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WHEN RECORDED RETURN TO:

THE LAW OFFICE OF KIRK A. CULMORE  
644 EAST UNION SQUARE  
SANDY, UT 84070

AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND  
RESTRICTIONS

03-126-0001 thru 0031

FOR  
RIVIERA TOWNHOUSE PHASE II,  
A Planned Unit Development

RETURNED  
AUG 29 2012

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AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS  
AND RESTRICTIONS  
FOR  
RIVIERA TOWNHOUSE PHASE II,  
A PLANNED UNIT DEVELOPMENT

THIS DECLARATION is made and executed this 31 day of July, 2012, by Centerville Riviera Townhouse Phase II, Inc., with its principal place of business located in Farmington, State of Utah ("Association").

RECITALS

A. A Declaration of Restrictive Covenants, Conditions and Restrictions was recorded June 13, 1994, as Entry No. 1124889, in the Davis County Recorder's office;

B. This Amended and Restated Declaration supercedes and replaces in its entirety that previously recorded Declaration and all amendments thereto and shall be binding on all Lots in all phases within the Project;

C. Centerville Riviera Townhouse Phase II, Inc., is the authorized representative of the owners of certain real property known as Riviera Townhouse Phase II, a planned unit development, located in Davis County, Utah and more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference (the "Project");

D. It is intended that all Owners, guests, invitees and residents abide by these covenants, conditions and restrictions in order to maintain property values and a desirable living environment.

E. The Association controls the Project as managing agent for the Owners.

F. Pursuant to Article VI, Section 3, more than 90% of the Owners have approved this Amended and Restated Declaration.

G. These covenants, conditions, restrictions, easements and limitations shall run with the said real property and shall be binding on all parties having or acquiring any right, title or interest in the described real property or any part thereof and shall inure to the benefit of each owner thereof and are imposed upon said real property and every part thereof as a servitude in favor of each and every parcel thereof as the dominant tenement or tenements.

H. It is intended and required that the Association shall be an incorporated homeowners association pursuant to Utah's Nonprofit Corporations Act.

NOW, THEREFORE, for the benefit of the Project and the Lot Owners thereof, the Association hereby executes this Declaration of Covenants, Conditions, and Restrictions, for and on behalf of all of the Lot Owners.

## ARTICLE I

### DEFINITIONS

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When used in this Declaration (including in that portion hereof headed "Recitals" and in the Bylaws attached hereto as Exhibit "B") the following terms shall have the meaning indicated.

**1.1 Articles of Incorporation or Articles** shall mean and refer to the Articles of Incorporation for Centerville Riviera Townhouse Phase II, Inc., a Utah nonprofit corporation, on file with the Utah State Department of Commerce, as amended.

**1.2 Association** shall mean and refer to the Centerville Riviera Townhouse Phase II, Inc., a Utah non-profit corporation. Every Lot Owner shall automatically be a member of the Association. Membership in the Association shall be appurtenant to the Lot in which the Owner has the necessary interest, and shall not be separated from the Lot to which it appertains.

**1.3 Board of Directors** shall mean and refer to the body of Owners that shall govern the property, business and affairs of the Association.

**1.4 Common Areas and Facilities** shall mean, refer to, and include:

(a) The real property and interests in real property, which this Declaration submits to the terms of the Project Documents.

(b) All Common Areas and Facilities designated as such in the Survey Map, including the playground and bowery.

(c) All installations for and all equipment connected with the furnishing of Project utility services, such as electricity, gas, water, telecommunication lines, coaxial cables, and fiber optic lines, sewer, and other related facilities and equipment designed for use by more than one Lot.

(d) In general all apparatus, installations, and facilities included within the Project and existing for common use.

(e) The Project's outdoor lighting, fences, landscape, sidewalks, parking spaces, and roads.

(f) All portions of the Project not specifically included within the individual Lots.

(g) All other parts of the project normally in common use or necessary or convenient to its use, existence, maintenance, safety, or management.

(h) All common areas as defined in the Project Documents, whether or not enumerated herein.

**1.5 Common Expenses** shall mean and refer to all sums which are expended on behalf of all the Lot Owners and all sums which are required by the Board of Directors to perform or exercise its functions, duties, or rights under the Project Documents.

**1.6 Declaration** shall mean and refer to this instrument and as it may be amended from time to time.

**1.7 Family** shall mean and refer to Family as defined by applicable local zoning ordinance.

**1.8 Improvements** means every structure or improvement of any kind, including but not limited to landscaping required under the Project Documents and any Living Unit, deck, porch, awning, fence, garage, carport, driveway, storage shelter or other product of construction efforts on or in respect to the Property (but does not include any exterior antenna or satellite dish, authorized in accordance with the Declaration).

**1.9 Private Yard Areas and Facilities** shall mean and refer to those areas and Facilities

designated herein or on the Map as reserved for the use of a certain Owner to the exclusion of the other Owners. Private Yard Areas consist of, but are not limited to, the back yard areas and other areas indicated on the appropriate Map as Private Yard Areas.

**1.10 Living Unit or Unit** shall mean a Lot or two or more contiguous Lots combined into one parcel with a structure situated upon it that is designated and intended for use and occupancy as a residency by a single family.

**1.11 Lot** shall mean and refer to those portions of the Property that are subdivided parcels of land shown and defined as lots or plots of ground (exclusive of the Common Area and Private Yard Area) and designated by numbers on the Plat. The term Lot and Unit may be used interchangeably in deeds and or legal descriptions but shall mean Lot.

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

**1.13 Mortgagee** shall mean a beneficiary of a deed of trust as well as a named Mortgagee.

**1.14 Owner** shall mean and refer to the owner of the fee in a Lot. In the event a Lot is the subject of an executory contract of sale, the contract purchaser shall, unless the seller and the purchaser have otherwise agreed and have informed the Board in writing of such agreement, be considered

the Owner for purposes of voting and membership.

**1.15 Person** shall mean and refer to a natural person, corporation, partnership, trust, limited liability company, or other legal entity.

**1.16 Project Documents** shall mean and refer to the Declaration, Bylaws, Articles of Incorporation, the Map, Rules and Regulations, any agreements, instruments, and determinations adopted pursuant to the Project Documents.

**1.17 Property or Project** shall mean and refer to the land, described in Exhibit "A," the buildings, all improvements and the structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of personal property, belonging to the Association, intended for use in connection therewith.

**1.18 Maps or Plat** shall mean and refer to the Plat Maps of the Project on file with the Davis County Recorder's Office.

**1.19 Resident** shall mean and refer to any person living or staying at the Project. This includes but is not limited to all lessees, tenants, and the family members of Owners, tenants or lessees.

NOTES:



ARTICLE II

*SUBMISSION*

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*2.1 Property Submitted*

The Property is hereby submitted to the provisions of this Declaration. The Property is more

particularly described in Exhibit "A" attached hereto.

NOTES:

## ARTICLE III

### *MEMBERSHIP AND VOTING RIGHTS*

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#### *3.1 Membership*

Every Owner shall be a Member of the Association. Membership in the Association shall be mandatory, shall be appurtenant to the Lot in which the Owner has the necessary interest, and shall not be separated from the Lot to which it appertains.

#### *3.2 Voting Rights*

The Association shall have one class of voting membership:

Class A. Class A Members shall be all Owners. Class A Members shall be entitled to one (1) vote for each Lot owned by the Member. In no event, however, shall more than one Class A vote exist with respect to any Lot.

#### *3.3 Multiple Ownership Interests*

In the event there is more than one Owner of a

particular Lot, the vote relating to such Lot shall be exercised as such Owners may determine among themselves. A vote cast at any Association meeting by any of such Owners, whether in person or by proxy, shall be conclusively presumed to be the vote attributable to the Lot concerned unless an objection is immediately made by another Owner of the same Lot. In the event such an objection is made, the vote involved shall not be counted for any purpose whatsoever other than to determine whether a quorum exists.

#### *3.4 Record of Ownership*

Every Owner shall promptly cause to be duly filed of record the conveyance document (or in the case of contract buyer, a copy of the sales contract) to him of his Lot. Each Owner shall file a copy of such conveyance document (or contract) with the Secretary of the Association.

#### NOTES:

## ARTICLE IV

### ENFORCEMENT OF COVENANTS, CONDITIONS, RESTRICTIONS

#### 4.1 *Compliance*

Each Resident of a Lot shall comply with the provisions of the Project Documents and any applicable statute. Failure to comply therewith shall be grounds for fines and/or an action or suit maintainable by the Association or an aggrieved Owner.

#### 4.2 *Remedies*

Violation of any provisions of the Project Documents, or of any decision of the Association made pursuant to such documents, shall give the Board of Directors acting on behalf of the Association, in addition to any other rights set forth in the Project Documents, or under law, to do any or all of the following after giving notice and an opportunity to be heard:

(a) After fifteen (15) days written notice, to enter any Lot which or in which such violation exists and to abate and remove, at the expense of the Owner, any structure, thing, or condition that may exist contrary to the Project Documents. The Board of Directors shall not thereby be deemed guilty of any manner of trespass, provided that judicial proceedings shall be instituted before any items of construction may be demolished;

(b) To enjoin, abate, or remedy such thing or condition by appropriate legal proceeding;

(c) To levy reasonable fines pursuant to a schedule of fines adopted by resolution of the Board of Directors, a copy of which has been delivered to each Owner, mailed to the mailing address of the Lot, or mailed to the mailing address

designated by the Owner in writing to the Association;

(d) The right of the Association to suspend the voting rights of the Owners, after notice and a hearing, for any infraction of any of the Project Documents until such time as the infraction is cured; or

(e) Bring suit or action against the Owner on behalf of the Association and other Owners to enforce the Project Documents.

#### 4.3 *Action by Owners*

Subject to any limitation imposed under the Project Documents or Utah law, an aggrieved Owner may bring an action against such other Owner or the Association to recover damages or to enjoin, abate, or remedy such thing or condition by appropriate legal proceedings.

#### 4.4 *Injunctive Relief*

Nothing in this section shall prevent an Owner, the Association, or other interested party from resorting to a court of competent jurisdiction in those instances where injunctive relief may be appropriate.

#### 4.5 *Hearings*

The Board of Directors shall, by resolution, promulgate procedures for hearings. When a hearing is requested or required, the hearing shall be conducted in accordance with the Board of Director's resolution on hearings.

#### NOTES:

## ARTICLE V

### *IMPROVEMENTS*

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#### *5.1 Description of Improvements*

The improvements included in the Project are now located on the Property described in said Exhibit "A," and all such improvements are described on the appropriate Map. The significant improvements contained in the Project include Living Units, roadways, a playground, and bowery. The Project also contains other improvements of a less significant nature such as outdoor lighting and landscaping.

#### *5.2 Description and Legal Status of Lots*

The Map shows the Lots, Private Yard Areas, and the Common Areas. All Lots shall be capable of being independently owned, encumbered, and conveyed.

Each conveyance or installment contract for the sale of a Lot and every other instrument affecting title to a Lot may describe that Lot by the letter shown on the Map with appropriate reference to the Map and to this Declaration, as each shall appear on the records of the County Recorder of Davis County, State of Utah.

#### NOTES:

## ARTICLE VI

### *COMMON AREAS; MAINTENANCE*

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#### *6.1 Common Areas*

The Association shall take title to the Common Area that is part of the Property free and clear of all encumbrances, except non-monetary title exceptions and this Declaration not later than the date the first Lot is conveyed to an Owner. The Covenants are hereby imposed upon the Common Area for the benefit of the Association, and the Owners, and their respective personal representatives, successors and assigns, to the end and intent that the Association shall have and hold the said Common Area subject to the reservations set forth in Article V hereof, and to the Project Documents.

#### *6.2 Owner's Right of Enjoyment*

Every member of the Association shall have a non-exclusive right and easement for the use, benefit and enjoyment, in common with others, in and to the Common Area and such non-exclusive right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the restrictions herein. Except as otherwise permitted by the provisions of this Declaration, the Common Area shall be retained in its natural state, and no Structure or improvement of any kind shall be erected, placed or maintained thereon. Structures or improvements designed exclusively for community use, shelters, benches, chairs or other seating facilities, fences and walls, walkways, drainage and utility structures, grading and plantings, may be erected, placed and maintained on Common Area by the Association. No portion of the Common Area may be used exclusively by any Owner for private uses.

#### *6.3 Maintenance Obligations of the Association*

The Association shall improve, develop, supervise, manage, operate, examine, insure, inspect, care for, repair, replace, restore and maintain the Common Area. Additionally, the Association shall maintain,

repair, and replace the foundations, roofs, and siding on the Living Units.

In the event that the need for maintenance or repair of a Lot, Common Area, or Private Yard Area or the improvements thereon is caused by the willful or negligent acts of an Owner or through the willful or negligent acts of the family, guests, invitees or Lessees of the Owner, Owner shall be liable for the cost of such maintenance and repair, and the cost of such maintenance and repair shall be an Individual Assessment against the Lot.

#### *6.4 Maintenance Obligations of the Owners*

Owners are responsible for the cleaning, maintenance, repair, and replacement of their backyard, fence, the driveway, doors, windows, door and window trim and caulking, entry walkways, and porches. Any repair and maintenance work must match the original or be approved in advance by the Board. Owners are also responsible for maintenance of their Living Units (except the portions assigned to the Association) and Private Yard Areas.

#### *6.5 Party Walls*

Each wall which is built as a part of the original construction of the Lots upon the Properties and placed on the dividing line between Lots shall constitute a party wall, and, to the extent consistent with this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omission shall apply thereto. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who use the wall in proportion to such use.

However, if one Owner is negligent or willfully damages a party wall, that Owner shall bear the whole cost of repairing the wall. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall shall restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration

thereof in proportion to such use with prejudice, however, to the right of any such Owners to call for a larger contribution from the other under any rule of law regarding liability for negligent or willful acts or omissions.

6.6 *Private Yard Areas*

Private Yard Areas described on the Map shall be appurtenant to the Lots to which they are assigned on the Map. Private Yard Area shall not be partitioned or separated from the Lot to which it is assigned on the Map.

NOTES:

## ARTICLE VII

### *GENERAL AND SPECIFIC EASEMENTS*

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#### *7.1 Easement for Encroachment*

If any part of the Common Areas encroaches or shall hereafter encroach upon a Lot or Lots, an easement for such encroachment and for the maintenance for the same shall and does exist. If any part of a Lot encroaches or shall hereafter encroach upon the Common Areas, or upon an adjoining Lot or Lots, an easement for such encroachment and for the maintenance shall and does exist. Such encroachments shall not be considered to be encumbrances either to the Common Areas or to the Lots. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of the building(s) on the tract, by error in the appropriate Map, by settling, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project or any part thereof.

#### *7.2 Emergency Repairs*

Damage to any part of a Lot or Lots resulting from the maintenance, repair, emergency repair, or replacement of any of the Common Areas or as a result of emergency repairs to another Lot at the insistence of the Board shall be the responsibility of the Association. However, if such damage is

the result of negligence of an Owner, then such Owner shall be financially responsible for all such damage. Such damage shall be repaired and the property shall be restored substantially to the same condition as existed prior to damage. The Board shall collect amounts owing by Owners pursuant hereto by assessment.

#### *7.3 Easement to Board of Directors and Manager*

The Board and Management Company shall have non-exclusive easements to make such use of the Common Areas as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration.

#### *7.4 Easement for Utility Services*

There is hereby created a blanket easement upon, across, over and under the property described in "Exhibit A" for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to, water, sewers, gas, telephones, electricity, and other utility services.

#### NOTE:

## ARTICLE VIII

### *USE RESTRICTIONS*

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#### *8.1 Use of Lots*

Each of the Lots in the Project is limited to single Family, residential use only. Each Lot and Owner is subject to the uses and restrictions imposed by such restrictions (including any parking restrictions).

#### *8.2 No Obstruction of Common Areas*

There shall be no obstructions of the Common Areas by the Owners, their tenants, guests or invitees without the prior written consent of the Association. The Association may by Rules and Regulations prohibit or limit the use of the Common Areas as may be reasonably necessary for protecting the interests of all the Owners or protecting the Lots, Private Yard Areas, or the Common Areas.

Nothing shall be kept or stored on any part of the Common Areas without the prior written consent of the Association, except as specifically provided herein. Nothing shall be altered on, constructed in or removed from the Common Areas except upon the prior written consent of the Association.

#### *8.3 Cancellation of Insurance*

Nothing shall be done or kept in any Lot or in the Common Areas or any part thereof which would result in the cancellation of the insurance on the Project or any part thereof or increase the rate of the insurance on the Project or any part thereof without the prior written consent of the Association.

Nothing shall be done or kept in any Lot or in the Common Areas or any part thereof which would be a violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Areas or any part thereof shall be committed by any Owner or any invitee of any Owner, and each Owner shall

indemnify and hold the Association and the Owners harmless against all loss resulting from any such damage or waste caused by him or his invitees.

#### *8.4 Rules and Regulations*

No Owner shall violate the Rules and Regulations for the use of the Lots and of the Common Areas as adopted from time to time by the Board.

#### *8.5 Structural Alterations*

No Owner shall make any structural alterations to a Lot or Private Yard Area without the prior written consent of the Board.

#### *8.6 Window Coverings*

Under no circumstances shall any cardboard or tinfoil be used as window coverings in the Project.

#### *8.7 Signs*

No signs whatsoever shall be erected or maintained in the Common Areas without the prior written consent of the Board.

#### *8.8 Pets*

Residents shall be allowed to keep up to two dogs, cats or other household pets. Residents shall not keep any exotic pets on Lots within the Project; these include but are not limited to lizards, snakes, monkeys, wolves, foxes, skunks or any other animals the Board defines as exotic pets. Household pets shall be allowed on Lots within the Project if: (1) Ownership of the pet does not violate any local, state or federal laws; (2) The Resident accepts full liability for his or her pet; (3) Any pet allowed outside of the owner's Lot is accompanied by the owner and is on a leash and under control; (4) The Resident keeps no more than two household pets on Lots; (5) The pet owner promptly cleans up all of his or her pet's



droppings; (6) The pet is licensed and vaccinated in accordance with Davis County ordinances; (7) Upon request, the Board is given a copy of the pet's license and proof of vaccination, along with a description sufficient to describe the pet; (8) The pet owner complies with the administrative rules and regulations as they may be adopted or modified by the Board from time to time; (9) No animals or birds of any kind shall be raised, bred, or kept in any of the Common Areas;

Anything to the contrary notwithstanding, no pet shall be allowed to create or maintain a nuisance. At the discretion of the Board, after notice and a hearing, any pet that is considered to be a nuisance shall not be allowed to remain within the confines of the Project. For the purposes of this paragraph a nuisance is defined as any behavior which annoys or disturbs other Residents, including but not limited to any abnormal, unreasonable or excessive barking, whining, or scratching; any behavior which creates an unacceptable odor, an unhygienic environment or a dangerous condition; or any behavior which establishes a propensity for harm.

If a pet owner violates any of these covenants, conditions or restrictions, including any administrative pet rules and regulations, the Board shall have the express authority to issue citations or levy assessments, and collect these by judgment, lien or foreclosure. In extreme cases, the Board may require that the Owner remove their pet from the premises.

The Association may charge a pet deposit to pet owners. The amount and terms of the pet deposit shall be created by rule.

#### **8.9 Storage and Parking of Vehicles**

No motor vehicle or trailer, including but not limited to any automobile, commercial vehicle, truck tractor, mobile home, or trailer (either with or without wheels), camper trailers, boat or other water craft, boat trailer, or any other transportation device of any kind may be parked or stationed in front of any garage, walkway, driveway, Lot, Private Yard Area or Common Area.

Visitors may only park their motor vehicles temporarily in accordance with the Rules and Regulations promulgated by the Board.

No Residents or visitors shall repair or restore any motor vehicle of any kind upon any Lot, Private Yard Area, or Common Area, except for emergency repairs, and then only to the extent necessary to enable movement thereof to a proper repair facility.

Motor Vehicles parked in unauthorized areas, or in violation of the parking rules and regulations established by the Board, may, at owner's expense, be towed away. The Board shall be required to follow all municipal ordinances and codes regarding towing enforcement prior to towing a vehicle.

All parking spaces shall be used for the purpose of parking motor vehicles and shall not be used as storage facilities.

Residents shall park vehicles in the garage and driveway and are permitted to have one vehicle parked on Lots per licensed driver in the residence.

#### **8.10 Leases**

Leases shall be subject to the following restrictions so long as the property shall be owned in accordance with the terms and conditions of this Declaration and the Act:

a. Units may be leased only to a single Family.

b. All leases and lessees shall be subject to the provisions of the Act and the Project Documents. Any owner who leases their Unit shall be responsible for assuring the Residents' compliance with the Act and the Project Documents.

c. The leasing of Units shall comply with this Section. "Leasing" means granting the right to use or occupy a Unit to a non-owner while no Owner

occupies the Unit as their primary residence. Units owned by business entities or trusts shall be considered leased regardless of who occupies the Unit. Initial lease terms must be 12-months or longer.

d. Lease Limit. No more than 10% of the Lots may be rented or leased at any given time, except Hardship Exemptions.

e. Hardship Exemption. Notwithstanding the above, in order to avoid undue hardships or practical difficulties the following classes of Owners shall be exempt from the Lease Limit:

1. An Owner in the military for the period of the Owner's deployment;

2. A Unit occupied by the Owner's parent, child, or sibling;

3. An Owner whose employer has relocated the Owner for no less than two years;

4. A Unit owned by a trust or other entity created for estate planning purposes if the trust or other estate planning entity was created for the estate of:

i. A current resident of the Unit; or

ii. The parent, child, or sibling of the current resident of the Unit.

f. Application and Approval. Each Owner desiring to lease a Unit under a Hardship Exemption shall apply to the Board for approval. The application shall contain all supporting documentation necessary to prove the Hardship Exemption. The Board shall review the application and make a determination of whether the Owner or Unit qualifies for a Hardship Exemption. The Board shall:

1. Approve the application if it determines that the Owner or Unit qualify and the initial term

of the lease is for more than six months; or

2. Deny the application if it determines that the Owner or Unit do not qualify or the initial term of the lease is for less than six months.

g. Review of Rental Applications. The Board shall review applications within 10 business days of receipt. The Board shall approve or deny an application and shall notify the Owner of the result, and, if permission is not given, the reason for the denial within fifteen (15) business days of receipt of the application.

h. Application Form; Approval Process. An application form, the application and approval process, and any other rules deemed necessary by the Board to implement this section shall be established by resolution of the Board.

i. Lease Agreements – Required Terms. All Owners shall use and provide the Board with a copy of a written lease agreement. All lease agreements shall contain terms subjecting the resident to the terms, conditions, and restrictions of the Project Documents, as amended. The Owner shall provide the tenant or lessee with a copy of the Project Documents then in effect and shall take a receipt for delivery of the Project Documents. In the event the Project Documents are amended, revised, changed, or supplemented by the Association, the Owner shall provide the tenant or lessee with a copy of the amendments, revisions, changes, or supplements within 10 calendar days of adoption by the Association, its Board, or its membership.

j. Violations of Rental Restrictions. If an Owner fails to submit the required application, fails to use and submit a copy of a written lease agreement with the required terms, and leases their Unit, or leases their Unit after the Board has denied the Owner's application, the Board may assess fines against the Owner and the Unit in an amount to be determined by the Board pursuant to a schedule of fines adopted by the Board. Regardless of whether any fines have been

imposed, the Board may seek any available legal or equitable remedies, including but not limited to, an action to terminate the lease agreement and eviction of any tenant.

k. Failure to Take Legal Action. Failure by an Owner to take legal action against their Resident who is in violation of the Act or Project Documents within 10 days after delivery of written demand to so do from the Board, shall entitle the Association to take any and all such action for and in behalf of said Owner and as his or her agent, including but not limited to the institution of legal proceedings on behalf of such Owner against his or her Resident for eviction, injunctive relief or damages. Neither the Association nor its agents shall be liable to the Owner or Resident for any legal action commenced under this Section that is made in good faith.

l. Recovery of Costs and Attorney Fees: Owner Liable. The Association shall be entitled to recover from the offending Owner its costs and attorney's fees incurred for enforcement of this Subsection, regardless of whether any lawsuit or other action is commenced. The Association may assess such costs and attorney's fees against the Owner and the Unit as an assessment pursuant to this Declaration. Additionally, the Owner shall be liable for all fines, assessments, or other penalties levied due to violations of their tenant. The Owner shall be personally liable for any violations caused by their tenant. Any assessments, fines or penalties levied under this Section shall be an Individual Assessment.

m. Requesting Unpaid Assessments from Tenant. In the event that a unit is leased, and the Owner fails to pay their regular, special, or any other assessment, the Board may demand that the tenant pay their rent to the Association until the delinquent assessments are paid.

n. Grandfathered Units: Units being leased on the date this Declaration was recorded shall be exempt from the Lease Limit until:

1. The Owner transfers the Unit by deed or any other conveyance;

2. The Owner grants a life estate in the Unit;

3. The Owner moves into the Unit or otherwise uses the Unit as their residence; and

4. If owned by a business entity, the Owner sells or transfers more than 75% of its shares, stock, membership interests, or partnership interests within a 12 month period.

Grandfathered Units shall comply with all other provisions of this section and shall be required to have a 12-month minimum initial lease term.

o. Background Checks. Owners shall perform criminal background checks on all occupants under a lease.

#### 8.11 *Aerials, Antennas and Satellite Dishes*

It is the intent that this policy not be inconsistent, incongruent or in conflict with applicable local, state and federal legislation. Aerials, antennas and satellite dishes shall be prohibited within the Project, except (a) antennas or satellite dishes designed to receive direct broadcast satellite service which are one meter or less in diameter; (b) antennas or satellite dishes designed to receive video programming services via multipoint distribution services which are one meter or less in diameter or diagonal measurement (hereafter referred to as "Permitted Devices") shall be subject to the following:

(a) located in the attic or other interior spaces of the residential unit, so as not to be visible from outside the unit;

(b) attached to or mounted behind the area appurtenant to the residential unit on the rear wall of the building containing the residential unit so as to extend no higher than the plane commencing the next story of the building or the eaves of the building at a point directly above the position where attached or mounted to the wall.

Notwithstanding the foregoing, should an Owner determine that a Permitted Device cannot be located in compliance with the above guidelines without precluding reception of an acceptable quality signal, then the Owner may install the device in the least conspicuous alternative location on the Lot where an acceptable quality signal can be obtained.

The Board may adopt rules establishing a preferred hierarchy of alternative locations and require screening of all Permitted Devices, so long as such rules do not unreasonably increase the cost of installation, maintenance, or use of the Permitted Device. Anything to the contrary notwithstanding, no Permitted Device may be located in the common area without the express prior written consent of the Board. Permitted Devices may only be installed in, on or within property which a party owns or is subject to his exclusive use.

#### *8.12 Timeshares*

Timeshares and time-sharing of Living Units within the Project is prohibited, and under no circumstances shall any Living Unit be owned or used for time sharing, including but not limited to a "time period unit" as that term is defined in Utah Code Ann. § 57-8-3(26), as amended. The Board shall have the power to adopt, enforce and revise reasonable rules and regulations to prevent such time-sharing of Units. The Owners desire to preserve the original concept of the Project as an outstanding recreational living accommodation, to facilitate the efficient and inexpensive maintenance and repair of all parts of the Project, and to maintain property values to the benefit of all Owners or Units in the Project.

#### *8.13 Temporary Structures, etc.*

No structure of a temporary character, or trailer, camper, tent, shack, garage, or other outbuilding shall be used on any Lot, Private Yard Area, or Common Area at any time as a residence either temporarily or permanently, unless first expressly approved in writing by the Board.

#### *8.14 Clothes Drying Facilities*

Outside clotheslines or other outside facilities for drying or airing clothes shall not be erected, placed or maintained on any Property unless they are erected, placed and maintained within a fenced yard so as to not be visible from any neighboring Lot or Common Area.

#### *8.15 Architectural Alterations*

No building, fence, wall, satellite dish, or other structure shall be commenced, erected or maintained upon Project, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted and approved as to harmony of external design and location and in relation to the surrounding structures and topography by the Board of Directors or by the Architectural Committee composed of three (3) representatives appointed by the Board. In the event that the Board, or its designated committee, fails to approve or disapprove such design and fails to act after thirty (30) days after said plans and specifications have been submitted to it, the plans and specification will be deemed denied.

#### *8.16 Nuisances*

Nothing shall be done or kept in the Association which may cause a nuisance. Examples of nuisance are, without limitation: excessive noise, noxious odors or fumes, excessive light after hours, drug houses, party houses, criminal activity, or anything which is injurious to health, indecent, offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property.

#### NOTES

## ARTICLE IX

### *BOARD OF DIRECTORS; POWERS; COMPOSITION*

#### *9.1 Status and General Authority of Board of Directors*

Notwithstanding anything herein contained to the contrary, the Project shall be managed, operated, and maintained by the Board of Directors exclusively as agent of, and in the name of, the Association and any act performed by the Board of Directors pursuant to the Project Documents, as the same may be amended from time to time, shall be deemed to be performed by the Association. The Board of Directors shall have, and is hereby granted, the following authority and powers:

(1) The authority, without the vote or consent of the Owners or of any other person(s), to grant or create, on such terms as it deems advisable, utility and similar easements over, under, across and through the Common Areas.

(2) The authority to execute and record, on behalf of all the Owners, any amendment to the Declaration or Map which has been approved by the vote or consent necessary to authorize such amendment.

(3) The power to sue and be sued.

(4) The authority to enter into contracts, which in any way concern the Project, so long as any vote or consent of the Owners necessitated by the subject matter of the agreement, has been obtained.

(5) The power and authority to convey or transfer any interest in Common Area as authorized by a sixty-seven percent (67%) of the Owners. In the Board's sole discretion, to convey or transfer any interest in a Lot owned by the Association.

(6) The power and authority to purchase, otherwise acquire, and accept title to, any interest in real property, so long as such action

has been authorized by any vote or consent which is necessary under the circumstances.

(7) The authority to license persons not otherwise entitled to use any of the recreational areas and facilities to use the same from time to time as the Board deems appropriate upon payment of fees prescribed by it to help defray the cost of maintenance thereof.

(8) The power and authority to borrow money, provided that no indebtedness for borrowed funds shall exceed at any given time the sum of \$5,000 without the prior approval of the majority of the Owners.

(9) The authority to promulgate such reasonable Rules and Regulations, and procedures as may be necessary or desirable to aid the Board in carrying out any of its functions or to insure that the Project is maintained and used in a manner consistent with the interests of the Owners and the authority to levy fines for infractions thereof, including, but not limited to, promulgating rules.

(10) The powers and authority to perform any other acts, and to enter into any other transactions which may be reasonably necessary, for the Board of Directors to perform its functions as agent of the Association.

Any instrument executed by the Board of Directors that recites facts which, if true, would establish the Board'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.

(11) The Board may carry out through a project manager any of its functions which are properly the subject of delegation. Any manager so engaged shall be an independent contractor and

not an agent or employee of the Board or Association, shall be responsible for managing the Project for the benefit of the Board and the Owners, and shall, to the extent permitted by law and the terms of the agreement with the Board, be authorized to perform any of the functions or acts required or permitted to be performed by the Board itself. Any agreement for professional management of the Project shall call for a term not exceeding three (3) years and shall provide that for cause such management agreement may be terminated by the Board or by the Association

upon not in excess of ninety (90) days written notice.

*9.2 Composition of Board and Selection Thereof*

The selection, number, removal and compensation of the Board shall be established in the Bylaws of the Association.

NOTES:

## ARTICLE X ASSESSMENTS

### 10.1 *Covenant for Assessment*

By accepting a deed or other conveyance, each Owner covenants and agrees to pay the Association all regular assessments, special assessments, emergency assessments, individual assessments, late penalties, and collection costs (including attorney's fees) whether or not a lawsuit is commenced. No Owner may exempt themselves from liability for assessments by abandonment of their Lot, failure of the Association to maintain the Common Areas, or non-use of the Common Areas. Except for foreclosures, the personal obligation for unpaid assessments, late fees, interest, and collection costs, including attorney's fees, shall pass to the successor in title. If title passes through foreclosure sale, the successor in title shall only be liable for six months unpaid assessments, late fees, interest, and collection costs, including attorney's fees. A successor in title is entitled to a statement from the Association setting forth the amounts due by the prior owner. The amounts set forth in the statement shall be binding upon the Association. If an Owner loses their Lot to foreclosure or voluntarily conveys it, they shall remain personally liable for unpaid assessments, late fees, interest, and collection costs (including attorney's fees). Declarant shall be exempt from assessment liability. Regular and special assessments will be assessed equally to all Lots. Individual assessments shall be apportioned exclusively to the Lots benefitted or affected.

### 10.2 *Annual Budget*

The Board shall prepare an annual budget for the Association. The annual budget shall provide for: the maintenance, repair, and replacement of the Common Areas; and the administration, management, operation, and reserves of the Association. If the Board fails to adopt an annual budget, the last adopted budget shall continue in effect.

### 10.3 *Regular Assessment*

The Board shall fix the amount of the regular assessment for each Lot by dividing the total budget by the number of Lots. The Association may collect the regular assessment on an annual basis, semi-annual basis, quarterly basis, or monthly basis. Written notice of the regular assessment amount and payment schedule shall be sent to Owners at least 30 days in advance of the beginning of the fiscal year for which the regular assessment will be due. Apart from the initial notice of regular assessment, the Association is not obligated to send periodic invoices for regular assessments. If the Board fails to fix a regular assessment, the amount of the last regular assessment and payment schedule will continue in effect.

### 10.4 *Special Assessment*

The Association may levy a special assessment for the purpose of defraying in whole or in part the cost of any construction, reconstruction, maintenance, repair, or replacement of the Common Areas. The Association may levy a special assessment up to 50% of the annual budget without approval from the Owners. If a special assessment exceeds 50% of the annual budget, it must be approved by a majority of a quorum of Owners. However, prior to levying a special assessment, the Association must deplete its reserve account. If a special assessment is needed in conjunction with the remaining reserve account, the Association may only specially assess for the amount that will exceed the balance of the reserve account.

### 10.5 *Individual Assessment*

Any expenses attributable to less than all the Lots may be assessed exclusively against the affected Lots. Individual assessments include, without limitation:  
Assessments levied against a Lot to reimburse the Association for costs incurred in correcting a

violation of the Project Documents;

- (a) Fines, late fees, interest, collection costs (including attorney's fees);
- (b) Services provided to a Lot due to an Owner's failure to maintain, for emergency repairs, or to protect the health, safety, and welfare of adjoining Lots and Common Areas;
- (c) Reinvestment or transfer fees; and
- (d) Any charge described as an individual assessment by the Governing Documents.

#### *10.6 Emergency Assessment*

If the regular assessments are inadequate to pay the Common Expenses, the Board shall determine the amount of the shortfall. Once the amount of the shortfall is determined, the Board shall adopt a supplemental budget. The Association may levy an emergency assessment to fund the supplemental budget. The Association may levy an emergency assessment up to 50% of the original annual budget without approval from the Owners. If an emergency assessment exceeds 50% of the original annual budget, it must be approved by a majority of a quorum of Owners.

#### *10.7 Nonpayment of Assessment*

Assessments not paid within 30 days after the due date established by the Board will be late and subject to interest at 18% per annum on any delinquent balance and a late fee in an amount to be determined by the Board. Late fees may only be charged once for a missed payment.

#### *10.8 Application of Partial Payment*

Partial payments shall be credited first to collection costs (including attorney's fees), then to interest and late fees, then to the oldest assessments, then the most recent assessments.

#### *10.9 Suspension of Voting Rights*

If an Owner has a delinquent assessment balance, the Association may suspend their right to vote.

#### *10.10 Lien for Assessment*

All assessments, late fees, interest, and collection costs (including attorney's fees) not timely paid shall be a charge and continuing lien upon each Lot against which the assessment is made. The Association shall file a notice of lien with the county recorder as evidence of nonpayment.

#### *10.11 Enforcement of Lien*

Without waiving its right to personally pursue an Owner for unpaid assessments, the Association may foreclose its lien in the same manner as deeds of trust, mortgages, or any other manner permitted by Utah law.

#### *10.12 Subordination of Lien*

A lien for assessments shall be subordinate to a first mortgage now or hereafter placed upon a Lot. The sale of a Lot pursuant to foreclosure of a first mortgage shall extinguish the lien for assessments which became due prior to the foreclosure sale. A foreclosure will not relieve the purchaser's obligation to pay 6 months of assessments, late fees, and penalties.

#### *10.13 Reserve Account*

The Association shall create a reserve account. Each year at the annual meeting, the association shall present the reserve study and call for a vote of the Members on whether to fund the reserve. The Board shall only be liable to fund the reserve account to the extent authorized by a vote of the Members. The reserve fund shall be used for any maintenance, repair, or replacement of items identified by a reserve study. The Association shall update its reserve study every other year.

#### NOTES:



ARTICLE XI  
INSURANCE

11.1 Insurance

Lot Owners are required to carry and maintain adequate property and liability insurance on their Lots (an HO6 policy or equivalent). An Owners' policy shall serve as primary insurance in the event any damage is caused to another Lot, Private Yard Area, or Common Area so long as fault is attributable to the said Owner. The Board may request that Owners provide proof of adequate insurance.

The Association shall secure and at all times maintain the following insurance coverage:

(a) A master or blanket policy of property insurance, with extended coverage and all other coverage in the kinds and amounts commonly required by private institutional mortgage investors for projects similar in construction, location and use on a replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based upon replacement cost).

Each such policy shall contain the standard mortgagee clause which must be endorsed to provide that any proceeds shall be paid to the Association for the use and benefit of mortgagees as their interests may appear. The insured shall be the Association as a trustee for the Owners, or their authorized representative. Such insurance must provide protection against at least the following loss by fire and other hazards covered by the standard extended coverage.

(b) A comprehensive policy of public liability insurance covering all of the Common Areas insuring the Association, the Board, the Manager, and the Owners against any liability incident to the ownership, use, or operation of the Common Areas and public ways of the Project or of any Lot which may arise among themselves, to the public, or to any invitees, or tenants of the Project, or of the Owners. Limits of liability under such insurance shall be not less than One Million Dollars

(\$1,000,000.00) covering all claims for personal property injury and for property damage arising out of a single occurrence, including protection against water damage liability, liability for nonowned and hired automobile and liability for property of others. Such insurance policy shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association or other Owners. The scope of coverage must include all other coverage in the kinds and amounts required by private institutional mortgage investors for similar projects in location, construction and use.

(c) The Association shall maintain fidelity coverage to protect against dishonest acts on the part of Directors, manager (including, but not limited to, employees of professional managers) employees, or volunteers responsible for handling funds belonging to or administered by the Association. The fidelity bond or insurance must name the Association as the obligee and shall be written in an amount sufficient to provide protection which in no event shall be less than one-half of the insured's estimated annual operating expenses and reserves unless a greater amount is required by majority of the Mortgagees or their designees.

In connection with such coverage any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers. All fidelity bond coverage shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least 30 days prior written notice to the service on behalf of Mortgagees.

The following additional provisions shall apply with respect to insurance:

(1) In addition to the insurance and bond coverage described above, the Association

shall secure and at all times maintain insurance against such risks as are or hereafter may be customarily insured against in connection with all projects similar to the Project in construction, nature and use.

(2) Each hazard insurance policy shall be written by a company holding a financial rating of Class VI or better as designated in Best's Key Rating Guide. Each insurer must be specifically licensed to transact business within the State of Utah. Policies are unacceptable where (i) under the terms of the carrier's charter, Bylaws or policy, contributions or assessments may be made against the borrower or the Mortgagee, or its designee; or (ii) by the terms of the carrier's charter, Bylaws or policy, loss, payments are contingent upon action by the carrier's board of directors, policy holders, or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent the Mortgagee or the borrower from collecting insurance proceeds.

(3) The Board shall have the authority to adjust losses.

(4) Insurance secured and maintained by the Association shall not be brought into contribution with insurance held by the individual Owners or their mortgagees.

(5) Each policy of insurance obtained by the Association shall provide: a standard mortgagee clause commonly accepted by private institutional mortgage investors in the area in which the Project is located; a waiver (if available) of the insurer's subrogation rights with respect to the Board, the manager, the Owners, their respective servants, agents, and guests; that it cannot be canceled, suspended or invalidated due to the conduct of any member, officer or employee of the Association or of the manager without a prior written demand that the defect be cured; that any "no other insurance" clause therein shall not apply with respect to insurance held individually by the Owners; and that a mortgagee clause endorsement which must provide that the insurance carrier shall notify in writing any and all

insureds, including the servicers on behalf of Mortgagees or designees thereof at least thirty (30) days in advance of the effective date of any substantial modification or cancellation of the coverage.

(6) Each Owner shall obtain additional insurance at his own expense, as long as such additional insurance does not have the effect of decreasing the amount which may be realized under any policy maintained by the Association. Each Owner shall supply the Association with a copy of his policy within 30 days after he acquires such insurance.

(7) Insurance coverage required by this Article must not be prejudiced by (i) any act or neglect of the Owners when such act or neglect is not within the control of the Association, or (ii) any failure of the Association to comply with any warranty or condition regarding any portion of the Project over which the Association has no control.

(8) All policies of property insurance must provide that notwithstanding any provision affording the insurer the right to elect to restore damage in lieu of a cash settlement, such option shall not be exercisable without the prior written approval of the Association (or any insurance trustee) or when in conflict with the provisions of any insurance trust agreement to which the insurance may be a party or any requirement of law.

### *11.2 Damage to Project*

In the event of damage of or destruction to all of the improvements in the Project, the following procedures shall apply:

(a) If proceeds of the insurance maintained by the Association are alone sufficient to repair or reconstruct the damage or destroyed improvement, such repair or reconstruction shall be carried out.

(b) If less than 75% of the Project's improvements are destroyed or substantially damaged, and if the proceeds of the insurance

maintained by the Association are not alone sufficient to accomplish repair or reconstruction, restoration shall be carried out and all the Owners shall be assessed for any deficiency on an equal basis.

(c) If 75% or more of the Project's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Association are not alone sufficient to accomplish restoration, and if the Owners within 100 days after the destruction or damage by a vote of at least 75% elect to repair or reconstruct the affected improvements, restoration shall be accomplished in the manner directed under subparagraph (b) above.

(d) If 75% or more of the Project's improvements are destroyed or substantially

damaged, if proceeds of the insurance maintained by the Association are insufficient to accomplish restoration, and if the Owners do not, within 100 days after the destruction or damage and by a vote of at least 75%, elect to repair or reconstruct the affected improvements, the Board of Directors shall promptly record with the Davis County Recorder a notice setting forth such facts.

Any reconstruction or repair which is required to be carried out by this Article regarding the extent of damage to or destruction of Project improvements shall be made by three appraisers selected by the Board of Directors. The decision of any two such appraisers shall be conclusive.

NOTES:

## ARTICLE XII

### MORTGAGEE PROTECTION

#### 12.1 Mortgagee Protection

Notwithstanding anything to the contrary contained in the Declaration:

(a) Any mortgage holder which comes into possession of the Lot pursuant to the remedies provided in the Mortgage or foreclosure of the Mortgage or deed (or assignment in lieu of foreclosure) shall be exempt from any "right of first refusal," or other provisions which may exist relating to sale or lease of the Lots in the Project, and no right of first refusal shall impair the rights of any first mortgage to: (i) foreclose or take title to a Lot pursuant to the remedies provided in the Mortgage, or (ii) accept a deed (or assignment) in lieu of foreclosure in the event of default by a mortgagor, or (iii) interfere with a subsequent sale or lease of the Lot so acquired by the Mortgagee.

(b) In the event of damage to or destruction of any Lot, which loss exceeds \$1,000.00, or any part of the Common Areas, which loss exceeds \$10,000.00, the institutional holder of any first mortgage on a Lot shall be entitled to timely written notice to any such damage or destruction. No Owner or other party shall be entitled to priority over such institutional holder with respect to the distribution to such Owner of any insurance proceeds regardless of the amount of loss. Upon request of any first mortgagee, the Association must provide a letter to said first Mortgagee wherein the Association agrees to notify the first Mortgagee or any organization it designates at the address indicated by the Mortgagee whenever (i) damage to a Lot covered by the first Mortgagee's mortgage exceeds \$1,000.00, or (ii) damage to the Common Areas and related facilities exceeds \$10,000.00.

(c) If any Lot or portion thereof or the Private Yard Areas, Common Areas or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the

institutional holder of any first mortgage of a Lot shall be entitled to timely written notice of any such proceeding or proposed acquisition. No Owner or other party shall have priority over such institutional holder regardless of the amount of the condemnation award with respect to the distribution to such Owner of the proceeds of any award or settlement.

(d) Each holder of a first mortgage lien on a Lot who obtains title to a Lot by virtue of remedies provided in the Mortgage, including but not limited to, foreclosure of the mortgage, or by deed of assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Lot free of unpaid charges and shall not be liable for any unpaid claims or assessments and charges against the Lot which accrue prior to the acquisition of title of such Lot by Mortgagee, except for claims for a pro rata share of such assessments or charges to all Lots including the mortgaged Lot.

(e) Any lien which the Board may have on any Lot in the Project for the payment of Common Expenses assessments attributable to such Lot will be subordinate to the lien or equivalent security interest of any first mortgage on the Lot recorded prior to the date any such Common Expense Assessments become due.

(f) Unless at least 75% of the institutional holders of first Mortgages (based on one vote for each Mortgage owned) of Lots have given their consent neither the Board, Owners, nor the Association shall:

(1) By act or omission, seek to abandon or terminate the Project, except in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain.

(2) By act or omission, seek to amend, partition, subdivide, encumber, sell, abandon or

transfer the Common Areas. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Areas of the Project shall not be deemed a transfer within the meaning of this subparagraph).

(3) Use hazard insurance proceeds for losses to any Lot or Common Area for reason other than the repair, replacement or reconstruction of such improvements, except as provided by statute in cases of substantial loss to the Project.

(g) Any institutional holder of a first mortgage (or trust deed) of a Lot in the Project will, upon request, be entitled to (i) examine the books and

records of the Project during normal business hours; (ii) receive a financial statement of the Project within 90 days following the end of any fiscal year of the Project; and (iii) written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.

(h) Whenever there is a change of ownership of a Lot, the Association shall require that the new Owner furnish the Board with the name of the holder of any first mortgage (or trust deed) affecting such Lot.

NOTES:

## ARTICLE XIII.

### MISCELLANEOUS

#### 13.1 Amendment

Any amendment hereto shall require the vote of at least sixty-seven percent (67%) of the Owners. Any amendment so authorized shall be accomplished through the recordation of an instrument executed by the Board. In such instrument the Board shall certify that the vote required by this Paragraph for amendment has occurred. Notwithstanding anything herein, the Board may amend this Declaration without vote if they are making a grammatical, spelling, technical error, or to comply with financing guidelines.

#### 13.2 Consent Equivalent to Vote

Notwithstanding anything to the contrary, in those cases in which the Project Documents requires the vote of a stated percentage of the Owners for the authorization or approval of a transaction, such requirement may be fully satisfied by obtaining the necessary percentage of votes in any manner authorized by the Bylaws.

#### 13.3 Service of Process

The registered agent of the Association, as described on the Utah State Department of Commerce's records is the person authorized to receive service of process.

In the event that the corporate status of the Association expires, then the President of the Board shall be the successor substitute process agent. In the event that the corporate status expires, the Board shall specify such successor or substitute agent and his or her address by written instrument to be kept at the Association's principal place of business.

#### 13.4 Duty of Owner to Pay Taxes on Lot Owned

It is understood that each Lot in the Project is subject to separate assessment and taxation of each taxing authority and the special district(s) for all types of taxes and assessments authorized by law, and that as a result thereof, no taxes will be assessed or levied against the Project as such, except for certain personal properties thereof. Accordingly, each Owner will pay and discharge any and all taxes and assessments which may be assessed against them on their Lot.

#### 13.5 Covenants to Run With Lands; Compliance

This Declaration and all the provisions hereof shall constitute covenants which run with the land and constitute equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of the Association, all parties who hereafter acquire any interest in or occupy a Lot or any part of in the Project, and their respective grantees, transferees, heirs, devisees, personal representatives, successors, assigns, guests and invitees. Each Resident of a Lot shall comply with, and all interests in all Lots shall be subject to the terms of the Project Documents and failure to comply shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Board on behalf of the Association, or, in a proper case, by an aggrieved Owner. By acquiring any interest in a Lot each Resident consents and agrees to be bound by and subject to each and every provision of the Declaration. Should the Association be required to take action hereunder or by applicable law, whether such remedy is pursued by filing a lawsuit or otherwise, the Association may recover all costs and expenses, including a reasonable attorney's fee, which may arise or accrue.

**13.6 Information Regarding Transferee of Lot**

Any Owner who sells, leases, or otherwise disposes of his Lot shall submit to the Board pertinent information concerning the transferee or new Resident within one week of any transfer of title or possession on a form furnished by the Board.

**13.7 Indemnification of Board of Directors**

Each member of the Board shall be indemnified and held harmless by the Owners against all costs, expenses, and fees, reasonably incurred by them in connection with any proceeding to which he may become involved by reason of his being or having been a Board member.

**13.8 Invalidity**

The invalidity of any provisions of this Declaration, or any portion thereof, shall not be deemed to impair or affect in any manner the validity, enforceability, or effect of the remainder of this Declaration and, in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

**13.9 Waiver**

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

**13.10 Gender**

The use of the masculine gender in this

Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

**13.11 Topical Headings**

The headings appearing at the beginning of the paragraphs of this Declaration are only for convenience of reference and are not intended to describe, interpret, define, limit, extend, or otherwise affect the content, meaning or intent of this Declaration or any paragraph or provision hereof.

**13.12 Conflicts**

In the event this Declaration conflicts with the provisions of any other Project Document, the provisions of this Declaration shall control.

**13.13 Effect of Recorded Instruments**

At any point in time, the Declaration and the Map concerning each phase which is then a part of the Project shall constitute the constituent parts of a single Declaration and Map affecting the Project. Accordingly, in the event the provisions of the separate instruments conflict irreconcilably, the terms of that instrument which is last recorded shall control.

**13.14 Effective Date**

This Declaration shall take effect upon recording in the office of the Davis County Recorder, Utah.

**NOTES:**

RECEIVED AUG 27 2012

IN WITNESS WHEREOF, the Association, has caused this Declaration to be executed by its  
duly authorized officers on the 31 day of July, 2010.

23 August 2012

ASSOCIATION:  
CENTERVILLE RIVIERA TOWNHOUSE PHASE II, INC.

By: [Signature]  
Its: HOA PRESIDENT

STATE OF UTAH )  
County of Davis :ss.

On this 23 day of Aug, 2012, personally appeared before me Christopher Brignone  
who being by me duly sworn, did say that they are the agent of Association authorized to execute this  
Declaration.

[Signature]  
NOTARY PUBLIC

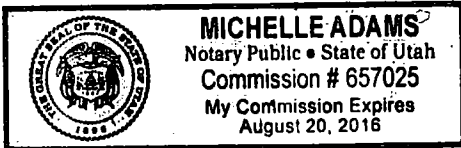




EXHIBIT A  
(Legal Property Description)

Units 1 through 30 inclusive of the  
Rivers Tomhones Phase II, a Planned  
Unit Development, including common area.

EXHIBIT B  
BYLAWS  
OF  
CENTERVILLE RIVIERA TOWNHOUSE PHASE II, INC.

ARTICLE I

*PLAN OF LOT OWNERSHIP*

---

*1.1 Property Submission*

The Property is located in Davis County, Utah, has been submitted to the provisions of a Declaration recorded in the Office of the County Recorder of Davis County, Utah, simultaneously herewith, and shall hereafter be referred to as the "Project."

*1.2 Bylaws Applicability*

The Provisions of these Bylaws are applicable to the Project as the same may be expanded as provided in the Declaration and the use, occupancy, sale, lease or other transfer thereof. All Owners of any fee or leasehold interest, all occupants or users of the Project, and the agents and servants of any of them are subject to the provisions of the Project Documents.

*1.3 Personal Application*

All present and future Owners, tenants, future

tenants, their guests, licensees, servants, agents, employees and any other person or persons who shall be permitted to use the facilities of the Project, shall be subject to the Project Documents. Acquisition, rental or occupancy of any of the Lots in the Project shall constitute an acknowledgment that such Resident has accepted and ratified these Bylaws, the provisions of the Project Documents and will comply with them.

*1.4 Office*

The office of the Association and of the Board of Directors shall be located at the Project or at such other place as may be designated from time to time by the Board of Directors (hereinafter sometimes called the "Board").

NOTES:

ARTICLE II  
ASSOCIATION

---

**2.1 Composition**

All of the Lot Owners acting as a group in accordance with the Project Documents shall constitute the Association. Except as to those matters which Utah law specifically requires to be performed, by the vote of the Lot Owners, the administration of the Project shall be performed by the Board.

**2.2 Voting**

Each Owner shall have one vote. Since an Owner may be more than one person, if only one of such persons is present at a meeting of the Association that person shall be entitled to cast the vote appertaining to that Lot. But if more than one of such persons is present, the vote appertaining to that Lot shall be cast only in accordance with the agreement of a majority of them, and such consent shall be conclusively presumed if any one of them purports to cast the vote appertaining to that Lot without protest being made forthwith by any of the others to the person presiding over the meeting.

Since a person need not be a natural person, the word "person" shall be deemed for the purposes of this Section to include, without limitation, any natural person having authority to execute deeds on behalf of any person, excluding natural persons, which is, either alone or in conjunction with another person or persons, a Owner.

Except where a greater number is required by the Project Documents, a majority of the votes of Owners present in person or represented by proxy in good standing and entitled to vote is required to adopt decisions at any meeting of the Association.

**2.3 Place of Meeting**

Meetings of the Association shall be held at the principal office of the Project or at such other suitable place as may be designated by the Board and stated in the notice of the meeting.

**2.4 Annual Meeting**

Annual meetings for any other purpose than the election of the Board of Directors may be held at any time on call of the President of the Board, by a majority of the Board or by Owners representing twenty percent (25%) of the Owners. Notice of such meeting shall be given in accordance with the provisions of these Bylaws.

Thereafter, the annual meetings of the Association shall be held in May of each year. The Board in its discretion may designate another date for the annual meeting. At such annual meetings the Board shall be elected by ballot of the Owners in accordance with the requirements of these Bylaws. The Association may transact such other business as may properly come before them at such meetings.

**2.5 Special Meetings**

It shall be the duty of the President to call a special meeting of the Association if so directed by resolution of the Board or, after all of the Board has been elected by Lot Owners, upon a petition signed and presented to the Secretary by Owners having not less than twenty percent (25%) of the votes of the Class A membership. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

**2.6 Notice of Meetings**

It shall be the duty of the Secretary to mail, by United States mail, postage prepaid, a notice of each meeting of the Owners at least fifteen (15) days in advance of such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Owner of record, at the address of their respective Lots and at such other address as each Owner may have designated

by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

### 2.7 *Voting Requirements*

An Owner shall be deemed to be in "good standing" and "entitled to vote" at any annual meeting or at any special meeting of the Association if, and only if, he shall have fully paid all due installments of assessments made or levied against him and his Lot by the Board as hereinafter provided, together with all interest, costs, attorney's fees, penalties and other expenses, if any, properly chargeable to him and against his Lot, at least three (3) days prior to the date fixed for such annual or special meeting.

### 2.8 *Proxies*

The votes appertaining to any Lot may be cast pursuant to a proxy or proxies duly executed by or on behalf of the Lot Owner, or, in cases where the Lot Owner is more than one person, by or on behalf of all such persons. No such proxy shall be revocable except by actual notice to the person presiding over the meeting, by the Lot Owner or by any of such persons, that it be revoked. Any proxy shall be void if it is not dated, if it purports to be revocable without notice as aforesaid. The proxy of any person shall be void if not signed by a person having authority, at the time of the execution thereof, to execute deeds on behalf of that person. Any proxy shall terminate automatically upon the adjournment of the first meeting held on or after the date of that proxy, and must be filed with the Secretary not less than three (3) days before the meeting.

### 2.9 *Absentee Ballots*

(a) A Member who is incapacitated, or who will be absent, on the date set for balloting may cast an absentee ballot at the place or time of balloting, or by mail, in the manner required by the Election Committee, but in no event shall the vote be cast more than fourteen (14) days prior to the voting date.

(b) Ballot boxes containing absentee votes shall be opened and the ballots tabulated at the same time and place and under the same conditions as the regular ballots.

### 2.10 *Mail-in Ballots*

(a) Any action that may be taken by the Owners, except election of Board members, may be taken by written consent in accordance with the procedure established in the Utah Revised Nonprofit Corporation Act Section 16-6a-709, as amended from time to time.

(b) A combination of mail-in ballots and "in person" ballots may be used.

### 2.11 *Written Consent in Lieu of Vote*

Any action that may be taken by the Owners, except election of Board members, may be taken by written consent in accordance with the procedure established in the Utah Revised Nonprofit Corporation Act Section 16-6a-707, as amended from time to time.

### 2.12 *Quorum*

Except as may otherwise be provided herein or by statute, more than ten percent (10%) of the votes of each class of membership shall constitute a quorum for the adoption of decisions. If, however, such quorum shall not be present or represented at any meeting; the Owners entitled to vote thereat, present in person, represented by proxy or absentee ballot, shall have power to adjourn the meeting and reschedule for a time no earlier than 48 hours, and no later than thirty (30) days after the time set for the original meeting. No notice of such rescheduled meeting shall be required except an announcement thereof at the original meeting. A quorum for the transaction of business at the rescheduled meeting shall be the Owners in person or represented by proxy or absentee ballot.

### 2.13 *Order of Business*

The order of business at all meetings of the Association shall be as follows: (a) roll call; (b)

proof of notice of meeting; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) report of special committees, if any; (f) election of inspectors of election, if applicable; (g) election of Board Members, if applicable; (h) unfinished business; and (i) new business. In its sole discretion, the Board of Directors may change the order of business.

**2.14 Title to Lot**

Title to Lots may be taken in the name of a natural person or in the names of two or more natural persons, or in the name of a corporation, partnership, association or other entity capable of

holding title to real property, or any combination thereof.

**2.15 Conduct of Meeting**

The President shall, or in his absence the Vice-President shall, preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted by the meeting as well as a record of all transactions occurring thereat.

NOTES:

ARTICLE III

*BOARD OF DIRECTORS*

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3.1 *Powers and Duties*

The affairs and business of the Association shall be managed by the Board which shall have all of the powers and duties necessary for the administration of the affairs of the Association in accordance with the provisions of the Project Documents and may do all such acts and things as are not reserved specifically to the Owners by the Project Documents.

The Board shall have the power from time to time to adopt any Rules and Regulations deemed necessary for the enjoyment of the Project provided such Rules and Regulations shall not be in conflict with the Project Documents. The Board shall delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the Managing Agent, if any, which might arise between meetings of the Board. Subject to any limitations or provisions contained in the Declaration, the Board shall be responsible for the following:

(a) Preparation of an annual budget, in which there shall be established the contribution of each Owner to the Common Expenses;

(b) Making assessments against Owners to defray the cost and expenses of the Project, establishing the means and methods of collecting such assessments from the Owners, and establishing the period of the installment payment of the annual assessment for Common Expenses. Unless otherwise determined by the Board, the annual assessment against each Owner for his proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for said month.

(c) Providing for the operation, care, upkeep, replacement, maintenance and surveillance of all of the Common Areas and services of the Project.

(d) Designating, hiring and dismissing the personnel necessary for the maintenance, operation, repair and replacement of the Common Areas, and providing services for the Property, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be deemed the common property of the Owners.

(e) Collecting the assessments against the Owners, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to carry out the administration of the Property.

(f) Making and amending Rules and Regulations respecting the use of the Property.

(g) Opening of bank accounts on behalf of the Association and designating the signatories required therefor.

(h) Making, or contracting for the making of, repairs, additions, and improvements to, or alterations of, the Property and repairs to, and restoration of, the Property, in accordance with the Declaration and other provisions of these Bylaws, after damage or destruction by fire or other casualty.

(i) Enforcing by legal means the provisions of the Project Documents for the use of the Property adopted by it, and bringing any proceedings which may be instituted on behalf of the Owners.

(j) Obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof.

(k) Paying the cost of all services rendered to the Project and not billed to Owners of

individual Lots.

(l) Keeping books with detailed accounts of the receipts and expenditures affecting the Property, and the administration of the Association, specifying any maintenance and repair expenses of the Common Areas and any other expenses incurred. The said books and vouchers accrediting the entries thereupon shall be available for examination by the Owners, their duly authorized agents or attorneys, during general business hours on working days at the times and in the manner that shall be set and announced by the Board for the general knowledge of the Owners. All books and records shall be kept in accordance with generally accepted accounting practices, and the same, upon resolution of the Association, shall be audited by an outside auditor employed by the Board who shall not be a resident of the Project, or an Owner therein. The cost of such audit shall be a Common Expense. A copy of the annual audit report shall be supplied to any first mortgagee of any Lot in the Project who requests the same in writing from the Secretary.

(m) To do such other things and acts not inconsistent with the Project Documents or Utah law.

### 3.2 *Manager*

The Board may employ a Manager at a compensation established by the Board, to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 3.1.

The Board may delegate to the Manager all of the powers granted to the Board by these Bylaws; provided that any actions by the Manager with respect to the powers set forth in paragraphs (b), (f), (g) and (l), of Section 3.1 shall require the written consent of the Board.

### 3.3 *Number of Board Members*

The Board shall be composed of three (3) to five (5) persons, who need not be members of the Association. The number of directors shall be set

by resolution of the Board, but shall always be an odd number.

### 3.4 *Selection and Term of Office of the Board*

Unless appointed under the provisions of Section 3.10, Board members shall be elected as follows:

(a) Board members shall be elected by a plurality vote of the Members present in person or by proxy at the annual meeting. Cumulative voting shall not be permitted.

(b) Nomination for election to the Board shall be made by a Nomination Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

(c) Election to the Board shall be by secret written ballot. At such election the members or their proxies may act in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting shall not be permitted.

(d) The Board may declare the office of a member of the Board of Directors vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board.

(e) Board members' terms shall be staggered. If the staggering is disrupted, then three members shall be elected for a one-year term; three members

shall be elected for a two-year term; and three members shall be elected for a three-year term. At each annual meeting thereafter the members shall elect three directors for a term of three years. The initial term of each member (1, 2, or 3 years) shall be decided by vote of the newly elected Board members at their first meeting. Upon the natural expiration of a Board member's term, a successor shall be elected for a three-year term. There shall be no limit on the number of terms of a Board member.

### 3.5 *Organization Meeting*

The first meeting of the members of the Board following the annual meeting of the Association shall be held within ten (10) days after the annual meeting at such place as shall be fixed by the Board at the meeting at which such Board-persons were elected, and no notice shall be necessary to the newly elected Board members in order legally to constitute such meeting provided that majority of the whole Board shall be present thereat.

### 3.6 *Regular Meetings*

Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Board, but at least twelve (12) such meetings shall be held during each fiscal year after the first annual meeting of the Association. Notice of regular meetings of the Board shall be given to each member, personally, by mail or by telephone, at least three (3) business days prior to the day named for such meeting.

### 3.7 *Special Meetings*

The President on three (3) business days' notice to each member may call special meetings of the Board. Such notice shall be given personally, by mail or by telephone, and such notice shall state the time, place and purpose of the meeting. The President or Secretary shall call special meetings of the Board in like manner and on like notice on the written request of at least two (2) Board members.

### 3.8 *Action Taken Without a Meeting*

The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action as approved shall have the same effect as though taken at a meeting of the directors.

### 3.9 *Waiver of Notice*

Before or at any meeting of the Board, any Board member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board member at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Board members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

### 3.10 *Board's Quorum*

At all meetings of the Board, a majority of the Board shall constitute a quorum for the transaction of business, and the acts of the majority of the Board present at a meeting at which a quorum is present shall be the acts of the Board. If, at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business, which might have been transacted at the meeting as originally called, may be transacted without further notice.

### 3.11 *Vacancies*

In the event a Board seat which was filled by Declarant becomes vacant, Declarant shall have the right to select a replacement member to sit on the Board for the balance of the term associated with the vacated seat.

Vacancies in the Board caused by any reason other than removal of a Board member by a vote of the Association shall be filled by vote of the majority of the remaining Board members at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy, even though the Board members present at such



meeting may constitute less than a quorum of the Board; and each person so elected shall be a Board member for the remainder of the term of the Board member so replaced and until a successor is elected at the next annual meeting of the Association.

### 3.12 *Removal of Board Member*

(a) A Board member may be removed with or without cause, and his successor elected, at any duly called regular or special meeting of the Association at which a quorum is present, by an affirmative vote of the majority of the votes represented and voting. Any Board member whose removal has been proposed by the Owners shall be given at least thirty (30) days written notice of the calling of the meeting and the purpose thereof and shall be given a reasonable opportunity to be heard at the meeting.

(b) Any Board member who fails on three successive occasions to attend Board meetings (whether regular or special) or who has failed to attend at least 25% of all Board meetings (whether regular or special) held during any twelve month period shall automatically forfeit his membership on the Board.

(c) Any Board member who allows his installments of assessments made or levied against him and his Lot by the Board to exceed four hundred dollars (\$400.00), including default interest, costs, attorney's fees, penalties and other expenses, if any, properly chargeable to him and against his Lot, and fails to cure the default within ten (10) days after written notice shall automatically forfeit his membership on the Board.

### 3.13 *Compensation*

Board members shall not be compensated for their work. However, they may seek reimbursement for actual costs incurred associated with their service.

### 3.14 *Conduct of Meetings*

The President shall preside over all meetings of the Board and the Secretary shall keep a Minute Book of the Board recording therein all resolutions

adopted by the Board and a record of all transactions and proceedings occurring at such meetings.

### 3.15 *Report of Board*

The Board shall present at each annual meeting, and when requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote, full and clear statement of the business and condition of the Association.

### 3.16 *Fidelity Bonds*

The Board shall require that all officers, agents (including professional Manager and its employees) and employees of the Association handling or responsible for funds furnish adequate fidelity bonds. The premiums on such bonds shall constitute a Common Expense. The Board shall provide a fidelity insurance coverage as required by the Declaration.

### 3.17 *Dispensing with Vote*

Any action by the Board required or permitted to be taken at any meeting may be taken without a meeting if all the members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

### 3.18 *Liability of the Board*

The members of the Board shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise except for their own individual willful misconduct or bad faith. The Owners shall indemnify and hold harmless each of the Board members from and against all contractual liability to others arising out of contracts made by the Board on behalf of the Owners unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these Bylaws.

NOTES:

ARTICLE IV  
*OFFICERS*

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**4.1 Designation**

The principal officers of the Association shall be a President, Vice President, Secretary, and a Treasurer, all of whom shall be elected by the Board. No person shall simultaneously hold more than one office, with the exception of the offices of Secretary and Treasurer, which may be combined. The President and Vice-President shall at all times be members of the Board.

The Board may appoint assistant secretaries and such other officers as in its judgment may be necessary. With the exception of the President, no officer need be a member of the Board. The same person may hold two or more offices, except that the President shall not hold any other office.

**4.2 Election of Officers**

The officers of the Association shall be elected annually by the Board at the organization meeting of each Board and shall hold office for one (1) year unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve. The Board at a regular meeting or special meeting called for such purpose shall fill any vacancy in an office.

Nevertheless, the Board members may serve as the officers of the Association, with such positions therein determined amongst themselves.

**4.3 Removal of Officers**

The officers shall hold office until their respective successors are chosen and qualify in their stead. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the whole Board, and his successor may be elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

Any officer may be removed from office with or

without cause by the Board. Any officer may resign at any time giving written notice to the Board, President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**4.4 Vacancies**

A vacancy in any office may be filled by appointment of the Board.

**4.5 President**

The President shall be the chief executive officer; he shall preside at meetings of the Association and the Board and shall be an ex officio member of all committees; he shall have general and active management of the business of the Association and shall see that all orders and resolutions of the Board are carried into effect. The President shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

**4.6 Vice President**

There shall be a Vice President. The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Board or the President shall prescribe. If neither the President nor the Vice President is able to act, the Board shall appoint a member of the Board to do so on an interim basis.

**4.7 Secretary**

The Secretary shall attend all sessions of the Board and all meetings of the Association and record all votes and the minutes of all proceedings in a book to be kept by him for that purpose and shall perform like duties for committees when required.

He or she shall give, or cause to be given, notice of all meetings of the Association, the Board and committees, shall keep the corporate seal of the Association and affix it on all papers requiring said seal, and shall perform such other duties as may be prescribed by the Board.

The Secretary shall compile and keep current at the principal office of the Project, a complete list of the Owners and their last known post office addresses. This list shall be open to inspection by all Owners and other persons lawfully entitled to inspect the same, at reasonable hours during regular business days. The Secretary shall also keep current and retain custody of the minute book of the Association, containing the minutes of all annual and special meetings of the Association and all sessions of the Board including resolutions.

#### 4.8 *Treasurer*

The Treasurer shall have the custody of all funds and securities that are not under the control of the Managing Agent, and, with the assistance of the Managing Agent, shall keep full and accurate records of receipts and disbursements, shall prepare all required financial data, and shall

deposit all moneys and other valuable effects in such depositories as may be designated by the Board. He or she shall disburse funds as ordered by the Board taking proper vouchers for such disbursements, and shall render to the President and Board members, at the regular meetings of the Board, or whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the Association.

#### 4.9 *Agreement, Contracts, Deeds, Checks, etc.*

All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations of over \$500.00 shall be executed by any two officers of the Board or by such other person or persons as may be designated by the Board. All such instruments for expenditures or obligations of less than \$500.00 may be executed by any one officer of the Board or by such other person as may be designated by the Board.

#### NOTES:

ARTICLE V

*FISCAL YEAR*

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5.1 *Fiscal Year*

NOTES:

The fiscal year of the Association shall consist of the twelve month period commencing on January 1 of each year and terminating on December 31 of the same year. The fiscal year herein established shall be subject to change by the Board should it be deemed advisable or in the best interests of the Association.

ARTICLE VI

*AMENDMENT TO BYLAWS*

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*6.1 Amendments*

Except as otherwise provided in this Section, these Bylaws may be modified or amended either (i) by the management committee at any time, to add, change or delete a provision, unless it would result in a change of the rights, privileges, preferences, restrictions, or conditions of a membership class as to voting, dissolution, redemption, or transfer by changing the rights, privileges, preferences, restrictions, or conditions of another class or unless it is prohibited by the Declaration.

*6.2 Recording*

A modification or amendment of these Bylaws shall become effective only if such modification or amendment is recorded in the office of the County Recorder of Davis County, Utah.

*6.3 Conflicts*

No modification or amendment of these Bylaws may be adopted which shall be inconsistent with the provisions of the Declaration. A modification or amendment once adopted and recorded as provided for herein shall then constitute part of the official Bylaws of the Association and all Owners shall be bound to abide by such modification or amendment.

NOTES:

ARTICLE VII  
*NOTICE*

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**7.1** *Manner of Notice*

All notices, demands, bills, statements or other communications provided for or required under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by U.S. Mail, first class postage prepaid, (i) if to an Owner, at the address of his Lot and at such other address as the Owner may have designated by notice in writing to the Secretary, or (ii) if to the Board or the Manager, at the principal office of the Manager or at such other address as shall be designated by notice in writing

to the Owners pursuant to this Section.

**7.2** *Waiver of Notice*

Whenever any notice is required to be given under the provisions of the statutes, the Declaration or of these Bylaws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto.

NOTES:

ARTICLE VIII

*COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS*

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*8.1 Compliance*

These Bylaws are set forth in compliance with the requirements of the Utah Non-Profit Corporations Act.

*8.2 Conflict*

These Bylaws are subordinate and subject to all provisions of the Declaration. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration. In the event of any conflict between these Bylaws and the Declaration, the provisions of the Declaration shall control.

*8.3 Severability*

These Bylaws are set forth to comply with the requirements of the State of Utah. In case any of the Bylaws are in conflict with the provisions of any of its statutes, the provisions of the states will apply. If any provisions of these Bylaws or any section, sentence, clause, phrase, or word, or the application thereof in any circumstance are held invalid, the validity of the remainder of these

Bylaws shall not be affected thereby and to this end, the provisions hereof are declared to be severable.

*8.4 Waiver*

No restriction, condition, obligation or provision of these Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

*8.5 Captions*

The captions contained in these Bylaws are for convenience only and are not part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws.

*8.6 Gender, etc.*

Whenever in these Bylaws the context so requires, the singular number shall include the plural and the converse; and the use of any gender shall be deemed to include all genders.

NOTES:

IN WITNESS WHEREOF, the Declarant, has caused these Bylaws to be executed by its duly authorized officers on the date first stated above.

ASSOCIATION:  
CENTERVILLE RIVIERA TOWNHOUSE PHASE II, INC.

By: [Signature]  
Its: HOA PRESIDENT

STATE OF UTAH )  
County of Davis ) :SS

On this 23 day of August, 2012, personally appeared before me Christopher Brignone who being by me duly sworn, did say that they are the agents of Association authorized to execute these Bylaws on behalf of the Association.

[Signature]  
NOTARY PUBLIC

