

9664003

32/18

DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS

FOR

SPRING HOLLOW COMMUNITY

SPRING HOLLOW HOMEOWNERS ASSOCIATION

AS

DECLARANT

9664003
03/16/2006 12:00 PM \$150.00
Book - 9267 Pg - 4527-4558
GARY W. OTT
RECORDER, SALT LAKE COUNTY, UTAH
SPRING HOLLOW HOA
% JOE CHRISTIANSEN
1176 HOLLOW VIEW WAY
WEST JORDAN UT 84084
BY: LDW, DEPUTY - WI 32 P.

AFTER RECORDING RETURN TO

SPRING HOLLOW HOMEOWNERS ASSOCIATION
C/O Joe Christiansen, 1176 Hollow View Way, West Jordan, UT 84084

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
SPRING HOLLOW HOMEOWNERS ASSOCIATION

This Declaration is made and executed this 8th day of March 2006 by Spring Hollow Homeowners Association located at 1087 Overview Way, West Jordan, UT 84084 (hereinafter referred to as the "DECLARANT")

RECITALS

A. This Declaration affects certain real property located in Salt Lake County, Utah, which is more particularly described as follows:

LEGAL DESCRIPTION OF COMMUNITY

PHASE I – II – 111
Legal Descriptions (See Exhibit "A" attached hereto.)

B. Declarant members own all of the real property described above (hereinafter referred to as Community).

C. Declarant recognizes, the fee title to the individual lots contained in the Community, and a corresponding membership interest in the Homeowners Association (which shall own the common areas), Subject to the Plat Map, and the Covenants, Condition and Restrictions set forth herein.

D. Declarant desires, by filing this Declaration and Record of Plat Map, to submit the Community And all improvements now or hereafter constructed thereon to the community and the terms, Covenants, Conditions and Restrictions of the Declaration.

E. The Community is to be known as "SPRING HOLLOW"

NOW THEREFORE, for the reasons recited above and subject to the covenants, conditions and Restrictions set forth below, Declarant hereby makes the following Declaration.

ARTICLE 1

DEFINITIONS

When used in this Declaration (including the "Recitals" above). Each of the following terms shall have the meaning indicated.

1. Additional Charges shall mean and refer cumulatively to all collection and administrative costs, including, but not Limited to, all attorney's fees, late charges, service fees, filing and recordation fees, accruing interest, fines, and expenditures actually incurred or assessed by the Association.

2. Articles of Incorporation shall mean and refer to the Articles of Incorporation of the SPRING HOLLOW HOMEOWNERS ASSOCIATION on file or to be filed with the Utah Department of Commerce.

3. **Assessments** shall mean and refer to the allocation of common expenses, which each lot owner is obligated to pay.

4. **Association** shall mean and refer to the SPRING HOLLOW HOMEOWNERS ASSOCIATION consisting of all lot owners taken as, or acting as, a group.

5. **Building** shall mean and refer to any of the structures constructed in the Community

6. **Business and Trade** are terms which shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation or other form of consideration, regardless of whether: (a) such activity is engaged in full or part-time; (b) such a business is intended to or does generate a profit; (c) a license is required therefore.

7. **By-Laws** shall mean and refer to the By-Laws of SPRING HOLLOW HOMEOWNERS ASSOCIATION.

8. **Committee** shall mean and refer to the Management Committee.

9. **Common Areas** shall mean and refer to all real property in the Community in which the Association owns and interest for the common use and benefit of the owners, their successors, assigns, tenants, family members, guests and invitees.

- a) All common areas and facilities designated as such in the Plat Map or Maps.
- b) All utility installations and all equipment connected with or in any way related to the furnishing of utilities to the Community and intended for the use of all lot owners, such as telephone, electricity, gas, water, and sewer, except to the extent that said utilities exist on and service a specific lot and residence.
- c) The community outdoor grounds including landscaping, street lighting, walkways, sidewalks, parking spaces and roadways, but expressly excluding the individual lots.
- d) All portions of the community not specifically included on the individual lots.
- e) All other parts of the community normally in common use or necessary or convenient to the use, existence, maintenance, safety, operation or management of the property owned by the Association for the common benefit of its members

The Common Area owned by the Association at the time of the conveyance of the first lot, is the property described and set forth on the official plat thereof on file with the Salt Lake County Recorder.

It is understood that the actual location of certain homes and other improvements constructed on the lots might inadvertently deviate slightly from the location indicated by the official plat of the Community. The Common Area shall therefore be subject to minor encroachments of such homes and other improvements, which extend slightly beyond the boundaries of their respective lots, but are in substantial compliance with the official plat. Each Owner shall therefore be deemed to have an easement on the common area to the extent of any such minor encroachment from its lot.

10. **Common Expense** shall mean and refer to:

- a) All sums lawfully assessed against the lot owners.
- b) Expenses of administration, maintenance, repair, or the replacement of the Common Areas and Facilities.

- c) Expenses agreed upon as common expenses by the Association, and
- d) Expenses declared common expenses by the Community Documents

11. Community shall mean and refer to Spring Hollow Homeowners Association, and all real property owned and governed by the Jordan Heights Homeowners Association for and in behalf of the members thereof .

12. Community Documents. Shall mean and refer to the Declaration, By-Laws and Articles of Inc..

13. Community Wide Standard shall mean and refer to the standard of conduct, maintenance, or other activity generally prevailing in the Community as determined by the Management Committee and or Association from time to time.

14. Declarant shall mean and refer to SPRING HOLLOW HOMEOWNERS ASSOCIATION, a Utah Corporation and it's successors and assigns, unless otherwise indicated.

15. Declaration shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for SPRING HOLLOW HOMEOWNERS ASSOCIATION.

16. Eligible Insurer shall mean and refer to an insurer or government guarantor of a mortgage or trust deed that has requested notice in writing of certain matters from the Association in accordance with this Declaration.

17. Eligible Mortgagee shall mean and refer to a mortgagee, beneficiary under a trust deed, or lender who has requested notice in writing of certain matters from the Association in accordance with this declaration.

18. Eligible Votes shall mean and refer to those votes available to be cast on any issue before the Association or the Management Committee. A vote, which is for any reason suspended, is not an "eligible vote".

19. Family shall mean and refer to a group of natural persons residing in the same residential structure and maintaining a common household.

20. Guest shall mean and refer to a person who is not a permanent resident and whose presence within the community as a visitor or an invitee is approved by or is at the request of a particular resident.

21. Improvement shall mean and refer to all existing physical structures and appurtenances to the property of every kind and type, including but not limited to, all buildings, lots, utility systems, fixtures, plumbing, electrical, heating, air conditioning, streets, roads, walkways, sidewalks, pathways, driveways, parking areas, landscaping, trees, shrubs, bushes and green space.

22. Land shall mean and refer to all of the real property subject to this Declaration.

23. Lot shall mean and refer to any numbered plot of land shown on the recorded plat map for the Community.

24. Majority shall mean and refer to those eligible votes of owners or other groups as the context may indicate totaling more than fifty percent (50%) of the total eligible number.

25. Management Committee shall mean and refer to those Homeowners duly elected and qualified to manage, operate and regulate the Community.

26. Manager shall mean and refer to the person or entity appointed or hired by the Management Committee to manage and operate the Community under the direction and discretion of the Management Committee.

27. Map shall mean and refer to the Plat Map.

28. Member shall mean and refer to an owner obligated, by virtue of his ownership, to be a Member of the Association.

29. Mortgage shall mean and refer exclusively to either a first mortgage or first deed of trust on any lot, but shall not mean or refer to a uniform real estate contract or executory contract of sale.

30. Mortgagee shall mean and refer exclusively to a mortgagee under either a first mortgage or a beneficiary under a first deed of trust on any lot but shall not mean or refer to a seller under a uniform real estate contract or executory contract of sale.

31. Owner and or Homeowner shall mean and refer to the recorded owner, whether one or more persons or entities, of a Fee simple title to any lot that is part of the Community, excluding those entities, which have a security interest for the performance of an obligation.

32. Permanent Resident shall mean and refer to anyone who resides in the Community for more than four (4) consecutive weeks or for a total of eight (8) weeks in any calendar year,

33. Person shall mean and refer to a natural person, Corporation, Partnership, Trust, Limited liability Co. or other legal entity.

34. Plat Map shall mean and refer to the Record of Survey Map, Plat Map or Maps of Spring Hollow on file in the Office of The County Recorder of Salt Lake County, as they may be amended or supplemented from time to time, which show the location of the lots, Common Area and Facilities.

35. Property shall mean and refer to all of the land or real estate, improvements and appurtenances submitted in connection with this declaration, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

36. Record of Survey Map shall mean and refer to the Plat Map

37. Recreational, Oversized or Commercial Vehicles shall mean and refer to any recreational, commercial or oversized vehicle, motor home, commercial vehicle, tractor, golf cart, mobile home or trailer (either with or without wheels), camper, camper trailer, boat or other watercraft, boat trailer, or any other recreational, oversized or commercial transportation device of any kind.

38. Resident shall mean and refer to a person who lives, dwells, abides, lodges, or stays in a lot.

39. Single Family Home or Residence shall mean and refer to both the architectural style of a lot and the nature of the residential uses and activities permitted therein.

ARTICLE II
SUBMISSION

The land set forth is subject to the described easements and rights of way, together with all easements, rights-of-way, and other appurtenances and rights incident to, appurtenant to, or accompanying said real property.

ALL OF THE FOREGOING IS SUBJECT TO: all liens for current and future taxes, assessments and charges imposed or levied by government or quasi-government authorities, all Patent reservation and exclusions; any mineral reservations of record and rights incident thereto; all instruments of record which affect the above-described Tract or any portion thereof, including, without limitation, any mortgage or deed of trust; all visible and necessary easements and rights-of-way; all easements and rights-of-way of record; any easements, rights-of-way, encroachments, or discrepancies shown or revealed by the Plat maps or otherwise existing; an easement for each and every common area improvement, equipment, pipes, lines, cables, wires, utility systems, or similar facilities which traverse or partially occupy the above-described tract; and all easements necessary for servicing, repairing, ingress to, egress from, maintenance of, and replacement of all such common area improvements, equipment, pipes, lines, cables, wires, utility systems, and similar facilities.

ARTICLE III

COVENANTS, CONDITIONS AND RESTRICTIONS

The foregoing submission is made upon and under the following covenants, conditions and restrictions.

1. Description of Improvements. The significant improvements of the community including seventy nine (79) homes, all of which are Single Family Residences. There are also certain Common Area and Facilities, including but not limited to roads, streets, parking areas, walking paths, sidewalks, walkways, utility systems, and certain landscaping and green space. Electricity, natural gas, water and sewage disposal will be separately metered and billed to each lot except when required for Common Area maintenance. The Community will also contain other improvements of a less significant nature.

2. Description and Legal Status of the Property. The individual lots shall be individually owned in fee simple and the Association shall own the Common Areas.

3. Membership in the Association. A landowner's membership in the Association is and shall be appurtenant to the ownership of the lot and may not be separated or partitioned therefrom.

4. Conveyancing. Any deed, lease, mortgage, deed of trust, or other instrument conveying or encumbering a lot shall describe the interest or estate involved in clear and precise legal terms. All provisions of this Declaration shall be binding upon and shall inure to the benefit of any party who acquires any interest in a Lot. Neither the membership in the Association, nor the right of non-exclusive use of a Common Area shall be separated from the Lot to which it appertains; and, even though not specifically mentioned in the instrument of transfer, such mandatory membership in the Association and such right of exclusive use shall run with the land and automatically accompany the transfer of the Lot to which they relate.

A Working Capital Fund shall be maintained by the Declarant to meet planned or unforeseen Capital expenditures or to purchase any additional equipment or services. Expenditures shall be made in accordance with guidelines established on page 16 item 18. The initial payment to the Capital Fund by a Lot Owner shall be made at the time of the closing of the sale of the Lot and shall be in an amount determined by the Management Committee but not to exceed two (2) months of estimated common assessments for each Lot. Any amounts paid into the working Capital Fund shall not be considered as advance payments of regular monthly assessments. The Working Capital Fund shall be maintained by the Association's Management Committee in a segregated account to be used only as stipulated above.

When a Lot Owner offers his lot for sale the Management Committee should be advised to insure continuity of records and management duties. The Seller of a Lot is responsible to provide the buyer with a copy of the CC&R's and By-Laws, insure that proper payment is made to the Working Capital Fund at the time of closing and provide the Management Committee with identification and address of the buyer.

5. Ownership and Use. Each owner shall be entitled to the exclusive ownership and possession of his lot and dwelling and an undivided ownership interest in the Common Areas and Facilities, subject to the following.

a. Nature and Restrictions on Ownership in General. Each owner shall have and enjoy the privileges of fee simple ownership of his real property. There shall be no requirements concerning who may own land, it being intended that it may and shall be owned as any other property. This is a residential community and as such the lots shall be used only for residential purposes, except as set forth below. The Common Area shall only be used in a manner consistent with the residential nature of the Community. In accordance with the By-Laws or Regulations adopted by the Management Committee of the Association, any member may delegate his right of enjoyment to the Common Area and Facilities to his family, tenants or contract purchasers who reside on the Property.

b. Title to the Common Area. The Common Area as identified with particularity on the Plat Map shall be owned by all of the Homeowners as tenants in common.

- c. **Mandatory Association.** Each purchaser of a lot shall become a Member of the Association. Membership in the Association is mandatory.
- d. **Membership Easements and Rights of Way.** Every Member of the Association shall, as an owner, have the right and nonexclusive easement to use and enjoy the Common Area. Such right and easement shall be appurtenant to and shall pass with the title to every lot, subject to the following restrictions.
- (1) The right of the Association and or Management Committee to limit the number of Residents, Guests and Invitees using the Common Area at one time.
 - (2) The right of the Association and or Management Committee to suspend the voting rights and right to use the Common Area by an Owner for any period during which an Assessment against his lot remains unpaid; and for period not to exceed sixty (60) days for any infraction of its published rules and regulations (it being understood that such suspension of rights shall not terminate the continuing obligation of such Owner for past and future assessments against his lot.
 - (3) The right of the Association and or Management Committee, to enact reasonable rules and regulations governing the use of the Common Area.
 - (4) The right of the Association and or Management Committee to dedicate all or part of the common area to any public agency, authority or utility for the purpose of providing utilities and similar related purposes.
- e. **Restrictions and Limitations of Use.** The use of the Lots and dwellings is subject to the following guidelines, limitations and restrictions:
- (1) **Land Use.** No lot shall be used except for residential purposes.
 - (2) **Building Type.** No Building shall be erected, placed or permitted to remain on a lot other than one (1) single-family dwelling not to exceed two (2) stories in height on any lot.
 - (3) **Parties Bound.** The Community Documents shall be binding on all owners and residents as well as their family members, visitors, guests and invitees when they enter the project.
 - (4) **Nuisance.** It shall be the responsibility of each owner and resident to prevent the creation or maintenance of a nuisance in, on or about the Community. For purposes of this section the term "nuisance" shall be deemed to include but shall not be limited to the following.
 - (a) The development of any unclean, unhealthy, unsightly, or unkempt condition on, in or about a lot or the Common Area.
 - (b) The storage of any item, property or thing that will cause any Lot or the Common Area to appear to be in an unclean or untidy condition or that will be noxious to the senses.
 - (c) The storage of any substance, thing or material upon any lot or in the Common Areas that will emit any foul, unpleasant or noxious odors, or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort or serenity of the other residents of the Community. The storage of any hazardous material including but not limited to gasoline, thinners for paint, lacquer, shellac or other volatile or explosive material.
 - (d) The creation or maintenance of any noxious or offensive condition or activity in, on or about any lot or the Common Area.

- (e) Actions or activities tending to cause embarrassment, discomfort, annoyance, distress or a disturbance to any other Resident, their family members, guests, visitors, or invitees, particularly if the police or sheriff must be called to restore order.
 - (f) Maintaining any plants, animals, devices or items, instruments, equipment, machinery, fixtures or things of any sort whose activities or existence in any way is illegal, noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of the community by other Residents, their guests or invitees.
 - (g) Too much noise in, on or about any Lot or the Common Area, especially after 10:00 p.m. and before 7:00 a.m.
 - (h) Too much traffic in, on or about any Lot or the Common Area, especially after 10:00p,m, and before 7:00a.m.
- (5) Unsightly Work Hobbies or Unkempt Condition. The pursuit of hobbies or other activities, including but not limited to the assembly or disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly or unkempt conditions, shall not be pursued or undertaken on or in any part of the Community.
- (6) Waste Management. All rubbish, trash, refuse, waste, debris and garbage shall be regularly removed from the community and shall not be allowed to accumulate thereon or be stored in such a manner by a lot owner so as to be visible from the street. A contract for waste removal of one trash can-full per week, per Lot, will be the responsibility of the Management Committee. In connection therewith, each homeowner will be provided with a trash container, which shall be placed at the curb on a designated day each week. The trash shall be removed as contracted by the Management Committee. Following the emptying of each trash container, it is the responsibility of each Lot owner to remove the receptacle from the curbside on the same day. Trash containers are to be stored in the garage or in a place not visible from the street. Removal of trash, such as but not limited to construction, repair, and moving materials in excess of one trash can full per week will be the responsibility of the resident.
- (7) Subdivision of a Lot. No lot shall be subdivided or partitioned.
- (8) Firearms, Incendiary Devices, fireworks and Graffiti. The use of firearms, incendiary devices, fireworks, or the painting of graffiti, within the community is prohibited. The term firearms includes but is not limited to, all guns, pistols, handguns, rifles, automatic weapons, semi-automatic weapons, BB guns, pellet guns, sling shots, wrist-rockets, blow dart guns, and other firearms of all types, regardless of size.
- (9) Temporary Structures. No Owner or Resident shall place on any part of the Community any temporary structures including but not limited to trailers or sheds without the prior written consent of the Committee. Furthermore no trailer, tent, shack, garage, barn or other out building or any structure of a temporary character, shall be used on any Lot at any time as a residence either temporarily or permanently.
- (10) Architectural Control. No building, fence, wall, basement entrance or other structure shall be commenced, erected or maintained upon the properties, nor any exterior addition to, change or alteration therein be made, nor shall any such structure be painted other than its' original color until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted and approved in writing as to the harmony of external design, size and location in relation to surrounding structures and topography by the Management Committee or by an Architectural Committee composed of three or more representatives as may be appointed by the Management Committee. In order to obtain review by the Architectural Committee or the Management Committee the plans and

specifications referred to above must be submitted by personally delivering them to one (1) of the members of the architectural committee or, if such committee is not in existence, by personally delivering said plans to the President, Vice President or Secretary of the Association.

- (11) Trees, Shrubs, Bushes, Fences: Maintenance of Proper Sight Distance at Intersections. The owner thereof shall landscape all yard areas, within each lot. In connection therewith, said landscaping shall be consistent with other landscaping in the Community. Owners shall not construct, build or otherwise erect any fencing, regardless of the nature thereof, on, in or around the front yard of the lot. The Association shall have the authority to remove the same. The cost of removal will be a charge against the Homeowner. No Homeowner or resident shall plant or cause to be planted any tree, hedge, shrub, bush, vine or like item that impinges on or grows against the foundation, rockwork, stucco, rain gutter, downspout or fence of his neighbors home. After a thirty (30) day notice, to the Homeowner or Resident, such plantings can be removed by the decision of the Management Committee at the expense of the offending Owner. Furthermore the Owner shall maintain each Lot, including improvements thereon, in an attractive condition. In the event an Owner of any Lot in the community shall fail to perform such landscaping or to maintain the premises and the improvements situated thereon in a manner satisfactory to the Association and or the Management Committee, after a majority vote of the Management Committee, the Management Committee shall have the right, through its agents and employees to enter upon said Lot and to landscape, repair, maintain and restore the Lot and the exterior of the buildings and any other improvements erected thereon, the costs of such landscaping and exterior maintenance shall be added to and become part of the individual Assessment to which such lot is subject. No fence, wall, hedge, shrub, bush, tree or monument, real or artificial, shall be planted or placed by any Owner or Resident in, on or about the Common Areas without the prior written consent of the Committee. The Management Committee may alter or remove any objects, which create in the opinion of the Management Committee, a dangerous or potentially dangerous condition, or have been planted or placed in a manner, which violates this subsection.
- (12) Energy Conservation Equipment. No solar energy collector panels, other energy conservation equipment or attendant hardware shall be constructed or installed in the Community without the prior written approval of the Committee.
- (13) Business Use. No commercial trade or business may be conducted in or from any Lot unless:
- (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the residence;
 - (b) the business activity conforms to all zoning requirements for the Community;
 - (c) the business activity does not involve persons coming into the Community or door-to-door solicitation of Residents of the Community; and
 - (d) the business activity is consistent with the residential character of the Community and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other Residents of the Community, as may be determined by the sole discretion of the Committee. The leasing of a lot shall not be considered a Trade or Business within the meaning of this subsection. Violation will result in a cease and desist order with penalties.
- (14) Storage and Parking of Vehicles. The driving, parking, standing and storing of motor vehicles in, on or about the Community shall be subject to the following:
- (a) The parking rules and regulations adopted from time to time by the Management Committee;
 - (b) It shall be required by the Committee and shall not be subject to change by the Committee, that all motor vehicles or trailers, including but not limited to any car, automobile, truck, van or other transportation device of any kind shall be parked either in the garages which are provided, the driveways that are as long or longer than the vehicle involved, (The vehicle shall not project over the sidewalk) or in the guest parking stalls. The foregoing notwithstanding; any trailer or any other recreational vehicles shall not be parked in the

guest parking stalls for a period longer than 24 hours. Any vehicle requiring more than one parking stall shall not be allowed. Furthermore, no motor vehicle, as defined above, may, at any time be parked on the street, gutter, curbing or sidewalk. Hence, no parking shall be allowed on the streets, gutters curbing or sidewalks of the entire community at any time. Vehicles parked in violation of the above shall be subject to clamping, booting, and or towing at the owners expense and subject to an additional fine at the discretion of the Management Committee.

- (15)Aerials, Antennas and Satellite Systems. No aerials, antennas (ham radio or otherwise) satellite dishes or systems shall be erected, maintained or used in, on or about any lot, outdoors and above ground, whether attached to or part of any building, lot structure or otherwise, within the Community without the prior written consent of the management committee. In making its decision, The Management Committee shall abide by and be subject to all local, state and federal laws, including but not limited to all FCC guidelines, rules and regulations as they may be amended or supplemented from time to time.
- (16)Windows and Window Coverings. No awnings, aluminum foil, newspapers, reflective film coatings, or any other similar materials may be used to cover the exterior windows of any dwelling or garage.
- (17)Pets. Up to two domestic pets per Lot are allowed unless the Management Committee grants a temporary variance in writing to cover situations such, as but not limited to, the birth of a litter. Residents with a pet or pets shall abide by the pet rules and regulations. Residents with pets in the common areas shall keep them on a leash at all times and shall clean up immediately after their pets. Pets, which constitute a nuisance, will not be tolerated in the Community and for the purpose of this subsection, pets in the Common Area without a leash, pets in the Common Areas whose owners do not clean up after them, or dogs who bark, howl, whine or scratch unreasonably shall be deemed to be a nuisance. When complaints are received regarding nuisance pets the owners shall be warned and asked to comply. If compliance isn't forthcoming fines, not to exceed fifty dollars (\$50) per month per infraction may be levied by the Committee. Stray animals in the Common areas may be apprehended and turned over to the West Jordan Animal Control.
- (18)Signs. No sign of any kind shall be displayed to the public view on any Lot except one (1) sign of not more then five (5) square feet advertising the property for sale or rent.
- (19)Insurance. Nothing shall be done or kept in, on or about any Lot or the Common Area, which may result in the cancellation of the insurance on the Property or an increase in the rate of the insurance on the Property over what the Management Committee, but for such activity, would pay.
- (20)Laws. Nothing shall be done or kept in, on or about any Lot or Common Area, or any part thereof, which would be a violation of any statute, ordinance, regulation, or other validly imposed requirement of any government body.
- (21)Damage or Waste. No owner or resident shall cause or allowed to be caused damage to the Common Area or another Lot. No Owner or Resident shall commit or allow to be committed waste to the Common area or another Lot. Each Owner, by virtue of accepting a deed to a Lot or other document of conveyance, and each Resident by virtue of residing in the Community, shall indemnify and hold the Management Committee harmless against all loss resulting from any such damage or waste caused by an Owner or Resident, their family members, guests, visitors, contractors or invitees; provided however, that any guest, visitor or invitee of the Declarant shall not under any circumstances be deemed to be the guest, visitor or invitee of any Owner or Resident

(22) Structural Alteration. No structural alterations to the Common Area or Facilities are allowed without the prior written consent of the Management Committee.

6. **Leases.** Any agreement for the leasing, rental or occupancy of a Lot or Dwelling (hereinafter in this section referred to as a "lease") shall be in writing. Every lease shall provide that the terms of such lease shall be subject in all respects to the provisions of the Association Documents. Said lease shall further provide that any failure by the Resident hereunder to comply with the terms of the foregoing documents shall be a default under the lease. If any lease does not contain the foregoing provisions, such provisions shall nevertheless be deemed to be a part of the lease and binding on the Owner and Resident by virtue of their inclusion of this declaration. No owner shall be permitted to lease his/her Lot for transient, hotel, seasonal, corporate, executive or other similar purposes. The minimum initial term of any lease shall be at least one (1) year. Daily or weekly rentals are prohibited. Any owner who shall lease his Lot shall be responsible for assuring compliance by the resident with the Association Documents. Failure by an Owner to take legal action, including the institution of forcible entry and unlawful detainer proceedings against his Resident who is in violation of the Association Documents within ten (10) days after receipt of written demand so to do from the Committee shall entitle the Association to take any and all such action including the institution of proceedings in forcible entry and unlawful detainer on behalf of such Owner against his Resident. Neither the Association nor any agent retained by the Association to manage the Community shall be liable to the Owner or Resident for any eviction under this section that is made in good faith. Any expenses incurred by the Association, including attorney's fees and costs of suit, shall be repaid to it by such owner. Failure by such Owner to make such repayment within ten (10) days after the receipt of a written demand therefore shall entitle the Management Committee to levy an individual assessment against such Owner and his Lot for all such expenses incurred by the Association. In the event such assessment is not paid within thirty (30) days of its due date, the Committee may resort to all remedies of the Association for the collection thereof including but not restricted to foreclosure. Other than as stated in this section there is no restriction to the right of an Owner to lease or otherwise grant occupancy rights to a Lot.

7. Easements; Drainage; Support, Maintenance and Repair. There are hereby RESERVED and the Association is GRANTED the following easements and rights of way.

- a) A non-exclusive easement over, across, through, above and under the Common Area for the operation, maintenance, repair, servicing and regulation of the Common Area as well as common utilities and systems (e.g., power, water, sewer and gas lines) and facilities; and
- b) A reciprocal easement on, over, above, under, through and across all Buildings, Lots and the Common Area for the drainage of surface waters on, over, under, through and across the Project. No structure or other obstacle shall be erected, placed or permitted to remain on any lot in any way as to interfere with the established drainage pattern over the lot to and from adjoining land, or, in the event it becomes necessary to change the established drainage over a lot, adequate provision shall be made for proper surface drainage. The Declarant shall maintain a subdrain and storm drainage system designed to serve the entire project. (The "Master Subdrain and Storm Drain System"). No Lot Owner shall interfere with the Master Subdrain and Storm Drain System maintained by the Declarant, or its successors or assigns. Each Lot Owner shall be responsible to maintain his lot in a manner consistent with the Master Subdrain and Storm Drain System, and so as not to detract therefrom or interfere therewith, or the Established Drainage Pattern of any other lot in the community. No changes to the Established Drainage Pattern on any Lot shall be permitted without the prior written consent of the Management Committee. For purposes of this Section, "Established Drainage Pattern" is defined as the approved drainage pattern, facilities and improvements in existence at the time such Lot is conveyed to a home purchaser. The cost of improvements, maintenance, repairs and replacements of the subdrain or storm drainage system located within the boundaries of any lot shall be the responsibility of the Lot Owner. The cost of all improvements, maintenance, repairs and replacements of the subdrain and storm drainage system located in the Common Area shall be the responsibility of the Association. If the Association or Lot Owners fail to properly manage, maintain or replace the subdrain and storm drainage system, Salt Lake County shall have the right, but not the obligation to maintain the systems, and to charge the cost thereby incurred to the Association. The Association shall not have the authority to change, by vote, alienation, alteration, transfer, sale, or otherwise, the use of the currently existing areas and structures designed to control storm water runoff unless the consent of the Development Services Division of Salt Lake County, or its successor, has first been obtained in writing. Salt Lake County is hereby made a party to the covenants established by this Declaration for the sole purpose of protecting and preserving the use of the common storm drainage system and structures that serve the project. Salt Lake County shall not be a Member of the Association and shall have no vote in the management, operation or regulation of its affairs.

8. Liabilities of Owners and Residents for Damages. Any Owner by virtue of accepting a deed to a lot or other document of conveyance, or Resident, by virtue of residing in the Project, shall be liable to the Association, or other Owners or Residents for damage to person or property in the Community caused by his willful acts or negligence or the willful acts or negligence of his family members, guests, visitors, contractors or invitees.

9. Encroachments. In the event that any portion of the Common Area or a Lot encroaches or comes to encroach upon other Common Area or a Lot as a result of the construction, reconstruction or repair of facilities, shifting, settling or movement, an easement for such encroachment is created hereby and shall exist so long as such encroachment exists.

10. Management Committee. The Association shall be managed by a Management Committee, which shall be comprised of nine Lot Owners. The Association shall elect the Members of the Committee. To

help provide continuity of management, three (3) Members shall be elected, to the Committee, for a three (3) year term at each election. Elections are to be held at the annual meeting of the Owners. No Member shall serve for more than one term and cannot be re-elected for a period of two (2) years after completion of his term.

- a) Qualification. To qualify, a member of the Committee must be an individual Owner or the legal representative of a Lot Owner.
- b) Vacancies. Any vacant seat occurring on the Committee shall be filled with a Member by appointment of the Management committee for the balance of the term of his predecessor.
- c) Dismissal. Any Committee Member who fails on three (3) successive occasions to attend Committee meetings (whether regular or special) or who has failed to attend at least fifty (50) percent of all Committee meetings (whether regular or special) held during any twelve (12) month period shall automatically forfeit his seat. In such cases the remaining Committee members shall select and appoint a replacement to sit on the Committee for the remaining portion of his predecessors term.
- d) Removal of Committee Members. Committee members may be removed, without cause, at any time by the affirmative vote of a Majority of the Members of the Management Committee and or Association. A replacement to serve the balance of the term of his predecessor shall be elected or appointed at the same meeting provided qualified candidates are available. If candidates are not available the Election Committee shall seek out potential candidates and present their names at the next meeting. The governing body that removes the Committee Member shall have the responsibility of replacing him.
- e) Term. Unless he forfeits or otherwise loses his seat as herein provided a Member shall serve on the Committee until his successor qualifies or is properly elected by the Association.
- f) No Compensation. Committee Members shall not be compensated for their services but shall be reimbursed for all expenses reasonably incurred in connection with Committee business and approved by the Committee.

11. Committee Officers and Agents. The Committee shall perform its functions through those Members who are elected as Officers by the Committee and through such agents and employees as the Committee may appoint. There shall be a President, Vice President, Secretary and Treasurer. Any Committee officer, agent or employee may at any time be removed, with or without cause, by the vote of the Majority of the Committee members. Provided, however, if a member of the Committee is removed as an officer, he may continue to be a member of the Committee.

12. Committee Meetings. A meeting of the Committee shall be held as soon as practicable after the adjournment of each annual Owners meeting, at such time as the Members of the Management Committee may decide. The first meeting of the Management Committee, after election, shall be devoted to organizing the Committee. The organization of the Management Committee shall include the naming of a President, Vice President, Treasurer and Secretary who shall be called and known as Officers. They shall also organize sub committees as needed to handle the business of the Management Committee in an orderly fashion. These committees may include but are not limited to Architectural, Facilities, Open space, Landscaping and Parking. Since this first meeting will explore in depth the desires, capabilities, aptitudes and limitations of each member it will be a closed meeting to encourage candid comments and preserve the personal privacy of each member. A schedule of future regular meetings shall be published and will be open to Members as facilities allow. Regular meetings shall be held at periodic intervals (no longer than monthly) at such time and place as the Committee may determine. No notice need be given of regular Committee meetings. Special Committee meetings shall be held whenever called by the President or by any two (2) Officers of the Committee. Reasonable effort shall be made to give either written or oral notice of a special meeting to each Committee member at least twenty-four (24) hours before the time fixed for the meeting. The propriety of holding any meeting, which is to be attended by all Committee Members, may not be challenged on grounds

of inadequate notice. A quorum for the transaction of business at any Committee meeting shall consist of a majority of all the members then in office. An Owner may request an audience, from a Committee Officer, at a special Committee meeting on a specific matter. Every effort shall be made to address the matter in a timely manner depending on availability of Committee members and urgency of the matter.

13. Status and General Authority of Management Committee. Any instrument executed by the Management Committee that recites facts, which, if true, would establish the Committee's power and authority to accomplish through such instrument what is purported to be accomplished thereby, shall conclusively establish, said power and authority in favor of any person who in good faith and for value relies upon said instrument. The Association shall, in connection with its exercise of any of the powers delineated below, constitute a legal entity capable of dealing in its Committee name. The Management Committee shall have, and is hereby granted, the following authority and powers.

- a) To Enter. The power and authority to enter upon any lot, to make outside repairs and to do other work reasonably necessary for the proper maintenance and operation of the Community. Except in the case of emergency, reasonable notice shall be given to the Residents.
- b) Grant Easements. The authority, without the vote or consent of the Owners, Mortgagees, insurers or guarantors of any Mortgage, or of any other person, to grant or create, on such terms as it deems advisable, reasonable permits, licenses, and non-exclusive easements over, under, across and through the Common Areas for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance, operation or regulation of the Community.
- c) Execute Documents. The authority to execute and record, on behalf of all owners, any amendment to the Declaration or Plat Map which has been approved by the vote or consent necessary to authorize such amendment.
- d) Standing. The power to sue and be sued.
- e) Enter into Contracts. The authority to enter into contracts, which, in any way, concern the Community, so long as any vote or consent necessitated by the subject matter of the agreement, has been obtained.
- f) Transfer Interests in Real Property. The Power and Authority to exchange, convey or transfer any interest in real property, so long as it has been approved by at least seventy-five (75%) of the Members of the Association.
- g) To Purchase. The power and authority to purchase, otherwise acquire and accept title to, any interest in real property, so long as it has been approved by at least seventy-five percent (75%) of the Members of the Association.
- h) Promulgate Rules. The authority to promulgate such reasonable administrative guidelines, rules, regulations, and procedures as may be necessary or desirable to aid the Committee in carrying out any of its functions or to insure that the Community is maintained and used in a manner consistent with this Declaration.
- i) Meetings. The authority to establish procedures for the conduct of its meetings, including, but not limited to, the power to decide what portion of the meeting shall be open or closed to Members of the Association or Residents not on the Committee, to retire to executive session, to regulate record keeping, and to allow, control or prohibit the electronic, video or audio reproduction of committee meetings.
- j) Assignment or Renting of Common Area. The authority to charge reasonable user fees for use of Common Area Facilities.
- k) All other Acts. The power and authority to perform any and all other acts, and to enter into any other transactions which may be reasonably necessary for the Management Committee to perform its functions on behalf of the Owners.

14. Delegation of Management Responsibilities. The Committee may delegate some of its management responsibilities to a professional Management Co, through a service contract. The termination provision of any such contract must not require a termination penalty or any advance notice of more than thirty (30) days, unless there is substandard performance, and no such contract shall be for a term greater than one year.

15. Owners Meetings. The Association Members shall meet as follows.

- a) Annual Meeting. The annual meeting of the Owners shall be held at 7:00 p.m. on the second Tuesday in October of each year. Whenever such day is a legal holiday, the meeting shall occur on the first business day thereafter. The place of the Meeting shall be at the location specified in the notice of the meeting. At least ten (10) but not more than thirty (30) days before the date of the annual the meeting. A written notice thereof shall be personally delivered or mailed postage prepaid to each person who appears as an Owner, at his last known address. The notice shall state the location, date, time, place and general purpose of the meeting.
- b) Special Meetings. Special meetings of the Owners may be called by the President, by any three members of the Committee, or by Lot Owners equal to at least twenty five percent 25% of the Community. At least five (5) but not more than thirty (30) days before the date set for a special meeting, written notice thereof shall be given in the manner described in the immediate preceding paragraph.
- c) Waiver of Notice. No notice of any Owners meeting shall be required if a waiver of such notice is signed by seventy five percent (75%) of the Owners. Whenever seventy five percent (75%) or more of the Owners meet in person or by proxy such meeting may not be challenged on grounds of inadequate notice.
- d) Quorum. The presence of a majority of the Members in the Community entitled to cast a vote shall constitute a quorum for the transaction of business at any Owners meeting.
 - (1) Quorum not Present. If a quorum is not present at any Owners meeting, whether regular or special, the meeting may be adjourned and rescheduled for a time no earlier than forty-eight (48) hours and no later than thirty (30) days after the time set for the original meeting.
 - (2) Quorum at Rescheduled Meeting. Those members present at the rescheduled meeting and entitled to vote shall constitute a Quorum at the rescheduled meeting.
 - (3) Percentage Approval Requirement. In any situation in which this Declaration requires the affirmative vote of a certain percentage of the total ownership interest in the Community for authorization or approval of a matter, the affirmative approval of that percentage of all Lot Owners, who must either be present at the meeting in person or by proxy, or, in the alternative, who have signed a separate written consent, is required for authorization or approval of the item regardless of the Quorum requirements.

16. Membership and Voting Allocations. The Association shall have one (1) class of Membership

- a) Members shall be all Owners or their legal representative.
 - (1) One Vote. Each Lot shall have one (1) vote.
 - (2) Subject to Assessment. No vote shall be cast or counted for any Lot not subject to assessment.
 - (3) Multiple Owners. When more than one (1) person or entity holds such interest in a Lot, the vote for such lot shall be exercised as those persons or entities themselves determine and advise the Secretary of the Association prior to any meeting. In the absence of such advice, the vote for the Lot shall be suspended in the event more than one person or entity seeks to exercise it.
 - (4) Leased Lot. Any Owner of a Lot which has been leased, may in the lease or other written instrument, assign the voting right appurtenant to that Lot to the Lessee, provided that a copy of such instrument is furnished to the Secretary prior to any meeting.

17. List of Lot Owners, Eligible Mortgagees, Insurers or Guarantors. The committee shall maintain up-to-date records showing: (a) the name and address of each person, or entity, which is a lot owner and the lot owned by Him. (b) When requested, the name of each person or entity who is an Eligible Mortgagee, Insurer or Guarantor, the address of such person or entity, and the lot which is encumbered by the Mortgagee insured or guaranteed by such person or entity. In the event of any transfer of a fee or undivided fee interest in a lot, either the transferor or transferee shall furnish the Committee with evidence establishing that the transfer has occurred and that the deed or other instrument accomplishing that transfer is of record in the office of the County Recorder of Salt Lake County, Utah. The committee may for all purposes act and rely on the information concerning lot ownership in its records or, at its discretion, the records of the County Recorder. The address of any Owner shall be deemed to be the address of the Lot owned by such person unless the Committee is otherwise advised in writing.

18. Capital Improvements and Table. The Management Committee shall prepare a table of Capital Improvements, which shall contain a list of foreseeable expenditures for Capital Improvements within the area of common responsibility. The table shall be included in every annual budget and it shall be reviewed and updated at least annually. Reasonable reserve accounts shall be established by the Committee for the replacement of capital assets as they age. Expenditures by the Association for capital improvements to the community shall be subject to and governed by the following.

- a) Committee Discretion/Expenditure limit. Capital Improvements to the Community where the total is ten percent (10%) or less per year of the total Annual operations Budget and do not materially alter the nature of the Community, may be authorized by the Committee alone.
- b) Homeowner Approval/Expenditure limit. Any Capital Improvement, the cost of which will exceed the ten percent (10%) limitation amount, must, prior to the commencement of construction, be authorized by at least a majority of the Owners.
- c) Homeowner Approval/Changing the Community. Any Capital Improvement which would materially alter the Community, such as but not limited to buildings, ponds and fences must, regardless of its cost and prior to being constructed or accomplished, be authorized by at least two thirds (2/3rds) of the undivided ownership interest in the Community.

19. Operation, Maintenance and Alterations. The Lots and Common Area shall be maintained by the Lot Owners and the Association as follows:

- a) Area of Common Responsibility. The Association shall maintain, repair and replace, as needed from time to time, the Common Area and Facilities, including, but not limited to, the all common utility services such as power, light, fixtures and landscaping as set forth with more particularity below.
- b) Area of Personal Responsibility. Each Lot Owner shall maintain, repair, and replace, as needed for his Lot, individual utilities, including but not limited to all power, water, gas, sewer, telephone and television lines servicing only his lot, windows, doors, garage doors and garage door systems, heating, cooling, fences, fixtures, patios, decks, etc. Exterior lights on either side of the garage doors are to be on during hours of darkness. When lights burn out they are to be replaced by the Resident of the Lot within five (5) days. The Management Committee may replace lights not replaced within five (5) days and a fee of Twenty Dollars (\$20) added to the dues of the Lot Owner.
- c) Landscaping. The Association shall maintain, repair and replace all landscaping throughout the entire Common Area of the Community, as budget restraints permit, including but not limited to all green space, grass, sod, ground cover, flower beds, plant beds, trees, bushes, shrubs and sprinkling systems which

flower beds, plant beds, trees, bushes, shrubs and sprinkling systems which Owners or Residents shall not modify, change or alter without the express prior consent of the Management Committee. All Common Area landscaping in the Community shall be maintained and cared for in a manner consistent with Community standards and the quality of design and construction originally established by the original Declarant. Specific guidelines and restrictions on landscaping may be established by the Management Committee, from time to time. All landscaping shall be maintained in a neat and orderly condition. Any weeds or diseased or dead lawn, trees, ground cover or shrubbery shall be removed and replaced. All lawn areas shall be neatly mowed and trees, shrubs and bushes shall be properly pruned and trimmed. All Landscaping shall be tasteful, so as not to affect adversely the value or use of any lot, or to detract from the uniform design and appearance of the Community.

- d) The Homeowner shall maintain his lot as described above, except that bushes in his front yard will be trimmed and lawn in the front yard mowed by the Association. Homeowners may contract, if they desire, with the Landscape Co servicing the Community for the maintenance of their back yards and weeding and maintenance of flowerbeds in the front yard.
- e) Snow and Ice Accumulations. The Association shall remove all ice and snow accumulations, after storms of 4 inches (4") or more, from the Common Area. Each Owner and Resident shall be responsible for his individual driveways and sidewalks.
- f) Utilities. The Association shall provide those utility services not separately metered and billed to the individual Owners by the provider. However, the Declarant may elect to provide electricity to certain Common Area lampposts from an individual Lot in which case the Lot Owner shall be entitled to a monthly credit.
- g) Alterations to the Common Area. No Owner or Resident may make any structural alterations, modifications, changes or improvements to the Common Area, including but not limited to any additions, extensions, enclosures, fencing, decks, patios, walkways, structures or sheds not shown on the approved plans and specifications, without the prior express written consent of the Management Committee in accordance with the restrictions set forth below.

20, Common Expenses. Each Owner, upon receipt of a deed to a lot or other document of conveyance, shall pay his assessments to the Association subject to and in accordance with the restrictions set forth below.

- a) Purpose of Common Area Expenses. The Assessments provided for herein shall be used for the general purpose of operating the Community, promoting the health, safety, welfare, common benefit and the enjoyment of the Owners and Residents, including the maintenance of any real and personal property owned by the Association, and regulating the Community, all as may be more specifically authorized from time to time by the Management Committee.
- b) Creation of Assessments. The Assessments shall pay for the common expenses of the Association as may be from time to time specifically authorized by the Management Committee. Each Owner, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association in a timely manner all assessments assessed.
- c) Budget. At least thirty (30) days prior to the Annual Homeowners meeting, the Management Committee shall prepare and deliver to the Owners a proposed budget which:
 - (1) Itemization. Shall set forth an itemization of the anticipated Common Expenses for the twelve (12) month calendar year, commencing with the following January 1.

- (2) **Basis.** Shall be based upon advanced estimates of cash requirements of the Management Committee to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the Common Areas and Facilities, which estimates shall include but are not limited to expenses of management, grounds maintenance, taxes and special assessments, premiums for all insurance for which the Committee is required or permitted to maintain, common lighting, water charges, painting, repairs and maintenance of the Common Areas and Facilities and replacement of the elements and components thereof that must be replaced on a periodic basis, wages for Management Committee employees, legal and accounting fees, and any deficit remaining from a previous period.
- d) **Apportionment.** The Common profits of the Community shall be applied to the common expenses of the Association.
- e) **Approval of Budget and Assessments.** The proposed Budget and the Assessments shall become effective unless disapproved at the annual meeting by a vote of at least a Majority of the Owners. Notwithstanding the foregoing, however, if the membership disapproves the proposed budget and assessment schedule, or if the Management Committee fails for any reason to establish the budget and assessment schedule for the succeeding year, then and until such time as the new budget and new assessment schedule shall have been established, the Budget and Assessment schedule in effect for the then current year shall continue for the succeeding year.
- f) **Payment of Assessments.** The Management Committee has the sole authority and discretion to determine how and when the annual assessments are paid, and to amend, modify, change or supplement that schedule from time to time.
- g) **Personal Obligation of Owner.** Each Lot Owner shall pay his Assessments and Additional Charges; provided, however, no first mortgagee or beneficiary under a first deed of trust (but not the seller under a executory contract of sale, uniform real estate contract, land sales contract, or other similar instrument) who obtains title to a Lot pursuant to the remedies provided in the mortgage or trust deed shall be liable for unpaid Assessments which accrued prior to the acquisition of title. For purposes of this section, the term "Owner" shall mean and refer jointly and severally to the owner of both the legal and equitable interest in any Lot; the owner of record in the offices of the County Recorder of Salt Lake County, Utah; and both the buyer and seller under any executory sales contract, uniform real estate contract, land sales contract, or other similar instrument. In addition, the Annual and Special Assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the lot against which each such assessment is made. The Management Committee or its Agent shall register all charges against the land and liens upon a Lot.
- h) **Equitable Changes.** If the aggregate of all the monthly Assessment payments on all the Lots is too large or too small as a result of unanticipated income or expenses, the Management Committee may from time to time effect an equitable change in the amount of said payments provided there is an approval by a quorum of the Association.
- i) **Dates and Manner of Payments.** The dates, method, form, and manner of payments shall be determined by the Management Committee.
- j) **Reserve Accounts.** The Management Committee shall establish and maintain at least two reserve accounts as follows:
- (1) **Working Capital Fund** A segregated Working capital Fund of Twenty Five Thousand Dollars (\$25,000) to cover planned and emergency capital improvements. Funds drawn from this account are to be replaced from monies received from the Members in the form of Annual Assessments and or Special Assessments. A definite plan for the replacement of expended funds must be approved by the Association and be put in place before funds are drawn.
 - (2) **Emergency Operating Expense Account** An Emergency Operating Expense Account equal to two (2) months normal operating budget shall be maintained. These monies needn't be in a segregated account but can be maintained as a

balance in the regular Operating Expense Account. Monies to establish and maintain this account shall come from the Members Annual Assessment. If necessary the amount of the Annual Assessment may be adjusted to provide these funds. Adjustment of the Annual Assessment requires approval of a quorum of the association.

- k) Acceleration. Assessments shall be paid in the manner and on the dates fixed by the Management Committee who may, at its option in its sole discretion, elect to accelerate the entire Annual Assessment for Owners who have failed to pay their monthly Assessments in a timely manner. If, however, the Assessment is accelerated and an owner subsequently files bankruptcy or the Committee otherwise decides that acceleration is not in the best interest, The Committee, at its option and in its sole discretion, may elect to decelerate the obligation.
- l) Statement of Assessments Due. Upon written request, The Management Committee shall furnish to any owner a statement of assessments due, if any, on his Lot. Failure to provide the certificate within thirty (30) days after a written request shall be deemed conclusive evidence that all assessments are paid current. The Association may require the advance payment of a processing charge not to exceed Fifteen Dollars (\$15) for the issuance of such certificate.
- m) Superiority of Assessments. All assessments and liens created to secure the obligation to pay Assessments are superior to any homestead exemptions to which an Owner may be entitled and each Owner, by accepting a deed to a Lot or other document of conveyance, hereby waives such homestead exemption as to the Association.
- n) Suspension of Right to Vote for Non-Payment. At the discretion of the Management Committee, the right of an Owner to vote on issues concerning the Association may be suspended if the Owner is delinquent in the payment of his Assessments, and has failed to make satisfactory payment arrangements after a notice of ten (10) days.

21. Special Assessments. In addition, the Association may levy special Assessments in any given year, subject to the following:

- a) Committee Based Assessments. So long as the special assessment does not exceed the sum of One Hundred Dollars (\$100) per Lot in any one fiscal year (the "Special Assessment Limit"), the Management Committee may impose the special assessment without any additional approval. However this procedure is to be used only in emergency situations where time restraints preclude the calling of an Association meeting.
- b) Association Approval. Any Special Assessment, which would exceed the Special Assessment Limit, shall be effective only if approved by a majority of the Members of the Association. The Management Committee in its discretion may allow any Special Assessment to be paid in installments.

22. Individual Assessments. Individual Assessments may be levied by the Management Committee against a Lot and its Owner to reimburse the Association for:

- a) Costs and expenses incurred in enforcing the Community Documents.
- b) Costs and expenses associated with the maintenance, repair or replacement of Common Areas or Facilities necessitated by action or conduct of a lot owner.
- c) Any other charge, fee, expense or cost designated as an Individual Assessment in the Community Documents.
- d) Attorney's fees, interest, and other charges relating thereto as provided in this Declaration.

23. Collection of Assessments. Assessments must be paid in a timely manner and shall be collected as follows:

- a) Time is of the Essence. Time is of the essence and all Assessments shall be paid promptly when due.
- b) Delinquent Assessments. Any Assessments, which are not paid when due, are deemed to be delinquent.

- c) Lien. If any Lot Owner fails or refuses to make any payment of the Common Expense when due, that amount shall constitute a lien on the interest of the Owner in the Property. A notice of lien shall be recorded in the office of the County Recorder of Salt Lake County.
- d) Late Fees and Default Interest Rate. Any Assessments delinquent for a period of more than ten (10) days shall incur a late charge of Twenty-Five Dollars (\$25) or five percent (5%) of the delinquent amount, whichever is the greater, for the first occurrence and a late charge of Fifty Dollars (\$50) for each ensuing occurrence. Interest at the rate of one and one half percent (1.5%) per month shall accrue on all delinquent accounts. The Management Committee may, in its sole discretion, change the amount of the late fee or default interest rate or waive late Assessments and accruing interest, but is not required to do so.
- e) Foreclosure of Lien and/or Collection Action. If any Assessments remain unpaid, the Association may, as determined by the Management Committee, institute suit to collect the amounts due, to foreclose the lien, or both.
- f) Personal Obligation. Each Owner, by acceptance of a deed or as a party to any other type of conveyance, vests in the Association or its agents the right and power to obtain a personal judgment against him for unpaid assessments and additional charges, to foreclose the lien securing the debt in the same manner as mechanics liens, mortgages, trust deeds or encumbrances may be foreclosed or both.
- g) No Waiver. No Owner may waive or otherwise exempt himself from liability for the payment of Assessments, including but not limited to the non-use of Common Areas or the abandonment of his Lot.
- h) Duty to Pay Independent. No reduction or abatement of Assessments shall be claimed or allowed by reason of any alleged failure of the Association or Committee to take some action or perform some function required to be taken or performed by the Association or Management committee under the Community Documents, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance or with any order or directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate and independent covenant on the part of each Owner.
- i) Application of Payments. All payments shall be applied as follows: Additional Charges, delinquent Assessments and current Assessments.
- j) Foreclosure of Lien as Mortgage or Trust Deed. The lien for non-payment of Assessments may be enforced by sale or foreclosure of the Owner's interest therein by the Committee. The sale or foreclosure shall be conducted in the same manner as foreclosures in deeds of trust or mortgages or in any other manner permitted by law. In any foreclosure or sale, the Owner shall pay the costs and expenses of such proceedings, including but not limited to the cost of a foreclosure report, reasonable attorney's Assessments, and a reasonable rental for the lot during the pendency of the foreclosure action. The Association in the foreclosure action may require the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The Committee may bid for the Lot at foreclosure or other sale and hold, lease, mortgage, or convey the same.
- k) Subordination of the Lien to Mortgages. The lien of the Assessments provided for herein shall be subordinate to the lien of any first Mortgage. Sale or transfer of any Lots shall not affect the Assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure, or any proceeding in lieu thereof, shall extinguish the lien of such Assessment as to payments which became due prior to such sale or transfer, but shall not relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof.
- l) Exempt Property. All property dedicated to, and accepted by a local public authority and all property owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Utah shall be exempt from the Assessments created herein,

However, no land or improvements devoted to dwelling use shall be exempt from said Assessments.

- m) Appointment of Trustee. If the Committee elects to foreclose the lien in the same manner as foreclosures in deeds of trust, then the Owner by accepting a deed to the Lot hereby irrevocably appoints the attorney of the Association, provided he is a member of the Utah State Bar, as Trustee, and hereby confers upon said Trustee the power of sale set forth with particularity in Utah Code Annotated, Section 57-1-23 (1953), as amended. In addition, the owner hereby transfers in trust to said Trustee all of his right, title and interest in and to the real property for the purpose of securing his performance of the obligations set forth herein.
- n) Attorney in Fact. Each Owner, by accepting a deed to a Lot or other document of conveyance, hereby irrevocably appoints the Association as his attorney in fact to collect rent from any person renting his Lot, if the Lot is rented and the Owner is delinquent in his Assessments. Rent due shall be paid directly to the Association, upon written demand, until such time as the Owner's Assessments are current, and the Owner shall credit the tenant or lessee, against rent due, for the amount of money paid to the Association.

24. Date of Commencement of Annual Assessments – Due Dates. The Management Committee shall fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment. Written notice of the Annual Assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Management Committee. The Management Committee shall, upon written request, and for a reasonable charge, furnish a certificate by an Officer of the Committee setting forth whether the Assessments on a specified Lot have been paid. A properly executed certificate of the Association, as to the status of Assessment on the Lot, is binding upon the Association as of the date of its issuance.

25. Liability of Management Committee. The Association shall indemnify every Officer and Member of the Management Committee against any and all expenses, including but not limited to attorney's assessments reasonably incurred by or imposed upon any Officer or Member of the Committee in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Committee) to which he may be a party by reason of being or having been an Officer or Member of the Committee. The Officers and Members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own willful misfeasance, malfeasance, misconduct or bad faith. The Officers and Members of the Committee shall have no personal liability with respect to any contract or other commitment made by them, in good faith, and in behalf of the Association (except to the extent that such officers or Members of the Committee may also be Members of the Association.), and the Association shall indemnify and forever hold each such officer and Member of the Committee free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall be exclusive of any other rights to which any other officer or Member of the Committee, or former officer or Member of the Committee, may be entitled.

26. Insurance. The Management Committee shall at all times purchase, maintain in force, and pay the premiums for, if reasonably available, insurance on the Common areas satisfying at least the following requirements.

- a) Commercial General Liability. Commercial General Liability insurance with minimum coverage of one million dollars (\$1,000,000) per Occurrence and two million dollars (\$2,000,000) Aggregate.
- b) Directors and Officers Insurance. One Million Dollars (\$1,000,000) directors and officers insurance (aka Errors and Omissions Insurance)
- c) Fidelity Bond. A separate fidelity bond in a reasonable amount, to be determined by the Management Committee, to cover all non-compensated officers as well as all employees for theft of Association funds subject to the following:
 - (1) Agents. Furthermore, where the Committee or the Association has delegated some or all of the responsibility for the handling of funds to a Management Agent or

Property Management Company such bonds are required for Agent's or Company's officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Committee or Association at the expense of the Management Agent or Property. Evidence of such coverage is to be furnished to the Management Committee by the Agent or Property Management Co.

- (2) Amount of coverage. The total amount of fidelity bond coverage required shall be based upon the Management Committee's best judgment, but shall not be less than the estimated maximum amount of funds, including reserve funds, in the custody of the Committee, the Association or their designated agents and or employees as the case may be, at any given time during the term of each bond. Nevertheless, in no event may the amount of such bonds be less than a sum equal to three (3) month's aggregate assessments on all lots, plus reserve funds.
- (3) Quality of coverage. The Bonds required shall meet the following additional requirements.
 - a. They shall name the Committee and the Association as obligee.
 - b. If the insurance contract or bond excludes coverage for damages caused by persons serving without compensation, and may use that exclusion as a defense not to pay a claim, the insurance company shall, if possible, be required to waive that exclusion or defense. If unable to meet this requirement then a different Bond, Policy or Insurance Company should be sought.
 - c. The premiums on all bonds required herein for the Committee and the Association (except for premiums on fidelity bonds maintained by a management agent or property management company for its officers, employees and agents) shall be paid by the Committee as part of the Common Expenses.
 - d. The bonds shall provide that they may not be cancelled or substantially modified, including cancellation for non-payment of premium, without at least ten days prior written notice to the Management Committee.
- d) Quality of Carrier. Any Carrier or Insurance Company issuing a master policy, an insurance policy or bond for the common elements of the Community shall have a G. I. AM Best rating "A" or better and a size category of V111 or better.
 - (1) The Insured. The name of the insured under each policy required to be maintained shall set forth therein substantially as follows: Jordan Heights Homeowners Association, a Planned Unit Development Community for the use and benefit of the individual Owners".
 - (2) Designated Representative. The Association may designate an authorized representative of the Association, who shall be a member of the Management Committee, for the use and benefit of the individual Owners.
 - (3) Beneficiary. In any policy covering the entire Community, each Owner and his Mortgagee, if any, shall be beneficiaries of the Policy in an amount equal to the Owners percentage of individual ownership interest in the Common Areas and Facilities.
 - (4) Certificate of Insurance. Evidence of insurance shall be issued to an Owner and or Mortgagee for an appropriate fee.
 - (5) Waiver of Subrogation. A waiver of the right of a subrogation against Owners individually.
 - (6) Individual Neglect. A provision that the insurance is not prejudiced by any act or neglect of an individual Owner.
 - (7) Individual Insurance. Each Owner and Resident shall purchase and maintain adequate liability and property insurance on his Lot, personal property and contents; provided, however, no Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the Association, on behalf of all the Owners and their Mortgagees, may realize under any insurance policy which the Association may have in force for the Community at any particular time.

- (8) **Primary Coverage.** The insurance coverage of an Owner shall, in the event that the Association also has insurance covering the loss, be primary and the insurance of the Association shall be secondary.
- (9) **Prompt Repair.** Each Owner further covenants and agrees that in the event of any partial loss, damage or destruction of his Lot, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction.
- (10) **Restrictions on Policies.** No insurance policy shall be maintained where:
 - a. **Individual Assessments Prohibited.** Under the term of the Carriers Charter, By-Laws, or policy contributions may be required from, or assessments may be made against, an Owner, a borrower, a Mortgagee, the Management Committee, the Association, V. A., FHA, FNMA, or their designees.
 - b. **Mortgage Limitation Provisions.** The Policy contains any limited clauses (other than insurance conditions), which could prevent the party entitled (including, without limitation, the Committee, the Association, an Owner, FNMA, or the borrowers) from collecting insurance proceeds.
- (11) **Intent.** The foregoing provisions shall not be construed to limit the power or authority of the Association, Committee or Owners to obtain and maintain insurance coverage, in addition any insurance coverage required hereunder, in such amounts and in such forms as the Management Committee or Association may deem appropriate from time to time.

27. Destruction, Condemnation and Obsolescence. The following provisions shall apply with respect to the destruction, condemnation, or obsolescence of the Community

- a) **Definitions.** Each of the following terms shall have the meaning indicated:
 - (1) **"Substantial Obsolescence"** shall exist whenever the Community or any part thereof has reached such a state of obsolescence or disrepair that the excess of the estimated cost of restoration over the funds available is Twenty five percent (25%) or more of the estimated restored value of the Community.
 - (2) **"Partial Obsolescence"** shall mean any state of obsolescence or disrepair, which does not constitute substantial obsolescence.
 - (3) **"Restored Value"** shall mean the fair market value of the Community after Restoration as determined by MAI or other qualified appraisal.
 - (4) **"Estimated Cost of Restoration"** shall mean the estimated costs of restoring the Community to its former condition.
 - (5) **"Substantial Destruction"** shall exist whenever, as a result of any damage or destruction to the Community or any part thereof, the excess of any estimated cost of restoration over the funds available is twenty five percent (25%) or more of the estimated restored value of the Community.
 - (6) **"Partial Destruction"** shall mean any other damage or destruction to the Community or any part thereof.
 - (7) **"Substantial Condemnation"** shall exist whenever a complete taking of the Community or a taking of a part of the Community has occurred under eminent domain or by grant or conveyance in lieu of condemnation, and the excess of the estimated cost of restoration over the funds available is Twenty five percent (25%) or more of the estimated restored value of the Community.
 - (8) **"Partial Condemnation"** shall mean any other such taking by eminent domain or grant or conveyance in lieu thereof.
 - (9) **"Available Funds"** shall mean any proceeds of insurance, condemnation awards, payments in lieu of condemnation, and any uncommitted funds of the Management Committee or Association. Available funds shall not include that portion of insurance proceeds legally required to be paid to any party other than the Association, including a mortgagee, or that portion of any condemnation award or payment in lieu of condemnation payable to the Owner or Mortgagee for the condemnation of taking of the Lot in which they are interested.

- b) Determination by Committee. Upon the occurrence of any damage or destruction to the Community or any part thereof, or upon a complete or partial taking of the Community under eminent domain or by grant or conveyance in lieu thereof, The Committee shall make a determination as to whether the excess of estimated costs of Restoration over Available Funds is twenty five percent (25%) or more of the estimated Restored Value of the Community. In addition, the Committee shall, from time to time, review the condition of the Community to determine whether Substantial Obsolescence exists. In making such determinations the Committee may retain and rely upon one or more qualified appraisers or other professionals.
- c) Restoration of the Community. Restoration of the Community shall be undertaken by Committee promptly without a vote of the Owners in the event of Partial Destruction, Partial Condemnation or Partial Obsolescence and shall also be undertaken in the event of Substantial Destruction, Substantial Condemnation, or Substantial Obsolescence unless the failure to make Restoration is consented to by Owners collectively holding at least Sixty seven percent (67%) of the Community's undivided ownership interests and is further consented to by Eligible Mortgagees holding Mortgages on Lots which have appurtenant at least Fifty one percent (51%) of the undivided ownership interest in the Common Areas and Facilities which is then subject to Mortgages held by Eligible Mortgagees.
- d) Notices of Destruction or Obsolescence. Within thirty days after the Committee has determined that Substantial Destruction, Substantial Condemnation, or Substantial Obsolescence exists, it shall send to each Owner and Eligible Mortgagee a written description of the destruction, condemnation or state of obsolescence involved, shall take appropriate steps to ascertain the preferences of the Eligible Mortgagees concerning Restoration, and shall, with or without a meeting of the Owners (but in any event in accordance with the applicable provisions of this Declaration) take appropriate steps to determine the preferences of the Owners regarding Restoration.
- e) Excess Insurance. If the insurance proceeds, condemnation awards or payments in lieu of Condemnation actually received by the Committee or Association exceed the cost of Restoration when restoration is undertaken, then the excess funds shall be placed in the Capital Improvement Reserve Account and retained by and for the benefit of the Association. This Covenant is also for the benefit of the Association and any Mortgagee, and therefore, may also be enforced by them. Payment to any Owner whose lot is subject of a Mortgage shall be made jointly to such Owner and the interested Mortgagee.
- f) Inadequate Insurance. In the event the cost of restoration exceeds available funds, all of the Lots shall be assessed for the deficiency on the basis of their respective percentages of undivided ownership interests in the Common Areas.
- g) Reallocation in the Event of Partial Restoration. In the event that all or any portion of one or more Lots will not be the subject of Restoration (even though the Community will continue as a Planned Unit Development) or is taken in a condemnation proceeding or pursuant to an agreement in lieu thereof, the undivided ownership interest in the Common Areas and Facilities shall be immediately reallocated to the remaining Lots.
- h) Sale of Community. Unless restoration is accomplished as set forth above, The Community shall be sold in the event of Substantial Destruction, Substantial Condemnation, or substantial obsolescence. In the event of such sale, ownership under this Declaration and the Plat Map shall terminate and the proceeds of sale and any Available Funds shall be distributed by the Committee to the Owners in proportion to their respective undivided interests in the Common Areas. Payment to any Owner whose Lot is then the subject of a Mortgage shall be made jointly to such Owner and the interested Mortgagee.
- i) Authority of Committee to Represent Owners in Condemnation or to Restore or Sell. The Committee, as attorney-in-fact for each Owner, shall represent all of the Owners and the Association in any condemnation proceeding or in negotiations, settlements, and agreements with the condemning authority for the acquisition of all or any part of the Common Areas and Facilities.

- j) **Settlement Proceeds.** The award in any condemnation proceeding and the proceeds of any settlement related thereto shall be payable to the Association for the use and benefit of the Owners and their Mortgagees as their interests may appear.
- k) **Restoration Power.** The committee, as attorney-in-fact for each Owner, shall have and is hereby granted full power and authority to restore or to sell the Community and each Lot therein whenever Restoration or sale, as the case may be, is undertaken as hereinabove provided.
- l) **Right of Entry.** Such authority shall include the right and power to enter into any contracts, deeds or other instruments, which may be necessary or appropriate for Restoration or sale, as the case may be.

28. Consent in Lieu of Vote. In any case in which this Declaration requires the vote of an Owner for authorization or approval of an act or a transaction, such requirement may be fully satisfied by the Management Committee obtaining from the Owners who collectively hold the required percentages, with or without a meeting, consents in writing to such transaction, subject to the following conditions.

- a) **Ninety-Day Limit.** All necessary consents must be obtained prior to the expiration of ninety (90) days from the time the first written consent is obtained; and
- b) **Change in Owner.** Any change in Ownership of a lot, which occurs after consent has been obtained from the Owner having an interest therein, shall not be considered or taken into account for any purpose.

29. Mortgage Protection. The lien or claim against a lot for unpaid Assessments levied by the Management Committee or by the Association pursuant to this Declaration or the Act shall be subordinate to any Mortgage recorded on or before the date such assessments become due, subject to the following:

- a) **Effects of Voluntary or Involuntary Sale.** The lien or claim against a Lot for such unpaid assessments shall not be affected by any sale or transfer of such Lot, except that a sale or transfer pursuant to a foreclosure of the Mortgage affecting such Lot or the exercise of a power of sale available thereunder shall extinguish any debt payable prior to such sale or transfer. Nevertheless, any such unpaid Assessments, which are extinguished in accordance with the foreclosure or power of sale, shall not relieve the purchaser or transferee of such Lot from liability for, nor such lot the lien of any Assessments becoming due thereafter.
- b) **Books and Records Available for Inspection.** The Committee or the Association shall make available to the owners, to mortgagees, and lenders, and holders, insurers, or guarantors of an Mortgage current copies of the Community Documents, as well as the books, records and financial statements of the Committee and the Association. The term "Available" as used in this paragraph, shall mean available for reasonable inspection upon request during normal business hours or under other reasonable circumstances. The Association shall have the right to recover its photocopying and service charges incurred in making the inspection and photocopying available, plus reasonable fees.
- c) **Right to Financial statement.** The holder, insurer or guarantor of any Mortgage shall be entitled, upon written request, to a financial statement for the immediately preceding fiscal year. Any financial statement requested pursuant hereto shall be furnished to the requesting party within a reasonable time following such request and upon payment of a reasonable fee.
- d) **Management Contract.** Any agreement for professional management of the Community, and any contract for goods or services, or any lease which is entered into by the Management Committee or the Association shall provide or be deemed to provide hereby that either party may terminate the contract with or without cause, penalty or severance charge, upon at least thirty (30) days prior written notice to the other party thereto.
- e) **Eligible Mortgagee Designation.** Upon written request to the Committee or the Association by the holder, insurer, or guarantor of a mortgage (which request identifies the name and address of such holder, insurer, or guarantor and the Lot number or address of the property encumbered by the Mortgage held or insured by such holder, insurer, or guarantor) such holder, insurer or guarantor shall be deemed thereafter to be

an "Eligible Mortgagee, Insurer or Guarantor" as the case may be, shall be included on the appropriate lists maintained by the Association, and be entitled to timely written notice of any of the following:

- (1) Condemnation Loss or Award. Any condemnation loss or casualty loss which affects a material portion of the Community or any Lot on which there is a Mortgage held, insured, or guaranteed by such eligible insurer or guarantor.
- (2) Delinquency. Any delinquency in the payment of Assessments owed by an Owner of a Lot subject to a mortgage held, insured or guaranteed by such Eligible insurer or Guarantor, which delinquency remains uncured for a period of sixty (60) days.
- (3) Lapse of Insurance. Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Committee or the Association.
- (4) Consent Required. Any proposed action, which would require the consent of a specified percentage of Eligible Mortgagees.

30. Amendment. Subject to the condition set forth herein, this Declaration may be amended subject to the following:

- a) Consent of the Owners. The affirmative vote of at least Sixty-Seven Percent (67%) of the Owners shall be required and shall be sufficient to amend the Declaration or the Plat Map. Any amendment so authorized shall be accomplished through the recordation of an instrument executed by the Management Committee. In such instrument the Management Committee Officers shall certify that the vote required by this section for amendment has occurred, and, if approval of a specified percentage of Eligible Mortgagees is required for such amendment, that such approval has been obtained; and
- b) Consent of Eligible Mortgagees. The consent of at least Sixty-Seven Percent (67%) of the Eligible Mortgagees shall be required for any amendment which would terminate the legal status of the Community, and the consent of Eligible Mortgagees holding at least Sixty-Seven Percent (67%) of the undivided ownership interest in the Common Areas shall be required to add to or amend any material provision of this Declaration or the Plat Map which establishes, provides for, governs, or regulates any of the following:

- (1) Voting rights;
- (2) Increase in assessments that raise the previously assessed amount by more than twenty-five percent (25%), assessment liens or the priority of assessment liens;
- (3) Reductions in reserves for maintenance, repair, and replacement of the Common Elements;
- (4) Insurance or fidelity bonds;
- (5) Limitations and the restrictions on the right to use of the Common Area;
- (6) Responsibility for maintenance and repairs;
- (7) Expansion or contraction of the Community or the addition, annexation or withdrawal of property to or from the Community;
- (8) The boundaries of any Lot
- (9) The percentages of ownership interests in the Common Areas;
- (10) Convertibility of a Lot into Common Areas or Common areas into a Lot;
- (11) The imposition of any right of first refusal or similar restriction on the right of an owner to sell, transfer, or otherwise convey his lot.
- (12) Express benefits or rights of Mortgagees, Eligible Mortgagees, or Eligible Insurers or Guarantors; and
- (13) The requirement that the Community be professionally managed rather than self managed. Any addition or amendment shall not be considered material for purposes of this paragraph if it is for the clarification only or to correct clerical error.

Notice of any proposed amendment to an Eligible Mortgagee to whom a written request to approve an addition or amendment to this Declaration or the Plat Map is required shall be mailed postage prepaid to the address for such Mortgagee shown on the list maintained by the Association.

Except for the secretary for Veterans Affairs, any Eligible Mortgagee who does not deliver to the Community or the Association a negative response to the notice of the proposed amendment within thirty (30) days from the date of such mailing shall be deemed to have approved the proposal.

The foregoing consent requirements shall not be applicable to amendments to this Declaration and the Plat Map or the termination of the legal status of the Community as a Planned Unit Development Community if such amendments or such termination are made or accomplished in accordance with the provisions of this Declaration regarding Condemnation or Substantial Obsolescence.

31. Notice and Hearing. In the event that the Management Committee or a Lot Owner claims another Lot Owner or Resident has violated the Community Documents, before any sanction, citation, penalty, or individual assessment becomes final, the owner or resident about whom the complaint has been made shall be entitled to the following rights of due process

- a) **Notice** Written notice specifying the nature of the violation (and providing any other appropriate information) and stating the time, date and place that the member will have the opportunity to be heard by the Management Committee. Written notice shall be given at least fifteen (15) days prior to the date set for the hearing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after it has been deposited in the United States Mail, first class postage prepaid, addressed to the Member at the address given by the member of the Management Committee for the purpose of serving of notice or to the address of the Members Lot if no other address has been provided. Any address may be changed from time to time by giving written notice to the Management Committee.
- b) **Costs & Assessments.** If the violation, or the failure to correct or remedy a violation, results or may result in the expenditure of funds, the notice shall also state that the Management Committee may vote to assess the adverse party, levy a fine, or impose other sanctions if the Committee finds that a violation has occurred.
- c) **Final Determination.** After the hearing has taken place, the Management Committee shall (1) determine whether a violation has occurred and, if so may impose a fine or issue sanctions which shall become effective not less than five (5) days after the date of the hearing; or (2) to take such other action as may be appropriate. The determination of the Management Committee shall be final. However, nothing herein shall be construed to prevent the Management Committee from making any emergency repairs or taking any other emergency action it deems necessary and subsequently providing Notice and Hearing.

32. Interpretation. To the extent Utah law is consistent with this Declaration, such provisions shall supplement the terms hereof and are incorporated herein. The captions, which precede the articles and sections of this Declaration, are for convenience only and shall in no way affect the manner in which any provision hereof is construed. Whenever the context so requires, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include both genders. The invalidity or unenforceability of any portion of this Declaration shall not affect validity or enforceability of the remainder hereof.

33. Covenants to Run with Land. This Declaration and all the provisions hereof shall constitute covenants to run with the land or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of the Association, all other signatories hereto, all parties who hereafter acquire any interest in a Lot or in the Community, and their respective grantees, transferees, heirs, devisees, personal representative, successors and assigns. Each Owner or Resident of a Lot shall comply with, and all interests in all Lots shall be subject to, the terms of this Declaration and the provisions of any rules, regulations, agreements, instruments, supplements, amendments and determinations contemplated by this Declaration. By acquiring any interest in a Lot in the Community, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.

34. Enforcement and Right to Recover Attorney's Assessment. The Association, Management Committee, or any Lot Owner may take action, at law or in equity to enforce the terms, covenants,

conditions or restrictions of the Community Documents. Should the Association, Management Committee or Lot Owner be required to take action to enforce the Community Documents, or to pursue any remedy provided hereunder or by applicable law, whether such remedy is pursued by filing suit or otherwise, they may recover all additional charges, including a reasonable attorney's fee, which may arise or accrue. Failure to enforce any such term, covenant, condition or restriction herein contained, shall in no event constitute or be deemed a waiver of the right to do so thereafter.

35. Mechanics Liens. Mechanics liens shall be filed in the office of the County Recorder as follows

- a) Association/ Goods or Services. Mechanics liens for labor, materials or supplies purchased by the Association shall be filed against all Lot Owners in the Community and their appurtenant interest in the Common Area, and shall be indexed in the public records under the name of the Association and the Community. If the Association has encumbered the Common Areas and thereafter defaults on its obligations, the lien holder must exercise its rights against the Common Areas before it may proceed against any Lot. Any Owner wishing to release that lien as to his Lot may pay the pro rata share of the total amount of the lien and that shall be sufficient to release the lien against his Lot
- b) Lot Owner/Goods or Services. Mechanics liens filed for labor, materials or supplies benefiting a particular Lot shall be filed against that Lot and its appurtenant interest in the Common Area.
- c) Constructive Consent. Any person who elects to perform labor or provide materials at this Community agrees to be bound by and subject to the terms of this section.

36. Agent for Service of Process. The President of the Management Committee shall be the person to receive service of process in the cases authorized by the Act and the office.

37. Effective Date. This Declaration, any amendment or supplement hereto, and any amendment or supplement to the Plat Map shall take effect upon its being filed for record in the office of the County Recorder of Salt Lake County, Utah.

EXECUTED the day and year first above written.

DECLARANT

SPRING HOLLOW HOMEOWNERS ASSOCIATION

BY: Doug Sheppard
Doug Sheppard
President
Robert Hart
Robert Hart
Treasurer

Joe Christiansen
Joe Christiansen
Vice President
Duella Stewart
Duella Stewart
Secretary

STATE OF UTAH)

COUNTY OF SALT LAKE

On the 10 day of March 2006, personally appeared before me Doug Sheppard who by me being duly sworn, did say that he is the President of Spring Hollow Homeowners Association a Utah Corporation, and that the within and foregoing instrument was signed in behalf of said Corporation pursuant to its Articles of Incorporation or a resolution of its Members, and duly acknowledged to me that said corporation executed the same.

S. S. S.
7-30-09

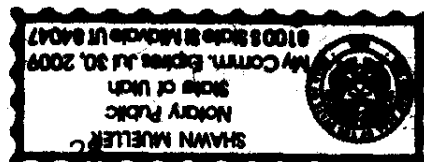


EXHIBIT "A"
PHASE - I

SURVEYOR'S CERTIFICATE

I, Kenneth W. Watson, do hereby certify that I am a Registered Civil Engineer, and Land Surveyor, and that I hold certificate No. 152300/158397, as prescribed under that laws of the State of Utah. I further certify that by authority of the Owners, I have made a survey of the tract of land shown on this plat and described below, and have subdivided said tract of land into lots and streets, hereafter to be known as SPRING HOLLOW AT BATEMAN FARM, PHASE 1, and that same has been correctly surveyed and staked on the ground as shown on this plat.

LEGAL DESCRIPTION

BEGINNING AT A POINT THAT IS N.00°00'50"E. 302.453 FEET AND S.89°59'11"E. 47.000 FEET FROM THE SOUTHWEST CORNER OF SECTION 23, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN; THENCE N.00°00'50"E. 60.000 FEET; THENCE S.89°59'11"E. 83.541 FEET TO A POINT ON A 195.000 FOOT RADIUS CURVE TO THE LEFT (CHORD BEARS N.85°06'27"E. 33.356 FEET); THENCE EASTERLY 33.397 FEET ALONG THE ARC OF SAID CURVE; THENCE N.80°12'04"E. 104.265 FEET TO A POINT ON A 265.000 FOOT RADIUS CURVE TO THE RIGHT (CHORD BEARS N.85°06'27"E. 45.330 FEET); THENCE EASTERLY 45.385 FEET ALONG THE ARC OF SAID CURVE; THENCE S.89°59'11"E. 121.281 FEET; THENCE N.00°00'50"E. 141.972 FEET; THENCE N.84°19'44"E. 136.500 FEET; THENCE S.06°38'01"W. 64.800 FEET; THENCE S.42°43'13"E. 83.000 FEET; THENCE S.66°24'06"E. 86.116 FEET; THENCE N.72°48'10"E. 396.344 FEET; THENCE S.83°45'40"E. 70.033 FEET; THENCE S.06°14'20"W. 88.354 FEET; THENCE N.82°13'10"E. 44.942 FEET; THENCE S.38°51'59"E. 16.607 FEET; THENCE S.15°00'38"E. 28.193 FEET; THENCE S.10°44'35"W. 40.404 FEET; THENCE S.10°20'01"E. 40.599 FEET; THENCE S.16°04'46"W. 81.478 FEET; THENCE N.82°25'36"W. 35.337 FEET TO A POINT ON A 36.000 FOOT RADIUS CURVE TO THE LEFT (CHORD BEARS S.51°37'35"W. 51.746 FEET); THENCE WESTERLY 57.739 FEET ALONG THE ARC OF SAID CURVE; THENCE N.84°19'13"W. 27.000 FEET; THENCE N.58°07'18"W. 20.461 FEET; THENCE N.80°33'59"W. 98.803 FEET; THENCE N.83°51'53"W. 166.235 FEET; THENCE N.88°27'46"W. 103.086 FEET; THENCE NORTH 23.304 FEET; THENCE S.89°59'55"W. 11.500 FEET; THENCE NORTH 0.673 FEET; THENCE N.88°44'59"W. 29.507 FEET TO A POINT ON A 11.000 FOOT RADIUS CURVE TO THE LEFT (CHORD BEARS N.41°16'40"W. 14.513 FEET); THENCE WESTERLY 15.849 FEET ALONG THE ARC OF SAID CURVE; THENCE S.89°58'43"W. 85.482 FEET; THENCE NORTH 16.301 FEET; THENCE S.54°40'58"E. 70.422 FEET; THENCE N.89°58'11"W. 197.820 FEET TO A POINT ON A 205.000 FOOT RADIUS CURVE TO THE LEFT (CHORD BEARS S.85°06'27"W. 35.067 FEET); THENCE WESTERLY 35.109 FEET ALONG THE ARC OF SAID CURVE; THENCE S.80°12'04"W. 104.265 FEET TO A POINT ON A 255.000 FOOT RADIUS CURVE TO THE RIGHT (CHORD BEARS S.85°06'27"W. 43.619 FEET); THENCE WESTERLY 43.673 FEET ALONG THE ARC OF SAID CURVE; THENCE N.89°59'11"W. 83.541 FEET TO THE POINT OF BEGINNING. CONTAINS 4.237 ACRES.

9-30-97

DATE

KENNETH W. WATSON, P.E., L.S.
REG. PROFESSIONAL ENGINEER No. 152300
REG. PROFESSIONAL LAND SURVEYOR No. 158397

OWNER'S DEDICATION

Know all men by these presents that _____ the undersigned owner () of the above described tract of land, having caused same to be subdivided into lots and streets to be hereafter known as the

EXHIBIT "A"
PHASE - II

SURVEYOR'S CERTIFICATE

I, Kenneth W. Watson, do hereby certify that I am a Registered Civil Engineer, and Land Surveyor, and that I hold certificate No. 152300/158397, as prescribed under the laws of the State of Utah. I further certify that by authority of the Owners, I have made a survey of the tract of land shown on this plat and described below, and have subdivided said tract of land into lots and streets, hereafter to be known as SPRING HOLLOW AT BATEMAN FARM, PHASE 2, and that same has been correctly surveyed and staked on the ground as shown on this plat.

LEGAL DESCRIPTION

BEGINNING AT A POINT WHICH IS NORTH 89°22'10" EAST 567.073 FEET AND NORTH 60.338 FEET FROM THE SOUTHWEST CORNER OF SECTION 23, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN; THENCE NORTH 203.240 FEET; THENCE NORTH 89°58'43" EAST 85.482 FEET TO A POINT ON A 11,000 FOOT RADIUS CURVE TO THE RIGHT (CHORD BEARS SOUTH 41°16'40" EAST 14.513 FEET); THENCE EASTERLY 15.849 FEET ALONG THE ARC OF SAID CURVE; THENCE EAST 15.500 FEET; THENCE SOUTH 0.673 FEET; THENCE NORTH 89°59'55" EAST 11.500 FEET; THENCE SOUTH 23.304 FEET; THENCE SOUTH 88°27'46" EAST 103.088 FEET; THENCE SOUTH 83°51'53" EAST 166.235 FEET; THENCE SOUTH 80°33'59" EAST 98.803 FEET; THENCE SOUTH 58°07'18" EAST 20.461 FEET; THENCE SOUTH 84°19'13" EAST 27.000 FEET TO A POINT ON A 36,000 FOOT RADIUS CURVE TO THE RIGHT (CHORD BEARS NORTH 51°37'35" EAST 51.746 FEET); THENCE EASTERLY 57.739 FEET ALONG THE ARC OF SAID CURVE; THENCE SOUTH 82°25'36" EAST 46.160 FEET; THENCE SOUTH 00°22'18" EAST 73.734 FEET; THENCE SOUTH 11°12'22" WEST 9.605 FEET; THENCE SOUTH 22°23'55" WEST 64.167 FEET; THENCE SOUTH 32°39'24" WEST 35.087 FEET; THENCE SOUTH 19°43'04" WEST 46.116 FEET TO A POINT ON A 1636.370 FOOT RADIUS CURVE TO THE LEFT (CHORD BEARS NORTH 79°50'32" WEST 135.017 FEET); THENCE WESTERLY 135.06 FEET ALONG THE ARC OF SAID CURVE; THENCE NORTH 83°00'53" WEST 204.920 FEET TO A POINT ON A 1781.370 FOOT RADIUS CURVE TO THE LEFT (CHORD BEARS NORTH 84°13'05" WEST 222.937 FEET); THENCE WESTERLY 223.083 FEET ALONG THE ARC OF SAID CURVE TO THE POINT OF BEGINNING. CONTAINS 2.67 ACRES.

FUTURE PHASE

8-4-99

DATE

KENNETH W. WATSON P., L.S.
REG. PROFESSIONAL ENGINEER
REG. PROFESSIONAL LAND SURVEYOR (#158397)

OWNER'S DEDICATION

Know all men by these presents that _____, the _____ undersigned owner () of the above described tract of land, having caused same to be subdivided into lots and streets to be hereafter known as the

SPRING HOLLOW AT BATEMAN FARM, PHASE 2

Do hereby dedicate for perpetual use of the public all parcels of land shown of this plat as intended for public use.

In witness whereof _____ have hereunto set his signature this 4th day of August, A.D., 19 99

Dale Bateman, managing member

CORPORATE ACKNOWLEDGMENT

STATE OF UTAH
COUNTY OF _____

S.S.

On the 4th day of August, A.D., 19 99, personally appeared before me, the undersigned Notary Public, in and for said County of _____ in said State of Utah, DALE BATEMAN who after being duly sworn, acknowledged to me that he is president of BATEMAN ENTERPRISES, INC.

EXHIBIT "A"
PHASE - III

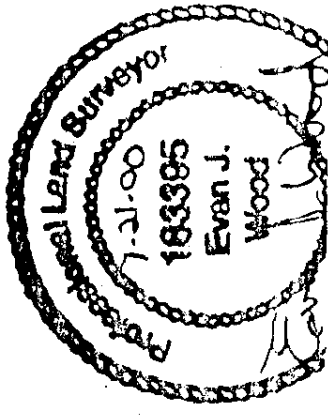
ground as shown on this plat.

PHASE III

BOUNDARY DESCRIPTION

BEGINNING AT A POINT ON THE NORTH RIGHT OF WAY LINE OF 7000 SOUTH STREET SAID POINT ALSO BEING SOUTH 4.61 FEET AND EAST 1125.14 FEET FROM THE SOUTHWEST CORNER OF SECTION 23, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, SAID POINT OF BEGINNING ALSO BEING THE SOUTHEAST CORNER OF LOT 216 OF SPRING HOLLOW AT BATEMAN FARM, PHASE 2 AS RECORDED IN THE SALT LAKE COUNTY RECORDERS OFFICE AND RUNNING THENCE ALONG SAID SPRING HOLLOW AT BATEMAN FARM, PHASE 2 SUBDIVISION THE FOLLOWING 6 COURSES: (NORTH 19°43'04" EAST 46.12 FEET; THENCE NORTH 32°39'24" EAST 35.07 FEET; THENCE NORTH 22°23'55" EAST 64.17 FEET; THENCE NORTH 11°12'22" EAST 9.61 FEET; THENCE NORTH 00°22'18" WEST 73.73 FEET; THENCE NORTH 82°25'36" WEST 10.82 FEET TO THE SOUTHEAST CORNER OF SPRING HOLLOW AT BATEMAN FARM, PHASE 1 AS RECORDED IN THE SALT LAKE COUNTY RECORDERS OFFICE); THENCE ALONG SAID SPRING HOLLOW AT BATEMAN FARM, PHASE 1 SUBDIVISION THE FOLLOWING 7 COURSES: (NORTH 16°04'46" EAST 81.48 FEET; THENCE NORTH 10°20'01" WEST 40.60 FEET; THENCE NORTH 10°44'35" EAST 40.40 FEET; THENCE NORTH 15°00'38" WEST 28.19 FEET; THENCE NORTH 38°51'59" WEST 16.61 FEET; THENCE SOUTH 82°13'10" WEST 44.94 FEET; THENCE NORTH 06°14'20" EAST 88.35 FEET TO THE NORTHEAST CORNER OF SAID SPRING HOLLOW AT BATEMAN FARM, PHASE 1 SUBDIVISION); THENCE SOUTH 83°45'40" EAST 263.06 FEET; THENCE SOUTH 75°40'05" EAST 228.79 FEET; THENCE SOUTH 04°31'39" EAST 312.64 FEET; THENCE SOUTH 18°38'18" WEST 100.31 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF 7000 SOUTH STREET; THENCE SOUTH 84°37'41" WEST 173.22 FEET ALONG SAID RIGHT OF WAY TO A POINT OF CURVATURE; THENCE 323.82 FEET ALONG THE ARC OF A 1636.37 FOOT RADIUS CURVE TO THE RIGHT WITH A CENTRAL ANGLE OF 11°20'18" AND CHORD BEARS NORTH 87°57'54" WEST 323.29 FEET TO THE POINT OF BEGINNING.

CONTAINS 219,289. SQ. FT., 5.03 ACRES



CHRD BRG	CHORD
N51°17'46"E	57.82
N74°03'55"E	31.91
N27°47'17"E	30.96
N01°59'36"W	6.23
S55°06'53"W	44.09
S09°31'30"W	15.57
S56°06'35"W	23.05
N78°18'02"W	14.76
S67°46'39"E	6.23
S65°08'59"E	3.90
S72°09'43"E	2.34
N37°23'41"W	74.70
N70°53'19"W	8.37
N49°09'52"W	37.65
N18°27'03"W	27.44
N02°46'49"W	5.97
N45°00'00"E	86.97
N12°44'10"E	27.12
N38°53'32"E	28.55
N62°58'24"E	22.75
N81°49'01"E	17.51
S68°46'46"W	18.46
S42°29'26"E	49.00
N72°55'21"E	20.99
S60°08'26"E	18.02
S01°03'56"E	29.83
S41°56'53"W	4.71
N26°14'22"E	18.46
N38°42'14"W	55.29
N15°21'58"W	27.87
N59°05'20"W	31.69
N05°01'08"E	53.08
S22°30'41"E	20.97
S48°08'51"W	5.11
S37°31'21"E	5.16
S57°34'24"W	56.89
S40°53'05"W	39.60
S65°31'19"W	22.11
N37°23'41"W	46.76
N45°00'00"E	54.45
S52°26'00"E	46.95
S68°27'54"W	2.06