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RANDALL A. COVINGTON
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RECORDED FOR SARATOGA SPRINGS CITY

**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS
FOR
HARBOR BAY SUBDIVISION**

JANUARY 12, 2006

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THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR HARBOR BAY SUBDIVISION is made this ___ day of January, 2006, by SUMMIT DEVELOPMENT & MANAGEMENT, LLC, a Utah limited liability company, with respect to the following:

RECITALS:

A. Declarant intends to develop as a residential subdivision (the "Project") an approximate 7.53 acre portion of real property ("Property") located in Utah County, Utah to be known as the Harbor Bay Subdivision, more particularly described on Exhibit A attached hereto and by this reference made a part hereof.

B. Declarant intends to develop and convey all of the Lots (defined below) and other land within the Harbor Bay Subdivision subject to a general plan of development, and subject to certain protective covenants, conditions and restrictions all as set forth in this Declaration, and which are deemed to be covenants running with the land mutually burdening and benefiting each of the Lots and other property within the Harbor Bay Subdivision.

C. It is the intention of the Declarant in imposing the covenants, conditions and restrictions in this Declaration (defined below) to protect and enhance the property values and aesthetic values of the Lots all for the mutual protection and benefit of the Lots and the Owners of the Lots. The covenants, conditions and restrictions in this Declaration are intended to, and shall in all cases run with the title of the land, and be binding upon the successors, assigns, heirs, lien holders, and any other Person holding any interest in the Lots, and shall inure to the benefit of all other Lots in the Harbor Bay Subdivision.

NOW, THEREFORE, Declarant hereby declares, covenants, and agrees as follows:

**ARTICLE 1
DEFINITIONS**

Unless the context clearly requires the application of a more general meaning, the following terms, when used in this Declaration, shall have the following meanings:

1.1 "Additional Land" shall mean the real property described on Exhibit B attached hereto and by this reference made a part hereof. In addition, the Additional Land shall also consist of any other real property located not more than one (1) miles from the exterior boundaries of the Additional Land described on Exhibit B. This Declaration is not intended as and should not be deemed to constitute any lien, encumbrance, restriction, or limitation upon any portion of the Additional Land unless and until such portion is added to the existing Harbor Bay project in accordance with the provisions of Article 17 of this Declaration.

1.2 "Articles of Incorporation" shall have the meaning set forth in Section 4.1.

1.3 “Assessment” shall mean an annual assessment or a special assessment imposed by the Association.

1.4 “Association” shall mean the Harbor Bay Subdivision Homeowners Association, Inc., a Utah non-profit corporation and as the context requires, the officers and directors thereof.

1.5 “Association Areas” shall mean all those certain portions of the Project identified on one or more Plats or in any of the Governing Documents as the responsibility of the Association together with all equipment, facilities, fixtures, and other personal property and real property improvements used and/or owned by the Association for the use and benefit of all Owners, including without limiting the generality of the foregoing, trees, bushes and other landscaping, and all equipment, fixtures, facilities, and other personal property and real property improvements hereafter purchased in accordance with this Declaration with monies from the Association Expense Fund. Except as otherwise set forth in this Declaration, the Association Areas shall be owned by the Association. Subject to the Governing Documents, all Association Areas shall be maintained, managed and controlled by the Association for the use and enjoyment of the Owners as more fully described in this Declaration.

1.6 “Association Expenses” shall have the meaning set forth in Section 6.2.1(ii).

1.7 “Association Expense Fund” shall have the meaning set forth in Section 6.2.1(iii).

1.8 “Board” shall mean the duly elected and acting board of directors of the Association.

1.9 “Bylaws” shall have the meaning set forth in Section 4.6.

1.10 “City” shall mean the City of Saratoga Springs, a municipal corporation and political subdivision of the State of Utah, and its appropriate departments, officials, and boards.

1.11 “Declarant” shall mean and refer to Summit Development & Management, LLC, a Utah limited liability company. Declarant shall also include any Person or Persons that have been assigned and have agreed to assume certain of Declarant’s rights and/or obligations in this Declaration pursuant to Section 19.11 effective upon the recording of a written instrument signed by the Declarant and such Person or Persons and duly recorded in the public records of Utah County, Utah, that evidences such assignment and assumption.

1.12 “Declaration” shall mean this Declaration of Covenants, Conditions and Restrictions for Harbor Bay Subdivision, together with any subsequent amendments, supplements or additions.

1.13 “Design Guidelines” shall mean the means those design guidelines for development of all the real property subject to this Declaration as approved by the City and established by the Declarant and/or the Design Review Committee from time to time. Subject to the prior approval of the City, Declarant or the Design Review Committee reserves the right to modify the Design Guidelines. The Design Guidelines may impose, without limitation, certain restrictions with respect to a Dwelling’s mandatory minimum and maximum square footage, building materials used in constructing the Dwelling, architectural standards and other matters.

The Design Guidelines also may include certain signage guidelines for development of all the real property subject to this Declaration as established by the Declarant and/or the Design Review Committee from time to time. There is no assurance that such Design Guidelines will not change from time to time, and they may change with respect to unsold Lots subject to this Declaration, after one or more other such Lots have been sold by Declarant. The initial Design Guidelines are attached hereto as Exhibit C.

1.14 “Design Review Committee” shall mean the committee created pursuant to Article 3.

1.15 “Dwelling” shall mean the primary single family residence built or to be built on any Lot.

1.16 “Governing Documents” shall mean this Declaration, the Articles of Incorporation, the Bylaws, the Plat, the Design Guidelines and the Rules and Regulations together with any subsequent amendments, supplements or additions.

1.17 “Harbor Bay Subdivision” shall have the mean all of the Lots and the Association Areas.

1.18 “Improvement” shall mean all structures and appurtenances of every type and kind, including but not limited to buildings, Dwellings, garages, storage buildings, and additions to them; walkways, retaining walls, gazebos, fences, driveways, landscaping, pools, decks, tennis courts, hard surfaced areas, stairs, poles, lighting, signs, satellite dishes or other antennas, and any mechanical equipment located on the exterior of any building.

1.19 “Lots” shall mean the single family residential building lots shown on the Plat and any subsequent recorded subdivision Plats. Notwithstanding any provision of this Declaration, the real property described as “Lot 121” on the Harbor Bay – Phase 1 Plat consisting of a one (1) acre parcel improved with an existing residential house is not a “Lot” and shall not be encumbered by or subject to this Declaration.

1.20 “Mortgage” shall mean any mortgage, deed of trust, or other security instrument by which a Lot or any part thereof is encumbered.

1.21 “MDP” shall mean the Master Development Plan Agreement for Harbor Bay, as approved by the City, together with any subsequent amendments, supplements or additions. The MDP is maintained by the City and available for review at the offices of the City.

1.22 “Owner” shall mean the person or persons having title to any Lot. Owner shall mean the person holding fee simple title, including the Declarant, and buyers under any contract, but shall exclude any person or entity holding title only for purposes of securing performance of an obligation, unless that entity has taken possession. “Owner” shall not include the City.

1.23 “Person” shall mean a natural person or any legal entity with a right to hold title to real property in its own name in the State of Utah.

1.24 “Plat” shall mean the official subdivision plat or plats of the Harbor Bay – Phase 1 consisting of Lots 101 through 120, inclusive, as approved by the City, as it may be amended from time to time, and recorded in the official records of the Utah County Recorder’s Office. The Harbor Bay – Phase 1 Plat is hereby incorporated into this Declaration by this reference. Notwithstanding any provision of this Declaration, the real property described as “Lot 121” on the Harbor Bay – Phase 1 Plat consisting of a one (1) acre parcel improved with an existing residential house is not a part of the Harbor Bay Subdivision and shall not be encumbered by or subject to this Declaration. The term “Plat” shall also include any subdivision plat affecting the Harbor Bay Subdivision as recorded in the Office of the County Recorder of Utah County, Utah, as such may be amended from time to time, including but not limited to any such recorded plats respecting all or any portion of the Additional Land.

1.25 “Property” shall have the meaning set forth in Recital A above.

1.26 “Public Access Areas” shall have the meaning set forth in Section 5.5.

1.27 “Recreational Activities” shall have the meaning set forth in Article 18.

ARTICLE 2 DIVISION OF PROPERTY

2.1 Submission to Declaration. All of the Harbor Bay Subdivision is and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, and improved as a residential subdivision to be known as Harbor Bay Subdivision. All of the Harbor Bay Subdivision is and shall be subject to the covenants, conditions, restrictions, easements, uses, limitations, and obligations set forth in this Declaration and in the Plat, each and all of which are declared and agreed to be for the benefit of the Harbor Bay Subdivision and in furtherance of a plan for improvement of said property and the division thereof into Lots. Further, each and all of the provisions hereof shall be deemed to run with the land and shall be a burden and a benefit to the Declarant, its successors and assigns, and any Person acquiring, leasing, or owning an interest in any Lot, their lessees, heirs, executors, administrators, devisees, successors and assigns.

2.2 Subdivision into Lots. Pursuant to the Plat, the Harbor Bay Subdivision is divided into Lots as more particularly described on the Plat. The Owner of each Lot, regardless of the size, purchase price or location of the Lot, shall have the right to use the Association Areas. The Declarant, upon the recordation of this Declaration, hereby quitclaims all of its right, title and interest in and to all of the Association Areas located within the Harbor Bay Subdivision, as more particularly shown on the Plat, without warranty, to the Association, to be held and administered in accordance with the provisions of this Declaration.

2.3 Easements. The Declarant, its successors and assigns, shall have a transferable easement over and on the Association Areas, including streets providing ingress and egress to the Harbor Bay Subdivision, for the purpose of doing all things reasonably necessary and proper for the construction, completion, development and sale of the Lots.

ARTICLE 3 ARCHITECTURAL REVIEW

3.1 Membership. There is hereby established a Design Review Committee which shall be responsible for the establishment and administration of the Design Guidelines and to carry out all other responsibilities assigned to the Design Review Committee in order to carry out the purposes and intent of this Declaration. The Design Review Committee shall be composed of at least three (3) but not more than (7) individuals or entities as determined by Declarant in its sole discretion, who need not be Members of the Association. All of the members of the Design Review Committee shall be appointed, removed, and replaced by Declarant in its sole discretion, until such time as Declarant no longer owns any Lots is terminated, and at that time the Board shall succeed to Declarant's right to appoint, remove, or replace the members of the Design Review Committee. At the sole and exclusive option of Declarant, the Declarant may establish a "Modifications Committee" which shall be a subcommittee of the Design Review Committee. The Modifications Committee shall deal solely with changes to structures and Improvements which have previously been approved by the Design Review Committee and which an Owner desires to alter or change following the original construction of such structure or Improvements. It is contemplated that the Modifications Committee will be made up largely of Owners who will take over responsibility for modifications subject to appropriate written guidelines established by the Design Review Committee.

3.2 Purpose. The Design Review Committee shall review, study and either approve, reject or request resubmittal of additional information with respect to all proposed developments and all Improvements to a Lot all in compliance with this Declaration and as further set forth in the rules and regulations of the Design Review Committee and the Design Guidelines adopted and established from time to time by the Design Review Committee. Each builder shall demonstrate to the Design Review Committee that its development plan have been approved by the Declarant and by the City and that such items are in compliance with the Design Guidelines. The Design Review Committee shall have the right to require each builder to prepare and submit a construction mitigation plan to the Design Review Committee for review and approval.

- 1.3.1 The Design Review Committee shall exercise its best judgment to see that all Improvements conform and harmonize with any existing structures as to external design, quality and type of construction, materials, color, location on the Lot, height, grade and finished ground elevation, and all aesthetic considerations set forth in this Declaration or in the Design Guidelines.
- 1.3.2 Except for Improvements made by Declarant, no Improvement on a Lot, Unit or Parcel shall be erected, placed or altered on any Lot, Unit or Parcel nor shall any construction be commenced, until plans for such Improvement shall have been approved by the Design Review Committee.
- 1.3.3 The actions of the Design Review Committee in the exercise of its discretion by its approval or disapproval of plans and other information submitted to it, or with respect to any other matter before it, shall be conclusive and binding on all interested parties.

3.3 Organization and Operation of the Design Review Committee.

- 1.3.1 Term. The term of office of each member of the Design Review Committee, subject to Section 3.1 hereof, shall be three (3) years, commencing January 1 of each year, and continuing until his successor shall have been appointed, with the exception of the first three (3) members of the Design Review Committee, who will hold terms of one, two and three years, respectively, as designated by the Declarant. The terms of the members of the Design Review Committee will be staggered, so that one term expires each year. Should a Design Review Committee member die, retire, become incapacitated, or in the event of a temporary absence of a member, a successor may be appointed as provided in Section 3.1 hereof. So long as Declarant appoints the Design Review Committee, the Declarant may remove any member of the Design Review Committee at any time for any cause (or for no cause) without notice.
- 1.3.2 Chairman. So long as Declarant appoints the Design Review Committee, Declarant shall appoint the chairman. At such time as the Design Review Committee is appointed by the Board, the chairman shall be elected annually from among the members of the Design Review Committee by majority vote of said members.
- 1.3.3 Operations. The chairman shall take charge of and conduct all meetings and shall provide for reasonable notice to each member of the Design Review Committee prior to any meeting. The notice shall set forth the time and place of the meeting, and notice may be waived by any member. In the absence of a chairman, the party responsible for appointing or electing the chairman may appoint or elect a successor, or if the absence is temporary, a temporary successor.
- 1.3.4 Voting. The affirmative vote of a majority of the members of the Design Review Committee shall govern its actions and be the act of the Design Review Committee. A quorum shall consist of a majority of the members.
- 1.3.5 Expert Consultation. The Design Review Committee may avail itself of technical and professional advice and consultants as it deems appropriate.

3.4 Expenses. Except as provided below, all expenses of the Design Review Committee shall be paid by the Association. The Design Review Committee shall have the right to charge a fee for each application submitted to it for review and a fee for construction compliance and inspection in amounts which may be established by the Design Review Committee from time to time, and such fees shall be collected by the Design Review Committee and remitted to the Association to help defray the expenses of the Design Review Committee's operation. The Design Review Committee shall provide written notice to an applicant of any failure to pay a fee, expense or other charges hereunder, specifying the unpaid amounts which exist and stating that unless payment is made in full within fourteen (14) days, the Design Review Committee may: (i) withdraw any approval previously give to an Owner, whereupon

such Owner shall immediately cease further work; (ii) impose a fine commensurate with the severity of the violation; and/or (iii) refer the matter to the Board for further action. In any action taken pursuant to this Section 3.4, the Owner shall be personally liable for, and the Assessment lien under Section 6.4 shall be deemed to secure the amount of, the Design Review Committee's costs and expenses together with interest at the rate of 18% per annum plus collection costs and attorneys' fees.

3.5 Security Deposit. The Design Review Committee shall have the right to require from an applicant a cash security deposit ("Security Deposit"), in an amount established by the Design Review Committee in its sole discretion, for the purpose of securing complete performance of all of an applicant's obligations under Article 3. The Design Review Committee may retain the Security Deposit until such time as the applicant has fully performed all of its obligations and paid all sums due to the Design Review Committee. The applicant is not entitled to receive any interest earned on the Security Deposit. The Security Deposit is not an advance payment of fees by the applicant and does not constitute a measure of damages if the applicant defaults in the performance of its obligations under Article 3. If the applicant defaults in the performance of its obligations, the Design Review Committee may use, apply or retain all or any part of the Security Deposit to pay application review fees, inspection fees and/or any other fee, charge, cost or expense and to reimburse the Design Review Committee for any cost or expense it incurs because of such default, including, without limitation, all losses, costs or damages the Design Review Committee incurs. Any actions by the Design Review Committee against the applicant for default in the performance of such applicant's obligations are not limited to or restricted by the amount of the Security Deposit or the Design Review Committee's use or application of all or any part of the Security Deposit. The Design Review Committee's use or application of all or any part of the Security Deposit shall not constitute a waiver of any of the Design Review Committee's rights or remedies and shall not constitute the Design Review Committee's election of any specific remedy to the exclusion of other remedies available to the Design Review Committee under this Declaration, at law or in equity. If the Design Review Committee uses or applies all or any part of the Security Deposit as provided in this Section 3.5, the applicant will pay to the Design Review Committee on demand the amount so used or applied in order to replenish the Security Deposit, which replenished Security Deposit shall be held and used by the Design Review Committee in the manner described in this Section 3.5.

3.6 Design Guidelines and Rules. The Design Review Committee shall adopt, establish, and publish from time to time Design Guidelines, which shall be a Governing Document of the Harbor Bay Subdivision. The Design Guidelines shall define and describe the design standards for Harbor Bay Subdivision and the various uses therein. Subject to the prior approval of the City, the Design Guidelines may be modified or amended from time to time by the Design Review Committee. To the extent permitted by the Design Guidelines, the Design Review Committee, in its sole discretion, may excuse compliance with such requirements as are not necessary or appropriate in specific situations and may permit compliance with different or alternative requirements. Compliance with the design review process is not a substitute for compliance with City's building, zoning, and subdivision regulations and requirements, and each Owner is responsible for obtaining all applicable City approvals, licenses, and permits as may be required in addition to obtaining final approval of any Improvements from the Design Review Committee prior to commencing construction.

3.7 Procedures. As part of the Design Guidelines, the Design Review Committee shall make and publish such rules and regulations as it may deem appropriate to govern its proceedings. All final decisions of the Design Review Committee shall be nonappealable.

3.8 Limitation of Liability. The Design Review Committee shall use reasonable judgment in approving or disapproving all plans and specifications submitted to it. Neither the Design Review Committee, nor any individual Design Review Committee member, shall be liable to any person for any official act of the Design Review Committee in connection with submitted plans and specifications, except to the extent the Design Review Committee or any individual Design Review Committee member acted with gross negligence or was guilty of willful misconduct. Approval of plans and specifications by the Design Review Committee does not necessarily assure approval of such plans and specifications by the appropriate Municipal Authority. Notwithstanding the approval by the Design Review Committee of any plans and specifications, neither the Design Review Committee nor any of its members shall be responsible or liable to any Owner, developer, or contract holder with respect to any loss, liability, claim, or expense which may arise by reason of such approval of the construction of any Improvements. Neither the Board, the Design Review Committee, nor any agent thereof, nor Declarant nor any of its shareholders, employees, agents, or consultants shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the provisions of the Design Guidelines or any other Governing Documents, nor for any structural or other defects in any work done according to such plans and specifications. In all events the Design Review Committee shall be defended and indemnified by the Association in any such suit or proceeding which may arise by reason of the Design Review Committee's decision. The Association, however, shall not be obligated to indemnify any member of the Design Review Committee to the extent any such member of the Design Review Committee shall be adjudged to be liable for gross negligence or willful misconduct in the performance of his or her duty as a member of the Design Review Committee, unless and then only to the extent that the court in which such action or suit may be brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expense as such court shall deem proper.

3.9 Inspection and Compliance. The Design Review Committee shall have the right, but not the obligation, to inspect any Lot or Improvement thereto to ensure compliance with the Design Guidelines and any plans approved by the Design Review Committee. If a violation of the Design Guidelines or any previously approved plans is discovered, the Design Review Committee shall provide written notice of non-compliance to the Owner of the Lot specifying the particular condition or conditions which exist and stating that unless corrective action is taken within fourteen (14) days, the Design Review Committee may: (i) withdraw any approval previously give to an Owner, whereupon such Owner shall immediately cease further work; (ii) impose a fine commensurate with the severity of the violation; and/or (iii) refer the matter to the Board for further action. In any action taken pursuant to this Section 3.9, the Owner shall be personally liable for, and the Assessment lien under Section 6.4 shall be deemed to secure the amount of, the Design Review Committee's costs and expenses together with interest at the rate of 18% per annum plus collection costs and attorneys' fees.

ARTICLE 4 ASSOCIATION

4.1 Association. In connection with this Declaration, the Declarant has filed or will be filing articles of incorporation with the Utah Division of Corporations to create the Association ("Articles of Incorporation"). The members of the Association shall be the Owners of Lots within the Harbor Bay Subdivision, and the Association is established to perform the functions and exercise the rights and powers for the benefit of the Lots and the Owners and the enforcement of the covenants as set forth in this Declaration. Each Owner of a Lot shall be a member of the Association. Membership in the Association shall be an appurtenance to each Lot, and is transferable only in conjunction with the transfer of the title to a Lot. The Association shall have and exercise, as necessary, the powers set forth in this Declaration.

4.2 Enforcement Powers. The Association shall have the power to enforce the covenants set forth in this Declaration by actions in law or equity brought in its own name, the power to retain professional services needed for the enforcement of the covenants and to incur expenses for that purpose. The Board shall have the authority to compromise claims and litigation on behalf of the Association resulting from the enforcement of these covenants. The Board shall have the exclusive right to initiate enforcement actions in the name of the Association, however this shall not limit the individual rights of Owners to enforce personally the covenants set forth in this Declaration in their own name. The Association may appear and represent the interests of the Harbor Bay Subdivision at all public meetings concerning zoning, variances, or other matters of general application and interest to the Lots and/or Owners. Owners of the Lots may appear individually.

4.3 Board and Officers.

4.3.1 The affairs of the Association shall be conducted by the Board consisting of three (3) directors and also by such officers as the Board may elect or appoint in accordance with the Articles of Incorporation and the Bylaws as the same may be amended from time to time. The initial Board shall be composed of three (3) directors appointed by the Declarant. The Board may also appoint various committees and appoint a manager who shall, subject to the direction of the Board, be responsible for the day-to-day operation of the Association. The Board shall determine the compensation to be paid to the manager.

4.3.2 The Board shall have all the powers, duties and responsibilities as are now or may hereafter be provided by this Declaration, the Articles of Incorporation and the Bylaws of the Association, including, but not limited to, the following: (i) administration of the Association; (ii) preparing and administering an operational budget; (iii) establishing and administering an adequate reserve fund; (iv) scheduling and conducting the annual meeting and other meetings of the Owners; (v) collecting and enforcing the assessments and fees from the Owners; (vi) accounting functions and maintaining records; (vii) promulgation and enforcement of rules and regulations; (viii) causing the Association Areas to be maintained; (ix) entering into contracts, deeds, leases and/or other written instructions or documents and to authorize the execution and delivery thereof by the appropriate officers; (x) opening bank accounts on behalf of the Association and to designate the signatures therefore; (xi) bringing, prosecuting and settling litigation for itself, the Association and the Harbor Bay Subdivision; (xii) owning,

purchasing or leasing, holding and selling or otherwise disposing of, on behalf of the Owners, items of real and personal property; (xiii) doing all other acts necessary for the operation and maintenance of the Harbor Bay Subdivision and the performance of its duties as agent for the Association including the maintenance and repair of any portion of the Harbor Bay Subdivision if necessary to protect or preserve the Harbor Bay Subdivision; (xiv) purchasing and maintaining insurance; and (xiv) all the other duties imposed upon the Board pursuant to this Declaration, including enforcement thereof.

4.3.3 It is intended that Declarant shall control the Board and may fill any vacancies therein for so long as the Declarant owns any Lots in the Harbor Bay Subdivision. For so long as Declarant owns any of the Lots in the Harbor Bay Subdivision, Declarant shall also have the right, at any time, at its sole discretion, to permit one or more of the directors of the Board to be elected by the vote of a majority of the Owners. When Declarant no longer owns any of the Lots in the Subdivision, or at such earlier time as the Declarant may, in its discretion determine, the directors of the Board may be removed, replaced or elected by the majority vote of Owners, at any meeting of the Owners conducted in accordance with the Bylaws. The number of directors of the Board may be changed by amendment of the Bylaws of the Association.

4.4 Maintenance of Association Areas. The Association Areas shall be maintained, cleaned, replaced, repaired and reconstructed by the Association and be re-landscaped, rebuilt, replaced, repaired or materially altered only with the review, approval and consent of the Board, and in accordance with the provisions of this Declaration. Without limiting the generality of the foregoing, the Association shall (a) maintain, clean, replace, repair and keep in a sanitary condition and in a state of good repair all Association Areas; (b) re-landscape, re-construct and repair all Association Areas at such time as the same are in a state of disrepair and require replacement; and (c) maintain, clean, repair and keep in a sanitary condition and in a state of good repair all areas, easements, Improvements, landscaping and vegetation set forth in this Declaration, the Plat, or the MDP as the responsibility of the Association.

4.5 Rules and Regulations. By a majority vote, the Board may, from time to time and subject to the provisions of this Declaration, adopt, amend and repeal rules and regulations that restrict and govern the use of the Association Areas. The rules and regulations shall not discriminate among Owners. Each Owner, the family members of each Owner, and any invitee, licensee or tenant of each Owner shall comply with all of the rules and regulations. ALL OWNERS ARE GIVEN NOTICE THAT USE OF THE ASSOCIATION AREAS IS LIMITED BY THE RULES AND REGULATIONS AS AMENDED, EXPANDED, AND OTHERWISE MODIFIED FROM TIME TO TIME. EACH OWNER, BY ACCEPTANCE OF A DEED, ACKNOWLEDGES AND AGREES THAT THE USE AND ENJOYMENT AND MARKETABILITY OF HIS OR HER LOT CAN BE AFFECTED BY THIS PROVISION AND THAT THE RULES AND REGULATIONS MAY CHANGE FROM TIME TO TIME. ALL PURCHASERS OF LOTS ARE ON NOTICE THAT THE BOARD MAY HAVE ADOPTED CHANGES TO THE RULES AND REGULATIONS. COPIES OF THE CURRENT RULES AND REGULATIONS MAY BE OBTAINED FROM THE ASSOCIATION.

4.6 Bylaws. The day to day administration of the Association's affairs, including the manner in which directors are elected and their terms of office are set forth in the bylaws of the

Association (“Bylaws”), which may be amended from time to time by the Association as provided in those Bylaws. No amendment of the Bylaws shall have the effect of releasing or amending the covenants, conditions, or restrictions set forth in this Declaration.

4.7 Voting Rights. There shall be one vote for the membership in the Association that is appurtenant to each Lot, and each Owner, including the Declarant, shall be entitled to cast one vote for each Lot he or she owns. In the case of a Lot with multiple Owners, the Owners will agree among themselves how the vote applicable to that Lot will be cast, and if no agreement can be reached, no vote will be received from that Lot. Any of the multiple Owners appearing at the meeting in person or by proxy is deemed to be acting with proper authority for all of the other Owners of that Lot, unless the other Owners are also present and object or have filed written objections to that Owner’s representation of the other Owners of the Lot in question.

4.8 Amplification. The provisions of this Article 4 may be amplified by the Articles of Incorporation and the Bylaws of the Association; provided, however, that no such amplification shall substantially alter or amend any of the rights or obligations of the Owners set forth in this Declaration.

ARTICLE 5 EASEMENTS

5.1 Easements for Maintenance. The Association shall have the irrevocable right to have access from time to time to all Association Areas during such reasonable hours as may be necessary for the maintenance, cleaning, repair, and replacement thereof or for making emergency repairs at any time herein necessary to prevent damage.

5.2 Right to Ingress and Egress. Each Owner shall have the right to ingress and egress over, upon, and across the streets shown on the Plat as necessary for access to such Owner’s Lot, and such rights shall be appurtenant to and pass with the title to each Lot.

5.3 Easements Deemed Created. All conveyances of Lots within the Harbor Bay Subdivision hereafter made, whether by Declarant or otherwise, shall be construed to grant and reserve such reciprocal easements as are provided herein, even though no specific reference to such easements appears in any such conveyance.

5.4 Easements Reserved by Declarant and Association. The Association shall have power to grant and convey to any third party and Declarant hereby reserves unto itself transferable easements and rights of way, including but not limited to rights of ingress and egress, in, on, over and under the Harbor Bay Subdivision for the purpose of: (a) constructing, erecting, operating and maintaining lines, cables, wires, conduits or other devices for electricity, cable television, power, telephone and other purposes, public sewers, storm drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes, and any similar public or quasi-public improvements or facilities to provide common utility services to the Declarant Property or to the Harbor Bay Subdivision; and (b) constructing, erecting, repairing, replacing, operating and maintaining hiking and biking trails.

5.5 Public Access Areas. Declarant reserves the right to dedicate to the City certain portions of the Property and/or the Additional Property for public access including, without

limitation, public trails and open space areas as designated on one or more recorded Plats ("Public Access Areas"). The Public Access Areas shall be dedicated to and maintained by the City. The Public Access Areas are for the use and benefit of the general public and are dedicated as a public easement. No Owner shall obstruct or interfere with the use of the Public Access Areas crossing his or her Lot. The Public Access Areas are for non-motorized use only, and no motorcycle, all-terrain vehicle, or other motorized vehicle (except for authorized maintenance vehicles or equipment) will be permitted on the Public Access Areas. Equipment including, without limitation, lawn mowing, may be used for the operation and maintenance of the Public Access Areas and any improvements thereto.

5.6 Easements. ALL OWNERS ARE GIVEN NOTICE THAT THEIR LOTS SHALL BE SUBJECT TO EASEMENTS AS SHOWN ON THE PLAT AND EASEMENTS CREATED UNDER THIS DECLARATION.

5.7 Ownership of Streets. The streets shown on the Plat within the Harbor Bay Subdivision shall be owned and maintained by the City.

5.8 Inseparability. Every devise, encumbrance, conveyance, or other disposition of a Lot, or any part thereof, shall be construed to be a devise, encumbrance, conveyance, or other disposition, respectively, of the entire Lot, together with all appurtenant rights created by law or by this Declaration, including appurtenant membership in the Association, and an irrevocable license to use, occupy and enjoy the Association Areas. No Owner nor the Association may bring any action for partition thereof.

5.9 Separate Taxation. Each Lot and all improvements located thereon shall be assessed separately for all taxes, assessments, and other charges of the State of Utah or of any political subdivision thereof or of any special improvement district or of any other taxing or assessing authority. The streets shown on the Plat within the Harbor Bay Subdivision shall be deemed to be a parcel and shall be assessed separately for all taxes, assessments, and other charges of the State of Utah or of any political subdivision thereof or of any special improvement district or of any other taxing or assessing authority. All such taxes, assessments, and other charges on each respective Lot shall be separately levied against the Owner thereof. No forfeiture or sale of any Lot for delinquent taxes, assessments, or other governmental charges shall divest or in any way affect the title to any other Lot or rights in and to the Association Areas.

5.10 Mechanics' Liens. No labor performed or material furnished for use in connection with any Lot with the consent or at the request of an Owner or his agent or contractor shall create any right to file a statement, claim, or notice of mechanic's lien against the Lot of any other Owner not expressly consenting to or requesting the same or against any of the Association Areas.

5.11 Restriction on Easement Rights Granted by Owners. Without the prior written consent of Declarant and the Association, no Owner of any Lot within the Harbor Bay Subdivision shall grant any easement, license, permit or other rights to any other person or entity for the purpose of granting to such other person or entity any rights of ingress and egress, any rights to construct, operate or maintain any road, trail or other right of entry or passage over and

across such Lot, any rights to construct, operate, maintain, repair or replace any utility easements or any other rights or interests not otherwise established and created pursuant to the Plat, this Declaration.

ARTICLE 6 ASSESSMENTS

6.1 Agreement to Pay Assessments. Each Owner of a Lot by the acceptance of instruments of conveyance and transfer therefor, whether or not it be so expressed in said instruments, shall be deemed to covenant and agree with each other and with the Association, to pay to the Association all assessments, both regular and special, made by the Association for the purposes provided in this Declaration. Assessments made by the Association shall be fixed, established and collected from time to time as provided in this Article 6.

6.2 Regular Assessments. Regular assessments shall be computed and assessed against all Lots in the Harbor Bay Subdivision as follows:

6.2.1 Association Expenses.

(i) Annual Budget. On or before the 1st day of December of each year, the Association shall prepare, or cause to be prepared, an operating budget setting forth an itemized statement of the anticipated receipts and disbursements for the coming calendar year and taking into account the general condition of the Harbor Bay Subdivision. Each such budget, together with a written statement from the Association outlining a plan of operation for the year in question and justifying in every important particular the estimates made, shall be submitted to the Owners on or before the 15th day of December of each year. Such budget, with any changes therein, shall be adopted by the Owners at each annual meeting of the Owners. Said operating budget shall serve as the basis for the schedule of proposed monthly assessments for the annual period for which it is prepared. Said budget shall also constitute a major guideline under which the Association shall operate during such annual period.

(ii) Basis of Annual Budget. The annual budget shall be based upon the Association's estimates of the cash required to provide for payment of expenses ("Association Expenses") arising out of or connected with maintenance and operation of the Association Areas. Such actual expenses and estimated expenses may include, among other things, the following: expenses of management; governmental taxes and special assessments; premiums for all insurance that the Association is required or permitted to maintain; repairs and maintenance; security, gate house operation, wages for Association employees, including fees for a manager, if any; utility charges; legal and accounting fees; any deficit remaining from a previous period; creation of a reasonable contingency reserve; sinking or reserve funds required or allowed herein; and any other expenses and liabilities which may be incurred by the Association for the benefit of all of the Lots and/or the Owners or by reason of this Declaration.

(iii) Annual Assessments. The Association shall establish a regular, equal monthly assessment (which shall be the same for all of the Lots) to be paid by each Owner to the Association for deposit into a deposit account in the name of the Association ("Association Expense Fund"). The dates and manner of payment shall be determined by the Association. The

foregoing method of assessing the Association Expenses to the Owners may be altered by the Association so long as the method it adopts is consistent with good accounting practice and requires that the Association Expenses be apportioned equally among and assessed equally to all Lots. Each monthly installment of the regular assessment shall bear interest at the rate of one and one-half percent (1½%) per month from the date it becomes due and payable until paid. Failure of the Association to give timely notice of any assessment as provided herein shall not affect the liability of the Owner of any Lot for such assessment.

6.2.2 Inadequate Funds. In the event that the Association Expense Fund proves inadequate at any time for whatever reason, including nonpayment of any Owner's assessment, the Association may levy additional assessments in accordance with the procedure set forth below, except that the vote therein specified shall not be necessary.

6.3 Special Assessments. In addition to the regular assessments, the Association may levy, at any time and from time to time, upon affirmative vote by Owners of at least fifty-one percent (51%) of the Lots, special assessments, payable over such periods of time as the Association may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Association Areas or any part thereof, or for any other expenses incurred or to be incurred as provided in this Declaration. This Section shall not be construed as an independent source of authority for the Association to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other Sections or Articles hereof. Any amounts assessed pursuant hereto shall be apportioned equally among and assessed equally to all Lots. Notice in writing of the amount of such special assessments and the time for payment thereof shall be given promptly to the Owners. No payment shall be due less than thirty (30) days after such notice shall have been mailed. All unpaid portions of any special assessment shall bear interest at the rate of one and one-half percent (1½%) per month from the date such portions become due until paid.

6.4 Lien for Assessments. All sums assessed to the Owner of any Lot within the Harbor Bay Subdivision pursuant to the provisions of this Article 6, together with interest thereon as provided herein, shall be secured by a lien on such Lot in favor of the Association. To evidence a lien for sums assessed pursuant to this Article 6, the Association may prepare a written notice of lien setting forth the amount of the Assessment, the date due, the amount remaining unpaid, the name of the Owner of the Lot, and a description of the Lot. Each Owner shall be deemed to have consented to the filing of a notice of lien against such Owner's Lot. Such notice shall be signed and acknowledged by a duly authorized officer of the Association and may be recorded in the office of the Utah County Recorder. No notice of lien shall be recorded until there is a delinquency in payment of the Assessment. Such lien may be enforced by nonjudicial foreclosure or judicial foreclosure by the Association in the same manner in which mortgages on real property may be foreclosed in the State of Utah. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding, including attorneys' fees, and such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any Assessments against the Lot which shall become due during the period of foreclosure. The Association shall have the right and power to bid in at any foreclosure sale, and to own, lease, mortgage or convey the subject Lot.

6.5 Personal Obligation of Owner. The amount of any Assessment against any Lot shall be the personal obligation of the Owner of such Lot to the Association. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the same. No Owner may avoid or diminish any such personal obligation by waiver of the use and enjoyment of any of the Association Areas or by abandonment of his Lot, or by waiving any services or amenities. In the event of any suit to recover a money judgment for unpaid assessments hereunder, the involved Owner shall pay the costs and expenses incurred by the Association in connection therewith, including reasonable attorney's fees.

6.6 Statement of Account. Upon written request of any Owner, mortgagee, prospective mortgagee, or prospective purchaser of a Lot and payment of any reasonable fee assessed, the Association shall issue a written statement setting forth the following: (a) the amount of the unpaid Assessments, if any, with respect to such Lot, and (b) the amount of the current regular assessment with respect to such Lot and the date such Assessment becomes or became due. Such statement shall be conclusive upon the Association in favor of persons who rely thereon in good faith.

6.7 Personal Liability of a Purchaser. A purchaser of a Lot shall be jointly and severally liable with the seller thereof for all unpaid Assessments against such Lot up to the time of the grant of conveyance; provided, however, that the provisions of this Section shall not prejudice the purchaser's right to recover from the seller the amount of such Assessments paid by the purchaser for such Assessments.

6.8 Amendment of Article 6. Except as may be necessary to conform to the law, as it may be amended from time to time, this Article 6 shall not be amended unless the Owners of at least seventy-five percent (75%) of the Lots consent and agree to such amendment by a duly recorded instrument.

ARTICLE 7 INSURANCE

7.1 Types of Insurance. The Association shall obtain and keep in full force and effect at all times the following types of insurance coverage, provided by companies licensed to do business in the State of Utah:

7.1.1 Fire and Casualty Insurance. A policy or policies of insurance on the Association Areas of the Harbor Bay Subdivision in such amounts as shall provide for replacement thereof in the event of damage or destruction from casualty against which such insurance is customarily maintained by other subdivisions similar in construction, design, and use. Such insurance shall include fire and extended coverage, vandalism and malicious mischief, and such other risks and hazards against which the Association shall deem it appropriate to provide insurance protection as to the Association Areas. The Association may comply with the above requirements by the purchase of blanket coverage and may elect such "deductible" provisions as in the Association's opinion are consistent with good business practice.

7.1.2 Public Liability and Property Damage Insurance. The Association shall obtain a broad form of comprehensive public liability insurance coverage for the Harbor Bay Subdivision, in such amounts and in such forms as it deems advisable to provide adequate protection against liability for personal injury, death and property damage. Coverage shall include without limitation, liability for operation of automobiles on behalf of the Association and all activities of the Association pursuant to the terms of this Declaration and the Articles of Incorporation and the Bylaws of the Association.

7.1.3 Workers' Compensation Insurance. Workers' compensation and employer's liability insurance and all other similar insurance with respect to employees of the Association, if any, in the amounts and in the forms now or hereafter required by law.

7.1.4 Fidelity Insurance or Bond. Fidelity insurance or a bond in such amounts and in such forms as the Association deems appropriate to cover against dishonesty of directors, officers, employees or the manager, destruction or disappearance of money or securities, and forgery.

7.2 Form of Insurance. Insurance coverage on the Harbor Bay Subdivision, insofar as possible, shall be in the following form:

7.2.1 Casualty and Flood Hazard Insurance. Casualty and hazard insurance in a form or forms naming the Association as the insured, as trustee for the Owners and for Declarant, whether or not Declarant is an Owner, and which policy or policies shall specify the interest of each Owner (Owner's name and Lot number), and shall contain a standard, noncontributory mortgagee clause in favor of each mortgagee which from time to time shall give notice to the Association of its mortgage. The Association shall furnish to each Owner, and to each mortgagee requesting in writing the same, a certificate of coverage, including an identification of the Owner's interest.

7.2.2 Public Liability and Property Damage Insurance. Public liability and property damage insurance which names the Association as the insured, as trustee for each Owner, for the manager, if any, and for Declarant, whether or not Declarant is an Owner, and which protects each Owner, the manager, if any, and Declarant against liability for acts or omissions of any of them in connection with all activities of the Association pursuant to the terms of this Declaration and the Articles of Incorporation and the Bylaws of the Association.

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

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

7.5 Insurance Carried by Owners. Each Owner is responsible for and shall obtain insurance, at his own expense, providing coverage upon his Lot, and all improvements and

personal property located thereon, and for general liability coverage, including without limitation, coverage for personal injury, property damage, and such other risks as each Owner may deem appropriate; provided that if the insurer under said policy is the insurer under any policy issued pursuant to Sections 7.1 and 7.2 above, then any insurance policy obtained by an Owner shall provide that it does not diminish the insurance carrier's coverage for liability arising under any of the insurance policies obtained by the Association pursuant to this Article. The Association shall have no obligation or responsibility to carry insurance on the Lots, or any improvements located on the Lots.

7.6 Review of Insurance. The Association shall review annually the coverage and policy limits of all insurance maintained by the Association.

ARTICLE 8 DAMAGE OR DESTRUCTION

8.1 Association as Attorney in Fact. All of the Owners irrevocably constitute and appoint the Association their true and lawful attorney in fact in their name, place and stead for the purpose of dealing with the Association Areas of the Harbor Bay Subdivision upon their damage or destruction as hereinafter provided. Acceptance by any grantee of a deed from Declarant or any Owner shall constitute an appointment by said grantee of the Association as his attorney in fact as herein provided. As attorney in fact, the Association shall have full and complete authorization, right, and power to make, execute, and deliver any contract, deed or other instrument with respect to the interest of an Owner in the Association Areas which may be necessary or appropriate to execute the powers herein granted.

8.2 Destruction of Association Areas. Upon the damage or destruction of all or any portion of the Association Areas, the Association shall proceed to repair and reconstruct the Association Areas. The Association shall use insurance proceeds from the insurance it is obligated to carry to accomplish such repair and reconstruction. In the event insurance proceeds are insufficient to accomplish the repair and reconstruction as required herein, then the Association shall levy a special assessment against all Owners pursuant to the provisions of Article 6 above to collect funds necessary to accomplish such repairs and reconstruction.

8.3 Repair or Reconstruction. As soon as practicable after receiving estimates on the cost of repair or reconstruction, the Association shall diligently pursue to completion the repair or reconstruction of that part of the Association Areas damaged or destroyed. The Association may take all necessary or appropriate action to effect repair or reconstruction, as attorney in fact for the Owners, and no consent or other action by any Owner shall be necessary in connection therewith.

8.4 Disbursement of Funds for Repair or Reconstruction. The insurance proceeds held by the Association and any amounts received from assessments shall constitute a fund for the payment of the costs of such repair and reconstruction. It shall be deemed that the first monies disbursed in payment for the costs of such repair or reconstruction shall be made from insurance proceeds; if there is a balance after payment of all of the costs of such repair or reconstruction, such balance shall be held and used by the Association to offset future expenses of the Association.

ARTICLE 9 CONDEMNATION

9.1 Condemnation. If at any time or times all or any part of the Association Areas shall be taken or condemned by any public authority under power of eminent domain, the provisions of this Article shall apply. A voluntary sale or conveyance of all or any part of the Association Areas in lieu of condemnation, but under threat of condemnation, shall be deemed to be taken by power of eminent domain.

9.2 Proceeds. All compensation, damages, and other proceeds from any such taking by power of eminent domain shall be held and used by the Association to offset future expenses of the Association.

ARTICLE 10 RESTRICTIONS ON ALL LOTS

The following restrictions on use apply to all Lots within the Harbor Bay Subdivision:

10.1 Zoning Regulations. The lawfully enacted zoning regulations of the City, and any building, fire, and health codes are in full force and effect in the Harbor Bay Subdivision, and no Lot may be occupied in a manner that is in violation of any such statute, law, or ordinance.

10.2 No Mining Uses. The property within the Harbor Bay Subdivision shall be used for residential purposes only, and no surface occupation for mining, drilling, or quarrying activity will be permitted at any time on any Lot, trail, street or other area within the Harbor Bay Subdivision.

10.3 No Business or Commercial Uses. No portion of the Harbor Bay Subdivision may be used for any commercial business use, provided however that nothing in this provision is intended to prevent (a) the Declarant from using one or more Lots for purposes of a construction office or sales office during the actual period of construction of the Harbor Bay Subdivision Improvements, or (b) the use by any Owner of his Lot for a home occupation, or (c) the conduct of Recreational Activities. No home occupation will be permitted, however which requires or encourages the Owner's clients, customers, patients or others to come to the Lot to conduct business, or which requires any employees outside of the Owner's immediate family or household. No retail sales of any kind may be made in the Harbor Bay Subdivision. No materials, machinery, equipment, or inventory associated with any home occupation may be stored outside on any Lot. No signs associated with any home occupation are permitted. The operation by the Association of the gate house for the benefit of the Lots within the Harbor Bay Subdivision shall not be deemed a prohibited commercial or business use.

10.4 Completion Required Before Occupancy. No Dwelling may be occupied prior to its completion and the issuance of at least a temporary certificate of occupancy by the City.

10.5 Primary Dwelling to be Constructed First. No garage, storage unit, or other out building or Improvement may be constructed prior to the commencement of construction of the primary Dwelling on the Lot.

10.6 No Re-Subdivision. No Lot may be subdivided.

10.7 Underground Utilities. All gas, electrical, telephone, television, and any other utility lines in the Harbor Bay Subdivision are to be underground, including lines within any Lot which service installations or Improvements entirely with that Lot. No propane tanks or oil tanks may be installed on any Lot except for temporary heat during construction.

10.8 Maintenance of Property. All Lots, and the Improvements on them, shall be maintained in a clean, sanitary, attractive and marketable condition at all times. No Owner shall permit his Lot or the Improvements on it to fall into disrepair.

10.9 No Noxious or Offensive Activity. No noxious or offensive activity shall be carried out on any Lot, including the creation of loud or offensive noises or odors that detract from the reasonable enjoyment of nearby Lots.

10.10 No Hazardous Activity. No activity may be conducted on any Lot that is, or would be considered by a reasonable person to be unreasonably dangerous or hazardous, or which would cause the cancellation of conventional property casualty insurance. This includes, without limitation, the storage of caustic, toxic, flammable, explosive or hazardous materials in excess of those reasonable and customary for household uses, the discharge of firearms or fireworks, and setting open fires (other than properly supervised and contained barbecues). No Owner will occupy a Lot in a manner that is in violation of any State or Federal environmental protection law or regulation concerning the storage, disposal, or use of toxic or hazardous materials.

10.11 No Open Burning. The open burning of yard trimmings, construction waste, or other materials on the Lot is prohibited.

10.12 No Unsightliness. No unsightliness is permitted on any Lot. This shall include, without limitation, the open storage of any building materials (except during the construction of any Improvement, Dwelling or addition); open storage or parking of farm or construction equipment, inoperable motor vehicles, boats, campers, trailers, trucks larger than pick-up trucks (except during periods of actual loading and unloading); accumulations of lawn or tree clippings or trimmings; accumulations of construction debris or waste; household refuse or garbage except as stored in tight containers in an enclosure such as a garage; lawn or garden furniture except during the season of use; and the storage or accumulation of any other material, vehicle, or equipment on the Lot in a manner that it is visible from any other Lot or any public or private street.

10.13 No Annoying Lights. Any outdoor lighting shall be subject to approval by the Design Review Committee, and no outdoor lighting shall be permitted except for lighting that is designed to aim downward and limit the field of light to the immediate vicinity of the building or Improvement it is intended to serve. Lighted tennis courts, sport courts, and similar lighted recreation facilities are prohibited.

10.14 No Annoying Sounds. No speakers, or other noise making devices may be used or maintained on any Lot which create noise that might reasonably be expected to be

unreasonably or annoyingly loud from adjoining Lots, except for properly operating and maintained security or fire alarms.

10.15 Drainage. No Owner shall alter the direction of natural drainage from his Lot, nor shall any Owner permit accelerated storm run-off to leave his Lot without first using reasonable means to dissipate the flow energy.

10.16 Vehicles Restricted to Streets. No motor vehicle will be operated on the Harbor Bay Subdivision except on improved streets and driveways. No snowmobiles or motorcycles will be operated on any Lot except for ingress and egress by duly licensed, "street legal" vehicles or while loading the equipment for lawful transport on public streets.

10.17 Kennels. No kennel or dog run may be placed closer than 50 feet to any Dwelling other than that of the Owner of the kennel.

10.18 No Firearms. No firearms of any kind, including b-b guns, pellet guns, or similar air-powered firearms may be discharged within the Harbor Bay Subdivision.

10.19 Clearing and Grading. No portion of any Lot maybe cleared of vegetation, graded, cut, or otherwise altered form its natural vegetative condition, except as specifically provided in this Declaration, and except in conjunction with the construction of the primary Dwelling or other approved Improvements.

ARTICLE 11 RESTRICTIONS ON IMPROVEMENTS

All Improvements on any Lot shall be subject to the following restrictions and architectural design standards:

11.1 Compliance with Design Guidelines and MDP. All Dwellings and Improvements to a Lot and all construction and landscaping activities must comply with: (i) the Design Guidelines; (ii) all codes, rules, regulations and requirements of the City; and (iii) the requirements of the MDP.

11.2 Number of Dwellings. Only one Dwelling may be constructed on any Lot. All Dwellings shall have an attached garage large enough to enclose a minimum of two (2) cars.

11.3 Building Setback. All building setbacks from property line shall conform to the Design Guidelines, applicable City ordinances, the Plat and the MDP.

11.4 Size of Dwellings. The size, height and location of the Dwelling and other improvements constructed on each Lot within the Harbor Bay Subdivision shall be consistent with any restrictions pertaining thereto that appear on Plat and shall be subject to all necessary approvals of the Design Review Committee as set forth in the Design Guidelines.

11.5 Sewer Connection Required. All Lots are served by sanitary sewer service, and no cesspools, septic tanks, or other types of waste disposal systems are permitted for use with any Dwelling. All Dwellings must be connected to the sanitary sewer system. Owners of

downhill Lots or with basements may encounter difficulty in providing gravity flow sewer connections to the street. The cost of private ejector systems serving a Lot will be borne by the Owner of such Lot, and not by the Declarant or the provider of sewer treatment service.

ARTICLE 12 OWNERS' MAINTENANCE OBLIGATIONS

It is the obligation of each Owner to maintain his Lot at all times in order to preserve and enhance the enjoyment of the Harbor Bay Subdivision:

12.1 Duty to Maintain. It is the obligation of the Owner of each Lot to maintain his Lot and the Improvements to the Lot in a good state of repair and an attractive, safe and healthy condition.

12.2 Repair by Association. In the event that an Owner permits his Lot or Improvements to fall into a state of disrepair that is a dangerous, unsafe, unsanitary, or unsightly condition in violation of this Declaration, the Association may give written notice to the Owner describing the condition complained of and demanding that the Owner correct the condition within 30 days. If the Owner fails to take corrective action, the Association shall have the right, but not the obligation, to enter upon the offending Owner's Lot and take corrective action to abate the condition. All costs of abatement together with all expenses and fees of the Association shall be charged to the Owner, who agrees to pay promptly such amounts for work performed under this Section 12.3. All sums assessed to the Owner of a Lot under this Section 12.3, together with interest at the rate of one and one-half percent (1½%) per month, shall constitute an Assessment by the Association and shall be secured by a lien on such Lot in favor of the Association. The Association shall have all rights and remedies to enforce an Assessment under this Section 12.3 in the same manner as Assessments under Article 6.

12.3 Alterations of Exterior Appearance. The Owners will maintain their Lots and Improvements in substantially the same condition and appearance as that approved by the Design Review Committee. No subsequent exterior alterations, improvements or remodeling, whether structural or changes in landscaping, paint color or siding or trim materials will be made without the advance consent of the Design Review Committee.

12.4 Repair Following Damage. In the event of casualty loss or damage to the Improvements, the Owner will be entitled to reconstruct the Improvements as they existed prior to the damage or loss provided, however, that alterations or deviations from the originally approved plans will require prior approval of the Design Review Committee. Nothing in this Declaration is intended to prevent an Owner who has suffered property damage or loss from taking temporary measures to secure the property and prevent further damage, or to prevent injury or dangerous conditions following loss or damage, before re-construction begins. Such temporary measures may be taken without the consent or approval of the Board, provided that any such measures must be of a temporary nature, and repair or reconstruction must begin as soon as circumstances will permit. No damaged structure will be permitted to remain on any Lot for more than 90 days without repairs commencing, and any damaged structure which does remain un-repaired after 90 days following the occurrence of damage is deemed a nuisance which may be abated by the Association at the expense of the Owner.

ARTICLE 13 CONSTRUCTION REGULATIONS

13.1 Portable Office or Trailer. Any owner whose contractor desires to bring a portable office or trailer onto a Lot shall first apply for and receive written approval from the Design Review Committee. The Design Review Committee will work with the Owner to determine the best location for the portable office. The portable office will be located only in a location approved by the Design Review Committee, which shall be on the Owner's Lot and within the area that can be disturbed by construction or within driveway areas.

13.2 Removal of Temporary Office. The temporary office may not be installed prior to the commencement of construction, and must be removed upon the first to occur of (i) the issuance of a Certificate of Occupancy, (ii) the termination, expiration, or cancellation of the building permit, or (iii) the suspension of construction activities for a period of 60 days.

13.3 Construction Debris Removal. Owners and their contractors must comply with applicable City ordinances requiring the placement and maintenance of a trash container or dumpster on the Lot during construction. Owners and their contractors are responsible for collection of trash at the end of each work day and depositing construction trash, packing material, unusable scraps, and other debris in a suitable container. Lightweight material must be weighted down to prevent wind from blowing it away. Debris must be contained until removed from the Lot to an appropriate land fill. The dumpster must be regularly serviced. No trash may be burned, buried, or otherwise disposed of on the Lot. No concrete trucks may be cleaned out on any Lot or anywhere within the Harbor Bay Subdivision.

13.4 Construction Area Appearance. The Lot must be maintained in a reasonably organized and neat condition at all times during the construction of the Dwelling or any other Improvements. Materials must be stored in neat stacks and covered. No more material may be delivered to the site than can reasonably be consumed in a week's time, provided that once the Dwelling is enclosed, materials may be stored inside, out of sight, indefinitely.

13.5 Sanitary Facilities. Each Owner is responsible for the installation and maintenance of an approved portable toilet facility on the site during construction. The portable toilet must be located on the Lot at a location approved by the Design Review Committee and must be removed from the site at such time as the permanent plumbing system is operational.

13.6 Removal of Mud. The Owner and each contractor are responsible for keeping mud from the construction site on such Owner's Lot from being deposited on the roadways of the Harbor Bay Subdivision. This may require cleaning of truck tires before leaving the site.

13.7 Duration of Construction. It is the obligation of the Owner to proceed with construction with all reasonable speed once construction has commenced, and in any event, all exterior surfaces of the building shall be substantially complete within a period of twelve months from commencement. All landscaping and soil stabilization work must be completed as soon as possible after completion of the exterior of the Dwelling, but in no event later than the summer following completion of the exterior of the Dwelling.

ARTICLE 14 COMBINATION OF LOTS

Subject to the provisions of this Declaration, the limitations set forth in this Article and the approval of the Board and the City, any Owner may combine two adjoining Lots with adjoining frontage on the same street within the Harbor Bay Subdivision. The following regulations will apply in the event of a combination:

14.1 Maximum Livable Square Footage. The maximum livable square footage for the Dwelling on the combined Lots will be determined by the Design Review Committee.

14.2 Board May Deny Combination. Either the City or the Board has the power to deny the Owner's application to combine Lots on the basis that the resulting combination concentrates too much building mass on a single Lot, that the combination results in damage to significant natural features within the Harbor Bay Subdivision such as natural drainage courses or significant wooded areas, or results in a structure that violates the provisions of this Declaration, the MDP or other applicable City requirements.

14.3 Combination Deemed Permanent. The combination of Lots shall be deemed to be permanent, and the Lots may not be independently sold once construction has commenced on the Improvements for the combined Lot.

14.4 Record Notice of Combination. The Owner of any Lots that have been combined will execute and deliver to the Board a notice in recordable form, containing the name of the Owner and the legal description of the Lots combined, which Notice will state that the two Lots have been combined and cannot subsequently be subdivided. The Owner will also submit a current title report showing any lien holders, who will also be required to sign the notice. The Board shall record this notice with the Utah County Recorder upon the commencement of construction. The Owner shall pay to the Board a fee related to the foregoing in an amount determined by the Board.

14.5 Plat Amendment. The combination of Lots may also require a formal amendment of the Plat and compliance with other applicable state or City regulations, all of which will be done at the sole expense of the Owner of the Lots to be combined.

14.6 Assessment of Combined Lots. All amounts assessed against any combined Lots, by the Association shall be assessed as though the combined Lots were separate Lots for purposes of all such assessments.

ARTICLE 15 MORTGAGEE PROTECTION

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

15.2 Priority of Liens. No enforcement of any lien provision herein contained shall defeat or render invalid the lien of any Mortgage. All sums assessed in accordance with the provisions of Article 6 shall constitute a lien on each respective Lot prior and superior to all other liens except (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto; and (2) the lien or charge of any recorded Mortgage on such Lot made in good faith and for value and recorded prior to the date on which any such Assessment or Assessments become due.

15.3 Mortgage Holder Rights in Event of Foreclosure. Any mortgagee of a Mortgage of record which obtains title to a Lot by the foreclosure of the Mortgage on the Lot or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Lot free of any claims for unpaid Assessments by the Association and charges against the Lot which accrued prior to the date of the acquisition of title to such Lot by such acquirer. Any unpaid Assessments shall be deemed to be Association Expenses collectible from all of the Lots in the Harbor Bay Subdivision, including the Lot that has been acquired in accordance with the provisions of this Section.

15.4 Amendment. No provision of this Article 15 shall be amended without the prior written consent of at least two-thirds of all first Mortgagees on the Lots within the Harbor Bay Subdivision as appear on the official records of Utah County, Utah, as of the date of such amendment.

ARTICLE 16 DECLARANT'S SALES PROGRAM

16.1 Declarant's Sales Program. Notwithstanding anything in this Declaration to the contrary, until Declarant has sold all of the Lots owned by it in the Harbor Bay Subdivision or the expiration of a reasonable sales period following eight (8) years after the date on which this Declaration is filed for record in the office of the Recorder of Utah County, Utah, whichever first occurs (hereinafter referred to as the "Occurrence"), neither the Owners nor the Association shall interfere with the completion of improvements and the sale of all remaining Lots.

16.2 Declarant Rights. Declarant shall have the following rights in furtherance of any sales, promotions or other activities, designed to accomplish or facilitate the sale of all Lots owned by Declarant:

1.16.1 Declarant shall have the right to maintain one (1) or more sales offices and one (1) or more model Lots and homes at any one time. Such offices and or models may be one or more of the Lots owned by it, or one or more of any separate structures or facilities placed in the Harbor Bay Subdivision for the purpose of aiding Declarant's sales effort, or any combination of the foregoing;

1.16.2 Declarant shall have the right to maintain a reasonable number of promotional, advertising and/or directional signs, banners or similar devices at any place or places in the Harbor Bay Subdivision;

- 1.16.3 Declarant shall have the right to use the streets, trails and other areas designated for use by the Owners within the Harbor Bay Subdivision to facilitate sales; and
- 1.16.4 Declarant shall have the right from time to time to locate or relocate any of its sales offices, models, or signs, banners or similar devices. Within a reasonable period of time after the happening of the Occurrence, Declarant shall have the right to remove any signs, banners or similar devices and any separate structure or facility which was placed in the Harbor Bay Subdivision for the purpose of aiding Declarant's sales effort.

ARTICLE 17 EXPANSION OF HARBOR BAY SUBDIVISION

17.1 Additional Land. Declarant shall have the right to add from time to time all or part of the Additional Land to the Harbor Bay Subdivision and to this Declaration. Within a period of eight (8) years after the date this Declaration is recorded, the Additional Land may be added to this Declaration and become a part of the Harbor Bay Subdivision by the Declarant or its successor in interest recording a subdivision plat describing the Additional Land and the lots created on it, and a Supplemental Declaration stating that it is the intention of the Declarant to add all or part of the Additional Land to the Harbor Bay Subdivision, and to have that land be subject to this Declaration.

17.2 No Obligation to Expand. The Declarant reserves the right to add some or all of the Additional Land to the Harbor Bay Subdivision, but Declarant is under no obligation to do so. The Additional Land, if not added to the Harbor Bay Subdivision, may be developed in a manner that is different from that described in this Declaration.

17.3 Expansion in Phases. The Declarant may exercise its right to expand in one or more phases or stages, and the addition of some of the Additional Land does not obligate the Declarant to add the balance of the Additional Land to the Harbor Bay Subdivision.

ARTICLE 18 LAKE FRONT DEVELOPMENT

18.1 Assumption of Risk, Waiver of Claims and Indemnification. Each Owner, by its purchase of a Lot within the Harbor Bay Subdivision, hereby acknowledges that Harbor Bay Subdivision is a lake front community with recreational-type activities, which may include, without limitation: boating, swimming, trails, hiking trails, biking trails, open spaces, wildlife, rugged terrain, horses and horseback riding and similar facilities, events, activities and programs (collectively, "Recreational Activities"), and each such Owner expressly assumes the risk of noise, nuisances, hazards, personal injury, or property damage related to any and all Recreational Activities, including, without limitation: (a) noise from maintenance equipment (it being specifically understood that such maintenance may take place at any time(s) of the day or night), (b) noise caused by Recreational Activities and participants, (c) view restrictions caused by installation, relocation and maturation of trees and shrubbery, (d) reduction in privacy, including that related to maintenance activities, and (e) facilities design. Each such Owner agrees that

neither Declarant, the Manager, the Association, any committee created by the Association, any of the Declarant's affiliates or agents, nor any Recreational Activities participant (unless acting recklessly or in a willfully wrongful manner) shall be liable to an Owner or any other person claiming any loss of damage, including, without limitation, indirect, special, or consequential loss or damage arising from personal injury, destruction of property, trespass, loss of enjoyment, or any other alleged wrong or entitlement to remedy based upon, due to, arising from, or otherwise related to: (a) the proximity of an Owner's Lot to any trail or Recreational Activity; (b) any claim arising in whole or in part from the negligence of Declarant, any of Declarant's affiliates or agents, the Manager, the Association, or any committee created by the Association; or (c) any Recreational Activity (collectively referred to herein as the "Waived Claims"). Each Owner hereby agrees to indemnify, defend and hold harmless Declarant, Declarant's affiliates and agents, the Manager, the Association, and any committee created by the Association, from and against any and all Waived Claims asserted by such Owner and/or by such Owner's visitors or tenants, and by others upon such Owner's Lot. Each Owner further covenants that the Association, any committee created by the Association, the Declarant and the owners and operators of all Recreational Activities shall have the right, in the nature of an easement, to subject all or any portion of the Harbor Bay Subdivision to nuisances incidental to the maintenance, operation or use thereof, and to the carrying out of such Recreational Activities.

18.2 Disclaimer Regarding Development. All Persons, including without limitation all Owners, are hereby advised that, no representations, warranties or commitments have been or are made by the Declarant or any other Person with regard to the present or future development, ownership, operation or configuration of, or right to use, facilities within, near or adjacent to the Property, whether or not depicted on the Plat, or any other land use plan, sales brochure or other marketing display, rendering or plan. No purported representation, warranty or commitment, written or oral, in such regard shall ever be effective without an amendment hereto executed by the Declarant.

ARTICLE 19 GENERAL PROVISIONS

19.1 Remedies. The covenants, conditions, and restrictions contained in this Declaration may be enforced as follows:

- (a) Any single or continuing violation of the covenants contained in this Declaration may be enjoined in an action brought by the Declarant (for so long as the Declarant is the Owner of any Lot), by any other Owner, or by the Association in its own name. In any action brought to enforce these covenants, the prevailing party shall be entitled to recover as part of its judgment all of the reasonable costs of enforcement, including attorneys' fees and costs of litigation.
- (b) Nothing in this Declaration shall be construed as limiting the rights and remedies that may exist at common law or under applicable federal, state, or local laws and ordinances for the abatement of nuisances, health and safety, or other matters. These covenants are to be construed as being in addition to those remedies available at law.

- (c) The remedies available under this Declaration and at law or equity generally are not to be considered as exclusive, but rather as cumulative.
- (d) The failure to take enforcement action shall not be construed as a waiver of the covenants contained in this Declaration nor a waiver of the right to take enforcement action with respect to a future violation of such covenants or any other violations.

19.2 Compliance. Each Owner shall comply with the provisions of the Governing Documents, this Declaration, the Articles of Incorporation and Bylaws of the Association, rules and regulations promulgated by the Association, and the decisions and resolutions of the Association adopted pursuant thereto, as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due and for damages or injunctive relief or both, maintainable by the Association or by an aggrieved Owner.

19.3 Severability. Each of the covenants contained in this Declaration shall be independent of the others, and in the event that any one is found to be invalid, unenforceable, or illegal by a court of competent jurisdiction, the remaining covenants shall remain in full force and effect.

19.4 Limited Liability. Neither the Declarant, the directors of the Board, the Association, the directors of the Board, the Design Review Committee or its individual members, nor any other Owner shall have personal liability to any other Owner for actions or inactions taken under these covenants, provided that any such actions or inactions are the result of the good faith exercise of their judgment or authority under these covenants, and without malice.

19.5 Term of Covenants, Renewal. This Declaration shall expire fifty years from the date it is first recorded with the Recorder of Utah County, Utah, provided however that in the last year prior to expiration, this Declaration shall be automatically extended for successive periods of 20 years, unless, by a vote of at least two-thirds (2/3) of the then Owners of said Lots, it is agreed to amend or release this Declaration in whole or in part by an appropriate instrument in writing specifying the provisions to be amended or released, and by recording said instrument in the office of the Recorder of Utah County, Utah.

19.6 Amendment.

- (a) Amendments by Owners. Subject to the provisions of this Declaration, the Owners of 75% of the Lots may amend the provisions of this Declaration. Any amendment must be in writing and be approved by 75% of the Owners at the time of the amendment. No amendment which has the effect of substantially or materially altering the size, nature, or use of the Improvements on any Lot permitted by this Declaration will be binding upon the holder of any mortgage or trust deed on any Lot unless the mortgage or trust deed holder joins in the amendment. No amendment which eliminates the rights of the Declarant under this Declaration will be effective without the written consent of the Declarant. Any amendment

authorized pursuant to this Section 19.6(a) shall be accomplished through the recordation of an instrument executed by the Association (and by Declarant if Declarant's consent is required).

- (b) Amendments by Declarant. The Declarant alone may amend or terminate this Declaration prior to the closing of a sale of the first Lot. Notwithstanding anything contained in this Declaration to the contrary, this Declaration may be amended unilaterally at any time and from time to time by Declarant (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith to make technical corrections to correct mistakes or remove/clarify ambiguities; or (b) if such amendment is reasonably necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots subject to this Declaration; provided, however, any such amendment shall not adversely affect the title to any Owner's property, unless any such Owner shall consent thereto in writing. In addition to the foregoing, for period of eight (8) years after the date on which this Declaration is filed for record in the office of the Recorder of Utah County, Utah, Declarant may unilaterally amend this Declaration for any other purpose; provided, however, any such amendment shall not materially adversely affect the substantive rights of any Owner hereunder, nor shall it adversely affect title to any property without the consent of the affected Owner. Any amendment authorized pursuant to this Section 19.6(b) shall be accomplished through the recordation of an instrument executed solely by the Declarant.

19.7 Constructive Notice. Every Person who owns, occupies, or acquires any right, title or interest in any Lot in the Harbor Bay Subdivision is conclusively deemed to have notice of this Declaration and its contents, and to have consented to the application and enforcement of each of the covenants, conditions, easements and restrictions against his or her Lot, whether or not there is any reference to this Declaration in the instrument by which he acquires his interest in any Lot.

19.8 Notices. All notices under this Declaration are deemed effective 5 business days after the date of mailing, whether delivery is proved or not, provided that any mailed notice must have postage pre-paid and be sent to the last known address of the property tax assessment rolls if no other address for an Owner is known. Notices delivered by hand are effective upon delivery.

19.9 Liberal Interpretation. The provisions of this Declaration shall be interpreted liberally to further the goal of creating a uniform plan for the development of the Harbor Bay Subdivision. Section headings are inserted for convenience only and shall not be considered in interpretation of the provisions. Singular will include plural, and gender is intended to include masculine, feminine and neuter as well.

19.10 Covenants Run with the Land. The covenants, conditions, and restrictions in this Declaration are covenants running with the land, and shall burden and benefit the successors and assigns of the Declarant and the Owners for so long as the Declaration is in effect.

19.11 Assignability. Declarant may transfer and assign all or any portion of its rights and obligations under this Declaration.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the date first above written.

SUMMIT DEVELOPMENT &
MANAGEMENT, LLC, a Utah limited
liability company

By:  _____

Print Name: Heath Johnston _____

Title: Manager _____

STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

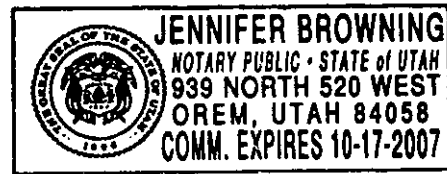
The foregoing instrument was acknowledged before me this 12 day of January, 2006, by Heath Johnston, as the sole member of Summit Development & Management, LLC, a Utah limited liability company.

Jennifer Browning
NOTARY PUBLIC
Residing at:

My Commission Expires:

10-17-2007

939 N. 520 W., Orem UT



**EXHIBIT A
TO
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
HARBOR BAY SUBDIVISION**

(Legal Description of Harbor Bay Subdivision)

The real property referenced in the foregoing instrument as the Harbor Bay Subdivision is located in Utah County, Utah and is more particularly described as:

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 6 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN, LOCATED IN THE CITY OF SARATOGA SPRINGS, COUNTY OF UTAH, STATE OF UTAH, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT S89°45'55"E 74.85 FEET AND NORTH 56.00 FEET FROM THE SOUTH 1/4 CORNER OF SECTION 18, TOWNSHIP 6 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN, SAID POINT BEING ON THE NORTH LINE OF CASCADE DRIVE AS RECORDED ON LAKE MOUNTAIN ESTATES, PLAT B IN THE UTAH COUNTY RECORDER'S OFFICE; THENCE N33°32'19"W 427.60 FEET; THENCE N62°02'24"E 566.27 FEET TO THE WEST LINE OF SAID LAKE VIEW DRIVE AS RECORDED ON LAKE MOUNTAIN ESTATES, PLAT B; THENCE ALONG SAID RIGHT OF WAY LINE THE FOLLOWING EIGHT (8) COURSES: THENCE S36°29'00"E 162.77 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 328.08 FEET; THENCE ALONG THE ARC OF SAID CURVE 66.58 FEET THROUGH A CENTRAL ANGLE OF 11°37'42" (CHORD BEARS S42°17'51"E 66.47 FEET); THENCE S48°06'42"E 289.07 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 272.09 FEET; THENCE ALONG THE ARC OF SAID CURVE 80.90 FEET THROUGH A CENTRAL ANGLE OF 17°02'06" (CHORD BEARS S39°35'39"E 80.60 FEET); THENCE N89°45'59"W 188.95 FEET; THENCE S00°14'05"W 189.50 FEET; THENCE N89°45'55"W 482.28 FEET TO THE POINT OF BEGINNING.

CONTAINING 7.53 ACRES, MORE OR LESS.

**EXHIBIT B
TO
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
HARBOR BAY SUBDIVISION**

(Legal Description of Additional Land)

**OVERALL LEGAL
INCLUDING 10 ACRE CHURCH PARCEL
NOT INCLUDING 2 ACRE COMMERCIAL OR
1 ACRE WITH EXISTING HOUSE**

A parcel of land located in Section 18, Township 6 South, Range 1 East, Salt Lake Base and Meridian, located in the City of Saratoga Springs, County of Utah, State of Utah, being more particularly described as follows:

Commencing at the South ¼ Corner of Section 18, Township 6 South, Range 1 East, Salt Lake Base and Meridian; thence along the south line of said Section 18, S89°45'55"E, 74.83 feet; thence North 56.03 feet to the true point of beginning; thence N33°32'19"W 427.38 feet; thence S62°02'24"W 244.68 feet; thence N33°32'19"W 303.28 feet; thence N32°54'18"W 384.22 feet; thence N25°56'08"W 320.90 feet; thence N23°19'52"W 510.14 feet; thence N23°51'55"W 227.47 feet; thence N25°42'32"W 465.22 feet; thence N26°21'33"W 153.11 feet; thence N26°18'35"W 133.08 feet; thence N26°32'07"W 168.59 feet; thence N26°30'11"W 264.34 feet; thence N25°18'29"W 230.98 feet; thence N22°30'16"W 89.86 feet; thence N20°57'25"W 211.01 feet to a the beginning of a curve to the right having a radius of 25.01 feet; thence northeasterly along the arc of said curve 48.55 feet through a central angle of 111°14'02"; thence S89°43'23"E 272.12 feet; thence S26°04'37"E 684.48 feet; thence N62°02'24"E 439.87 feet; thence S31°27'08"E 284.34 feet to the beginning of a curve to the right having a radius of 472.38 feet; thence southeasterly along the arc of said curve 35.66 feet through a central angle of 04°19'30"; thence N62°02'24"E 767.42 feet; thence S45°19'58"E 103.62 feet; thence S46°35'15"E 103.28 feet; thence S29°00'40"E 71.80 feet; thence S23°05'10"E 166.00 feet; thence S15°17'31"E 212.54 feet; thence S19°25'06"E 219.06 feet; thence S21°43'30"E 249.98 feet; thence S26°17'24"E 116.97 feet; thence S39°13'04"E 62.10 feet; thence S48°35'14"E 253.07 feet; thence S44°28'49"E 102.10 feet; thence S34°04'35"E 85.51 feet; thence S25°18'14"E 212.18 feet; thence S37°05'12"E 219.22 feet; thence S26°56'54"E 91.87 feet; thence S20°27'06"E 118.54 feet; thence S28°10'31"E 93.06 feet; thence S36°20'32"E 177.78 feet; thence S39°06'59"E 338.82 feet; thence S46°55'23"E 42.18 feet; thence S60°10'55"W 798.70 feet; thence N24°36'42"W 62.13 feet to the beginning of a curve to the left having a radius of 272.09 feet; thence northwesterly along the arc of said curve 30.70 feet through a central angle of 06°27'54"; thence N89°45'59"W 188.96 feet; thence S00°14'05"W 189.47 feet; thence N89°45'55"W 482.30 feet to the true point of beginning.

**EXHIBIT C
TO
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
HARBOR BAY SUBDIVISION**

(Design Guidelines)

See Attached