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AMENDED & RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR EVANS RANCH

THIS AMENDED & RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR EVANS RANCH (this "Declaration") is made and executed this 19th day of February, 2016, by Evans Ranch, LLC, a Utah limited liability company, with an address of 1099 West South Jordan Parkway, South Jordan, Utah 84095 ("Declarant"). This Declaration amends, restates and supersedes in its entirety that certain Declaration of Covenants, Conditions and Restrictions for Evans Ranch, initially recorded May 1, 2014, as Entry No. 29104:2014, in the office of the Utah County Recorder (the "Original Declaration") which Original Declaration was amended by that Certificate of First Amendment to Declaration of Covenants, Conditions and Restrictions for Evans Ranch (the "First Amendment") recorded November 20, 2014, as Entry No. 84069:2014, in the office of the Utah County Recorder.

RECITALS

A. Declarant is the owner and/or successor declarant with respect to all of that certain real property located in Eagle Mountain City, Utah County, Utah, more particularly described on Exhibit A attached hereto (the "Property"). Declarant is developing the Property and other property surrounding the Property as a master planned community to be known as "Evans Ranch" (the "Project").

B. Declarant intends to establish a common scheme and plan for the possession, use, enjoyment, repair, maintenance, restoration, and improvement of the Project.

C. In order to efficiently manage and to preserve the Common Area located within the Project, a nonprofit corporation previously has been created to own and maintain Common Areas in the Project and to perform other duties relating to the Project; and to collect assessments and disburse funds; and to perform such other acts as shall generally benefit the Project and the homeowners within such Project. Evans Ranch Owners Association, Inc., a Utah nonprofit corporation, has been incorporated for the purpose of exercising the aforementioned powers and functions. It is intended that this Declaration shall serve as a binding contract between the Association and each Owner; however, nothing herein is intended to create a contractual relationship between Declarant and the Association or Declarant and any Owner, or to inure to the benefit of any third-party. Additionally, it is not intended that this Declaration should be read in conjunction with any deed or real estate purchase contract to create privity of contract between Declarant and the Association.

D. This Declaration has been adopted by the Declarant pursuant to authority reserved by Declarant pursuant to Section 10.2 of the Original Declaration. Among other things, the purpose of this Amended & Restated Declaration is to expand the Project by adding additional land to the Project, specifically, that land commonly referred to as Evans Ranch Plat "A".

DECLARATION

NOW, THEREFORE, it is hereby declared that the Project shall be held, sold, conveyed, leased, rented, encumbered, and used subject to the following easements, rights, assessments, liens, charges, covenants, servitudes, restrictions, limitations, conditions, and uses, which are for the purpose of protecting the value and desirability of, and which shall run with, the Property and be binding on all parties having any right, title or interest in the described Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof. Declarant, and each Owner by acceptance of a deed to a Unit, hereby agree, acknowledge and understand that the Project is not, by execution and recording of this Declaration, being submitted to the provisions of the Utah Condominium Ownership Act, §§ 57-8-1, *et seq.*, Utah Code Ann. (the "Condominium Act"). This Declaration does not constitute a declaration as provided for in the Condominium Act and the provisions of the Condominium Act shall not be applicable to Property or any portion thereof. In addition, the Project is not a cooperative under Title 57, Chapter 23, Utah Code Ann.

ARTICLE I

DEFINITIONS

The following words, phrases, or terms used in this Declaration shall have the following meanings:

(a) "Additional Land" includes all real property in addition to the Property which may be annexed into and become part of the Project, as further described in Section 10.4 below. The Additional Land includes, but is not necessarily limited to, that certain real property more particularly described in Exhibit B attached hereto.

(b) "Annual Assessment" shall mean the charge levied and assessed each year against each Lot pursuant to Section 4.2 hereof.

(c) "Articles" shall mean and refer to the Articles of Incorporation of the Association.

(d) "Association" shall mean Evans Ranch Owners Association, Inc.

(e) "Board" shall mean the Board of Trustees of the Association.

(f) "Bound Party" or "Bound Parties" has the meaning given to such term in Section 12.1(a) below.

(g) "Bylaws" shall mean and refer to the Second Amended & Restated Bylaws of the Association, as amended from time to time. A copy of such Bylaws is attached hereto and incorporated herein as Exhibit C.

(h) "City" means Eagle Mountain City, Utah.

(i) "Common Area" shall mean all land within the Project that is now or in the future designated as Common Area by this Declaration and any amendments hereto, areas shown or otherwise designated as Common Area or Open Space on the Plat, and amendments and supplements thereto. Common Area shall include, but not be limited to, areas shown on the Plat

as: (i) non-public open space; (ii) private road(s) or trails; (iii) non-public landscaped common areas; (iv) entry features; and (v) other areas designated on the Plat as Common Areas.

(j) "Common Townhome Elements" has the meaning given to such term in Section 11.1 below.

(k) "Common Expenses" shall mean all expenses for maintenance, repairs, landscaping, utilities and taxes incurred on or in connection with Common Areas within the Project, all insurance premiums, all expenses incurred in connection with enforcement of this Declaration, all expenses expressly declared to be Common Expenses by this Declaration or the Bylaws of the Association, and all other expenses which the Association is entitled to incur pursuant to the provisions of this Declaration or its Bylaws. Common Expenses do not include any utility services which are separately billed or metered to individual Lots, which separately billed or metered utility services shall be the sole responsibility of the applicable Lot Owner, and do not include Neighborhood Expenses.

(l) "Declarant" shall mean and refer to Evans Ranch, LLC, a Utah limited liability company and/or any successor to said company which, either by operation of law or through a voluntary conveyance or transfer, comes to stand in the same relationship to the Project as did its predecessor.

(m) "DRC" shall mean and refer to the Design Review Committee established pursuant to Article VII hereof.

(n) "Limited Common Areas" shall mean any portion of the Common Areas or Common Townhome Elements reserved for the exclusive use of the Owner of a particular Lot, identified as Limited Common Areas on a Plat, including, with respect to any Townhome Unit, the driveway, sidewalk, patio and porches adjacent to each dwelling. The use and occupancy of the Limited Common Areas shall be reserved to its associated Lot and each Owner is granted an irrevocable and exclusive license to use and occupy the same so long as such Owner owns the Lot associated with such Limited Common Area.

(o) "Lot" shall mean any of the residential building pads, separately numbered and individually described on the Plat and intended for private use and ownership, and any such additional building pads platted in future phases of the Project, if any. With respect to multi-family portions of the Project, "Lot" shall also mean separate Townhome Units, once such Townhome Units are created and made subject to a final and recorded Plat; and prior to such time, it shall mean the parcel upon which such Townhome Units are planned to be constructed.

(p) "Maintenance Charges" shall mean any and all costs assessed against an Owner's Lot and to be reimbursed to the Association for work done pursuant to Sections 5.2 and 5.3 and fines, penalties and collection costs incurred in connection with delinquent Annual Assessments, Special Assessments, or Reinvestment Fees pursuant to Section 4.7.

(q) "Member" shall mean any person that is a member of the Association pursuant to the provisions of Section 2.1.

(r) "Neighborhood" shall mean two or more Lots which share interests other than those common to all Lots. By way of illustration and not limitation, a portion of the Project developed for single family, detached housing might be designated as a separate Neighborhood from a portion of the Project developed for multi-family, attached housing. Where the context

permits or requires, the term "Neighborhood" shall also refer to any Sub-Association which in some instances may be established to act on behalf of the Owners within the applicable Neighborhood. Neighborhood boundaries may be established and modified by Declarant.

(s) "Neighborhood Annual Assessments" means Annual Assessments levied against the Lots in a particular Neighborhood(s) to fund Neighborhood Expenses, as described in Section 4.2, if any.

(t) "Neighborhood Declaration" shall mean a declaration which maybe recorded against portions of the Project pursuant to Section 3.4 of this Declaration, if any. A Neighborhood Declaration may establish one or more Voting Groups, and further, may contain restrictions on use for each portion of the Project covered by the Neighborhood Declaration as described in Section 3.4 of this Declaration. It is contemplated that a Neighborhood Declaration may more specifically regulate a Neighborhood and any Common Areas specific to such Neighborhood, may establish a Sub-Association, and may otherwise address the ownership and operation of Common Areas or Common Townhome Elements within such Neighborhood.

(u) "Neighborhood Expenses" means the actual and estimated Common Expenses which the Association incurs or expects to incur for the benefit of Owners within a particular Neighborhood or Neighborhoods relating to special improvements owned or maintained by the Association and specifically and solely benefitting the Neighborhood and not the Project as a whole (as reasonably determined by the Board from time to time); provided, however, that in the event a Sub-Association is established with respect to an applicable Neighborhood, then the Sub-Association shall be responsible for maintaining any Common Areas or Common Townhome Elements relating to such Neighborhood and the Association shall not incur Neighborhood Expenses.

(v) "Neighborhood Special Assessments" shall mean an assessment levied and assessed pursuant to Section 4.3, if any.

(w) "Owner" shall mean (when so capitalized) the record holder of legal title to the fee simple interest in any Lot, including but not limited to, a Unit Owner. If there is more than one record holder of legal title to a Lot, each record holder shall be an "Owner."

(x) "Party Wall" means a wall that forms part of a Townhome Unit and is located on or adjacent to a boundary line between two or more adjoining Townhome Units owned by more than one Owner and is used or is intended to be used by the Unit Owners of the benefited Townhome Units, which wall may be separated by a sound board between two or more Townhome Units.

(y) "Plat" shall mean the collective reference to the duly approved and recorded plat previously filed in the office of the Utah County Recorder for the Project, and all future plats for future phases of the Project, if any, which may be added to the Project at Declarant's discretion as provided in Section 9.3 below.

(z) "Project" shall mean the collective reference to: (i) Evans Ranch Plats "B-1", "B-2", and "A", all of which have been filed of record with the Utah County Recorder prior to the date hereof; and (ii) all future plats for future phases of Evans Ranch, if any, which may be added to the Project at Declarant's discretion as provided in Section 10.4 below, as shown on the Plat and governed by this Declaration, or as reflected in an amendment to this Declaration and/or an amendment to Exhibit A hereto.

(aa) "Property" shall mean and refer to that certain real property located in Eagle Mountain City, Utah County, State of Utah, and more particularly described on Exhibit A hereof, together with any other real property added to the Project pursuant to Section 10.4.

(bb) "Reinvestment Fee" shall mean the charge which may be levied and assessed pursuant to Section 4.6. The Reinvestment Fee assessed, if any, shall be in compliance with Utah Code Ann. §57-1-46, as may be amended or replaced.

(cc) "Special Assessment" shall mean any assessment levied and assessed pursuant to Section 4.3.

(dd) "Sub-Association" shall mean any homeowners association established to manage and operate one or more Neighborhoods within the Project.

(ee) "Townhome Building" shall have the meaning given to such term in Section 11.4(a) below.

(ff) "Townhome Unit" and/or "Unit" shall mean any attached dwelling unit within the Project, separately numbered and individually described on a Plat and intended for independent and private use and ownership.

(gg) "Unit Owner" means an Owner who owns any Townhome Unit.

(hh) "Voting Groups" means a group of Members (generally within a specific Neighborhood(s)) who vote on a common slate for election of members of the Board, as more particularly described in Section 2.5.

ARTICLE II

MEMBERSHIPS AND VOTING

2.1 Membership. Every Owner shall be a Member of the Association. No evidence of membership in the Association shall be necessary other than evidence of ownership of a Lot. Membership in the Association shall be mandatory and shall be appurtenant to the Lot in which the Owner has the necessary interest. The rights and obligations of a Member shall not be assigned, transferred, pledged, conveyed or alienated in any way except upon transfer of ownership of an Owner's Lot, and any such transfer shall automatically transfer the membership appurtenant to such Lot to the new Owner thereof. Each Member shall have a non-exclusive right and easement for use and enjoyment of all Common Areas. Such right and easement shall be appurtenant to and shall pass with title to each Lot and in no event shall be separated therefrom. Notwithstanding the foregoing, a Member's right and easement of use and enjoyment is subject to the following:

(a) The right of the City, Utah County and any other governmental or quasi-governmental body having jurisdiction over the Project to access and have ingress and egress to, from, over and across all Common Areas;

(b) The rights of the Association and the Declarant set forth in this Declaration.

2.2 Voting Rights. The Association shall have the following-described two (2) classes of voting membership:

(a) Class A. Class A Members shall be all Owners, except Declarant. Class A Members shall be entitled to one (1) vote for each Lot in which the interest required for membership in the Association is held, subject to the authority of the Board to suspend the voting rights of an Owner for violations of this Declaration in accordance with the provisions thereof. Although each of the multiple Owners of a single Lot shall be a Class A Member, in no event shall more than one (1) Class A vote exist or be cast on the basis of a single Lot. Which of the multiple Owners of a single Lot shall cast the vote on the basis of that Lot is determined under Section 2.3 of this Article II.

(b) Class B. The Class B Member shall be the Declarant. The Class B Member shall be entitled to the total number of votes held from time to time by all of the Class A Members in the aggregate, plus one thousand (1,000) votes, it being Declarant's express intention that the Class B Member shall control the voting of the Association until the termination of the Class B membership. The Class B membership shall cease and the Declarant shall become a Class A Member upon the first to occur of the following: (i) the sale and conveyance by Declarant to purchasers of all of the Lots contained in the Project; (ii) the expiration of thirty (30) years after the date on which Declarant first conveys to a purchaser fee title to a Lot; or (iii) when, in its discretion, the Declarant so determines. Furthermore, Declarant shall have the right to waive its right to vote as a Class B Member as to one or more matters, while retaining its right to vote as to other matters.

2.3 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. Time-sharing is strictly prohibited for any Lot.

2.4 Lists of Owners. The Association shall maintain up-to-date records showing the name of each person who is an Owner, the address of such person, and the Lot which is owned by such person. In the event of any transfer of a fee or undivided fee interest in a Lot, either the transferor or transferee shall furnish the Association with evidence establishing that the transfer has occurred and that the deed or other instrument accomplishing the transfer is of record in the office of the County Recorder of Utah County, Utah. The Association may for all purposes act and rely on the information concerning Owners and Lot ownership which is thus acquired by it, or at its option, the Association may act and rely on current ownership information respecting any Lot or Lots which is obtained from the office of the County Recorder of Utah County, Utah. The address of an Owner shall be deemed to be the address of the Lot owned by such person unless the Association is otherwise advised.

2.5 Voting Groups. Declarant may designate Voting Groups consisting of one or more Neighborhoods for the purpose of electing trustees to the Board. Voting Groups may be designated to ensure groups with dissimilar interests are represented on the Board and to avoid some Neighborhoods being able to elect the entire Board due to the number of Lots in such Neighborhoods. Following termination of the Class B membership, the number of Voting Groups within the Project shall not exceed the total number of trustees to be elected by the Owners pursuant to the Bylaws. Each Voting Group shall vote on a separate slate of candidates for election to the Board. Declarant shall establish Voting Groups and shall assign a number of members of the Board to be elected by such Voting Groups, if at all, not later than the date of termination of the Class B membership by filing with the Association and recording a Neighborhood Declaration or a supplement to this Declaration, identifying each Voting Group by legal description or other means such that the Lots within each Voting Group can easily be determined. Such

designation may be amended from time to time by Declarant, acting alone, at any time prior to the termination of the Class B membership. After termination of the Class B membership, the Board shall have the right to record or amend such Neighborhood Declaration upon the vote of a majority of the total number of trustees and approval of Owners representing a majority of the total Class A memberships. Neither recordation nor amendment of such Neighborhood Declaration by Declarant shall constitute an amendment to this Declaration, and no consent or approval of any person shall be required except as stated in this Section. Until such time as Voting Groups are established, all of the Project shall constitute a single Voting Group. After a Neighborhood Declaration establishing Voting Groups has been recorded, any and all portions of the Project which are not assigned to a specific Voting Group shall constitute as single Voting Group.

ARTICLE III

ASSOCIATION

3.1 Formation of Association. The Association shall be a nonprofit Utah corporation charged with the duties and invested with the powers prescribed by law and set forth in its Articles and Bylaws and this Declaration. Neither the Articles nor Bylaws of the Association shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration or any amendments thereto. Specifically, the Association is formed for the limited purpose of owning, operating, and maintaining the Common Area located within the Project, in a manner consistent with the terms of this Declaration, and for the purpose of collecting assessments and disbursing funds for such purpose.

3.2 Board of Trustees and Officers. The affairs of the Association shall be conducted by the Board and such officers as the Board may elect or appoint in accordance with the Articles and Bylaws of the Association as the same may be amended from time to time. The initial Board shall be composed of three (3) natural persons, designated by Declarant, who need not be Members of the Association. After the termination of the Class B membership as provided in section 2.2(b) above, the Board may, at the Association's option, be expanded to a total of five (5) natural persons, and the additional two persons shall be Members. The Board may also appoint various committees and may appoint and hire at Association expense a manager or management company, who shall, subject to the direction of the Board, be responsible for the day-to-day operation of the Association. The Board shall determine the compensation to be paid to the manager, the management company or any other employee of the Association. At Declarant's option, so long as Declarant owns at least one (1) Unit in the Project, Declarant may appoint one member of the Board.

Without limiting the generality of the foregoing, the Board may appoint one or more Neighborhood Committees, and such Neighborhood Committees (which may consist of one or more members, as determined by the Board) shall have such authority and duties as may be determined from time to time by the Board relating to the budgeting, operation, financial management and administration of applicable Neighborhood(s) (the "Delegated Duties"). While any Neighborhood Committee established by the Board shall report to the Board regularly regarding its activities, the Board may by express directive relinquish and transfer all authority and responsibility with respect to such Delegated Duties to an applicable Committee.

Unless specifically set forth in this Declaration, no action may be brought by the Association, or its Board of Trustees, or Officers on behalf of a unit owner, as its respective interest may appear, with respect to any cause of action relating to the Common Areas, Common Townhome Elements and related facilities.

3.3 Personal Liability. Neither the Declarant, any manager or member of Declarant, nor any member of the Board, officer, manager or other employee or committee member of the Association shall be personally liable to any Member, or to any other person, including the Association, for any damage, loss, claim or prejudice suffered or claimed on account of any act, omission to act, negligence, or other matter, of any kind or nature except for acts performed intentionally and with malice.

3.4 Neighborhoods. Every Lot shall be located within a Neighborhood and may be subject, in addition to this Declaration, to a Neighborhood Declaration including any assessment provisions contained therein. In the discretion of the Owner(s) and developer(s) of each Neighborhood, the Lots within a particular Neighborhood may be subject to additional covenants and/or the Owners of Lots may all be required to be members of a Sub-Association in addition to being Members' of the Association. Furthermore, such Lots may be subject to the obligation to pay Neighborhood Annual Assessments and Neighborhood Special Assessments as set forth in Article IV below.

ARTICLE IV

ASSESSMENTS

4.1 Purpose of Assessments; Assessment Lien. All Members of the Association hereby covenant and agree, and each Owner, except Declarant, by acceptance of a deed to a Lot is deemed to covenant and agree, to pay to the Association the following assessments and charges: (a) Annual Assessments, (b) as applicable, Neighborhood Annual Assessments, (c) Special Assessments, (d) as applicable, Neighborhood Special Assessments, (e) Maintenance Charges, and (f) Reinvestment Fees, all such assessments and charges to be established and collected as hereinafter provided. The Annual Assessments, Neighborhood Annual Assessments, Special Assessments, Neighborhood Special Assessments, Maintenance Charges and Reinvestment Fees (collectively the "Assessments"), together with interest, costs and reasonable attorneys' fees, shall be secured by a lien (the "Assessment Lien") on the Lot to which they relate, in favor of the Association, which shall be a continuing servitude and lien upon the Lot against which each such assessment or charge is made. The Assessment Lien shall be a charge on the Lot, shall attach from the date when the unpaid assessment or charge shall become due, and shall be a continuing lien upon the Lot against which each assessment is made. Each assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Owner of such Lot at the time the assessment became due. The personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed by them. The Assessment Lien may be foreclosed by the Association in substantially the same manner as provided for non-judicial foreclosure of deeds of trust on real property upon the recording of a Notice of Delinquent Assessment or charge as set forth in Section 4.7 hereof and/or the foreclosure rights and methods described in the Community Association Act, Utah Code Ann. ("U.C.A.") 57-8a. In order to facilitate the foreclosure of any such Assessment Lien in the manner provided at law for the foreclosure of deeds of trust, the Board may designate a trustee with full power of sale, to foreclose any such Assessment Liens as directed by the Board. Such trustee, and any successors, shall not have any other right, title or interest in the Project beyond those rights and interests necessary and appropriate to foreclose any Assessment Liens against Units arising pursuant hereto. In any such foreclosure, the Owner of the Unit being foreclosed shall be required to pay the costs and expenses of such proceeding (including reasonable attorneys' fees), and such costs and expenses shall be secured by the Assessment Lien being foreclosed. The Association shall have the power to bid at any foreclosure sale and to purchase, acquire, hold, lease, mortgage and convey any and all Units purchased at such sale. The Association shall be entitled to purchase the Lot at any foreclosure sale. Notwithstanding anything in this Declaration to the contrary, Declarant and Candlelight Homes, LLC shall not be charged, and are exempt from paying, any assessments, whether Annual Assessment, Neighborhood Annual Assessments, Special Assessment, Neighborhood Special Assessments, Maintenance Charges,

Reinvestment Fees, or otherwise, with respect to Lots owned by Declarant or Candlelight Homes, LLC. Pursuant to Utah Code Ann. ("U.C.A.") 57-8a-212 (2013), the Declarant hereby conveys and warrants pursuant to U.C.A. Sections 57-1-20 and 57-8a-302 to Advanced Title Insurance Agency, LC, with power of sale, the Lots and all improvements to the Lots for the purpose of securing payment of all Annual Assessments, Neighborhood Annual Assessments, Special Assessments, Neighborhood Special Assessments, Maintenance Charges and Reinvestment Fees, together with interest, cost and reasonable attorneys' fees, under the terms of the Declaration. If an Owner fails or refuses to pay any Assessment when due, the Board shall have the right, after giving notice and an opportunity to be heard in accordance with the Community Association Act, U.C.A. 57-8a, to terminate an Owner's right (a) to receive utility services paid as a Common Expense and (b) of access and use of any recreational facilities constituting a portion of the Common Areas.

Notwithstanding anything herein to the contrary, all funds and property collected and received by the Association to cover Neighborhood Expenses (including through Neighborhood and Neighborhood Special Assessments) shall be applied only for the common good and benefit of the Owners of the applicable Neighborhood from which such amounts were collected. With respect to the Townhome Units, if any, fire and casualty insurance, including those risks embraced by coverage of the type now known as the broad form "All Risk" or special extended coverage endorsement on a blanket agreement amount basis for the full insurable replacement value of all Townhome Units.

4.2 Annual Assessments; Neighborhood Annual Assessments.

(a) Annual Assessments for each Owner of a Lot shall include the Owner's pro rata share of Common Expenses associated with the Common Areas based on the total amount of Lots in the Project. Commencing on the date on which Declarant first conveys to a purchaser fee title to a Lot, an Annual Assessment shall be made against each Lot, except any Lot owned by Declarant, for the purpose of paying (or creating a reserve for) all Common Expenses.

(b) Neighborhood Annual Assessments for each Owner of a Lot within a particular Neighborhood(s), shall include the Owner's pro rata share of Neighborhood Expenses associated with the Common Areas specifically and solely benefitting such Neighborhood (as reasonably determined by the Board from time to time) based on the total amount of Lots in the particular Neighborhood(s). If no Neighborhood Expenses are allocable to an applicable Neighborhood(s), or if a Sub-Association has been established with respect to such Neighborhood, then no Neighborhood Annual Assessments shall be made with respect to such Neighborhood. Commencing on the date on which Declarant first conveys to a purchaser fee title to a Lot in a particular Neighborhood for which Neighborhood Expenses arise, a Neighborhood Annual Assessment shall be made against each Lot within such Neighborhood, to the extent of any Neighborhood Expenses, except any Lot owned by Declarant, for the purpose of paying (or creating a reserve for) all Neighborhood Expenses.

4.3 Special Assessments; Neighborhood Special Assessments. In addition to the Annual Assessment and the Neighborhood Annual Assessments authorized above, the Association may levy, except with respect to Lots owned by Declarant, in any assessment period:

(a) a Special Assessment applicable to that period only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon any Common Area, or for the purpose of defraying other extraordinary expenses; provided that any such assessment shall have the assent of a majority of the total number of votes held by the Members who are voting in person or by proxy at a meeting duly called for such purpose.

(b) a Neighborhood Special Assessment applicable to that period only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon any Common Area specifically and solely benefitting such Neighborhood (as reasonably determined by the Board from time to time), or for the purpose of defraying other extraordinary expenses; provided that any such assessment shall have the assent of a majority of the total number of votes held by the Members who are voting in person or by proxy at a meeting duly called for such purpose. Neighborhood Special Assessments for Common Areas and shall be paid pro rata by the Owners of all of the Lots within the particular Neighborhood(s), based on the total number of Lots in the Neighborhood(s). No Neighborhood Special Assessments shall be made upon a particular Neighborhood in the event a Sub-Association is established with respect to such Neighborhood, which Sub-Association shall be responsible for maintaining any Common Areas or Common Townhome Elements relating to such Neighborhood.

(c) Furthermore, and without limiting the Special Assessment and Neighborhood Special Assessment set forth in subsections (a) and (b) above, the Board shall have the right to authorize a Special Assessment or a Neighborhood Special Assessment, in an amount not to exceed $500.00 per Lot or Unit (as applicable), as it deems necessary in its reasonable business judgment, without approval by any Members, provided that such assessment shall not be made more than one (1) time in a given calendar year

4.4 Uniform Rate of Assessment. Annual Assessments for Lots shall be fixed at a uniform rate for all Lots, except Lots owned by Declarant and Candlelight Homes, LLC, and may be collected on a yearly basis or more frequently if the Board shall so determine. Similarly, Neighborhood Annual Assessments for Lots in an applicable Neighborhood(s) shall be fixed at a uniform rate for all Lots within such Neighborhood(s), except Lots owned by Declarant, and may be collected on a yearly basis or more frequently if the Board shall so determine.

4.5 Establishment of Annual Assessment Period. The period for which the Annual Assessment and the Neighborhood Annual Assessment (as applicable) is to be levied (the "Assessment Period") shall be the twelve (12) month period beginning January 1 of each year. The Board, in its sole discretion from time to time, may change the Assessment Period by recording with the County an instrument specifying the new Assessment Period. The Board shall fix the amount of the Annual Assessment and Neighborhood Annual Assessment (if any) against each applicable Lot at least thirty (30) days in advance of the end of each Assessment Period. Written notice of the Annual Assessment and Neighborhood Annual Assessment (if any) shall be sent to each Member of the Association. Failure of the Association to send a bill to any Member shall not relieve the Member of liability for payment of any Assessment or charge. The due dates shall be established by the Board. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specific Lot have been paid.

4.6 Reinvestment Fees. Subject to the terms and conditions of Sections 4.6(b) and 4.6(d) below, the Board shall have the right to establish from time to time (but shall not be required to establish) a Reinvestment Fee assessment in accordance with this Section. If established by the Board, the following terms and conditions shall govern Reinvestment Fees.

(a) Upon the occurrence of any sale, transfer or conveyance (as applicable, a "Transfer") of any Lot, but excluding the initial sale or Transfer by or to Declarant or an affiliate (specifically including Candlelight Homes, LLC) or successor of Declarant, the party receiving title to the Lot (the "Transferee") shall pay to the Association a Reinvestment Fee in an amount to be established

by the Board from time to time, provided that in no event shall the Reinvestment Fee exceed the maximum rate permitted by applicable law.

(b) Notwithstanding anything to the contrary contained in this Section, the Association shall not levy or collect a Reinvestment Fee for any of the Transfers described below (collectively, "Exempt Transfers"):

(i) Any Transfer by or to Declarant, or by or to an affiliate of Declarant (specifically including Candlelight Homes, LLC);

(ii) Any Transfer by or to a builder receiving title from Declarant (or an affiliate of Declarant), intending to (a) construct a residence on the Lot and (b) sell the completed residence to a new home buyer;

(iii) Any Transfer to (a) the United States or any agency or instrumentality thereof, or (b) the State of Utah or any county, city, municipality, district or other political subdivision of the State of Utah.

(iv) Any Transfer to the Association or its successors.

(v) Any Transfer, whether outright or in trust, that is for the benefit of the transferor or the transferor's relatives, but only if the consideration for the Transfer is no greater than 10 percent of the value of the Lot transferred.

(vi) Any Transfer made solely for the purpose of confirming, correcting, modifying or supplementing a Transfer previously recorded and removing clouds on title.

(vii) Any lease of any Lot or portion thereof for a period of less than thirty years.

(viii) Any Transfer to secure a debt or other obligation or to release property which is security for a debt or other obligation.

(ix) Any Transfer in connection with (a) the foreclosure of a deed of trust or mortgage, or (b) a deed given in lieu of foreclosure.

(x) An involuntary Transfer.

(xi) A Transfer that results from a court order.

(c) The Reinvestment Fee shall be due and payable by the Transferee to the Association at the time of the Transfer giving rise to the payment of such Reinvestment Fee.

(d) The Association shall have the right to assign or pledge its rights to collect the Reinvestment Fees assessed pursuant to this Section 4.6 to a lender as collateral for any loan, the proceeds of which loan are utilized by the Association for common planning, facilities, and infrastructure; obligations arising from an environmental covenant; community programming; resort facilities; open space; recreation amenities; charitable purposes; or expenses of the Association. In the event the Association assigns or pledges to a lender of the Association the right to receive payment of the Reinvestment Fees in connection with a Transfer of any Lot, until

the obligation underlying the assignment or pledge is fully satisfied (i) the Board and Association shall establish and require a Reinvestment Fee permitted under Section 4.6(a) above to be assessed in connection with each Transfer of a Lot (excluding Exempt Transfers) in an amount agreed to by the Association and such lender (or in the maximum amount permitted by applicable law, whichever is less), unless otherwise approved in writing by such lender, and shall confirm such amount through a recorded instrument at the lender's request, (ii) neither the Board nor the Association shall waive, modify, or reduce the Reinvestment Fee to be assessed in connection with any Transfer (excluding Exempt Transfers), unless otherwise approved in writing by such lender, and (iii) notwithstanding anything to the contrary in this Declaration, this Section 4.6 shall not be amended or altered in any manner without the prior written approval of such lender.

4.7 Effect of Nonpayment. Any Assessment or charge or installment thereof not paid when due shall be deemed delinquent and, in the discretion of the Board, shall be subject to a late fee as determined by resolution of the Board from time to time, and shall bear interest from thirty (30) days after the due date until paid at the interest rate of eighteen percent (18%) per annum (or such other rate as may be determined by resolution of the Board from time to time), and the Member shall be liable for all costs, including attorneys' fees, which may be incurred by the Association in collecting the same. The Board may also record a Notice of Delinquent Assessment or Charge (the "Notice") against any Lot as to which an assessment or charge is delinquent. The Notice shall be executed by an officer of the Association or a member of the Board, set forth the amount of the unpaid assessment, the name of the delinquent Owner, and a description of the Lot. The Board may establish a fixed fee to reimburse the Association for the Association's cost in recording such Notice, processing the delinquency, and recording a release of such lien, which fixed fee shall be treated as part of the Maintenance Charge of the Association secured by the Assessment Lien. The Association may bring an action at law against the Owner personally obligated to pay the delinquent assessment and/or foreclose the lien against such Owner's Lot. No Owner may waive or otherwise avoid liability for the assessments provided for herein by non-use of the benefits derived from assessments or abandonment of his or her Lot. Notwithstanding anything in this Declaration to the contrary, neither Declarant, nor Candlelight Homes, LLC shall be charged, and is hereby exempted from paying, any assessments (whether Annual Assessment, Neighborhood Annual Assessment, Special Assessment, or Neighborhood Special Assessment), with respect to Lots owned by Declarant or Candlelight Homes, LLC.

4.8 Priority of Lien. The Assessment Lien provided for herein shall be subordinate to any first mortgage lien held by, or first deed of trust of which the beneficiary is, a lender who has loaned funds with a Lot as security, or held by the lender's successors and assigns, and shall also be subject and subordinate to liens for taxes and other public charges. Except as provided above, the Assessment Lien shall be superior to any and all charges, liens or encumbrances which hereafter in any manner may arise or be imposed upon each Lot. Sale or transfer of any Lot shall not affect the Assessment Lien.

4.9 Fines. Without limiting the foregoing, the Association shall have the right after written notice to a violating Member, and the Member's failure to cure such violation within ten (10) days following receipt of the written notice, to assess a fine against any violating Member in an amount established by the Board from time to time. Each fine shall become part of the Assessment Lien.

ARTICLE V

MAINTENANCE

5.1 Common Areas. Except as otherwise provided in this Declaration (including but not limited to Section 8.7 below concerning the maintenance and repair of fencing), the Association, or its duly delegated representative, shall maintain and otherwise manage all Common Areas in the Project.

This maintenance will include maintenance of landscaping (excluding landscaping on or associated with any particular Lot) and the appropriate upkeep and repair of all Common Areas, including, without limitation, the sweeping, mowing, watering, and repair, replacement and other maintenance. The Association may be further required to maintain other public areas adjacent to or within the Project (including but not limited to the landscaping installed along Porters Crossing Boulevard), as may be set forth in a particular Plat or development agreement with the City relating to the Project. The Association shall have the power to grant easements for utilities or other purposes on or under the Common Areas to the extent that the Board deems it necessary or advisable. The Board shall be the sole judge as to the appropriate maintenance of all Common Areas and other properties maintained by the Association. Any cooperative action necessary or appropriate to the proper maintenance and upkeep of such properties shall be taken by the Board or by its duly delegated representative. All landscaping installed upon the Common Areas shall be installed, and thereafter maintained, in accordance with applicable city ordinances and, to the extent required by such ordinances, approved in advance by the City. Unless otherwise approved by resolution of the Board, Common Townhome Elements associated with a Townhome Building shall be the maintenance responsibility of the Owners of Units within the Townhome Building, as further set forth in Section 11.4 below.

If required by the DRC, builders of new single family residences within the Project shall offer a front yard landscape option package to Owners that meet the Design Guidelines requirements for landscaping. All landscaping installed upon Lots shall be properly and reasonably kept and maintained by the Owners, unless the Association (or a Sub-Association) is to maintain such landscaping as a Neighborhood Expense.

5.2 Assessment of Certain Costs. In the event that the need for maintenance or repair of Common Areas or Common Townhome Elements or any other areas maintained by the Association is caused through the willful or negligent act of any Owner (except Declarant), his or her family, guests or invitees, the cost of such maintenance or repairs shall be the responsibility of such Owner, and any costs incurred by the Association in performing such required maintenance or repair shall be added to and become part of the Maintenance Charge to which such Owner's Lot is subject and shall be secured by the Assessment Lien.

5.3 Improper Maintenance. In the event any portion of any Lot, except Lots owned by Declarant, or Common Townhome Elements are so maintained or used by an Owner (or Owners) (i) as to present a public or private nuisance, (ii) as to substantially detract from the appearance or quality of the surrounding Lots, Townhome Buildings, or other areas of the Project which are substantially affected thereby or related thereto, (iii) with respect to portions of a Common Townhome Element which are visible from the exterior of the applicable Townhome Building, as to materially deviate from the standard of quality and condition of the Common Townhome Elements of other Townhome Buildings within the Project, or (iv) in a manner which violates this Declaration, then in any of the foregoing circumstances, the Board (without obligation and in its sole and exclusive discretion) shall have the power and authority without liability to any Owner for trespass, damage, or otherwise, to enter upon any Lot or Townhome Building for the purpose of maintaining and repairing such Lot or Common Townhome Elements or any improvement thereon. Except as necessary to prevent personal injury or property damage in an emergency, the Association shall first provide reasonable notice and an opportunity to cure before exercising the power granted herein. The cost of any action taken by the Association shall be added to and become part of the Maintenance Charge and shall be secured by the Assessment Lien against the Lot(s) of such Owner(s) failing to maintain. Moreover, in the event a medical emergency, a property damage emergency or similar type of emergency which requires immediate curing shall arise in connection with an Owner's Lot, the Board shall have the right, but not the obligation, to immediately enter upon the Lot to abate the emergency upon reasonable advance notice to such Owner considering the nature, scope and extent of the emergency (e.g. advance telephone calls or doorbell ringing or knocking).

The Board shall have the right to individually charge the cost to cure the emergency condition to such Owner if such emergency was the personal responsibility of the Owner or if it was caused by the Owner's negligent or willful acts.

ARTICLE VI

RIGHTS AND POWERS OF ASSOCIATION

6.1 Association's Rights. In addition to the rights and powers of the Association set forth in this Declaration, the Association shall have such rights and powers as are set forth in its Articles and Bylaws. In the event of any conflict between the Articles and Bylaws and this Declaration, the terms of this Declaration shall control.

6.2 Rights of Enforcement. The Association, as the agent and representative of the Members, and the Declarant shall have the right to enforce the covenants, conditions, restrictions, liens, charges now and hereafter imposed by the provisions set forth in this Declaration by any proceeding at law or in equity. If the Association or Declarant prevails in any proceeding at law or in equity to enforce the provisions of this Declaration, the Association or Declarant is entitled to an award of its costs and reasonable attorneys' fees associated with the action. Failure by the Association or Declarant to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

6.3 Insurance. The Association may obtain in its name and keep in full force and effect at all times, insurance policies for such casualty and public liability and other insurance policies as the Board deems necessary or desirable. Without limiting the generality of the foregoing, the Association shall maintain the following minimum insurance:

(a) Fire and casualty insurance, including those risks embraced by coverage of the type now known as the broad form "All Risk" or special extended coverage endorsement on a blanket agreement amount basis for the full insurable replacement value of all Improvements, equipment, fixtures and other property located within the Common Areas owned by the Association, including such equipment, fixtures and other property not located in the Community Areas, if the same are used or necessary for the use of the Community Areas under the control of the Association;

(b) With respect to the Townhome Units, if any, the Association shall obtain, unless a Sub-Association is formed with respect to such Townhome Unit (in which case the Sub-Association shall obtain) fire and casualty insurance, including those risks embraced by coverage of the type now known as the broad form "All Risk" or special extended coverage endorsement on a blanket agreement amount basis for the full insurable replacement value of all Townhome Units;

(c) Comprehensive public liability insurance insuring the Association, the Board, officers, and the individual Owners and Eligible Mortgagees and agents and employees of each of the foregoing against any liability incident to the ownership and/or use of the Common Areas, with a minimum policy limit of at least One Million Dollars ($1,000,000) per occurrence;

(d) Full coverage directors and officers liability insurance, with a minimum policy limit of at least One Million Dollars ($1,000,000) per occurrence; and

(e) Such other insurance, including but not limited to workmen's compensation insurance and flood insurance, fidelity and other bonds, and such other insurance, as may be necessary to comply with all applicable laws, or which the Board shall deem necessary or required to carry out the Association's functions.

The cost of such insurance shall be a Common Expense or a Neighborhood Expense (as applicable). Except as otherwise provided herein, the Association shall have no duty or obligation to procure or maintain insurance of any kind on any particular Lot.

ARTICLE VII

DESIGN REVIEW

7.1 Purpose. In order to create, maintain and improve the Project as a pleasant and desirable environment, to establish and preserve a consistent and harmonious design for the community and to protect and promote the value of the Property, all exterior design, landscaping and changes or alterations to existing use, landscaping and exterior design and development shall be subject to design review by the DRC.

7.2 Creation. The DRC shall consist of three (3) persons, the majority of which shall constitute a quorum, and the concurrence of the majority shall be necessary to carry out the provisions applicable to the DRC. In the event of death or resignation of any of the DRC members, the Board shall have full authority to appoint another person to fill the said vacancy. The initial DRC will consist of three (3) persons to be appointed by Declarant in its sole discretion for so long as it remains a Class B Member of the Association. After Declarant is no longer a Class B Member of the Association, the initial DRC shall be released from responsibility and the Board shall appoint a new DRC which shall consist of three (3) members. The term for which each DRC member shall serve shall be four (4) years, plus any time required to duly select a successor DRC member, unless such member shall have died or resigned prior to such time. The replacement members on the DRC shall be appointed by the Board.

Except for the initial DRC appointed by Declarant, all members of the DRC must be Owners at the time of their appointment. Should any DRC member move his or her residence outside of the Project, such member shall automatically be deemed to have resigned and the DRC shall declare a vacancy and a new DRC member shall be elected in accordance with the provisions above.

In the event of violation of any of the provisions of this Declaration, the DRC is authorized and empowered to take such action as may be necessary to restrain or enjoin the violations of applicable governmental codes and regulations and these covenants. All costs, including attorneys' fees, of such enforcement shall be borne by the Owners who are in violation of this Declaration.

7.3 Powers. The DRC is hereby authorized to perform (or to retain the services of one or more consulting architects, landscape architects, or urban designers, who need not be licensed to practice in the State of Utah, to advise and assist the DRC in performing) the design review functions prescribed in this Declaration and the Association's Bylaws and to carry out the provisions set forth therein.

Each Owner shall be required to pay a reasonable Design Review Fee to the DRC in an amount which may from time to time be adopted by the DRC) before any new construction, alteration, remodeling or other construction plans shall be reviewed or approved by the DRC. The Design Review Fee will be used by the DRC to pay the costs of architects and other professionals retained by the DRC to review home plans. Lot Owners are encouraged to submit renderings, preliminary schematic drawings to the DRC as soon as possible in order to avoid unnecessary revisions and delays in constructions.

7.4 Design Guidelines. The Board shall from time to time adopt design guidelines (the "Design Guidelines) for use by the DRC in fulfilling the DRC's obligations described herein, which Design Guidelines may include (among other things) rules and regulations that state the general design theme of the Project, specific design requirements, and general construction procedures that will or will not be allowed in the Project. The Design Guidelines may be amended by the Board; provided, however, that as long as Declarant owns a Lot, all amendments to the Design Guidelines must be approved by Declarant. Any amendments to the Design Guidelines shall apply to construction and modification of structures and improvements after the date of such amendment only and shall not apply to require modifications to or removal of structures previously approved once the approved construction or modification has commenced.

The DRC shall make the Design Guidelines, if any, available to Owners and builders who seek to engage in development or construction within the Project, and all such persons shall conduct their activities in accordance with such Design Guidelines, if any. The burden shall be on the Owner and the builder to ensure that they have the most current Design Guidelines.

7.5 Liability. Neither any members of the Board, the DRC nor Declarant shall be responsible or liable for any defects, errors or omissions in any plans or specifications submitted, revised or approved under this Article III, nor for any defects, errors or omissions in construction pursuant to such plans and specifications. A consent or approval issued by the DRC means only that the DRC believes that the construction, alteration, installation or other work for which the consent or approval was requested complies with this Declaration and the Design Guidelines (if any). No such consent or approval shall be interpreted to mean that the construction, alteration, installation or other work covered thereby (a) complies with laws, rules, regulations, ordinances or other requirements of any governmental or quasi-governmental authority, (b) is free from defects, errors or omissions or (c) lies within the boundaries of the Lot. No consent, approval or permit issued by the DRC shall relieve Owners or other persons of their obligations to comply with laws, rules, regulations, ordinances and other requirements of governmental or quasi-governmental authorities.

ARTICLE VIII

COVENANTS, CONDITIONS AND RESTRICTIONS

8.1 Land Use and Building Type. No Lot shall be used for other than residential purposes. No building shall be erected, altered, placed, or permitted to remain on any Lot other than (a) one (1) single-family dwelling, not to exceed the height restrictions set forth in the Design Guidelines, with respect to the portion of the Project designed and approved by the City for single family development, or (b) Townhome Units and associated improvements, with respect to the portion of the Project designed and approved by the City for any Townhome Building, if any. The side yard for each single family building shall also meet the minimum requirements set forth in the Design Guidelines.

8.2 Architectural Control. To maintain a degree of protection to the investment which homeowners in this area may make, homes of superior design are requisite. Designs shall be limited to those approved and constructed by Declarant, which shall be prepared by architects or by qualified residential designers of outstanding ability whose previous work may be reviewed as a part of the approval process. In the event of any reconstruction of an improvement of a single family house on a Lot or a Townhome Building due to a casualty, the design, quality, and appearance of the reconstructed home or building shall be substantially the same as the structure initially built. No landscaping, grading, excavation, building, fence, wall, residence, building, or other structure, or alteration of any kind, shall be commenced, erected, maintained, improved, altered, or made until the construction plans and specifications, along with a topographical plan showing the location of all improvements, including a

detailed landscaping plan, have been approved in writing by the DRC. All subsequent additions to or changes or alterations in any building, fence, wall, or other structure, including exterior color scheme, and all changes in the grade on any Lot, shall be subject to the prior written approval of the DRC. Once approved by the DRC, no changes or deviations in or from the plans and specifications shall be made without the prior written approval of the DRC. Subsequent to receiving approval of the DRC and prior to the commencement of construction, each Owner shall obtain a building permit and/or other necessary approvals, as may be required, from the City.

No construction, reconstruction or modification of a home, or Townhome Building or landscaping may commence without approval by the DRC of the working drawings including, but not limited to, the following:

(a) Plot plans to scale showing the entire site, building, garages, walks, drives, fences, lights, and retaining walls, with elevations of the existing and finished grades and contours including those at the outside corners of the buildings and at adjacent property line and street fronts and elevations of floors from a designated point on the street.

(b) Detailed floor plans showing dimensions and measurements.

(c) Detailed elevations, indicating all materials and colors and showing existing and finished grades.

(d) Detailed sections, cross and longitudinal.

(e) Details of cornices, porches, windows, doors, garages, garden walls, steps, patios, fences, carriage lights, etc.

Specifications shall give complete descriptions and color samples of materials to be used on the exterior of the residence.

8.3 Construction Quality, Size and Cost. The DRC will base its approval of construction plans, specifications, landscaping plans, and other alterations on the acceptability and harmony of the external design of the proposed structures with respect to topography and grade, quality of materials, size, height, color, etc. All structures constructed on the Property shall be of new materials, except pre-approved used brick, and shall be of good quality workmanship and materials. Unless otherwise approved by the DRC, all exterior siding material shall consist of brick, rock, stucco, hardiplank, or combination approved in writing by the DRC. Aluminum soffit and fascia is acceptable. No aluminum exterior siding homes or Townhome Buildings shall be permitted in the Project unless otherwise approved by the DRC. No wood exterior siding shall be permitted in the Project with the exception of a masonite-type material in combination with brick, rock, and/or stucco if approved by the DRC. All exterior materials and colors are to be specified on plans and submitted for approval by the DRC. No pre-manufactured homes shall be permitted. No flat roofs shall be permitted in the single family portion of the Project without prior written approval of the DRC. Pitched roofs for single family homes shall be at least 4/12 pitch and no greater than 12/12 without the prior written consent of the DRC. All stacks and chimneys from fireplaces in which combustible materials other than natural gas are burned shall be fitted with spark arresters. All Owners shall strictly comply with all state laws and city ordinances pertaining to fire hazard control. The DRC shall have final control for approval of all color and material plans.

8.4 Restriction on Further Subdivision, Property Restrictions, and Rezoning. No Lot shall be further subdivided or separated into smaller lots by any Owner, and no portion less than all of any such Lot, nor any easement or other interest therein, shall be conveyed or transferred by any Owner, without

the prior written approval of the Declarant or, in the event the Class B memberships are terminated, of the Board, which approval must be evidenced on the Plat or other instrument creating the subdivisions, easement, or other interest. No further covenants, conditions, restrictions, or easements shall be recorded by any Owner or other person against any Lot without the provisions thereof having been first approved in writing by the Board, and any covenants, conditions, restrictions, or easements recorded without such approval being evidenced thereon shall be null and void. No application for rezoning of any Lot and no applications for variances or use permits shall be filed with any governmental authority unless the proposed use of the Lot has been approved by the Board and the DRC and the proposed use otherwise complies with this Declaration.

8.5 Non-Residential Use. No gainful occupation, profession, or other non-residential use shall be conducted on any Lot, and no persons shall enter onto any Lot for engaging in such uses or for the purpose of receiving products or services arising out of such usage; provided, however, gainful occupations or professions may be operated or maintained in a Lot provided that: (i) any such business, profession or trade may not require heavy equipment or create a nuisance within the Project, (ii) may not noticeably increase the traffic flow to the Project, (iii) may not be observable from outside the Lot, and (iv) may only be carried on following approval from the city with jurisdiction over the matter, pursuant to all applicable state and city laws, rules and ordinances in effect at the time any such use is requested. Specifically, it is contemplated that certain "home office" businesses, professions or trade which rely heavily on the Internet and other similar type of technological advances may be operated or maintained within a Lot, subject to the foregoing limitations and all other limitations of this Declaration.

8.6 Reservation of Access, Maintenance, and Utility Easements. Declarant reserves easements for access, electrical, gas, communications, cable television and other utility purposes and for sewer, drainage and water facilities, and maintenance of the respective Lots by the Owners or agents authorized to conduct maintenance on behalf of the Owner, (whether servicing the Property or other premises or both) over, under, along, across and through the Property, together with the right to grant to the City and Utah County, or any other appropriate governmental agency or to any public utility or other corporation or association, easements for such purposes over, under, across, along and through the Property upon the usual terms and conditions required by the grantee thereof for such easement rights, provided, however, that such easement rights must be exercised in such manner as not to interfere unreasonably with the use of the Property by the Owners and the Association and those claiming by, through or under the Owners or the Association; and in connection with the installation, maintenance or repair of any facilities as provided for in any of such easements, the Property shall be promptly restored by and at the expense of the person owning and exercising such easement rights to the approximate condition of the Property immediately prior to the exercise thereof.

8.7 Fencing. To the extent Declarant, or its assignees, installs fencing within the Project, maintenance, repair and replacement of such fencing shall be the responsibility of the adjacent Lot Owner. Each Owner, at its sole cost and expense, shall repair, maintain and replace the fencing such that it is in good condition and repair; provided the Association shall, from time to time as necessary, stain the portions of wood fencing that face the public roadway commonly known as "Porter's Crossing" and the portions of fence that face any Common Area (the "Association Obligations"). Unless otherwise determined by the Board, each benefitted Owner shall reimburse the Association fifty percent (50%) of the cost of the Association Obligations, which cost shall be billed as part of the Annual Assessment.

8.8 Additional Easements.

(a) Easements for Encroachments. If any part of the Common Areas as improved now or hereafter encroaches upon any Lot or if any structure constructed by Declarant on any Lot now or hereafter encroaches upon any other Lot or upon any portion of the Common Areas, a valid

easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. If any structure on any Lot shall be partially or totally destroyed and then rebuilt in a manner intended to duplicate the structure so destroyed, minor encroachments of such structure upon any other Lot or upon any portion of the Common Areas due to such reconstruction shall be permitted; and valid easements for such encroachments and the maintenance thereof, so long as they continue, shall exist.

(b) Easements for Construction and Development Activities. Declarant reserves easements and rights of ingress and egress over, under, along, across and through the Property and the right to make such noise, dust and other disturbance as may be reasonably incident to or necessary for the (a) construction of residences on Lots, (b) improvement of the Common Areas and construction, installation and maintenance thereon of other infrastructure improvements and other facilities designed for the use and enjoyment of some or all of the Owners, and (c) construction, installation and maintenance on lands within, adjacent to, or serving the Property other facilities, planned for dedication to appropriate governmental authorities. The reservations contained in this paragraph shall expire twenty-five (25) years after the date on which this Declaration was first filed for record in the Office of the County Recorder of Utah County, Utah.

8.9 Declarant's Exemption. Nothing contained in this Declaration shall be construed to prevent the erection or maintenance by Declarant, or its duly authorized agents, of temporary structures, trailers, improvements or signs necessary or convenient to the development, marketing, or sale of property within the Project. Furthermore, the provisions of this Declaration which prohibit or restrict non-residential use of Lots, regulate parking of vehicles, and restrict signage, banners, and the like, shall not prohibit the construction and maintenance of model homes by Declarant and/or other persons engaged in the construction of residences within the Project so long as the location of such model homes and the opening and closing hours are approved by the Association, and the construction, operation and maintenance of such model homes otherwise complies with all of the provisions of this Declaration. The Association may also permit Lots and other areas to be used for parking in connection with the showing of model homes so long as such parking and parking areas are in compliance with the ordinances of the City and any rules of the Association. Any homes constructed as model homes shall cease to be used as model homes at any time the Owner thereof is not actively engaged in the construction and sale of residences within the Project.

ARTICLE IX

MORTGAGEE REQUIREMENTS

9.1 Notice of Action. The Board shall maintain a roster containing the name and address of each Eligible Mortgagee as such term is defined herein. An "Eligible Mortgagee" is a First Mortgagee that provides the Board with a certified copy of its recorded First Mortgage and the name and address of the First Mortgagee and a statement that the Mortgage is a First Mortgage together with a written request that it receive notice of the matters and actions described below. A "First Mortgagee" is a mortgage lender who has recorded a First Mortgage against the title to a Lot within the Project in senior position to any other mortgage, trust deed, or other similar financial encumbrance or lien, and a "First Mortgage" is a mortgage, trust deed, or other similar financial encumbrance or lien that secures a loan obligation, and is senior in position to any other mortgage, trust deed or other similar financial encumbrance. The Board shall strike an Eligible Mortgagee from the roster upon request by such Eligible Mortgagee or upon the Board's receipt of a certified copy of a recorded full release or satisfaction of the First Mortgage. The Board shall give notice of such removal to the Eligible Mortgagee unless the

removal is requested by the Eligible Mortgagee. Upon the Board's receipt of such written request, an Eligible Mortgagee shall be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the Project or any Lot on which there is a Mortgage held, insured or guaranteed by such Eligible Mortgagee, insurer or governmental guarantor;

(b) Any delinquency in the payment of Assessments or charges owed by an Owner whose Lot is subject to a First Mortgage held, insured or guaranteed by such Eligible Mortgagee, insurer or governmental guarantor, which default remains uncured for a period of sixty (60) days; and

(c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond or insurance maintained by the Association.

9.2 Availability of Project Documents and Financial Statements. The Association shall maintain and have current copies of the Project documents, membership register, books, records, and financial statements available for inspection by Members or by Eligible Mortgagees. Generally, these documents shall be available during the Association's normal business hours, and may be maintained and kept at the office of the manager for the Association. The Association may, as a condition to permitting a Member to inspect the membership register or to its furnishing information from the register, require that the Member agree in writing not to use, or allow the use of, information from the membership register for commercial or other purposes not reasonably related to the regular business of the Association and the Member's interest in the Association.

9.3 Subordination of Lien. The Assessment or claim against a Lot for unpaid Assessments or charges levied by the Association pursuant to this Declaration shall be subordinate to the First Mortgage affecting such Lot, and the First Mortgagee thereunder which comes into possession of or which obtains title to such Lot shall take the same free of such lien or claim for unpaid Assessments or charges, but only to the extent of Assessments or charges which accrue prior to foreclosure of the First Mortgage, exercise of a power of sale available thereunder, or taking of a deed or assignment in lieu of foreclosure. No Assessment, charge, Assessment Lien, or claim which is described in the preceding sentence as being subordinate to a First Mortgage, or as not to burden a First Mortgagee which comes into possession or which obtains title to a Lot, shall be collected or enforced by the Association from or against a First Mortgagee, a successor in title to a First Mortgagee, or the Lot affected or previously affected by the First Mortgage concerned.

9.4 Notice to Eligible Mortgagee. The Association shall give timely written notice of the events listed in Section 9.1 above to any Eligible Mortgagee who requests such notice in writing.

9.5 Payment of Taxes. In the event any taxes or other charges which may or have become a lien on the Common Area are not timely paid, or in the event the required hazard insurance described in Section 4.1 lapses, is not maintained, or the premiums therefore are not paid when due, any First Mortgagee or any combination of First Mortgagees may jointly or singly, pay such taxes or premiums or secure such insurance. Prior to paying any taxes or premiums, such First Mortgagee or First Mortgagees shall provide thirty (30) days advance written notice to the Board, which notice shall specify the nature of the taxes or premiums and suggest a reasonable cure period for such payments.

9.6 Priority. No provision of this Declaration or the Articles gives or may give a Member or any other party priority over any rights of mortgagees pursuant to their respective mortgages in the case of a distribution to Members of insurance proceeds or condemnation awards for loss to or taking of all or any

part of the Lots or the Common Area. All proceeds or awards shall be paid directly to any Mortgagees of Record, as their interests may appear.

ARTICLE X

AMENDMENTS

10.1 Term: Method of Termination. This Declaration shall be effective upon the date of recordation hereof and, as amended from time to time, shall continue in full force and effect for a term of thirty (30) years from the date of recordation. From and after such date, this Declaration, as amended, shall be automatically extended for successive periods of ten (10) years each, unless there is an affirmative vote to terminate this Declaration by the then Members casting ninety percent of the total votes cast at an election held for such purpose within six (6) months prior to the expiration of the initial effective period hereof or any ten-year extension. The Declaration may be terminated at any time if at least ninety-percent (90%) of the votes cast by all Owners shall be cast in favor of termination at an election held for such purpose. If the necessary votes are obtained, the Board shall cause to be recorded in the office of the Utah County Recorder a "Certificate of Termination," duly signed by the President and attested by the Secretary of the Association, with their signatures acknowledged. Thereupon, the covenants herein contained shall have no further force and effect, and the Association shall be dissolved pursuant to the terms set forth in its Articles.

10.2 Amendments. This Declaration may be amended by recording in the office of the Utah County Recorder a "Certificate of Amendment," duly signed and acknowledged as required for a Certificate of Termination. The Certificate of Amendment shall set forth in full the amendment adopted and shall certify that at an election duly called and held pursuant to the provisions of the Articles and Bylaws of the Association, the Owners casting sixty-seven percent (67%) of the votes at the election voted affirmatively for the adoption of the amendment. So long as Declarant is the Owner of any Lot in the Project or maintains contractual control over at least twenty five percent (25%) of the remaining Additional Land, this Declaration may be amended or terminated only with the written approval of Declarant.

10.3 Unilateral Amendment. Declarant alone may amend or terminate this Declaration prior to the closing of a sale of the first Lot. Notwithstanding anything contained in this Declaration to the contrary, this Declaration may be amended unilaterally at any time and from time to time by Declarant: (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; (b) if such amendment is reasonably necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots subject to this Declaration; provided, however, any such amendment shall not adversely affect the title to any Owner's property unless any such Owner shall consent thereto in writing; or (c) to comply with the rules or guidelines, in effect from time to time, of any governmental or quasi-governmental entity or federal corporation guaranteeing or insuring mortgage loans or governing transactions involving mortgage instruments (including, without Housing Administration of the United States Department of Housing and Urban Development (FHA), the Federal Home Loan Mortgage Corporation or the Mortgage Corporation (FHLMC), Federal National Mortgage Association (FNMA), Government National Mortgage Association (GNMA) or the Department of Veterans Affairs (VA), or any similar agency). Further, so long as Declarant is the Owner of any Lot in the Project or owns or controls pursuant to a legally binding contract at least twenty five percent (25%) of the Additional Land, Declarant may unilaterally amend this Declaration for any other purpose; provided, however, any such amendment shall not materially adversely affect title to any Lot without the consent of the affected Owner.

10.4 Expansion of Project. Declarant shall have the right in its sole discretion upon recording a Certificate of Amendment signed by Declarant to expand the Project to include additional phases and Lots, and/or to add to the development known as Evans Ranch, including but not limited to, the with respect to the Additional Land, all of which additional property shall, upon recording such Certificate of Amendment, be subject to this Declaration.

ARTICLE XI

PROVISIONS RELATING TO TOWNHOME UNITS

11.1 Common Townhome Elements. The following components of the Townhome Units are considered "Common Townhome Elements" with respect to a Townhome Building in which two or more Townhome Units are located: (i) all structural parts of the Townhome Building, including, without limitation, foundations, columns, girders, joists, beams, supports, main walls, supporting walls, floors, ceilings and roofs; (ii) any utility pipe or line or system servicing more than a single Townhome Unit in a Townhome Building, and all ducts, wires, conduits, and other accessories used therewith; (iii) all tanks, pumps, motors, fans, compressors, ducts, mechanical areas, and in general all apparatus and equipment existing for common use of a Townhome Building. The Common Townhome Elements shall be owned by the Townhome Unit Owners in a Townhome Building as tenants in common. The Common Townhome Elements shall remain undivided. No Unit Owner or combination thereof or any other person shall bring any action for partition or division of any part thereof.

11.2 Townhome Unit. A Townhome Unit is comprised of each separate physical part of a Townhome Building, as shown on the Plat, which is intended for independent use. Each Townhome Unit shall include the enclosed rooms occupying such Townhome Unit's share of the Townhome Building in which it is located and bounded by the interior surfaces of the walls, floors, ceilings, windows, doors and built-in fireplaces, if any, along the perimeter boundaries of the air space as said boundaries are shown on the Plat, together with all fixtures and improvements therein contained. Notwithstanding the fact that they may be within the boundaries of such air space, the following are not part of a Townhome Unit in so far as they are necessary for the support or full use and enjoyment of another Townhome Unit: bearing walls, floors, ceilings and roofs (except the interior surfaces thereof), foundations, space heating equipment and central water heating equipment, if any, tanks, pumps, pipes, vents, ducts, shafts, flues, shoots, conduits, wires and other utility installations, except the outlets thereof when located within the Townhome Unit. The interior surfaces of a window or door means the points at which such surfaces are located when such windows or doors are closed.

11.3 Division Between Townhome Units. Each Townhome Unit, as described on a Plat, shall include that part of the Townhome Building containing the Townhome Unit which lies within the boundaries of the Townhome Unit. Such boundary shall be determined in the following manner: the upper boundary shall be the plane of the lower surface of the ceiling; the lower boundary shall be the plane of the upper surface of the floor; and the vertical boundaries of the Townhome Unit shall be: (i) the interior surface of the outside walls of the Townhome Building bounding a Townhome Unit; (ii) the center line of any non-bearing interior walls bounding a Townhome Unit; and (iii) the interior surface of any interior bearing walls bounding a Townhome Unit. Each Townhome Unit includes the portions of the Townhome Building so described and those things which are defined as Common Townhome Elements. Each Townhome Unit's undivided interest in the Common Townhome Elements, including Limited Common Townhome Elements (e.g., Common Townhome Elements used exclusively by or benefiting a particular Townhome Unit), shall be separated from the Townhome Unit to which they appertain and shall be deemed to be conveyed or encumbered or released from liens with the Townhome Unit even

though such interest is not expressly mentioned or described in the conveyance or other instrument.

11.4 Common Townhome Elements and Townhome Unit Maintenance.

(a) Exterior Maintenance Responsibility of Unit Owners. Unless otherwise approved by resolution of the Board, each Unit Owner shall have the obligation to provide exterior and interior maintenance of the Townhome Unit and the Common Townhome Elements and Limited Common Areas and Party Walls serving such Unit Owner's Townhome Unit, including but not limited to, painting, repair, replacement, and care of all Common Townhome Elements (specifically including, without limitation, roofs, gutters, down spouts, exterior building surfaces, structural elements of the building in which the Townhome Unit is located (each, a "Townhome Building"), foundations, windows, doors, and utility lines that solely service such Townhome Building) and Limited Common Areas. The responsibility and cost to maintain, repair and replace (i) Common Townhome Elements within a Townhome Building shall be borne equally by the Unit Owners of Townhome Units within such Townhome Building, and (ii) Limited Common Areas associated with such Unit Owner's Townhome Unit shall be borne by the Unit Owner of the particular Townhome Unit to which such Limited Common Areas pertain. As necessary or desirable, each Unit Owner shall paint, repair, and otherwise maintain the exterior and interior of his Townhome Unit and shall maintain, repair, and replace all mechanical devices, including but not limited to, appurtenant electrical, plumbing, and heating, ventilating and air conditioning systems. Notwithstanding the foregoing, the Unit Owner shall not be deemed to own lines, pipes, wires, conduits, or systems (which for brevity are herein an hereafter referred to as "utilities") which serve one or more other Townhome Units except as tenant in common with the other Unit Owners. Such utilities shall not be disturbed or relocated by an Unit Owner without the written consent and approval of the Board. Furthermore, nothing herein contained shall be construed to permit structural modification and any decision relating thereto shall first be approved in writing by the Board, including, but not limited to the engaging of a structural engineer at the Unit Owner's expense for the purpose of obtaining an opinion.

(b) Party Walls. Each Unit Owner hereby covenants and agrees not to do anything or to erect any barrier that will hinder, delay, or limit the maintenance of the Party Wall. With respect to the surface components of the Party Wall, each Unit Owner agrees to maintain and keep in good condition and repair, including the making of replacements as needed, all surface components which face into such Unit Owners' respective Townhome Unit. In the event that the need for maintenance or repair of the Party Wall is caused through the willful or negligent act of any Unit Owner or any occupant or invitee of such Unit Owner, the cost of such maintenance or repairs shall be the sole and exclusive expense of such Unit Owner. With respect to structural components of the Party Wall, except as may be otherwise provided in the immediately preceding sentences, the Unit Owners benefitted by the Party Wall agree to share equally in the cost of maintenance and upkeep thereof in good condition and repair, including the replacement thereof as necessary.

(c) Interior Maintenance Responsibility of Unit Owners. For purposes of maintenance, repair, alteration and remodeling, an Unit Owner shall be deemed to own the interior non-supporting walls, the materials (such as, but not limited to, plaster, gypsum drywall, paneling, wallpaper, paint, wall and floor tile and flooring) making up the finished surfaces of the perimeter walls, ceilings, and floors within the Townhome Unit, including any non-exterior Townhome Unit doors and nonexterior windows. Such right to repair, alter, and remodel is coupled with the obligation to replace any finished or other materials removed with similar or other types or kinds

of materials. An Unit Owner shall maintain and keep in repair the interior of his Townhome Unit, including the fixtures thereof. All fixtures and equipment installed within the Townhome Unit commencing at a point where the utilities enter the Townhome Unit shall be maintained and kept in repair the structural soundness or integrity of the Townhome Building, impair any easement or hereditament, nor violate any laws, ordinances, regulations and codes of the Townhome United States of America, the State of Utah, the County of Salt Lake, Bluffdale City, or any other agency or entity which may then have jurisdiction over said Townhome Unit; without the written consent of the Board after first proving to the satisfaction of the Board that compliance with this section's requirements will be maintained during and after any such act or work shall be done or performed. Any expense to the Board for investigation under this Article shall be borne by the relevant Unit Owner. An Unit Owner shall also keep the Limited Common Townhome Elements appurtenant to his Townhome Unit in a well-repaired, maintained, clean and sanitary condition, at his or her own expense. An Unit Owner shall be obligated to reimburse the Association promptly upon receipt of its statement of any expenditures incurred by it in repairing or replacing any Townhome Unit elements, Townhome Building Common Elements, or Limited Common Areas for which the Unit Owner is responsible.

11.5 Maintenance Caused by Unit Owner Negligence. In the event that the need for maintenance or repair of Common Townhome Elements as specified herein is caused through the willful or negligent acts of an Unit Owner, or through the willful or negligent acts of the family, guests, tenants, or invitees of an Unit Owner, the Board may cause such repairs to be made by the Association and the cost of such maintenance or repair work shall be added to and become a Maintenance Charge to which such Townhome Unit is subject.

11.6 Failure to Maintain Party Wall or Other Common Townhome Elements within Townhome Building or Limited Common Areas.

(a) Defaulting Unit Owner. If any Unit Owner shall fail to comply with the provisions of this Declaration as to maintenance, repair, or use of any Common Townhome Element or interior bearing walls, or the obtaining of insurance as set forth in Section 11.7 below, or other obligations contained in this Article XI with respect to maintenance or repair of Limited Common Areas or Common Townhome Elements comprising a portion of a Townhome Building in which such Unit Owner's Townhome Unit is located, ("Defaulting Unit Owner"), then in any such event the adjoining Unit Owner (or Unit Owners, as the case may be, if there are more than two Townhome Units within a particular Townhome Building) shall have the right, upon thirty (30) days written notice to the Defaulting Unit Owner (unless within such 30-day period the Defaulting Unit Owner shall cure such default, or in the case of a nonmonetary default which by its nature cannot be cured within such 30-day period, the Defaulting Unit Owner shall take such action as is reasonably calculated to commence the curing thereof, and thereafter shall diligently prosecute the curing thereof to completion) to proceed to take such action as shall be necessary to cure such default, all in the name of and for the account of the Defaulting Unit Owner. The Defaulting Unit Owner shall on demand reimburse the other adjoining Unit Owner taking such action for the monies actually expended by such adjoining Unit Owner and the adjoining Unit Owner's reasonable out-of-pocket expenses in so doing, together with interest thereon as set forth below from the date of demand to the date of payment. Notwithstanding the foregoing, if the nondefaulting adjoining Unit Owner shall in good faith deem that an emergency is occurring or has occurred, so that the default requires immediate curing, then no notice shall be required and the nondefaulting adjoining Unit Owner may act promptly without giving notice and take such action as is necessary to cure the alleged failure. Any adjoining Unit Owner performing any

action pursuant to the preceding sentence shall interfere to the minimum extent possible with the Defaulting Unit Owner's use and occupancy of such Defaulting Unit Owner's Townhome Unit, and, with reasonable promptness, shall give verbal or written notice to the Defaulting Unit Owner of such action and the claimed failure.

(b) Dispute as to Failure to Maintain. Any unresolved dispute, disagreement or controversy between two or more Unit Owners, including but not limited to a Defaulting Unit Owner and an adjoining Unit Owner(s)), with respect to (among other things) the condition or failure to maintain or repair a particular Townhome Unit or Townhome Building (and Common Townhome Elements or Limited Common Areas associated therewith), shall at the request of either party be submitted to an arbitration board of at least three (3) members with one chosen by each Unit Owner(s), and a final arbitrator by the other arbitrators so chosen by the Unit Owners. The arbitrators may be (but need not be) members of the Board. The arbitrators shall act in accordance with the commercial Arbitration Rules then in effect of the American Arbitration Board, or such other rules which are fair and equitable to all disputing Unit Owners. At any time during the arbitration of a claim relating to the interpretation, application or enforcement of any covenants, conditions or restrictions applicable to the maintenance of Townhome Units, Party Walls or Townhome Buildings (including Common Townhome Elements or Limited Common Areas associated therewith), or rules or regulations adopted by the Association, the arbitrators may issue an order prohibiting the action upon which the claim is based. An award must be made within thirty (30) days after the conclusion of arbitration, unless a shorter period is agreed upon by the disputing Unit Owners. The decision of the majority of such arbitrators shall be binding on the applicable Unit Owners. Such decisions may include the awarding of costs, including reasonable attorneys fees, as the arbitrators may reasonably determine. The decision of the arbitrators shall be judicially enforceable as a judgment. All sums required to be reimbursed or otherwise paid hereunder by one Unit Owner to the other Unit Owner(s) shall bear interest per annum at the rate of 18%. Such interest rate shall be determined monthly on the first day of each calendar month.

(c) Cumulative Remedies. All remedies hereby specifically set forth in this Section 11.6 are cumulative and shall be deemed to be in addition to any remedies available at law or in equity which shall include the right to restrain by injunction any violation or threat of violation by any Unit Owner of any of the terms, covenants, or conditions of this Declaration governing Party Walls and Common Townhome Elements as set forth in this Article XI, and by decree to compel specific performance of any such terms, covenants, or conditions governing such improvements, it being agreed that the remedy at law for any breach of any such term, covenant, or condition governing Party Walls is not adequate. Notwithstanding the foregoing, no default by any Unit Owner under this Agreement shall entitle any other Unit Owner to terminate, cancel, or otherwise rescind this Declaration or any terms, covenants or conditions governing Common Townhome Elements within or comprising portions of a Townhome Building.

11.7 Insurance of Party Walls; Waiver. By acceptance of a deed to a Townhome Unit, each Unit Owner hereby acknowledges his, her or its independent insurance obligations for the respective Party Wall which constitutes a portion of the Unit Owner's Townhome Unit, and agrees to maintain in full force and effect "all-risk" property insurance with respect to the Townhome Unit owned by such Unit Owner. Such insurance shall be in an amount equal to at least 100% of the replacement cost of such Unit Owner's Townhome Unit, exclusive of the cost of excavation, foundations and footings, and shall protect against loss or damage by fire, water, utility service line ruptures and all other hazards that are normally covered by the standard extended coverage endorsement. Each policy shall be carried with a company

rated X or better in "Best's Insurance Guide", and each Unit Owner shall provide a copy of the policy obtained by such Unit Owner to the Board and the other adjoining Unit Owner and such policy shall require thirty (30) days notice to the Board and the other adjoining Unit Owner before the policy can be cancelled. All policy proceeds payable with respect to damage or destruction of the Party Wall shall be used by the Unit Owners, to the extent necessary, to repair and restore the damage or destruction for which the proceeds are payable. Each Unit Owner agrees to make such repair and restoration whether or not the policy proceeds are adequate for such purposes or whether or not the occurrence resulting in such damage or destruction is covered by insurance. Each Unit Owner hereby waives any rights it may have against the other adjoining Unit Owner on account of any loss or damage to its Townhome Unit which arises from any risk covered by fire and extended coverage insurance carried hereunder, whether or not such other adjoining Unit Owner may have been negligent or at fault in causing such loss or damage. Each Unit Owner shall obtain a clause or endorsement in the policies of such insurance which each Unit Owner obtains to the effect that the insurer waives, or shall otherwise be denied, the right of subrogation against the other adjoining Unit Owner for loss covered by such insurance. It is understood that such subrogation waivers may be operative only as long as such waivers are available in the State of Utah and do not invalidate any such policies. If such subrogation waivers are allegedly not operative in the State of Utah, notice of such fact shall be promptly given by the Unit Owner obtaining insurance to the Board and the other Adjoining Unit Owner.

11.8 Restrictions on Use of Townhome Units.

(i) No awning, canopy, deck antenna, shutter, storm door, screen door or other item or object shall be hung, be displayed, be visible or otherwise be placed on the exterior walls or roof of any Townhome Unit, Townhome Building in the Project or any part thereof, or on the outside of windows, or doors, without the prior written consent of the Association.

(ii) Nothing shall be done in any Townhome Unit of or in, on or to the Common Townhome Elements which will impair the structural integrity or structurally change the same or any part thereof except as is otherwise provided herein.

(iii) The Common Townhome Elements and Limited Common Areas shall be kept free and clear of all rubbish, debris and other unsightly materials.

(iv) Each Owner of a Townhome Unit shall be liable to the Association for all damages to the Common Townhome Elements caused by such Unit Owner or any occupant of his Townhome Unit or invitee, except for that portion of said damage, if any, that is covered by insurance maintained in effect by the Association. The failure of the Association to continue any insurance in effect shall not be a defense to any such liability.

(v) There shall be no obstruction of the Common Townhome Elements, nor shall anything be kept or stored on any part of the Common Townhome Elements 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 Townhome Elements except upon the prior written consent of the Association.

11.9 Easements Relating to Party Walls. Each Unit Owner, for each Townhome Unit that he, she or it owns, hereby acknowledges and agrees that a Party Wall may presently encroach upon or overlap the Unit Owner's Townhome Unit. To the extent the Party Wall does encroach upon or overlap a Unit, the Unit Owner of such Unit hereby grants to the adjoining Unit Owner of the other Townhome Unit that shares a Party Wall an easement over and upon its Unit for the purpose of maintaining the Party Wall and

carrying out the other obligations set forth in this Declaration. By accepting a deed to a Townhome Unit, each Unit Owner hereby covenants and agrees not to do anything or to erect any barrier that will hinder, delay or limit the maintenance of the Party Wall and the performance of the Association's (or Sub-Association's, as applicable) obligations and each Owner's respective obligations under this Declaration.

11.10 Inapplicability of Article XI. This Article XI shall not apply with respect to Townhome Units which may be developed upon portions of the Property, with respect to which a Neighborhood Declaration is recorded against such portions of the Property that establishes a Sub-Association, and provides terms relating to the ownership and use of such Townhome Units, Party Walls, and other related Common Areas and Common Townhome Elements.

ARTICLE XII

DISPUTE RESOLUTION AND LIMITATION ON LITIGATION

12.1 Agreement to Encourage Resolution of Disputes Without Litigation.

(a) Declarant, the Association and its officers, trustees, and committee members, all persons subject to this Declaration, and any person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "Bound Parties"), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Project without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in Section 12.1(b) below, unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 12.2 in a good faith effort to resolve such Claim.

(b) As used in this Article, the term "Claim" shall refer to any claim, grievance or dispute arising out of or relating to

(i) the interpretation, application, or enforcement of this Declaration;

(ii) the rights, obligations, and duties of any Bound Party under this Declaration; or

(iii) The design or construction of Improvements within Santorini Village;

except that the following shall not be considered "Claims" unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in Section 12.2:

(i) any suit by the Association to collect Assessments or other amounts due from any Owner;

(ii) any suit by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of this Declaration relating to creation and maintenance of community standards;

(iii) any suit between Owners, which does not include Declarant or the Association as a party, if such suit asserts a Claim which would constitute a cause of action independent of the Government Documents;

(iv) any suit in which any indispensable party is not a Bound Party; and

(v) any suit as to which any applicable statute of limitations would require within 180 days of giving the notice required by Section 12.2(a), unless the party or parties against whom the claim is made agree to toll the statute of limitations as to such Claim for such period as may reasonably be necessary to comply with this Article.

12.2 Dispute Resolution Procedures.

(a) Notice. The Bound Party asserting a Claim ("Claimant") against another Bound Party ("Respondent") shall give written notice to each Respondent and to the Board stating plainly and concisely:

(i) the nature of the Claim, including the persons involved and the Respondent's role in the Claim;

(ii) the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);

(iii) the Claimant's proposed resolution or remedy; and

(iv) the Claimant's desire to meet with the Respondent to discuss in good faith ways to resolve the Claim.

12.3 Negotiation. The Claimant and Respondent shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the notice, the Board may appoint a representative to assist the parties in negotiating a resolution of the Claim.

12.4 Mediation. If the parties have not resolved the Claim through negotiation within 30 days of the date of the notice described in Section 12.2(a) (or within such other period as the parties may agree upon), the Claimant shall have 30 additional days to submit the claim to mediation with an entity designated by the Association (if the Association is not a party to the Claim) or to an independent agency providing dispute resolution services in Utah. If the Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation when scheduled, the Claimant shall be deemed to have waived the Claim, and the Respondent shall be relieved of any and all liability to the Claimant (but not third parties) on account of such Claim. If the Parties do not settle the Claim within 30 days after submission of the matter to mediation, or within such time as determined reasonable by the mediator, the mediator shall issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and the date that mediation was terminated. The claimant shall thereafter be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate. Each party shall bear its own costs of the mediation, including attorneys fees, and each party shall share equally all fees charged by the mediator.

12.5 Settlement. Any settlement of the Claim through negotiation or mediation shall be documented in writing and signed by the parties. If any party thereafter fails to abide by the terms of such

agreement, then any other party may file suit or initiate administrative proceedings to enforce such agreement without the need to again comply with the procedures set forth in this Section. In such event, the party taking action to enforce the Declaration or award shall, upon prevailing, be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, attorneys' fees and court costs.

12.6 Initiation of Litigation by Association. In addition to compliance with the foregoing alternative dispute resolution procedures, if applicable, the Association shall not initiate any judicial or administrative proceeding unless first approved by a vote of the Owners entitled to cast 67% of the total Class A votes in the Association, except that no such approval shall be required for actions or proceedings:

(a) initiated prior to the termination of Class B memberships in the Association

(b) initiated to enforce the provisions of this Declaration, including collection of assessments and foreclosure of liens;

(c) initiated to challenge property taxation or condemnation proceedings;

(d) initiated against any contractor, vendor, or supplier of goods or services arising out of a contract for services or supplies; or

(e) to defend claims filed against the Association or to assert counterclaims in proceedings instituted against it.

ARTICLE XIII

MISCELLANEOUS

13.1 Enforcement and Remedies. Each provision of this Declaration with respect to the Property shall be enforceable by Declarant or by the Association in accordance with Section 6.2 above, or by any Owner who has made written demand on Declarant or the Association, as applicable, to enforce such provision and thirty (30) days have lapsed without appropriate action having been taken, by a proceeding for a prohibitive or mandatory injunction and/or by a suit or action to recover damages. All costs, including attorneys' fees, of such enforcement shall be borne by the Owners who are in violation of this Declaration. Furthermore, if an Owner violates any term or condition set forth in Article IV, the Association and the Declarant shall have the right (without any obligation) to (a) revoke any approval previously granted to the Owner by the Association, in which event the Owner shall, upon receipt of such notice, immediately cease any construction, alteration or landscaping covered by the approval so revoked, (b) enter upon the Owner's Lot and cure such violation at the Owner's sole cost and expense (in which case the Owner shall pay to the Association or Declarant (as applicable) the amount of all costs and expenses incurred by the Association or Declarant in connection therewith within thirty (30) days after the Owner receives written notice from the Association or Declarant documenting such costs and expenses.

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

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

13.4 Security. THE ASSOCIATION SHALL NOT IN ANY WAY BE CONSIDERED AN INSURER OR GUARANTOR OF SECURITY WITHIN THE PROJECT. NEITHER SHALL THE ASSOCIATION BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. THE BOARD OF TRUSTEES ON BEHALF OF THE ASSOCIATION, ALL OWNERS AND OCCUPANTS OF ANY PREMISES WITHIN THE PROJECT, TENANTS, GUESTS AND INVITEES OF ANY OWNER, AS APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION DOES NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION, BURGLAR ALARM SYSTEMS, ACCESS CONTROL SYSTEMS, PATROL SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVICES, OR OTHER SECURITY SYSTEMS (IF ANY ARE PRESENT) WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP OR OTHERWISE, NOR THAT FIRE PROTECTION, BURGLAR ALARM SYSTEMS, ACCESS CONTROL SYSTEMS, PATROL SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVICES OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. THE BOARD OF TRUSTEES ON BEHALF OF THE ASSOCIATION, EACH OWNER AND OCCUPANT OF ANY PREMISES WITHIN THE PROJECT AND EACH TENANT, GUEST AND INVITEE OF AN OWNER, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION IS NOT AN INSURER AND THAT EACH OWNER AND OCCUPANT OF ANY PREMISES WITHIN THE PROJECT AND EACH TENANT, GUEST AND INVITEE OF ANY OWNER ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO PROPERTY, OR LOTS AND TO THE CONTENTS UPON OR WITHIN ANY LOT, AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION HAS MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS THE ASSOCIATION, ANY OWNER, OCCUPANT, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE PROTECTION, BURGLAR ALARM SYSTEMS, ACCESS CONTROL SYSTEMS, PATROL SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVICES OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTY.

13.5 Environmental Conditions. The Association shall not in any way be considered an insurer or guarantor of environmental conditions or indoor air quality within the Project and shall not be held liable for any loss or damage by reason of or failure to provide adequate indoor air quality or for any adverse environmental conditions. The Association and its board of trustees on behalf of all owners, occupants, guests and invitees of any premises within the Project acknowledges that the Association does not represent or warrant that the construction or any work performed, construction materials, air filters, mechanical, heating, ventilating or air conditioning systems and chemicals necessary for the cleaning or pest control of the Project will prevent the existence or spread of biological organisms, mold, mildew, cooking odors, animal dander, dust mites, fungi, pollen, tobacco smoke, dust or the transmission of interior or exterior noise levels. The Owners further acknowledge that the Association is not an insurer and that each owner and occupant of any Lot within the Project and each tenant, guest and invitee of any owner assumes all risks for indoor air quality and environmental conditions and acknowledges that the Association has made no representations or warranties nor has the Association, any owner, occupant, tenant, guest or invitee relied upon any representation or warranties, expressed or implied, including any warranty or merchantability or fitness for any particular purpose, relative to air quality within the Community.

13.6 Rules and Regulations. In addition to the right to adopt rules and regulations on the matters expressly mentioned elsewhere in this Declaration, the Association shall have the right to adopt rules and regulations with respect to all other aspects of the Association's rights, activities, and duties, provided such rules and regulations are not inconsistent with the provisions of this Declaration.

13.7 General Reservations. Declarant reserves the right to grant, convey, sell, establish, amend, release, and otherwise deal with easements, reservations, exceptions, and exclusions with respect to the Property which do not materially interfere with the best interests of Owners and/or the Association including, but not limited to, access and utility easements, road easements, pedestrian and equestrian easements, pedestrian and hiking trails, and easements and drainage easements.

13.8 Attorneys' Fees. In the event of any dispute under or with respect to this Declaration, the prevailing party shall be entitled to recover from the nonprevailing party all of its costs and expenses in connection therewith, including, without limitation, the fees and disbursements of any attorneys, accountants, engineers, appraisers or other professionals engaged by the prevailing party.

13.9 Run with the Land. Declarant for itself, its successors, and assigns, hereby declares that all of the Property shall be held, used, and occupied subject to the provisions of this Declaration, and to the covenants and restrictions contained herein, and that the provisions hereof shall run with the land and be binding upon all persons who hereafter become the Owner of any interest in the Property.

IN WITNESS WHEREOF, Declarant has executed this Declaration this 19 day of February, 2016.

EVANS RANCH, LLC, a Utah limited liability company,

By: DAI Managers, LLC, its Manager

By:____________________
Nathan D. Shipp, Manager

STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 19 day of February, 2016 by Nathan D. Shipp, Manager of DAI Managers, LLC, the Manager of Evans Ranch, LLC, a Utah limited liability company.

Denise Pauline Cassidy
Notary Public
Residing at: Salt Lake County, Utah

My commission expires: 7-10-17

1362149

DENISE PAULINE CASSIDY
NOTARY PUBLIC • STATE OF UTAH
COMMISSION# 668409
COMM. EXP. 07-10-2017

EXHIBIT A

(Legal Description of the Property)

The Property is located in Eagle Mountain City, Utah County, State of Utah, and is more particularly described as follows:

ALL OF EVANS RANCH PLAT "B-1", according to the official plat thereof, as recorded in the office of the Utah County Recorder.

ALSO KNOWN AS:

A PORTION OF THE WEST HALF OF SECTION 28, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE WEST ¼ CORNER OF SECTION 28, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN; THENCE N0°37'35"E ALONG THE SECTION LINE 22.45 FEET; THENCE S89o22'25"E 4.00 FEET; THENCE N72o29'19"E 17.08 FEET; THENCE ALONG THE ARC OF A 140.00 FOOT RADIUS CURVE TO THE LEFT 28.75 FEET THROUGH A CENTRAL ANGLE OF 1r45'57" (CORD: N66°36'21"E 28.70 FEET); THENCE S25o29'24"E 139.44 FEET; THENCE ALONG THE ARC OF A 82.00 FOOT RADIUS NON-TANGENT CURVE (RADIUS BEARS: S23°02'41"E) TO THE RIGHT 82.00 FEET THROUGH A CENTRAL ANGLE OF 14°22'52" (CHORD: N74o08'45"E 20.53 FEET); THENCE N8r20'11"E 28.88 FEET; THENCE S8o39'44"E 78.00 FEET; THENCE S8b20'11"W 12.45 FEET; THENCE S21o55'47"W 152.62 FEET; THENCE ALONG THE ARC OF A 70.00 FOOT RADIUS NON-TANGENT CURVE (RADIUS BEARS: S39°43'51"W) TO THE LEFT 39.80 FEET THROUGH A CENTRAL ANGLE OF 32°34'40" (CHORD: N66°33'29"W 39.27 FEET); THENCE N82o50'49"W 61.03 FEET; THENCE N89°22'57"W 4.00 FEET TO THE SECTION LINE; THENCE N0°37'03"E ALONG THE SECTION LINE 274.29 FEET TO THE POINT OF BEGINNING.

CONTAINS: ±0.86 ACRES

AND ALSO:

ALL OF EVANS RANCH PLAT "B-2", according to the official plat thereof, as recorded in the office of the Utah County Recorder.

ALSO KNOWN AS:

A PORTION OF THE WEST HALF OF SECTION 28, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST SECTION LINE OF SAID SECTION 28, SAID POINT BEING N0°37'35"E 22.45 FEET FROM THE WEST 1/4 CORNER OF SECTION 28, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN; THENCE N0°37'35"E 151.95 FEET; THENCE S89°22'25"E 115.99 FEET; THENCE N86°37'45"E 175.62 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF A 273.50 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT 3.32 FEET (RADIUS BEARS: S59°05'18"W) THROUGH A CENTRAL ANGLE OF 0°41'43" (CHORD: N31°15'34"W 3.32 FEET); THENCE N58°23'35"E 53.00 FEET; THENCE N42°20'00"E 111.65 FEET; THENCE N7°19'15"E 49.90 FEET; THENCE S54°58'38"E 28.87 FEET; THENCE N42°20'00"E 112.91 FEET; THENCE S2°47'10"E 28.22 FEET; THENCE S66°32'29"E 104.82 FEET; N55°57'40"E 157.44 FEET; THENCE N42°28'39"W 22.39 FEET; THENCE ALONG THE ARC OF A 376.50 FOOT RADIUS CURVE TO THE RIGHT 26.51 FEET THROUGH A CENTRAL ANGLE OF 4°02'04" (CHORD: N40°27'38"W 26.50 FEET); THENCE N51°33'24"E 53.00 FEET; THENCE N50°26'47"E 179.66 FEET; THENCE N85°58'11"E 62.76 FEET; THENCE S39°45'16"E 144.91 FEET; THENCE S42°59'30"E 102.76 FEET; THENCE S30°04'35"E 179.13 FEET; THENCE S74°59'35"W 198.13 FEET; THENCE S49°41'54"W 188.16 FEET; THENCE S66°08'29"W 141.96 FEET; THENCE S78°55'02"W 268.32 FEET; THENCE S62°42'22"W 124.57 FEET; THENCE S2°12'14"E 56.96 FEET; THENCE S28°37'28"W 135.86 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF A 192.50 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT 119.35 FEET (RADIUS BEARS: N33°40'20"E) THROUGH A CENTRAL ANGLE OF 35°31'22" (CHORD: N38°33'59"W 117.45 FEET); THENCE S69°11'42"W 53.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF A 16.00 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT 21.74 FEET (RADIUS BEARS: S69°11'42"W) THROUGH A CENTRAL ANGLE OF 77°51'52" (CHORD: N59°44'14"W 20.11 FEET); THENCE N8°39'44"W 78.00 FEET; THENCE S81°20'11"W 28.88 FEET; THENCE ALONG THE ARC OF A 82.00 FOOT RADIUS CURVE TO THE LEFT 20.58 FEET THROUGH A CENTRAL ANGLE OF 14°22'52" (CHORD: S74°08'45"W 20.53 FEET); THENCE N25°29'24"W 139.44 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF A 140.00 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT 28.75 FEET (RADIUS BEARS: N29°16'38"W) THROUGH A CENTRAL ANGLE OF 11°45'57" (CHORD: S66°36'21"W 28.70 FEET); THENCE S72°29'19"W 17.08 FEET; THENCE N89°22'25"W 4.00 FEET TO THE POINT OF BEGINNING.

CONTAINS: ±9.19 ACRES

AND ALSO

ALL OF EVANS RANCH PLAT "A", according to the official plat thereof, as recorded in the office of the Utah County Recorder.

ALSO KNOWN AS

A PORTION OF THE NORTHWEST QUARTER OF SECTION 28, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT POINT LOCATED S0°37'35"W ALONG THE SECTION LINE 1322.10 FEET FROM THE NORTHWEST CORNER OF SECTION 28, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN (BASIS OF BEARING-S0°37'03"W ALONG THE SECTION LINE FROM THE WEST 1/4 CORNER TO THE SOUTHWEST CORNER OF SAID SECTION 28); THENCE S89°18'28"E 508.48 FEET; THENCE S56°03'30"E 73.96 FEET; THENCE S37°11'04"E 148.10 FEET; THENCE S48°23'12"E 204.16 FEET; THENCE S29°30'47"E 171.25 FEET; THENCE S8°51'48"E 114.34 FEET; THENCE S11°16'38"E 142.09 FEET; THENCE S85°58'11"W 62.76 FEET; THENCE S50°26'47"W 179.66 FEET; THENCE S51°33'24"W 53.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF A 376.50 FOOT RADIUS NON-TANGENT CURVE (RADIUS BEARS: N51°33'24"E) TO THE LEFT 26.51 FEET THROUGH A CENTRAL ANGLE OF 4°02'04" (CHORD: S40°27'38"E 26.50 FEET); THENCE S42°28'39"E

22.39 FEET; THENCE S55°57'40"W 157.44 FEET; THENCE N66°32'29"W 104.82 FEET; THENCE N2°47'10"W 357.09 FEET; THENCE N31°27'51"W 180.41 FEET; THENCE S60°30'41"W 25.45 FEET; THENCE N78°57'56"W 100.85 FEET; THENCE N69°43'05"W 53.00 FEET; THENCE ALONG THE ARC OF A 815.50 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT (RADIUS BEARS: N69°43'05"W) 32.07 FEET THROUGH A CENTRAL ANGLE OF 2°15'11" (CHORD: N19°09'19"E 32.07 FEET); THENCE N81°14'25"W 91.75 FEET; THENCE N39°14'58"W 7.16 FEET; THENCE S59°23'09"W 99.36 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF A 59.00 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT (RADIUS BEARS: S58°39'16"W) 36.93 FEET THROUGH A CENTRAL ANGLE OF 35°52'00" (CHORD: N49°16'45"W 36.33 FEET); THENCE N67°12'45"W 26.77 FEET; THENCE N89°22'25"W 4.00 FEET; THENCE N0°37'35"E 368.21 FEET TO THE POINT OF BEGINNING.

CONTAINS: ±11.03 ACRES

EXHIBIT B

(Additional Land)

THE FOLLOWING PROPERTY IS "ADDITIONAL LAND", EXCEPT TO THE EXTENT THE PROPERTY IS OTHERWISE DESCRIBED IN EXHIBIT A HERETO:

All of that real property described in Deed Entry No. 134267:1998 in the official records of the Utah County Recorder, located in the Southwest Quarter and the Northwest Quarter of Section 28, Township 5 South, Range 1 West, Salt Lake Base and Meridian, described by survey as follows:
Beginning at the Southwest Corner of Section 28, Township 5 South, Range 1 West, Salt Lake Base and Meridian; thence N0037'03"E along the Section Line 2644.34 feet to the West 1/4 Corner of said Section 28; thence NOo37'35"E along the Section Line 1322.10 feet to the North Line of the Southwest Quarter of the Northwest Quarter of said Section 28; thence S89°18'28"E along said North Line 1320.63 feet to the West Line of Plat "1C" Silver Lake Subdivision; thence S0°35'05"W along said subdivision and the West Line of Plat "2A' Silver Lake Subdivision 947.38 feet to the Southwest Corner of said Plat "2A"; thence S54°04'40"E along the South Line of said Plat "2A" 0.66 feet to the East Line of the Southwest Quarter of the Northwest Quarter of said Section 28; thence SOo34'19"W along said East Line 370.82 feet; thence SOo34'02"W along the East Line of the West Half of the Southwest Quarter of said Section 28, 2648.71 feet to the South Line of said Section 28; thence N89°16'15"W along the Section Line 1324.54 feet to the point of beginning.

Contains: ±120.45 Acres

AND ALSO EXCLUDING:

ALL OF EVANS RANCH PLAT "B-3", according to the official plat thereof, as recorded in the office of the Utah County Recorder.

EXHIBIT C

(Bylaws)

See attached.