

WHEN RECORDED, PLEASE RETURN TO:

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LANDROCK LLC
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RECORDED FOR SARATOGA SPRINGS CITY

CONDOMINIUM DECLARATION

FOR

RIVERBEND PHASE 1

THIS CONDOMINIUM DECLARATION FOR RIVER BEND PHASE 1 (this "Declaration") is made as of May 7, 2007 by LANDROCK LLC (the "Declarant"), for and on behalf of itself and its successors and assigns.

RECITALS

A. Declarant is the sole owner of the real property located in the County of Utah, State of Utah, that is more particularly described on Exhibit A hereto and made a part hereof.

B. Declarant desires to construct and establish a Condominium project on such property and on any additional property that is made subject to this Declaration, which project shall consist of single family and multifamily residential dwellings, all pursuant to the Utah Condominium Ownership Act, Utah Code Annotated sections 57-8-1 through 57-8-36.

C. Declarant deems it necessary and desirable to subject such property to the covenants, conditions, restrictions, reservations, easements, assessments, charges and liens set forth in this Declaration.

DECLARATION

NOW THEREFORE, in consideration of the foregoing, Declarant hereby declares as follows:

ARTICLE I

DECLARATION

Declarant hereby submits the Property (as such term is defined below) to the provisions of the Act (as such term is defined below), and declares that the Property shall be held, sold and conveyed subject to the following covenants, conditions, restrictions, reservations, easements, assessments, charges and liens, which shall run with the Property and bind all parties having any right, title or interest in the Property, or any portion thereof, and their respective successors, assigns, heirs, devisees and personal representatives.

ARTICLE II

DEFINITIONS

2.01. Basic Definitions. For purposes of this Declaration, the following terms shall have the meanings indicated:

(a) "Act" means the Utah Condominium Ownership Act, Utah Code Annotated sections 57-8-1 through 57-8-36, as it may be amended from time to time.

(b) "Articles" means the Articles of Incorporation of the Association, as the same may be amended from time to time.

(c) "Assessment" means an Initial Assessment, a General Assessment, a Special Assessment or a Default Assessment levied pursuant to Article VII below,

(d) "Assessment Lien" means the statutory lien of the Association on a Unit described in Section 708 below.

(e) "Association" means Call Meadows Owners Association, Inc., a Utah nonprofit corporation, and its successors and assigns.

(f) "Association Documents" means this Declaration, the Articles, the Bylaws and the Rules and Regulations, as they may be amended from time to time.

(g) "Bylaws" means the Bylaws of the Association, as they may be amended from time to time.

(h) "Common Areas" means all of the Property, together with all improvements located thereon; provided, the Common Areas shall not include any Unit.

(i) "Common Expenses" means (i) any and all costs, expenses and liabilities incurred by or on behalf of the Association, including, without limitation, costs, expenses and liabilities for (A) managing, operating, maintaining, repairing, altering and improving the Common Areas; (B) administering and enforcing the covenants, conditions, restrictions, reservations and easements created hereby; (C) levying, collecting and enforcing the Assessments, charges and liens imposed pursuant hereto; (D) regulating and managing the Project; and (E) operating the Association; and (ii) reserves for any such costs, expenses, liabilities and replacement of improvements to Common Areas and Limited Common Areas,

(j) "Expandable Land" means the real property; located in County of Utah, State of Utah, that is adjacent to this parcel and can be made a part hereof as shown on exhibit C; with additional Unit's or Limited Common Area and facilities that may be created in accordance with the provisions of this Declaration and the Act.

(k) "Declarant" means collectively LANDROCK LLC and its successors and assigns.

(l) "Declarant Control Period" has the meaning to such term in Section 6.02 below.

(m) "Declaration" means this Condominium Declaration of River Bend P U D Phase 1, as it may be amended from time.

(n) "Default Assessments" has the meaning given to such term in Section 7.06 below,

(o) "Eligible Holder" means a Person who holds, insures or guarantees a First Mortgage and has delivered a written notice to the Association, containing such Person's name and address and the legal description and address of the Unit encumbered by the First Mortgage held, insured or guaranteed by such Person.

(p) "Executive Board" means the Board of Trustees of the Association.

(q) "First Mortgage" means any Mortgage which is not subordinate to any other lien or encumbrance, except liens for taxes or other liens which are given priority by statute.

(r) "First Mortgagee" means any Person named as a mortgagee or beneficiary in any First Mortgage, or any successor to the interest of any such person under such First Mortgage.

(s) "General Assessment" means an Assessment levied against a Unit pursuant to Section 7.04 below.

(t) "Limited Common Areas" means the areas of the Property which are reserved for use exclusively in connection with a designated Unit or Units, as depicted on the Map or as designated by the Executive Board.

(u) "Map" means the Record of Survey Plat of RIVER BEND filed in conjunction with the filing of this declaration hereto and made a part hereof, as the same may be amended from time to time.

(v) "Membership" means a membership in the Association and the rights granted to Owners pursuant to this Declaration, the Articles and the Bylaws to participate in the Association,

(w) "Modification Review Board" means the committee established by the Executive Board to regulate the modification of improvements to the Units.

(x) "Mortgage" means any mortgage, deed of trust or other document pledging any Unit or interest therein as security for payment of a debt or obligation.

(y) "Mortgagee" means any Person named as a mortgagee or beneficiary in any Mortgage, or any successor to the interest of any such person under such Mortgage.

(z) "Owner" means the record holder of legal title to the fee simple interest in any Unit or portion thereof. If there is more than one record holder of legal title to a Unit, each record holder shall be an Owner.

(aa) "Person" means any natural person, corporation, partnership, limited liability company, association, trustee or any other entity recognized as being capable of owning real property under the laws of the State of Utah.

(bb) "Project" means the condominium project created on the Property by this Declaration, consisting of the Units and the Common Areas.

(cc) "Property" means (i) the real property located in the County of Utah, State of Utah, that is described on Exhibit A attached hereto and made a part hereof, and (ii) all of the additional property that is later made subject to this Declaration in accordance with the terms and conditions hereof.

(dd) "Purchaser" means a Person, other than Declarant or a Successor Declarant, who by means of a transfer, acquires legal title to the fee simple interest in any Unit or portion thereof.

(ee) "Rules and Regulations" means any instruments adopted by the Association for the regulation and management of the Project, as the same may be amended from time to time.

(ft) "Shares of Common Expenses" means the share of Common Expenses allocated to each Unit in accordance with the terms and conditions of Section 7.02 below.

(gg) "Special Assessments" has the meaning given to such term in Section 7.05 below.

(hh) "Special Declarant Rights" means the rights reserved by Declarant for itself, its successors and assigns in this Declaration.

(ii) "Successor Declarant" means any Person who succeeds to any rights of Declarant hereunder.

(jj) "Trustee" means a duly elected or appointed member of the Executive Board.

(kk) "Unit" means an individual residential dwelling within the Project designated as a Unit on the Map and shall include, with respect to each such dwelling: (i) all footings, pilings, foundations and other support structures; (ii) all floors and floor joists; (iii) all exterior walls, including, without limitation all exterior doors, exterior windows and exterior wall coverings; (iv) where applicable, the portion of all interior demising walls on the Unit side of a vertical plane through the center of each such demising wall; (v) where applicable, the portion of all interior demising ceilings or floors on the Unit side of a vertical plane through the center of each such demising ceiling or floor; (vi) all porches, exterior fixtures, chimneys, decks and other similar items attached to the exterior of the dwelling which are intended for the exclusive benefit of the dwelling; (vii) all improvements and fixtures within the space bounded by the outside surfaces of the dwelling; and (viii) all heating, ventilation and air conditioning equipment and all other utility equipment which exclusively serves the dwelling (except underground pipelines, ducts and wires to the extent not located under the dwelling).

2.02. Gender and Number. Wherever the context of this Declaration so requires, (a) words used in the masculine gender shall include the feminine and neuter genders; (b) words used in the neuter gender shall include the masculine and feminine genders; (c) words used in the singular shall include the plural; and (d) words used in the plural shall include the singular.

ARTICLE III

UNITS AND COMMON AREAS

3.01 Units.

(a) Declarant hereby designates 20 Units which may be constructed within the Project, the boundaries and identifying numbers of which are shown on the Map. With 4 buildings containing 2 Units each and 2 buildings containing 6 Units each, with a one car garage for each unit.

(b) Declarant hereby reserves the right to create and construct an additional 151 Units upon adjacent Expandable Land in accordance with the provisions of this Declaration and the Act.

(c) Declarant hereby reserves the right to create and construct attached additional developments on adjacent land, including but not limited to symbiotic ingress and egress, shared utility service, and coordinated common expenses, in accordance with the provisions of this Declaration and the Act.

(d) All Units shall be capable of being independently owned, encumbered and conveyed. The Owner or Owners of each Unit shall be entitled to the exclusive possession and control of such Unit, subject to the rights of the Association set forth in the Association Documents.

3.02. Description of Units. The Project shall consist of 20 Units identified by address on the Map of the RIVER BEND PHASE 1 and as more specifically identified on the Map and Exhibit B. Each Unit has substantially an identical floor plan to one of the two approved floor plans. A copy of the approved floor plan is shown on sheet 2 of the Map. The Units are wood framed with synthetic stone exterior, the roofing material is fiberglass asphalt shingle, and the other significant building material is identified in the construction plans which may be viewed at the business office of the Declarant.

3.03. Separate Taxation of Units. Pursuant to Section 57-8-27 of the Act, each Unit constitutes a separate parcel of real estate and will be separately assessed and taxed, including the Units ownership of Common Areas.

3.04. Description of Common Areas. The Common Areas shall consist of the lawn, roadways, parks, landscaped areas, and any other improvement placed on the land surrounding the Units as indicated on the Map.

3.05. Ownership of Common Areas. The Common Areas shall be owned by the Owners of all of the Units as tenants in common. A percentage of undivided interest in the Common Areas shall attach to each Unit, which percentage shall correspond to the Share of Common Expenses for such Unit as determined under Section 7.02(a) of this Declaration. Upon any conveyance or transfer of a Unit, the undivided interest in Common Areas attributable to such Unit shall automatically be conveyed or transferred with the Unit. No undivided interest in Common Areas may be transferred or conveyed separate or apart from the Unit to which the undivided interest is attributable. Each Owner shall have a license to use all of the Common Areas, subject to the terms and conditions of the Association Documents. The minimum number of Units for the Project will be 20 which will give each Unit Owner the maximum percentage of interest in Common Areas of 5%. The maximum number of Units that can be in the Project is 171 Units which will give each Unit Owner the minimum percentage of interest in the Common Areas of .585%.

3.06. Limited Common Areas. Notwithstanding anything in the Association Documents to the contrary, only the Owner or Owners of the Unit or Units to which any Limited Common Areas relate, as designated on the Map (or as may be designated from time to time by resolution of the Executive Board), may use such Limited Common Areas, it being intended that Limited Common Areas shall not be available for the use of any other Owner or Owners.

ARTICLE IV

THE ASSOCIATION

4.01. Formation of the Association. On or before the date on which Declarant conveys the first Unit within the Project to a Purchaser, Declarant shall form the Association.

4.02. Purposes and Powers.

(a) The Association's purposes are (i) to manage, operate, construct, improve, alter and maintain the Common Areas; (ii) to administer and enforce the covenants, conditions, restrictions, reservations and easements created

hereby; (iii) to levy, collect and enforce the Assessments, charges and liens imposed pursuant hereto; and (iv) to regulate and manage the Project.

(b) Unless expressly prohibited by law or any of the Association Documents, the Association may (i) take any and all actions that it deems necessary or advisable to fulfill its purposes, and (ii) exercise all powers that may be exercised in Utah by nonprofit corporations.

4.03. Association Documents.

(a) The obligations, burdens and benefits created by this Declaration touch and concern the Property and are, and shall be, covenants running with each Unit for the benefit of all other Units and the Common Areas. The Association and each Owner shall comply with and benefit from each term, provision, covenant, condition, restriction, reservation and easement contained in the Association Documents.

(b) In the event that there is any conflict or inconsistency between the terms and conditions of this Declaration and the terms and conditions of the Articles, the Bylaws or the Rules and Regulations, the terms and conditions of this Declaration shall control. In the event that there is any conflict or inconsistency between the terms and conditions of the Articles and the terms and conditions of the Bylaws or the Rules and Regulations, the terms and conditions of the Articles shall control. In the event of any conflict or inconsistency between the terms and conditions to the Bylaws and the terms and conditions of the Rules and Regulations, the terms and conditions of the Bylaws shall control.

4.04. Books and Records. Upon request the Association shall allow Owners, Mortgagees and their respective agents to inspect current copies of the Association Documents and the books, records, budgets and financial statements of the Association during normal business hours and under other reasonable circumstances, The Association may charge a reasonable fee for copying such materials.

4.05. Personal Liability and Indemnification.

(a) To the full extent permitted by applicable law, no Trustee or officer, who was appointed by Declarant, shall be personally liable to the Association or any Owner for any injury, damage, loss, cost or expense suffered or incurred by reason of any act or omission of such Trustee or officer, unless a court of competent jurisdiction finds that such Trustee or officer breached a fiduciary duty that such Trustee or officer owed to the Association or an Owner.

(b) To the full extent permitted by applicable law, no Trustee or officer of the Association, who was not appointed by Declarant, and no employee, agent or committee member of the Association shall be personally liable to the Association or any Owner for any injury, damage, loss, cost or expense suffered or incurred by reason of any act or omission of such Trustee or officer, employee, agent or committee member, unless a court of competent jurisdiction finds that the act or omission of such Trustee or officer, employee, agent or committee member was wanton and willful.

(c) The Association shall indemnify and hold each present or former Trustee or officer, employee, harmless agent or committee member against any and all claims, suits, proceedings, injuries, damages, losses, costs and expenses, including, but not limited to, attorneys' fees and disbursements, asserted against or incurred by any such present or former Trustee or officer, employee,

agent or committee member to the fullest extent permitted by the Association Documents; provided, however, that in no event shall the Association indemnify or hold harmless any such Trustee or officer, employee, agent or committee member to the extent that he or she is personally liable for an act or omission under paragraph 4.05(a) or paragraph 4.05(b) above.

ARTICLE V

MEMBERSHIP IN THE ASSOCIATION

5.01. Membership

(a) There shall be one Membership appurtenant to every Unit. A Membership may not be separated from the Unit to which it is appurtenant.

(b) Any Membership appurtenant to a Unit having more than one Owner shall be shared by such Owners.

(c) A Membership may be transferred or encumbered only in connection with the conveyance or encumbrance of a fee simple interest in the Unit to which the Membership is appurtenant. Any transfer or encumbrance of a Membership other than as permitted in this paragraph 5.01(c) shall be void and have no force or effect.

5.02. Voting.

(a) Each Membership shall be entitled to one vote, regardless of the number of Owners of the Unit to which the Membership is appurtenant. Fractional voting shall not be allowed. If the Owners of a Unit cannot agree among themselves as to how to cast their vote when they are required to cast their vote on a particular matter, they shall lose their right to vote on such matter. If any Owner casts a vote representing a certain Membership, it will thereafter be conclusively presumed for all purposes that the Owner was acting with the authority and consent of all other Owners with whom such Owner shares the Membership, unless objection thereto is made to the chairperson of the meeting at the time the vote is cast. If more than one vote is cast for any particular Membership, none of such votes shall be counted and all of such votes shall be deemed null and void.

(b) In any election of Trustees to the Executive Board, every Membership shall have the number of votes equal to the number of Trustees to be elected to the Executive Board by such election. Cumulative voting shall not be allowed in the election of Trustees to the Executive Board or for any other purpose.

(c) Notwithstanding the terms and conditions of paragraph 5.02(a) above, the Association shall have no voting rights for any Membership appurtenant to any Unit owned by the Association.

EXECUTIVE BOARD

6.01. Powers of the Executive Board.

(a) Except as provided in this Declaration, the Articles and the Bylaws, the Executive Board may act on behalf of the Association in all instances.

(b) The Executive Board may not act on behalf of the Association to (i) amend this Declaration; (ii) terminate the Project; (iii) elect Trustees to the Executive Board, other than to fill a vacancy for the unexpired portion of a Trustee's term; or (iv) determine the qualifications, powers and duties, or terms of office, of Trustees.

6.02. Declarant Control Period.

(a) Subject to the terms and conditions of paragraphs 6.02(b) and (c) below, but notwithstanding anything else to the contrary contained in this Declaration or in any other Association Document, Declarant shall have the exclusive right to appoint and remove all Trustees and officers during the Declarant Control Period. The term "Declarant Control Period" means the period commencing on the date on which Declarant forms the Association and ending on the earliest to occur of: (i) sixty days after conveyance to Purchasers of 75 percent of the maximum number of Units that may be created by Declarant hereunder; or (ii) two years after the last conveyance of a Unit by Declarant or a Successor Declarant to a Purchaser in the ordinary course of business.

(b) Declarant may voluntarily surrender its right to appoint and remove Trustees and officers prior to the expiration of the Declarant Control Period.

(c) Notwithstanding anything to the contrary contained in paragraph 6.02(a) above: (i) not later than sixty days after the conveyance to Purchasers of 25 percent of the maximum number of Units that may be created by Declarant hereunder, at least one Trustee and not less than 25 percent of the Trustees shall be elected by Owners other than Declarant or any Successor Declarant; and (ii) not later than sixty days after the conveyance to Purchasers of 50 percent of the maximum number of Units that may be created by Declarant hereunder, at least 33 and 1/3 percent of the Trustees must be elected by Owners other than Declarant or a Successor Declarant.

(d) Not later than the expiration of the Declarant Control Period, the Owners shall elect an Executive Board of at least three Trustees, at least a majority of whom must be Owners other than Declarant or designated representatives of Owners other than Declarant. Such Trustees shall take office upon election.

6.03. Removal of Members of the Executive Board. Notwithstanding any provision of this Declaration or any other Association Document to the contrary, the Owners, by a vote of at least 67 percent of all Memberships represented (in person or by proxy) and entitled to vote at any meeting at which a quorum is present, may remove any Trustee, with or without cause, other than a Trustee appointed by Declarant.

6.04. Professional Management of the Project. The Executive Board may enter service and management agreements for the Project. The term of such service or management contracts may not exceed two years. In addition, any such service or management contract must provide for termination by either party with or

without cause and without payment of a termination fee on 30 days or less written notice.

ARTICLE VII

ASSESSMENTS, COMMON EXPENSES, BUDGETS AND LIENS

7.01. Obligations for Assessments.

(a) Declarant, for each Unit it owns, hereby covenants and agrees, and each Owner, by accepting a deed to a Lot or Unit (whether or not it shall be expressly stated in such deed), shall be deemed to have covenanted and agreed, to pay to the Association all (i) Initial Assessments; (ii) General Assessments; (iii) Special Assessments; (iv) Default Assessments; and (v) other charges that the Association is required or permitted to levy or impose on such Owner or such Owner's Unit pursuant to this Declaration or any other Association Document.

(b) No Owner shall be exempt from liability for any such Assessment or other charge by waiving the use or enjoyment of the Common Areas, or any portion thereof, or by abandoning a Unit against which such Assessments or other charges are made.

(c) Except as provided in this paragraph 7.01(c) and paragraph 7.08 below, the obligation to pay to the Association any Assessment or other charges levied against any Unit shall be a joint and several obligation of the Owner or Owners of such Unit and such Owner's or Owners' successors, assigns, heirs, devisees and personal representatives. A Person acquiring fee simple title to a Unit shall be jointly and severally liable with the former Owner of the Unit for all Assessments and other charges that had accrued and were payable when such Person acquired fee simple title to the Unit, for so long as such Person holds fee simple title to the Unit.

(d) Each Assessment or other charge, together with interest and penalties thereon and all costs and expenses incurred by the Association to collect such Assessment or other charge, including reasonable attorneys' fees and disbursements, may be recovered by a suit for a money judgment by the Association without foreclosing or waiving any Assessment Lien securing the same.

7.02. Shares of Common Expenses.

(a) Except as otherwise set forth in this Declaration, all Common Expenses shall be allocated equally among all Units that have been created prior to the date on which the Common Expenses were incurred. Accordingly, the formula for calculating the percentage of Common Expenses allocated to each Lot shall be:

$$\text{Share of Common Expenses} = \frac{1}{\text{Number of Units created prior to the date on which the Common Expenses were incurred}} \times 100$$

(b) The Shares of Common Expenses allocated to the initial Units within the Project are set forth on Exhibit B attached hereto and made a part hereof,

(c) If any Units are added to or withdrawn from the Project, the Shares of Common Expenses for all Units within the Project after such addition or withdrawal shall be recalculated in accordance with the formula set forth in paragraph 7.02(a) above.

(d) Until the Association levies an Assessment, Declarant shall pay all Common Expenses. The Association may levy its first Assessments within sixty days after the first Unit is conveyed to a Purchaser.

7.03. Budgets.

(a) Prior to the first levy of a General Assessment, and, thereafter, on or before November 1 of each calendar year the Executive Board shall adopt a proposed annual budget for the Association for the following calendar year, which proposed budget shall, among other things, set forth (i) the Executive Boards estimates of Common Expenses for the next calendar year; (ii) the Executive Boards estimates of amounts required to be placed in a reserve fund for operation, maintenance, repair and replacements of Common Area properties, (iii) the amount of funds for such Common Expenses and reserves that the Executive Board proposes to raise through General Assessments; and (iv) the amount of funds for such Common Expenses and reserves that the Executive Board proposes to raise through Special Assessments. Within thirty days after adopting a proposed budget, the Executive Board shall deliver a summary of the proposed budget to all Owners and set a date for a meeting of the Owners to consider ratification of the proposed budget. The date of such meeting shall not be less than fourteen days, nor more than sixty days, after the delivery of the summary of the proposed budget to the Owners. Unless at that meeting a majority of the votes allocated to all Memberships, whether or not a quorum is present, rejects the proposed budget, the proposed budget shall be deemed ratified. In the event that the proposed budget is rejected, the annual budget last ratified by the Owners shall be deemed renewed for the next calendar year and shall remain in full force and effect until such time as the Owners ratify a subsequent budget proposed by the Executive Board.

(b) If the Executive Board deems it necessary or advisable to amend an annual budget that has been ratified by the Owners under paragraph 7.03(a) above, the Executive Board may adopt a proposed amendment to the annual budget, deliver a summary of the proposed amendment to all Owners and set a date for a meeting of the Owners to consider ratification of the proposed amendment. The date of such meeting shall not be less than fourteen days, nor more than sixty days, after the delivery of the summary of the proposed amendment. Unless at that meeting a majority of the votes allocated to all Memberships, whether or not a quorum is present, rejects the proposed amendment, the proposed amendment shall be deemed ratified.

7.04. General Assessments.

(a) After the Owners ratify an annual budget under paragraph 7.03(a) above, the Association shall levy an assessment for Common Expenses and reserve funds (a "General Assessment") on each Unit. The amount of the General Assessment to be levied against a Unit shall equal the product obtained by multiplying (i) the amount set forth in the annual budget ratified by the Owners as the amount of Common Expenses and reserve funds to be raised by General Assessments, by (ii) that Unit's Share of Common Expenses. The Owners shall pay the General Assessments levied against their respective Units in such periodic installments as may be required by the Association.

(b) If the Owners ratify an amendment to the General Assessment portion of an annual budget pursuant to paragraph 7.03(b) above, the amount of the General Assessment levied against each Unit shall be adjusted accordingly, as shall the amount of each Owner's periodic installments.

(c) If the Owners fail to ratify an annual budget for any calendar year prior to January 1 of that calendar year, the Owners shall continue to pay periodic installments of the General Assessment to the Association at the rate payable during the prior calendar year until such time as the Owners ratify a new annual budget for the then current calendar year. Once the Owners ratify a new annual budget, the Association shall levy on each Unit the General Assessment for the then current calendar year and each Owner's periodic installments shall be adjusted as necessary to pay the new General Assessment in equal periodic installments over the remainder of such calendar year, giving the Owners credit for any installments that the Owners have previously paid to the Association during such calendar year.

(d) The failure of the Association to levy a General Assessment for any calendar year shall not be deemed a waiver, modification or release of the Owners' liability for the Share of Common Expenses allocated to such Owner's Unit.

7.05. Special Assessments.

(a) The Assessments that the Association may levy pursuant to this Paragraph 7.05 are referred to in this Declaration as "Special Assessments."

(b) Notwithstanding anything to the contrary contained in Paragraph 7.04 above, if any Common Expense benefits fewer than all of the Units, the Association may levy an Assessment for such Common Expense exclusively against the Units benefited thereby, equally or in any other equitable proportions as the Association deems appropriate.

(c) Each Special Assessment levied against any Unit shall be shown on an annual budget, or on an amendment to an annual budget, ratified by the Owners in accordance with Paragraph 7.03 above, and shall be paid as and when required by the Association.

7.06. Default Assessments.

(a) Notwithstanding anything to the contrary contained herein, if any Common Expense is caused by (i) the negligence or misconduct of an Owner or an Owner's family member, employee, agent, lessee or guest, or (ii) a violation of any covenant or condition of an Association Document by an Owner or an Owner's family member, employee, agent, lessee or guest, the Association may levy an Assessment against such Owner's Unit for the amount of such Common Expense. Any such Assessment levied by the Association, and each fine, penalty, fee or other charge imposed upon an Owner for the violation of any covenant or condition of any Association Document by an Owner or an Owner's family member, employee, agent or guest, referred to herein as a "Default Assessment."

(b) Default Assessments need not be shown on an annual budget, or on an amendment to an annual budget, ratified by the Owners in accordance with Paragraph 7.03 above.

(c) With respect to any Default Assessments, or portion thereof, levied other than as a late charge, the Owner of the Unit against which the Association seeks to levy the Default Assessment shall be provided notice and an opportunity to be heard. Owners of Units against which Default Assessments have been levied shall pay such Default Assessments when required by the Association,

7.07. Assignment of Assessments. The Association shall have the unrestricted right to assign its right to receive Assessments and other future income, either as security for obligations of the Association or otherwise,

7.08. Assessment Lien.

(a) Pursuant to Section 57-8-20 of the Act, the Association shall have a statutory lien on each Unit for any Assessment levied against that Unit and any interest, attorneys' fees and disbursements and costs of collection imposed against its Owner under any Association Document. The Assessment Lien shall secure all of the foregoing obligations of an Owner from the time such obligations become due. If an Assessment is payable in installments, the Assessment Lien secures each installment from the time it becomes due, including the due date set by any valid Association acceleration of installment obligations.

(b) An Assessment Lien is prior to all other liens and encumbrances on a Unit except:

(i) tax and special assessment on the Unit in favor of any assessing unit or special improvement district; and;

(ii) liens and encumbrances recorded prior to the recordation of a notice of the Assessment Lien which by law would be prior to subsequently recorded encumbrances.

(c) This Paragraph 7.08 does not prohibit (i) actions or suits to recover sums secured by an Assessment Lien, or (ii) the Association from taking a deed in lieu of foreclosure.

(d) In any action by the Association to collect Assessments or to foreclose an Assessment Lien for unpaid Assessments, the court may appoint a receiver of the Owner to collect all sums due to the Owner with respect to the Unit. A court may order the receiver to pay any sums collected by the receiver to the Association during the pending of the action to the extent of the Association's Assessments.

(e) An Assessment Lien may be enforced by sale or foreclosure of the applicable Unit by the Association or Executive Board, which sale or foreclosure shall be conducted in the same manner as foreclosures in deeds of trust or mortgages.

7.09. Estoppel Certificates: Notices to Mortgagees.

(a) The Association shall furnish to an Owner or such Owner's designee or to a Mortgagee or its designee, upon written request, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the Association's registered agent, a statement setting forth the amount of unpaid Assessments currently levied against such Owner's Unit. The statement shall be furnished within fourteen calendar days after the Association's receipt of the request and shall be binding on the Association, the Executive Board and every Owner. If no statement is furnished to the Owner, the Mortgagee or their designee, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, then the Association shall have no right to assert an Assessment Lien upon the Unit for unpaid Assessments which were due as of the date of the request.

(b) The Association shall report to any Mortgagee any unpaid Assessments remaining unpaid for more than sixty days after the same shall have become due, if such Mortgagee first shall have delivered to the Association a written request for notice of unpaid Assessments. Any Mortgagee holding a lien on a Unit may pay any unpaid Assessment with respect to such Unit, together with any and all costs and expenses incurred with respect to the Assessment Lien securing such unpaid Assessment, and upon such payment, such Mortgagee shall have a lien on the Unit for the amounts paid with the same priority as a lien of the Mortgage held by such Mortgagee.

ARTICLE VIII
MAINTENANCE OF COMMON AREAS AND UNITS

8.01. Maintenance of Common Areas.

(a) Except as otherwise provided in this Declaration, the Association, or its duly designated agent, shall maintain all Common Areas, including, without limitation, all Limited Common Areas and the improvements and landscaping located thereon in good order and repair and shall otherwise manage and operate all Common Areas as it deems necessary and appropriate. In this regard the Association may:

- (i) construct, modify, add to, replace or renovate any improvements that are located on, or constitute a part of, any Common Areas;
- (ii) plant and replace trees, shrubs and other vegetation on any Common Areas;
- (iii) place, maintain and replace signs upon any Common Areas;
- (iv) adopt and enforce Rules and Regulations regulating the use of Common Areas;
- (v) impose and collect fees for the use of any Common Areas; and
- (vi) take any other actions that the Association deems necessary or advisable to protect and maintain the Common Areas.

(b) The Executive Board shall be the sole judge as to the appropriate maintenance, operation and management of the Common Areas.

(c) Notwithstanding anything in the Association Documents to the contrary, the Association shall not, during the Declarant Control Period, construct, modify, add to, replace or renovate any improvements that are located on, or constitute a part of, any Common Areas without obtaining the prior consent of the Declarant.

8.02. Maintenance of Units.

(a) Each Owner, at such Owner's sole cost and expense, shall maintain such owner's Unit and the improvements constituting a part thereof, in good order and repair.

(b) If, in the reasonable judgment of the Association, an Owner fails to maintain the Owner's Unit, or the exterior of any improvements constituting a part thereof in good order and repair, and such failure remains uncured for more than thirty days after the Association's delivery of written notice thereof to such Owner, the Association may enter upon such Unit and perform such maintenance or repair as the Association deems necessary or advisable and

charge all costs and expenses incurred by the Association in connection therewith to such Owner as a Default Assessment.

ARTICLE IX

INITIAL CONSTRUCTION OF UNITS AND COMMON AREAS

9.01. Declarant's Construction Rights. Declarant shall have the sole and exclusive right to construct all Units, construct and install all initial improvements to the Common Areas and construct and install all additions, modifications and changes to the exterior of the Units and to the Common Areas, except as follows: (i) additions, modifications or changes to any Unit after the initial construction of the Unit has been completed may be constructed or installed by a Person other than Declarant upon the approval of the Modification Review Board; (ii) additions, modifications or changes to the improvements on the Common Areas may be constructed or installed by the Association with the prior approval of the Declarant pursuant to Paragraph 8.01(c). Declarant's rights under this Paragraph 9.01 shall terminate, ten years from the date this Declaration is executed.

9.02. Nature of Improvements. Improvements shall include landscaping, sprinkler systems, Limited Common Area fences, and such other improvements as may be identified in the Map hereto or as may otherwise be deemed by the Declarant to be appropriate and consistent with this Declaration.

ARTICLE X

MODIFICATION REVIEW

10.01. Modification Review Board.

(a) The Executive Board shall establish a Modification Review Board which shall consist of such odd number of regular members and alternate members as the Executive Board may designate. The members of the Modification Review Board shall be appointed by the Executive Board. The regular term of office for each member shall be one year. Any such member may be removed with or without cause by the Executive Board at any time by written notice. A successor appointed to fill any vacancy on the Modification Review Board shall serve the remainder of the term of the former member.

(b) The Modification Review Board shall select its own chairman and vice-chairman from among its members. The chairman or, in the chairman's absence, the vice-chairman shall be the presiding officer of its meetings. In the absence of both the chairman and the vice-chairman from a meeting, the members present shall appoint a member to serve as acting chairman at such meeting. Meetings shall be held upon call of the chairman or vice-chairman at the offices of the Association. A majority of members shall constitute a quorum for the transaction of business. An alternate member may participate at any meeting at which there is not a quorum and shall have all of the authority of a regular member while so participating. In the absence of a quorum, a lesser number may adjourn any meeting to a later time or date. The affirmative vote of a majority of the members of the Modification Review Board shall constitute the action of the Modification Review Board on any matter before it. Except as set forth above, the Modification Review Board shall operate in accordance with its own Rules and Regulations which shall be filed with the Association and maintained in the records of the Association and shall be subject to inspection by all Owners and Mortgagees.

(c) The Modification Review Board is hereby authorized to retain the services of one or more consulting architects, landscape architects, urban designers or other professionals to advise and assist the Modification Review Board in performing the modification review functions prescribed in this Article X.

10.02. Modification Review Board Approval and Control.

(a) No Owner may (i) make any material alteration to exterior surfaces of existing buildings or improvements constituting a part of his Unit, or (ii) construct any additional building or improvement on any Improved Unit, without the prior written consent of the Modification Review Board. The approval of any requested alternative shall be at the sole discretion of the Modification Review Board. In determining whether to approve any requested modification, the Modification Review Board shall consider such matters as: (I) the compatibility of the modification with the overall design and appearance of the Project; (ii) the extent to which the construction of that modification may adversely impact other Owners and their respective Units; (iii) whether the requesting Owner has made the necessary arrangements for the modification to be completed expeditiously, and in a high quality, workmanship manner; and (iv) such other factors as the Modification Review Board deems relevant. The decisions of the Modification Review Board shall be conclusive and binding on all interested parties, subject only to the right of appeal and review by the Executive Board as described in Paragraph 10.03 below.

(b) Each Owner shall comply with the Rules and Regulations of the Modification Review Board, as the same may be amended from time to time by the Modification Review Board.

(c) The Modification Review Board or its designated representative may monitor any approved project to the extent required to ensure that the construction or work on such project complies with any and all approved plans and construction procedures. The Modification Review Board or its designated representatives may enter upon any Unit at any reasonable time or times to inspect the progress, work status or completion of any project. In addition to the remedies described in Paragraph 10.04 below, the Modification Review Board may withdraw approval of any project and require all activity at such project to be stopped, if deviations from the approved plan or approved construction practices are not corrected or reconciled promptly after written notification to the Owner specifying such deviations.

(d) Any material to be submitted or notice given to the Modification Review Board shall be submitted at the office of the Association.

10.03. Appeal to Executive Board. Any Owner aggrieved by a decision of the Modification Review Board may appeal the decision to the Executive Board in accordance with procedures to be established by the Executive Board. Such appeal shall be in writing and shall be filed within thirty days after the decision of the Modification Review Board. In the event the decision of the Modification Review Board is overruled by the Executive Board on any issue or question, the prior decision of the Modification Review Board shall be deemed modified to the extent specified by the Executive Board and such decision, as so modified, shall thereafter be deemed the decision of the Modification Review Board.

10.04. Enforcement of Restrictions.

(a) The Modification Review Board shall have primary responsibility to enforce the restrictions set forth in this Article X and the Rules and

Regulations adopted by the Modification Review Board; provided, however, that such responsibility shall not limit the right of the Association to take action under any other Article of this Declaration. If the Modification Review Board does not take action to enforce such restrictions within fifteen days after being requested to do so by the Executive Board, the Association may assume responsibility for enforcing such restrictions in any case in which the Modification Review Board declined to act.

(b) If an Owner violates any term or condition set forth in this Article X or in the Rules and Regulations of the Modification Review Board, the Modification Review Board and the Association shall have the following rights and remedies:

(i) The Modification Review Board may, by written notice to the Owner, revoke any approval previously granted to the Owner, in which event the Owner shall, upon receipt of such notice, immediately cease any development, improvement, alteration or landscaping covered by the approval so revoked.

(ii) The Modification Review Board and the Association may, but are not obligated to, enter upon the Owner's Unit and cure such violation at the Owner's sole cost and expense. If the Modification Review Board or the Association cures any such violation, the Owner shall pay to the Association the amount of all costs incurred by the Modification Review Board or the Association in connection therewith within thirty days after the Owner receives a written invoice therefor from the Modification Review Board or the Association.

(iii) The Association may sue the Owner to enjoin such violation.

(iv) The Association may sue the Owner for all damages, losses, costs and expenses, including, without limitation, reasonable attorneys fees and disbursements, incurred by the Modification Review Board or the Association as a result of the violation.

(v) The Modification Review Board and the Association shall have all other rights and remedies available to them under this Declaration, at law, or in equity. All rights and remedies of the Modification Review Board and the Association shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy.

10.05. Fees. The Modification Review Board may establish reasonable processing and review fees for considering any requests for approvals submitted to it, which fees shall be paid at the time the request for approval is submitted. The Executive Board may also establish a requirement for the escrowing of funds in an amount sufficient to guarantee completion of a proposed modification or other finish work included as a part of construction plans which have been presented to or approved by the Modification Review Board.

ARTICLE XI

COVENANTS, CONDITIONS AND RESTRICTIONS

11.1. Use of Units. Each Unit shall be used only as a single family dwelling. No gainful occupation, profession, trade or other nonresidential use shall be conducted at any Unit or in the Common Areas and no person shall enter into any Unit or the Common Areas for engaging in such uses or for the purpose of receiving products or services arising out of such usage.

11.2. Exterior Antennas and Satellite Dishes. Exterior antennas, satellite dishes and other similar electronics hardware are prohibited. Small satellite dishes of 24 inches or less in diameter may be allowed if the location of the satellite dish is approved by the Modification Review Board.

11.3. Nuisances. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Unit, and no odors or loud noises shall be permitted to arise or emit there from, so as to render any such Unit or the Common Areas in the vicinity thereof, or activity thereon, unsanitary, unsightly, offensive or detrimental to any other Unit or Common Areas, or to the occupants or users thereof. No other nuisance shall be permitted to exist or operate in or about any Unit so as to be offensive or detrimental to any other Unit or the Common Areas. No laundry or camping equipment shall be allowed drying or hanging outside the Units or common areas.

11.4. Parking of Vehicles. No vehicle shall be parked or stored at any location within the Project except in garages and designated parking areas. No trailers, boats, motorcycles, racks, snowmobiles, motor homes, recreational vehicles or any other type of vehicles shall be parked or stored within the Project except in garages.

11.5. Trash and Rubbish. The burning of rubbish, leaves or trash on the Property is prohibited. Trash containers shall be covered and kept screened from view from the street in suitable enclosed areas, except during collection. No Owner shall permit any thing or condition to exist in or about his Unit which may induce, breed or harbor infectious plant diseases or noxious insects.

11.6. Signs. No signs of any kind shall be displayed to public view on any Unit.

11.7. Animals. No animal, bird, fowl, livestock of any kind shall be raised, bred or kept in or about any Unit except that domestic dogs (a maximum of two, each weighing less than 15 lbs.), cats (maximum of two) and other household pets may be permitted by the Association so long as they are kept within the Unit at all times, except when on a leash and under the direct control of the Owner. Pet owners shall promptly remove and dispose of all excrement emitted by their pets in any Common Area. No pet runs, kennels or houses shall be allowed outside of Units or Common Areas.

11.8. Restriction on Further Subdivision Property Restrictions and Rezoning. No Unit shall be further subdivided or separated into smaller Units by any Owner, and no portion less than all of any such Unit, nor any easement or other interest therein, shall be conveyed or transferred by any Owner without the prior written approval of the Executive Board. No further covenants, conditions, restrictions or easements shall be recorded by any Owner or other person against any Unit without the provisions thereof having been first approved in writing by the Executive Board and any covenants, conditions, restrictions or easements recorded without such approval being evidenced thereon shall be null and void. No application for rezoning of any Unit, and no applications for variances or use permits, shall be filed with any governmental authority unless the proposed use of the Unit has been approved by the Executive Board and the proposed use otherwise complies with this Declaration.

11.9. Rental or Lease of Units. The provisions of this Declaration, the Articles, Bylaws and the Rules and Regulations shall apply with equal force to renters or lessees of any Unit. Prior to leasing any Unit, the Owner who lease his or her Unit shall file with the Executive Board a copy of the lease agreement affecting said Unit. The lease agreement must contain a provision

requiring the tenant to agree to be subject to the provisions of this Declaration, the Articles, Bylaws, and the Rules and Regulations. Any Owner who rents or leases his Unit shall be responsible for the conduct of his tenants, and upon written notice from the Executive Board; the Owner shall be responsible for correcting violations of the Declaration, Articles, Bylaws, or Rules and Regulations committed by such tenants. If an Owner fails to correct any such violations by the tenants within 72 hours of such notice, the Executive Board shall be deemed to be the agent of the Owner and empowered to take any enforcement action the Owner would be entitled to take, the cost of such action to be assessed to the Owner and payable within thirty (30) days of assessment. Such costs shall be collected and enforced in the same manner as Special Assessments under this Declaration. The power of the Executive Board hereunder shall include but not be limited to any and all legal remedies available under the laws of the State of Utah. Any Owner by the act of renting or leasing his Unit shall be deemed to have consented to these procedures and shall indemnify and save harmless the Executive Board against any and all liability therefor. It is expressly understood that the remedies available to the Executive Board shall include but not be limited to the right to seek eviction of the tenant.

11.10. Declarant's Exemption. Nothing contained in this Declaration shall be construed to prevent the reasonable exercise by the Declarant of its rights under this Declaration with respect to the construction, installation, sale, maintenance, modification or repair of Units or the Common Areas.

11.11. Restrictions Not Exclusive. The restrictions, limitations and requirements set forth in this Article XI are in addition to, and not in lieu of, the other provisions of the Association Documents.

ARTICLE XII

EASEMENTS AND RESERVATIONS

12.01. Declarant's Easements over Common Areas.

(a) Declarant hereby reserves for itself, its successors and assigns an easement over, across, through and under the Common Areas to (i) discharge Declarant's obligations under this Declaration; (ii) exercise any of Declarant's rights under this Declaration; and (iii) make improvements within the Project or within the additional property or any other real estate which may be added to the Project by Declarant under this Declaration.

(b) Declarant hereby reserves to itself, its successors and assigns, the right to (i) establish from time to time utility and other easements, permits or licenses over, across, through and under the Common Areas, and (ii) create other reservations, exceptions and exclusions for the best interest of all Owners and the Association,

12.02. Owners' Easements over Common Areas. Subject to the terms and conditions of this Declaration and all other Association Documents, Declarant hereby grants to the Owners an easement over, across and through the Common Areas (a) for ingress and egress to their Units, and (b) to use and enjoy the Common Areas.

12.03. Utility Easement. There is hereby created a blanket easement over, across, through and under the Property for ingress to, egress from, and the installation, replacement, repair and maintenance of, all utility and service lines and systems, including, without limitation, water, sewer, gas, telephone,

electricity and cable television, as solely relates to this Project. The Association may authorize the release of portions of the blanket easement created by this Paragraph 12.03 upon the request of any Owner showing good cause therefor, Notwithstanding anything to the contrary contained in this Paragraph 12.03, no sewers, electrical lines, water lines, telephone lines or other utility or service lines may be installed or relocated on any portion of the Property, except as approved by the Modification Review Board, or the Declarant

12.04. Association's Easements Over Common Areas. Declarant hereby grants the Association an easement over, across, through and under the Common Areas to (a) exercise any right held by the Association under this Declaration or any other Association document, and (b) perform any obligation imposed upon the Association by this Declaration or any other Association Document. Notwithstanding the foregoing, the Association shall not enter upon any Unit without reasonable prior notice to the owner of the Unit, except in cases of emergency.

12.05. Recorded Easements. The Property shall be subject to all easements shown on any recorded plat affecting the Property and to any other easements of record or of use as of the date of recordation of this Declaration.

12.06. Encroachments. The Executive Board may grant appropriate easements when an encroachment occurs on a Common Area or Unit due to construction, reconstruction, repair, shifting, settlement, or other movement of any portion of a Common Area or Unit improvement. Such encroachment easement shall only be valid until the encroachment is cured.

ARTICLE XIII

INSURANCE

13.01. Insurance required to be obtained by the Association. The Association shall obtain and maintain all insurance required to be obtained and maintained by the Association under the Act and any additional insurance that the Executive Board deems necessary.

13.02. Adjustments. Any loss covered by insurance maintained by the Association shall be adjusted with the Association in accordance with the terms and conditions of the Act. The insurance proceeds payable for any such loss shall be paid in accordance with the terms and conditions of the Act.

13.03. Owners own Insurance. Each Owner, at his own expense, may procure and maintain fire and extended coverage insurance covering personal property of such owner. Notwithstanding the provisions hereof, each owner may obtain insurance at his own expense providing such other coverage upon such Owner's Condominium, such Owners personal property, such Owner's personal liability, and covering such other risks as such Owner may deem appropriate

ARTICLE XIV

CASUALTY

14.01. Casualty to Common Areas. The Association shall respond to any damage to, or destruction of, any Common Areas in accordance with the terms and conditions of the Act.

14.02. Casualty to a Unit. Each Owner shall be responsible for repairing or replacing any damage to, or destruction of, his Unit.

ARTICLE XV

CONDEMNATION

15.01. Condemnation of Common Areas. Whenever all or any part of the Common Areas shall be taken by condemnation or similar proceeding, or whenever all or any part of the Common Areas is conveyed in lieu of a taking under a threat of condemnation, the award payable in connection therewith shall be paid to the Association and used by the Association (a) first, to repair any damage to Common Areas resulting from the condemnation or other taking, and (b) second, for any other Common Expenses.

ARTICLE XVI

SPECIAL DECLARANT RIGHTS

16.01. Improvements. Declarant hereby reserves for itself, its successors and assigns the right to construct any improvements shown on the Map and the right to construct during Declarant Control Period, any improvement that Declarant deems necessary or advisable on any Common Area, including, without limitation, sidewalks, trails, drainage facilities, utility facilities, monuments and other common area facilities. Declarant hereby also reserves the right for any further development on adjacent parcels of land that may become available, and reserves the right to hold perpetually the right to grant or deny easements to adjacent properties including ingress/egress, or rights to service adjacent properties through the Projects utilities.

16.02. Reservation of Right to Expand. The Declarant may, in its sole discretion, from time to time and at different times, expand Riverbend creating additional Units and/or limited Common Areas and facilities, so long as Declarant does so in accordance with Section 57-8-13.6 of the Act and the following limitations:

- (a) The maximum number of Units that may be created by Expansion is 151;
- (b) All the Units that may be created within the Expandable Land shall be exclusively for a part of Riverbend.
- (c) All limited common areas and facilities created within the Expandable Land shall be substantially of the same types, sizes and number as those existing with regard to the then existing residential Units within the Project;
- (d) The Declarant shall not be required to obtain the consent of any Owners or of any other person or entity having any right or interest in all or any portion of the Project prior or subsequent to Expansion. The Declarant may proceed with such expansion at its sole option and as its sole action.
- (e) No provision of this Article XVI shall be amended without the prior written consent of Declarant.
- (f) The additional land is described in attachment "C"

16.03. Sales and Management Offices. Declarant hereby reserves for itself, its successors and assigns the right to construct and maintain sales offices and

management offices in the Common Areas. Declarant also reserves for itself, its successors and assigns the right to construct and maintain signs advertising the Project on any and all Common Areas and the right to use any of the Units owned by it as model homes. Declarant's right to use any Unit as a model home will terminate when all the Units have been sold by the Declarant.

ARTICLE XVII

RIGHTS OF MORTGAGEES

17.01. Benefit of Mortgagees. The terms and conditions contained in this Article XVII are for the benefit of Mortgagees. To the extent necessary, applicable or proper, the provisions of this Article XVII apply to this Declaration and to the Articles and Bylaws.

17.02. Notices of Action. The Association shall give to each Eligible Holder timely written notice of:

(a) any condemnation loss or any casualty loss which affects a material portion of the Project or which affects any Unit on which there is a First Mortgage held, insured or guaranteed by such Eligible Holder;

(b) any delinquency in the payment of Assessments or charges owed to the Association by an Owner whose Unit is subject to the First Mortgage of such Eligible Holder, or any default by such Owner in the performance of any such Owner's obligations under this Declaration or any other Association Document, if the Executive Board has actual notice of such default, which is not cured within sixty days;

(c) any lapse, cancellation or material modification of any insurance policy or fidelity bond required to be maintained by the Association; and

(d) any proposed action which would require the consent of a specified percentage of First Mortgagees as provided in this Article XVII.

17.03. Approvals of Specified Actions.

(a) The consent of Owners to whom at least 67 percent of the votes allocated to all Memberships are allocated, and the consent of at least 67 percent of all First Mortgagees (based on one vote for each First Mortgage held) shall be obtained before taking the following actions:

(i) a decision by the Association to establish self-management when professional management had been required previously by an Eligible Holder;

(ii) restoration or repair of the Project (after a hazard damage or partial condemnation) in a manner other than that specified in this Declaration;

(iii) partition, subdivide, abandon, transfer or encumber any Unit or Common Area (after a hazard damage or partial condemnation) in a manner other than that specified in the Declaration;

(iv) change the pro rata interests or obligations associated with any Unit for purposes of assessments or allocating hazard insurance or condemnation proceeds (after a hazard damage or partial condemnation) in a manner other than specified in the Declaration; and

(v) termination of the legal status of the Project after any substantial destruction or condemnation occurs.

(b) The consent of Owners to whom at least 67 percent of the votes allocated to all Memberships are allocated, and the consent of at least 67 percent of all First Mortgagees (based on one vote for each First Mortgage held) shall be required to commence any action to terminate the legal status of the Project for reasons other than substantial destruction or condemnation of the Project.

17.04. Approvals for Amendments to Documents.

(a) Except with respect to those amendments to this Declaration that Declarant is expressly permitted to make under this Declaration, the consent of Owners to which at least 67 percent of the votes allocated to all Memberships are allocated, and the consent of at least 67 percent of all First Mortgagees (based on one vote for each First Mortgage held) shall be required to add to, delete or amend any material provisions of this Declaration, the Articles or the Bylaws which establish, provide for, govern or regulate any of the following:

- (i) voting rights;
- (ii) Assessments, the Assessment Lien or the subordination of the Assessment Lien;
- (iii) reserves for maintenance, repair and replacement of Common Areas;
- (iv) responsibility for the maintenance and repair of the Common Areas;
- (v) the reallocation of interests in the Common Areas or the rights to the use thereof
- (vi) boundaries of any Units;
- (vii) the convertibility of Units into Common Areas or vice versa;
- (viii) the expansion or contraction of the Project or the addition, annexation or withdrawal of the property to or from the Project;
- (ix) insurance or fidelity bonds;
- (x) the leasing of Units;
- (xi) the imposition of any restrictions on an Owner's rights to sell or transfer his or her Unit; and
- (xii) any provision that expressly benefits the Eligible Holders.

(b) If the Project has been, or is to be approved by, the Federal Housing Administration or the Department of Veterans Affairs, then during the Declarant Control Period the following actions will require the prior approval of the Federal Housing Administration and/or the Department of Veterans Affairs:

- (i) amendments to this Declaration;
- (ii) amendments of the Articles or the Bylaws;
- (iii) the annexation of additional properties to this Declaration;

- (iv) the merger, consolidation or dissolution of the Association; and
- (v) the mortgaging of the Common Areas.

17.05. Implied Approval. A First Mortgagee shall be assumed to have granted any consent or approval described in this Article XVII if it fails to submit a response to any written request therefor within thirty days after it receives such request; provided, however, that such request was delivered by certified or registered mail, return receipt requested.

17.06. Limitation to Pay Assessments and Charges. Any First Mortgagee who obtains title to a Unit pursuant to remedies in a Mortgage or through foreclosure of a Mortgage will not be liable for more than six months of the Unit's unpaid Assessments or other charges that accrued before the First Mortgagee acquired title to the Unit.

17.07. Rights to Insurance and Condemnation Proceeds. No provision of this Declaration shall be deemed to give an Owner or any other party priority over any rights of the First Mortgagee pursuant to its Mortgage on an Unit relating to payment to the Owner of insurance proceeds or condemnation awards for losses to or a taking of the Unit.

17.08. Right to Pay Taxes and Charges. First Mortgagees may, jointly or individually, pay taxes or other charges which are in default and which may or have become a charge against any Common Element and may pay overdue premiums on casualty insurance policies or secure new casualty insurance policies upon the lapse of the policy required to be maintained by the Association pursuant to paragraph 13.01 above. Any First Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

ARTICLE XVIII

ENFORCEMENT AND REMEDIES

18.01. Enforcement.

(a) Each provision of this Declaration with respect to the Association or the Common Areas shall be enforceable by Declarant or any Owner by a proceeding for injunctive relief.

(b) Each provision of this Declaration with respect to an Owner or a Unit shall be enforceable by the Association by (i) a proceeding for injunctive relief; (ii) a suit or action to recover damages; and/or (iii) in the discretion of the Association, for so long as any Owner fails to comply with any such provisions, exclusion of such Owner and such Owner's family members, tenants and guests from the use of any Common Areas and from the participation in any Association affairs. In addition, if an Owner fails to perform or observe any covenant or condition on such Owner's part to be performed or observed under this Declaration or any other Association Document, the Association shall have the following rights and remedies:

(i) The Association may, but is not obligated to, cure such failure to comply at the Owner's sole cost and expense. If the Association cures any such failure to comply, the Owner shall pay to the Association the amount of all costs incurred by the Association in connection therewith within thirty days after the Owner receives a written invoice therefor from the Association.

(ii) The Association may, after notice and an opportunity to be heard, assess the Owner a Special Assessment in an amount not to exceed 5% of the Owner's General Assessment for the year for each violation. The Owner shall pay any such Special Assessment to the Association within thirty days after the Owner receives a written invoice for the Special Assessment from the Association.

(iii) The Association shall have all other rights and remedies available to it under this Declaration, at law or in equity.

(c) All rights and remedies of the Association shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy.

18.02. Attorneys' Fees. In the event of any dispute under or with respect to this Declaration or any other Association Document, the prevailing party shall be entitled to recover from the non prevailing party all of its costs and expenses in connection therewith, including, but not limited to, reasonable attorneys' fees and disbursements.

18.03. Interest. If an Owner fails to pay to the Association any Assessment or other amount due to the Association as and when the same becomes due, the Owner shall pay to the Association interest on such unpaid amount at the rate of 18 percent per annum from the due date of such unpaid amount until the date paid.

ARTICLE XIX

TERM AND AMENDMENTS

19.01. Term. The covenants, conditions, restrictions, reservations, easements, assessments, charges and liens set forth in this Declaration shall run with and bind the Property until this Declaration is terminated pursuant to Section 19.02 below.

19.02. Termination. Subject to the terms and conditions of Article XVII above, the Owners may terminate the Project, by the unanimous vote of all of the votes allocated to all Memberships. If the necessary votes and consents are obtained, the agreement of the Owners to terminate the Project and this Declaration shall be evidenced by a termination agreement or ratification thereof, executed by all of the Owners in accordance with the terms and conditions of Section 57-8-22 of the Act. Upon recordation of the termination agreement with the Recorder for Utah County, Utah, the Project shall be terminated, this Declaration shall have no further force or effect, and the Association shall be dissolved.

19.03. Amendments.

(a) Subject to the term and conditions of Article XVII above, the Owners may amend any provision of this Declaration at any time by a vote of at least 67 percent of all Memberships. If the necessary votes and consents are obtained, the Association shall cause to be recorded with the Recorder for Utah County, Utah, an amendment to this Declaration, in accordance with the terms and conditions of Section 57-8-12 of the Act.

(b) Notwithstanding the terms and conditions of Article XVII above, Declarant may amend this Declaration as expressly provided herein, without the approval of the Owners.

ARTICLE XX

MISCELLANEOUS

20.01. Interpretation of the Declaration. Except for judicial construction, the Association, by its Executive Board, shall have the exclusive right to construe and interpret the provisions of this Declaration. In the absence of any adjudication to the contrary by a court-of competent jurisdiction, the Association's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all persons and property benefited or bound by the covenants and the provisions hereof.

20.02. Severability. Any determination by any court of competent jurisdiction that any provision of this Declaration is invalid or unenforceable shall not affect the validity and enforceability of any other provisions hereof.

20.03. Disclaimer of Representations. Notwithstanding, anything to the contrary contained in this Declaration, Declarant makes no warranties or representations whatsoever that the plan presently envisioned for the complete development of the Project can or will be carried out or that any land now owned or hereafter acquired by Declarant is or will be subjected to this Declaration, or that any such land, whether or not it has been subjected to this Declaration, is or will be committed to or developed for a particular use, or that if such land is once used for a particular use, that such use will continue in effect.

20.04. Reference to Declaration and Deeds. Deeds to and instruments affecting any Unit or any other part of the Project may contain the provisions set forth herein by reference to this Declaration, but regardless of whether any such reference is made in any deed or instrument, each and all of the covenants, conditions, restrictions, reservations, easements, assessments, charges and liens set forth herein shall be binding upon the grantee-owner or other person claiming through any deed or other instrument and his or her heirs, executors, administrators, successors and assigns.

20.05. Successors and Assigns of Declarant. Any reference in this Declaration to Declarant shall include any successors or assignees of Declarants rights and powers hereunder, provided that Declarants rights and powers may only be assigned by a written recorded instrument expressly assigning such rights and powers.

20.06. Captions and Titles. All captions and titles of headings of Articles and Sections in this Declaration are for the purpose of reference and convenience and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof or to be used in determining the intent or context thereof.


20.07. Notices. If notice of any action or proposed action by the Executive Board or any committee or if any meeting is required to be given to any Owner by law, this Declaration or any other Association Document, then, unless otherwise specified herein or in any other Association Document, such notice requirement shall be deemed satisfied if such notice of such action or meeting is published once in any newspaper in general circulation within the Utah County, Utah. This section shall not be construed to require-that any notice be given if not otherwise required and shall not prohibit satisfaction of any notice requirement in any other matter.

REGISTERED AGENT

Pursuant to Section 57-8-10.2(2)(d)(iii) of the Act, Mr. Brian Knowlton is designated as the person to receive service of process on behalf of the Project. Mr. Knowlton's address is 1636 South 200 West, Bountiful, Utah 84010. The Executive Board may change its designation of this registered agent as it may deem appropriate. To effectuate a change in the registered agent, the Executive Board must record a notice of change of registered agent with the Utah County Recorder.

IN WITNESS WHEREOF, the Declarant has hereunto caused its name to be signed as of the day and year first written above.

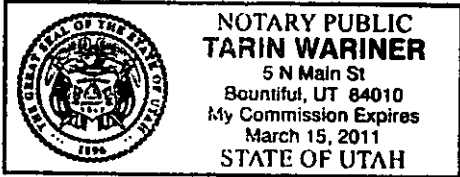
LANDROCK LLC

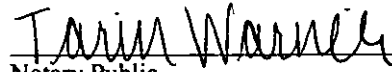


Brian Knowlton, Member

STATE OF UTAH)
) ss.
COUNTY OF DAVIS)

The foregoing instrument was acknowledged before me this 7 day of MAY 2007, by Brian Knowlton.





Notary Public

Residing at: 5N Main Bountiful, UT 84010

My Commission Expires: 3/15/2011

EXHIBIT A
TO
CONDOMINIUM DECLARATION FOR RIVERBEND PHASE 1

Phase 1 parcel: Beginning at a point that is East 499.53 feet and North 2036.19 feet from the South 1/4 corner of Section 14, Township 5 South, Range 1 West, Salt Lake Base and Meridian; thence North $00^{\circ}23'05''$ East, a distance of 381.31 feet; thence South $89^{\circ}22'26''$ East, a distance of 78.96 feet; thence South $29^{\circ}38'22''$ East, a distance of 92.40 feet; thence South $18^{\circ}05'12''$ East, a distance of 36.00 feet; thence South $00^{\circ}03'48''$ East, a distance of 78.38 feet; thence South $89^{\circ}45'43''$ East, a distance of 168.23 feet; thence South $00^{\circ}01'50''$ West, a distance of 78.17 feet; thence South $27^{\circ}34'06''$ East, a distance of 40.85 feet; thence South $00^{\circ}38'27''$ West, a distance of 76.00 feet; thence North $89^{\circ}22'26''$ West, a distance of 324.73 feet to the point of beginning.

Containing 83,033 square feet or 1.9062 acres, more or less.

The basis of bearings for this survey is North $89^{\circ}48'45''$ East between the Southwest corner and the South 1/4 corner of Section 14, Township 5 South, Range 1 West, Salt Lake Base and Meridian, as shown. Based on the Utah state plane coordinate system. (NAD27, Utah central zone)

EXHIBIT B
TO
CONDOMINIUM DECLARATION FOR RIVERBEND PHASE 1
SHARES OF COMMON EXPENSES

	<u>Address</u>	<u>Share of common expenses</u>
1	79 River Bend Dr.	5.0000%
2	77 River Bend Dr.	5.0000%
3	1151 80 East	5.0000%
4	1147 80 East	5.0000%
5	1133 80 East	5.0000%
6	1129 80 East	5.0000%
7	76 River Veiw Dr.	5.0000%
8	78 River Veiw Dr.	5.0000%
9	86 River Veiw Dr.	5.0000%
10	90 River Veiw Dr.	5.0000%
11	94 River Veiw Dr.	5.0000%
12	98 River Veiw Dr.	5.0000%
13	102 River Veiw Dr.	5.0000%
14	106 River Veiw Dr.	5.0000%
15	109 River Veiw Dr.	5.0000%
16	105 River Veiw Dr.	5.0000%
17	101 River Veiw Dr.	5.0000%
18	97 River Veiw Dr.	5.0000%
19	93 River Veiw Dr.	5.0000%
20	89 River Veiw Dr.	5.0000%

EXHIBIT C
TO
CONDOMINIUM DECLARATION FOR RIVERBEND PHASE 1

BASIS OF BEARINGS:

THE BASIS OF BEARINGS FOR THIS SURVEY IS N89°48'45"E BETWEEN THE SOUTHWEST CORNER AND THE SOUTH 1/4 CORNER OF SECTION 14, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, AS SHOWN. BASED ON THE UTAH STATE PLANE COORDINATE SYSTEM. (NAD27, UTAH CENTRAL ZONE)

LEGAL DESCRIPTION: (AS SURVEYED)

A PARCEL OF LAND IN THE SOUTHEAST 1/4 OF SECTION 14, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, LOCATED IN THE CITY OF SARATOGA SPRINGS, COUNTY OF UTAH, STATE OF UTAH, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON A FENCE LINE LOCATED N00°37'34"E 2041.07 FEET ALONG THE LONGITUDINAL MID-SECTION LINE AND EAST 41.74 FEET FROM THE SOUTH 1/4 CORNER OF SECTION 14, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN; THENCE N00°23'05"E 381.31 FEET ALONG A FENCE; THENCE ALONG A FENCE ON THE SOUTH LINE OF THE SHINSEL AND MITCHELL PROPERTIES S89°22'26"E 1942.93 FEET TO THE CENTER OF THE JORDAN RIVER; THENCE GENERALLY ALONG THE CENTER OF THE JORDAN RIVER THE FOLLOWING FOUR (4) COURSES:
S43°42'34"W 113.12 FEET;
S47°03'34"W 200.67 FEET;
S54°09'34"W 214.37 FEET;
S57°23'34"W 60.17 FEET TO THE NORTH LINE OF THE HATCH INVESTMENTS PROPERTY; THENCE N89°22'26"W ALONG SAID NORTH LINE OF HATCH INVESTMENTS PROPERTY AND A FENCE LINE 1495.93 FEET TO THE POINT OF BEGINNING.

CONTAINING 15.224 ACRES, MORE OR LESS.

Less and excepting Exhibit A

BYLAWS
OF
RIVERBEND OWNERS ASSOCIATION, INC.

ARTICLE I

Offices

Section 1.1. Business Offices. The corporation may have such other offices, either within or outside Utah, as the governing Board of Trustees may designate or as the affairs of the corporation may require from time to time.

Section 1.2. Registered Office. The registered office of the corporation required by the Act to be maintained in Utah shall be the registered office as originally designated in the Articles of Incorporation ("Articles") or subsequently designated as the corporation's registered office in the most recent document on file with the Division providing such information. The corporation shall maintain a registered agent at the registered office. The registered office and registered agent may be changed from time to time by the Board of Trustees.

ARTICLE II

Members

Section 2.1. Members. The Corporation shall have one class of members with the voting privileges and other rights, responsibilities and obligations set forth in these bylaws and the Condominium Declaration for RIVERBEND CONDOMINIUMS (the "Declaration"). One membership shall be appurtenant to every Unit, as defined in the Declaration, and may not be separated from ownership of the Unit to which it appertains.

Section 2.2. Suspension and Termination of Membership. A member who fails to pay any Assessment or other charge as required by the Declaration within 10 days after written notice of such failure to pay is delivered to such member shall be given an opportunity to be heard by the Trustees as to why the member has not paid such Assessment or charge. At the conclusion of such hearing, the Trustees may suspend the membership of the member until all such dues and assessments are fully paid, at which time such member shall be automatically reinstated, or reduce or waive the Assessment. During any period of suspension a member shall not be entitled to exercise the rights and privileges of membership, including without limitation the right to vote.

(a) The rights and obligations of memberships in the corporation shall not be assigned, transferred, pledged, conveyed or alienated in any way except in combination with the transfer of ownership of the Unit to which it appertains. Any attempt to make a prohibited transfer shall be void. Any transfer of ownership of a Unit shall automatically transfer the membership appurtenant to such Unit to the new owner thereof.

(b) Any party on becoming a member shall furnish to the corporation a photocopy or a certified copy of the recorded instrument, or a copy of other documentation, vesting that party with the interest required to make it a member of the corporation. Each such member shall at the same time give a single name and address to which notices to such member may be sent. No party shall be entitled to any notice or the right to vote until it has been determined by the corporation that such party is a member.

Section 2.4. Annual Meeting of Members. An annual meeting of the members shall be held each year on a date and at a time and place designated by the Board of Trustees, for the purpose of electing those Trustees who are to be elected by the members and for the transaction of such other business as may come before the meeting.

Section 2.5. Special Meetings. Special meetings of the members for any purpose or purposes, unless otherwise prescribed by statute, may be called by the president or the Board of Trustees, and shall be called by the president at the request of members having the right to cast one-third of the votes entitled to be cast at such meetings.

Section 2.6. Notice of Meeting. Except as otherwise prescribed by statute, written or printed notice of each meeting of the members, or of any class of members, stating the place, day and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 10 nor more than 50 days before the date of the meeting, either personally or by mail, by or at the direction of any of the officers of the corporation, or any other person calling the meeting, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to each member at such member's address as it appears in the records of the corporation, with postage prepaid. Any member may waive notice of any meeting before, at or after such meeting. The attendance in person or by proxy of a member at a meeting shall constitute a waiver of notice of such meeting, except when a member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 2.7. Proxies. Votes may be cast in person or by proxy. Every proxy must be executed in writing by the member or by his duly authorized attorney-in-fact. Such proxy shall be filed with the secretary of the corporation before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

Section 2.8. Quorum. Except as otherwise required by the laws of Utah, the articles of incorporation, or these bylaws, the presence in person or by proxy of members who are entitled to vote a majority of all votes entitled to be cast shall constitute a quorum.

Section 2.9. Voting. The affirmative vote of a majority of the votes represented at a meeting in which a quorum is present shall be the act of the members unless otherwise provided in the articles of incorporation, these bylaws, or the Declaration. Each membership shall have one vote; cumulative voting shall not be allowed for any purpose. Fractional votes shall not be allowed. If the owners of a unit are unable to agree how to cast their votes, they shall not be entitled to vote on that matter. If a member casts a vote representing a certain unit, it will thereafter be conclusively presumed for all purposes that he acted with the authority and consent of all other owners of the same unit unless another owner objects at the time the vote is cast. If more than one vote is cast for a particular unit, none of such votes shall be counted and all such votes shall be void.

Section 2.10. Committees. The members or the Board of Trustees at any time and from time to time may establish one or more committees of members for any appropriate purposes and may dissolve any such committee. Either the members of the corporation or the members of the committee shall elect a chairperson who shall preside at all meetings of the committee and generally supervise the conduct of the committee's affairs. Rules governing procedures for meeting of any such committee and for the conduct of such committee's affairs shall be as established by the committee.

Section 2.11. Action Without a Meeting. Any action required or permitted to be taken at a meeting of the members or any committee thereof may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof. Such consent (which may be signed in counterparts) shall have the same force and effect as a unanimous vote of the members entitled to vote thereon.

Section 2.12. Obligations of the Members.

(a) Assessments. Each member shall pay to the corporation all Assessments applicable to such member as defined by the Declaration. Each member shall pay all maintenance charges, interest or other amounts payable to the corporation under the Declaration, the articles of incorporation of these bylaws.

(b) Time for Payments. The amount of any Assessment, charge or other amount payable by any member shall become due and payable as specified by the Board, the Declaration or these bylaws, and any such amount which is delinquent shall bear interest at any rate established by the Board from time to time which does not exceed the maximum legal rate then in effect in Utah, from the date due and payable.

(c) Lien for Assessments and Other Amounts. In addition to any other remedies or rights, the corporation shall have a lien against each Unit to secure payment of any Assessment, charge or other amount due and owing to the corporation with respect to the owner of that Unit, plus interest from the date due and payable, plus all costs and expenses of collecting the unpaid amount, including reasonable attorneys' fees.

(d) Compliance with the Declaration. Articles. Bylaws and Rules and Regulations. Each member shall comply with all provisions of the Declaration, the articles of incorporation, these bylaws and the RIVERBEND Owners Association Rules issued by the Board as from time to time in force and effect. If the Board has adopted and published rules and regulations governing the use of common areas and the personal conduct of any person related thereto, the Trustees or the officers of the corporation may, in their discretion, after a

member has been given an opportunity to be heard, suspend the rights of any such person for violation of such rules and regulations for a period not to exceed 30 days, or if such person is in continuous violation of such rules and regulations for a period until such time as the violation ceases. At the time such continuous violation ceases, the 30-day suspension may be removed from such members.

(e) Mortgages and Other Liens. Any member who mortgages or grants a deed of trust covering his Unit shall notify the Board of the name and address of the mortgagee or beneficiary of the deed of trust and shall file conformed copies of the note and security instrument with the Board. Such notice shall include an agreement by the lending institution that it will notify the corporation when its lien has been released. The Board, when giving notice to a member of default in paying an assessment or other default, shall send a copy of such notice to each mortgagee or beneficiary of a deed of trust covering such member's Unit whose name and address has theretofore been filed with the corporation, and which has not been removed by appropriate notice that the lien has been released. However, failure to give such notice to a mortgagee shall not invalidate the notice to a member.

ARTICLE III

Board of Trustees

Section 3.1. General Powers. The business and affairs of the corporation shall be managed under the direction of the Board of Trustees except as otherwise provided in the Act, the Articles or these Bylaws. The Board shall have and may exercise all the powers of the Association except such as are expressly conferred upon the Members by law, by the Articles, the Declaration or these Bylaws as from time to time in force and effect.

Section 3.2. Additional Powers and Responsibilities. In addition to its general powers, the Board shall have the authority and the responsibility, acting through the Association's officers, and subject to the provisions of the Declaration:

(a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Articles, the Declaration or the Bylaws as from time to time in force and effect.

(b) To establish, make, amend, publish and enforce compliance with such reasonable rules and regulations governing the operation and use of Common Areas and the personal conduct of the Members and their guests while on or using the Common Areas, and to establish, make, amend, publish and enforce payment of reasonable charges for the use of Common Areas and services.

(c) To maintain in good order, condition and repair Common Areas and all items of personal property used in the enjoyment of such property.

(d) To obtain and maintain insurance in connection with Common Areas and related personal property in the manner and the amounts provided in the Declaration, and such other insurance as the Board may consider appropriate.

(e) To fix, determine, levy and collect Annual Assessments, Special Assessments and Maintenance Charges to meet the Common Expenses and costs of the Association, and to create a reasonable reserve therefor.

(f) To collect promptly all delinquent Assessments and charges by Suit or to otherwise and to enjoin or seek damages from a Member.

(g) To collect any other charges and fees set forth in the Declaration and otherwise provided for in the Articles and these Bylaws, as in effect from time to time.

(h) To issue, or cause an appropriate officer to issue, upon written demand of any Member, a certificate setting forth whether any assessment or charge has been paid by such Member. Such certificate shall be conclusive evidence against the Association for all purposes, except in the case of fraud. The Association may charge a reasonable fee for such certificate.

(i) To protect and defend Common Areas from loss and damage by suit or otherwise.

(j) To enter into contracts within the scope of their duties and powers.

(k) To establish a bank account for the common treasury and for all separate funds which are required or may be deemed advisable by the Board.

(l) To maintain full and accurate books and records showing all of the receipts, expenses or disbursements of the Association. Any Member may inspect such records upon reasonable notice at any reasonable time.

(m) To prepare and upon request deliver to any requesting Member an annual statement showing all receipts, expenses or disbursements since the last such statement.

Section 3.3. Number. Election. Tenure and Qualifications.

(a) The number of Trustees of the corporation shall be specified from time to time by resolution of the Board of Trustees, but shall not be less than three nor more than five. No decrease in the number of Trustees shall have the effect of shortening the term of any incumbent Trustee.

(b) Other than the initial Trustees who shall hold the term specified in the articles of incorporation, each director shall serve for a term of three years unless otherwise provided by the Board prior to the election of an individual to fill a vacant director position.

(c) At each annual meeting of members, the members shall elect Trustees to fill each of the vacant director positions.

(d) Each director shall hold office until his term expires and thereafter until his successor has been elected and qualified, or until the director's earlier death, resignation or removal.

(e) Any director may be removed at any time, with or without cause, by a vote of three-fourths of the other Trustees then in office, or by a vote of two-thirds of all memberships represented in person or by proxy and entitled to vote at any meeting at which a quorum is present, except as otherwise provided by the Declaration.

Section 3.4. Vacancies. Any Trustee may resign at any time by giving written notice to the president or to the secretary of the corporation. A Trustee's

resignation shall take effect at the time specified in such notice; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any vacancy occurring in the Board of Trustees may be filled by the affirmative vote of a majority of the remaining Trustees though less than a quorum. A Trustee elected to fill a vacancy shall be elected for the unexpired term of this predecessor in office. Any trusteeship to be filled by reason of an increase in the number of Trustees shall be filled by the affirmative vote of a majority of the Trustees then in office or by an election at a meeting of the shareholders called for that purpose, and a Trustee so chosen shall hold office for the term designated for the position so created and thereafter until the Trustee's successor has been elected and qualified, or until the Trustee's earlier death, resignation or removal.

Section 3.5. Regular Meetings. A regular meeting of the Board of Trustees shall be held immediately after and at the same place as the annual meeting of the shareholders, or as soon as practicable thereafter at the time and place, either within or outside Utah, determined by the Board, for the purpose of appointing officers and for the transaction of such other business as may come before the meeting. The Board of Trustees may provide by resolution the time and place, either within or outside Utah, for the holding of additional regular meetings.

Section 3.6. Special Meetings. Special meetings of the Board of Trustees may be called by or at the request of the president or any two Trustees. The person or persons authorized to call special meetings of the Board of Trustees may fix any place as the place, either within or outside Utah, for holding any special meeting of the Board called by them.

Section 3.7. Notice. Notice of each meeting of the Board of Trustees stating the place, day and hour of the meeting shall be given to each Trustee at least five days prior thereto by the mailing of written notice by first class, certified or registered mail, or at least two days prior thereto by personal delivery of written notice or by telephonic or telegraphic notice, except that in the case of a meeting to be held pursuant to Section 3.12 of this Article, telephone notice may be given one day prior thereto. (The method of notice need not be the same to each Trustee.) Notice shall be deemed to be given, if mailed, when deposited in the United States mail, with postage thereon prepaid, addressed to the Trustee at his business or residence address; if personally delivered, when the telegram is delivered to the Trustee; if telegraphed, when the telegram is delivered to the telegraph company; if telephoned, when communicated to the Trustee. Any Trustee may waive notice of any meeting. The attendance of a Trustee at a meeting shall constitute a waiver of notice of such meeting, except where a Trustee attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting of the Board of Trustees need to be specified in the notice of waiver of notice of such meeting unless otherwise required by the Act.

Section 3.8. Presumption of Assent. A Trustee of the corporation who is present at a meeting of the Board of Trustees at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the secretary of the corporation immediately after the adjournment thereof or shall forward such dissent by registered mail to the secretary of the corporation immediately after the adjournment of the meeting.

Such right to dissent shall not apply to a Trustee who voted in favor of such action.

Section 3.9. Quorum and Voting. A majority of the number of Trustees fixed by Section 3 of this Article, present in person, shall constitute a quorum for the transaction of business at any meeting of the board of Trustees, and the vote of a majority of the Trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees. If less than such majority is present at a meeting, a majority of the Trustees present may adjourn the meeting from time to time without further notice other than an announcement at the meeting, until a quorum shall be present. No Trustee may vote or act by proxy at any meeting of Trustees.

Section 3.10. Compensation. Trustees shall not receive compensation for their services as such, although the reasonable expenses incurred by Trustees to attend Board meetings may be paid or reimbursed by the Association. Trustees shall not be disqualified to receive reasonable compensation for services rendered to or for the benefit of the Association in any other capacity.

Section 3.11. Executive and Other Committees. By one or more resolutions, the Board of Trustees may designate from among its members an executive committee and one or more other committees, each of which, to the extent provided in the resolution establishing such committee, shall have and may exercise all of the authority of the Board of Trustees, except as prohibited by statute. The delegation of authority to any committee shall not operate to relieve the Board of Trustees or any member of the Board from any responsibility imposed by law. Rules governing procedures for meetings of any committee of the Board shall be as established by the committee, or in the absence thereof by the Board of Trustees.

Section 3.12. Meetings by Telephone. Members of the Board of Trustees or any committee thereof may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

Section 3.13. Action Without a Meeting. Any action required or permitted to be taken at a meeting of the Trustees or any committee thereof may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Trustees or committee members entitled to vote with respect to the subject matter thereof. Such consent (which may be signed in counterparts) shall have the same force and effect as a unanimous vote of the Trustees or committee members, and may be stated as such in any articles or documents filed with the Division under the Act, or other governmental agency.

ARTICLE IV

Officers and Agents

Section 4.1. Number and Qualifications. The officers of the corporation shall be a president, a secretary and a treasurer. The Board of Trustees may also appoint such other officers, assistant officers and agents, including a chairman of the Board, one or more vice presidents, a controller, assistant secretaries and assistant treasurers, as they may consider necessary. One person may hold any two offices, except that no person may simultaneously hold the offices of president and secretary.

Section 4.2. Appointment and Term of Office. The officers of the corporation shall be appointed by the Board of Trustees annually at the first meeting of the Board held after each annual meeting of the shareholders. If the appointment of officers shall not be done at such meeting, such appointment shall be done as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly appointed, or until his earlier death, resignation or removal.

Section 4.3. Salaries. The salaries of the officers shall be as fixed from time to time by the Board of Trustees and no officer shall be prevented from receiving a salary by reason of the fact that he is also a Trustee of the corporation. The Board of Trustees may elect not to pay any salary to any or all officers.

Section 4.4. Removal. Any officer or agent may be removed by the Board of Trustees whenever in its judgment the best interest of the corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Appointment of an officer or agent shall not in itself create contract rights.

Section 4.5. Vacancies. Any officer may resign at any time, subject to any rights or obligations under any existing contracts between the officer and the corporation by giving written notice to the president or to the Board of Trustees. An officer's resignation shall take effect at the time specified therein, the acceptance of such resignation shall not be necessary to make it effective. A vacancy in any office, however occurring, may be filled by the Board of Trustees for the unexpired portion of the term.

Section 4.6. Authority and Duties of Officers. The officers of the corporation shall have the authority and shall exercise the powers and perform the duties specified below and as may be additionally specified by the president, the Board of Trustees or these bylaws, except that in any event each officer shall exercise such powers and perform such duties as may be required by law:

(a) President. The president shall, subject to the direction and supervision of the Board of Trustees, (i) be the chief executive officer of the corporation and have general and active control of its affairs and business and general supervision of its officers, agents, employees and independent contractors; (ii) unless there is a chairman of the Board, preside at all meetings of the shareholders and Board of Trustees; (iii) see that all orders and resolutions of the Board of Trustees are carried into effect; and (iv) perform all other duties incident to the office of the president and as from time to time may be assigned to him by the Board of Trustees.

(b) Vice Presidents. The vice president, if any, (or if there is more than one, then each vice president) shall assist the president and shall perform such duties as may be assigned to him by the president or by the Board of Trustees. The vice president, if there is one (or if there is more than one, then the vice president designated by the Board of Trustees, or if there be no such designation, then the vice presidents in order of their appointment), shall, at the request of the president, or in his absence or inability or refusal to act, perform the duties of the president and when so acting shall have all the powers of and be subject to all the restrictions upon the president.

(c) Secretary. The secretary shall: (i) keep the minutes of the proceedings of the shareholders, the Board of Trustees and any committees of the Board; (ii) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (iii) be custodian of the corporate records and of the seal of the corporation; (iv) keep at the corporation's registered office or principal place of business within or outside Utah a record containing the names and addresses of all shareholders and the number and class of shares held by each, unless such a record shall be kept at the office of the corporation's transfer agent or registrar; (v) have general charge of the stock books of the corporation, unless the corporation has a transfer agent; and (vi) in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the president or by the Board of Trustees. Assistant secretaries, if any, shall have the same duties and powers, subject to supervision by the secretary.

(d) Treasurer. The treasurer shall: (i) be the principal financial officer of the corporation and have the care and custody of all its funds, securities, evidences of indebtedness and other personal property and deposit the same in accordance with the instructions of the Board of Trustees; (ii) receive and give receipts and acquittance for moneys paid in on account of the corporation, and pay out of the funds on hand all bills, payrolls and other just debts of the corporation of whatever nature upon maturity; (iii) unless there is a controller, be the principal accounting officer of the corporation and as such prescribe and maintain the methods and systems of accounting to be followed, keep complete books and records of account, prepare and file all local, state and federal tax returns, prescribe and maintain an adequate system of internal audit, and prepare and furnish to the president and the Board of Trustees statements of account showing the financial position of the corporation and the results of its operations; (iv) upon request of the Board, make such reports to it as may be required at any time; and (v) perform all other duties as from time to time may be assigned to him by the Board of Trustees or the president. Assistant treasurers, if any, shall have the same powers and duties, subject to the supervision by the treasurer.

Section 4.7. Surety Bonds. The Board of Trustees may require any officer or agent of the corporation to execute to the corporation a bond in such sums and with such sureties as shall be satisfactory to the Board, conditioned upon the faithful performance of his duties and for the restoration to the corporation of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the corporation.

ARTICLE V

Indemnification

Section 5.1. Definitions. For purposes of this Article V, the following terms shall have the meanings set forth below:

- (a) Action - Any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitratative or investigative;
- (b) Derivative Action - Any Action by or in the right of the corporation to procure a judgment in its favor;
- (c) Third Party Action - Any Action other than a Derivative Action; and
- (d) Indemnified Party - Any person who is or was a party or is threatened to be made a party to any Action by reason of the fact that he is or was a trustee, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a trustee, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including without limitation any employee benefit plan of the corporation for which any such person is or was serving as trustee, plan administrator or other fiduciary.

Section 5.2. Third Party Actions. The corporation shall indemnify any Indemnified Party against expenses (including attorneys' fees), judgements, fines, excise taxes and amounts paid in settlement actually and reasonably incurred by him in connection with any Third Party Action if, as determined pursuant to Section 5.5 below, he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal Action, had no reasonable cause to believe his conduct was unlawful. The termination of any Third Party Action by judgment, order, settlement, conviction or upon a plea of non contender or its equivalent, shall not of itself create either a presumption that the Indemnified Party did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation or, with respect to any criminal Action, a presumption that the Indemnified Party had reasonable cause to believe that his conduct was unlawful.

Section 5.3. Derivative Actions. The corporation shall indemnify any Indemnified Party against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of any Derivative Action if, as determined pursuant to Section 5 below, he acted in good faith and in a manner he reasonable believed to be in or not opposed to the best interests of the corporation, except that no matter as to which such person is or has been adjudged to be liable for negligence or misconduct in the performance of his duty to the corporation unless and only to the extent that the court in which such Action was brought determines upon application that, despite the adjudication of liability and in view of all circumstances of the case, such Indemnified Party is fairly and reasonably entitled to indemnification for such expenses which such court deems proper. If any claim that may be made by or in the right of the corporation against any person who may seek indemnification under this Article V is joined with any claim by any other party against such person in a single Action, the claim by or in the right of the corporation (and all expenses related thereto) shall nevertheless be deemed the subject of a separate and distinct Derivative Action for purposes of this Article V.

Section 5.4. Success on Merits or Otherwise. If and to the extent that any Indemnified Party has been successful on the merits or otherwise in defense of any Action referred to in Section 5.2 or 5.3, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith without the necessity of any determination that he has met the applicable standards of conduct set forth in Section 5.2 or 5.3.

Section 5.5. Determination. Except as provided in Section 5.4, any indemnification under Section 5.2 or 5.3 (unless ordered by a court) shall be made by the corporation only upon a determination that indemnification of the Indemnified Party is proper in the circumstances because he has met the applicable standards of conduct set forth in said Section 5.2 or 5.3. Any indemnification under Section 5.4 (unless ordered by a court) shall be made by the corporation only upon a determination by the corporation of the extent to which the Indemnified Party has been or would have been successful on the merits or otherwise. Any such determination shall be made (a) by a majority vote of a quorum of the whole Board of Trustees consisting of Trustees who are not or were not parties to the subject Action or (b) upon the request of a majority of the Trustees who are not or were not parties to such Action, or if there be none, upon the request of a majority of a quorum of the whole Board of Trustees, by independent legal counsel (which counsel shall not be the counsel generally employed by the corporation in connection with its corporate affairs) in a written opinion, or (c) by the shareholders of the corporation at a meeting called for such purpose.

Section 5.6. Payment in Advance. Expenses (including attorneys' fees) or some part thereof incurred by an Indemnified Party in defending any Action, shall be paid by the corporation in advance of the final disposition of such Action if a determination to make such payment is made on behalf of the corporation as provided in Section 5.4; provided that no such payment may be made unless the corporation shall have first received a written undertaking by or on behalf of the Indemnified Party to repay such amount unless it is ultimately determined that he is entitled to be indemnified by the corporation as authorized in this Article V.

Section 5.7. Other Indemnification. The indemnification provided by this Article V shall not be deemed exclusive of any other rights to which any Indemnified Party or other person may be entitled under the articles of incorporation, any agreement, bylaw (including without limitation any other or further Section or provision of this Article V), vote of the shareholders or disinterested Trustees or otherwise, and any procedure provided for by any of the foregoing, both as to action in his official capacity and as to action in another capacity while holding such office.

Section 5.8. Period of Indemnification. Any indemnification pursuant to this Article V shall continue as to any Indemnified Party who has ceased to be a trustee, officer, employee, or agent of the corporation or, at the request of the corporation, was serving as and has since ceased to be a trustee, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, including, without limitation, any employee benefit plan of the corporation for which any such person served as trustee, plan administrator or other fiduciary, and shall inure to the benefit of the heirs of personal representatives of such Indemnified Party. The repeal or amendment of this Article V or of any Section or provision thereof which would have the effect of limiting, qualifying or restricting any of the powers or rights of indemnification provided or permitted in this Article V shall not, solely by reason of such repeal or amendment, eliminate, restrict or otherwise affect the right or power of the corporation to indemnify any person, or affect any right of indemnification of such person, with respect to any acts or omission which occurred prior to such repeal or amendment.

Section 5.9. Insurance. By action of the Board of Trustees, notwithstanding any interest of the Trustees in such action, the corporation may purchase and

maintain insurance, in such amounts as the Board may deem appropriate, on behalf of any Indemnified Party against any liability arising out of his status as an Indemnified Party, whether or not the corporation would have the power to indemnify him against such liability under applicable provisions of law.

Section 5.10. Right to Impose Conditions to Indemnification. The corporation shall have the right to impose, as conditions to any indemnification provided or permitted in this Article V, such reasonable requirements and conditions as to the Board of Trustees or shareholders may appear appropriate in each specific case and circumstances, including but not limited to any one or more of the following: (a) that any counsel representing the person to be indemnified in connection with the defense or settlement of any Action shall be counsel mutually agreeable to the person to be indemnified and to the corporation; (b) that the corporation shall have the right, at its option, to assume and control the defense or settlement of any claim or proceeding made, initiated or threatened against the person to be indemnified; and (c) that the corporation shall be subrogated, to the extent of any payments made by way of indemnification, to all of the indemnified person's right of recovery, and that the person to be indemnified shall execute all writings and do everything necessary to assure such rights of subrogation to the corporation.

ARTICLE VI

Modification Review Board

The Board shall establish a Modification Review Board consisting of an odd number of Members, at the discretion of the Board, and in accordance with the Declaration as from time to time in force and effect which shall have the duties and perform the functions described therein. The Modification Review Board shall adopt rules and regulations to carry out its duties contained in the Declaration. The Board shall review these rules and regulations and make amendments to such as they deem necessary and appropriate. Each Member and the Association shall be bound by the Modification Review Board's rules and regulations, a copy of which shall be maintained in the records of the Association and available for inspection by Members of the Association at all reasonable times.

ARTICLE VII

Miscellaneous

Section 7.1. Account Books. Minutes. Etc. The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board and committees. All books and records of the Association may be inspected by any Trustee or his accredited agent or attorney, for any proper purpose at any reasonable time.

Section 7.2. Fiscal Year. The fiscal year of the Association shall be as established by the Board.

Section 7.3. Conveyances and Encumbrance. Property of the Association may be assigned, conveyed or encumbered by such officers of the Association as may be authorized to do so by the Board, and such authorized persons shall have power to execute and deliver any and all instruments of assignment, conveyance and encumbrance; however, the sale, exchange, lease or other disposition of all or substantially all of the property and assets of the Association shall be authorized only in the manner prescribed by applicable statute.

Section 7.4. Conflicts of Interest. If any personal who is a Trustee or officer of the Association is aware that the Association is about to enter into any business transaction directly or indirectly with himself, any member of his family, or any entity in which he has any legal, equitable or fiduciary interest or position, including without limitation as a Trustee, officer, shareholder, partner, beneficiary or trustee, such person shall (a) immediately inform those charged with approving the transaction on behalf of the Association of his interest or position, (b) aid the persons charged with making the decision by disclosing any material facts within his knowledge that bear on the advisability of such transaction from the standpoint of the Association, and (c) not be entitled to vote on the decision to enter into such transaction.

Section 7.5. Loans to Trustees and Officers Prohibited. No loans shall be made by the Association to any of its Trustees or officers. Any Trustee or officer who assents to or participate in the making of any such loan shall be liable to the association for the amount of such loan until it is repaid.

Section 7.6. References to Internal Revenue Code. All references in these bylaws to provisions of the Internal Revenue Code are to the provisions of the Internal Revenue Code of 1986, as amended, and shall include the corresponding provisions of any subsequent federal tax laws.

Section 7.7. Amendments. The power to alter, amend or repeal these Bylaws and adopt new Bylaws shall be vested in the Board. While Landrock L.C. (the "Declarant") is in control of the Association, amendments to these Bylaws must be submitted and approved by the Secretary of the Department of Veterans Affairs.

Section 7.8. Severability. The invalidity of any provision of these Bylaws shall not affect the other provisions hereof, and in such event these Bylaws shall be construed in all respects as if such invalid provision were omitted.

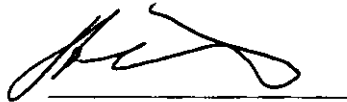
Section 7.9. Interpretation. If any provision of these bylaws shall conflict with the provisions of the Declaration, it shall be invalid and the provisions of the Declaration shall govern.

(END)

BYLAWS CERTIFICATE

The undersigned certifies that he is the president of RIVERBEND OWNERS ASSOCIATION, INC., a Utah nonprofit corporation, and that, as such, he is authorized to execute this certificate on behalf of said corporation, and further certifies that attached hereto is a complete and correct copy of the presently effective Bylaws of said corporation.

Dated: June 26, 2007

A handwritten signature in black ink, appearing to read "Brian Knowlton", written over a horizontal line.

Brian Knowlton

President, RIVERBEND
Owners Association, Inc.