner or Board Member participating in a meeting by a means permitted under this section is considered to be present in person at the meeting. The Board may establish procedures and Rules and Regulations related to this provision as it relates to proxies, verifying attendance, and other aspects of the meeting.
- 2.14 **Electronic and Other Means of Voting.** The Association may utilize online, telephonic, electronic, email, remote, and any other means of Board Member voting and meetings, including those means allowed under Utah's Uniform Electronic Transactions Act, to the extent not prohibited by the Act and the Revised Nonprofit Corporation Act.

### ARTICLE 3: BOARD OF DIRECTORS

#### 3.1 **Number, Tenure, Qualifications, and Election.**

- (a) **Number of Members.** The Board of Directors is composed of five Persons

meeting the qualifications stated in the Declaration and these Bylaws. The number of Board Members composing the Board may be changed through an amendment to these Bylaws as provided for under Article 7 hereof.

(b) Board Member Qualifications.

- (1) To be eligible to serve on the Board of Directors, a Person must be an Owner, or spouse of an Owner, and at least 18 years old. If an Owner is an entity or trust, then an officer, partner, member, manager, trustee, or beneficiary of such Owner may be a Board Member, provided that such individual resides at the Residential Home owned by the entity or trust. Any Person shall, upon a request by an Owner, produce sufficient documentation establishing that Person's right to serve on the Board.
- (2) To be eligible to serve on the Board of Directors and prior to being included as a candidate in any election, the candidate must indicate in a writing delivered to the Secretary before the meeting in which an election is held, or orally in person at the meeting at which the election is held, that the person is willing to serve on the Board of Directors.
- (3) Any candidate whose election or appointment would contravene the requirements in these Bylaws is ineligible for election or appointment.

(c) Term. The term of each Board Member will be two years. The terms of the Board Members will overlap so that two Board Members will be elected during one year, three Board Members elected during the next year, two Board Members elected the year after that, and so on. If, at any time, there is uncertainty regarding the remaining time for a Board Member's term (whether that uncertainty is due to a lack of records, prior resignations or removal of Board Members, mid-term appointments, etc.), the Board shall use the best information available to it to determine, in the Board's sole discretion, when the particular Board Member's term will end.

(d) Election. The election of Board members shall be made by a vote of the Owners attending a meeting in person or by proxy. At such election, the Owners or their proxies may cast, with respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The individuals receiving the largest number of votes shall be elected. Cumulative or fractional voting is not permitted. At the time these Bylaws are approved by the Owners, such approval shall further constitute a ratification of prior elections of Board Members.

### 3.2 Meetings.

(a) Regular Meetings. The Board of Directors shall hold regular meetings at least quarterly, and more often at the discretion of the Board. An organizational meeting of the Board, whereat the Board Members may vote on officer positions, may be held without notice other than as stated in this Bylaw immediately after, and at the same place, as the annual meeting of the Owners where Board Members are elected.

- (b) Who is Entitled to Attend. All regular meetings must be open to all Owners. Owners may attend meetings and may be present for all discussion, deliberation, and decisions except when the Board is in executive session.
- (c) Notice to Owners. Any Owner may request notice of Board meetings by requesting such notice from either a Board Member or the Manager and providing a valid email address at which the Board Member will receive notice. Any Owner who has requested notice of Board meetings must be given notice along with the Board Members.
- (d) Owner Comments at Board Meetings. At each special or regular meeting of the Board, the Board shall provide each Owner who wishes to speak a reasonable opportunity to offer comments. The Board may select a specific time period during the meeting and limit Owner comments to such a time period. The Board may set a reasonable length of time that each Owner may speak.
- (e) Attendance by Telephone or Other Electronic Means. The Board may allow attendance and participation at any meeting of the Board by telephone or any other electronic means which allows for the Board Members to communicate orally in real time, including, but not limited to, means such as web conferencing, video conferencing, or telephone conferencing. If the Board meets by electronic communication, the Board must provide information necessary to allow any Owner who has requested notice of Board meetings the ability to participate by the available means of electronic communication. A Person participating by these means is considered to be present in person at the meeting.
- (f) Special Meetings. Special meetings of the Board may be called by or at the request of any three (3) Board Members or the President. Notice of any special meeting must be given to each Board Member at least forty-eight (48) hours prior to the meeting, except in a situation to deal with an emergency. No notice of special meetings is required to be provided to Owners except to any Owner who previously requested, in writing, to receive notices of all Board meetings and such Owner(s) shall be given notice of the special meeting at least forty-eight (48) hours prior to the meeting or at the same time notice is given to Board Members when a special meeting is called on less than 48-hours notices due to an emergency situation. Notwithstanding the foregoing, any Owner may attend any special meeting if the Owner appears at the physical location of the meeting in person.
- (g) Quorum and Manner of Acting. Three (3) Board Members constitute a quorum for the transaction of business at any meeting of the Board. The affirmative vote of three or more Board Members presents at any meeting at which a quorum is present and for which proper notice was provided to the Board, will be the act of the Board. The Board Members shall act only as a Board, and individual members have no powers as such. If, at any time, there are less than three (3) Board Members serving on the Board, then all Board Members must be present at a meeting to constitute a quorum for the transaction of business, and the Board Members must vote to take any action.

- (h) Place and Notice of Meetings. The Board may designate any place in Salt Lake County as the place of meeting for any regular meeting called by the Board but shall in good faith attempt to hold meetings at the Project or in as close a proximity to the Project as reasonably possible. All Board Members and Owners must be given at least ten (10) days' notice of regular meetings.
- (i) Executive Session.
- (1) The Board of Directors or a Committee may, by motion and a vote, continue deliberations and discussions in executive session for the reasons allowed in these Bylaws. If they enter executive session, they shall discontinue any executive session by motion and a vote.
  - (2) The discussions in executive session must be confidential and must not be disclosed to anyone outside of the meeting except as authorized by the Board of Directors or the Committee.
  - (3) Documents analyzed in executive session may be confidential for other reasons provided for by law or in the Governing Documents, but they are not confidential merely as a result of having been discussed or presented in executive session.
  - (4) The minutes of the meeting at which an executive session is held must include:
    - (i) The purpose(s) of the executive session in sufficient detail. For example, the following are sufficient descriptions: "To discuss the terms of a management contract with XYZ Company"; or "To discuss the pending litigation with XYZ."
    - (ii) Any decisions made during executive session.
  - (5) Care must be taken so that attorney-client privileged information is not disclosed in minutes that are made available to anyone outside of members of the Board of Directors or the Committee.
  - (6) Executive sessions may be held to discuss and/or make decisions related to the following matters:
    - (i) Consultation with an attorney for the purpose of obtaining legal advice;
    - (ii) Pending or prospective legal proceedings and issues related to the Association, its operations, or its governance, including, but not limited to, meetings with the Association's counsel;
    - (ii) Contracts and purchases related to the Association, including, but not limited to, the negotiations, potential breaches, reviews of contracts, and the terms of any purchases;
    - (iii) Association employee and personnel issues, including reviews, discipline issues, termination issues, salary issues, and the terms of employment; and
    - (iv) Matters that involve an individual if the discussion is likely to

cause the individual undue embarrassment, may violate the individual's reasonable expectation of privacy, concerns the individual's delinquent assessments, or relates to violations of the individual, including, but not limited to, the discussion of complaints and whether to impose fines or utilize any particular remedy to address particular violations.

### 3.3 **Informal Action and Action by Board Members without a Meeting.**

- (a) Any action required or permitted by law or the governing documents to be taken at a Board meeting may be taken without a meeting if notice is transmitted in writing by letter or electronic transmission to each member of the Board and either:
- (1) Each Board Member consents in writing (i.e.: via letter or electronic transmission); or
  - (2) Each Board Member by the time stated in the notice takes one of the following actions:
    - (i) Signs a writing for such action; or signs a writing against such action, abstains in writing from voting, or fails to respond or vote; or
    - (ii) Fails to demand in writing that action be taken at a meeting.
  - (3) The affirmative votes in writing for the action received by the Association, and not revoked, equal or exceed the minimum number of votes that would be necessary to take such action at a meeting at which all of the Board Members were present and voted; and
  - (4) The Association has not received a written demand by a Board Member that the action be taken at a meeting.
- (b) Failure to demand that the action not be taken without a meeting by the time in the notice constitutes waiver of the right to demand a meeting.
- (c) The notice for action without a meeting must state: (1) the action to be taken; (2) the time by which a director must respond to the notice; (3) that failure to respond by the time stated in the notice will have the same effect as: (i) abstaining in writing by the time stated in the notice, and (ii) failing to demand in writing by the time stated in the notice that action not be taken without a meeting; and (4) any other matters the nonprofit corporation determines to include.
- (d) Action without a meeting, without unanimous consent, will be effective at the time stated in the notice, unless the notice specifies a different time for voting and for the action to occur.
- (e) Action by unanimous consent is taken when the last Board Member to consent signs a writing describing the action taken, unless, before that time, any Board Member revokes a previously given consent by sending a writing signed by that trustee to the secretary or person the Board authorized to receive the revocation. The Board may choose a different effective date and time.



- (f) For purposes of this section:
- (1) "Signed" or "signature" is any indication on the document, whether paper or electronic, that the document is from and consented to by the person who is purported to have sent it. For example, a typed name at the bottom of an email satisfies the requirement for a signature.
  - (2) "Writing" refers to an email, letter, facsimile, or any other physical or other electronic transmission.
  - (3) Communications may be by email, facsimile, hand delivery, mail, or other electronic or physical means.
  - (4) Any response to any electronic communication must be:
    - (i) To the address of the sender using the same address and means of communication as was used to send the request for consent of an action, such as email, facsimile, or hand delivery; or
    - (ii) To any address in regular use, electronic, telephonic, or physical, by the Person sending the request.
- (g) A communication satisfies the requirement to "describe the action taken" if:
- (1) It is in the form of an email and it includes with the email the content of prior emails in the email chain that describe or include the proposed action;
  - (2) It is in the form of a facsimile and it includes, either as a separate page or on the page in which a response is given, the request for action or a description of the proposed action; or
  - (3) The writing from the Board Member sufficiently describes or restates the proposed action.

3.4 **Compensation.** No Board Member may receive compensation for any services that the Board Member, in the capacity of Board Member, may render to the Association. A Board Member may be reimbursed for expenses incurred in the performance of the Board Member's duties to the extent such expenses are approved by the Board of Directors.

3.5 **Resignation and Removal.** A Board Member may resign at any time by delivering a written resignation to either the President or the Board of Directors. Unless otherwise specified therein, such resignation will take effect upon delivery. An oral resignation attempt is not effective. Any Board Member may be removed and replaced at any time, with or without cause, by the affirmative vote of at least a majority of the Allocated Interest of the Association. This vote must be taken at a special meeting of the Owners called for that purpose. Any Board Member whose removal has been proposed by the Owners must be given an opportunity to be heard at the meeting and prior to the vote. If the Owners vote to remove all of the members of the Board of Directors, they shall immediately thereafter and at the same meeting elect new members of the Board of Directors using the procedures normally applicable for election of Board Members at an annual meeting. If the Owners vote to remove less than all of the Board Members of the Board of Directors, the Owners may vote to elect replacement Board Members at the

special meeting. If the Owners vote to remove less than all of the Board Members and either due to inadvertence or choice do not elect replacements at the special meeting, the remaining Board Members, by majority vote, shall appoint replacement Board Members for the remainder of the term of the Board Members who were removed or until the next Annual Owners meeting, whichever comes first. The appointed Board Member may fully function as a Board Member with all rights and responsibilities.

- 3.6 **Vacancies Other Than by Removal by Owners.** If vacancies occur in the Board of Directors by reason of the death, resignation, or disqualification of a Board Member, the Board Members then in office shall continue to act, and such vacancies must be filled by a vote of the Board Members then in office, even though less than a quorum may remain. Any vacancy in the Board of Directors occurring by reason of removal of a Board Member by the Owners may be filled by election by the Owners at the meeting at which such Board Member is removed. Any Board Member elected or appointed hereunder to fill a vacancy shall serve until the end of the term applicable to the vacancy to which the Board Member was elected or appointed to fill.

#### **ARTICLE 4: OFFICERS**

- 4.1 **Officers.** The officers of the Association include a President, Vice President, Secretary, Treasurer, Member-at-Large, and such other officers as may, from time to time, be appointed by the Board of Directors.
- 4.2 **Election, Tenure and Qualifications.** The Board of Directors shall choose the Association's officers annually at the first, or organizational, meeting of the Board of Directors following the annual meeting and thereafter at any time as determined by the Board of Directors. Each such officer shall hold such office for one year or until a successor has been elected or until such officer's death, resignation, disqualification, or removal, whichever first occurs. No person may hold more than one office unless, in the Board's discretion, the Board votes to have one person serve as both the Secretary and Treasurer.
- 4.3 **Resignation and Removal.** Any officer may resign any officer position at any time by delivering a written resignation to any Board Member. Unless otherwise specified therein, such resignation will take effect upon delivery. At any time, the Board of Directors may appoint new or different officers, with or without cause, upon the affirmative vote of the majority of the Board of Directors.
- 4.4 **Vacancies and Newly Created Offices.** If any vacancy occurs in any office by reason of death, resignation, removal, disqualification, or any other cause, or if a new office is created, such vacancies or newly created offices may be filled by the Board of Directors at any regular or special meeting. During the time that any office is vacant and no other officer is available to perform the duties of that office as required below, the Board of Directors shall ensure that the duties and responsibilities of the office are performed.
- 4.5 **The President.** The President shall preside at meetings of the Board and at meetings of the Owners. At all meetings, the President has all authority typically granted to the person presiding over a meeting, including, but not limited to: (1) the right to control the order of

the meeting; (2) the right to arrange for the removal of any disruptive persons who may include but not be limited to any Person who (a) refuses to abide by rules or requests of the presiding person related to the order of the meeting and when speaking is permitted; or (b) engages in vulgar, threatening, or otherwise inappropriate language or gestures; (3) the right to impose and enforce reasonable rules and procedures related to the meeting such as those found in "Robert's Rules of Order" or "The Modern Rules of Order"; and (4) the right to designate the Manager or any other Person to preside over any meeting at which the President is present. The President shall sign on behalf of the Association all conveyances, mortgages, documents, and contracts, and shall do and perform all other acts and things as required by the Board. The President has the general authority to implement decisions of the Board and shall oversee the operations of the Association. The President has authority in case of emergency to take action without Board approval as is necessary and prudent to preserve and protect property. The President shall be responsible for the duties of any other office while that office is vacant.

- 4.6 **The Vice President.** The Vice President shall act in the place and stead of the President in the event of the President's resignation, absence, inability, or refusal to act. The Vice President shall perform such other duties as required by the Board.
- 4.7 **The Secretary.** The Secretary shall keep the minutes of the Association and shall maintain such books and records as these Bylaws, the Declaration, the law, or any resolution of the Board may require such person to keep. The Secretary shall also act in the place and stead of the President in the event of the President and Vice President's resignation, absence, inability, or refusal to act. The Secretary shall perform such other duties as required by the Board.
- 4.8 **The Treasurer.** The Treasurer shall have the custody and control of the funds of the Association, subject to the action of the Board, and when requested by the President, shall report the state of the finances of the Association at each meeting of the Owners and at any meeting of the Board. The Treasurer has the authority and obligation to generally implement the requirements of governing documents as it relates to the funds of the Association, including any requirement to obtain a review of the Association's financial records by an independent accountant and the preparation and filing of appropriate tax returns. The Treasurer shall perform such other duties as required by the Board.
- 4.9 **Member-at-Large.** The Member-at-Large shall do and perform such duties as the Board of Directors may require.
- 4.10 **Compensation.** Except for the Secretary and Treasurer, no officer may receive compensation for any services rendered to the Association as an officer; provided, however, that an officer may be reimbursed for expenses incurred in performance of such duties as an officer to the extent such expenses are approved by the Board of Directors. The Secretary or Treasurer may not be compensated if the Person serving as the officer also serves as a Board Member.

## ARTICLE 5: COMMITTEES

- 5.1 **Designation of Committees.** The Board may from time to time designate such

committees (each a "Committee") as it deems appropriate in carrying out its duties, responsibilities, functions, and powers. The membership of each such Committee designated hereunder will include at least one Board Member. A Committee will not have any powers, duties, or responsibilities beyond those specifically assigned by the Board in the minutes. The Board may terminate any Committee at any time.

- 5.2 **Proceedings of Committees.** Each Committee designated hereunder by the Board of Directors may appoint its own presiding and recording officers and may meet at such places and times and upon such notice as such Committee may from time to time determine. If required by the Board, each such Committee shall keep a record of its proceedings and shall regularly report such proceedings to the Board.
- 5.3 **Quorum and Manner of Acting.** The Board may establish any procedural or quorum requirements for voting by the Committee. The members of any Committee designated by the Board hereunder shall act only as a Committee, and the individual members thereof have no powers, as such. A Committee may exercise the authority granted by the Board.
- 5.4 **Resignation and Removal.** Any Committee member may resign at any time by delivering a written resignation to any member of the Board or any presiding officer of the Committee. Unless otherwise specified therein, such resignation will take effect upon delivery. The Board may at any time, with or without cause, remove any member of any Committee.
- 5.5 **Vacancies.** If any vacancy occurs in any Committee due to disqualification, death, resignation, removal, or otherwise, the remaining members, until the filling of such vacancy by the Board, constitute the then total authorized membership of the Committee and, provided that two (2) or more members are remaining, may continue to act.

## ARTICLE 6: INDEMNIFICATION

- 6.1 **Indemnification.** No Board Member, officer, or Committee member is personally liable for any obligations of the Association or for any duties or obligations arising out of any acts or conduct of said Board Member, officer, or Committee member performed for or on behalf of the Association. The Association shall and does hereby indemnify and hold harmless each person who serves at any time as a Board Member, officer of the Association, or a member of a duly formed Committee, as well as such person's heirs and administrators, from and against any and all claims, judgments, and liabilities to which such persons become subject, by reason of that person having heretofore or hereafter been a Board Member, officer of the Association, or member of a Committee or by reason of any action alleged to have been heretofore or hereafter taken or omitted to have been taken by him/her as such Board Member, officer, or Committee member, and shall advance and reimburse any such person for all legal and other expenses reasonably incurred in connection with any such claim or liability; provided that the Association has the right, in its sole discretion, to defend such person from all suits or claims; provided further, however, that no such person will be indemnified against or be reimbursed for or be defended against any expense or liability incurred in connection with any claim or

action arising out of such person's intentional misconduct. The rights accruing to any person under the foregoing provisions of this section do not exclude any other right to which such person may lawfully be entitled, nor does anything herein contained restrict the right of the Association to indemnify or reimburse such person in any proper case, even though not specifically provided for herein or otherwise permitted.

- 6.2 **Other Indemnification.** The indemnification herein provided will not be deemed exclusive of any other right to indemnification to which any person seeking indemnification may be provided under any statute, agreement, vote of disinterested Board Members, or otherwise, both as to action taken in any official capacity and as to action taken in any other capacity while holding such office. The indemnification herein provided will continue as to any person who has ceased to be a Board Member, officer, Committee member, or employee, and will inure to the benefit of the heirs, executors, and administrators of any such person.
- 6.3 **Settlement by Association.** The right of any person to be indemnified will be subject always to the right of the Association by the Board of Directors, in lieu of such indemnity, to settle any such claim, action, suit, or proceeding at the expense of the Association by the payment of the amount of such settlement and the costs and expenses incurred in connection therewith.

#### ARTICLE 7: AMENDMENTS

- 7.1 **Amendments.** Except as otherwise provided herein or by the Act, these Bylaws may be amended by the affirmative vote, or other form of affirmative approval as allowed under the Governing Documents, of Owners holding Allocated Interests totaling not less than fifty percent (50%) of the total Allocated Interest of the Association. The approval of any one Owner of a Unit is sufficient if there are multiple Owners of the Unit.
- 7.2 **Execution of Amendments.** Upon obtaining the required vote, an amendment must be signed by an officer of the Association, who shall certify that the amendment has been properly adopted as required by these Bylaws. An amendment complying with the requirements of these Bylaws and the Declaration will be effective when the amendment has been recorded in the County Recorder's office.

#### ARTICLE 8: WAIVER OF IRREGULARITIES

- 8.1 **Waiver of Procedural Irregularities.** All inaccuracies and irregularities in calls or notices of meetings, in the manner of voting, in the form of proxies, in the method of ascertaining Persons present, in the method of making decisions, or in the method of accepting or counting votes will be deemed waived under the following circumstances:
- (a) If the objecting Person was in attendance at the meeting, they are waived if no objection to the particular procedural issue is made at the meeting.
  - (b) If the objecting Person was not in attendance at the meeting but was entitled to and had proper notice of the meeting, they are waived if no objection to the

particular procedural issue is made within 30 days of the date the meeting is held.

- (c) If the objecting person was not in attendance at a meeting, was entitled to and did not have proper notice of the meeting, but had actual notice of the meeting before it occurred, they are waived if no objection to the particular procedural issue was made within 30 days of the date of the meeting.
- (d) If the objecting person was not in attendance at the meeting and was entitled to but did not have actual and proper notice of the meeting before it occurred, they are waived if no objection to the particular procedural issue is made within 60 days of receiving actual notice of the occurrence of the meeting or of any decision that was made at the meeting.
- (e) For any action, vote, or decision that occurred without a meeting or at a meeting to which the objecting person was not entitled to notice, they are waived if no objection to the particular procedural issue is made within 90 days of receiving actual notice of the occurrence of the action, vote, or decision.

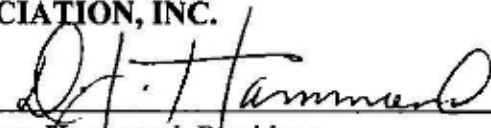
**8.2 Requirements for Objections.** All objections except those made at a meeting must be in writing. Whenever made, objections must be specific and include identification of the specific provision of the Governing Document or other law that is alleged to have been violated and a brief statement of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

**8.3 Irregularities That Cannot Be Waived.** The following irregularities cannot be waived under the prior subsection:

- (a) Any failure to comply with the provisions of the Declaration;
- (b) Any failure to obtain a proper quorum; and
- (c) Any failure to obtain the proper number of votes, consents, or approvals required to take a particular action.

IN WITNESS WHEREOF, these Bylaws were adopted and approved on the 27 day of July, 2022.

**CRAIG ESTATES HOMEOWNERS  
ASSOCIATION, INC.**

By:   
Doug Hammond, President

ATTEST:

  
Secretary

**AMENDED AND RESTATED  
ARTICLES OF INCORPORATION  
OF  
CRAIG ESTATE HOMEOWNERS ASSOCIATION, INC.**

The undersigned officer of the Craig Estates Homeowners Association, Inc. (the "Association"), a Utah nonprofit corporation, pursuant to Section 16-6a-1001 *et seq.* of the Utah Revised Nonprofit Corporation Act, executes these Amended and Restated Articles of Incorporation of Craig Estates Homeowners Association, Inc. (these "Amended Articles") to make changes to the Association's current Articles of Incorporation, as such may have been amended prior to these Amended Articles. Except as otherwise provided herein, or required by the context hereof, all terms defined in the Association's declaration of covenants, conditions, and restrictions (or Declaration) or in the Bylaws shall have such defined meanings when used in these Amended Articles.

**ARTICLE I  
NAME**

The name of the corporation is CRAIG ESTATES HOMEOWNERS ASSOCIATION, INC.

**ARTICLE II  
REGISTERED AGENT AND REGISTERED OFFICE**

The Registered Agent for the Association shall be Michael Johnson of FCS Community Management. The Registered Agent's address and the Registered Office of the Association is 12227 S. Business Park Dr, Ste 200, Draper, UT 84020. The Registered Agent's address and the Registered Office of the Association may be changed through documents filed with the Utah Division of Corporations and Commercial Code.

**ARTICLE III  
INCORPORATORS**

The names and address of the original incorporator of the Association, at the time of the Association's incorporation, is Kip D. Cashmore, 1752 Combe Road, South Ogden, Utah 84403.

**ARTICLE IV  
PURPOSE AND POWERS OF THE ASSOCIATION**

The Association is organized as a nonprofit corporation and does not contemplate pecuniary gain or profit to its members, trustees, officers, or other persons except as authorized by the Declaration, Bylaws, these Amended Articles, and applicable Utah and federal law. The purpose for which the Association is formed is to engage in any lawful act for which a nonprofit corporation may be organized in Utah. More specifically, the purposes for which the Association is formed is to manage, operate, maintain and regulate the common elements, areas, and facilities in the Craig Estates cluster subdivision planned unit development project (the "Project") located in Davis County, State of Utah; to promote the health, safety and welfare of the residents therein; and to take any other actions and to enter into any other transactions which may be reasonably necessary to accomplish the

foregoing, including but not limited to entering into contracts, borrowing money, and any other activities that the Board of Directors is allowed to engage in as allowed by the Association's Governing Documents, as such may have been or may be amended in the future, and as allowed under the Utah Community Association Act and the Utah Revised Nonprofit Corporation Act. The Association has all powers and authority to fulfill its purposes, which powers and authority may be more fully set forth in the Association's Governing Documents, the Utah Community Association Act, and the Utah Revised Nonprofit Corporation Act.

**ARTICLE V**  
**MEMBERSHIP**

All of the owners of real property subject to the Association's declaration of covenants, conditions, and restrictions (as reflected upon the records in the office of the Davis County Recorder) shall be members of the Association. The Association will not issue shares evidencing membership of the corporation.

**ARTICLE VI**  
**VOTING RIGHTS**

Each member shall have a vote in this nonprofit corporation, pertaining to the real property owned by that member, as is assigned and stated in the Association's Declaration and Bylaws.

**ARTICLE VII**  
**BOARD OF DIRECTORS**

The affairs of the Association shall be governed by a Board of Directors consisting of three (3) to five (5) members. The number of the members of the Board of Directors may be determined pursuant to the procedure set forth in the Association's Declaration or Bylaws.

**ARTICLE VIII**  
**DURATION AND DISSOLUTION**

The period of duration of the Association is perpetual. The Association may be dissolved in accordance with the procedures set forth in Utah law and the Association's Declaration. Upon dissolution, the assets of the Association shall be divided among all the members as set provided for in the Association's Declaration or as otherwise required by law.

**ARTICLE IX**  
**AMENDMENTS**

The affirmative vote of all members of the Board of Directors shall be required and shall be sufficient to amend these Amended Articles, except as to Articles V, VI, VII, IX, and X, which shall require the affirmative vote of a majority of a quorum of the members of the Association at a meeting of the members called for that purpose. No amendment to these Amended Articles shall be valid if said amendment conflicts with the Association's then existing Declaration or Bylaws.



**ARTICLE X**  
**BYLAWS**

The Bylaws of the Association shall be those Bylaws recorded with office of the Davis County Recorder, as such Bylaws may have been amended or may be amended, from time to time, pursuant to the terms thereof.

**ARTICLE XI**  
**INDEMNIFICATION AND LIMITATION OF LIABILITY OF DIRECTORS**

Members of the Board of Directors and officers of the Association shall be entitled to indemnification, reimbursement, and the advance of expenses to the maximum extent allowed by and consistent with the terms of the Utah Revised Nonprofit Corporation Act, Utah Code Ann. § 16-6a-101 *et seq.* The Association hereby eliminates the liability of its directors and officers to the members and the Association for monetary damages to the maximum extent permitted by the Utah Revised Nonprofit Corporation Act and specifically Section 16-6a-823 of the Act.

**ARTICLE XII**  
**ADOPTION OF THESE AMENDED ARTICLES**

These Amended Articles were adopted by the Association's members in conformity with the applicable requirements and procedures set forth in the Utah Revised Nonprofit Corporation Act and the Association's articles of incorporation in effect prior to the adoption and approval of these Amended Articles.

In witness of the foregoing, the undersigned officer of the Association executes these Amended Articles and certifies that the statements contained herein are true to the best of his/her knowledge.

EXECUTED this \_\_\_\_ day of \_\_\_\_\_, 2021.

**CRAIG ESTATES HOMEOWNERS  
ASSOCIATION, INC.**

By: \_\_\_\_\_

Doug Hammond, President

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**NOTICE OF REINVESTMENT FEE COVENANT**  
(Pursuant to Utah Code Ann. § 57-1-46)

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Pursuant to Utah Code Annotated § 57-1-46, this Notice of Reinvestment Fee Covenant (the “**Notice**”) provides notice that a reinvestment fee covenant (the “**Reinvestment Fee Covenant**”) affects the real property that is described in **Exhibit A** to this Notice. The Reinvestment Fee Covenant was recorded as part of the Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Craig Estates, a Cluster Subdivision (the “**Declaration**”) on \_\_\_\_\_, as Entry Number \_\_\_\_\_ in the official records of the County Recorder for Davis County, State of Utah. The Declaration (and any amendments thereto) establishes certain obligations of which all owners, sellers, and buyers should be aware.

**BE IT KNOWN TO ALL SELLERS, BUYERS, AND TITLE COMPANIES** either owning, purchasing or assisting with the closing of a property conveyance within the planned unit development which is subject to the Declaration **THAT:**

1. The Craig Estates Homeowners Association, Inc. (the “**Association**”) is the beneficiary of the Reinvestment Fee Covenant. The Association’s current address for the Association principle office is 12227 S. Business Park Dr, Ste 200, Draper, UT 84020 with a mailing address of P.O. Box 5555, Draper, UT 84020, phone number of 801-256-0465 and email of [manager@hoaliving.com](mailto:manager@hoaliving.com).

The address and contact information of the Association’s registered agent, or other authorized representative, may change from time to time. Any party making payment of the Reinvestment Fee Covenant should verify the most current address for the Association on file with the Utah Division of Corporations and Commercial Code and/or Utah Department of Commerce’s Homeowner Associations Registry.

2. The burden and obligation of the Reinvestment Fee Covenant is intended to run with the land and to bind successors in interest and assigns of each and every lot and lot owner within the Association in perpetuity. The Association’s members, by and through a vote as provided for in the amendment provisions of the Declaration, may amend or terminate the Reinvestment Fee Covenant.

3. The Reinvestment Fee Covenant is required to benefit the burdened property. The purpose of the fee paid under the Reinvestment Fee Covenant is to cover the costs to the Association of effectuating any transfer of membership upon the books of the Association, to

perpetuate the reserve funds of the Association or to reduce the common expenses of the Association.

4. The existence of the Reinvestment Fee Covenant precludes the imposition of an additional reinvestment fee covenant on the burdened property.

5. Association's Management Committee has the authority to establish the amount of the reinvestment fee, but such amount may not exceed one half of one percent (0.5%) of the value of the Unit at the time of the transfer, which value includes both the Unit and land upon the Unit is located.

**IN WITNESS WHEREOF**, the Association, through its undersigned officer, executed this Notice on the date indicated below and said Notice will be effective upon recording with the County Recorder.

DATED as of the 2<sup>nd</sup> day of August, 2022.

**CRAIG ESTATES HOMEOWNERS  
ASSOCIATION, INC.**

By: D. J. Hammond  
Doug Hammond, President

STATE OF UTAH                     )  
  ) ss.  
COUNTY OF DAVIS             )

On this 2 day of August, 2022, personally appeared before me Doug Hammond, whose identity is personally known to me (proven on the basis of satisfactory evidence), and who by me duly sworn/affirmed, did say that he is the President of the Craig Estates Homeowners Association, Inc. (the "Association"), and that said document was signed by him on behalf of the Association with all necessary authority, and acknowledged to me that said Association executed the same.

Suzanne D. Wright  
Heath Davis  
Notary Public



# EXHIBITA

## LEGAL DESCRIPTION

All of the following in the Craig Estates Phase 1 Cluster Subdivision: Lots 101 through 120; Parcel Nos. 12-351-0101 through 12-351-0120, 12-351-0122 through 12-351-0125; and all common areas (including Craig Park), inclusive of Craig Estates Phase 1 Cluster Subdivision, Syracuse City, Davis County, Utah, according to the official plat thereof.

All of the following in the Craig Estates Phase 2 Cluster Subdivision: Lots 201 through 222; Parcel Nos. 12-487-0201 through 12-487-0222, 12-598-0327; Lot 12-598-0328 (Craig Park); and all common areas, inclusive of Craig Estates Phase 2 Cluster Subdivision, Syracuse City, Davis County, Utah, according to the official plat thereof.

All of the following in the Jackson Court Subdivision: Lots 401 through 420; Jackson Lane; and all common areas and open spaces inclusive of the Jackson Court Subdivision, Syracuse City, Davis County, Utah, according to the official plat thereof.

All of the following in the Craig Estates Phase 3 Cluster Subdivision – Second Amended: Lots 327 through 333; Parcel 1 Common Area Open Space, Parcel 2 Common Area Open Space, and all common areas and open spaces inclusive of the Craig Estates Phase 3 Cluster Subdivision – Second Amended, Syracuse City, Davis County, Utah, according to the official plat thereof; but excluding Lots 301 through 325 of the Craig Estates Phase 3 Cluster Subdivision.

DM FOLDER 10

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RICHARD T. MAUGHAN  
DAVIS COUNTY, UTAH RECORDER  
11/09/2021 10:25 AM  
FEE \$204.00 Pgs: 11  
DEP RT REC'D FOR SYRACUSE CITY

**SECOND SUPPLEMENTAL DECLARATION  
TO  
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS  
FOR CRAIG ESTATES D**

**(Addition of Craig Estates Phase 3 Cluster Subdivision – Second Amended)**

This SECOND SUPPLEMENTAL DECLARATION TO DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR CRAIG ESTATES (this "Second Supplement") is adopted by the Craig Estates Homeowners Association, Inc. and is effective as of the date it is recorded in the Davis County Recorder's office.

12-956-0327 thru  
0335

**RECITALS**

(Add'l PIN's  
within Doc)

- A. The original, or enabling, Declaration of Covenants, Conditions, and Restrictions for Craig Estates, a cluster subdivision, was recorded on July 1, 1999, as Entry No. 1529355 in Book 2527 and beginning at Page 488 (the "Enabling Declaration").
- B. The Enabling Declaration was amended pursuant to the First Amendment to Declaration of Covenants, Conditions, and Restrictions for Craig Estates, recorded June 19, 2001, as Entry No. 1669001, in Book 2830 and beginning at Page 719 (the "First Amendment").
- C. The Enabling Declaration was amended pursuant to the Second Amendment to Declaration of Covenants, Conditions, and Restrictions for Craig Estates, recorded on June 20, 2001, as Entry No. 1669153 in Book 2831 and beginning at Page 126 (the "Second Amendment").
- D. The Enabling Declaration was amended pursuant to the Supplemental Declaration to Declaration of Covenants, Conditions, and Restrictions for Craig Estates, recorded on October 6, 2006, as Entry No. 2208797 in Book 4133 and beginning at Page 1827 (the "Supplement").
- E. The Enabling Declaration was amended pursuant to the Third Amendment to Declaration of Covenants, Conditions, and Restrictions for Craig Estates, recorded June 15, 2007, as Entry No. 2280160 in Book 4305 and beginning at Page 86 (the "Third Amendment").
- F. The Enabling Declaration was amended pursuant to the Fourth Amendment to Declaration of Covenants, Conditions and Restrictions for Craig Estates, recorded on July 21, 2008, as Entry No. 2380659 in Book 4577 and beginning at Page 432 (the "Fourth Amendment").
- G. The Enabling Declaration was amended pursuant to the Fifth Amendment to Declaration of Covenants, Conditions and Restrictions for Craig Estates, recorded on January 24, 2012, as Entry No. 2639506 in Book 5443 and beginning at Page 692 (the "Fifth Amendment").
- H. The Enabling Declaration was amended pursuant to the Sixth Amendment to Declaration of Covenants, Conditions and Restrictions for Craig Estates, recorded on January 23,

2017, as Entry No. 2996995 in Book 66897 and beginning at Page 62 (the "Sixth Amendment").

I. The Enabling Declaration was amended pursuant to the Seventh Amendment to Declaration of Covenants, Conditions and Restrictions for Craig Estates, recorded on February 11, 2020, as Entry No. 3225727 in Book 7447 beginning at Page 1522 (the "Seventh Amendment").

J. Capitalized terms in this Second Supplement have the same meaning as those terms are defined in the Enabling Declaration, as amended, unless otherwise defined herein.

K. This Second Supplement affects the real property located in Davis County, Utah and described with particularity on Exhibit A, which exhibit is attached hereto and incorporated herein by reference

L. The Association, with the Owners' approval (which approval was granted through a vote held at a meeting on August 12, 2020), sold and conveyed a portion of its Common Area, which area is identified on Exhibit A as Craig Estates Phase 3 Cluster Subdivision – Second Amended. This portion of the Common Area was sold and conveyed with the understanding, expectations, and approval of the Association and the Owner that such area would be converted to seven additional Lots – which Lots will be part of the Project and the Owners of such Lots will be members of the Association – and open space which would be reconveyed to the Association as Common Area.

M. Through the Owners' approval of the of the sale of a portion of the Association's Common Area, the Owners further approved the terms of this Second Supplement pursuant to Section 15.05 of the Sixth Amendment to the Enabling Declaration.

N. The plat map for the Craig Estates Phase 3 Cluster Subdivision – Second Amended has been, or will be, recorded with the Davis County Recorder's office.

## ANNEXATION

1. All of Craig Estates Phase 3 Cluster Subdivision – Second Amended, with its respective Lots and open space areas, as more particularly described in Exhibit A, and as further set forth on plat map for the Craig Estates Phase 3 Cluster Subdivision – Second Amended are hereby annexed into the Project and subjected to the Enabling Declaration, as amended and as such may be amended from time to time.

2. All of the properties in Craig Estates Phase 3 Cluster Subdivision – Second Amended, as more particularly described in Exhibit A, are and shall be held, conveyed, hypothecated, encumbered, leased, occupied, built upon or otherwise used, improved, or transferred in whole or in part, subject to the Declaration, as amended and as such may be amended from time to time.

3. The Owners of Lots within Craig Estates Phase 3 Cluster Subdivision – Second Amended, shall be members in the Association, which membership shall be appurtenant to the Lots, as more particularly described in Exhibit A.

**CERTIFICATION**

IN WITNESS THEREOF, the undersigned officer of the Association hereby certifies that the Board of Directors has obtained the affirmative vote, consent, or other approval of at least fifty-one percent (51%) of the of the Owners who approved and adopted this Second Supplement, which is executed as of the day and year written below.

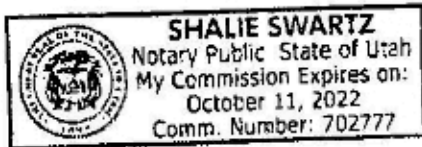
DATED as of the 28<sup>th</sup> day of October, 2021.

**CRAIG ESTATES HOMEOWNERS  
ASSOCIATION, INC.**

By: *D. J. Hammond*  
Doug Hammond, President

STATE OF UTAH )  
 ) ss.  
COUNTY OF DAVIS )

On this 28, day of Oct., 2021, personally appeared before me, Doug Hammond, whose identity is personally known to me (proven on the basis of satisfactory evidence), and who by me duly sworn/affirmed, did say that he is the President of the Craig Estates Homeowners Association, Inc. (the "Association"), and that said document was signed by him on behalf of the Association with all necessary authority, and acknowledged to me that said Association executed the same.



*Shalie Swartz*  
Notary Public

### CONSENT TO RECORDING

The undersigned owner of the real property of the Craig Estates Phase 3 Cluster Subdivision – Second Amended (inclusive of the properties identified, or to be identified, as Lots 327 through 333) hereby consents to the recording of this **SECOND SUPPLEMENT** against said lots and real properties and that said Lots and real properties will be subject to the terms of said Enabling Declaration, as amended and as such may be amended from time to time, and other Governing Documents of the Association.

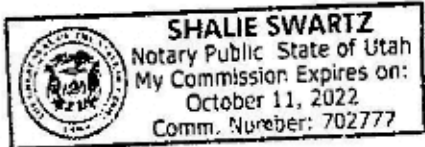
DATED as of the 28 day of October, 2021.

Owner: PARKWAY LLC

By (Signature): [Signature]  
Name (Printed): Hugh Barker, President of PARKWAY  
Its (Title, if any): Member of Parkway LLC.

STATE OF UTAH )  
COUNTY OF Davis ) ss.

On this 28 day of October, 2021, personally appeared before me, Shalie Swartz, whose identity is personally known to me (proven on the basis of satisfactory evidence), and who by me duly sworn/affirmed, did say that he/she is the owner, or an authorized agent of the owner, of the real property within the Craig Estates Phase 3 Cluster Subdivision – Second Amended (including Lots 327 through 333), and that said document was signed by him/her with all necessary authority, and acknowledged to me that he/she executed the same.



[Signature]  
Notary Public



# Exhibit A

## (Legal Description)

*12-351-0101--> 0120, 12-351-0122*  
**Phase 1 – Craig Estates Cluster Subdivision**

All of the following in the Craig Estates Phase 1 Cluster Subdivision: Lots 101 through 120; Parcel Nos. 12-351-0101 through 12-351-0120, 12-351-0122 through 12-351-0125; and all common areas, inclusive of Craig Estates Phase 1 Cluster Subdivision, Syracuse City, Davis County, Utah, according to the official plat thereof.

BEGINNING AT A POINT WHICH IS NORTH 0°06'28" EAST 482.02 FEET ALONG THE SECTION LINE FROM THE EAST QUARTER CORNER OF SECTION 16, TOWNSHIP 4 NORTH; RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN, DAVIS; COUNTY, UTAH AND, RUNNING THENCE SOUTH 89°43'28" WEST 33.00 FEET; THENCE SOUTH 0°06'28" WEST 100.00 FEET; THENCE SOUTH 89°43'28" WEST 221.43 FEET THENCE SOUTH 0°06'28" WEST 98.86 FEET TO THE NORTH LINE OF WEST SUNSET VIEW ESTATES NO.1; THENCE SOUTH 89°43'28" WEST 404.25 FEET ALONG SAID SUBDIVISION LINE; THENCE NORTH 0°06'28" EAST 198.66 FEET THENCE NORTH 0°23'32" WEST 403.26 FEET; THENCE NORTH 89°51'32" WEST 185.07 FEET; THENCE NORTH 0°08'28" EAST 85.94 FEET; THENCE NORTH 03°00'99" WEST 60.09 FEET; THENCE NORTH 0°08'28" EAST 91.68 FEET; THENCE NORTH 89°59'25" EAST 186.15 FEET; THENCE SOUTH 0°23'33" EAST 135.36 FEET; THENCE SOUTH 44°22'40" EAST 111.86 FEET; THENCE NORTH 89°44'28" EAST 300.70 FEET THENCE SOUTH 0°06'28" WEST 199.77 FEET; THENCE NORTH 89°43'28" EAST 114.01 FEET; THENCE SOUTH 0°06'28" WEST 93.50 FEET THENCE NORTH 89°41'32" WEST 15.71 FEET; THENCE SOUTH 0°06'28" WEST 72.59 FEET; THENCE NORTH 89°43'28" EAST 185.71 FEET; THENCE SOUTH 0°06'28" WEST 60.00 FEET TO THE POINT OF BEGINNING. CONTAINING 7.92 ACRES.

*12-487-0201--> 0222, 12-598-0327, 0331*  
**Phase 2 – Craig Estates Cluster Subdivision**

All of the following in the Craig Estates Phase 2 Cluster Subdivision: Lots 201 through 222; Parcel Nos. 12-487-0201 through 12-487-0222, 12-598-0327; Lot 12-598-0328; and all common areas, inclusive of Craig Estates Phase 2 Cluster Subdivision, Syracuse City, Davis County, Utah, according to the official plat thereof.

BEGINNING AT THE NORTHWEST LOT CORNER OF LOT 112, CRAIG ESTATES PHASE 1 CLUSTER SUBDIVISION, PART OF THE NORTHEAST QUARTER OF

SECTION 16, T4N. R2W, SLB&M, SYRACUSE CITY, DAVIS COUNTY, UTAH WHICH POINT IS ALSO NORTH 0°06'28" EAST 1120.18 FEET ALONG A SECTION LINE AND DUE WEST 850.41 FEET FROM THE EAST QUARTER CORNER OF SECTION 16, T4N, R2W, SLB&M AND RUNNING THENCE ALONG THE WEST BOUNDARY OF SAID CRAIG ESTATES PHASE 1 CLUSTER SUBDIVISION THE FOLLOWING THREE COURSES AND DISTANCES: S0°08'28"W 91.68 FEET, S3°00'09"E 60.09 FEET AND S0°08'28"W 85.94 FEET TO THE NORTH LINE OF HUNTERS CROSSING SUBDIVISION PHASE 5; THENCE N89°51'32"W 714.43 FEET ALONG SAID LINE; THENCE N0°08'28"E 79.26 FEET TO A POINT ON A 370.00 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE 5.09 FEET (CENTRAL ANGLE=0°47'15", CHORD BEARING AND DISTANCE N79°37'39"E 5.09 FEET); THENCE NORTH 0°08'28"E 60.81 FEET TO A POINT ON A 430.00 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE 1.79 FEET (CENTRAL ANGLE=0°14'19", CHORD BEARS N81°33'52"E 1.79 FEET); THENCE NORTH 0°08'28"E 94.50 FEET; THENCE N89°59'25"E 704.36 FEET TO THE POINT OF BEGINNING, CONTAINING 3.85 ACRES

12-877-0401 → 0428

### Jackson Court Subdivision

All of the following in the Jackson Court Subdivision: Lots 401 through 420: Jackson Lane; and all common areas and open spaces inclusive of the Jackson Court Subdivision. Syracuse City, Davis County, Utah, according to the official plat thereof.

Beginning at a point on the section line, being the center line of 2000 West street said point being South 0°06'28" West 1330.13 feet along the section line from the Northeast Corner of Section 16, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running; Thence South 0°06'28" West 201.07 feet along the section line, being the centerline of 2000 West Street Thence West 187.98 feet; Thence South 0°06'28" West 299.68 feet; Thence South 89°43'28" West 96.00 feet to the east line of Craig Estates Phase 1 Cluster Subdivision; Thence North 0°06'28" East 99.00 feet along the east line to the Northeast Corner of Craig Estates Phase 1 Cluster Subdivision; Thence South 89°43'28" West 300.70 feet along the north line to an angle point in the north line of Craig Estates Phase 1 Cluster Subdivision; Thence North 44°22'40" West 46.01 feet along the north line of Craig Estates Phase 1 Cluster Subdivision; Thence southeasterly 13.06 feet along the arc of a 15.00 foot radius curve to the left, (center bears South 79°19'53" East and long chord bears South 14°16'43" East 12.65 feet, with a central angle of 49°53'40") to the north line of Craig Lane; Thence northwesterly 85.76 feet along the arc of a 280.00 foot radius curve to the left, (center bears South 50°52'04" West and long chord bears North 48°00'00" West 85.42 feet, with a central angle of 17°32'55") along the north line of Craig Lane; Thence easterly 14.99 feet along the arc of a 15.00 foot radius curve to the left. (Center bears; North 33°13'33" East and long chord bears South 85°24'23" East 14.38 feet with a central angle or 57°15'52" to the extension of the extension of the east line of Craig Estates Phase 1 Cluster Subdivision; Thence North 0°23'33" West 138.68 feet to and along the east line to the Northeast Corner of Craig Estates Phase 1 Cluster Subdivision, also being the Southeast Corner of Cherry

Village Subdivision No. 5; Thence North  $0^{\circ}19'45''$  West 182.73 feet along the east line of Cherry Village Subdivision No. 5 to the Southwest Corner of Rampton Medical Plaza; Thence North  $89^{\circ}47'51''$  East 335.25 feet along the south line to an angle point in the south line of Rampton Medical Plaza; Thence North  $88^{\circ}13'56''$  East 157.83 feet along the south line to an angle point in the south line of Rampton Medical Plaza; Thence South  $86^{\circ}57'23''$  East 34.70 feet along the south line to an angle point in the south line of Rampton Medical Plaza; Thence South  $89^{\circ}25'00''$  East 137.99 feet along the south line Rampton Medical Plaza, and beyond to the point of beginning;

Contains 234,325 square feet 5.379 acres, 20 Lots.

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### Craig Estates Phase 3 Cluster Subdivision – Second Amended

#### Parcel A (North Parcel):

Beginning at the Northwest Corner of Lot 211, Craig Estates Phase 2 Cluster Subdivision, also being on the south line of Cherry Village Subdivision No. 4, said point being South  $0^{\circ}06'28''$  West 1518.83 feet along the section line and West 1554.74 feet from the Northeast Corner of Section 16, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running; Thence South  $00^{\circ}08'28''$  West 94.50 feet along the west line to the Southwest Corner of said Lot 211, Craig Estates Phase 2 Cluster Subdivision, also being on the north line of Craig Lane (2015 South) Thence westerly 126.63 feet along the arc of a 430.00 foot radius curve to the left, (center bears South  $08^{\circ}18'57''$  East and the long chord bears South  $73^{\circ}14'52''$  West 126.17 feet with a central angle of  $16^{\circ}52'22''$ ) along the north line of Craig Lane, (2015 South); Thence westerly 327.15 feet along the arc of a 370.00 foot radius curve to the right, (center bears North  $25^{\circ}11'20''$  West and the long chord bears North  $89^{\circ}51'32''$  West 316.60 feet with a central angle of  $50^{\circ}39'37''$ ) along the north line of Craig Lane, (2015 South); Thence westerly 190.10 feet along the arc of a 430.00 foot radius curve to the left, (center bears South  $25^{\circ}28'17''$  West and the long chord bears North  $77^{\circ}11'38''$  West 188.56 feet with a central angle of  $25^{\circ}19'49''$ ) along the north line of Craig Lane, (2015 South); Thence North  $89^{\circ}51'32''$  West 3.50 feet along the north line of Craig Lane, (2015 South) to the Southeast Corner of Lot 301, Craig Estates Phase 3 Cluster Subdivision; Thence North  $00^{\circ}08'28''$  East 88.18 feet along the east line to the Northeast Corner of said Lot 301, Craig Estates Phase 3 Cluster Subdivision, said point also being on the south line of Criddle Homestead Phase 4; Thence North  $89^{\circ}59'25''$  East 624.79 feet along the south line of said Criddle Homestead Phase 4 to and along the south line of Criddle Homestead Phase 3 to and along the south line of Cherry Village Subdivision No. 4 to the point of beginning. Parcel A Contains: 81,145 square feet, 1.863 acres, 6 Residential Units and 1 Common Area Open Space Parcel.

NAD 83 BEARING ALONG THE SECTION LINE IS SOUTH  $0^{\circ}27'15''$  WEST

Parcel B (South Parcel):

Beginning at the Southwest Corner of Lot 212, Craig Estates Phase 2 Cluster Subdivision, also being on the north line of Hunter's Crossing Subdivision Phase 5, said point being South 0°06'28" West 1754.46 along the section line and West 1561.65 feet from the Northeast Corner of Section 16, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running; Thence North 89°51'32" West 652.90 feet along the north line of Hunter's Crossing Subdivision Phase 5 to and along the north line of Hunter's Crossing Subdivision Phase 4 to the Southeast Corner of Lot 325 of Craig Estates Phase 3 Cluster Subdivision; Thence North 00°08'28" East 85.94 feet along the east line to the Northeast Corner of said Lot 325, Craig Estates Phase 3 Cluster Subdivision, being on the south line of Craig Lane (2015 South); Thence South 89°51'32" East 38.38 feet along the south line of Craig Lane, (2015 South); Thence easterly 163.58 feet along the arc of a 370.00 foot radius curve to the right, (center bears South 00°08'28" West and the long chord bears South 77°11'38" East 162.25 feet with a central angle of 25°19'49") along the south line of Craig Lane, (2015 South); Thence easterly 380.20 feet along the arc of a 430.00 foot radius curve to the left, (center bears North 25°28'17" East and the long chord bears South 89°51'32" East 367.94 feet with a central angle of 50°39'37") along the south line of Craig Lane, (2015 South); Thence easterly 93.13 feet along the arc of a 370.00 foot radius curve to the right, (center bears South 25°11'20" East and the long chord bears North 72°01'21" East 92.89 feet with a central angle of 14°25'22") along the south line of Craig Lane, (2015 South) to the Northwest Corner of said Lot 212, Craig Estates Phase 2 Cluster Subdivision; Thence South 00°08'28" West 79.26 feet along the west line of said Lot 212, Craig Estates Phase 2 Cluster Subdivision to the point of beginning. Parcel B Contains: 29,256 square feet, 0.672 acres, 1 Residential Unit, 1 Common Area Open Space Parcel. Total Combined Parcel A and Parcel B Contains: 110,401 square feet, 2.535 acres, 7 Residential Units, 2 Open Space Parcels.

NAD 83 BEARING ON THE SECTION LINE IS SOUTH 02°15" WEST  
Parcel Nos. 12-598-0327 and 12-598-0328.

Which parcels will be, or are, identified as Lots 327 through 333, Parcel 1 Common Area Open Space, Parcel 2 Common Area Open Space, and all common areas and open spaces inclusive of the Craig Estates Phase 3 Cluster Subdivision – Second Amended, Syracuse City, Davis County, Utah, according to the official plat thereof, which plat has been, or will be, recorded.

The legal descriptions of the areas to be identified as Lots 327 through 33 are as follows:

Lot 327

Beginning at the Northwest Corner of Lot 211, Craig Estates Phase 2 Cluster Subdivision, also being on the south line of Cherry Village Subdivision No. 4, said point being South  $0^{\circ}06'28''$  West 1518.83 feet along the section line and West 1554.74 feet from the Northeast Corner of Section 16, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running: Thence South  $00^{\circ}08'28''$  West 94.50 feet along the west line to the Southwest Corner of said Lot 211, Craig Estates Phase 2 Cluster Subdivision, also being on the north line of Craig Lane (2015 South); Thence westerly 114.34 feet along the arc of a 430.00 foot radius curve to the left, (center bears South  $08^{\circ}18'57''$  East and the long chord bears South  $74^{\circ}04'00''$  West 114.00 feet with a central angle of  $15^{\circ}14'06''$ ) along the north line of Craig Lane, (2015 South); Thence North  $0^{\circ}08'28''$  East 125.77 feet to the south line of Criddle Homestead Phase 3; Thence North  $89^{\circ}59'25''$  East 109.54 feet along the south line of Criddle Homestead Phase 3 to and along the south line of Cherry Village Subdivision No.4 to the point of beginning.

Lot 328

Beginning at a point on the south line of Criddle Homestead Phase 3, said point being South  $0^{\circ}06'28''$  West 1518.74 feet along the section line and West 1664.29 feet from the Northeast Corner of Section 16, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running: Thence South  $00^{\circ}08'28''$  West 125.77 feet to the north line of Craig Lane (2015 South); Thence Westerly 12.29 feet along the arc of a 430.00 foot radius curve to the left, (center bears South  $23^{\circ}33'04''$  East and the long chord bears South  $65^{\circ}37'48''$  West 12.29 feet with a central angle of  $1^{\circ}38'16''$ ) along the north line of Craig Lane, (2015 South); Thence Westerly 93.68 feet along the arc of a 370.00 foot radius curve to the right, (center bears North  $25^{\circ}11'20''$  West and the long chord bears South  $72^{\circ}03'51''$  West 93.43 feet with a central angle of  $14^{\circ}30'23''$ ) along the north line of Craig Lane, (2015 South); Thence North  $0^{\circ}08'28''$  East 159.60 feet to the South line of Criddle Homestead Phase 4; Thence North  $89^{\circ}59'25''$  East 100.00 feet along the South line of Criddle Homestead Phase 3 to the point of beginning.

Lot 329

Beginning at a point on the south line of Criddle Homestead Phase 4, said point being South  $0^{\circ}06'28''$  West 1518.76 feet along the section line and West 1814.29 feet from the Northeast Corner of Section 16, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running: Thence South  $00^{\circ}08'28''$  West 165.53 feet to the north line of Craig Lane (2015 South); Thence Westerly 85.36 feet along the arc of a 370.00 foot radius curve to the right, (center bears North  $2^{\circ}52'37''$  East and the long chord bears North  $86^{\circ}16'05''$  West 85.17 feet with a central angle of  $13^{\circ}13'04''$ ) along the north line of Craig Lane, (2015 South); Thence North  $0^{\circ}08'28''$  East 159.98 feet to the south line of Criddle Homestead Phase 4 to and along the south line of Criddle Homestead Phase 3; Thence North  $89^{\circ}59'25''$  East 85.00 feet along the South line of Criddle Homestead Phase 3 to the point of beginning.

Lot 330

Beginning at a point on the south line of Criddle Homestead Phase 3, said point being South 0°06'28" West 1518.78 feet along the section line and West 1899.29 feet from the Northeast Corner of Section 16, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running: Thence South 00°08'28" West 159.98 feet to the north line of Craig Lane (2015 South); Thence Westerly 89.15 feet along the arc of a 370.00 foot radius curve to the right, (center bears North 2°52'37" East and the long chord bears North 72°45'25" West 88.93 feet with a central angle of 13°48'17") along the north line of Craig Lane, (2015 South); Thence North 0°08'28" East 133.60 feet to the south line of Criddle Homestead Phase 3; Thence North 89°59'25" East 85.00 feet along the South line of Criddle Homestead Phase 3 to the point of beginning.

Lot 331

Beginning at a point on the south line of Criddle Homestead Phase 3, said point being South 0°06'28" West 1518.79 feet along the section line and West 1984.29 feet from the Northeast Corner of Section 16, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running: Thence South 00°08'28" West 133.60 feet to the north line of Craig Lane (2015 South); Thence Westerly 8.56 feet along the arc of a 370.00 foot radius curve to the right, (center bears North 24°08'44" East and the long chord bears North 65°11'30" West 8.56 feet with a central angle of 1°19'33") along the north line of Craig Lane, (2015 South); Thence westerly 84.29 feet along the arc of a 430.00 foot radius curve to the left, (center bears South 25°28'17" West and the long chord bears North 70°08'39" West 84.15 feet with a central angle of 11°13'51") along the north line of Craig Lane, (2015 South); Thence North 0°08'28" East 101.41 feet to the south line of Criddle Homestead Phase 4; Thence North 89°59'25" East 87.00 feet along the south line of Criddle Homestead Phase 4 to and along the South line of Criddle Homestead Phase 3 to the point of beginning.

Lot 332

Beginning at a point on the south line of Criddle Homestead Phase 4, said point being South 0°06'28" West 1518.81 feet along the section line and West 2071.29 feet from the Northeast Corner of Section 16, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running: Thence South 00°08'28" West 101.41 feet to the north line of Craig Lane (2015 South); Thence Westerly 105.81 feet along the arc of a 430.00 foot radius curve to the left, (center bears South 25°28'17" West and the long chord bears North 82°48'33" West 105.55 feet with a central angle of 14°05'58") along the north line of Craig Lane, (2015 South); Thence North 89°51'32" West 3.50 feet along the north line of Craig Lane, (2015 South) to the Southeast Corner of Lot 301, Craig Estates Phase 3 Cluster Subdivision; Thence North 0°08'28" East 88.17 feet along the east line to the Northeast Corner of Lot 301, Craig Estates Phase 3 Cluster Subdivision, also being on the South line of Criddle Homestead Phase 4; Thence North 89°59'25" East 108.25 feet along the South line of Criddle Homestead Phase 4 to and along the South line of Criddle Homestead Phase 3 to the point of beginning.

Lot 333

Beginning at a point on the north line of Hunter's Crossing Subdivision Phase 4, said point being South 0°06'28" West 1753.15 along the section line and West 2094.55 feet from the Northeast Corner of Section 16, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and running: Thence North 89°51'32" West 120.00 feet along the north line of Hunter's Crossing Subdivision Phase 4 to the Southeast Corner of Lot 325 of Craig Estates Phase 3 Cluster Subdivision; Thence North 00°08'28" East 85.94 feet along the east line to the Northeast Corner of said Lot 325, Craig Estates Phase 3 Cluster Subdivision, being on the south line of Craig Lane (2015 South); Thence South 89°51'32" East 38.38 feet along the south line of Craig Lane, (2015 South); Thence Easterly 82.30 feet along the arc of a 370.00 foot radius curve to the right, (center bears South 00°08'28" West and the long chord bears South 83°29'13" East 82.13 feet with a central angle of 12°44'38") along the south line of Craig Lane, (2015 South); thence South 00°08'28" West 76.83 feet to the point of beginning.