

21/29

When recorded return to:

LITEFOOT INVESTMENTS, LLC
c/o Steve Martin or Clint Martin
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ENT 79212:2012 PG 1 of 29
JEFFERY SMITH
UTAH COUNTY RECORDER
2012 Sep 17 10:57 am FEE 71.00 BY SS
RECORDED FOR SPRINGVILLE CITY CORPORATIO

DECLARATION
OF
PROTECTIVE COVENANTS
FOR
BOULDER SPRINGS ESTATES HOMEOWNERS ASSOCIATION

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THIS DECLARATION OF PROTECTIVE COVENANTS (hereafter "Declaration") is made on the date evidenced below by Litefoot Investments, LLC (hereafter "Declarant").

RECITALS

A. The Declarant is the owner of certain land in Utah County, Utah, more particularly described in **Exhibit A** attached hereto and made part hereof (the "Property").

B. It is the intention of the Declarant to develop the land subject to this Declaration, in phases, as a residential development, and to insure a uniform plan and scheme of development, and unto that end the Declarant has adopted, imposed and subjected the property hereinafter described to certain covenants, conditions, restrictions, easements, charges and liens (collectively, the Covenants), as set forth herein for the following primary purposes:

(1) To insure uniformity in the development of the Lots (as hereinafter defined) in the Community (as hereinafter defined).

(2) To provide for the benefit of the Owners, the preservation of the value and amenities in the Community, and the maintenance of the landscaping of the Common Areas, including but not limited to easements, charges and liens, herein below set forth, and for the creation of an Association to be delegated and assigned the powers of maintaining and administering the Common Areas (as hereinafter defined), and enforcing all applicable covenants and restrictions, and collecting and disbursing the assessments and charges hereinafter created upon the Property designated by this Declaration; which association may be incorporated under the laws of the State of Utah, as a nonprofit corporation, for the purpose of exercising the functions mentioned herein. Although it is intended for Property to be developed in phases, there is no obligation to do so.

NOW, THEREFORE, the Declarant does hereby declare as follows:

1. Definitions

1.1. "**Architectural Control Committee**" or "**ACC**" means the Architectural Control Committee created pursuant to this Declaration.

1.2. "**Assessment**" shall mean any charge imposed or levied by the Association on or against an Owner or Lot pursuant to the terms of this Declaration, the Bylaws or applicable law.

1.3. "**Association**" shall mean the Boulder Springs Estates Homeowners Association.

1.4. "**Board of Directors**" or "**Board**" shall mean the Board of Directors.

1.5. "**Common Area**" shall mean and refer to all real property in the Property in which the Association or its Members have a right of use, or owns an interest for the common use and benefit of its Members, their successors, assigns, tenants, families, guests and invitees, including

but not limited to the real property shown on the Plat Map as designated as Common Area and any improvements thereon. Any water shares required by Springville Irrigation Company as a condition of permitting the ponds to remain as part of the Common Area will also be owned by the HOA and any fees associated with them shall be the responsibility of the HOA.

1.6 **“Common Expenses”** shall mean the actual and estimated expenses of maintenance, improvement, repair, operation insurance and management of the Common Area, expenses of the administration of the Association and any reasonable reserve for such purposes as determined by the Board, and all sums designated Common Expenses by or pursuant to the Declaration.

1.7 **“Community”** shall mean the owners/members acting together as an Association of property owners.

1.8 **“Declarant”** shall mean Litefoot Investments, LLC, and its successors or assigns.

1.9 **“Declaration”** shall mean and refer to this Declaration of Protective Covenants.

1.10 **“Improvement”** shall mean any structure, Residence, building, Landscaping, garage, fence, wall, non-living or living screen, or other structure of Landscaping, or other meaningful addition or alteration constructed or added to a Lot.

1.11 **“Landscaping”** shall mean lawn, shrubs, flowers, trees and natural foliage located or placed upon a Lot.

1.13 **“Lot”** shall mean any individual parcel shown upon the Map of the Subdivision, which may be legally conveyed by reference only to the number of such Lot designated on the Map.

1.14 **“Map”** shall mean the official subdivision plat map recorded in the office of the Utah County Recorder, State of Utah, as the same may be amended from time to time.

1.15 **“Mortgage”** shall mean any instrument creating a lien with respect to a Lot including a mortgage, deed of trust or any similar security agreement.

1.16 **“Mortgagee”** shall mean the holder of the obligation secured by a Mortgage.

1.17 **“Owner”** shall mean the recorded owner of a fee simple title to any Lot which is a part of the Subdivision. In an event that more than one party shall be the record Owners of a Lot, then for all purposes under this Declaration, all such parties shall be required to act jointly as the Owner of such Lot.

1.18 **“Property”** shall mean all the real property described in Exhibit “A” hereto, consisting of all Lots of the Subdivision, and any additional real property annexed to the Property pursuant to Article 12 of this Declaration and all improvements on the Property.

1.19 **“Residence”** shall mean a single building designed and constructed for residential occupancy.

2. SUBMISSION & PURPOSE

2.1. **Submission.** The Property and Lots referred to in Exhibit "A" (and any Lots annexed pursuant to Paragraph 12 herein) shall be held, sold, conveyed, leased, occupied, resided upon and hypothecated subject to the covenants, conditions and restrictions of this Declaration; which covenants, conditions and restrictions shall run with the land, are established for the purpose of protecting and preserving the value of each and every part of the Property, and which shall be binding upon each and every party which shall at any time have any right, title or interest in or to the Property or any part thereof, their heirs, successors and assigns and shall inure to the benefit of each Owner thereof.

2.2. **Purpose of Declaration.** The purpose of this Declaration is to help ensure the use of the Property for attractive residential purposes, to prevent nuisances, to prevent the impairment of the attractiveness of the Property, and to maintain the desired tone and aesthetics of the Subdivision, and thereby to secure to each Owner the full benefit, enjoyment and value of their home, with no greater restriction on the free and undisturbed use of their site than is necessary to ensure the same advantages to the other Owners.

3. MAINTENANCE OBLIGATIONS

3.1. **Owner's Responsibility.** It shall be the duty of each Owner, at his sole cost and expense, to maintain, repair, replace, and restore his Lot, Residence and all Improvements thereon. Owners shall, at all times, maintain their Lots, Residences and all appurtenances thereto in good repair and in a state of clean and neat appearance. Trees, lawns, shrubs, or other plantings provided by the Owner of each respective Lot shall be properly nurtured and maintained to the road's edge or replaced at the property Owner's expense or upon request of the Board should it fall into disrepair and unsuitable for the standards of the Community.

3.2. **Maintenance by Association.** The Association shall maintain the Common Area within the Property, including improvement and fixtures thereon such as the pond area, etc., and shall maintain any entry monuments and any other Common Areas of the Property, if any. In the event of failure of an Owner of a Lot to maintain such Lot, the Board shall be empowered to maintain, repair, and otherwise manage such Lot, including the improvements and landscaping thereon in accordance with the provisions of this Declaration, the cost of which shall be charged to the Owner of such Lot and shall be collected in the same manner as an assessment. No such remedy, however, shall be exercised by the Board until notice of the proposed Board action and an opportunity to cure is given to the Owner.

4. GENERAL RESTRICTIONS AND REQUIREMENTS

4.1. **Land Use and Building Type.** Each Lot shall be used exclusively for the construction and occupancy of Residence and related landscaping and other incidental and related Improvements. Except as may be specifically provided in this Declaration, no building shall be erected, altered, placed or permitted to remain on any Lot other than one (1) single family dwelling not to exceed two stories in height and a private garage not less than two vehicles.

4.2. Subdivision of Lot. No Lot may be divided, subdivided or separated into smaller parcels unless approved in writing by the Board.

4.3. Governmental Regulations. All applicable governmental rules, regulations, and ordinances of the City, County or otherwise, must be complied with regarding activities within the Subdivision and particularly within a Lot or Residence. When a subject is covered both by this Declaration and a governmental rule, restriction or ordinance, the more restrictive requirements shall be met.

4.4. Nuisances, Unreasonable Annoyance and Noxious Activities. No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done thereon which may be or may become an unreasonable annoyance, nuisance or danger to the Subdivision. Except for legitimate construction and maintenance purposes, no excessively loud noises shall be permitted in the Subdivision.

4.5. Animals. The Association may by rule implement reasonable restrictions on pets and the keeping of animals, provided no rule shall restrict the right of an Owner to keep at least two dogs and two cats per Lot. Those animals which are permitted shall not cause any noise or disturbance that would be deemed a nuisance to other Owners or residents within the Property. Any inconvenience, damage or unpleasantness caused by such pets shall be the responsibility of the respective Owners thereof and Owners shall be responsible for removal of waste of their animals from other Lots. An Owner may be required to remove an animal if such animal is being kept in violation of this Declaration or the rules and regulations governing pets within the Property.

4.6. Storage of Vehicles and Materials.

(a) No truck larger than 1-ton, trailer, or recreational vehicle, including but not limited to campers, boats, motor homes, and similar equipment not used on a regular basis (hereinafter referred to as a "Recreational Vehicle") shall be permitted to be parked for any period of time longer than forty eight (48) hours, upon any portion of the Streets. No storage of articles, materials, equipment or vehicles of any nature is permitted in the front portion of any Lot (in front of the front set-back line of the Residence), except that a reasonable number of regularly used passenger cars, in proper working order, may be parked on a driveway or off-street parking areas.

(b) No Owner shall permit any vehicle which is in an extreme state of disrepair to be abandoned or to remain parked upon any part of the Lot unless such vehicle is within a garage. A vehicle is deemed in an "excessive state of disrepair" when the Board reasonably determines that its presence offends the Owners of the other Lots. If an Owner fails to remove a vehicle deemed to be in an extreme state of disrepair within seventy-two (72) hours after the date and time on which written notice is securely placed on such vehicle or delivered to the responsible Owner by the Board, the Board may have such vehicle removed from the Property and assess the Owner the expense of such removal and any storage necessitated thereby.

(c) The Board may adopt rules to govern the enforcement of this subsection which rules may include assessing an Owner the expense of removing any automobile, vehicle or equipment parked in violation of this subsection and the cost of any storage thereof.

4.7. *Rubbish and Unsightly Debris, Garbage, etc.* Notwithstanding any other provision in this Declaration, no Owner shall allow his or her Lot to become physically encumbered with rubbish, unsightly debris, garbage, weeds, equipment, or other things or materials so as to constitute an eyesore as reasonably determined by the Board or the Association.

4.8. *Temporary Structures, etc.* No structure of a temporary character, or trailer, camper, tent, shack, garage, shed or other outbuilding shall be used on any Lot either temporarily or permanently, unless first expressly approved in writing by the Board.

4.9. *Garages.* No unattached garages will be permitted on any Lot, unless first expressly approved in writing by the Board.

4.10. *Non-Residential Uses Prohibited.* No part of the Property shall be used for any commercial, manufacturing, mercantile, vending or other such non-residential purposes, provided however, that professional and administrative occupations may be carried on within the Residence so long as there exists no meaningful external evidence thereof.

4.11. *Drilling Operations.* No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon any Lot nor shall oil wells, tunnels, mineral excavations or shafts be permitted. No derrick or other structure designed for use in drilling for oil or natural gas or water shall be erected, maintained or permitted upon any Lot.

4.12. *Swamp Coolers.* No swamp coolers will be allowed in this Subdivision unless expressly authorized, in writing, by the Board and pursuant to reasonable terms and conditions.

4.13. *Association Rules, Regulations and Fines.* In addition to the restrictions and requirements in this Article, the Board from time to time may, and consistent with any requirements of Utah law, adopt, modify, or revoke such rules and regulations governing the conduct of persons and the operation and use of the Lots and Common Area as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the Property. Reasonable fines may be levied and collected as an assessment for violations of said Rules and Regulations. Fines shall be based on a pre-determined schedule of fines, adopted by the Board consistent with Utah law.

5. ASSOCIATION

5.1. *Organization.* The Association has been, or may be, organized as a nonprofit corporation under the nonprofit corporation laws of the State of Utah. The Articles of Incorporation of the Association provide for its perpetual existence, but in the event the Association is at any time dissolved, whether inadvertently or deliberately, it shall automatically be succeeded by an unincorporated association of the same name. All of the property, powers and obligations of the incorporated Association existing immediately prior to its dissolution shall

thereupon automatically vest in the successor unincorporated association. Such vesting shall thereafter be confirmed as evidenced by appropriate conveyances and assignments by the incorporated Association. To the greatest extent possible, any successor unincorporated association shall be governed by the Articles of Incorporation and Bylaws (as the same may be amended from time to time) as if they had been drafted to constitute the governing documents of the unincorporated association. The affairs of the Association shall be governed by a Board of Directors as provided in this Declaration and the Bylaws. The Board, on its own motion, shall have the authority to reincorporate the Association should its nonprofit corporate status lapse for any reason.

5.2. Membership. Each Owner during the entire period of ownership of one or more Lots within the Community shall be a member of the Association. The membership shall commence, exist and continue by simply virtue of the ownership, shall expire automatically upon termination of ownership and need not be confirmed or evidenced by any certificate or acceptance of membership.

5.3. Voting Rights. Each Owner shall have one (1) vote in matters of the Association for each Lot owned.

5.4. Powers, Duties, and Obligations. The Association shall have such powers and duties as may be granted to it or imposed by this Declaration, the Articles of Incorporation, the Bylaws and any applicable statute, as such statute may be amended to expand the scope of association powers, including without limitation:

5.4.1. Duties of the Association. The Association may employ a responsible corporation, partnership, firm, person or other entity as the Managing Agent to manage and control the Community, subject at all times to direction by the Board, with such administrative functions and powers as shall be delegated to the Managing Agent by the Officers. The compensation of the Managing Agent shall be such as shall be specified by the Officers. Any agreement appointing a Managing Agent shall be terminable by either party, with or without cause and without payment of any termination fee, upon thirty (30) days written notice thereof; and the term of any such agreement may not exceed one year, renewable by agreement of the parties for successive one-year periods. Any Managing Agent may be an independent contractor and not an agent or employee of the Association.

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

(1) The Association shall have the power and authority at any time and from time to time and without liability to any Owner for trespass, damage or otherwise, to enter upon any Lot for the purpose of maintaining and repairing such Lot or any improvement thereon

(excluding a Residence) if for any reason the Owner fails to maintain and repair such Lot or improvement, or for the purpose of removing any improvement constructed, reconstructed, refinished, altered or maintained upon such Lot in violation of this Declaration and charge the cost thereof to the Owner as an Assessment.

(2) The Association shall also have the power and authority from time to time in its own name, on its own behalf, or in the name and behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits to restrain and enjoy any breach or threatened breach of this Declaration or any rules and regulations promulgated by the Board, or to enforce by mandatory injunction or otherwise all of the provisions of this Declaration and any rules and regulations.

(3) The Association shall have the power and authority to obtain, contract and pay for, or to otherwise provide for:

(i) Such common utility services deemed by the Board to be a Common Expense, if any;

(ii) Maintenance and insurance for the pond, common ground, and walking trail area.

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

(iv) Such other services as the Board may deem desirable for the benefit of the Owners or any of the Property; and

(v) Such materials, supplies, furniture, equipment, services and labor as the Board may deem necessary.

(4) The Officers may delegate by resolution or contract to the Managing Agent any of its powers under this Declaration; provided, however, that the Officers cannot delegate to such Managing Agent the power to execute any contract binding on the Association for a sum in excess of One Thousand Dollars (\$1,000.00), unless expressly authorized by a duly adopted resolution of the Board.

6. ARCHITECTURAL REVIEW

6.1. **The ACC and Establishment of Architectural Guidelines.** To ensure compliance with this Declaration and to ensure a consistent, high quality and integrated design throughout the Property, and to provide a level of comfort for residents during construction activity, the Board may appoint an Architectural Control Committee ("ACC") or act as the ACC itself and such ACC shall have the purpose of and responsibility and authority to promulgate and administer Architectural Guidelines for the Association and to review all applications for construction on or

modification or improvement of any Lot. Architectural Guidelines shall be adopted according to applicable Utah law.

6.2. Architectural Review. All proposed improvements in the Property, including but not limited to construction of or changes to buildings, fences and landscaping, must be reviewed and approved in advance by the ACC in accordance with the procedures set forth in the Architectural Guidelines, as may be promulgated and amended by the ACC from time to time. No activities may commence on any portion of an Owner's Lot until an application for approval has been submitted to and finally approved by the ACC ("Application"). The Board will have the sole discretion to make final, conclusive and binding determinations on matters of aesthetic judgment and such determinations will not be subject to review so long as made in good faith and in accordance with the procedures herein.

6.3. Review Fee. The ACC may assess a nonrefundable fee ("Review Fee") to cover the reasonable cost of reviewing an Application, including the reasonable cost of hiring architects, engineers, or other professionals to review the Application, in accordance with the Architectural Guidelines..

6.4. Non-Liability of ACC or Board Members. Neither the ACC nor any member thereof shall be liable to this Association, or to any Owner for any loss, damage or injury arising out of, or in any way connected with the performance of the ACC's duties hereunder unless due to the willful misconduct or bad faith of the ACC or individual member.

The ACC shall review and approve or disapprove all plans submitted to it for any proposed change or alteration, solely on the basis of aesthetic considerations and the overall benefit or detriment which would result to the immediate vicinity and the Project generally, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of any plan or design from the standpoint of structural safety or conformance with building or other codes.

7. ARCHITECTURAL CONTROL PROVISIONS

7.1. Architectural Control. No building shall be erected, placed, or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure upon the Lot have been approved by the Boulder Springs Estates Homeowners Association's ACC as to quality of workmanship and materials, harmony of external design with existing structures, and as to location in respect with topography and finish grade elevation. Two sets of plans must be submitted for this purpose, one set will remain in the office of the ACC, as may change from time to time. The other set will be returned to the Lot Owner with the approval or disapproval thereof. The minimum roof pitch on a single level home shall be 8/12 for a single level home, and 6/12 for a 1-1/2 or two story home. Design and color of roof, soffit, and fascia material will be subject to approval of the Architectural Control Committee. All homes will be required to have at least 25% brick or stone veneer or cement hardie board. No vinyl or aluminum siding will be allowed. The approval or disapproval of any home must be given by letter from Architectural Control Committee. No fence or wall shall be erected, placed or altered on any Lot nearer to any street than the minimum building setback line unless similarly approved.

7.2. Dwelling Quality and Size. No dwelling shall be permitted on any Lot wherein the ground floor area of the main structure, exclusive of open porches and garages is less than 1500 square feet for a single story; or less than 2400 square aggregate footage of above ground floors of the structure to total a minimum of 2400 square feet for two- story structures, or split level or split entry structure exclusive of basement, garage, and open porches.

7.3. Building Location. No building shall be located on any Lot nearer to the front street border than 25 feet. No building shall be located nearer than 8 feet to an interior Lot line. For the purpose of this covenant, eaves, steps, and open porches shall not be considered as a part of a building, provided, however, that this shall not be construed to permit any portion of a building on a Lot to encroach upon any other Lot, or to violate any building code in effect at the time of construction,

7.4. Construction Time Following Purchase. The purchaser of any building Lot within the subdivision from the original investment group shall within 24 months from the purchase date of said Lot, commence construction and having commenced construction upon said property, shall continue therewith and have the structure upon the property ready for occupancy as a residence within 12 months from the date construction is commenced. An additional 12 months will be allowed to complete landscaping.

8. ASSESSMENTS

8.1. Covenant for Assessment. Each Owner, by acceptance of a deed hereafter conveying any such Lot to it, whether or not so expressed in the deed or other conveyance, shall be deemed to have covenanted and agreed to pay the Association the following types of assessments:

- (1) Annual common assessments (the "Annual Assessment") as provided below.
- (2) Special assessments ("Special Assessments") as provided below.
- (3) Individual assessments ("Individual Assessments") as provided below.

No Owner may exempt itself from liability for Assessments by abandonment of any Lot owned by such Owner.

8.2. Annual Budget and Assessment.

(a) Annual Budget. The Board of Directors shall prepare, or cause the preparation of, an annual budget for the Association, which shall provide, without limitation, Common Area maintenance, upkeep, and repair and for the administration, management and operation of the Association. If the Board fails to adopt an annual budget, the last adopted budget shall continue in effect.

(b) Determination of Annual Assessment.

(1) The Board of Directors of the Association shall fix the amount of the annual assessment ("Annual Assessment") against each Lot for each assessment period at least twenty (20) days in advance of the beginning of the period. Written notice of the Annual Assessments

shall be sent to all members of the Association at least twenty (20) days in advance of the beginning any assessment period.

(2) The omission by the Board of Directors, before the expiration of any assessment period, to fix the amount of the Annual Assessment for that or the next period, shall not be deemed a waiver or modification in any respect of the provisions of this article or a release of any member from the obligation to pay the Annual Assessment, or any installment thereof, for that or any subsequent assessment period. In the event of such omission, the Annual Assessment fixed for the preceding period shall continue until a new assessment is fixed.

8.3. *Equitable Changes.* If the Annual Assessments levied at any time are, or will become, inadequate to meet all expenses incurred by the Association for any reason, including nonpayment of any Owner's Assessments on a current basis, the Board of Directors may determine the approximate amount of the inadequacy and adopt a resolution which establishes a supplemental budget and establishes the equitable change in the amount of the Annual Assessment. Owners shall be given at least twenty (20) days' written notice of any changes in the amount of the Annual Assessment.

8.4. *Apportionment of Assessments.* Assessments shall be apportioned as follows:

(a) Annual and Special Assessments. All Lots shall pay their pro rata share of the Annual Assessment and Special Assessments commencing upon the date the Lots are made subject to this Declaration. The pro rata share shall be based upon the total amount of each such assessment divided by the total number of Lots.

(b) Individual Assessments. Individual Assessments shall be apportioned exclusively against the Lots benefitted or to which the expenses are attributable as provided below.

(c) Payment of Assessments. The Board shall determine whether installments of Annual Assessments are levied and collected on a monthly, quarterly, semi-annual, annual or other basis. Any member may prepay one or more installments of any Assessment levied by the Association, without premium or penalty.

8.5. *Personal Obligation and Costs of Collection.* Assessments imposed under this Declaration, together with interest, late fees, collection costs and reasonable attorneys' fees incurred or expended by the Association in the collection thereof, shall also be the personal obligation of the Owner holding title to any Lot at the time when the assessment became due. The personal obligation for any delinquent Assessment, together with interest, costs and reasonable attorneys' fees, however, shall not pass to the Owner's successor or successors in title unless expressly assumed by such successor or successors.

8.6. *Special Assessments.* In addition to the Annual Assessments authorized in this Article, the Association may levy in any assessment year, a special assessment ("Special Assessment"), applicable for that year only, for the purpose of accomplishing the purposes or obligations of the Association hereunder, provided that any such assessment in excess of \$500 per Lot shall first be

approved by two-thirds (2/3) of the votes cast by members of the Association in a duly held vote thereon, whether at a meeting or otherwise.

8.7. Individual Assessments. Any expenses benefitting or attributable to fewer than all of the Lots may be assessed exclusively against the Lots affected or benefitted ("Individual Assessment"). Individual Assessments shall include, but are not limited to:

(1) Assessments levied against any Lot to reimburse the Association for costs incurred in bringing the Lot or its Owner into compliance with the provisions of this Declaration or rules and regulations of the Association, including attorneys' fees incurred by the Association, and for fines or other charges imposed pursuant to this Declaration for violation of this Declaration, the Bylaws or any rules and regulations of the Association.

(2) Any reasonable services provided to an unimproved or vacant Lot by the Association due to an Owner's failure to maintain the same in order to protect the health, safety and welfare of adjoining Lot Owners and the Association in general.

8.8. Reserve Account. The Association shall allocate a reasonable portion of the annual common assessment to a reserve account for the funding of long term maintenance. The Board shall use reasonable efforts to fund said reserve account but shall not be held personally liable for any alleged failure to fully fund said account.

8.9. Nonpayment of Assessments. Any assessment or portion thereof not paid within ten (10) days after the due date (which due date shall be established by resolution of the Board of Directors):

(a) Shall be delinquent and shall bear interest from the date of delinquency at the rate of 18% per annum, compounded monthly, or at the rate established by resolution of the Board of Directors from time to time; and

(b) Shall be subject to a late charge of Thirty Dollars (\$30.00), or such other amount as determined by the Board from time to time; and

(c) If paid by installments, may, in the discretion of the Board, be accelerated (including interest as provided for above) and the entire balance declared due and payable upon not less than ten (10) days written notice to the Owner. If, however, the assessment is accelerated and an Owner subsequently files bankruptcy or the Board otherwise decides acceleration is not in its best interest, the Board, at its option and in its sole discretion, may elect to decelerate the obligation.

8.10. Lien for Assessments. All Assessments imposed shall be a charge and continuing lien upon each of the Lots against which the assessment is made and shall be construed as a real covenant running with the land and shall attach automatically if any Assessments are delinquent, regardless of whether a separate notice of lien is recorded.

8.11. *Duty to Pay Independent.* No reduction or abatement of Assessments shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, order or directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate and independent covenant on the part of the each Owner.

8.12. *Subordination of Lien to Mortgages.* The lien of the Assessments provided for in this article shall be subordinate to the lien of any first mortgagees or deeds of trust now or hereafter placed upon the Lot subject to assessment and the sale or transfer of any Lot pursuant to mortgage or deed of trust foreclosure, or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. However, such sale or transfer shall not relieve the Lot from liability for any Assessments thereafter becoming due, or from the lien of any future assessment.

8.13. *Enforcement of Lien.* The Association may establish and enforce the lien for any Assessment, including Annual, Special, Individual or otherwise, pursuant to the provisions of this Declaration. The lien is imposed upon the Lot against which the Assessment is made. The lien may be established and enforced for damages, interest, costs of collection, late charges permitted by law, and attorneys' fees provided for in this Declaration or by law or awarded by a court for breach of any provisions of this Declaration, the Bylaws or any rules and regulations of the Association. The lien may be foreclosed in the same manner as deeds of trust, mortgages, or in any other manner permitted by Utah law. The collection remedies stated herein are cumulative and the use of one does not preclude the use of other remedies.

8.14. *Remedies, Including Suspension of Membership Rights and Services.* All membership rights, including the right of an Owner to vote on issues concerning the Association or sit on the Board may be suspended if the Owner is delinquent by more than 60 days in the payment of his or her Assessment. Any service provided by the Association to the Owners shall also be terminated as to the delinquent Owner at the discretion of the Board. The Association shall have each and every remedy for collection of assessments provided in the Utah Community Association Act, Utah Code Title 57, Chapter 8a, as amended from time to time, and the provisions of the Act shall be deemed to be fully set forth herein when required by such Act in order to exercise any such remedy. The Declarant hereof, consisting of the Association and each Owner of a Lot, hereby conveys and warrants pursuant to U.C.A. § 57-1-20 and 57-8a-402 (as may be amended) to the attorney of the Association, with power of sale, each Lot and all improvements to each Lot for the purpose of securing payment of assessments under the terms of the Declaration.

8.15. *Appointment of Trustee.* The Association and each Owner hereby appoints the attorney of the Association who has been retained by the Association at the time a foreclosure is initiated as trustee for the purpose of exercising the power of sale in connection with non-judicial foreclosures as provided in Title 57, Chapter 1, Utah Code and made applicable hereto by Title 57, Chapter 8a, Utah Code Ann., as may be amended from time to time.

9. ENFORCEMENT OF VIOLATIONS

9.1. *The Association's Powers of Enforcement.* Enforcement shall be accomplished by any lawful means, including an action at law or in equity against any person or persons violating or attempting to violate any provision herein, either to restrain violation or recover damages. In the event a legal action is instituted by the Association to enforce compliance with or due to a breach of any of the provisions of this Declaration, the party found to have violated any provision(s) of this Declaration shall be liable to the prevailing party for the prevailing party's legal costs and expenses, including reasonable attorney's fee. Notwithstanding the foregoing, no liability of any nature at all shall attach to the Association, or any member thereof, in acting in good faith pursuant to the provisions of this Declaration.

If after written notice, an Owner fails to remedy a violation (the "Defaulting Lot Owner"), the Association may (in addition to other lawful remedies available to it) cause such violation or condition to be remedied and the cost thereof shall be charged to the Defaulting Lot Owner in which event such costs shall be deemed an Individual Assessment to such Defaulting Lot Owner and shall attach as a lien to the Defaulting Lot Owner's Lot, and shall be subject to levy, enforcement and collection by the Association, in accordance with the assessment lien procedure provided for in this Declaration.

Failure to comply with any of the provisions of this Declaration, Bylaws or rules and regulations adopted pursuant thereto shall be grounds for relief which may include, without limiting the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof, which relief may be sought and liberally construed to effectuate its purpose. Any violation of this Declaration shall be deemed to be a nuisance or unreasonable annoyance. Failure to enforce any provisions hereof shall not constitute a waiver of the right to enforce said provisions hereof.

9.2. *Fines.* The Board shall have the right to levy a reasonable fine in the amount determined by the Board, against any Lot or Owner for violations of this Declaration, the Bylaws, or rules and regulations. Any fine levied against an Owner shall become the personal obligation of the Owner and shall also become a lien against the Lot. Fines shall be collectable and enforced in the same manner as Assessments.

9.3. *Enforcement by Others.* Additionally and after reasonable notice in writing, an Owner not at the time in default hereunder, or the Association shall have the option of bringing an action for damages, specific performance, or injunctive relief against any defaulting Owner, and in addition may sue to have enjoined any violation of this Declaration. Any judgment shall include an award of the legal costs and expenses, including a reasonable attorney's fee, entered against the losing party and in favor of the prevailing party.

9.4. *Rights of Entry.* The Association shall have a limited right of entry in and upon all Lots and the exterior of all Residences for the purpose of taking whatever corrective action it deems necessary or proper to satisfy and requirements and covenants in this Declaration. Nothing in this Section or Article shall in any manner limit the right of the Owner to exclusive control over the interior of his or her Residence.

9.5. *Board Authority.* The Board shall have the right to enforce any applicable provision hereof in the same manner provided to the Association.

9.6. *Enforcement Remedies Cumulative.* Each remedy provided in this Declaration shall be cumulative and not exclusive or exhaustive. Suit to recover a money judgment may be maintained without foreclosure or waiving the lien securing the same.

10. INSURANCE

10.1. *Association Insurance.* The Board shall at all times purchase, maintain in force, and pay the premiums for, if reasonably available, the following insurance, as well as such other insurance as it deems reasonable:

10.1.1. Property and Liability Insurance. Property insurance for the Common Area (including the pond area), if required by law or deemed necessary by the Board, as well as liability insurance with adequate limits of liability for bodily injury and property damage, consistent with that of similarly situated first-class subdivisions in the County and as consistent with the Act.

10.1.2. Director's and Officer's Insurance. Directors and officers liability insurance.

10.1.3. Fidelity Coverage. Fidelity coverage in a reasonable amount to be determined by the Board to cover all non-compensated officers and directors, as well as all employees or any other individuals handling or responsible for Association funds, for theft of Association funds. Where the Board or the Association has delegated some or all of the responsibility for the handling of funds to a manager, such bonds are required for the Manager's officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Board or Association. The total amount of fidelity bond coverage required shall be based upon the Board's best business judgment, but shall not be less than the estimated maximum amount of funds, including reserve funds, in the custody of the Board, the Association, or the Manager, as the case may be, at any given time during the term of each bond. Nevertheless, in no event may the amount of such bonds be less than a sum equal to three (3) months' aggregate Assessments on all Lots, plus reserve funds.

10.1.4. Miscellaneous Items. The following provisions shall apply to all insurance coverage of the Association:

1) Certificate of Insurance. Evidence of insurance shall be issued to each Owner and Mortgagee upon request.

2) **Deductible.** The Association shall pay for the deductible on any claim made against the Association's property insurance policy, except where the claim is made because of the negligence or willful acts of an Owner or occupant, including a guest, invitee, or visitor, as determined by the Board. In such cases, the corresponding Owner shall pay the deductible amount.

3) **Special Endorsements.** Each policy shall contain or provide those endorsements commonly purchased by the other community association in the county.

4) **Intent.** The foregoing provisions 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 hereunder, in such amounts and in such forms as the Board or Association may deem necessary or appropriate from time to time.

10.2. Owner's Insurance. Each Owner and resident shall purchase and maintain adequate liability and property insurance on his or her Lot.

10.2.1. **Primary Coverage.** The insurance coverage of an Owner shall be primary. The Association shall not maintain insurance on an Owner's Lot, Dwelling Unit, personal property, or contents.

10.2.2. **Prompt Repair.** Each Owner further covenants and agrees that in the event of any partial loss, damage or destruction of its Lot or Dwelling Unit, the Owner shall promptly proceed to repair or to reconstruct the damaged structure in a manner consistent with the original construction.

10.2.3. **Failure to Repair.** If the Board determines that any Owner has failed to properly discharge its obligation with regard to the repair or reconstruction of the damaged structure, then the Association may, but is not obligated to, provide such repair or reconstruction at the Owner's sole cost and expense subject to the following:

1) **Assessment.** Such costs as are incurred by the Association in the repair or reconstruction of an Owner's Lot or dwelling unit, shall be secured by a lien against the Lot regardless of whether or not a notice of lien is filed.

2) **Notice of Intent to Repair.** Except in an emergency situation, the Association shall give the Owner written notice of the Association's intent to provide repair or reconstruction at the Owner's cost and an expense. The Association shall set forth with reasonable particularity the repair or reconstruction deemed necessary by the Board. The notice shall establish a reasonable time after receipt of notice within which the Owner shall commence and complete such repair or reconstruction.

3) **Optional Repairs.** The Association may, but is not obligated to, provide such repair or reconstruction in the manner described above.

4) Right of Entry. The Association or its agents or employees shall have the right to enter upon or into any Lot or Dwelling Unit as necessary to perform such work and shall not be liable for trespass for such entry or work.

11. UTILITY AND DRAINAGE EASEMENTS

11.1. Easements. Easements for installations and maintenance of utilities and drainage facilities are reserved as noted on the recorded map. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements, if any, for which a public authority or utility company is responsible.

All costs incurred for maintenance and management of the storm drainage system shall be paid by the Association. In the event that the Association fails to properly manage and maintain the drainage system, Utah County shall have the right, but not the obligation, to maintain the storm drainage system, and to charge the costs thereby incurred to the Association. The Association and the Lot Owners shall not have the authority to change, by vote, alienation, alteration, transfer, sale, or otherwise, the use of currently existing areas and structures designed to control storm water runoff.

12. ANNEXATION OF ADDITIONAL PROPERTY

12.1. Addition by Declarant. Declarant shall have the right, but not the obligation, to add additional property to the Property. This option shall be implemented by the recordation of a supplemental declaration ("Supplemental Declaration") which shall describe the real property to be annexed, and shall state that the property described in it is being annexed to the Property pursuant to Article 12 of this Declaration. The Supplemental Declaration may also set forth any additional covenants, conditions, restrictions, reservations, easements that the Declarant deems appropriate for that phase of the Property and development.

12.2. Rights, Obligations of Owners of Annexed Property. Upon the recordation of the Supplemental Declaration, the real property described in it shall be part of the Property and subject to the provisions of this Declaration in the same manner as if it were originally covered by this Declaration. Thereafter, the rights, powers, and responsibilities of Owners of Lots with the annexed property shall be the same as if the annexed property were originally covered by this Declaration; provided, however, that their voting rights shall commence until the date of commencement of the regular assessments for their Lots. The commencement of assessment of the annexed real property shall be governed by Section 8.1 of this Declaration.

12.3. Reciprocal Easements . Declarant hereby reserves, for the benefit of and appurtenant to the Lots located in any phase of development annexed into the first phase of this Property and their respective Owners, reciprocal easements to use the Common Area in the first phase pursuant to and in the manner set forth in this Declaration. Declarant hereby grants, for the

benefit of and appurtenant to the Lots in the first phase of this Property and their Owners, a nonexclusive easement to use the Common Area in each phase of the development annexed into the first phase, pursuant to and in the manner set forth in this Declaration.

13. DURATION AND AMENDMENT

13.1. *Duration.* This Declaration, as amended from time to time, shall continue in full force and effect until a declaration of termination approved by 75% of the Owners is recorded with the County Recorder of Utah County. There shall be no severance by sale, conveyance, encumbrance or hypothecation of an interest in any Lot from membership in the Association as long as this Declaration shall continue in full force and effect.

13.2. *Amendment.* The affirmative vote of at least sixty percent (60%) of the Owners shall be required and shall be sufficient to amend the Declaration. Any amendments so authorized shall be accomplished through the recordation of an instrument executed by the Board. In such instrument the Board shall certify that the required vote for amendment has occurred.

14. MISCELLANEOUS

14.1. *Notice, Affairs, Electronic Means.* In any circumstance where notice is required to be given to a homeowner, the Association may provide notice by electronic means, including text message, email, or an Association website, if the Board deems the notice to be fair and reasonable. A homeowner may require the Association, by written demand, to provide notice to the homeowner by mail. The Board is authorized to promulgate rules and procedures facilitating the implementation of this section as it deems fit from time to time, including requiring members to furnish the Association with a current email address. Any notice mailed by the Association to the Owner's Lot shall be deemed to have been fully given by the Association and received by the Owner, unless a different address is supplied in writing by the Owner.

Any transaction or action involving the business or affairs of the Association, including but not limited to voting and providing notice or records, may be conducted by electronic means. The Association may accept a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation as the act of the member if the Board does so in good faith and has no reason to believe it is not the act of the member. A writing may be delivered in an electronic medium or by electronic transmission, and may be signed by photographic, electronic, or other means. An electronic record or electronic signature is attributable to a person if it was the act of the person. An electronic signature may consist of a mark, symbol, character, letter, or number or any combination thereof attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record and the same shall be considered the signature of such person. A writing includes any document, record, vote, ballot, proxy, or instrument required or permitted to be transmitted by a Member or by the Association.

14.2. **Severability.** Invalidation of any one of these covenants or any portion thereof by judgment or court order shall in no way effect any of the other provisions which shall remain in full force and effect.

14.3. **Singular Includes Plural.** Whenever the context of the Declarant requires the same, the singular shall include the plural, and the masculine shall include the feminine.

14.4. **Covenants, Etc., Shall Run with the Land.** All of the limitations, restriction, easements, conditions and covenants herein shall run with the land and shall be binding in and for the benefit of all the Property and all parties having or acquiring any right, title or interest in the Property and any part thereof and shall insure to the benefit of each Owner and are imposed upon the Property as a servitude in favor of each parcel thereof as the dominant tenement or tenements.

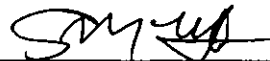
14.5. **Limitation on Liability.** Neither the Board nor the Association shall be liable to any other person for action or failure to act hereunder where such action or failure was in good faith. Additionally, the Association shall indemnify all Board members for all acts absent evidence of intentional misconduct or gross negligence.

14.6. **Paragraph Headings.** The headings which precede the paragraphs and sub-paragraphs of this Declaration are for convenience only and in no way affect the manner in which any provision hereof in construed.

14.7. **Effective Date.** This Declaration and any amendment(s) or supplemental(s) thereto shall take effect upon its (their) being filed for record in the Office of the County Recorder of Utah County, Utah.

IN WITNESS WHEREOF, The President and Secretary of the Association have executed this instrument the day and year first hereinabove written.

**BOULDER SPRINGS HOMEOWNERS
ASSOCIATION**



By: STEPHEN MARTIN
Its President



By: Clint Martin
Its Secretary

State of Utah)
)
 ss.
 County of UTAH)

On the 28th day of AUGUST, 2012, personally appeared before me
STEPHEN MARTIN, who being by me duly sworn did that say that they are the
 President of the Association and that said instrument was signed and sealed in behalf of said
 Association by authority of its Board of Directors; and acknowledged said instrument to be their
 voluntary act and deed.



Marcia Duke
 Notary Public

State of Utah)
)
 ss.
 County of Utah)

On the 28th day of August, 2012, personally appeared before me
Clint Martin, who being by me duly sworn did that say that they are the
 Secretary of the Association and that said instrument was signed and sealed in behalf of said
 Association by authority of its Board of Directors; and acknowledged said instrument to be their
 voluntary act and deed.



Marcia Duke
 Notary Public

EXHIBIT A**Legal Description****LITEFOOT INVESTMENTS, LLC**

Being that real property situated in the City of Springville, County of Utah, State of Utah, being in Section 3, Township 8 South, Range 3 East, SLBM, and being more particularly described as follows:

LESS AND EXCLUDING LOT 16 THEREFROM ^{Plat A, Boulder Springs Estates.} - Beginning at the southeast corner of said Section 3, witness the South $\frac{1}{4}$ corner of said Section 3 at South $89^{\circ}43'18''$ West 2,678.96 feet and witness the East $\frac{1}{4}$ corner of said Section 3 at North $01^{\circ}12'58''$ West 2,645.93 feet; proceeding thence West 1876.87 feet and North 1792.18 feet to the southeast corner of lands of Litefoot Investments, LLC per Entry No. 27:2012, said point being the southwest corner of lands of Bates per Entry No. 7479:2009, and said point being on the north right-of-way line of 1200 South Street (declared as 1100 South Street) as shown on that plat recorded as Hobble Creek Estates Plat 'A' under Entry No. 35432:1977, also known as Map Filing No. 1907, said point being the true point of beginning.

Proceeding thence along the west line of Bates per Entry No. 7479:2009 North $00^{\circ}49'49''$ West 106.88 feet; proceeding thence along the north line of said lands of Bates North $89^{\circ}08'49''$ East 121.11 feet to the southeast corner of said lands of Bates, said point being a westerly corner for lands of Buffo per Entry No. 154595:2007; proceeding thence along the west line of lands of Buffo North $46^{\circ}24'18''$ East 170.77 feet to the northwest corner of lands of Buffo, said point being on the south line of Hobble Creek Estates Plat 'C' as recorded as Entry No. 14752:1978, also known as Map Filing No. 2035; proceeding thence along said south line of Hobble Creek Estates Plat 'C' North $74^{\circ}15'44''$ West 68.30 feet and North $62^{\circ}22'49''$ West 360.00 feet to the east line of 1250 East Street per said plat; thence along the south line of said Hobble Creek Estates Plat 'C' North $58^{\circ}02'58''$ West 156.18 feet to the southwest corner of Lot 16 of said Plat 'C,' being the southeast corner of Lot 20 of the Hobble Creek Estates Plat 'A'; proceeding thence along the south line of said Hobble Creek Estates Plat 'A' North $58^{\circ}02'58''$ West 117.00 feet and South $88^{\circ}23'19''$ West 492.27 feet to the northwest corner of lands of Litefoot Investments, LLC; proceeding thence along the west line of lands of Litefoot Investments, LLC the following courses and distances:

Thence South $08^{\circ}05'57''$ East 327.29 feet;

Thence South $20^{\circ}53'04''$ East 39.91 feet;

Thence North $88^{\circ}23'21''$ East 7.02 feet;

Thence South $20^{\circ}20'34''$ East 35.11 feet;

Thence South $32^{\circ}05'42''$ East 67.45 feet;

Thence South $53^{\circ}26'00''$ East 168.78 feet to the north line of 1200 South Street (declared as 1100 South Street) of the Hobble Creek Estates Plat 'A,' being also the north line of 1200 South Street as shown on that plat recorded as Hobble Creek Estates Plat 'D' under Entry No. 200055:2003, also known as Map Filing No. 10302, proceeding thence along the north line of 1200 South Street, being the south line of lands of Litefoot Investments, LLC North $89^{\circ}08'45''$ East 614.47 feet to the true point of beginning.

Containing 10.06 acres, more or less.

EXHIBIT B

BYLAWS

OF

BOULDER SPRINGS ESTATES HOMEOWNERS ASSOCIATION

SECTION 1

MEETINGS OF OWNERS

1.1. **Annual Meetings.** The first annual meeting of the Association will be held in 2012 at a time and in a month specified by the Board. Subsequent annual meetings will be held during around the same month each year, but no later than December 31st. Annual meetings will be held for the purpose of electing Directors, presenting the annual budget, and transacting such other business as may come before the annual meeting.

1.2. **Special Meetings.** A special meeting of the Association may be called at any time by the Board or the president of the Association, or by the Board upon the written request of at least 30% of the votes entitled to be cast by the Owners. A special meeting may only be held for the purposes set forth in the notice for that special meeting.

1.3. **Place of Meetings.** The Board may designate any place in Utah County as the place for any annual or special meeting of the Association. Owners may participate in meetings by any means of electronic or telephonic communication through which all Owners and other participants may simultaneously hear one another during the meeting. Owners who participate in a meeting by such means will be considered present for all purposes, including the presence of a quorum.

1.4. **Notice of Meetings.** Notice of each meeting stating the place, date, and time of the meeting and the purpose or purposes for which the meeting is called, will be delivered to each Owner entitled to vote at the meeting, not less than 10 nor more than 50 days before the date of the meeting. If mailed, the notice will be deemed to be delivered when deposited in the United States mail, postage prepaid, and addressed to the Owner at its address as it appears in the records of the Association. The Board may set a record date for determining the Owners entitled to notice. The Association will give notice at the Association's expense of any special meeting called by the Owners.

SECTION 2

VOTING; QUORUM

2.1. **Voting.** Each Lot will be allocated one vote.

2.2. **Quorum.** The number of Owners participating in a meeting in person, by proxy, or by written ballot will constitute a quorum.

2.3. **Voting Method.** Votes may be cast in person, by proxy, or by written ballot.

2.4. **Action by Proxy.** Every proxy must be executed in writing by the Owner or its duly authorized attorney-in-fact and filed with the secretary of the Association before or at the time of the meeting. No proxy will be valid after the expiration of one year from the date of its execution unless otherwise provided in the proxy.

2.5. **Action by Written Ballot.**

(a) Any action that may be taken at any meeting of the Association may be taken without a meeting if the Association delivers a written ballot to every Owner entitled to vote on the matter. Such written ballot will set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot will be valid only when the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot. Owners submitting a written ballot will be considered to have participated in the meeting for all purposes.

(b) All solicitations for votes by written ballot will: 1) indicate the number of responses needed to meet the quorum requirements; 2) state the percentage of approvals necessary to approve each matter other than election of Directors; 3) specify the time by which a written ballot must be received by the Association in order to be counted; and 4) be accompanied by written information sufficient to permit each Owner casting a written ballot to reach an informed decision on the matter.

(c) A written ballot may not be revoked.

(d) Action by written ballot will have the same effect as action taken at a meeting.

(e) The number of votes cast by written ballot will constitute a quorum for action on the matter.

(f) A written ballot may also be used in connection with any meeting of the Association, thereby allowing Owners the choice of either voting in person or by written ballot delivered by an Owner to the Association in lieu of attendance at such meeting. A valid written ballot will be counted equally with the votes of Owners in attendance at any meeting for every purpose.

2.6. **Majority Vote.** Action on a matter, other than the election of directors, is approved if a quorum exists and the votes cast favoring the action exceed the votes cast opposing the action, unless a greater number of affirmative votes is required by law, the Articles, the Declaration or these Bylaws.

2.7. Greater Quorum or Voting Requirements. An amendment to the Articles or these Bylaws that adds, changes, or deletes a greater quorum or voting requirement must meet the same quorum requirement and be adopted by the same vote required to take action under the greater of the quorum and voting requirements then in effect or proposed to be adopted.

SECTION 3 BOARD & OFFICERS

3.1. Number, Election, Term of Directors. The Board will consist of three Directors. The Directors will also constitute the Officers of the Association as set forth in Section 4. Directors will be elected at the annual meetings of the Association by a plurality of votes, that is, the candidate(s) with the most votes shall be elected. Each Director will hold office for a term of one year.

3.2. Removal and Replacement. A Director may be removed before the expiration of his term with the consent of 51% or more of the votes allocated to the Lots. Upon the removal of a Director, the Owners will elect a replacement Director to serve until his successor is elected. If a Director is absent from three (3) consecutive meetings, without an acceptable excuse, the Director may be removed from office by a unanimous vote of the remaining Directors.

3.3. Resignation or Death. A Director may resign before the expiration of his term by giving written notice to the president or to the secretary of the Association. Such resignation will take effect on the date specified in the notice. Upon the resignation or death of a Director, the remaining Directors will appoint a replacement Director to serve until his successor is elected.

3.4. Meetings. Meetings of the Board will be held at least annually, and at any time when called by the president of the Association or by two or more Directors, upon the giving of at least two days' prior notice of the time and place of the meeting to each Director by hand-delivery, prepaid United States mail, fax, email, telephone, or in any other manner deemed fair and reasonable by the Board. Any business may be transacted at a Board meeting. No notice of a Board meeting need state the purposes for holding the meeting, and no notice of any adjourned Board meeting will be required. If the Board establishes a regular meeting schedule, then such regular meetings of the Board may be held without notice of the date, time, or place of the meeting.

3.5. Place of Meetings. The Board may designate any location convenient to the Directors in which to hold a Board meeting. Directors may participate in any Board meeting by means of any electronic or telephonic communication by which all participants may simultaneously hear one another during such meeting. Directors who participate in a Board meeting by such means will be considered present for all purposes, including the presence of a quorum.

3.6. Quorum. A majority of Directors will constitute a quorum for the transaction of business, but a lesser number may adjourn any Board meeting from time to time. When a quorum is present at any Board meeting, a majority of the Directors in attendance will decide any question brought before such meeting.

3.7. Waiver of Notice. Before, at, or after any Board meeting, any Director may, in writing, waive notice of such meeting and such waiver will be deemed equivalent to the giving of such notice. Attendance by a Director at a Board meeting will constitute a waiver of notice by such Director except when such Director attends the meeting for the express purpose of objecting to the transaction of business based on a claim that the meeting was not duly called or convened.

3.8. Informal Action by Directors. Any action required or permitted to be taken at a Board meeting may be taken without a meeting (e.g., via email correspondence) if each member of the Board in writing either: (1) votes for the action, or (2) votes against the action, or (3) abstains from voting and waives the right to demand that action not be taken without a meeting.

SECTION 4 OFFICERS AND AGENTS

4.1. General. The Officers shall be elected by the Board. The Officers of the Association will be a president (who will be chosen from among the Directors), a vice president (who will be chosen from among the Directors) and a secretary/treasurer (who will be chosen from among the Directors). The Board may appoint such other Officers, assistant Officers, committees, and agents, including assistant secretaries and assistant treasurers, as it may consider necessary or advisable, who will be chosen in such manner and hold their offices for such terms and have such authority and duties as from time to time may be determined by the Board. One person may hold any two offices, except that no person may simultaneously hold the offices of president and secretary. In all cases where the duties of any Officer, agent, or employee are not prescribed by these Bylaws or by the Board, such Officer, agent, or employee will follow the orders and instructions of the president.

4.2. Removal of Officers. The Board may remove any Officer with or without cause, and elect a successor at any Board meeting.

4.3. Vacancies. A vacancy in any office will be filled by the Board for the unexpired portion of the term.

4.4. President. The president will be the chief Officer of the Association. The president will preside at all Association meetings and Board meetings. The president will have the general and active control of the affairs and business of the Association and general supervision of its Officers, agents, and employees. The president is designated as the Officer with the power to prepare, execute, certify, and/or file amendments to the Articles, Bylaws, and the Rules and Regulations on behalf of the Association.

4.5. Vice President. The vice president will assist the president and will perform the duties assigned to him by the president or the Board. In the absence of the president, the vice president will have the powers and perform the duties of the president.

4.6. Secretary/Treasurer. The Secretary/Treasurer will:

- (a) keep the minutes of the proceedings of Association meetings and Board meetings;

(b) see that all notices are duly given in accordance with the provisions of these Bylaws;

(c) maintain the records of the Association, including a record containing the names and registered addresses of all Owners, the designation of the Lot owned by each Owner, and, if a Lot is Mortgaged, the name and address of each Mortgagee;

(d) perform all other duties incident to the office of secretary and the duties assigned to her or him by the president or the Board;

(d) be the principal financial Officer of the Association and will have the care and custody of all funds, securities, evidences of indebtedness, and other personal property of the Association;

(e) receive and give receipts for moneys paid in on account of the Association and will pay out of the funds on hand all bills, payrolls, and other just debts of the Association upon maturity;

(f) perform all other duties incident to the office of treasurer and, upon request of the Board, make such reports to it as may be required at any time;

(g) if required by the Board, give the Association a bond for the faithful performance of his duties and for the restoration to the Association of all books, papers, vouchers, money, and other property in his possession or under his control belonging to the Association; and

(h) have such other powers and perform such other duties assigned to her or him by the president or the Board.

SECTION 5

PROOF OF OWNERSHIP; CONTACT INFORMATION; ASSOCIATION ADDRESS; MORTGAGES

5.1 ***Proof of Ownership.*** Each Owner will furnish to the Association a copy of the recorded instrument vesting that Owner with an ownership interest in the Lot. Such copy will remain in the records of the Association.

5.2 ***Contact Information.*** Each Owner is required to register a mailing address, a phone number, and an email address with the Association within ten days after becoming an Owner. The contact information of each Owner will be kept in the records of the Association. Owners must notify the Association of any change in contact information within ten days after the change. Any notice mailed to an Owner's registered address or—if the Owner fails to register an address with the Association—to the address on file with the Utah County Recorder will be deemed duly delivered.

5.3 ***Address of the Association.*** The initial principal address of the Association will be 1307 E. 1200 S. Springville UT 84663. The Association's address may be changed from time to time upon written notice to all Owners, and will generally be the president's home address.

5.4 **Mortgages.** Any Owner who Mortgages its Lot will give the Association written notice of the name and address of the Mortgagee and will file true, correct, and complete copies of the note and security instrument with the Association, upon the request of the Board.

SECTION 6 SECURITY INTEREST IN MEMBERSHIP

An Owner will have the right to appoint the Mortgagee of its Lot as its true and lawful attorney-in-fact to exercise any and all rights, privileges, and powers that the Owner has as a member of the Association by filing a proxy with the secretary of the Association. A release of the Mortgage covering the Lot will operate to revoke the proxy. An Owner who appoints its Mortgagee as attorney-in-fact will not be relieved of its duties and obligations as an Owner, nor will the appointment impose upon the Mortgagee the duties or obligations of an Owner.

SECTION 7 NOTICE, AFFAIRS, ELECTRONIC MEANS

7.1. **Affairs, Electronic Means.** Any transaction or action involving the business or affairs of the Association, including but not limited to voting and providing notice or records, may be conducted by electronic means. The Association may accept a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation as the act of the member if the Board does so in good faith and has no reason to believe it is not the act of the member. A writing may be delivered in an electronic medium or by electronic transmission, and may be signed by photographic, electronic, or other means. An electronic record or electronic signature is attributable to a person if it was the act of the person. An electronic signature may consist of a mark, symbol, character, letter, or number or any combination thereof attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record and the same shall be considered the signature of such person. A writing includes any document, record, vote, ballot, proxy, or instrument required or permitted to be transmitted by a Member or by the Association.

7.2 **Notice.** In any circumstance where notice is required to be given to the homeowners, the Association may provide notice by electronic means, including text message, email, or an Association website, if the Board deems the notice to be fair and reasonable. A homeowner may require the Association, by written demand, to provide notice to the homeowner by mail. The Board is authorized to promulgate rules and procedures facilitating the implementation of this section as it deems fit from time to time, including requiring members to furnish the Association with a current email address.

SECTION 8 AMENDMENT

Except as limited by law or the Articles, these Bylaws may be amended or repealed by a vote of at least 51% of the votes entitled to be cast by the Owners.

**CERTIFICATE OF ADOPTION OF BYLAWS
OF
BOULDER SPRINGS ESTATES HOMEOWNERS ASSOCIATION**

Certification of Adoption by Board

The undersigned, being all an authorized Director of the Board of Boulder Springs Estates Homeowners Association, hereby adopt the foregoing Bylaws as the Bylaws of the Association.

STEPHEN MARTIN

Name

