

**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
GREEN SPRING COVE ESTATES OWNER'S ASSOCIATION**

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**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
GREEN SPRING COVE ESTATES HOMEOWNERS' ASSOCIATION, INC.**

THIS DECLARATION is made on Aug 16 1990,
by GREEN SPRING ENTERPRISES, INC., A UTAH CORPORATION
(the Declarant).

1. Recitals

1.1 Declarant is the owner of certain real property located in the country of Washington, State of Utah, described in Exhibit "A" attached hereto and made a part hereof by this reference, and contemplates developing the same into a single-family residential planned-unit development known as Green Spring Cove Estates, together with streets and entry ways, and annexations.

1.2 Declarant intends to sell and convey lots within Exhibit "A" and, before doing so, desires to impose upon the real property mutual and beneficial covenants, conditions, restrictions, equitable servitudes and charges under a general plan or scheme for the management of the real property and for the benefit, use and occupancy of the lots and the benefit of the owners and future owners thereof, all for the purpose of enhancing and protecting the value, desirability and attractiveness of the real property and enhancing the quality of life within the real property.

1.3 It is desirable for the efficient management of the real property to create a homeowners' association for the purpose of managing, maintaining and administering the common scheme and plan of the development, enforcing these Protective Covenants, Conditions and Restrictions and carrying out such other functions as may be delegated to it hereunder or which generally benefit its members and the development. Declarant, therefore, has caused or will cause to be formed the Green Spring Cove Estates Homeowners' Association, Inc., a Utah Non-profit corporation (hereinafter "Association") for the purpose of exercising such powers. Each lot in Green Spring Cove Estates shall have appurtenant to it a membership in the Association. Upon annexation of additional property to the development through supplemental declarations, owners of residences therein shall also become members of the Association.

1.4 Declarant owns or controls additional property, adjacent to the real property hereunder, which it intends to develop into residential neighborhoods that will be

essentially adjacent to the Green Spring Golf Course. A preliminary schematic plot plan, attached hereto as Exhibit "B", shows the general location of the golf holes and preliminary information regarding future roads and residential parcels and, although the schematic plan, including, but not limited to final locations of roads and parcels, may be altered during the course of actual development, the schematic plan nevertheless reflects the general scheme and plan of the future development. As such development takes place, it is the intention of Declarant to annex or allow to be annexed through Supplemental Declarations certain parcels of the additional property to this Declaration and cause the owners of lots and homes in such parcels to become members of the Green Spring Cove Estates Homeowners' Association, Inc. The size, area, and locations of the precise parcels that will be so annexed is not known at this time, but such annexations will be confined to parcels to be developed into single-family-lot planned-unit development similar to and comparable with that now being developed hereunder. Such annexations may contain common areas and recreational facilities which may be developed by Declarant and transferred free and clear of liens and encumbrances to the ownership and management of the Association. Therefore, although the scope of single-family-lot developments eventually to be added to the charge of this Declaration is unknown at this time, the guidelines to be followed in making such annexations shall be their similarity as single-family-lot developments, the essential adjacency of the developments in the proximity of the Green Spring Golf Course, and their interconnecting roads and walkways. The guidelines shall also be to preserve and continue the general scheme and purpose of this Declaration, to promote the values of properties and enhance opportunities of their enjoyment hereunder.

NOW, THEREFORE, Declarant, declares that all lots in Green Spring Cove Estates, as shown on Exhibit "A", are held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved, subject to the provisions of this Declaration, which provisions are declared and agreed to be in furtherance of a plan for the development, improvement and sale of said lots, for the purpose of enhancing and protecting the value, desirability and attractiveness thereof. The provisions of the Declaration are intended to create mutual equitable servitudes upon each of said lots in favor of each and all other lots; to create reciprocal rights between the respective owners of all such lots; to create a privity of contract and estate between the grantees of such lots, their heirs, successors and assigns; and shall as to the owner of such lot, his heirs, successors or assigns operate as covenants running with the land for the benefit of and binding upon each and all other such lots in the development, as hereinafter defined, and their respective owners, present and future.

2

Definitions

The following terms as used in this Declaration are defined as follows:

2.1 "**Articles**" means the Articles of Incorporation of the Green Spring Cove Estates Homeowners' Association, Inc.

2.2 "**Association**" means Green Spring Cove Estates Homeowners' Association, Inc., a Utah nonprofit corporation, its successors and assigns.

2.3 "**Board**" means the Board of Trustees of the Association.

2.4 "**By-Laws**" means the By-Laws of the Association.

2.5 "**Committee**" means the Green Spring Cove Estates Architectural Committee.

2.6 "**Common Area**" means all of the real property which may later be described by supplemental declarations as common areas.

2.7 "**Design Guidelines**" means the architectural, design and construction guidelines prepared by the Committee for use by Owners and their architects, designers and builders.

2.8 "**Declarant**" means the Red Lands Company, a Utah General Partnership, its successors and assigns.

2.9 "**Declaration**" means this Declaration of Protective Covenants and any amendments hereto.

2.10 "**Development**" means all that real property situate in the County of Washington, State of Utah, described in Exhibit "A" and all other real property which may be described in additional supplemental declarations recorded from time to time with the Washington County Recorder, which Development is commonly known as Green Spring Cove Estates.

2.11 "**Green Spring Cove Estates**" means the planned-unit development shown on Exhibit "A".

2.12 "**Improvements**" mean all buildings, outbuildings, streets, roads, recreational facilities, walkways, driveways, parking areas, fences, retaining and other walls, landscaping, light standards, antennae and any other structures of any type or kind.

2.13 "Lot" means any numbered single-family lot shown on a map.

2.14 "Map" means the maps of the development as they are from time to time recorded.

2.15 "Mortgage" means any duly recorded mortgage or deed of trust encumbering a Lot or residence thereon.

2.16 "Owner" means:

(a) Any person or legal entity, including Declarant, who holds fee simple title to any Lot within the Development;

(b) Any person or legal entity who has contracted to purchase fee title to a Lot pursuant to a written agreement recorded in the Washington County, Utah, Recorder's Office, in which case the seller under said agreement shall cease to be the Owner while said agreement is in effect.

2.17 "Rules" means the rules and regulations of the Association.

2.18 "Supplemental Declaration" means, in the case of parcels being subsequently annexed to the Development, the recorded Supplemental Declaration of a Declarant which incorporates the provisions of this Declaration therein by reference. Each Supplemental Declaration shall include a description of the real property covered thereby subject to the provisions of this Declaration and shall designate the permitted uses of such property.

3. Residential Restrictions.

The following shall be applicable to all Lots within the Development, and each Owner, as to his Lot, covenants to observe and perform the same:

3.1 Single Family Residential. Only single family dwellings and such outbuildings as are usually accessory thereto and as may be permitted by the Committee shall be permitted on any Lot in Green Spring Cove Estates. The following restrictions shall apply specifically to such Lots:

(a) Minimum Area. Unless approved in advance and in writing by the Committee, which shall take into consideration Lot location, size, topography and the exterior plans and elevations of the dwelling and accessory buildings, if any, each dwelling constructed on a Lot shall have fully enclosed main level floor area (exclusive of roofed or unroofed porches, terraces, garages, carports or outbuildings) not less than one thousand eight hundred (1800) square feet.

(b) Height Limitations. Unless approved in advance and in writing by the Committee, which shall take into consideration lot location and topography and the effect of a different height upon views from other lots, no structure or portion thereof, including antennae or solar panels, but excepting chimneys, constructed on any lot shall extend higher than fifteen (15) feet from finished grade to a point mid-way between eave and ridge. The point of measurement from finished grade shall be determined in accordance with procedures outlined by the Committee in its Design Guidelines and must be approved in advance in writing by the Committee. Such point shall be determined upon aesthetic considerations in accordance with the overall plan of the development and the right of each owner to maintain maximum access to the surrounding vistas, in keeping with which the Committee may also impose a building height limitation in order to preserve views from neighboring homes and minimize the impact of structures on sensitive natural areas of the development.

(c) Setback. Buildings shall be set according to the setback requirements found in ordinances of the City of Washington, Utah, for subdivisions of the type similar to this development. In addition, the Committee may, in its sole discretion, require other setbacks to distance back from the edge of the golf course, and for other purposes that it deems necessary or desirable to the common scheme and plan of Green Spring Cove Estates. Buyers of lots affected by setback requirements other than those set by City standards shall be notified prior to closing of the setback requirements to be imposed by the Committee, if any, and such requirements shall be placed in the deed at closing and shall run with the land.

3.2 Accessory Outbuildings. No accessory outbuildings (e.g. garages or sheds) shall be erected on any lot prior to the erection thereon of a dwelling. In no event shall any temporary structure or trailer or tent ever be used for human occupancy or habitation. After erection of a dwelling, unattached accessory outbuildings may be constructed if approved in advance in writing by the Committee.

3.3 Design Guidelines. A set of Design Guidelines shall be prepared by the Committee and made available to lot owners prior to their commissioning plans for construction of any improvements. These Guidelines shall control all aspects of planning and design and shall direct construction staging and follow-through, including but not limited to planning of exterior elevations, building heights, exterior finish materials, exterior trim, exterior colors, roofs and roof materials, exterior lighting, driveway construction, solar panels, chimneys, antennae, signing during construction, clean-up requirements and deposits. Owners and their agents shall be guided by the Design Guidelines in preparation of all plans. The Committee shall be

guided by the Design Guidelines in the process of approval or denial of plans, in whole or part, and shall have sole power to interpret and apply the Guidelines and judge compliance or non-compliance with the same. The Committee shall have the power to modify the Guidelines from time to time so long as such modifications are in accordance with the common plan and scheme of the Development and the maintenance of the same, as reflected in this Declaration. Portions of these guidelines are included herein.

3.4 Building Features and Materials.

(a) **Exterior Building Wall Materials.** Brick, stone, stucco and wood are permitted for the exteriors of living units and accessory buildings. The use of any other materials for such building shall require the prior approval of the Architectural Control Committee.

(b) **Roof, Soffits, and Facia.** Roof, soffit and facia materials shall be restricted to wood shingles, or shakes, slate, tile or other materials approved by the Architectural Control Committee. Asphalt, fiberglass or metal are prohibited except in the case of aluminum which if it is provided with a baked on surface may be used to cover soffit and facia. The use and approval of roof design, soffit and facia material is subject to approval of the Architectural Control Committee.

(c) **Accessory Structures.** Patio structures, trellises, sunshades, gazebos and other appurtenant materials shall be consistent with the colors, textures and materials approved for the dwelling and shall be integrated into the architecture of the house and subject to the approval of the Architectural Control Committee. Accessory structures as enumerated herein can only be constructed in the backyard areas.

(d) **Chimneys.** Chimneys may be constructed only of brick, stucco or stone and may not exceed the height required by Washington City. Exposed metal flues are not acceptable with the exception of copper.

(e) **Mailboxes.** Mailboxes shall be provided and maintained by each property owner. Mailbox location, height, design and color will be provided by the Architectural Control Committee subject to the approval of the United States Post Office.

(f) **Paving.** Driveway and other flat paved areas may be concrete, exposed aggregate concrete, stamped concrete, asphalt, quarry tile brick, or paving blocks. Gravel areas are not permitted.

(g) Skylights. Skylights are to be designed as an integral part of the roof. Skylight glazing may not be reflective. Skylight framing shall be copper or colored to match adjacent roofing materials.

(h) Pools, Spas, Fountains, Gamecourts. Pools, spas, fountains and gamecourts shall be located to avoid impacting adjacent properties with light or sound. No gamecourt shall be located in front or side yards. Pool heaters and pumps must be screened from view and sound insulated from neighboring houses.

(i) Sheet Metal Flashing and Vents. All sheet metal, flashing, vents and pipes must be colored to match the material to which they are attached or from which they project, with the exception of copper.

(j) Mechanical Equipment. All air conditioning, heating equipment and soft water tanks must be screened from view and insulated for sound attenuation. Air conditioning units are not permitted on roofs or through windows.

(k) Gas and Electric Meters. Meter locations are to be designed into the architecture of the dwelling and screened from view.

3.5 Completion of Construction. Construction of any improvement, once commenced, shall be pursued diligently to completion. Improvements not so completed or upon which construction has ceased for ninety (90) consecutive days or which have been partially or totally destroyed and not rebuilt within a reasonable period shall be deemed nuisances.

3.6 Garages. Every single family dwelling constructed within the Development shall have an enclosed and covered automobile storage space of a minimum size of 22 feet by 22 feet, but not located within the front, rear or side-yard setback of a lot. No garage doors shall be permitted to remain open except for temporary purpose, and the Association may establish rules for the regulation of the opening of garage doors, including the assessment of charges to Owners who violate such rules. Any charges so assessed shall be special assessments.

3.7 Excavation. No excavation for minerals, stone, gravel or earth shall be made upon any Lot other than excavation for necessary construction purposes relating to main dwelling units, retaining walls, outbuildings and pools, and for the purpose of contouring, shaping and landscaping or in the erection of permitted fencing generally improving any Lot.

3.8 Temporary Structures. No Temporary structure of any form or type shall be permitted on any Lot except during construction of a residence on that Lot and then only as approved in advance by the Committee.

3.9 Prohibition Against Used Structures. No used or previously constructed buildings or structures, intended for use as a dwelling or outbuilding, shall be placed on any Lot from the date of recording this Declaration.

3.10 Maintenance of Lots. Lots, whether vacant or improved, occupied or unoccupied, and any improvements placed thereon, including landscaping, shall at all times be maintained in a neat, orderly, and well-groomed manner. No offensive activities or nuisances will be permitted on any Lot, and no refuse, unsightly or abandoned vehicles, debris, noxious material, discarded personal effects, construction materials not for immediate use, compost materials, or similar matter shall be permitted on any Lot or portion thereof. Lots are to be maintained in a manner that will prevent them from becoming unsightly, unsanitary, or a hazard to health. The Association has sole discretion to determine when any of the standards set forth herein have been violated.

3.11 Signs and Lot Numbers. Other than during construction of a house, no sign, billboard or advertising structure of any kind may be displayed on any Lot except upon prior application to and receipt of written permission with respect to signs advertising a Lot for sale; however, the Committee may provide such signs of a standard size and color, which signs only shall be used if provided. During construction of a house, one sign identifying the contractor is permitted, provided it is single sided and is not larger than thirty (30) inches high and forty (40) inches wide and unless attached to a building, is on its own post and placed so that the top of the sign is no more than sixty (60) inches above the prevailing ground plain. The sign must be placed no closer than twenty (20) feet from the nearest roadway. Subcontractor and materialman signs are prohibited. Signs not meeting the specifications set forth herein or approved in advance by the Committee may be removed by the Committee or the Association from the premises where displayed.

3.12 Utility Lines and Pipe. Except for major service lines, all utility lines and pipes and connections within the Development shall be placed underground.

3.13 Concealment of Trash Receptacles. Every receptacle for ashes, trash, rubbish or garbage shall be installed underground or be so placed and kept as not to be visible from any street, Lot or Common Area within the Development except at the times when refuse collections are made.

3.14 Disposal of Sanitary Waste. All permanent plumbing fixtures, dishwashers, toilets or garbage disposal systems shall be connected to the sanitary sewer system in the development.

3.15 Garbage and Refuse Disposal. There shall be no exterior burning of trash, garbage or other like household refuse without a permit from the Association, nor shall any Owner keep or accumulate litter, refuse or garbage except in receptacles of a type approved by the Committee. All refuse shall be disposed of in accordance with applicable laws and ordinances of the City of Washington.

3.16 Antennae and Exterior Equipment. Satellite dishes and antennae for shortwave or ham radio installations will not be installed on a Lot or structure without the express written permission of the Committee. Television antennae that protrude above the highest point of the roof line are subject to the approval, on an individual basis, of the Committee as to size, height and unsightliness.

3.17 Solar Panels. No solar panels shall be installed on any residence without the prior written consent of the Committee. In the case of consent, the Committee may specify the size and type of panels allowed and the location upon which they may be installed.

3.18 Travel Trailers, Motor Homes and Boat Storage. No travel trailer, motor home, recreational vehicle, house trailer, boat or boat trailer or other type of trailer, shall be parked on a Lot for more than five (5) days in a thirty (30) day consecutive period, unless kept within a fully enclosed, roofed garage or other compatibly designed and constructed carport or enclosure as may be approved in advance in writing by the Committee. The criteria for approval, in addition to architectural compatibility shall be the essential nonvisibility of the stored vehicle from any street or Lot in the Development. The intent of this paragraph is to allow only for loading and unloading such vehicles within the Development unless kept in a garage or enclosure as aforesaid.

3.19 Window Covers. Interior curtains, drapes, shutters or blinds may be installed as window covers. No interior window shall be covered with aluminum foil, newspapers or other material not customarily used as window covers. Exterior window covers shall not be installed without the prior written approval of the Committee.

3.20 Fences. No fences or walls more than five (5) feet in height shall be constructed within the development without prior written Committee approval. There shall be no chainlink, woven wire or any type of wire fence within the

Development, except for backyard pet enclosures or swimming pools as approved in advance in writing by the Committee. All fences and walls shall be approved by the Committee prior to installation, and detailed plans therefor shall be submitted to the Committee as in the case of other structures. Nothing herein contained shall prevent erection by Declarant of security fences or fences along fairways or the necessary erection of retaining walls required by topography and approved by the Committee.

3.21 Clotheslines. No clothesline shall be constructed or erected which would be visible from any street, Common Area or other lot.

3.22 Landscaping. Within eight (8) months of completion of the exterior of the main dwelling unit on any Lot, such Lot shall be completely landscaped consistent with landscape plans approved by the Committee in a manner suitable to the character and quality of the Development. All landscaping shall be maintained to harmonize with and sustain the attractiveness of the Development.

3.23 Exterior Lighting. All plans for exterior lighting must be submitted to the Committee for approval prior to installation. Exterior lighting visible from off the Lot must be indirect and the light source may not be visible from the roads, the golf course or a neighboring Lot. No light within the Development shall be suspended from a pole in excess of the (10) feet from the ground, except those owned and maintained by Declarant or the Association or as expressly approved in advance in writing by the Committee.

3.24 Operation and Parking of Motor Vehicles. Except as to authorized maintenance vehicles, no motorized vehicle shall be operated in any area within the Development except on a street or driveway, nor shall streets be used for overnight parking of any vehicles or for parking during the daytime of vehicles larger than autos or pickup trucks, which may not be parked longer than two hours at a time. All speed limits and other traffic control signs erected within the Development shall be observed at all times.

3.25 Operation of Engines, Machinery and Equipment. Engines shall not be "revved" up within the Development nor shall they be operated at any time without effective noise mufflers. No machinery or equipment of any kind shall be placed, operated or maintained on a Lot except such as is usual and customary in connection with the use, maintenance or construction of a residence, appurtenant structure or other improvements.

3.26 Outside Speakers and Amplifiers. No radio, stereo or other broadcast units of any kind and no amplifiers or

loudspeakers of any kind shall be placed, allowed or maintained outside or be directed to the outside of any residence or other improvement within the Development without the prior written approval of the Association.

3.27 Animals. No animals shall be kept or maintained on any Lot except the usual household pets not kept for commercial purposes, which shall be kept reasonably confined so as not to become a nuisance. Household pets shall not unreasonably interfere with the comfort, privacy or safety of other Owners within the Development. No Lot shall have more than two (2) such household pets. No dogs shall be kept as outside pets without prior approval by the Committee. Such approval may be revoked at any time if the Committee determines that such outside pets are a nuisance.

3.28 Fires. Other than barbecues in properly constructed pits, grills or firepits that are operated in compliance with Association Rules, or as expressly permitted in such Rules, no open fires shall be permitted within the Development without prior written approval of the Association.

3.29 Guests and Visitors. Owners shall be responsible for the observance by their guests and visitors, including children, of all restrictions contained in this Declaration or the Rules of the Association.

3.30 Peaceful Enjoyment. No use shall be made of any Lot or structure within the Development which shall annoy or adversely affect the use, value, occupation and enjoyment of adjoining property or the general neighborhood. The Association shall have sole discretion as to what is annoying or adversely affects the use, value, occupation and enjoyment of adjoining property or the general neighborhood.

3.31 Limited Access. There shall be no access to any Lot on the perimeter of the Development except from designated streets or roads as shown on the recorded maps of the Development.

3.32 Certificate of Occupancy. A certificate of occupancy must be issued by the appropriate governing building department prior to occupancy of any dwelling unit.

3.33 Defacing or Removal of Common Area Improvement. No tree, shrub or improvement within a Civic Area shall be defaced or removed except at the express written approval of the Association and the appropriate Civic Agency.

3.34 Drainage. No Owner shall erect, construct, maintain, permit or allow any fence or other improvement or other obstruction which would interrupt the normal drainage of the land

or within any area designated on a recorded plat thereof, or other binding document, as a "drainage easement", except that, with the prior consent of the City of Washington and the Committee, non-permanent structures, including fences, may be erected in those areas which contain only underground closed conduit storm drainage facilities.

3.35 Leasing. No Owner of any Lot shall participate in any plan or scheme for the rental of the improvements on such Lot, nor shall any such Lot be operated as a commercial venture. Nothing in this paragraph shall prevent an Owner of a Lot from renting the Lot and improvements thereon during periods of such Owner's absence, provided that all such rentals comply with the provisions of this Declaration, and the Articles, Bylaws, and all Rules of the Association including, but not limited to, the following:

(a) An Owner who leases his Lot to any person shall be responsible for assuring compliance by his lessee with all of the provisions of this Declaration, and the Articles, Bylaws and Rules of the Association. Such Owner shall be jointly and severally responsible for any violations by his lessee thereof.

(b) All leases must be in writing and shall provide that the lease is subject in all respects to the provisions of this Declaration and the Articles, Bylaws and Rules of the Association and that any failure of the lessee to comply with such provisions shall constitute a default under the lease. The lease shall further provide that the Association shall have the right to enforce all terms of the lease under the Utah Forcible Entry and Detainer Statute.

(c) A copy of each executed lease must be filed by the Owner with the Association within 20 days after the date upon which such lease is signed.

3.36 Declarant's Exemption. Notwithstanding any other provision of this Declaration, the Articles, Bylaws and Rules, it shall be expressly permissible for Declarant or its duly authorized agents, employees and representatives to maintain during the period of construction and sale of Lots such facilities, structures and signs as are necessary or convenient, in the sole opinion of the Declarant, to the sale of the Lots, including, without limitation, a business office, storage area, construction yards, model homes and sales offices; provided, however, that such use of the Common Area by the Declarant must be reasonable and must not unreasonably interfere with any Owner's use and enjoyment of the Common Area.

3.37 Enforcement. The Association shall give notice of the existence of a nuisance or violation of these restrictions by, (a) posting on the offending Lot and (b) mailing

by certified or registered mail to the Owner of the Lot at the address showing on the books of the Association, a notice identifying the nuisance or violation and stating the steps to be taken to cure such violation or eliminate such nuisance. If the Owner has not commenced the required work within thirty (30) days after the posting and mailing of notice, the Association may enter the Lot and remove, repair or otherwise correct the nuisance or violation in accordance with the steps outlined in the notice at the cost and expense of the Owner. A fifteen percent (15%) surcharge for overhead shall be charged and billed to the Owner along with the costs and expenses incurred by the Association hereunder and shall become due and payable within thirty (30) days after mailing of the billing to the Owner. If not paid when due, the amount charged, including any surcharge and fine imposed pursuant to this Declaration, the Bylaws or Rules, shall be a special assessment secured by a lien on the Lot, recordable and collectible as provided in section 6.7, below. Neither the Association nor Declarant nor any of their agents, employees or contractors shall be liable for any damage which may result from any work performed, nor for any failure to exercise the right to remove, repair or correct a nuisance or violation or to maintain any Lot. All rights described in this Declaration and all other rights and remedies available at law or equity shall be available in the event of any breach of any provision of this section by any Owner, tenant or other person.

3.38 Modification. Except where Declarant's rights are involved or Declarant's consent is required, the Association may modify or waive the foregoing restrictions or otherwise restrict and regulate the use and occupancy of the Development and the Lots therein by reasonable rules and regulations of general application adopted by the Board from time to time which shall be incorporated into the Association Rules.

4. Architectural Control

4.1 The Architectural Committee. There shall be an Architectural Committee composed of not less than three (3) nor more than seven (7) members to be appointed by Declarant. Committee members need not be Owners and shall receive no compensation for services they render. At least one Committee member shall be a qualified member of one of the allied physical design professions (i.e., civil engineer, architect, land planner, etc.). The first Committee shall consist of Nelson W. Clayton, Robert B. Barker _____
Committee members are subject to removal by Declarant, and any vacancies from time to time existing shall be filled by appointment of Declarant, except that the Committee need have no more than three members. The power to appoint or remove Committee members shall be transferred permanently to the Association upon the sale of all Lots within the Development, or at any time prior thereto at the discretion of Declarant. A

quorum shall consist of a majority, but not less than two (2) out of three (3) persons. A decision may be rendered by a majority of Committee members at a meeting at which a quorum is present.

4.2 Duties and Powers of the Committee. It shall be the duty of the Committee to meet to consider and act upon any and all proposals or plans submitted to it pursuant to the terms hereof to insure that any improvements constructed in the Development by any other than Declarant conform to plans approved by the Committee, to adopt design Guidelines and to perform other duties imposed upon it by this Declaration.

Notwithstanding anything contained in this Declaration expressly or implied to the contrary, no building, fence, wall, patio enclosure or other structure or improvement shall be constructed or maintained in the Development, nor shall any exterior addition, change or alteration be made, including patio covers and antennas, until plans and specifications showing the nature, shape, dimensions, materials and location of the same shall have been submitted to and approved in writing as to harmony of design and location in relation to surrounding improvements and topography by the Committee.

4.3 Procedural Rules and Regulations. The Committee may from time to time adopt written rules and regulations of general applications governing its regular and special meetings, procedures and approval criteria, which may include, among other things, provisions for the time and place of meetings, the form and content of applications, required number of copies of plans and specifications, provisions for notice of approval or disapproval, and various approval criteria. Copies of such rules shall, if adopted, be available to each buyer of a Lot within the Development at the time of close of escrow and shall be maintained at the office of the Committee. Such rules shall incorporate the following provisions:

(a) Applications to do improvements are to be accompanied by not less than two (2) sets of plans and specifications. These shall show the location of all improvements, if any, existing upon said Lot; the location of the improvement proposed to be constructed; the proposed material staging area; the existing topography with a minimum contour interval of two (2) feet; front, rear and all side elevations, showing the structure's relationship to the existing and finished topography; all cuts and fills; the color and composition of all exterior materials to be used; the landscape plan; and any other information, including soil and engineering reports and recommendations which the Committee may require.

(b) In the event an Owner desires to redecorate the exterior of any existing structure, it shall be necessary to submit the new proposed scheme to the Committee for its approval. Remodeling or adding to existing structures or making structural

or architectural changes shall require the Owner to submit complete plans therefor to the Committee as in the case of erecting new structures.

(c) Failure of the Committee to consent on any application, property submitted, within forty-five (45) days of receipt by the Committee at its office shall be deemed approval of such application by the Committee. The Committee shall have the power to render decisions on such other matters as are referred to the Committee under this declaration, or as may be referred to the Committee by the Association with the Committee's consent, with application for such decisions and the renderings thereof to be in accordance with such rules and regulations as may from time to time be adopted by the Committee. Committee comments with respect to any application shall be strictly followed. If requested by the Committee, applications must be resubmitted to the Committee, in which case the Committee shall have forty-five (45) days after the resubmission to comment thereon.

4.4 Grounds for Disapproval. The Committee may disapprove any application as follows:

(a) If such application does not comply with this Declaration.

(b) If such application does not comply with the design Guidelines, which shall be prepared and interpreted by the Committee and which may be modified from time to time in accordance with the common scheme and plan outlined in this Declaration.

(c) Because of the reasonable dissatisfaction of the Committee with grading plans, location of the proposed improvement on a Lot, finished ground elevation, exterior color scheme, finish, design, proportions, architecture, shape, height or style of the proposed improvement, the materials used therein, the kind, pitch or type of roof proposed to be placed thereon, or for purely aesthetic reasons.

(d) If, in the judgment of the Committee, the proposed improvements would be inharmonious with the Development or with improvements erected on other Lots.

4.5 Good Faith. All acts or decisions of the Committee must be governed by the common scheme and plan outlined in this Declaration and must be reasonable and taken in good faith.

4.6 Variances. The Committee may grant reasonable variances or adjustments from the provisions in this Declaration where literal application thereof results in

unnecessary hardship and if the granting thereof in the opinion of the Committee shall not be materially detrimental or injurious to Owners of other Lots. No variance shall be granted which would have the effect of destroying or materially altering the common scheme and plan outlined herein.

4.7 Certification of Compliance. At any time prior to completion of construction of an improvement, the Committee may require a certification, upon such form as it shall furnish, from the contractor, Owner or a licensed surveyor that such improvement does not violate any set-back rule, ordinance or statute, nor encroach upon any easement or right-of-way of record and/or that all construction is in strict compliance with plans approved by the Committee and with ordinances of the City of Washington governing such improvements.

4.8 Administrative Fees. As a means of defraying its expenses, the Committee shall require a filing fee of \$100.00 to accompany the submission of plans and specifications for a new single family home and a filing fee of \$50.00 for submitting plans for remodeling or additions or exterior redecorating color scheme. Although normally no additional fee shall be required for resubmissions, an additional fee of not more than one-half the original fee may be required. No fee shall be required for proposals for erection of a fence or wall not part of the original construction.

4.9 Liability. Notwithstanding the approval by the Committee of plans and specifications, neither it, the Declarant, the Association nor any person acting on behalf of any of them shall be responsible in any way for any defects in any plans or specifications or other material submitted to the Committee, nor for any defects in any work done pursuant thereto. Plans and specifications are not approved for engineering design or for compliance with zoning and building ordinances. Each person submitting such plans or specifications shall be solely responsible for the sufficiency thereof and the adequacy of improvements constructed pursuant thereto. No member of the Committee shall be held liable to any person, whether an Owner of a Lot within the Development or not, on account of any action or decision of the Committee or failure of the Committee to take any action or make any decision.

4.10 Principal Office. The principal office of the Committee shall be at Unit 117 - 2450 E. 350 North, St. George, Utah 84770, or at such other address as the Committee shall notify the Association of in writing from time to time.

4.11 Enforcement. In the event any improvement shall be commenced without Committee approval as herein required, or in the event any improvement is constructed not in conformance with plans therefor approved by the Committee, or not in

conformance with this or any applicable Supplemental Declaration, the same shall constitute a violation of this Declaration. In addition to the remedies for violation of any portions of this Declaration set forth in section 12, below, the Committee shall also have the power and authority to institute legal or other appropriate proceedings to enjoin or otherwise prevent a violation of the provisions of this section, provided, however, that no suit or other proceedings shall be commenced by the Committee after the expiration of sixty (60) days from such violation coming to the attention of the Committee in writing. All costs of enforcement, including attorney's fees, shall be charged to and paid by the Owner. Such charges shall constitute a lien on such Owner's Lot from the date of entry of the judgment therefor in the judgment docket, and shall be enforceable as any judgment. In the event the Committee is not successful, each party shall pay its own costs and attorneys' fees.

5. Green Spring Cove Estates Homeowners' Association, Inc., a Nonprofit Corporation.

5.1 General. The Association is, or shall be, a Utah nonprofit corporation organized to serve as the governing body for all Owners for the protection, improvement, maintenance, repair, replacement, administration, development and operation of any Common Areas of the Development and improvements located thereon; to enforce the provisions of this Declaration and the Articles, Bylaws and Rules of the Association for the purpose of maintaining the common scheme and plan of the Development and of maintaining the quality of life contemplated therein, and to carry out such other purposes as are provided in this Declaration and the Articles, Bylaws and Rules of the Association. All funds received by the Association shall be held and applied by it for the Owners in accordance with the provisions of this Declaration and the Articles, Bylaws and Rules of the Association. The Association shall have such powers in the furtherance of its purposes as are set forth in this Declaration and the Articles and Bylaws.

5.2 Control of Association by Declarant. For the initial period of seven (7) years from and after June 1, 1991, or at a sooner date at Declarant's option, Declarant, or its successors or assigns, shall have sole management of the Association and the right to vote all memberships therein on all matters which may properly be voted on by members, including, but not limited to the election of members to the board, and such right herein set forth shall constitute, without further documentation, an irrevocable proxy coupled with an interest in favor of Declarant, or its successors or assigns, for the period of control herein set forth. From and after said initial period, all Owners of Lots within the Development shall exercise full membership rights with respect to the Association. Assessments

may be levied as herein provided against Lot Owners. Declarant may not, during said initial period, do the following:

(a) Cause any of the Association's property, except roads, to be dedicated for public use.

(b) Cause the Association to be dissolved.

(c) Pledge, encumber or hypothecate any of the Association's property or cause the Association to borrow funds, except such as may be necessary for current expenses of the Association or for capital improvements or acquisitions by the Association.

5.3 Membership. Membership in the Association is limited to Owners and is automatic with and appurtenant to such Ownership and may be represented by a membership certificate. Ownership of a Lot shall be the sole qualification for membership. The membership held by any Owner of a Lot shall not be transferred, pledged or alienated in any way, except upon the sale or conveyance of such Lot and then only to the purchaser, grantee or other record owner of such Lot. Any attempt to make a prohibited transfer is void and will not be reflected upon the books and records of the Association. In the event the Owner of any Lot should fail or refuse to transfer the membership registered in his name to the purchaser of such Lot, the Association shall have the right to record the transfer upon the books of the Association. For the purpose of determining membership, Ownership will be deemed to have vested upon delivery of a duly executed deed or contract to the grantee or vendee. No other persons not specifically mentioned in this subparagraph 5.3 may become members. There is only one class of membership.

5.4 Membership Rights, Privileges and Obligations. The rights and duties, privileges and obligations appertaining to membership in the Association, including voting rights and assessment obligations, and penalties for failure to comply with the Association's Rules are as set forth in this Declaration, the Articles, Bylaws and Rules. One (1) Owner of more than one (1) Lot shall be considered as one (1) member for the purpose of use of the facilities of the Association. In the event a corporation, partnership or association shall own any Lot, such corporation, partnership or association shall designate, by corporate resolution certified by the secretary or by written consent of all partners or members, delivered in each case to the Association, the name of one person who, together with him family, shall have the right to utilize the facilities of the Association.

5.5 Duties of the Association. The Association shall have the duty of enforcing the provisions of this declaration and the Articles, Bylaws and Rules. It shall have

the duty to commence and maintain an action to enjoin any breach or threatened breach of the provisions of this Declaration. In addition to the enforcement remedies contained in the Articles and Bylaws of the Association, failure of any Owner to comply with the Rules of the Association shall constitute a violation of this Declaration and be enforceable by the Association as other violations of this Declaration. The Association shall, from and after January 1, 1991 be expressly required to maintain and repair and otherwise to manage to high standards all Common Areas owned or controlled by the Association, all roads or paths or trails owned by the Association and all improvements located on any of the foregoing. The Association shall purchase any and all equipment, materials and supplies necessary to undertake its duties improved by this Declaration or its Articles and Bylaws. Declarant may sell any of such equipment, materials and supplies to the Association and the Association may purchase any of such equipment, materials and supplies provided the purchase price shall be the fair market value thereof.

5.6 Rules. The Association may from time to time adopt, amend and repeal reasonable Rules and Regulations governing the use and operation of Common Areas and other property within the Development, to the extent that such rules and regulations are not inconsistent with the rights and duties set forth in this Declaration, the Articles or Bylaws, binding upon all persons subject to this Declaration. The Rules may include the establishment of a system of fines, penalties and fees, which shall be enforceable as special assessments in accordance with section 6, below. A copy of the Rules and of any amendment thereto or repeal thereof shall be delivered to each Owner personally or by placing in first class United States mail, postage prepaid, to the most recent address furnished by such Owner in writing to the Association or, if no such address shall have been furnished, then to the street address of such Owner's Lot. Upon completion of such notice, the Rules shall have the same force and effect as if they were set forth in and were part of this Declaration and shall be binding on the Owners and all other persons having any interest or making any use of the Development whether or not actually received thereby.

5.7 Indemnification. The Association shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed civil action, suit or proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a board member, officer, employee or agent of the Association, against expenses including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding, provided that the Board shall determine, in good faith, that such person acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best

interest of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by an adverse judgment, order, settlement, conviction or plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith or have reasonable cause to believe his conduct was unlawful. The indemnification authorized by this section shall be in addition to all other rights to which such persons may be entitled as a matter of law. All payments made pursuant to this section shall constitute expenses of the Association and shall be paid with funds provided by annual or special assessments.

6. Assessments

6.1 General. Each Owner (other than Declarant) by acceptance of a deed or other conveyance creating in such Owner the interest required to be deemed an Owner, whether or not it shall be so expressed in any such deed or other conveyance, agrees to pay all annual and special assessments and fees to be fixed, established and collected as provided in this Declaration. Pursuant to the powers granted to it in its Articles and Bylaws, the Association is hereby expressly authorized and empowered to levy annual and special assessments against all Lots in the Development. Such assessments shall be levied to carry out the purposes and duties of the Association as outlined in Section 5 above. Such assessments shall be uniform as to membership class.

6.2 Annual Assessments. Within thirty (30) days prior to the commencement of each calendar year, beginning with the year 1991, the Board shall consider the current and future needs of the Association (excluding expenditures for which special assessments may be levied), and in light of those needs shall fix by resolution the amount of annual assessments for purposes other than capital improvements or acquisitions to be levied against each Lot in the Development, which amount shall be a debt of the Owner thereof at the time such charge is made. Prior to January 1, 1991, all costs of undertaking and carrying out the duties of the Association shall be paid by Declarant, its successors or assigns.

6.3 Limitations on Annual Assessments. Beginning with the annual assessment for the year 1992, the maximum annual assessment may be increased by no more than the greater of (a) five percent (5%) above the maximum assessment for the previous year, or (b) an amount proportionate to the amount of increase during the prior fiscal year in the Consumer Price Index for all Urban Consumers (all items) published by the U. S. Department for Labor or a reasonably comparable index as determined by the Board, without the affirmative vote of a majority of membership-representing Lots so assessed. Notwithstanding the foregoing limitation on maximum annual increases in assessments, the

assessment for any year may be increased by such sum as may be necessary to cover any increase in the cost of insurance (required under section 9) in addition to the limitations imposed by this subparagraph.

6.4 Special Assessments. Special assessments may be made by the Board upon an affirmative vote of a majority of the memberships representing Lots so assessed, after a determination by the Board that such assessment is necessary for capital improvements of Association property or for purposes related to the health, safety and/or welfare of Owners or for the acquisition of additional Association property. Such special assessments shall include assessments as may be necessary from time to time for the purpose of repairing and restoring the damage or disruption resulting to streets or other facilities from the activities of the City of Washington in maintaining, repairing or replacing utilities lines and facilities thereon, it being acknowledged that the City owns said utility lines, underground or otherwise, up to and including the meters for individual units and that they are installed and shall be maintained to City specifications. No such special assessment shall be levied without benefit of a hearing for which at least twenty (20) days' written notice shall be given to all affected Owners. Special assessments may be made by the Board against any Lot without notice or hearing to secure the liability of the Owner arising out of any breach of the provisions of this Declaration by such Owner, where the Association has expended funds in connection therewith in accordance with the provisions of this Declaration.

6.5 Notice. The secretary shall mail to each Owner whose Lot is assessed, at such Owner's address within the Development, written notice of each annual or special assessment and the time and manner for payment thereof at least two (2) weeks prior to the time such assessment is due and payable to the Association.

6.6 Additional Phases. The Lots in additional phases annexed through Supplemental Declarations shall be required to pay the next installment due of the previously established annual or special assessment after first sale of a single family Lot by the developer thereof in each such additional phase.

6.7 Collection and Lien. Annual assessments shall be paid either quarterly in January, April, July and October or on the first day of each of said months or monthly on the first day of each month, as determined by the Board. The amount of any special assessment levied by the Association shall be paid to it on or before the date fixed by resolution of the Board. If any annual or special assessment payment is not paid on the date required, with ten (10) days grace, the entire amount

of such assessment, including any deferred portion of any annual or special assessment, plus any other charges thereon, including interest as established by the Bylaws from date of delinquency, plus costs of collection, including attorney's fees, if any, shall constitute and become a lien on the Lot so assessed when the Board causes to be recorded in the Office of the Washington County, Utah, Recorder a notice of delinquent assessment. Said notice shall state the amount of such assessment, interest, costs, fees and any other charges, a description of the Lot which has been assessed and the name of the record Owner of the property. Such notice shall be signed by the President or Secretary of the Association on behalf of the Association. Upon payment of said assessment and charges or other satisfaction thereof, the Board shall within a reasonable time cause to be recorded a further notice stating the satisfaction and the release of said lien.

6.8 Priority of Lien. Conveyance of any Lot shall not affect any lien for assessments provided herein. Such lien shall be prior to all other liens and property taxes recorded subsequent to said notice of assessment.

6.9 Enforcement. All liens provided for herein may be enforced in any manner provided or permitted for the foreclosure of realty mortgages or deeds of trust in the State of Utah. Such foreclosure may be made by the Association or any of its authorized officers or attorneys. In exercising any power of sale therein provided for, the Association shall be deemed to occupy the position of Trustee and Beneficiary and the delinquent Owner the position of defaulting Trustor. In addition to the above enumerated items constituting the lien, the Association may also realize from the sale the costs of such sale together with a reasonable attorney's fee. The Association may be a bidder at the sale.

6.10 Proof of Payment. Upon request, the Association shall furnish a statement certifying that all assessments then due have been paid or indicating the amount then due.

6.11 Suspension. The Association shall not be required to transfer memberships on its books or to allow the exercise of any rights or privileges of membership, including voting rights, on account thereof to any Owner or to any person claiming under them unless or until all assessments and charges to which they are subject have been brought current.

6.12 Fiscal Year. The Board may adopt a fiscal year other than the calendar year.

6.13 Exemption of Unsold Lots. Notwithstanding anything in this section 6 to the contrary, during the period of

control of Association by Declarant under section 5.2, above, no assessments shall be levied upon or payable with respect to any Lot owned by Declarant, its successors or assigns until such Lot has an occupied residence upon it.

7. Easements

7.1 Reservation. The following easements, also constituting irrevocable licenses over each Lot and the Common Areas and the right of ingress and egress to the extent reasonably necessary to exercise such easements and irrevocable licenses, are reserved to Declarant and its licensees and, where applicable for the benefit of the Association, the Declarant, its successors and assigns, and, where applicable, for the benefit of the owners of Green Spring Golf Course, their successors and assigns.

(a) Utilities. Such utility easements as are shown on maps of the Development recorded from time to time, together with the right to extend all utility services within such easements to other areas being developed as later phases, for the installation, maintenance and operation of all utilities, including street lights, and the accessory right to locate or to cut, trim or remove trees and plantings wherever necessary in connection with such installation, maintenance and operation.

(b) Slope and Drainage. A ten (10) foot wide easement across all Lot lines coincident with street right-of-way lines for the purpose of cutting, filling, drainage and maintenance of slopes and drainage courses.

(c) Paths, Trails, Roads and Greenbelt. An easement on, over and under all paths, trails, roads and greenbelt in the Development for the purpose of installing, maintaining and operating utilities thereon or thereunder to all portions of the Development for purposes of drainage control; for access to any Lot within the Development; and for the purposes of maintenance of such paths, trails, roads and greenbelt and for providing access to undeveloped portions of the Development for any and all purposes at any and all times, including, but not by way of limitation, the right to use said paths, trails, roads and greenbelt during construction of improvements on undeveloped portions of the Development and as may be necessary from time to time in connection with maintenance and repair.

(d) No Use Easement for Golf Course Residences. No Lot within the Development which borders or has close adjacency to any portion of the Green Spring Golf Course shall, by virtue of its location, have any right of use to any portion of the Green Spring Golf Course, whether for entertainment or any other purpose. The Owner of each such Lot, by his acceptance of a deed therefor, covenants and agrees that such Owner, members of

his family, guests, tenants and invitees shall not use such golf course grounds to walk upon or jog or play games of any kind or conduct any personal activities, except to golf as permitted by the owners of Green Spring Golf Course.

(e) Association's Right of Entry. During reasonable hours, any member of the Committee and any member of the Board or any authorized representative thereof shall have the right to enter upon and inspect any land in the Development, including Lots, but excluding the interior of any structure located thereon, for the purpose of making inspections to determine whether the provisions of this Declaration, the Design Guidelines and Rules are being complied with by the Owner.

(f) Other Easements. Any other easements shown on the maps of the Development recorded from time to time with the Washington County, Utah, Recorder.

(g) Transfer of Easements. A conveyance of Common Areas, if any, to the Association shall transfer to such Association all easements herein reserved to Declarant which are necessary or convenient to the obligation of the Association to carry out its duties prescribed herein and in its Articles and Bylaws, which transfer shall not diminish the rights in and to said easements herein reserved. Nothing set forth herein shall be construed to impose on Declarant any duty or obligation to convey any common areas or to construct or provide for any common facilities, or of maintenance of paths, trails, roads and greenbelt, utility lines, common areas or improvements thereon after conveyance of the Common Areas, if any, on which such may be located to the Association, except that Declarant shall maintain any such improvements until January 1, 1991. No provision in this section shall create a duty on Declarant in addition to the duties expressly stated herein or in other written documents. Declarant reserves to itself and its licensees the right to extend any and all utility lines (water, sewer, electrical, etc.), roads and any other improvements necessary to complete the entire Development and as may be necessary with respect to the Development as a whole, except that the roads shall not be extended beyond the Development, except for fire and emergency roads as required by the City of Washington.

7.2 Use or Maintenance by Owners. The areas of any Lot affected by the easements reserved herein shall be landscaped and maintained continuously by the Owner of such lot. No structures shall be placed or permitted to remain or other activities undertaken thereon which may damage or interfere with the use of said easements for the purposes herein set forth.

7.3 Liability for use of Easement. No Owner shall have any claim or cause of action against Declarant or

Association or the owners of Green Spring Golf Course or their respective successors and assigns arising out of the use or nonuse by any person of any easement reserved hereunder or shown on any recorded map.

7.4 Modification. None of the easements and rights granted under this section 7 may be modified, terminated or abridged without the written consent of the persons in whose favor such easements run.

8. Annexation

8.1 Character of Annexed Property. Though only single-family-lot developments with their roads and all other appurtenances may be annexed to this Declaration, the lots contained in them may be larger or smaller than the lots in Green Spring Cove Estates Phase I. Land use characteristics and restrictions such as setbacks, building heights and minimum home sizes may also differ in such other developments from those set forth in this Declaration. Supplemental Declarations, therefore, may contain, pertinent to their respective developments, complementary additions to and modifications of the covenants, conditions and restrictions contained in this Declaration, provided they are not inconsistent with the general scheme and plan of Green Spring Cove Estates Phase I, to reflect the different needs and requirements of the annexation property and the lots therein. In no event, however, shall any such Supplemental Declaration revoke, modify or add to the covenants established by this Declaration with respect to the property already subject to it.

8.2 Manner of Annexation. A declarant shall effect such annexation by recording a map of the real property to be annexed and by recording a Supplemental Declaration which shall:

(a) Describe the real property being annexed and designate the permissible uses thereof.

(b) Declare that such annexed property is held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the provisions of this Declaration.

(c) Set forth any new or modified restrictions or covenants which may be applicable to such annexed property. Upon the recording of such map and Supplemental Declaration, the annexed area shall become a part of the Development and shall be subject to the provisions hereof, as supplemented, as fully as if such area were part of the Development on the date of recording of this Declaration.

8.3 No Assurances. Declarant makes no assurances that it will annex all or any portion of the additional property or as to what improvements may be constructed on the additional property except that such improvements shall be consistent in quality, material and style with the improvements constructed on the Development.

9. Insurance

9.1 The Association shall have the authority to purchase such insurance policies, including but not limited to the insurance described in section 9.

9.2 Owner's Responsibility. It shall be each Owner's responsibility to provide for himself insurance on his own Lot, his additions and improvements thereto, furnishings and personal property, his personal liability for injury to, and damage to property of others, and such other insurance as the Owner desires. No Owner shall maintain any insurance, whether on his lot or otherwise, which would limit or reduce the insurance proceeds payable under the casualty or public liability insurance maintained by the Association.

9.3 Required Provisions. The insurance policies purchased by the Association shall, to the extent reasonable and available, contain the following provisions:

(a) The coverage afforded by such policies shall not be brought into contribution or proration with any insurance which may be purchased by any Owner, mortgagee, or lien holder.

(b) The conduct of any one or more Owners shall not constitute ground for avoiding liability on any such policies.

(c) There shall be no subrogation with respect to the Association, its agents or employees, Owners or members of their households or families and employees and each mortgagee of any Lot.

(d) A "severability of interest" endorsement shall be obtained which shall preclude the insurer from denying the claim of any Owner because of the conduct or negligent acts of the Association and its agents or other Owners.

(e) Any "no other insurance" clause shall exclude insurance purchased by Owners or mortgagees.

(f) Coverage must not be prejudiced by (i) any act or neglect of Owners when such act or neglect is not within the control of the Association or (ii) any failure of the Association to comply with any warranty or condition regarding any portion of the Development over which the Association has no control.

(g) Coverage may not be cancelled or substantially modified without at least thirty (30) days (or such lesser period as the Association may reasonably deem appropriate) prior written notice to the Association.

(h) Any policy of property insurance which gives the carrier the right to elect to restore damage in lieu of a cash settlement must provide that such election is not exercisable without the prior written approval of the Association or when in conflict with the insurance provisions contained herein or any requirement of law.

(i) A recognition of any insurance trust agreement entered into by the Association.

(j) Each insurance carrier must be specifically licensed or authorized by law to transact business within the State of Utah.

(k) Policies shall not be utilized where, under the terms of the carrier's charter, bylaws or policy, contributions or loss payments are contingent upon action by the carrier's board of directors, policyholders or members.

9.4 Non-Liability of Association, etc.

Notwithstanding the authority of the Association to obtain insurance coverage as stated herein, neither the Association nor any Board member, any officer of the Association nor the Declarant shall be liable to any Owner, mortgagee or other person if any risks or hazards are not covered by insurance or if the amount of insurance is not adequate, and it shall be the responsibility of each Owner to ascertain the coverage and protection afforded by the Association's insurance and to procure and pay for such additional insurance coverage and protection as the Owner may desire.

9.5 Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense, except that the amount of increase over any annual or other premium occasioned by the use, misuse, occupancy or abandonment of a Lot or its appurtenances, or of the Common Areas, by an Owner or his tenants or guests, shall be assessed against that particular Owner.

9.6 Insurance Claims. The Association is hereby irrevocably appointed and authorized, subject to the provisions contained herein, to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims, and to do all other acts reasonably necessary to accomplish any of the foregoing. The President of the Association has full and complete power to act for the Association in this regard and may, at his discretion,

appoint an authorized representative, or enter into an insurance trust agreement wherein the trustee shall have authority to negotiate losses under any policy purchased by the Association.

9.7 Benefit. Except as otherwise provided herein, all insurance policies purchased by the Association shall be for the benefit of, and any proceeds of insurance received by the Association or any insurance trustee shall be held or disposed of in trust for the Association or the Owners as their interests may appear.

9.8 Federal Requirements. Notwithstanding the foregoing provisions of this section, the Association may continuously maintain in effect such casualty, flood and liability insurance and a fidelity bond meeting applicable insurance and fidelity bond requirements established by the Federal Housing Administration ("FHA"), the Veterans Administration ("VA"), the Federal Home Loan Mortgage Corporation ("FHLMC"), the Federal National Mortgage Association ("FNMA") or the Government National Mortgage Association ("GNMA"), or any similar Federal agency, so long as any such agency is a mortgagee, Owner, or insures or guarantees a Mortgage within the development, except to the extent such coverage is not available or has been waived in writing by the foregoing entities.

10. Rights of First Mortgagees

10.1 General Provisions. Notwithstanding and prevailing over any other provisions of this Declaration, the Articles, Bylaws, Association rules or Design Guidelines, the following provisions shall apply to and benefit each holder of a First Mortgage upon a Lot.

10.2 Liability for Assessments. A first mortgagee who comes into possession or becomes record Owner of a mortgaged Lot by virtue of foreclosure of the Mortgage, or through any equivalent proceedings, such as but not limited to the taking of a deed or assignment in lieu of foreclosure or acquiring title at a trustee's sale under a first deed or trust, or any third-party purchaser at a foreclosure sale or trustee's sale, shall not be liable for such Lot's unpaid dues, charges or Assessments which may accrue prior to the time such first mortgagee or third-party purchaser comes into possession of such Lot or becomes record Owner of the Lot, whichever occurs first, and shall acquire title free and clear of any lien authorized by or arising out of the provisions of this Declaration which secures the payment of any dues, charges or Assessments accrued prior to the time such first mortgagee or third-party purchaser either comes into possession of such Lot or becomes record Owner of the Lot. Any such unpaid dues, charges or Assessments against the Lot foreclosed shall be deemed to be a common expense charged proratably against all of the Members. Nevertheless, in the event the Owner against whom

the original Assessment was made is the purchaser or redemptioner, the lien shall continue in effect and may be enforced by the Association, or by the Board, for the respective Lot's Assessment that was due prior to the final conclusion of any such foreclosure or equivalent proceedings. Further, any such unpaid Assessment shall continue to exist as the personal obligation of the defaulting Owner of the respective Lot to the Association, and the Board may use reasonable efforts to collect the same from said Owner even after he is no longer an Owner of the Lot.

10.3 Enforcement After Foreclosure Sale. An action to abate the breach of any of these covenants, conditions, restrictions and reservations may be brought against the purchasers who have acquired title through foreclosure of a Mortgage and the subsequent foreclosure or trustee's sale (or through any equivalent proceedings), and the successors in interest to said purchasers, even though the breach existed prior to the time said purchaser acquired an interest in said Lot.

10.4 Exercise of Owner's Rights. During the pendency of any proceedings to foreclose a first mortgage (including any period of redemption) or from the time a trustee under a first deed of trust has given notice of sale pursuant to power of sale conferred under a deed of trust and pursuant to law, the first mortgagee, or a receiver appointed in any such action, may but need not exercise any or all of the rights and privileges of the Owner in default including, but not limited to, the right to vote as a member of the Association in the place and stead of the defaulting Owner.

10.5 Subject to Declaration. At such time as the first mortgagee shall come into possession of or become record Owner of a Lot, the first mortgagee shall be subject to all of the terms and conditions of this Declaration including, but not limited to, the obligation to pay all assessment and charges accruing thereafter, in the same manner as any other Owner.

11. Effects of Federal Programs.

11.1 FHA/VA Approval. Although Declarant has not obtained the approval of FHA or VA in connection with the Development and does not presently plan to seek such approval, such approval may be sought by Declarant with respect to the Development or any additional property which may be annexed to the Development pursuant to the section of this Declaration entitled "Annexation".

12. Remedies

12.1 Enforcement. In the event of any default or violation by any Owner, occupant or other person of any

provisions of this Declaration, or of the Articles, Bylaws or Rules of the Association, the Association, its successors, assigns or agents, Declarant and/or any person to whose benefit this Declaration inures may proceed at law or in equity to remedy and prevent the occurrence or continuation of any such default by:

- (a) Injunction, whether affirmative or negative.
- (b) Enforcement or foreclosure of the lien herein provided, including appointment of a receiver for the Lot, to take possession of the Lot, rent the Lot and apply the rents received to payment of unpaid assessments and interest accrued thereon, and to sell the same as provided under section 12.2.
- (c) Money damages.
- (d) Specific performance.
- (e) Judgment for payment of money and collection thereof.
- (f) Any combination of remedies or any other relief. Any remedy or combination thereof may be obtained without notice and without regard to the value of the Lot. The court in such action may award the successful party reasonable expenses in prosecuting the action, including attorney's fees.

12.2 Proceeds. In the event of rental or sale of the Lot as provided for herein, the proceeds thereof shall first be paid to discharge Court costs and other litigation costs, including reasonable attorney's fees, and all other expenses of the proceeding and sale, and all such items shall be taxed against the defaulting party in a final judgment. Any balance of proceeds after satisfaction of such charges and any unpaid assessments hereunder or any liens shall be paid to the Owner. Upon confirmation of any sale hereunder, the purchasers thereupon shall be entitled to a deed to the Lot and to immediate possession of the Lot and may apply to the Court for an appropriate writ for the purpose of acquiring such possession. It shall be a condition of any such sale, and the judgment shall so provide, that the purchaser shall take the interest in the property sold subject to this Declaration.

12.3 Expenses of Enforcement. If funds are required to commence an action, a special assessment may be imposed to cover such costs, provided, however, that all expenses of the Association or Declarant in connection with any action or proceeding described or permitted by this section 12, including Court costs, reasonable attorney's fees, all damages, liquidated or otherwise, together with interest thereon until paid, shall be charged to and assessed against the defaulting Owner or other

person and shall be a special assessment against such Owner and the Association shall have a lien as provided in section 7, above, therefor.

12.4 Correction of Default without Legal Action.

In the event of any default or violation of this Declaration or the Articles, Bylaws or Rules of the Association, by any Owner or any other person, the Association or its authorized agent or the Declarant shall have the authority to correct such default by doing whatever may be reasonably necessary for such purpose, and all expenses in connection therewith shall be charged to and assessed against such defaulting Owner as a special assessment which shall constitute a lien against the defaulting Owner's Lot as provided in section 6, above.

12.5 Suspension of Privileges.

The Board may, anything herein to the contrary notwithstanding, suspend the voting rights of any Owner for any period during which any Association assessment against such Owner's Lot remains unpaid, or during the period of any continuing violation of the provisions of this Declaration by such Owner after the existence thereof has been declared by the Board, including violation by virtue of the failure of an Owner to comply with the rules and regulations of the Association.

12.6 Liability of Owner.

The conduct of any occupant, family member, guest, invitee or agent of any Owner shall be attributable to that Owner and a default by any such person or entity shall be deemed a default by said Owner subjecting him to liability for all penalties arising under this Declaration or the Articles, Bylaws and Rules of the Association.

12.7 Cumulative Rights.

Remedies specified herein are cumulative and any specifications of them shall not be taken to preclude an aggrieved party's resort to any other remedy at law or in equity. No delay or failure on the part of any aggrieved party to invoke an available remedy in respect of a violation of any provision of this Declaration shall be held to be a waiver by that party of any right available to him upon the recurrence or continuance of said violation or the occurrence of a different violation.

13. Grantee's Acceptance

Each grantee or purchaser of any Lot shall, by acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from Declarant or a subsequent Owner of such Lot, accept such deed or contract upon and subject to each and all of the provisions of this Declaration and to the jurisdiction, rights, powers, privileges and immunities of Declarant and of the Association. By such acceptance such grantee or purchaser shall for himself, his

heirs, personal representatives, successors and assigns, covenant, consent and agree to and with Declarant, and to and with the grantees and subsequent Owners of each of the other Lots in the Development to keep, observe, comply with and perform all of the provisions of this Declaration, including payment of all annual and special assessments as provided in section 6 and shall further agree to the continuation to completion of the Development and all parts thereof in substantially the manner hereinbefore described.

14. Release, Waiver and Indemnification.

14.1 Release and Waiver for Damages. Each Owner waives and fully releases and forever discharges Declarant, the owners and operators/managers of Green Spring Golf Course, and their respective successors and assigns, from all known and unknown claims and suits for damages, at law or in equity, that occur as a result of any accident or incident arising out of the activities or events conducted or transpiring on Green Spring Golf Course. This waiver and release of damages includes any loss of or damage to the Owner's property or injuries, including death, to the Owner's person or to any other person or persons.

14.2 Release and Waiver for Dangerous Conditions. Each Owner assumes the risk of any and all dangerous conditions inherent or otherwise present, in and about his Lot arising from its location being near or adjacent to the Green Spring Golf Course. Each Owner waives any and all requirements for specific notice of the existence of any such dangerous conditions.

14.3 Indemnification from Claims of Third Parties. Each Owner agrees to indemnify and hold Declarant, the owners and operators/managers of Green Spring Golf Course, and their respective successors and assigns, harmless from any claim or suit which a third party who, as a guest, licensee, or invitee of such Owner, may have as the result of any accident or incident arising out of the activities or events conducted or transpiring on Green Spring Golf Course. The Owner, on whose Lot the third party's injury or damage occurs, or whose guest, licensee or invitee suffers injury or damage, agrees to pay all expenses and costs, including reasonable attorney's fees, associated with any such claim or suit, incurred by Declarant and/or the owners and operators/managers of Green Spring Golf Course.

15. General Provisions

15.1 Severability. Every provision of this Declaration is hereby declared to be independent of any severable from every other provision hereof. If any provision hereof shall be held by a court of competent jurisdiction to be invalid or unenforceable, all remaining provisions shall continue unimpaired and in full force and effect.

15.2 Captions. Paragraph captions in this Declaration are for convenience only and do not in any way limit or amplify the terms or provisions hereof.

15.3 Term and Amendment. The provisions of this Declaration shall affect and run with the land and shall exist and be binding upon all parties claiming an interest in the Development until January 1, 2010, after which time the same shall be extended for successive period of ten (10) years each. Prior to January 1, 2010, this Declaration may be amended (except for paragraph 5.2,) which may not be amended without the express written consent of Declarant and except as to any rights set forth herein in favor of Declarant or the owners of Green Spring Golf Course or their successors or assigns, as to which this Declaration may not be amended without consent by the affirmative vote of the Owners of seventy percent (70%) of all Lots in the Development entitled to vote and thereafter by the Owners of a majority of the Lots by recording an amendment to this Declaration duly executed by (a) the requisite number of such Owners required to effect such amendment or (b) the Association, in which latter case such amendment shall have attached to it a copy of the resolution of the Board attesting to the affirmative action of the requisite number of such Owners to effect such amendment, certified by the secretary of the Association.

15.4 Interpretation. The Association shall have sole right and authority to interpret any of the provisions of this Declaration of Protective Covenants, which interpretation shall, so long as the same is reasonable, be conclusive.

15.5 Exemption of Declarant From Restrictions. Notwithstanding anything contained in this Declaration to the contrary, none of the restrictions contained in this Declaration shall be construed to be deemed to limit or prohibit any act of Declarant, its employees, agents and subcontractors, or parties designated by it in connection with the construction, completion, sale or leasing of the Lots, or the Development.

15.6 Disclaimer of Liability. Declarant disclaims any liability for repairs or maintenance of roads, or other improvements, including utility lines located within the Development which are part of dedicated municipal facilities or public utilities.

This Declaration of Covenants, Conditions and Restrictions for Green Spring Cove Estates Homeowners' Association, Inc. executed this 16th day of August, 1990.

GREEN SPRING ENTERPRISES, INC.

By: Robert B. Barker
Robert B. Barker, President

STATE OF UTAH

County of Salt Lake

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) SS.
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I, Jane R. Renwick a Notary Public, hereby certify that on the 16th day of August 1990, personally appeared before me ROBERT B. BARKER, who being by me first duly sworn declared that he is the person who signed the foregoing document.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the date and year first above written.

Jane R. Renwick
Notary Public
Residing at: Salt Lake

My Commission Expires
12-6-93

