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MAIL TO: CAMBRIDGE PARTNERS, LLC
105 N 1330 W BLDG D-4
OREM, UT 84057

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ENT 40252; 2006 PG 1 of 41
RANDALL A. COVINGTON
UTAH COUNTY RECORDER
2006 Apr 04 11:02 am FEE 105.00 BY HI
RECORDED FOR CAMBRIDGE PARTNERS

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS OF
THE LAKES AT SLEEPY RIDGE
A PLANNED RESIDENTIAL UNIT DEVELOPMENT

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**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS OF
THE LAKES AT SLEEPY RIDGE
A PLANNED RESIDENTIAL UNIT DEVELOPMENT**

THIS DECLARATION is made and executed this 17th day of March, 2006 by The Lakes at Sleepy Ridge, Inc., a Utah corporation, under the laws of the State of Utah, (the "Declarant").

RECITALS:

A. Declarant is the record owner of that certain tract of land (the "Property") located in the cities of Orem and Vineyard, County of Utah, state of Utah, which is more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof. Declarant desires to create on said Property a residential development of single-family residential lots with Common Areas, to be developed and platted in several phases. The first phase of the construction of the Property shall consist of fourteen (14) lots with Common Areas.

B. Declarant desires to provide for preservation of the values and amenities of the Property and for maintenance of the Common Areas and Limited Common Areas in the official records of Utah county, state of Utah.

C. Declarant has deemed it desirable, for the efficient preservation of the values and amenities of the Property, to create an entity which possesses the powers to maintain and administer the Common Areas and Limited Common Areas, collect and disburse the assessments and charges provided for in the Declaration and otherwise administer and enforce the provisions of the Declaration. For such purposes, Declarant has caused to be incorporated under the laws of the State of Utah, as a non-profit corporation, The Lakes at Sleepy Ridge Home Owners Association (the "Association").

NOW, THEREFORE, for the foregoing purposes, the Declarant declares that the Property shall be subject to this Declaration and that the Property is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

ARTICLE I - DEFINITIONS

When used in this Declaration (including in that portion hereof headed "Recitals") the following terms shall have the meaning indicated:

1.1 Association shall mean The Lakes at Sleepy Ridge Home Owners Association, a Utah non-profit corporation.

1.2 Board shall mean the Board of Trustees of the Association.

1.3 Common Areas shall mean all property, including streets, roadways, rights-of-way and utilities, owned or designated on the recorded plat as being intended ultimately to be owned by the Association for the common use and enjoyment of the Owners, together with all improvements thereon and all easements appurtenant thereto. The Common Areas shall not include the Limited Common Areas.

1.4 Limited Common Areas shall mean or refer to those common areas designated on the recorded subdivision Plats as reserved for the use and benefit of each Residential Lot to the exclusion of all other Owners. The driveways and other areas designated on the subdivision Plat are deemed Limited Common Areas.

1.5 Declaration shall mean this Declaration of Covenants, Conditions and Restrictions of The Lakes at Sleepy Ridge, a Planned Residential Unit Development.

1.6 Design Review Committee shall mean the Design Review Committee established by and referred to in Article 8 of this Declaration.

1.7 Easement Rights means those certain use and access rights provided to Owners and the Association under and pursuant to the Easement Rights Agreement.

1.8 Easement Rights Agreement shall mean that certain Reciprocal Easement and Common Area Use Agreement, by and between Sequoia Development Group, LLC ("Sequoia") and Declarant, pursuant to which an exchange of certain rights to use and access is made between and Declarant providing reciprocal easement access and use rights over Common Areas hereunder and also over common areas established in the adjacent Sleepy Ridge Development.

1.9 Golf Course shall mean the Links at Sleepy Ridge, whose address is 700 S. Sleep Ridge Dr., Orem, Utah 84057.

1.10 Living Unit shall mean a structure which is designed and intended for use and occupancy as a single-family residence, together with all improvements located on the same Residential Lot and used in conjunction with such residence.

1.11 Managing Agent shall mean any person or entity appointed or employed as Managing Agent pursuant to Section 4.1 of Article IV of this Declaration.

1.12 Mortgage shall mean any mortgage, deed of trust, or trust deed or the act of encumbering any property by a mortgage, deed of trust or trust deed; and mortgagee shall mean any mortgagee of a mortgage and any trustee or beneficiary of a deed of trust or trust deed.

1.13 Owner shall mean any person who is the owner of record (as reflected by the records in the office of the County Recorder of Utah County, Utah) of a fee or undivided fee interest in any Residential Lot, including contract sellers, but not including purchasers under contract until such contract is fully performed and legal title is conveyed of record. Notwithstanding any applicable theory relating to mortgages, no

mortgagee shall be an Owner unless such party acquires fee title pursuant to foreclosure or sale or conveyance in lieu thereof. Declarant shall be an Owner with respect to each Residential Lot owned by it.

1.14 Plat shall mean the collective reference to:

(a) The Lakes at Sleepy Ridge, Phase I – Plat “A”, prepared and certified by PEPG Engineering, licensed professional engineers, executed and acknowledged by Declarant on March 15, 2006, which is being recorded in the official records of Utah County, Utah, shortly before the recording of this Declaration; and

(b) As hereafter approved and recorded, all future plats for future phases of the Lakes at Sleepy Ridge Planned Unit Development, which shall pertain to the portions of the Property described in Exhibit “A” but not yet platted

1.15 Project shall mean the collective reference to (i) The Lakes at Sleepy Ridge P.U.D., Phase I – Plat “A”, and (ii) all future plats for future phases of The Lakes at Sleepy Ridge P.U.D., found on the land located within the Property currently described in Exhibit “A” but not platted as of the date of the recording of this Declaration.

1.16 Property shall mean the Property described in Exhibit “A” attached hereto, which includes all land covered by this Declaration, including Common Areas and Limited Common Areas.

1.17 Residential Lot shall mean and refer to any one of the fourteen (14) lots of land, separately numbered and individually described on the Plat, and any such additional lots as are located on the Property and subjected (a) to a final approved and recorded subdivision plat and (b) further identified hereto by the recordation of a supplement to this declaration specifying details concerning the new phase or plat, identifying the Lots, all as executed and recorded by Declarant. All such supplements to this Declaration for the express purposes specified in this 1.17, may be accomplished and shall be binding solely upon the signature of Declarant and the recordation of the same by Declarant..

1.18 Member shall mean and refer to every person who holds membership in the Association.

1.19 Declarant shall mean The Lakes at Sleepy Ridge, Inc., and its successors and assigns.

1.20 Roadways shall mean that portion of the Common Areas consisting of the streets and roads within the Property for the use and benefit of the Owners as such are identified and depicted on the Plat.

ARTICLE II - SUBMISSION AND DIVISION OF PROJECT

2.1 Submission. The Property which is and shall be held, transferred, sold, conveyed, and occupied subject to the provisions of this Declaration consists of the real property situated in Utah county, state of Utah, described in Exhibit "A" attached hereto and by this reference made a part hereof. It is the intention of the Declarant that the Property be developed in multiple phases with supplements to this Declaration being executed by Declarant in connection with such additional phase and the associated approved and recorded subdivision plat. Currently, a portion of the Property is being subdivided into fourteen (14) Lots, as identified in the Plat.

2.2 Division into Lots and Common Areas. The portion of the Property which has currently been platted pursuant to Phase 1 – Plat A is hereby divided into fourteen (14) Lots, each consisting of a fee simple interest in a portion of the Property as set forth in the Plat. With respect to the portion of the Property that has currently been platted and approved as subdivided Lots, all portions of such platted portion of the Property not designated on Phase 1- Plat A as Lots shall constitute the Common Area, which shall be owned by the Association for the benefit of all Owners in accordance with the provisions of this Declaration, or Limited Common Areas, which shall be owned by the Association for the benefit of the Owner(s) of the Lot(s) to which the same are appurtenant in accordance with the provisions of this Declaration. With respect to the portion of the Property that is not platted as of the date of the recording of these Declarations, once such additional Property has been subdivided and the plat for such phase has been approved and recorded, the portions of such Property not designated as Lots on such additional plats shall, consistent with the previous sentence, constitute a part of the Common Area or Limited Common Areas.

2.3 Unplatted Property Opt-Out Option. Declarant retains the right at any given time in the future, in the sole and absolute discretion of the Declarant to designate any portion of the Property or all of the Property that has not yet been submitted to an approved and recorded subdivision plat creating Lots, to file a supplement hereto vacating the effect of this Declaration with respect to any such portion or all of the non-platted Property then remaining at the time of such filing. This right is irrevocable and exercisable by the Declarant, its successors and assigns by the execution of and recording of a supplement hereto specifying that the Property subject thereof is no longer subject to the terms of this Declaration.

ARTICLE III - MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

3.1 Membership. Every Owner upon acquiring title to a Residential Lot shall automatically become a member of the Association and shall remain a member thereof until such time as his/her ownership of such Residential Lot ceases for any reason, at which time his/her membership in the Association with respect to such Residential Lot shall automatically cease and the successor Owner shall become a Member. Membership in the Association shall be mandatory and shall be appurtenant to and may not be separated from the ownership of a Residential Lot. As provided hereinafter, Declarant is a Class B Member.

3.2 [Reserved].

3.3 Voting Rights. The Association shall have the following described two classes of Voting membership:

Class A. Class A members shall be all Owners, but excluding the Declarant until the Class B membership ceases. Class A members shall be entitled to one vote for each Residential Lot in which the interest required for membership in the Association is held.

Class B. Declarant shall be the sole Class B Member. The Class B Member shall be entitled to (i) five (5) votes for each Residential Lot which it owns, and (ii) five (5) votes for each one-quarter (1/4) acre of land owned by Declarant and located within the Property, which Property is owned by Declarant but not subject to an approved and recorded final subdivision plat as of the date on which the proposed vote of the Members is to be taken. The Class B membership shall automatically cease and be converted to Class A membership on the first to occur of the following events:

(a) When Declarant (its successors or assigns) no longer owns any Lots or any portion of the Property.

(b) December 31, 2018.

3.4 Multiple Ownership Interests. In the event there is more than one Owner of a particular Residential Lot, the vote relating to such Residential Lot shall be exercised as such Owners may determine among themselves, but in no event shall more than one Class A vote be cast with respect to any Residential Lot. A vote cast at any Association meeting by any of such Owners, whether in person or by proxy, shall be conclusively presumed to be the entire vote attributable to the Residential Lot concerned unless an objection is made at the meeting by another Owner of the same Residential Lot, in which event a majority in interest of the co-owners as shown on the record of ownership maintained by the Association shall be entitled to cast the vote.

3.5 Record of Ownership. Every Owner shall promptly cause to be duly filed of record the conveyance document to him/her of his/her Residential Lot and shall file a copy of such conveyance document with the secretary of the Association, who shall maintain a record of ownership of the Residential Lots. Any Owner who mortgages his Residential lot or any interest therein by a Mortgage which has priority over the lien of any assessment provided herein shall notify the secretary of the Association of the name and address of the mortgagee and also of the release of such Mortgage; and the secretary of the Association shall maintain all such information in the record of ownership.

3.6 Board of Trustees. The initial Board of Trustees of the Association shall be appointed by the Declarant and shall be comprised of three (3) persons who shall hold office for a term of one (1) year. Thereafter, the Board shall be comprised of at

least three (3) persons, provided that the prior Board may elect to increase the Board to any odd number of persons, provided that until Declarant owns less than 1% (by acreage) of the Property originally subjected hereto and such retained Property has been subjected to an approved and recorded subdivision plat, Declarant shall retain the right to appoint the majority of the members of the Board. The terms of members of the Board shall be one (1) year unless otherwise fixed in compliance with the provisions of the duly adopted bylaws governing the Association or otherwise, as provided by law. Any Board position appointed by the Declarant that is vacated for any reason shall be replaced by an appointee of the Declarant so long as Declarant retains the right of appointment above-described.

ARTICLE IV - OPERATION AND MAINTENANCE

4.1 Duties of the Association. Without limiting any other duties which may be imposed upon the Association by its Articles of Incorporation or this Declaration, the Association shall have the obligations and duties to do and perform each and every one of the following for the benefit of the Owners and the maintenance and improvement of the Property:

- (a) The association shall accept all owners as Members of the Association.
- (b) The Association shall accept title to all Common Areas and Limited Common Areas conveyed to it by the Declarant.
- (c) The Association shall provide and be responsible for the management, control, operation, care, maintenance, repair, replacement, and upkeep of the Common Areas, including snow removal, and shall keep the same in good, clean, attractive, safe and sanitary condition, unless, until and except to the extent that such responsibility is transferred to and accepted by some other authority, public agency, or utility, and such transfer is agreed to by Members holding at least two-thirds (2/3) of the votes of each class of membership of the Association.
- (d) The Association shall obtain and maintain in force the policies of insurance required by Article IX of this Declaration.
- (e) The Association shall at all times employ a responsible corporation, partnership, firm, person or other entity as the Managing Agent to manage and control the Common Areas and Limited Common Areas, subject at all times to direction by the Board, with such administrative functions and powers as shall be delegated to the Managing Agent by the Board. The compensation of the Managing Agent shall be such as shall be specified by the Board. Any agreement appointing a Managing Agent shall be terminable by the Board with cause upon thirty (30) days written notice thereof and at any time without cause or payment of a termination fee upon ninety (90) days written notice thereof, and

the term of any such agreement may not exceed one (1) year, renewable by agreement of the parties for successive one-year periods. Any Managing Agent shall be an independent contractor and not an agent or employee of the Association.

4.2 Powers and Authority of the Association. The Association shall have all the powers set forth in its Articles of Incorporation, together with its general powers as a non-profit corporation, and the power to do any and all things which may be authorized, required or permitted to be done by the Association under and by virtue of this Declaration, including the power to levy and collect assessments as hereinafter provided. Without in any way limiting the generality of the foregoing, the Association shall have the following powers:

(a) The Association shall have the power and authority at any time and from time to time and without liability to any Owner for trespass, damage or otherwise, to enter upon any Residential Lot for the purpose of maintaining and repairing such Residential Lot or any improvement thereon if for any reason the Owner fails to maintain and repair such Residential Lot or improvement, or for the purpose of removing any improvement constructed, reconstructed, refinished, altered or maintained upon such Residential Lot in violation of Articles VII or VIII of this Declaration. The Association shall also have the power and authority from time to time in its own name, on its own behalf, or in the name and behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Declaration or any rules and regulations promulgated by the Board, or to enforce by mandatory injunction or otherwise all of the provisions of this Declaration and such rules and regulations.

(b) In fulfilling any of its duties under this Declaration, including its duties for the maintenance, repair, operation or administration of the Common Areas, Limited Common Areas, and Residential Lots (to the extent required herein or necessitated by the failure of the Owners of such Residential Lots) or in exercising any of its rights to construct improvements or other work upon any of the Common Areas and Limited Common Areas, and provided that any contract for goods or services having a term of more than one (1) year shall state that it may be terminated by either party at the end of the first year or at any time thereafter upon not less than ninety (90) days' written notice, the Association shall have the power and authority (i) to pay and discharge any and all liens placed upon any Common Areas and Limited Common Areas on account of any work done or performed by the Association in the fulfillment of any of its obligations and duties of maintenance, repair, operation or administration and (ii) to obtain, contract and pay for, or otherwise provide for:

(1) Maintenance, repair and replacement of all Roadways and appurtenant improvements, including the removal of snow thereon, on such terms and conditions as the Board shall deem appropriate;

(2) Construction, maintenance, repair and landscaping of the Common Areas, including all surface run-off, drainage and detention facilities, on such terms and conditions as the Board shall deem appropriate;

(3) Construction, maintenance, repair and replacement of landscaping and improvements (excluding the maintenance, repair and replacement of driveways and sidewalks) upon the Limited Common Areas, including snow removal from driveways and sidewalks within the Limited Common Areas, on such terms and conditions as the Board shall deem appropriate;

(4) Such insurance policies or bonds as the Board may deem appropriate for the protection or benefit of Declarant, the Association, the members of the Board, the members of the Design Review Committee and the Owners;

(5) Such utility services, including (without limitation) culinary water, secondary water, sewer, trash removal, electrical, telephone and gas services, as the Board may from time to time deem desirable;

(6) The services of architects, engineers, attorneys and certified public accountants and such other professional or nonprofessional services as the Board may deem desirable;

(7) Fire, police and such other protection services as the Board may deem desirable for the benefit of the Owners or any of the Property;

(c) The Board may delegate to a Managing Agent any of its powers under this Declaration; provided, however, that the Board cannot delegate to such Managing Agent the power to execute any contract binding on the Association for a sum in excess of \$5,000 nor the power to sell, convey, mortgage or encumber any Common Areas.

(d) Upon thirty (30) days prior written notice to the Owner, the Association shall have the power and authority to hire a responsible corporation, partnership, firm, person or other entity, to maintain an Owner's Lot should the Owner thereof fail to properly maintain the same. The cost to maintain a Lot for an Owner shall be charged to the Owner and may be included in the next scheduled monthly assessment to the Owner.

4.3 Integration of Easement Rights Agreement. The Easement Rights Agreement is hereby expressly recognized and is by this provision, deemed to be a supplement to and part of this Declaration and is, accordingly, binding upon the Owners and the Association, providing, therefore, both the benefits of the Easement Rights and the burden of the reciprocal easement rights to the owners of property in the adjacent Sleepy Ridge development referenced in the Easement Rights Agreement.

4.4 Association Rules. The Board from time to time and subject to the provisions of this Declaration may adopt, amend, repeal and enforce rules and regulations governing, among other things, (a) the use and maintenance the Common Areas and Limited Common Areas; (b) the use of any Roadways or utility facilities owned by the Association; (c) the collection and disposal of refuse; (d) the maintenance of animals on the Property; and (e) other matters concerning the use and enjoyment of the Property and the conduct of residents.

4.5 Limitation of Liability. No member of the Board acting in good faith shall be personally liable to any Owner, guest, lessee or any other person for any error or omission of the Association, its representatives and employees, the Board, the Design Review Committee or the Managing Agent.

ARTICLE V - ASSESSMENTS

5.1 Personal Obligation and Lien. Each Owner shall by acquiring or in any way becoming vested with his/her interest in a Residential Lot, be deemed to covenant and agree to pay to the Association the monthly and special assessments described in this Article, together with late payment fees, interest and costs of collection, if and when applicable. All such amounts shall be, constitute and remain: (a) a charge and continuing lien upon the Residential Lot with respect to which such assessment is made until fully paid; and (b) the personal, joint and several obligation of the Owner or Owners of such Lot at the time the assessment falls due. No Owner may exempt himself or his Residential Lot from liability for payment of assessments by waiver of his rights in the Common Areas or by abandonment of his Residential Lot. In a voluntary conveyance of a Residential lot, the grantee shall be jointly and severally liable with the grantor for all unpaid monthly and special assessments, late payment fees, interest and costs of collection which shall be a charge on the Residential Lot at the time of the conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor.

5.2 Purpose of Assessments. Assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of the Property. The use made by the Association of funds obtained from assessments may include payment of the cost of: taxes and insurance on the Common Areas and Limited Common Areas; maintenance, repair, and improvements of the Common Areas and Limited Common Areas; management and supervision of the Common Areas and Limited Common Areas; establishing and funding of a reserve to cover major repair or replacement of improvements within the Common Areas and Limited Common Areas; and any expense necessary or desirable to enable the Association to perform or fulfill its obligations, functions or purposes under this Declaration or its Articles of Incorporation. The Association shall maintain an adequate reserve fund or funds for maintenance, repairs and replacement of those elements of the Common Areas and Limited Common Areas that must be maintained, repairs or replaced on a periodic basis.

5.3 Easement Rights Assessments. No Assessments arise under the terms of the Easement Rights Agreement or are specifically or specially attributable to the Easement Rights other than with respect to the potential for the assessment of fines for misuse of the Easement Rights, which assessment rights and power are hereby acknowledged. In all other respects, each homeowners' association affected by the Easement Rights Agreement shall maintain the common areas within the developments for which such associations have oversight and responsibility and the costs and expenses (regardless of the exercise of the Easement Rights) shall be assessed as part of the regular assessments of that association..

5.4 Monthly Assessments. The Board shall from time to time and in its discretion set the amount of the monthly assessment in an amount reasonably estimated by the Board to be sufficient to meet the obligations imposed by this Declaration and on the basis specified in Section 5.7 below.

5.5 Special Assessments. From and after the date set under Section 5.8 of this Article, the Association may levy special assessments for the purpose of defraying, in whole or in part: (a) any expense or expenses not reasonably capable of being fully paid with funds generated by monthly assessments; or (b) the cost of any construction, reconstruction, or unexpectedly required repairs or replacement of the Common Areas and Limited Common Areas. Any such special assessment must be assented to by a majority of the votes of the membership which Owners present in person or represented by proxy are entitled to cast at a meeting duly called for that purpose. Written notice setting forth the purpose of such meeting shall be sent to all Owners at least ten (10) but not more than thirty (30) days prior to the meeting date.

5.6 Quorum Requirements. The quorum at any meeting required for any action authorized by Section 5.4 above shall be as follows: At the first meeting called, the presence of Owners or of proxies entitled to cast sixty percent (60%) of all of the votes of each class of membership shall constitute a quorum. If a quorum is not present at the first meeting or any subsequent meeting, another meeting may be called (subject to the notice requirements set forth in Section 5.4) at which a quorum shall be one-half of the quorum which was required at the immediately preceding meeting. No such subsequent meeting shall be held more than forty-five (45) days following the immediately preceding meeting.

5.7 Special Assessment on Specific Residential Lots. In addition to the monthly assessment and any special assessment authorized pursuant to Section 5.4 above, the Board may levy at any time special assessments (a) on every Residential Lot especially benefitted by any improvement to adjacent Roadways, sidewalks, planting areas or other portions of the Common Areas or Limited Common Areas made on the written request of the Owner of the Residential Lot to be charged, (b) on every Residential Lot the Owner or occupant of which shall cause any damage to the Common Areas and/or Limited Common Areas necessitating repairs, and (c) on every Residential Lot as to which the Association shall incur any expense for maintenance or repair work performed, or enforcement action taken, pursuant to Section 4.2(a) of Article IV or other provisions of this Declaration. The aggregate amount of any such special

assessments shall be determined by the cost of such improvements, repairs, maintenance or enforcement action, including all overhead and administrative costs, and shall be allocated among the affected Residential Lots according to the special benefit or cause of damage or maintenance or repair work or enforcement action, as the case may be, and such assessment may be made in advance of the performance of work. If a special benefit arises from any improvement which is part of the general maintenance obligations of the Association, it shall not give rise to a special assessment against the Residential Lots benefited.

5.8 Uniform Rate of Assessment. All monthly and special assessments authorized by Section 5.4 or 5.5 above shall be fixed at a uniform rate for all Residential Lots, whether or not the Residential Lot has been fully improved with a Living Unit and is occupied for the first time for residential purposes.

5.9 Monthly Assessment Due Dates. The monthly assessments provided for herein shall commence as to all Residential Lots as of the second month following conveyance of a Lot to an Owner other than the Association. At least fifteen (15) days prior to such commencement date and at least fifteen (15) days prior to the effective date of any change in the amount of monthly assessments, the Association shall give each Owner written notice of the amount and first due date of the assessment concerned.

5.10 Certificate Regarding Payment. Upon the request of any Owner or prospective purchaser or encumbrancer of a Residential Lot and upon the payment of a reasonable fee to the Association to cover administrative costs, the Association shall issue a certificate stating whether or not payments of all assessments respecting such Residential Lot are current and, if not, the amount of the delinquency. Such certificate shall be conclusive in favor of all persons who rely thereon in good faith.

5.11 Effect of Nonpayment - Remedies. Any assessment not paid when due shall, together with interest and costs of collection, be, constitute, and remain a continuing lien on the affected Residential Lot. If any assessment is not paid within thirty (30) days after the date on which it becomes due, the amount thereof shall bear interest from the due date at the rate of one and one-half percent (1 1/2%) per month; and the Association may bring an action against the Owner who is personally liable or may foreclose its lien against the Residential Lot, or both. Any judgment obtained by the Association in connection with the collection of delinquent assessments and related charges shall include reasonable attorney's fees, court costs and every other expense incurred by the Association in enforcing its rights.

5.12 Subordination of Lien to Mortgages. The lien of the assessments provided herein shall be subordinate to the lien of any first Mortgage to a bank, savings and loan association, insurance company or other institutional lender; and the holder of any such first Mortgage or purchaser who comes into possession of a Residential Lot by virtue of the foreclosure of such Mortgage or the exercise of a power of sale under such mortgage, or by deed in lieu of foreclosure, shall take free of such assessment lien as to any assessment which accrues or becomes due prior to the time such holder or

purchaser takes possession of such Residential Lot; provided, that to the extent there are any proceeds of the sale on foreclosure of such Mortgage or by exercise of such power of sale in excess of all amounts necessary to satisfy all indebtedness secured by and owed to the holder of such Mortgage, the lien shall apply to such excess. No sale or transfer shall relieve any Resident Lot from the lien of any assessment thereafter becoming due.

ARTICLE VI - PROPERTY RIGHTS AND CONVEYANCES

6.1 Easement Concerning Common Areas. Each Owner shall have a nonexclusive right and easement of use and enjoyment in and to the Common Areas. Such right and easement shall be appurtenant to and shall pass with title to each Residential Lot and in no event shall be separated therefrom. Any Owner may delegate the right and easement of use and enjoyment described herein to any family member, household guest, tenant, lessee, contract purchaser, or other person who resides on such owner's Residential Lot. Notwithstanding the foregoing, no Owner shall have any right or interest in any easements forming a portion of the Common Areas except for the necessary parking, access, communication, utility, drainage and sewer purposes for which such easements are intended for use in common with others.

6.2 Easement Concerning Limited Common Areas. The Association shall have a non-exclusive drainage and public utility easement and an easement for maintenance in and to the Limited Common Areas. With the exception of the rights and easements granted to the Association, the Owner(s) of a Residential Lot shall have the exclusive use of all Limited Common Areas appurtenant to their Residential Lot. Namely, the driveway in front of each Unit shall be Limited Common Area to each such Unit.

6.3 Golf Course Easement and Assumption of Risk. Every Residential Lot, the Common Areas, and the Limited Common Areas are hereby burdened with an easement permitting golf balls hit from the Golf Course to come unintentionally upon such property. All Owners, by acceptance of a deed to a Residential Lot, assume all risks associated with errant golf balls or golf clubs, and all Owners agree not to make any claim or institute any action against the Declarant, the Association, or any other party (the "Released Parties") for any property damage, trespass, or personal injury, arising or resulting from any errant balls or golf clubs. Upon taking ownership of a Residential Lot, each Owner agrees to indemnify and hold harmless the Released Parties against any such claim or action by the Owner or the Owner's family, guests, or invitees.

6.4 Form of Conveyancing; Leases. Any deed, lease, mortgage, deed of trust, or other instrument conveying or encumbering title to a Residential Lot shall describe the interest or estate involved substantially as follows:

Lot No. _____ of The Lakes of Sleepy Ridge, A Planned Residential Unit Development, according to the Plat thereof recorded in Book _____, Page _____, of the Official Records of Utah County, which Lot is

contained within The Lakes of Sleepy Ridge, A Planned Residential Unit Development identified in the "Declaration of Covenants, Conditions, and Restrictions of The Lakes of Sleepy Ridge, A Planned Residential Unit Development" recorded in Book _____ at Page _____. SUBJECT TO the covenants, conditions, restrictions, easements, charges and liens provided for in said Declaration of Covenants, Conditions and Restrictions.

Whether or not the description employed in any such instrument is in the above-specified form, however, all provisions of this Declaration shall be binding upon and shall inure to the benefit of any party who acquires any interest in a Residential Lot. Any lease of a Residential Lot shall be in writing and shall provide that the terms of the Lease shall be subject in all respects to the provisions of this Declaration and the Articles of Incorporation and By-laws of the Association and that any failure by the lessee to comply with the terms of such documents shall be a default under the Lease.

6.5 Transfer of Title to Common Areas and Limited Common Areas.

Declarant shall convey to the Association title to the various Common Areas and Limited Common Areas free and clear of all liens (other than the lien of current general taxes and the lien of any non delinquent assessments, charges, or taxes, imposed by governmental or quasi-governmental authorities), as each such Common Area and Limited Common Area is substantially completed.

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

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

(b) The right of the Association to suspend an Owner's right to the use of any amenities included in the Common Areas for any period during which an assessment on such Owner's Residential Lot remains unpaid and for a period not exceeding ninety (90) days for any infraction by such Owner of the provisions of this Declaration or of any rule or regulation promulgated by the Board;

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

(d) The right of the Association to dedicate or transfer any part of the Common Areas to any public agency or authority for such purposes and subject

to such conditions as may be agreed to by the Association, provided that such dedication or transfer must first be assented to in writing by (1) all holders of first mortgages secured by Residential Lots and (2) the Owners of at least seventy-five percent (75%) of the Residential Lots (not including Residential Lots owned by Declarant). No such dedication or transfer, however, may take place without the Association first receiving written approval from the city with jurisdiction over the matter, pursuant to all applicable state and city laws, rules and ordinances in effect at the time of such proposed dedication or transfer.

6.7 Reservation of Access, Maintenance, and Utility Easements. Declarant reserves easements for access, electrical, gas, communications, cable television and other utility purposes and for sewer, drainage and water facilities, and maintenance of the respective Units by the Unit Owners or agents authorized to conduct maintenance on behalf of the Unit Owner, (whether servicing the Property or other premises or both) over, under, along, across and through the Property, together with the right to grant to Orem City, Vineyard City, and Utah County, or any other appropriate governmental agency or to any public utility or other corporation or association, easements for such purposes over, under, across, along and through the Property upon the usual terms and conditions required by the grantee thereof for such easement rights, provided, however, that such easement rights must be exercised in such manner as not to interfere unreasonably with the use of the Property by the Owners and the Association and those claiming by, through or under the Owners or the Association; and in connection with the installation, maintenance or repair of any facilities as provided for in any of such easements, the Property shall be promptly restored by and at the expense of the person owning and exercising such easement rights to the approximate condition of the Property immediately prior to the exercise thereof.

6.8 Easements for Encroachments. If any part of the Common Areas or Limited Common Areas as improved by Declarant now or hereafter encroaches upon any Residential Lot or if any structure constructed by Declarant on any Residential Lot now or hereafter encroaches upon any other Residential Lot or upon any portion of the Common Areas or Limited Common Areas, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. If any structure on any Residential Lot shall be partially or totally destroyed and then rebuilt in a manner intended to duplicate the structure so destroyed, minor encroachments of such structure upon any other Residential Lot or upon any portion of the Common Areas or Limited Common Areas due to such reconstruction shall be permitted; and valid easements for such encroachments and the maintenance thereof, so long as they continue, shall exist.

6.9 Easements for Construction and Development Activities. Declarant reserves easements and rights of ingress and egress over, under, along, across and through the Property and the right to make such noise, dust and other disturbance as may be reasonably incident to or necessary for the (a) construction of Living Units on Residential Lots, (b) improvement of the Common Areas and Limited Common Areas and construction, installation and maintenance thereon of Roadways, walkways, buildings, structures, landscaping, and other facilities designed for the use and enjoyment of some or all of the Owners, and (c) construction, installation and

maintenance on lands within, adjacent to, or serving the Property of Roadways, walkways, and other facilities, planned for dedication to appropriate governmental authorities. The reservations contained in this paragraph shall expire twenty-five (25) years after the date on which this Declaration was first filed for record in the Office of the County Recorder of Utah County, Utah.

6.10 Grant of Easement to Orem City. Declarant hereby dedicates, grants and conveys to Orem City a perpetual right-of-way and easement over, upon and under the lands designated on the Plat as Common Area, Roadways, and easements for public Utility and drainage purposes as indicated on the Plat and which are located in Orem City, the same to be used for the installation, maintenance and operation of public utility service lines and storm drainage facilities, the same to be maintained and managed by the Association.

6.11 Grant of Easement to Vineyard City. Declarant hereby dedicates, grants and conveys to Vineyard City a perpetual right-of-way and easement over, upon and under the lands designated on the Plat as Common Area, Roadways, and easements for public Utility and drainage purposes as indicated on the Plat and which are located in Vineyard City, the same to be used for the installation, maintenance and operation of public utility service lines and storm drainage facilities, the same to be maintained and managed by the Association.

ARTICLE VII - LAND USE RESTRICTIONS AND OBLIGATIONS

7.1 General Restrictions and Requirements.

(a) No improvement, excavation, fill or other work (including the installation of any wall or fence) which in any way alters any Residential Lot from its natural or improved state existing on the date such Residential Lot is first conveyed by Declarant to a purchaser shall be made or done except upon strict compliance with the provisions of this Article VII and the provisions of Article VIII.

(b) Residential Lots shall be used only for single-family residential purposes, and no more than one Living Unit shall be constructed on any Residential Lot. The facilities and improvements constituting part of the Common Areas shall be used only for the purposes and uses for which they are designed. Common Areas shall be used only for natural recreational uses which do not injure or scar the Common Areas or the vegetation thereof, increase the cost of maintenance thereof or cause unreasonable embarrassment, disturbance or annoyance to Owners in their enjoyment of their Residential Lots and Living Units or the Common Areas.

(c) Businesses, professions or trades may be operated or maintained in a Residential Lot subject to the prior written approval of the Board, which approval shall not be unreasonably withheld, subject to the following limitations: (i) any such business, profession or trade may not require heavy equipment or create a nuisance within the Project, (ii) may not noticeably increase the traffic

flow to the project, (iii) may not be observable from outside the Residential Lot, and (iv) may only be carried on following approval from the city with jurisdiction over the matter, pursuant to all applicable state and city laws, rules and ordinances in effect at the time any such use is requested. Specifically, it is contemplated that certain businesses, professions or trade which rely heavily on the Internet and other similar type of technological advances may be operated or maintained within a Residential Lot, subject to the foregoing limitations and all other limitations of this Declaration.

(d) No noxious or offensive activity shall be carried on upon any Residential Lot, nor shall anything be done or placed thereon which may be or become a nuisance, or cause unreasonable embarrassment, disturbance, or annoyance to other Owners in the enjoyment of their Residential Lots and Living Units or the Common Areas and Limited Common Areas. Without limiting the foregoing, no exterior speakers, horns, whistles, bells or other sound devices, except security devices used exclusively to protect the security of the Residential Lot and Living Unit thereon, shall be placed or used upon any Residential Lot without the prior written approval of the Design Review Committee.

(e) No furniture, fixtures, appliances or other goods and chattels shall be stored in such a manner as to be visible from neighboring Residential Lots, Roadways or Common Areas and Limited Common Areas.

(f) Each Residential Lot, and all improvements located thereon, shall be maintained by the Owner thereof in good condition and repair, and in such manner as not to create a fire hazard, all at the Owner's expense.

(g) All garbage, rubbish, and trash shall be kept in covered containers. In no event shall such containers be maintained so as to be visible for neighboring Residential Lots, Roadways, Limited Common Areas, or Common Areas. The storage, collection and disposal of garbage, rubbish and trash shall be in strict compliance with applicable laws and the rules and regulations of the Board.

(h) No Residential Lot shall be resubdivided.

(i) All improvements shall be constructed in accordance with applicable building line and setback provisions of zoning ordinances and in any manner allowed under the zoning ordinances.

(j) All structures constructed on any Residential Lot shall be constructed with new materials unless otherwise permitted by the Design Review Committee; and no used structures shall be relocated or placed on any Residential Lot.

(k) No structure or improvement having a height of more than two (2) stories, or thirty five (35) feet to the mid-point of the roof, whichever is less, shall

be constructed on any Residential Lot; provided, however, that the height of a structure or improvement may exceed such height, if permitted by law and if the Design Review Committee determines that the proposed height is compatible with the physical site involved and adjoining properties. For the purposes of this subsection, height shall be measured as the vertical distance from average finish grade surface at the building wall to the mid-point of the roof.

(l) Living Units on all Residential Lots shall have a three (3) car attached garage. The garage door shall be a "Carriage Style" door, and, if made of a material other than wood, shall be painted to appear as wood.

(m) Roof and materials shall be tile or other high quality roofing materials as approved by the Design Review Committee.

(n) All mailboxes shall be constructed by Declarant. Declarant may also install or cause to be installed a light on such mailboxes, and one (1) yard light on each Residential Lot. Owners of the Residential Lots shall pay, either as part of the purchase price of the Residential Lot to Declarant or as a Special Assessment under Section 5.5 to the Association, at Declarant's election, the costs incurred by Declarant for the design and construction of such mailbox and yard light.

(o) Consistent with Section 8.2 of Article VIII, the exterior covering of all Living Units shall consist of brick or native stone with stucco or other materials only to be used as an accent feature. Once a Residential Unit is constructed, no Owner shall change or alter the exterior covering of the Unit unless prior written approval is obtained from the Design Review Committee.

(p) No Living Unit or landscaping of the Residential Lot shall be permitted to remain incomplete for a period in excess of one (1) year from the date of commencement of construction unless any delays are approved by the Design Review Committee.

(q) All new Owners (excluding, specifically, the Declarant as owner of Lots from being a "new owner") must begin construction on their Living Units within two (2) years from the date of closing the purchase of their respective Lot. All front and back yard landscaping must be completed within one (1) year of the date on which the construction of the Living Unit is substantially completed, as evidenced by the issuance of a Certificate of Occupancy from the city with jurisdiction over the matter.

(r) No accessory building shall be constructed upon any Residential Lot unless specifically allowed by architectural standards prior approved by the Design Review Committee. In the absence of any architectural standards, no such accessory building shall be allowed.

(s) No exterior lighting of any sort shall be installed or maintained on a Residential Lot if the light source shines directly into a neighboring residence.

(t) No Living Unit shall be occupied until the same is substantially completed in accordance with the plans of the Unit type.

(u) No Owner of any Residential Lot, except Declarant, shall build or permit the building thereon of any structure that is to be used as a model or exhibit unless a permit to do so is first granted by the Design Review Committee.

(v) No improvement which suffers partial or total destruction shall be allowed to remain on any Residential Lot in such a state for more than three (3) months after the date of such destruction.

(w) No outside toilet, other than self-contained portable toilet units used during construction, shall be placed or constructed on any Residential Lot or the Common Areas. All plumbing fixtures, dishwashers, garbage disposals, toilets and sewage disposal systems shall be connected to a sewage system.

(x) No fuel tanks or similar storage facilities shall be constructed or used on any Residential Lot or in the Common Areas.

(y) No exterior antenna or satellite dish of any sort shall be installed or maintained on any Residential Lot except of a height, size and type approved by the Design Review Committee. No activity shall be conducted within the Property which interferes with television or radio reception.

(z) No landscaping, including without limitation trees, fences, or other plants or vegetation of any Residential Lot shall obstruct any other Owner's view of the Golf Course, and the Design Review Committee shall determine, at its sole discretion, whether such obstruction has occurred.

(aa) Unless the Design Review Committee determines otherwise, the landscaping of the Residential Lots shall conform to the following standards:

(1) An Owner's budget for plants for a new Residential Lot shall be at least one-third (1/3) of the Owner's overall budget for the landscaping of such Lot.

(2) A minimum of four (4) trees per quarter acre shall be required.

(3) All trees, shrubs, and ground cover shall be native or adapted to the area and appropriate for the Utah County climate. Due to the short plant life, excessive odor, debris, and/or inability to tolerate the Utah County climate, the following trees shall not be permitted: (i) Cottonwood trees (except for the cottonless variety); (ii) Lombardy Poplar; (iii) Box Elder; (iv) Russian Olive; and (v) Siberian Elm.

(4) Evergreen plant material, including without limitation evergreen trees and shrubs, shall account for a ratio of at least twenty-five percent (25%) of each Residential Lot's total landscape design.

(5) Gravel and/or rock mulch shall not be permitted on any Residential Lot except in small, confined areas.

(6) Any plant material that appears to be dead or damaged must be replaced within one growing season.

(7) Automatic irrigation systems shall be required, and such systems should be designed in order to promote efficient water use and to ensure the ongoing health of plant material.

(bb) No Outside clotheslines and other outside clothes drying or airing facilities shall be maintained on any Residential Lot unless the same is maintained within a fenced enclosure and not visible from the Roadways.

(cc) All fencing and railings of the Residential Lots shall be of black powder coated rod iron, or of another material and/or color approved by the Design Review Committee. All Residential Lots which are located on the exterior perimeter of the Property shall have constructed on the perimeter a precast wall, with the cost of such wall to be included in the initial purchase price of the Residential Lot. In the case of any side or back yard of any Residential Lot which abuts the Golf Course, such side or back yard shall be enclosed by a black powder coated rod iron fence, not to exceed four (4) feet in height.

(dd) Window wells of all Living Units shall be constructed of either stone, precast or approved fiber glass, or other material approved by the Design Review Committee. No aluminum shall be used for the window wells.

(ee) No drilling, refining, quarrying or mining operations of any kind shall be permitted upon any Residential Lot or the Common or Limited Common Areas, and no derrick, structure, pump or equipment designed for use in any such activity shall be erected, maintained or permitted on any Residential Lot or the Common Areas or Limited Common Areas.

(ff) There shall be no blasting or discharge of explosives upon any Residential Lot or the Common and Limited Common Areas except as permitted by the Board; provided that this provision shall in no way limit or restrict Declarant in its activities in connection with and during the development and sale of Residential Lots.

(gg) No signs whatsoever shall be erected or maintained upon any Residential Lot, except:

(1) Such signs as may be required by legal proceedings,

(2) Such signs as Declarant may erect or maintain on a Residential Lot prior to sale and conveyance,

(3) One "For Sale" or "For Rent" sign having a maximum face area of sixteen (16) square feet and referring only to the premises on which it is situated. An approved "For Sale" or "For Rent" sign shall be designed by the Association, and used by all Owners and/or their real estate agents.

(hh) No unsightliness shall be permitted, and without limiting the generality of the foregoing, (a) any unsightly facilities, equipment, tools, boats, campers, trailers, or vehicles other than automobiles, objects and conditions shall be appropriately screened from view, except during the time such items are in actual use; (b) no mobile homes, or trucks (other than pickup trucks) shall be kept or permitted to remain upon any Residential Lot, Common Areas, Limited Common Areas, or Roadways; (c) no vehicle, boat or equipment shall be constructed, reconstructed, repaired or abandoned upon the Residential Lot, Common Areas, Limited Common Areas, or Roadways, except for work done entirely within garages, storage buildings, or residences, or work otherwise screened from view; (d) no stripped down, wrecked or junk motor vehicles shall be kept, parked, stored or maintained on any Residential Lot, Common Areas, Limited Common Areas, or Roadways; (e) no parking shall be permitted on any of the Roadways for a continuous period exceeding twenty-four (24) hours; and (f) except when deposited for collection, all refuse, garbage and trash shall be placed and kept at all times in covered containers and such containers shall be kept within an enclosed structure or appropriately screened from view.

(ii) Maintenance of any animals on any Residential Lot shall be subject to the following restrictions and limitations:

(1) No livestock of any kind, including, but not limited to, pigs, cows, goats, sheep, horses, etc. may be kept or maintained on any Residential Lot.

(2) No dangerous or nuisance animals, as defined by the Board, may be maintained or kept on any Residential Lot.

(3) The area of any Residential Lot occupied by an animal shall be properly maintained so as not to create any noxious or offensive odors or conditions which is or may become a nuisance or may cause disturbance or annoyance to other Owners in the Project. All kennels, "dog runs," and other like outdoor housing for animals shall be approved by the Design Review Committee prior to their construction and/or installation on any Residential Lot.

(4) No animals shall be permitted on the Common Areas or Limited Common Areas except when accompanied by and under the control of the persons to whom they belong.

(5) Owners shall clean up after their animals, including without limitation any animal waste, immediately from any Common Area, Limited Common Area, or any other Residential Lot not owned by the Owner. Failure to do so may result, at the Association's discretion, in a fine levied against the Owner in the amount of Twenty-Five dollars (\$25.00) per incident, such fine constituting a Special Assessment under Section 5.7. Such fine amount may be increased by the Association from time to time, to account for inflation and other factors.

(6) Owners shall indemnify the Association and hold it harmless against any loss or liability of any kind or character whatsoever arising from or growing out of having any animal on the Property.

(7) The use and control of any animals shall be subject to further control by rules and regulations promulgated by the Board.

(jj) Subject to further control by rules and regulations promulgated by the Board, only a reasonable number of generally recognized house pets shall be kept on any Lot. House pets shall be permitted on the Common Areas when accompanied by and under the control of the person to whom they belong. No animals of any kind shall be raised for commercial purposes unless prior written approval is obtained from the Board.

(kk) There shall be no exterior fires, except fires started and controlled by the Association incidental to the maintenance and preservation of any portion of the Property and barbecue and incinerator fires contained within facilities or receptacles designed for such purposes. No Owner shall cause or permit any condition which creates a fire hazard, creates a nuisance, or is in violation of any fire prevention regulations.

(ll) There shall be no camping upon any Residential Lot or Common or Limited Common Areas except as permitted by the Board by written license.

(mm) No Owner or guest shall park any vehicle or cause any obstruction in front of a driveway.

7.2 Exemption of Declarant. Notwithstanding the provisions of Section 7.1, the Declarant shall have the right to use any Residential Lot or Living Unit owned by it, and any part of the Common Areas and Limited Common Areas reasonably necessary or appropriate, in furtherance of any construction, marketing, sales, management, promotional or other activities designed to accomplish or facilitate improvement of the Common Areas and Limited Common Areas or improvement and sale of all Residential Lots owned by Declarant.

7.3 Enforcement of Land Use Restrictions. The following persons shall have the right to exercise or seek any remedy at law or in equity to enforce strict compliance with this Declaration:

- (a) Declarant, so long as it has any interest in any of the Property or Residential Lots;
- (b) Any Owner; or
- (c) The Association.

The prevailing party in an action for the enforcement of any provisions of this Declaration shall be entitled to collect court costs and reasonable attorney's fees.

7.4 Conditional Notes on Plat. Neither the Association nor any Owner of a Residential Lot shall have the authority to waive or alter the conditions or requirements set out as notes on the Plat.

ARTICLE VIII - ARCHITECTURAL CONTROL

8.1 Organization of the Design Review Committee. There shall be a Design Review Committee consisting of not fewer than three (3) members. The members of the Design Review Committee shall not be Owners. Declarant shall have the right to appoint, remove and increase the number of members of the Design Review Committee; provided that such right shall vest in the Board upon the expiration of any continuous period of twenty-four (24) months during which Declarant at all times owns less than two percent (2%) of the Property covered by this Declaration (as determined by acreage on the date of this Declaration). Declarant may voluntarily relinquish control of the Design Review Committee to the Board at any time. Whenever the Design Review Committee consists of more than three (3) members, it may designate subcommittees, each consisting of at least three (3) members. Unless authorized by the Board, the members of the Design Review Committee shall not receive any compensation, but all members shall be entitled to reimbursement from the Association for reasonable expenses incurred in the performance of any Design Review Committee function.

8.2 Living Unit Requirements. No Living Unit shall be permitted on any Residential Lot wherein the ground floor area of the main structure, exclusive of one story open porches and garages, shall be less than that required by any applicable governmental requirements for the Mixed Use Zone. For the purposes of these covenants, bi-level or split level homes shall be considered as single story homes. The Design Review Committee shall require a minimum of sixty percent (60%) of the front exterior of any home to include brick, stone, or other masonry; the sides shall also have brick, stone, or other masonry product, so that at least forty percent (40%) of the Living Unit exterior includes such products or combination of products. Living Units located on the Property that are adjacent to the Golf Course shall have a minimum of forty percent (40%) brick, stone, or other masonry at the back of the house.

8.3 Living Unit Minimum Size. Minimum size shall be as follows:

- (a) Ramblers: 2000 square feet on the main floor;
- (b) Multi-Level/Two Story: 2500 square feet above ground. With respect to two-story Living Units, the second story shall not exceed more than sixty percent (60%) of the square footage of the main floor.

8.4 Minimum Roof Slope. There shall be a minimum roof slope of seven (7) inches in every one (1) foot.

8.5 Living Unit Location. Living Units shall be situated on a Residential Lot in a manner provided for by the Association and consistent with zoning ordinances.

8.6 Actions Requiring Approval. No fence, wall, Living Unit, accessory or addition to a Living Unit, or landscaping or other improvement of a Residential Lot shall be constructed or performed, nor shall any alteration of any structure on any Residential Lot, including a change in exterior color, be made, unless complete plans and specifications showing the nature, color, kind, shape, height, materials and location of the same shall first be submitted to and approved by the Design Review Committee. All landscaping plans must be approved by a Landscaping Architect, licensed by the Utah Department of Commerce Division of Occupational and Professional Licensing, prior to submission of such plan to the Design Review Committee. No Owner shall submit any building plans to the city with jurisdiction over the matter prior to first receiving approval from the Design Review Committee.

8.7 Standard of Design Review. Before granting any approval of plans and specifications, the Design Review Committee shall determine to its reasonable satisfaction that such plans and specifications (a) conform to all architectural standards contained in this Declaration and all further architectural standards promulgated from time to time by the Board and (b) provide for a structure, alteration, landscaping or other improvements in harmony as to external design and location with surrounding structures and topography.

8.8 Design Review Committee Rules and Architectural Standards. The Board may, upon recommendation from the Design Review Committee, adopt and file as a matter of public record reasonable rules related to the efficient review of plans and specifications including requirements as to the number of sets of plans and specifications to be submitted, the fixing of a review or variance request fee not less than Two Hundred Fifty Dollars (\$250.00) and not exceeding Five Hundred Dollars (\$500.00) per review or variance request, the details to be shown on plans and specifications, and design guidelines consistent with this Declaration and covering such matters as setbacks, height limitations, restrictions on minimum or maximum size and quality of structures.

8.9 Approval Procedure. The Design Review Committee and any subcommittees thereof shall meet from time to time as necessary to perform the duties of the Design Review Committee. The vote or written consent of a majority of the

Design Review Committee or any authorized subcommittee shall constitute the act of the Design Review Committee. Any plans and specifications submitted to the Design Review Committee shall be approved or disapproved within thirty (30) days after receipt by the Design Review Committee. If the Design Review Committee fails to take action within such period, the plans and specifications shall be deemed to be approved as submitted.

8.10 Variance Procedure. If plans and specifications submitted to the Design Review Committee are disapproved because such plans and specifications are not in conformity with applicable architectural standards, the party or parties making such submission may submit a request for variance to the Design Review Committee, which shall make a written recommendation of approval or disapproval of the requested variance to the Board. The Board shall approve or disapprove the request for variance in writing. If the Board fails to approve or disapprove a request for variance within sixty (60) days after such request is submitted to the Design Review Committee, such request shall be deemed to be denied.

8.11 Nonwaiver. The approval by the Design Review Committee of any plans and specifications for any work done or proposed shall not constitute a waiver of any right of the Design Review Committee to disapprove any similar plans and specifications.

8.12 Completion of Construction. Once begun, any improvements, construction, landscaping or alterations approved by the Design Review Committee shall be diligently prosecuted to completion in strict accordance with the plans and specifications approved by the Design Review Committee.

8.13 Exemption of Declarant. The provisions of this Article shall not apply to any improvement, construction, landscaping or alteration made or performed by Declarant on any Residential Lot or portions of the Common Areas or Limited Common Areas at any time during the twelve-year period following the date on which this Declaration is filed for record in the office of the County Recorder of Utah County, Utah.

8.14 Estoppel Certificate. Within thirty (30) days after written demand therefor is delivered to the Design Review Committee by any Owner and upon payment therewith to the Association of a reasonable fee from time to time to be fixed by the Board, the Design Review Committee shall issue an estoppel certificate in recordable form executed by any two of its members, certifying with respect to any Residential Lot of such Owner that as of the date thereof either (a) all improvements and other work made or done upon or within such Residential Lot by the Owner, or otherwise, comply with this Declaration, or (b) such improvements or work do not so comply, in which event the certificate shall also (i) identify the nonconforming improvements or work, and (ii) set forth the nature of such noncompliance. Any mortgagee or purchaser from the Owner shall be entitled to rely on such certificate with respect to the matters therein set forth.

8.15 Disclaimer of Liability. neither the Design Review Committee, nor any member thereof acting in good faith shall be liable to the Association or to any Owner for any damage, loss, or prejudice suffered or claimed on account of (a) the approval or rejection of, or the failure to approve or reject, any plans, drawings and specifications, (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications, (c) the development or manner of development of any of the Property, or (d) any engineering or other defect in approved plans and specifications.

ARTICLE IX - INSURANCE

9.1 Liability Insurance. The Board shall procure and maintain from a company or companies holding a rating of "AA" or better from Best's Insurance Reports a policy or policies (herein called "the Policy") of Public Liability Insurance to insure the Association, the Board and the Managing Agent and employees of the Association against claims for bodily injury and property damage arising out of the conditions of the Common Areas or activities thereon under a Comprehensive General Liability form. Such insurance shall be for such limits as the Board may decide, but not less than those limits customarily carried by properties of comparable character and usage in the County of Utah nor less than \$1,000,000 for personal injury and property damage arising out of a single occurrence, such coverage to include protection against water damage liability, liability for non-owned and hired automobiles, liability for property of others and such other risks as shall customarily be covered with respect to property similar in construction, location and use. The Policy shall contain a "Severability of Interest" endorsement which shall preclude the insurer from denying the claim of any Owner because of negligent acts of the Association or other Owners and a cross-liability endorsement pursuant to which the rights of the named insureds as between themselves are not prejudiced. The Policy shall provide that the Policy may not be cancelled by the insurer unless it gives at least thirty (30) days' prior written notice thereof to the Board and every other person in interest who shall have requested in writing such notice of the insurer. Any such coverage procured by the Board shall be without prejudice to the right of the Owners to insure their personal liability for their own benefit at their own expense.

9.2 Additional Insurance; Further General Requirements. The Board may also procure insurance which shall insure the Common Areas and Limited Common Areas and the Association, the Board, the Managing Agent or the Owners and others against such additional risks as the Board may deem advisable. Insurance procured and maintained by the Board shall not require contribution from insurance held by any of the Owners or their mortgagees. Each policy of insurance obtained by the Board shall, if reasonably possible, provide: (a) a waiver of the insurer's rights of subrogation against the Association, the Owners and their respective directors, officers, agents, employees, invitees and tenants; (b) that it cannot be cancelled, suspended or invalidated, due to the conduct of any particular Owner or Owners; (c) that it cannot be cancelled, suspended, or invalidated due to the conduct of the Association or any directors, officer, agent, or employee of the Association without a prior written demand that the defect can

be cured and (d) that any "no other insurance" clause therein shall not apply with respect to insurance maintained individually by any of the Owners.

9.3 Review of Insurance. The Board shall periodically, and whenever requested by twenty percent (20%) or more of the Owners, review the adequacy of the Association's insurance program and shall report in writing the conclusions and action taken on such review to the Owner of each Residential Lot and to the holder of any mortgage on any Residential Lot who shall have requested a copy of such report. Copies of every policy of insurance procured by the Board shall be available for inspection by any Owner.

9.4 Residential Lots Not Insured by Association. The Association shall have no duty or responsibility to procure or maintain any fire, liability, extended coverage or other insurance covering any Residential Lot and Acts and events thereon.

9.5 Owners Insurance. Each Owner of a Lot, except the Declarant, shall be required at his own cost and expense to obtain and at all times maintain in full force and effect a policy or policies of fire and casualty insurance, with extended coverage endorsement, insuring the Living Unit and garage located on such Owner's Lot in an amount equal to its full insurable replacement value. Each Owner shall provide the Association with a copy of each policy of insurance or a certificate issued by the insurance company to evidence such insurance and each such policy shall provide that it will not be cancelled or terminated by the insurance company without giving the Association at least ten (10) days advance written notice of such cancellation or termination. Such policy or policies shall waive the insurance company's right of subrogation against the Association, the Owners, the Manager, if any, and the servants, agents and guests of any of them, if such insurance can be obtained in the normal practice without additional premium charge for waiver of subrogation rights. Such policy may include a standard, non-contributory mortgagee clause or endorsement in favor of any Mortgagee who holds a Mortgage covering all or any part of the Lot. Except as otherwise required by an applicable Mortgage, the proceeds of any such insurance shall be applied to the extent necessary to repair or replace any damage or destruction by fire or other casualty. In the event that any Owner fails to obtain and maintain the insurance required by this Section, or to provide the Association with suitable evidence of such insurance, the Association shall have the right, but without any obligation, to obtain such insurance on behalf of such Owner, and the Owner shall be obligated to immediately reimburse the Association for the costs thereof. The Owner's obligation to reimburse the Association for the cost of any such insurance shall be secured by a lien upon the Owner's Lot as provide in this Declaration with respect to Monthly and Special Assessments.

ARTICLE X - CONDEMNATION

10.1 Condemnation. If at any time or times the Common Areas or Limited Common Areas or any part thereof shall be taken or condemned by any authority having the power of eminent domain, all compensation and damages shall be payable to the Board and shall be used promptly by the Board to the extent necessary for

restoring or replacing any improvements on the remainder of the Common Areas or Limited Common Areas. Upon completion of such work and payment in full therefor, any proceeds of condemnation then or thereafter in the hands of the Board which are proceeds for the taking of any portion of the Common Areas or Limited Common Areas shall be disposed of in such manner as the Board shall reasonably determine; provided, however, that in the event of a taking in which any Residential Lot is eliminated, the Board shall disburse the portion of the proceeds of the condemnation award allocable to the interest of the Owner of such Residential Lot in the Association and the Common Areas and Limited Common Areas to such Owner and any first mortgagee of such Residential Lot, as their interests shall appear, after deducting the proportionate share of said Residential Lot in the cost of debris removal.

ARTICLE XI - RIGHTS OF FIRST MORTGAGEES

Notwithstanding any other provisions of this Declaration, the following provisions concerning the rights of first mortgagees shall be in effect:

11.1 Preservation of Regulatory Structure and Insurance. Unless the Owners of at least seventy-five percent (75%) of the Residential Lots (not including Residential Lots owned by Declarant) and such Owners' first mortgagees, if any, shall have given their prior written approval, the Association shall not be entitled:

(a) by act or omission to change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of Living Units, the exterior maintenance of Living Units, the maintenance of party walls or common fences and driveways, or the upkeep of lawns and plantings on the Property.

(b) to fail to maintain insurance as required by Article IX. This Section 11.1 may be amended as provided in Section 12.2 of Article XII hereof, except that such amendment must be approved by a vote otherwise sufficient to authorize action under this subsection prior to such amendment.

11.2 Preservation of Common and Limited Common Area; Change in Method of Assessment. Unless the Association shall receive the prior written approval of (1) all first mortgagees of Residential Lots and (2) the Owners of at least seventy-five percent (75%) of the Residential Lots (not including Residential Lots owned by Declarant) the Association shall not be entitled:

(a) by act or omission to seek to abandon, partition, subdivide, encumber, sell or transfer the Common or Limited Common Areas, except to grant easements for utilities and similar or related purposes, as reserved in Section 6.5 of Article VI hereof; or

(b) to change the ratio or method of determining the obligations, assessments, dues or other charges which may be levied against a Residential Lot or the Owner thereof.

This Section 11.2 may be amended as provided in Section 12.2 of Article XII hereof, except that such amendment must be approved by a vote otherwise sufficient to authorize action under this subsection prior to such amendment.

11.3 Written Consent Deemed Approved. If an Owner or a mortgagee fails to approve or disapprove a request made pursuant to this Article XI, or any other Article in this Declaration, within sixty (60) days after such request is mailed, by certified mail, return receipt requested, the request shall be deemed to be approved from such Owner or mortgagee.

11.4 Notice of Matters Affecting Security. The Board shall give written notice to any first mortgagee of a Residential Lot requesting such notice whenever:

(a) there is any default by the Owner of the Residential Lot subject to the first mortgage in performance of any obligation under this Declaration or the Articles or Bylaws of the Association which is not cured within sixty (60) days after default occurs; or

(b) damage to the Common Areas from any one occurrence exceeds \$10,000.00; or

(c) there is any condemnation or taking by eminent domain of the Residential Lot subject to the first mortgage or of the Common Areas; or

(d) any of the following matters come up for consideration or effectuation by the Association;

(1) abandonment or termination of the Planned Development established by this Declaration;

(2) material amendment of the Declaration or the Articles or Bylaws of the Association; or

(3) any decision to terminate professional management of the Common Areas and assume self-management by the Owners.

11.5 Notice of Meetings. The Board shall give to any first mortgagee of a Residential Lot requesting the same, notice of all meetings of the Association; and such first mortgagees shall have the right to designate in writing a representative to attend all such meetings.

11.6 Right to Examine Association Records. Any first mortgagee shall have the same right to inspect the books and records of the Association and receive financial statements as the Owner of the Residential Lot securing the mortgage; provided, that the foregoing shall not be deemed to impose upon the Association any obligation to cause its financial statements to be audited.

11.7 Right to Pay Taxes and Charges. First mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any portion of the Common Areas and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for the Common Areas; and first mortgagees making such payments shall be owed immediate reimbursement therefor from the Association. Declarant, for the Association as owner of the Common Area, hereby covenants and the Association by acceptance of the conveyance of the Common Areas, whether or not it shall be so expressed in such conveyance, is deemed to covenant and agree to make such reimbursement.

11.8 Exemption from Any First Right of Refusal. Any first mortgagee who obtains title to the Residential Lot subject to the first mortgage pursuant to the remedies provided in the first mortgage, or by foreclosure of the first mortgage, or by deed or assignment in lieu of foreclosure, or by sale pursuant to any power of sale shall be exempt from any "right of first refusal" which would otherwise affect the Residential Lot.

ARTICLE XII - MISCELLANEOUS

12.1 Notices. Any notice required or permitted to be given to any Owner under the provisions of this Declaration shall be deemed to have been properly furnished if delivered or mailed, postage prepaid, to the person named as the Owner, at the latest address for such person as reflected in the records of the Association at the time of delivery or mailing. Any notice required or permitted to be given to the Association may be given by delivering or mailing the same to the managing Agent or the President of the Association. Any notice required or permitted to be given to the Design Review Committee may be given by delivering or mailing the same to the Managing Agent or any member of the Design Review Committee.

12.2 Amendment. Except as provided elsewhere in this Declaration, this Declaration may be amended by:

- (a) the affirmative vote of a majority of the Owners, and
- (b) the written consent of Declarant, if such amendment is adopted at a time when Declarant holds Class B membership in the Association, and
- (c) the filing of an instrument for record in the office of the County recorder of Utah County, Utah, executed by any two officers of the Association and certifying that such amendment has been duly adopted by the affirmative vote of a majority of the Owners, and, if required, has the written consent of Declarant.

12.3 Consent in Lieu of Vote. In any case in which this Declaration requires for authorization or approval of a transaction the assent or affirmative vote of a stated percentage of the Owners, whether present or represented at a meeting, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in

writing to such transaction from Owners entitled to cast at least the stated percentage of all membership votes outstanding in connection with the class of membership concerned. The following additional provisions shall govern any application of this Section 12.3:

(a) All necessary consents must be obtained prior to the expiration of ninety (90) days after the first consent is given by any Owner.

(b) The total number of votes required for the applicable authorization or approval shall be determined as of the date on which the last consent is signed.

(c) Except as provided in the following sentence any change in ownership of a Residential Lot which occurs after a consent has been obtained from the Owner thereof shall not be considered or taken into account for any purpose. A change in ownership which would increase the total number of Class A votes outstanding shall, however, be effective in that regard and shall entitle the new Owner to give or withhold his consent.

(d) Unless the consent of all Owners whose memberships are appurtenant to the same Residential Lot are secured, the consent of none of such Owners shall be effective.

12.4 Declarant's Rights Assignable. All or any portion of the rights of Declarant under this Declaration or in any way relating to the Property may be assigned.

12.5 Interpretation. The captions which precede the Articles and Sections of this Declaration are for convenience only and shall in no way affect the manner in which any provision herein construed. Whenever the context so requires, the singular shall include the plural, the plural shall include the singular, and any gender shall include both other genders. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof, which shall remain in full force and effect. The laws of the State of Utah shall govern the validity, construction and enforcement of this Declaration.

12.6 Covenants to Run With Land. This Declaration and all the provisions hereof shall constitute covenants to run with the land or equitable servitudes, as the case may be, and shall be binding upon and all inure to the benefit of Declarant, the Owners, all parties who hereafter acquire any interest in a Residential Lot, and their respective grantees, transferees, heirs, devisees, personal representatives, successors, and assigns. Each Owner or occupant of a Residential Lot or Living Unit shall comply with, and all interests in all Residential Lots or in the Common Areas shall be subject to, the terms of this Declaration and the provisions of any rules, regulations, agreements, instruments, and determinations contemplated by this Declaration. By acquiring any interest in a Residential Lot or in the Common Areas, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.

EXHIBIT "A"

PROPERTY

The following real property located in Utah County, State of Utah, to-wit:

Parcel 1:

Beginning at a point which is North 89°34'05" East, along the section line, 58.49 feet and South 00°25'55" East, 427.17 feet from the North Quarter Corner of Section 20, Township 6 South, Range 2 East, Salt Lake Base & Meridian; and running thence North 86°59'00" East, 120.35 feet; thence North 89°01'41" East, 142.40 feet; thence South 84°35'56" East, 83.00 feet; thence South 69°34'26" East, 84.23 feet; thence South 55°07'46" East, 84.23 feet; thence South 40°41'07" East, 84.23 feet; thence South 26°14'27" East, 84.23 feet; thence South 14°48'21" East, 69.25 feet; thence South 13°32'21" East, 268.48 feet; thence South 08°17'01" East, 76.71 feet; thence South 85°29'00" West, 116.59 feet; thence South 03°55'44" East, 8.58 feet; thence South 86°39'32" West, 40.00 feet to a point on a 378.00-foot radius curve to the right; thence along said curve 41.25 feet through a central angle of 06°15'08" (chord bears South 00°12'54" East, 41.23 feet); thence North 87°05'20" West, 117.00 feet; thence North 02°45'36" West, 57.12 feet; thence North 13°32'21" West, 332.49 feet; thence North 58°11'54" West, 45.39 feet; thence South 89°25'50" West, 51.48 feet; thence North 83°14'35" West, 70.58 feet; thence South 89°25'50" West, 77.54 feet; thence South 89°53'27" West, 70.72 feet; thence North 86°28'53" West, 76.48 feet; thence North 79°48'52" West, 70.59 feet; thence North 75°44'55" West, 70.80 feet; thence North 66°58'37" West, 70.90 feet; thence North 60°30'54" West, 36.43 feet; thence South 54°26'05" West, 116.20 feet; thence South 61°51'43" West, 82.52 feet; thence South 68°45'24" West, 70.74 feet; thence South 73°27'21" West, 63.04 feet; thence South 73°44'17" West, 130.00 feet; thence South 68°11'36" West, 70.33 feet; thence South 76°48'32" West, 76.02 feet; thence North 11°16'39" West, 152.01 feet to a point on a 230.00-foot radius curve to the left; thence along said curve 37.69 feet through a central angle of 09°23'19" (chord bears North 74°01'41" East, 37.65 feet); thence North 20°39'59" West, 110.00 feet; thence North 68°06'24" East, 60.01 feet; thence North 06°08'24" West, 180.86 feet; thence North 42°38'46" East, 172.72 feet; thence North 26°24'39" West, 101.68 feet; thence North 00°55'28" East, 83.29 feet; thence North 26°36'04" East, 70.17 feet; thence North 51°09'23" East, 70.17 feet; thence North 73°37'14" East, 58.36 feet; thence South 88°24'25" East, 58.54 feet; thence South 71°52'17" East, 93.05 feet; thence South 51°38'57" East, 93.05 feet; thence South 32°56'28" East, 90.78 feet; thence South 28°51'31" East, 120.00 feet; thence South 31°05'53" East, 58.55 feet; thence South 40°05'00" East, 58.30 feet; thence South 49°25'47" East, 58.30 feet; thence South 58°47'48" East, 58.30 feet; thence South 68°09'50" East, 58.30 feet; thence South 77°31'52" East, 58.30 feet; thence South 75°51'02" East, 35.14 feet to the point of beginning.

Parcel 2:

Beginning at a point which is South 89°45'46" West, along the section line, 683.22 feet and South 00°14'14" East, 9.04 feet from the North Quarter Corner of Section 20, Township 6 South, Range 2 East, Salt Lake Base & Meridian; and running thence South 26°36'04" West, 70.16 feet; thence South 00°55'28" West, 83.29 feet; thence South 26°24'39" East, 101.67 feet; thence South 42°38'46" West, 172.71 feet; thence South 06°08'24" East, 180.86 feet; thence South 68°06'24"

West, 60.00 feet; thence South 20°39'59" East, 110.00 feet to a point on a 229.99 foot radius curve; thence 37.69 feet along said curve through a central angle of 09°23'20" (chord bears South 74°01'41" West, 37.64 feet); thence South 11°16'39" East, 152.00 feet; thence South 06°09'04" East, 109.03 feet; thence South 07°04'54" West, 126.16 feet; thence South 31°22'13" West, 115.86 feet; thence South 54°28'31" West, 113.48 feet; thence South 63°10'40" West, 96.41 feet; thence South 54°18'27" West, 79.76 feet; thence South 38°17'22" West, 80.06 feet; thence North 51°16'41" West, 112.86 feet; thence South 16°18'56" West, 107.90 feet; thence South 01°43'36" West, 116.78 feet; thence North 76°56'57" East, 99.28 feet; thence South 10°18'41" East, 84.03 feet; thence South 18°07'58" East, 286.36 feet; thence South 15°35'00" East, 104.94 feet; thence South 37°32'01" West, 81.72 feet; thence South 65°19'12" West, 214.55 feet; thence South 46°57'36" West, 80.56 feet; thence South 36°58'39" West, 103.68 feet; thence South 15°23'03" West, 66.74 feet; thence South 01°04'02" East, 91.34 feet; thence South 22°53'15" West, 110.49 feet; thence South 42°08'44" West, 127.45 feet; thence South 52°39'17" West, 50.28 feet; thence South 82°49'23" West, 62.72 feet; thence North 66°55'14" West, 523.71 feet; thence North 63°51'21" West, 92.33 feet; thence North 75°25'06" West, 83.01 feet; thence North 84°11'47" West, 87.01 feet; thence South 84°27'44" West, 91.14 feet; thence South 74°23'34" West, 196.23 feet; thence North 44°55'58" West, 187.10 feet; thence North 47°03'20" West, 107.33 feet; thence North 26°14'01" West, 109.54 feet; thence North 43°41'19" East, 92.31 feet; thence North 72°41'01" West, 93.42 feet; thence North 29°29'43" West, 296.45 feet; thence North 00°27'41" East, 141.35 feet; thence North 13°13'40" East, 128.02 feet; thence North 34°09'26" East, 81.01 feet; thence North 44°34'01" West, 210.42 feet; thence North 36°30'48" West, 108.21 feet; thence North 31°00'44" West, 114.37 feet; thence North 07°21'16" West, 116.84 feet; thence North 85°33'50" East, 2260.53 feet; thence North 00°09'54" West, 882.74 feet; thence North 85°46'24" East, 365.78 feet; thence South 04°13'36" East, 93.42 feet to the point of beginning.

Less & Excepting:

Beginning at a point which is South 89°45'46" West, along the section line, 1300.92 feet and South 00°14'14" East, 1343.83 feet from the North Quarter Corner of Section 20, Township 6 South, Range 2 East, Salt Lake Base & Meridian; and running thence South 23°40'05" West, 52.01 feet; thence South 01°07'25" West, 89.46 feet; thence South 06°38'10" East, 94.44 feet; thence South 78°40'46" West, 103.00 feet; thence North 88°40'29" West, 81.14 feet; thence North 62°52'15" West, 116.90 feet; thence North 83°07'34" West, 226.04 feet; thence South 87°14'32" West, 31.20 feet; thence South 23°42'49" West, 84.04 feet; thence South 22°53'19" East, 70.49 feet; thence South 53°41'39" East, 344.51 feet; thence South 71°49'48" East, 127.01 feet; thence South 28°36'47" West, 86.91 feet; thence South 37°03'37" East, 102.20 feet; thence South 41°28'35" West, 107.05 feet; thence North 55°50'21" West, 98.58 feet; thence South 49°52'04" West, 84.35 feet; thence North 28°37'38" West, 99.94 feet; thence North 63°00'58" West, 66.71 feet; thence South 85°26'48" West, 141.21 feet; thence North 32°24'17" West, 61.74 feet; thence North 52°13'27" West, 72.04 feet; thence North 69°58'58" West, 113.39 feet; thence South 65°59'27" West, 112.97 feet; thence North 43°12'39" West, 100.74 feet; thence North 73°32'49" West, 132.81 feet; thence South 52°08'50" West, 159.19 feet; thence North 50°27'18" West, 58.57 feet; thence North 74°39'50" West, 111.30 feet; thence South 72°56'14" West, 86.96 feet; thence South 44°01'17" West, 80.06 feet; thence North 43°28'00" West, 68.51 feet; thence North 33°26'19" West, 78.40 feet; thence North 26°21'15" West, 73.71 feet; thence North 03°52'33" West, 84.84 feet; thence North 11°09'32" East, 67.84 feet; thence North 18°11'47" East, 67.66 feet; thence North 37°17'46" East, 65.81 feet; thence North 45°50'34" East, 87.06

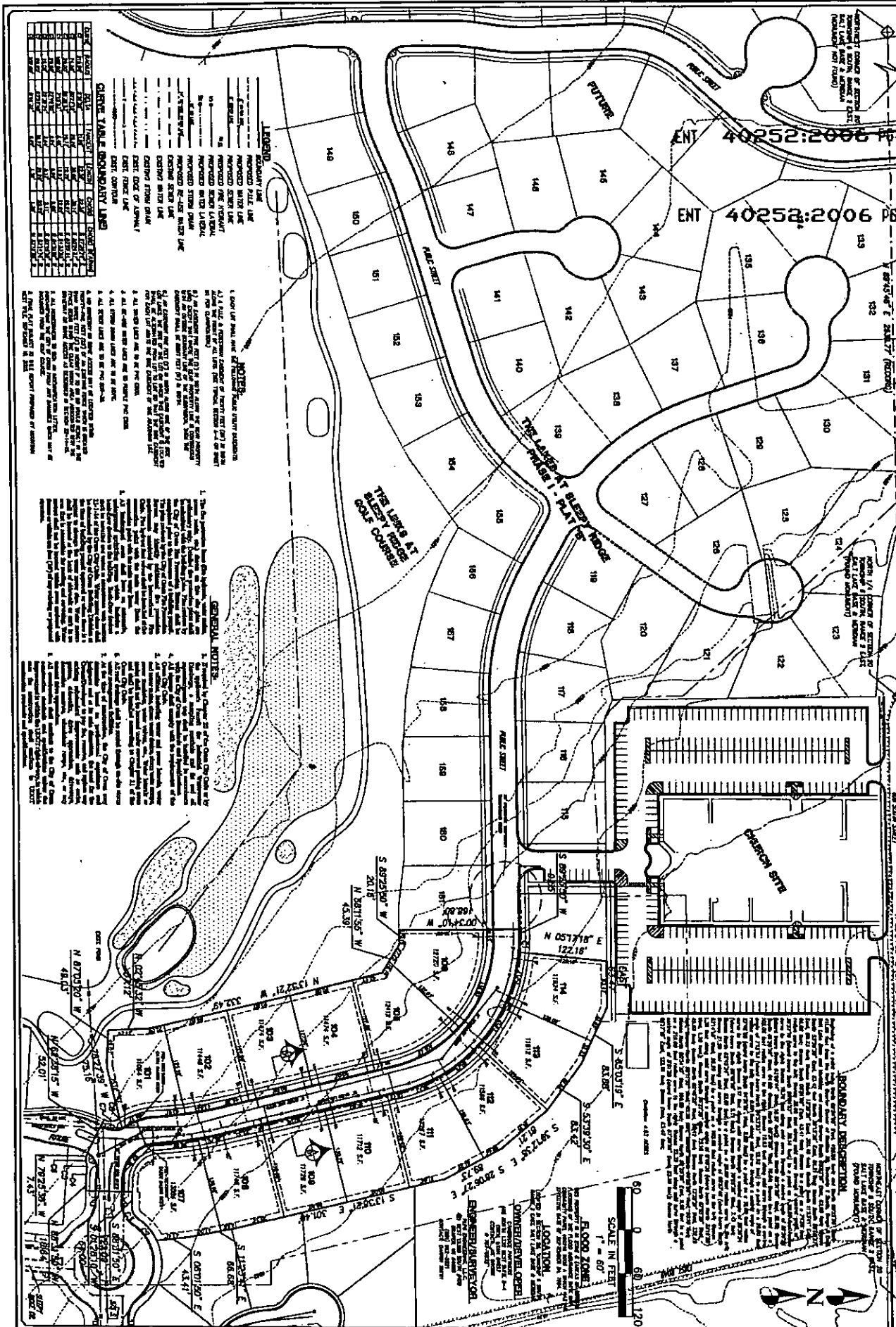
feet; thence North 50°49'29" East, 273.34 feet; thence North 62°35'49" East, 76.09 feet; thence North 77°40'27" East, 95.66 feet; thence North 82°41'35" East, 187.50 feet; thence North 86°19'06" East, 88.34 feet; thence South 86°15'01" East, 92.51 feet; thence North 84°50'19" East, 92.94 feet; thence North 77°19'33" East, 93.04 feet; thence South 50°48'45" East, 93.34 feet; thence South 85°38'20" East, 100.94 feet; thence North 71°59'22" East, 95.35 feet; thence South 61°27'11" East, 109.07 feet; thence South 77°26'37" East, 138.00 feet; thence South 53°20'40" East, 118.44 feet to the point of beginning.

Also to be known as, to-wit: The Lakes at Sleepy Ridge Development
SUBJECT TO the covenants, conditions, restrictions, easements, charges and liens
provided for in said Declaration of Covenants, Conditions and Restrictions.

EXHIBIT "B"

COMMON AREAS

The Common Areas within The Lakes at Sleepy Ridge, P.U.D. shall include all parks, ponds, entry monuments, open space and all Roadways, as shown and described on the Plat.



LINE	DESCRIPTION	DATE
1	CHURCH SITE BOUNDARY LINE	11/15/07
2	CHURCH SITE BOUNDARY LINE	11/15/07
3	CHURCH SITE BOUNDARY LINE	11/15/07
4	CHURCH SITE BOUNDARY LINE	11/15/07
5	CHURCH SITE BOUNDARY LINE	11/15/07
6	CHURCH SITE BOUNDARY LINE	11/15/07
7	CHURCH SITE BOUNDARY LINE	11/15/07
8	CHURCH SITE BOUNDARY LINE	11/15/07
9	CHURCH SITE BOUNDARY LINE	11/15/07
10	CHURCH SITE BOUNDARY LINE	11/15/07
11	CHURCH SITE BOUNDARY LINE	11/15/07
12	CHURCH SITE BOUNDARY LINE	11/15/07
13	CHURCH SITE BOUNDARY LINE	11/15/07
14	CHURCH SITE BOUNDARY LINE	11/15/07
15	CHURCH SITE BOUNDARY LINE	11/15/07
16	CHURCH SITE BOUNDARY LINE	11/15/07
17	CHURCH SITE BOUNDARY LINE	11/15/07
18	CHURCH SITE BOUNDARY LINE	11/15/07
19	CHURCH SITE BOUNDARY LINE	11/15/07
20	CHURCH SITE BOUNDARY LINE	11/15/07

NOTES

1. OWNER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL APPLICABLE AGENCIES AND AUTHORITIES.
2. THE LAKES AT SLEEPY RIDGE GOLF COURSE IS A COMMON ELEMENT DEVELOPMENT AS DEFINED IN THE COMMONWEALTH OF MASSACHUSETTS REAL ESTATE DEVELOPMENT ACT.
3. THE LAKES AT SLEEPY RIDGE GOLF COURSE IS A COMMON ELEMENT DEVELOPMENT AS DEFINED IN THE COMMONWEALTH OF MASSACHUSETTS REAL ESTATE DEVELOPMENT ACT.
4. THE LAKES AT SLEEPY RIDGE GOLF COURSE IS A COMMON ELEMENT DEVELOPMENT AS DEFINED IN THE COMMONWEALTH OF MASSACHUSETTS REAL ESTATE DEVELOPMENT ACT.
5. THE LAKES AT SLEEPY RIDGE GOLF COURSE IS A COMMON ELEMENT DEVELOPMENT AS DEFINED IN THE COMMONWEALTH OF MASSACHUSETTS REAL ESTATE DEVELOPMENT ACT.

GENERAL NOTES

1. THIS PRELIMINARY PLAT IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TO BE USED FOR ANY OTHER PURPOSE.
2. THE BOUNDARY LINES SHOWN ON THIS PLAT ARE BASED ON THE BEST AVAILABLE RECORDS AND FIELD SURVEY DATA.
3. THE BOUNDARY LINES SHOWN ON THIS PLAT ARE BASED ON THE BEST AVAILABLE RECORDS AND FIELD SURVEY DATA.
4. THE BOUNDARY LINES SHOWN ON THIS PLAT ARE BASED ON THE BEST AVAILABLE RECORDS AND FIELD SURVEY DATA.
5. THE BOUNDARY LINES SHOWN ON THIS PLAT ARE BASED ON THE BEST AVAILABLE RECORDS AND FIELD SURVEY DATA.

BOUNDARY DESCRIPTION

... (Detailed boundary description text) ...

SCALE IN FEET
1" = 60'

N

THE LAKES AT SLEEPY RIDGE-PHASE I PHASE I - PLAT "A" PRELIMINARY PLAT	PEPG ENGINEERING, L.L.C. 221 W. LEXINGTON ROAD • SUITE 107 BAYBRIDGE TEL (903) 523-2321 • FAX (903) 523-2320 CIVIL ENGINEERING • LAND SURVEYING • GPS RECORDS • CONSTRUCTION MANAGEMENT LAND PLANNING • ENVIRONMENTAL	DATE: 11/15/07 PROJECT: THE LAKES AT SLEEPY RIDGE PHASE I DRAWN BY: [Name] CHECKED BY: [Name] SCALE: 1" = 60'
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12.7 Duration. The covenants and restrictions of this Declaration shall remain in effect until thirty (30) years from the date this Declaration was first filed in the office of the County Recorder of Utah County, Utah, after which time they shall be automatically extended for successive periods of ten (10) years each unless terminated by an instrument filed in the office of the County Recorder, executed by any two (2) officers of the Association, certifying that the Owners of at least seventy-five percent (75%) of the Residential Lots and their first mortgagees, if any, voted in favor of such termination. If any of the privileges, covenants, or rights created by this Declaration would otherwise be unlawful or void for violation of (1) the rule against perpetuities or some analogous statutory provision, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then the provision herein creating such privilege, covenant or right shall, in any event, terminate upon the expiration of the Dates of: (i) twenty-one (21) years after the death of the last survivor of the now living lawful descendants of George W. Bush, the current President of the United States at the time this Declaration was recorded; or (ii) the longest period permitted under the Utah Uniform Statutory Rule Against Perpetuities, Utah Code Sections 75-2-1201, et seq. for the vesting or termination of rights created by this Declaration.

12.8 Enforcement. In the event an Owner or occupant fails to maintain a Residential Lot or fails to cause such Residential Lot to be maintained, or fails to observe and perform all of the provisions of this Declaration, the applicable rules and regulations, the Easement Rights Agreement, or any other agreement, document, or instrument affecting the property or administered by the Association, in the manner required, the Association, or the cities of Orem or Vineyard shall have the right, but not the affirmative obligation, to proceed in a court of appropriate jurisdiction to require performance and/or compliance, to impose any applicable fines, to sue in a court of law for damages, and to charge to Unit Owner for the sums necessary to do whatever work is required to put the Unit Owner or the Unit in compliance.

12.9 Effective Date. This Declaration and any amendment hereof shall take effect upon its being filed for record in the office of the County Recorder of Utah County, Utah.

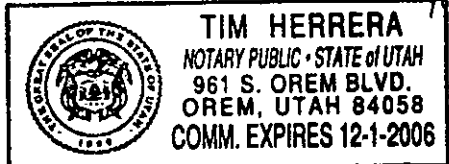
"Declarant"

THE LAKES AT SLEEPY RIDGE, INC.

By: Joseph Brown
Its: President

STATE OF UTAH)
) : ss.
COUNTY OF WTRH)

On the 22 day of March, 2006, personally appeared before me
JOSEPH BROWN, who acknowledged to me that the within and
foregoing instrument was signed in behalf of The Lakes at Sleepy Ridge, Inc., a Utah
limited liability company. CORPORATION.



866203v1

[Signature]
NOTARY PUBLIC