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**DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS
AND PROTECTIVE COVENANTS
OF
PALISADES AT SNOW CANYON**

Parcel #1-SB-19-E
Parcel #1-SB-19-K

THIS DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND PROTECTIVE COVENANTS (the "**Declaration**") is executed this 5th day of September, 2013 by GARDNER-PLUMB IVINS, L.C. ("**Declarant**") to establish a planned unit development for single family homes to be known as "Palisades at Snow Canyon".

RECITALS

A. Gardner-Plumb Ivins, L.C., a Utah limited liability company (the "**Declarant**") is the owner of the real property located in Washington County, State of Utah described on the attached Exhibit "A" (the "**Property**").

B. The Declarant desires to subdivide the Property and to develop on the Property a first class residential community which will be a part of a phased subdivision master plan. Palisades at Snow Canyon may be developed in multiple phases. The first phase ("**Phase 1**") will consist of Twenty Six (26) lots and is the only tract of land subject to this Declaration. The Declarant also reserves the right to subject additional tracts of land to this Declaration in the future. Subsequent phases that might be subject to this Declaration may consist of up to One Hundred Twelve (112) lots and may be subjected to this Declaration by an amendment to this Declaration executed and recorded by Declarant; provided, modifications may be made to this Declaration providing for separate terms and conditions that are applicable only to such future phases.

C. Declarant desires to create a regime of covenants, easements and protective covenants to govern the Property.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Declarant establishes the following covenants, conditions, easements and protective covenants which shall govern the Property.

1. Definitions. As used in this Declaration, capitalized terms shall have the meanings set forth on Exhibit "B"

2. Grant.

2.1. Plat. Declarant hereby includes all of the Property in the Plat of Palisades at Snow Canyon Subdivision, and divides the Property into private streets, Lots and Common Area, as shown on the Plat.

2.2. Easement Areas. Declarant grants and creates the easement in the Easement Areas on each Lot as set forth on the Plat. Except to the extent as set forth in Section 4.3.2 with respect to a single Home constructed on more than one (1) Lot, the easements indicated on said Plat are hereby perpetually reserved for public utilities and for any other uses as designated on the Plat or set forth in this Declaration.

2.3. Declaration Binding on Successors; Runs with Land. Declarant further declares that all of the Property is held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied, and improved subject to the limitations, restrictions, covenants, conditions, easements and protective covenants set forth in this Declaration. Each grantee or purchaser of a Lot shall take his or her interest in the Lot subject to all of the terms of this Declaration. All limitations, restrictions, covenants, conditions, easements and protective covenants set forth in this Declaration run with the land and shall inure to the benefit, and burden the estate, of each successor in interest of each Lot.

3. Common Area.

3.1. Title to Common Area. Prior to the conveyance of the first Lot to any other Person, but subject to this Declaration and all easements and rights-of-way of record, the Declarant will convey fee simple title to the Common Area to the Association, free and clear of all encumbrances and liens. By accepting the deed to the Common Area, the Association covenants and agrees to fulfill all the terms of this Declaration, to maintain the Common Area in good repair and first-class condition in accordance with the highest standards governing communities in Washington County, Utah, and at all times and to operate the Common Area at the expense of the Association.

3.2. Rights of Owners to Use Common Area. Every Owner has a right and easement of use and enjoyment in and to the Common Area.

3.3. Rules. The Trustees shall have the authority to promulgate rules and regulations for the governance of the Property and Persons owning or using the Property including, without limitation, the use of the Common Area (the "Rules"). The Rules shall be compiled by the Association, which shall make copies available to the Owners for inspection and copying at the expense of the Owners.

3.4. Owner's Rights to Common Area Run With Land; Certain Restrictions on Rights. The rights and easements granted to each Owner pursuant to this Section are appurtenant to and pass with title to the Lot owned by such Owner, and shall be subject to:

3.4.1.1. The right of the Association to suspend the voting rights and/or common utility service of a Member:

3.4.1.1.1. For any period during which any Assessment or portion thereof against his or her Lot remains unpaid.

3.4.1.1.2. For any period that such Member is in violation of this Declaration or the Rules.

3.4.1.2. The right of the Association to grant easements across the Common Area and Easement Areas for public utilities or other public purposes consistent with the intended use of the Common Area or Easement Areas.

3.4.1.3. The right of the Association to take any and all reasonable actions to protect the Common Area against foreclosure or to remove any encumbrances existing or claimed to be existing with respect to the Common Area.

3.4.1.4. The terms and conditions of this Declaration.

3.4.1.5. The right of the Association to adopt and enforce the Rules.

3.5. Installation of Certain Improvements to Common Areas. Developer shall install the following improvements:

3.5.1. The storm water drainage system required by Ivins City to be developed and installed in connection with the subdivision and development of the Lots.

3.5.2. The landscaping improvements within the right-of-way of Park Avenue or adjacent to such right-of-way that are required to be installed by Ivins City in connection with the subdivision and development of the Lots.

3.6. Care and Maintenance of the Common Areas. The Association shall be responsible for care and maintenance of the Common Areas. Without limiting the foregoing, the Association shall maintain and repair the landscaping immediately adjacent to Park Avenue installed by Developer pursuant to Section 3.5. Palisades at Snow Canyon Owner's Association shall be responsible for maintenance of the streetscape along the Easterly side of Park Avenue if required by Ivins City.

3.7. Damage to Common Areas. Notwithstanding the provisions of Section 3.6, any damage to the Common Areas or to any personal property owned by the Association caused by any Lot Owner and/or their agents, guests or invitees must be repaired by the Lot Owner as soon as possible after such damage is discovered. In the event of failure of the Owner to make required repairs, the Association may make such repairs and the responsible Lot Owner shall be obligated to pay the Association the amount of the cost of repair plus interest at the reasonable rate established from time to time by the Association as part of the Rules. Any amount owed to the Association as a result of the repair of the damage to the Common Area shall be a special Assessment charged solely to the Lot Owner or Lot Owners causing the damage.

4. Use Restrictions.

4.1. Lots and Homes Limited to Residential Use. Each Lot shall be used only for the purpose of constructing one (1) Home, and the occupancy of the Home by one (1) Family for residential purposes, and for no other purposes. Except as set forth in Section 4.18, no professional, business or commercial use shall be made of any Lot or any Home located thereon; provided, however, that the restrictions contained in this Section shall not be construed in such a manner as to prohibit an Owner or Resident from any of the following if and to the extent permitted by Governmental Requirements:

4.1.1. Maintaining a personal professional library, office or study in his or her Home for his or her own use;

4.1.2. Keeping personal business or professional records or accounts in his or her Home; or

4.1.3. Handling personal, business or professional telephone calls, electronic communication or correspondence from his or her Home provided that no clients, customers, prospects or other Persons come to the Home in connection with the business or profession.

4.2. Rental of Home. An Owner may lease or rent a Home to a Resident for occupancy by such Resident and the Members of his or her Family. Each such Lease shall be in writing. The initial term of such lease or rental agreement shall not be less than six (6) months, but may thereafter be extended on a month-to-month basis. An Owner shall provide written

notice to the Association of any lease or rental of the Home located on his or her Lot, which notice shall state the name of the Resident and the term of the lease or rental agreement. No Home shall be rented on a daily or weekly basis. Except for occasional overnight guests of the Owner or a Resident who do not pay for accommodations, no Home shall be occupied by more than one (1) Family at any time.

4.3. Lot Size.

4.3.1. The area of each Lot as established by the Plat constitutes the minimum size of such Lot, and no Person shall further subdivide or adjust the boundary lines of such Lot.

4.3.2. Adjacent Lots may be combined for construction of one (1) single family Home constructed across the common boundary line of such Lots. In the event of such combination of adjacent Lots, all easements and rights of the Association, its Members, other Lot Owners, and third Persons (including, without limitation, governmental authorities and utility companies) in the boundary area between such Lots which had been exercised or used prior to construction of the single family Home on the adjacent Lots shall remain in place, shall be enforceable and may be used in perpetuity by the beneficiaries of such easements and rights, and their successors and assigns. However, all easements and other rights in the boundary area between such Lots which had not been exercised or used prior to construction of the Home may not thereafter be exercised and each use of the Easement Areas which is abandoned for more than six (6) months may not thereafter be resumed. For purposes of levying Assessments and voting, Adjacent Lots on which one (1) Home is located shall continue to be treated as separate Lots for assessment purposes and for Membership and voting purposes; provided, upon written request of the Owner of the Adjacent Lots and the written approval of the Trustees which may be withheld at their sole and absolute discretion, the Lots on which a single Home is located may be combined into one (1) Lot, in which event, the combined Lots shall thereafter be assessed as one (1) Lot and the Owner thereof shall have only one (1) Class A Membership interest and one (1) vote on account of the ownership of such Adjacent Lots.

4.4. Care and Maintenance of Lot and Home. The Owner of each Lot shall keep his or her Lot free from rubbish, litter and noxious weeds. All Homes and other permitted structures, landscaping and improvements shall be maintained in good condition and repair at all times in a manner that, in the judgment of the Trustees does not detract from the appearance of the Lot or the Home located thereon, or adversely impact the value, appearance or use of any other Lot or Home. Each Owner shall be responsible for maintenance of his or her Lot. In the event any Owner fails to perform required maintenance, the Trustees shall have the right but not the obligation to cause all required maintenance to be performed on the Lot and Home, and the cost of said maintenance, plus interest at the reasonable rate established from time to time by the Association as part of the Rules, shall be added to and become part of the Assessment to which such Lot is subject.

4.5. Restrictions Applicable to Easement Areas and Setback Areas. No building or other structure shall be built or maintained within the Setback Areas. No improvement, planting or other material shall be placed or permitted to remain within the Easement Areas which may damage or interfere with the installation, maintenance or replacement of utilities in the Easement Areas, change the direction or flow of drainage channels in the Easement Areas, or obstruct or retard the flow of water through drainage channels in the Easement Areas. The Easement Areas on each Lot and all improvements in such Easement Areas shall be maintained continuously by the Owner of the Lot at his or her cost and expense, except for those improvements for which a public authority or utility company is responsible, or for those improvements which the Association agrees to maintain and include in the Budget. The Owner of each Lot shall, from time to time as may be reasonably required, grant additional rights over, across, on, under and upon the Easement Areas for such additional utilities and communication information services as may be provided from time to time by a public authority, public or private utility company or the Association. Given the rapid change in the nature and types of utility and communication services, this provision shall be construed liberally to facilitate the access of all Owners to available utilities, communication, media, information services and similar services, whether known or unknown, anticipated or unanticipated.

4.6. No Hazardous Activities. No activities shall be conducted or improvements constructed on the Property which are or might be unsafe or hazardous to any Person or to any other real or personal property. Without limiting the generality of the foregoing, no firearms shall be discharged upon the Property and no open fires shall be lighted or permitted on the Property except in a contained barbecue or fire pit unit while attended and in use for cooking purposes or within a safe and well-designed interior fireplace.

4.7. Motorbikes. All motorcycles, trail bikes, three-wheel powered devices, automobiles, and two or four-wheel drive recreational type vehicles are to be operated only by a natural Person with a valid driver's license and only on established Roads. Such vehicles are specifically prohibited from all other portions of the Property, and are to be used on said Roads only for ingress, egress, and access purposes and not for recreational purposes. The Association shall have absolute and sole discretion to make Rules governing the use of any type of vehicle within the Property and may prohibit entirely the use of trail bikes, three-wheel power devices and ATV-type vehicles.

4.8. Weed Control. Each Lot Owner shall, to the extent reasonably feasible, control the growth and proliferation of noxious weeds and plants (including those which constitute a fire hazard) on his or her Lot so as to minimize weeds, fire and other hazards to surrounding Lots, Homes and other surrounding properties, and shall otherwise comply with any applicable Governmental Requirements pertaining to the removal and/or control of such noxious weeds and fire hazards. Noxious weeds shall mean and refer to those plants which are injurious to crops, livestock, land, or the public health or which constitute a fire hazard.

4.9. Nuisances. No noxious or offensive activity shall be carried on upon any

Lot, part or portion of the Property, nor shall anything be done thereon which may be or may become an annoyance to adjoining Lots or other surrounding properties. No outdoor clothes drying or storage of any articles which are visible from any public street shall be permitted. No clutter, debris, or other such materials shall be permitted which are visible from any Road. No Lot shall be used in a manner which shall endanger the health or disturb the reasonable enjoyment of any other Owner or resident.

4.10. Safe Condition. Without limiting any other provision of this Declaration, each Owner shall maintain and keep his or her Lot at all times in a safe, sound and sanitary condition and repair and shall correct any condition or refrain from any activity which might interfere with the safety or reasonable enjoyment of other Owners of their respective Lots.

4.11. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon, in or under the Property, nor shall any oil well, gas well, tank, tunnel, mineral excavation or shaft be permitted upon, in or under the Property.

4.12. Agricultural Activities. Dogs, cats or other domesticated household pets, two (2) or less in total number, may be kept in a Home constructed on a Lot; provided, no pets may be kept, bred, or maintained for sale or for any commercial purpose. All permitted pets shall be strictly controlled and kept pursuant to all applicable laws and ordinances, and shall be on a leash or inside a fence when outside the Owner's Home. No other animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, part or portion of the Property.

4.13. Garbage and Refuse Disposal. No Lot or part or portion of the Property, shall be used or maintained as dumping ground for rubbish, rubble, trash, garbage or other waste. Trash, rubbish, rubble, garbage or other waste produced on a Lot or within the Property shall be kept only in sanitary containers inside a structure except when placed for collection. There shall be no outside refuse storage. No rubbish, trash, papers, junk or debris shall be burned upon the Property except that trash may be burned in accordance with applicable Governmental Requirements inside Homes that are properly equipped with inside incinerator units.

4.14. Water Supply. Each Home shall be connected to and use the municipal culinary water supply. No individual culinary water supply system or well shall be used or permitted to be used on any Lot, part or portion of the Property. Initially, culinary water shall be used for all outside watering; however, when Ivins City provides secondary irrigation water, then all outside watering, other than through hose bibs plumbed with the Home, shall be through the irrigation system provided by Ivins City.

4.15. Sewage Disposal. Each Home shall be connected to and use the municipal sewage disposal system. No individual sewage disposal system or septic tank shall be permitted on any Lot.

4.16. RV's, Boats, and Vehicles.

4.16.1. No buses, motor homes, campers, or other similar vehicles, shall be parked or stored upon any Lot. No boats, trailers or recreational vehicles, or other similar vehicles shall be parked or stored upon any Lot except within an enclosed garage or enclosed outbuilding approved by the Architectural Control Committee. Except for temporary periods required to load or unload recreational vehicles or moving vans, which shall not exceed two (2) days, no boats, trailers, buses, motor homes, campers, recreational vehicles, or other similar vehicles shall be parked overnight on any Roads. Trailers, motor homes, and trucks over 9,000 pounds GAW are not allowed to be stored upon any vacant Lot or street or in any Road.

4.16.2. Motor vehicles of any type that are inoperable shall not be permitted to remain upon any Lot or Road. In the event an inoperable motor vehicle remains upon any Lot or Road for a period exceeding thirty (30) days, the Declarant, the Association or any other Lot Owner residing within the Property may remove the inoperable motor vehicle after providing a ten (10) day written notice to the Owner of the Lot on which the inoperable vehicle is located. The cost of such removal shall attach to the vehicle and the Lot on which the vehicle is or was located as a valid lien in favor of the Persons, entities, or Persons accomplishing such removal. For the purpose of this Section, an inoperable motor vehicle shall mean any motor vehicle that is unable to operate in a normal manner upon the streets under its own power, or any vehicle that is required to be licensed or registered and which is not licensed or registered for a period of six (6) weeks or more.

4.17. Construction of Home to Commence within Ten (10) Years.

Notwithstanding any other provision of this Declaration, the Owner of a Lot must commence construction of a Home on the Lot not later than the tenth (10th) anniversary of the date the Declarant first deeds the Lot to a third Person. Each Person accepting a deed from Declarant or any of its successors irrevocably and unconditionally agrees to the foregoing covenant. Any Lot which is in violation of the foregoing requirement shall constitute an "**Unimproved Lot**" and shall be subject to the assessment on Unimproved Lots set forth in Section 10.8.

4.18. Business and Sales Activities.

Notwithstanding any provisions to the contrary contained in this Declaration but subject to Governmental Requirements, it shall be expressly permissible for Declarant, or its written designee, to maintain such facilities and conduct such activities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the construction and sale of Homes and the sale of Lots during the Development Phase. Such activities may be conducted upon such portion of the Property, including the Common Area and any Lots owned by Declarant or its affiliates, as Declarant deems necessary or desirable, including, but not limited to, a business office, storage areas, construction yard, signs, model units and sales offices. As part of the overall program of development of the Property into a residential community and to encourage the marketing thereof, the Declarant or its affiliates shall have the right of use of any Lots owned by Declarant

or its affiliates or any part of the Common Area, including any Easement Areas, without charge during the Development Phase. Declarant may delegate its rights under this Section to one or more homebuilders.

5. Architectural Control Committee.

5.1. Creation of Architectural Control Committee. The Declarant shall establish, and the Declarant and the Association, as applicable shall continue, a committee (the "Architectural Control Committee") for the purposes set forth in this Article 5 including, without limitation, to finally approve all aspects of the excavation, construction or remodeling of the buildings, structures, landscaping or other improvements on the Lots. Prior to the commencement of any excavation, construction or remodeling of any building or structure or of any addition to any building or structure, or modification of the natural topography of any Lot, or installation of fences, walls or landscaping elements (all of the foregoing being referred to in this Declaration as the "Work"), Final Approval of the Architectural Control Committee is required in accordance with the provisions of this Section 5.

5.2. Number of Members of Architectural Control Committee; Manner of Appointment. The Architectural Control Committee shall consist of three (3) individual Persons. Until the end of the Development Phase, Declarant may appoint all three (3) individual Persons to be the Architectural Control Committee. After the end of the Development Phase, the Architectural Control Committee shall consist of the Trustees of the Association or three (3) individual Persons appointed by the Trustees.

5.3. Meetings of Architectural Control Committee. The Architectural Control Committee shall adopt reasonable rules and regulations for the conduct of its proceedings and to carry out its duties and may fix the time and place for its regular meetings and such extraordinary meetings as may be necessary, and shall keep written minutes of its meetings, which shall be open for inspection by a Trustee or Member upon written request. The Architectural Control Committee shall, by a majority of the votes of its members, elect one of its members as chairman and one of its members as secretary and the duties of each will be such as usually appertain to such offices. Notice of meetings shall be given to Members who have made written application to the Architectural Control Committee for approval of plans and specifications.

5.4. Compensation; Reimbursement of Expenses. The members of the Architectural Control Committee shall receive any compensation for services rendered as approved by the Developer or the Trustees. Such members shall be entitled to reimbursement for reasonable expenses incurred by them in connection with the performance of any Committee function or duty. Professional consultants (including Persons affiliated with Declarant) retained by the Architectural Control Committee shall be paid such compensation as the Architectural Control Committee determines. The Architectural Control Committee will charge reasonable, non-discriminatory fees to review plans and specifications.

5.5. Plans and Specifications. An Owner proposing to perform Work on a Lot shall submit three (3) complete sets of the plans and specifications for the Work to the Architectural Control Committee, together with a site plan of the Lot showing proposed grading, lighting, landscaping (including the landscape plan required by Section 7.21 if landscaping is to be installed immediately), walls and all lighting, indicating the exact part of the building site which the improvements will cover, and an application and such supporting material, such as samples of exterior building materials, as the Architectural Control Committee deems necessary or appropriate. At the time of submitting the plans, the Owner shall pay to the Declarant or, after the Development Phase, the Association, a non-refundable plan review fee in the amount of Five Hundred Dollars (\$500.00) to Architectural Control Committee, which fee shall be used to reimburse and compensate the members of the Architectural Control Committee in connection with the review of the plans. The plan review fee shall be non-refundable regardless of whether the plans are approved. No Work shall commence unless and until the Architectural Control Committee shall endorse all three (3) sets of such plans its written approval that such plans are in compliance with the covenants set forth in this Declaration and with the standards established in this Declaration or by the Architectural Control Committee (the "**Final Approval**"). A set of such plans shall be filed as a permanent record with the Architectural Control Committee; a set of the plans shall be released to the Owner's contractor; and a set of the Plans shall be retained by the City. The Association shall indemnify, defend and hold the members of the Architectural Control Committee harmless from and against any claim, action, loss or liability arising in connection with their approval or rejection of any plans and specifications except for their gross negligence or willful misconduct. The Architectural Control Committee will return without review any set of plans not including all the above items.

5.6. Standards Governing Final Approval. The Architectural Control Committee shall have the right to refuse to Finally Approve any such plans and specifications and shall have the right, in so doing, to take into consideration the suitability of the proposed building, the materials of which it is to be built, the site upon which it is proposed to be erected, the harmony thereof with the surroundings, and the effect of said building, or other structure so planned, on the outlook from adjacent or neighboring property. The Architectural Control Committee shall promulgate and maintain a list of standards for guidance in approving or disapproving plans and specifications pursuant to this Section. Without limiting the foregoing, the Architectural Control Committee may, but shall not be obligated to, maintain stucco samples, sample roofing materials, slate, stone and cultured stone which are approved by the Architectural Control Committee in the sales office or at some other location proximate to the Property.

5.7. Failure of Architectural Control Committee to Approve. In the event the Architectural Control Committee fails to Finally Approve in writing any such plans and specifications within sixty (60) days after the submission thereof to the Architectural Control Committee, then the Architectural Control Committee shall be deemed to have not approved the plans and specifications.

5.8. Limitation on Claims. The Architectural Control Committee shall not be

held liable for damages by reason of any action, inaction, approval, or disapproval by it with respect to any request made pursuant to this Article. Any errors or omissions in the design of any building, other improvement or landscaping and any violation of any governmental ordinance are the sole responsibility of the Lot Owner and the Lot Owner's designed, architect, or contractor. The Architectural Control Committee's review and Final Approval of plans shall in no way be concerned with structural or mechanical integrity or soundness of any improvements.

5.9. Final Approval Does Not Constitute Waiver. The Final Approval of the Architectural Control Committee of any plans and specifications for any Work shall not constitute a waiver of any right of the Architectural Control Committee to disapprove any similar plans and specifications subsequently submitted.

5.10. Declarant Exempt. The Declarant shall be exempt from the provisions, restrictions, and requirements of this Declaration, relating to marketing, signage, sales and other such commercial activities, as the same exists or as it may be amended, supplemented, or replaced in accordance with other provisions of the Declaration.

6. Compliance with Governmental Requirements.

6.1. Permits and Approvals Required. No living unit, accessory or addition to a living unit, other structure or building shall be constructed or maintained, and no grading or removal of natural vegetation or change in natural or approved drainage patterns or installation of fencing or landscaping elements shall occur on a Lot until all required permits or approvals for the same are obtained from Governmental Authorities following submission to the appropriate governmental entity of such information as it may require. Final Approval of the Architectural Control Committee shall not constitute any assurance that required permits or approvals can be obtained from Governmental Authorities.

6.2. Approval of Governmental Authorities Not Binding on Architectural Control Committee. The granting of a permit or approval by any Governmental Authority with respect to any matter shall not bind or otherwise affect the power of the Architectural Control Committee to refuse to approve any such matter.

6.3. Soils and Foundation. The Lot Owner is required to obtain a soils test and recommendation regarding the foundation for the Home to be located on the Lot from a Utah registered engineer prior to commencing any construction of a Home on the Lot. The Architectural Control Committee requires that the Lot Owner obtain a soils test and recommendation on foundation prior to the Final Approval. Furthermore, the Architectural Control Committee may condition Final Approval on the Owner following the recommendations set forth in the soils test and foundation recommendation.

7. Design Restrictions.

7.1. Purpose and Intent. In order to promote a harmonious community development and protect the character of the neighborhood, the guidelines set forth below in this Section, together with any additional guidelines hereafter established by the Architectural Control Committee, are applicable to the Property (the "Architectural Guidelines"). The intent of the Architectural Guidelines is to seek to insure that Homes, landscaping and other improvements on each Lot are in harmony with the natural surroundings of the Property and prevailing architecture of the created environment of the Property. The Architectural Control Committee will impose strict architectural guidelines to preserve the integrity of the project and the spectacular setting. The architectural styles of the Homes shall be similar to those in other existing projects in the area developed by Declarant (i.e., The Reserve and The Springs), although more restrictive as to height, color, landscaping and architectural features. The Architectural Guidelines allow design latitude and flexibility, while ensuring that the value of the Property and of each Lot and Home will be enhanced through the control of site planning, architecture and landscape elements. The Architectural Guidelines serve as an evaluative aid to Owners, builders, Declarant, design professionals, City staff, the Planning Commission, City Council and the Architectural Control Committee in the design review of individual, private and public developments within the Property. The City of Ivins Zoning Regulations will apply for any area of design not addressed in the Architectural Guidelines.

7.2. Permitted Structures. The only buildings or structures permitted to be erected, placed or permitted to be located on any Lot within the subdivision shall be:

7.2.1. A Home placed within the building envelope on each Lot which shall not to exceed the height requirements described in Section 7.5, which must include an enclosed private garage for not less than two (2) or more than four (4) cars or other vehicles, with a maximum height of the garage door of nine feet; and

7.2.2. All homes will be required to have an attached or detached enclosed private garage for not less than two (2) and not more than four (4) vehicles, with a maximum height of the garage door of nine feet.

7.2.3. With the Final Approval of the Architectural Control Committee, a pool house adjacent to a functioning outdoor swimming pool, not to exceed two hundred (200) square feet in floor space. The height of the pool house shall not exceed twelve (12) feet above grade. The pool house shall be constructed in accordance with applicable Governmental Requirements including, without limitation, zoning and building ordinances of Ivins, Utah in effect from time to time. The pool house shall be constructed of materials consistent with the materials used on the exterior of the Home. Detached casitas, studios, pool houses and garages will be permitted provided that they are solely within the building envelope and do not encroach into the required setback areas. Any such detached building shall match the main home explicitly in style, color scheme, detailing and materials. The square footage of any detached building shall not exceed 30% of the footprint of the main home (excluding attached garage) or 800 square feet whichever is smaller. Maximum roof height of any outbuilding shall be 13 feet for flat roofs and 15 feet for pitched roofs regardless of use. Permitted uses shall be limited to

housing of family or guests, storage of vehicles, including recreational vehicles, motor homes, hobby or related activities or for use as a pool house. While no detached storage building shall be permitted, storage space will be allowed in detached garages and vehicle storage buildings. Lease or rental of any casita or outbuilding independent of a lease or rental of the entire property is expressly prohibited.

7.2.4. No other structures shall be permitted on a lot. Without limiting the foregoing, no carports or partially enclosed garages shall be permitted on a Lot, and no sheds, coops, tool buildings or other outbuildings shall be permitted on a Lot.

7.3. Minimum Area. The minimum total square footage of living area on the ground floor of a Home located within the building envelope and foundation for any single-story Home constructed on any Lot within the subdivision shall be not less than 2,000 square feet on Lots, exclusive of porches, patios, decks and garages. No Home or other permitted structure constructed on any Lot shall exceed one (1) story in height from grade, determined in the manner described in Section 7.5 and no home shall have a "walk-out" basement. Roofs shall be flat, shallow pitched (4/12 pitch maximum) or may combine elements of both. The highest point on any pitched roof shall not exceed seventeen (17) feet. The maximum parapet height of any flat roof shall not exceed seventeen (17) feet. The average roof height (equal areas of wall/parapet or exposed roof above and below the average line based on the front and rear elevations) of either roof type on any home shall not exceed 17 feet. Reference measurements shall be from an Architectural Control Committee approved base grade. Each Home may have a basement.

7.4. Setback Areas. The following constitute the minimum Setback Areas on each Lot. All measurements shall be made from each point on the applicable Lot boundary line to the nearest point on the foundation, porch, deck or other extension of any building or structure, whichever is nearer to such Lot line.

7.4.1. The minimum setback areas on Lots 1 through 6, inclusive shall be twenty-five (25) feet in the front, and ten (10) feet each side, and ten (10) feet in the rear.

7.4.2. The minimum setback areas for lots 7 through 57 shall be twenty-five (25) feet in the front, ten (10) feet on each side and ten (10) in the rear.

7.5. Measurement of Building Height. For all purposes under this Declaration, height is measured from a base line parallel to the final Lot grade, as approved and established by the Architectural Control Committee, to a parallel line intersecting the highest point of any roof element.

7.6. Architectural Style. The architectural style of a Home shall be subject to the approval of the Architectural Control Committee which may, at its discretion, exclude designs that contrast with the prevailing architecture of the Homes located on the Property or with the natural environment. To provide guidance to Owners, the Architectural Control

Committee may establish a description of permitted architectural styles, which shall be maintained in the records of the Association and shall become part of the Architectural Guidelines. All elevations and facades of each Home should be consistent with the intended architectural style of the Home and carried around all four (4) elevations and facades of the structure.

7.7. Facades. The façade of each Home shall be of stucco, with accents of stone, cultured stone, slate or other, as approved by the Architectural Control Committee. The Architectural Control Committee may determine that a plan possessed sufficient character and quality without the stone or slate accents, in which case it may waive the foregoing requirement.

7.8. Roof Materials. Pitched roof material shall be limited to flat clay or flat concrete tiles or slate. Colors shall be subdued earth tones to complement the natural beauty of Padre Canyon selected from or in harmony with approved samples, or in such other colors as may be finally approved by the Architectural Control Committee. Flat roof coverings must be colored to blend with the home. White or "off-white" roofs will not be permitted. Lighter shades of the dominant building color will be permitted.

7.9. Sheet Metal. All sheet metal, including, without limitation, flashing, vents and pipes must be colored or painted to match the material to which they are attached or from which they project. No reflective exterior surfaces or materials shall be used or permitted.

7.10. Colors. Base building colors shall be in subdued earth tones to complement and harmonize with the natural surroundings and prevailing architecture, and conform to or be in harmony with approved samples. The use of the colors white, off-white or other highly reflective colors are specifically excluded. Pastels or high gloss finishes may not be used. Complementary accent colors must be used on window trim, shutters and doors. The Architectural Control Committee will require actual samples or color boards of all stone, cultured stone, stucco, roofing materials and other materials prior to approval.

7.11. Prohibited structures. Dome Structures, log Homes, and earth or berm Homes are not allowed. No trailer, bus, basement, outhouse, tent, shack, garage, or accessory building shall be used at any time as a residence either temporarily or permanently. No old or second-hand structures or Homes shall be moved onto any of said Lots nor shall any such structures be erected or placed on the Lots at any time. Declarant intends that all Homes and other permitted structures erected on the Lots be of new, first-class construction materials, using good quality workmanship.

7.12. Driveways and Parking. A driveway shall be located on each Lot which shall be of sufficient size (excluding sidewalk areas) to park not less than two (2) vehicles per Lot. Each driveway on a Lot shall be constructed out of cement or concrete. Brick, interlocking pavers, cinders, sand, gravel, asphalt or dirt shall not be permitted for driveway material in the front and side yard area of any Lot. The driveway in the front and side yard areas of each Lot

shall be in a color which blends with the exterior of the structure located on each Lot.

7.13. Fences; Walls and Sight Obstructions.

7.13.1. Developer will install those portions of the perimeter project wall for Palisade Park that abut Lots 1 through 6, and the 1.50 acre Ivins City Public Park up to the North boundary of Palisades at Snow Canyon at the time Phase 1 of Palisades at Snow Canyon is developed. Developer will also install a wall along West boundary of the proposed 1.50 acre Ivins City Public Park. These walls will be constructed of standard concrete block. The sides and top of the walls will be covered with stucco in a color selected by Developer to blend with the mountain backdrop and to match future perimeter project wall for Palisade Park. No Owner or any other Person may alter the wall constructed around the perimeter of the Property except that a higher wrought iron fence may be constructed to protect a pool area or restrain pets with the consent of the Architectural Control Committee, which may be withheld at its sole discretion. The perimeter fence initially installed by Declarant shall be maintained by the Association. Any wrought iron fence installed by an Owner shall be maintained by the Owner of the Lot on which the fence is located.

7.13.2. Fences, walls and other barriers shall comply with the provisions of Section 7.13 and shall be subject to the Final Approval of the Architectural Control Committee and constructed of material and be of such color as is Finally Approved by the Architectural Control Committee.

7.13.3. No structure, fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) and six (6) feet above the grade of the Roads shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points forty (40) feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended. The same sight line limitations shall apply on any Lot within the (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at such height to prevent obstruction of such sight lines.

7.13.4. No fence, wall, hedge, shrub or other structure shall be placed along any front property line of a Lot. No fences shall be constructed in the front Setback Area of a Lot. Home Owners may construct walls in the rear and along the side property lines, but they may not exceed beyond the point on the front of the Home which is nearest to the Road.

7.13.5. No fence, wall, hedge, tree, plant, shrub or foliage shall be planted, kept or maintained in such manner as, in the opinion of the Architectural Control Committee, shall create a serious potential hazard or an aesthetically unpleasant appearance to the other residents of the area.

7.13.6. Individual homeowners may construct privacy walls in the rear and along the side property lines. Fences and walls must harmonize with color and style of perimeter wall around the Property. The solid portion of the wall may not exceed six (6) feet in height on either side; provided, with the written consent of the Architectural Control Committee, which may be withheld at its absolute discretion, a variance may be granted to permit a wall to be as high as eight (8) feet in height above grade on the highest side if it does not exceed six (6) feet in height above grade on the lowest side. If, for any reason, the wall is required to be higher than the foregoing for any reason including, without limitation, topography or because the wall encloses a pool, any higher portions shall be wrought iron of a color, style and height determined by the ACC with a written variance required. Each Owner may construct walls in the rear and along side Lot lines, but such walls shall not extend beyond that point on the front of the Home which is nearest to the Road and shall be constructed of similar materials to the perimeter wall. Front facing return walls and other street facing walls must be constructed of a similar look and style to the perimeter walls.

7.14. Retaining Walls. Retaining walls are restricted to a maximum height of five (5) feet in height above grade on the highest side, unless the Architectural Control Committee, at its sole discretion, grants Final Approval for a higher wall. In the event Final Approval is given for a retaining wall higher than five (5) feet in height above grade on the highest side, the retaining wall must be tiered and landscaping must be installed to hide the retaining wall. All retaining walls must be covered in stucco so as to match the adjoining home.

7.14.1. All retaining wall located in the front or along the side of the Home must be constructed out of concrete or cinder blocks. Any retaining wall constructed out of concrete or cinder block must be stucco and the color approved by the Architectural Control Committee. Located in the back yard of the Home, native stack rock may be used as a retaining wall. The stack block rock must be approved by the Architectural Control Committee. The rock must be the match the native rock located in Ivins city.

7.15. Lights. Light used to illuminate garages, patios, parking areas or for any other purposes must be low level and shall be so arranged and shielded as to reflect light away from adjacent Homes and away from the vision of passing motorists. Low level outdoor illumination must be used for particular landscape features (such as trees and rock formations). No exposed bulbs are permitted. The street lighting for this development shall be restricted to low level illumination of signage, entry features, rock formations and other landscape elements along Park Avenue. Exterior lighting on individual homes and outbuildings shall conform to Ivins City Lighting Ordinance and be so arranged as to reflect light away from adjacent residences and away from the vision of passing motorists. Low level ground lighting (maximum 20 watt) must be used to illuminate particular landscape features. All light sources must be shielded. No exposed bulbs are permitted. For public safety the Architectural Control Committee will require that each home have some exterior lighting on a photo cell or timer to minimally light the streets at night.

7.16. Antennas. Antennas, dishes or similar devices for radio, television, or device for the reception or transmission of radio, microwaves or other similar signals are restricted to the attic or interior of the Home. It is mandatory that all Homes be pre-wired for cable reception. Satellite dish antennas shall be allowed provided they are located in such areas as may be designated by the Architectural Control Committee and are painted to match the color of the Home on which they are located. In no event shall satellite dishes exceed twenty (20) inches in diameter or width. All antennas and satellite dishes must be located to minimize visibility from neighboring Lots, and in all events the location of antennas and satellite dishes must be approved by the Architectural Control Committee.

7.17. Equipment. Air conditioning, heating equipment, and similar equipment must be screened from view so as not to be visible from neighboring property or from the streets of the development, and shall be insulated for sound attenuation. Air conditioning units are not permitted on roofs or through windows.

7.18. Utility Facilities. All utility lines, conduits, pipes and similar transmission facilities shall be underground. Except as required by Governmental Requirements, utility meters and similar facilities shall be placed in as inconspicuous a location as possible and, to the extent reasonably possible, out of sight of the public. Locations of meters are to be shown on the plans, and to the extent possible meters must be screened from view from neighboring property. Exposed piping should be painted to match exterior colors of the Home. The area immediately around the meters should be cleared to allow for access. Electric meters, switches, or circuit breaker boxes are not to be located in the same enclosure with the gas meter and regulator. Enclosures for gas meters and regulators are to be vented in compliance with the Uniform Building Code. All Homes must be pre-wired for cable services.

7.19. Mailboxes. Cluster Mailboxes shall be installed by Declarant and are the only allowed mail receptacles.

7.20. External Apparatus. No Lot Owner shall cause or permit anything (including, without limitation, awnings, canopies or shutters) to hang, be displayed or otherwise affixed to or placed on the exterior walls or roof or any part thereof, or on the outside of windows or doors, without the prior written consent of the Architectural Control Committee. No white or light colored blinds or window coverings that contrast with the exterior color of the Home shall be permitted.

7.21. Maintenance and Landscaping.

7.21.1. Landscaping on each Lot shall be completed in accordance with the landscape plan submitted to and approved by the Architectural Control Committee prior to construction of the Home, and may include but shall not be limited to the preparation for the planting of lawn, grass or other appropriate ground cover, and appropriate shrubbery. Samples of approved landscape plans are contained in Architect's Renderings. A maximum of twenty-five

percent (25%) of the lot area excluding the footprint of the home, garage and other detached buildings may be landscaped in lawn. The rest shall be landscaped using drought resistant desert plantings, ground cover and approved landscape gravel and boulders. Trees may not be planted closer than fifteen (15) feet from the rear corners of any Lot. This restriction is intended to preserve peripheral views for adjacent homes.

7.21.2. Each Owner shall be responsible for the maintenance of his or her Lot. In the event that any Owner fails to perform this maintenance in a manner so as not to detract from the appearance of the Lot or affect adversely the value of use of any Lot, the Trustees of the Homeowners Association shall have the right to have maintenance performed on the Lot and the cost of said maintenance shall be added to and become part of the Assessment to which such Lot is subject.

7.21.3. Any portion of the Lot not used for Homes, other permitted structures, driveways, walks, or other site improvements shall be landscaped with desert plantings or with landscape gravel or boulders approved by the Architectural Control Committee. The front yard landscaping shall have a maximum of twenty-five percent (25%) lawn with no minimum lawn area being required.

7.21.4. Trees which are used in the landscape shall not have a mature height of over twenty-two (22) feet. Consult the booklet "Southern Utah Guide to Trees" available at local nurseries for information. Trees and shrubbery which are not allowed for use in the development are:

- (a) California Fan Palm;
- (b) Mexican Fan Palm;
- (c) Willow trees-salix species (including Desert Willow – *Chilopsis linearis*);
- (d) Ash species (including Littleleaf Ash-*Fraxinum greggii*);
- (e) Italian Cypress;
- (f) Idaho Locust;
- (g) Mulberry;
- (h) Cottonwood;
- (i) Chinese Pistache;
- (j) Honey Locust;
- (k) Birch;
- (l) All coniferous trees – pines, spruce, cedar (including dwarf species);
- (m) Oleander (including dwarf species);
- (n) Pampas grass (including dwarf species).

Plant selections are to be hardy, drought tolerant plantings. An Owner shall use multi-trunked trees whenever possible in lieu of standard, or single-trunked trees. If no lawn is to be planted, additional plant density of low growing shrubbery must be used. No palm trees shall be planted on any Lot other than "bush palms" which have a mature height of less than six (6) feet.

7.22. Planting and Gardening. No planting, gardening or landscaping shall be installed or modified, and no fences, hedges or walls shall be erected or maintained upon any Lot except such as are installed in accordance with the initial construction of the buildings located thereon or as finally Approved by the Architectural Control Committee.

7.23. Slope and Drainage Control. No structure, planting or other material shall be placed or permitted to remain or other activities undertaken which may damage or interfere with established slope ratios, create erosion or sliding problems, or which may change the direction of flow of drainage channels. The slope control areas of each Lot and all improvements in them shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible. Each Lot Owner is responsible to see that no nuisance or damage is created by flow of drainage water to any other Lot or surrounding property. It is the sole obligation of each property owner to contain any accumulated water on his individual lot or drain it to the street. This includes preventative measures being taken to prevent moisture from leaching through block/concrete walls to adjacent Lots or properties.

7.24. Lateral and Support and Drainage. Each Owner shall be responsible for any damage to adjacent Lots proximately caused by such Owner's activities which affect the lateral support of adjacent Lots and improvements thereto. Owners shall be responsible for all damage proximately caused by drainage from their Lots to adjacent Lots.

7.25. Signs. Except for one "For Rent" or "For Sale" sign of not more than two (2) square feet approved by ACC, no advertising signs, billboards, objects of unsightly appearance, or nuisances shall be erected, placed, or permitted to remain on any Lot or any portion of the Property. The foregoing restrictions shall not apply to the commercial activities, signs and billboard's, if any, of the Declarant or its agents during the Development Phase or by the Association in furtherance of its powers and purposes set forth in this Declaration and in its Articles of Incorporation, Bylaws and Rules and Regulations, as the same may be amended from time to time.

8. Construction and Contractor Provisions.

8.1. Purpose. In order to promote a harmonious community development and protect the character of the neighborhood, the guidelines set forth in this Section 8 are applicable to construction activities on the Property.

8.2. Completion of Construction. The construction of any Home on any Lot shall be continuously and diligently pursued from and after the commencement of such construction, and in any event shall be substantially completed within twelve (12) months after such commencement. Any other permitted structure shall be constructed in such time as is reasonably prescribed by the Architectural Control Committee in connection with the Final

Approval of such structure.

8.3. Building Materials Storage. No Lot or portion of the Property shall be used or maintained as a storage site for building materials except during a construction phase and then only to the extent reasonably required in connection with a Home on a Lot. Once a Home is occupied or made available for sale all building materials shall be removed or stored inside a Home, or accessory building out of public sight.

8.4. Landscaping. Landscaping on a Lot shall be complete within one hundred eighty (180) days of completion of construction of a Home on such Lot.

8.5. Damages. Any damage to existing improvements (such as, without limitation, curbs, gutters, streets and concrete sidewalks) by an Owner and/or his or her contractor or their agents must be repaired by such Owner not later than the date the Home is substantially completed or within thirty (30) days after such damage is discovered, and the expense of such repair shall be borne by such Owner.

8.6. Maintenance of Lot During Construction of Home. Contractors or subcontractors must provide on-site dumpsters during construction and are required to clean up on a reasonable basis to maintain a clean work site during construction. Dirt or mud from the construction site or elsewhere, dispersed, directly or indirectly, on the public streets within the Property must be cleaned up within three (3) business days by the contractor or subcontractor.

8.7. Contractor Restrictions. To insure compliance with the other provisions of this Declaration including, without limitation, the Architectural Guidelines and the requirements of this Section 8, all Lots shall be subject to the covenant and restriction set forth in this Section 8.7. Notwithstanding any other provision of this Declaration, Declarant agrees and covenants, for itself and its successors and assigns which become Owners of the Lots, that the initial Home constructed on each Lot shall be constructed by an licensed contractor approved by the Architectural Control Committee (an "Approved Homebuilder").

8.7.1. Contractors must apply to the Architectural Control Committee for approval to be an Approved Homebuilder. Approved Homebuilders shall be designated by the Architectural Control Committee at its sole discretion. The form of application shall be determined by the Architectural Control Committee at its absolute discretion. The approved contractors must execute a builder's agreement in form promulgated by the Architectural Control Committee, which agreement shall include a release of all claims against Declarant, the Association or the Architectural Control Committee in connection with this Section 8.7 and an obligation on the part of any Homebuilder applying for approval to indemnify, hold harmless and defend the Declarant, the Architectural Control Committee and the Association from all claims and liens arising by, through or under it in connection with the construction of the Home. Each Lot Owner shall indemnify, hold harmless and defend the Declarant, the Association, the Trustees and the members of the Architectural Control Committee against any claim made by

any Person (including such Lot Owner) relating to or challenging the enforceability of this Section 8 with respect to construction or proposed construction of a Home on such Owner's Lot.

8.7.2. The covenant and restriction set forth in this Section shall run with the land and be binding on each successor Owner of each Lot. Declarant may enforce the covenant and restriction by specific performance.

8.7.3. To secure performance of this covenant and restriction, Declarant shall have, and is hereby granted a first priority lien against the Lot in the amount of the Lot Premium. The Lot Premium represents the increased purchase price Declarant would charge for the Lot but for this covenant and restriction. The Lot Premium is intended to compensate Declarant for that portion of the value of the Lot and adjoining Lots which Declarant will lose if this covenant and restriction is violated and unqualified contractors construct Homes within Palisades at Snow Canyon. In the event of a breach of this covenant and restriction by the Owner, Declarant may foreclose such lien as a mortgage in order to collect the Lot Premium. The Owner shall be personally obligated to pay the Lot Premium and shall be deemed to have assumed and agreed to pay the Lot Premium by taking title to the Lot.

8.8. Construction by Owner. No Owner shall be permitted to construct a Home without using a licensed contractor which is an approved homebuilder.

9. Membership in Association; Voting Rights.

9.1. Membership. Every Owner of a Lot shall be a Member of the Association. Membership is appurtenant to and may not be separated from Lot ownership. Membership in the Association automatically transfers upon transfer of title by the record Owner to another Person.

9.2. Voting Rights. The Association shall have two (2) classes of voting Members:

9.2.1. Class A Members. All Members shall be Class A Members except the Declarant, which shall be a Class B Member as set forth below. Except as set forth in Section 4.3.2, Class A Members are entitled to one (1) vote for each Lot owned. When more than one (1) Person holds an interest in any Lot, the group of such Persons shall constitute one (1) Class A Member with one (1) vote. The vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any Lot. A vote cast at any Association meeting by any Person owning an interest in a Lot, whether in person or by proxy, is conclusively presumed to be the vote attributable to the Lot concerned unless written objection is made prior to that meeting, or verbal objection is made at that meeting, by another Person owning an interest in the same Lot. In the event an objection is made, the vote involved shall not be counted for any purpose except to determine whether a quorum exists.

9.2.2. Class B Member. The Class B Member is the Declarant. The Class B Member is entitled to three (3) votes for each Lot which the Declarant owns. The Class B Membership of the Declarant shall cease as of the end of the Development Phase; provided, the Declarant shall thereafter be a Class A Member with respect to any Lot of which it is the Owner.

10. Operation of Association; Budgets; Assessments.

10.1. Creation of Association. The Association exists as a nonprofit corporation organized under the Utah Nonprofit Corporation and Co-operative Association Act, Utah Code Ann. Section 16-6-18 et seq. Utah law. The Association is governed by Articles of Incorporation, Bylaws, and this Declaration.

10.2. Trustees. There shall be three (3) Trustees of the Association. During the Development Phase the Declarant shall appoint all three (3) Trustees. After the end of the Development Phase a majority of the Owners of Lots shall elect and appoint the Trustees, which shall thereafter be vested with the powers described in this Declaration and shall have jurisdiction over all of the Property subject to these restrictions, covenants and conditions.

10.3. Books, Records and Audit. The Association shall maintain current copies of this Declaration, its Articles and Bylaws, the Rules, minutes of the meetings of the Architectural Control Committee and other similar documents, as well as its own minute, books, records and financial statements which shall all be available for inspection by Lot Owners and insurers as well as by holders, insurers and guarantors of first mortgages during normal business hours upon reasonable notice. Charges shall be made for copying, researching or extracting from such documents. A Lot Owner or holder, insurer or guarantor of a first mortgage may obtain an audit of Association records at its own expense so long as the results of the audit are provided to the Association.

10.4. Creation of Lien; Personal Obligation for Assessment. The Declarant and each subsequent Owner of any Lot by acceptance of a deed or otherwise acquiring title to the Lot, whether or not it shall be so expressed in any such deed or other conveyance, covenants and agrees to pay the Assessments imposed by the Association and interest thereon including, without limitation, costs of collection and a reasonable attorney's fee, as provided in this Declaration. All such Assessments and other amounts shall be:

10.4.1. A charge on the land and shall be a continuing lien upon the Lot against which each such Assessment or amount is charged; and

10.4.2. The personal obligation of: (i) the Person who was the Owner of such Lot at the time when the Assessment fell due; and (ii) successors-in-title who took title to such Lot when Assessments were due and payable

10.4.3. In the event a Lot is owned by more than one (1) Person, each such Person shall be jointly and severally liable to pay such Assessment.

10.5. Purpose of Assessments. The Assessments levied by the Association shall be used by the Association for the improvement, maintenance, repair and preservation of the Common Area. The Assessments must provide for but are not limited to: the payment of taxes on the Common Areas and insurance maintained by the Association; the payment of the cost of repairing, replacing and maintaining the Common Areas; the payment of administrative expenses of the Association; insurance deductible; the establishment of a reserve account for repair, maintenance and replacement of the improvements to the Common Areas which must be replaced on a periodic basis; and other amounts required that the Trustees shall determine to be necessary to meet the primary purposes of the Association.

10.6. Budgets; Permitted Increases in Assessments. The Association shall promulgate a Budget prospectively for each calendar year. Assessments may be billed monthly, quarterly or annually as the Association determines. The total amount of an Assessment to a Lot may be increased in any year to not more than one hundred and five percent (105%) of the total Assessment for the previous year (i.e., an increase of not more than five (5%)) without a vote or consent of the Members, and any Budget that results in Assessments within such limitation shall not require the approval of the Members. The Association may increase the amount of the Assessments by more than five percent (5%) over the amount charged for the previous year with:

10.6.1. Approval at a meeting duly called for the purpose of approving the Budget by more than fifty percent (50%) of the votes of Members present and voting, in person or by proxy.

10.6.2. Written agreement of Members holding more than fifty percent (50%) of the votes in the Association; provided that if such approval is in writing, all signatures must be dated within a ninety (90) day period.

10.6.3. Failure to promulgate a Budget shall not constitute a waiver by the Association of the right to collect Assessments or a basis by any Member to refuse to pay Assessments.

10.7. Special Assessments for Capital Improvements. In addition to the annual Assessments, the Association may levy in any Assessment year special Assessments to defray, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the Common Areas. Special Assessments must have the approval of more than fifty percent (50%) of the votes of the Members voting at a meeting in person or by proxy, or by written agreement of Members holding more than fifty percent (50%) of the votes in the Association; provided that if such approval is in writing, all signatures must be dated within a ninety (90) day period.

10.8. Assessment on Unimproved Lots. In addition to the annual Assessments

and the special Assessments, each Unimproved Lot shall be subject to, and the Owner of that Lot shall pay, an annual non-building Assessment of One Thousand Two Hundred Dollars (\$1,200.00) per year to defray, in whole or in part, the cost of security and maintenance for such Unimproved Lot.

10.9. Uniform Rate of Assessment; Periodic Assessment. Assessments must be fixed at a uniform rate for all Lots; provided, however, that Assessments shall not accrue against the Declarant or Lots owned by the Declarant.

10.10. Date of Commencement of Annual Assessments; Due Dates. The Assessment provided for in this Declaration shall commence to accrue on the first day following conveyance to a purchaser.

10.10.1. The first Assessment shall be adjusted according to the number of months remaining in the calendar year.

10.10.2. At least thirty (30) days prior to the commencement of each new Assessment period, the Trustees shall send or cause to be sent a written notice of the annual Assessment to each Owner subject thereto. Delivery of notice shall not be a condition or requirement to validity of the Assessment.

10.10.3. The Assessment due dates shall be established by the Trustees.

10.10.4. The Trustees shall prepare a roster of the Lots and the Assessments applicable thereto at the same time that it shall fix the amount of the Assessment, which roster shall be kept by the Treasurer of the Association, who shall record payments of Assessments and shall allow inspection of the roster by any Member at reasonable times.

10.10.5. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Assessment on a specified Lot has been paid. Such certificates, when properly issued, shall be conclusive evidence of the payment of any Assessment or fractional part thereof which is therein shown to have been paid.

10.11. Effect of Non-Payment of Assessment; Remedies of Association.

10.11.1. Any Assessment or installment thereof not paid within thirty (30) days after the due date shall be delinquent and the unpaid balance of such Assessment or installment shall bear interest from the due date at the rate of fifteen percent (15%) per annum (or such lesser rate as the Trustees shall set by resolution) until paid in full. In addition, a late fee of \$50.00 for each delinquent installment shall be imposed.

10.11.2. There shall be added to the amount of any delinquent Assessment the costs and expenses of any action, sale or foreclosure, and a reasonable attorney's fee.

10.11.3. A power of sale is hereby conferred upon the Association which it may exercise. Under the power of sale the Lot of an Owner may be sold in the manner provided by Utah law pertaining to deeds of trust as if such Association were beneficiary under a deed of trust. The Association may designate any Person qualified by law to serve as Trustee for purposes of power of such foreclosure.

10.11.4. The Trustees may, in the name of the Association may pursue one or more of the following remedies:

10.11.4.1. bring an action at law against the Owner personally obligated to pay any such delinquent Assessment without waiving the lien of Assessment;

10.11.4.2. foreclose the lien against the Lot accordance with the laws of the State of Utah applicable to the exercise of powers of sale in deeds of trust or to the foreclosure of mortgages, or in any other manner permitted by law;

10.11.4.3. restrict, limit, or totally terminate any or all services performed by the Association in behalf of the delinquent Member as set forth in Section 3.5.3; or

10.11.4.4. pursue any other remedy available at law or equity.

10.11.5. The pursuit of one of the remedies set forth in Section 10.11.4 shall not constitute an election of remedies, and the Association may pursue more than one of the remedies simultaneously or, after pursuing one remedy, may abandon such remedy and instead pursue another remedy.

10.11.6. No Owner may avoid or otherwise escape liability for the Assessments provided for in this Declaration by non-use of the common areas or by abandonment of the Lot.

10.12. Subordination of Lien to Mortgages. The lien of the Assessments provided for in this Declaration shall be subordinate to the lien of any first mortgage held by an institutional lender. Sale or transfer of any Lot shall not affect the Assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of a first mortgage or any proceeding in lieu of foreclosure shall extinguish the Assessment lien as to payments which became due prior to such sale or transfer. No sale or transfer, however, shall relieve a Lot or Owner from personal liability

for Assessments coming due after such Owner takes title or from the lien of such later Assessments.

10.13. Lots Owned by Class B Member Exempt from Assessments.

Notwithstanding any other provision of this Declaration, annual or special assessment shall not be levied or assessed against the Class B shares.

11. Use of Amenities.

11.1. Public Park. The Project will have a 1.50 acre public park with a trail system will separate Palisades at Snow Canyon from the adjoining project to the East (Palisade Park proposed). This park will have benches, picnic tables and will be landscaped with drought tolerant desert plantings.

11.2. Additional Amenities. The Declarant may develop additional parks, clubhouses, recreational or social facilities or other amenities (the "Additional Amenities") outside of the Property and, at its sole discretion, may make such Additional Amenities available to the Owners on such terms and conditions, and for such charges or payments, as Declarant may establish. Declarant reserves the right to amend this Declaration at any time without the consent of any Owner, Member or other Person to make such Additional Amenities available; provided, Developer may offer such Additional Amenities to any Owner or Member but may not force any Owner or Member to use such Additional Amenities or, unless such Owner or Member uses the Additional Amenities, to pay for any of the cost of the Additional Amenities.

12. Duration; Enforcement; Amendment.

12.1. Duration of Restrictions. The covenants and restrictions contained in this Declaration shall run with and bind the land for a period of fifty (50) years from the date this document is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each, subject to amendment terminating this Declaration pursuant to Section 12.2.

12.2. Amendment. Until the end of the Development Phase, the covenants and restrictions contained in this Declaration may be modified, amended or repealed in whole or in part at any time and from time to time by the Declarant or his or her successor or assigns by recorded instrument without the approval of any other Person being required. Upon completion of the Development Phase, the covenants and restrictions contained in this Declaration may be amended by a recorded instrument signed by no less than seventy-five percent (75%) of the votes of the Members of each class, provided that all signatures must be notarized and obtained within a one hundred eighty (180) day period.

12.3. Additional Property. Additional real property including, without limitation, any or all of the additional lots referred to in Recital B, may be subjected to these

covenants, conditions and restrictions by the Declarant or its assignee on such terms and conditions as shall be set forth in the amendment to this Declaration which is executed to subject such additional land to this Declaration. In the amendment to the Declaration, Declarant shall indicate its intent to have such real property subject to this Declaration on the plat of such property, or by recording an additional set of covenants, and thereafter such additional property shall be considered as part of the Property in all respects, and lots into which such additional property is subdivided shall constitute Lots under this Declaration. The amendment may specify that different development covenants, restrictions and standards apply to the Lots in future phases. This right of the Declarant to include additional lands to this Declaration shall be assignable to one or more assignees and such assignees shall act as Declarant for purposes of Section 12.2.

13. Notices. Any notice required under the provisions of this document to be sent to any Lot Owner shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of such Owner as provided to the Association.

14. Construction and Severability. All of the restrictions, covenants and conditions contained in this Declaration shall be construed together. Invalidation of any one of said restrictions, covenants or conditions, or any part thereof, shall not affect the enforce ability or applicability any of the remaining restrictions, covenants or conditions, or parts thereof.

15. Violation Constitutes Nuisance. Every act or omission whereby any restriction, covenant or condition in this document set forth is violated in whole or in part, is declared to be and shall constitute a nuisance, and may be abated by appropriate legal action by the Declarant, the Association, or a Lot Owner or Owners. Remedies hereunder shall be deemed cumulative and not exclusive.

16. Enforcement. Each and all of the restrictions, covenants and conditions contained in this Declaration is and are for the benefit of the Declarant, the Association and of the Lot Owner or Owners from time to time of any Lot, part or portion of the Property. Each such restrictive covenant and condition shall inure to the benefit of and pass with each and every Lot, part or portion of the Property and shall apply to and be binding upon each and every successor in interest. Said restrictions, covenants and conditions are and shall be deemed covenants of equitable servitude, and the actual or threatened breach thereof, or the continuance of any such breach, or compliance therewith, may be enforced, enjoined, abated, or remedied by appropriate proceedings at law or in equity by the Declarant, the Association, or a Lot Owner or Owners; provided, however, that no such breach shall affect or impair the lien of any bona fide Mortgage which shall have been given in good faith and for value, except that any subsequent Owner of said Lot, part or portion of the Property shall be bound and obligated by the said restrictions, covenants and conditions, whether such ownership is obtained by foreclosure, at a trustee's sale, or otherwise. The Architectural Control Committee may levy a fine or penalty not to exceed fifty percent (50%) of the amount of the maximum annual Assessment against any Owner who fails to refrain from violation of these covenants or a rule of the Association, after three (3) days written

notice, and opportunity for hearing. A fine may be levied for each day of a continuing violation. All attorneys fees and costs incurred in any such action, and all expenses incurred and any fines levied, shall constitute a lien on such Lot Owner's Lot, and shall also be a personal obligation of said Lot Owner, enforceable at law, until such payment is made in full.

17. Right to Enforce. The provisions contained in these covenants shall bind and inure to the benefit of and be enforceable by the Declarant, the Association or a Lot Owner or Owners, and each of their legal representative, heirs, successors and assigns, and failure to enforce any of said restrictions, covenants, or conditions shall in no event be deemed a waiver of the right to do so thereafter.

18. Assignment of Power and Authority of Declarant. Any and all rights and power of the Declarant contained in this Declaration may be delegated, transferred or assigned.

IN WITNESS WHEREOF, the Declarant has hereunto executed this Declaration on the date first set forth above.

GARDNER-PLUMB IVINS, a Utah limited liability company

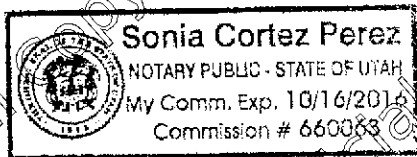
By: Walter J Plumb III
Name: Walter J Plumb III
Its: manager

STATE OF UTAH

: ss.

COUNTY OF WASHINGTON)

On the 5 day of ~~SEPTEMBER~~, 2013 personally appeared before me WALTER J PLUMB III, who executed this instrument as Manager on behalf of GARDNER-PLUMB IVINS, L.C., a Utah limited liability company.



[Signature]

NOTARY PUBLIC

Residing at: DAVIS COUNTY

My Commission Expires: 10-16-16

Unofficial Copy

EXHIBIT "A"
TO
DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS
AND PROTECTIVE COVENANTS
OF
PALISADES AT SNOW CANYON

Legal Description of Property

[see attached]

Exhibit - A

Legal Description

The Palisades at Snow Canyon – Phase 1
Prepared for Walter Plumb

Section 32, Township 41 South, Range 16 West, SLB&M

Beginning at a point N 1°48'27" E 1068.18 feet from the Southeast Corner of Section 32, Township 41 South, Range 16 West, Salt Lake Base and Meridian and running thence N 88°45'19" W 522.92 feet; thence N 1°14'41" E 65.86 feet; thence N 88°45'19" W 122.37 feet; thence N 82°12'49" W 43.13 feet; thence N 83°49'26" W 195.87 feet; thence N 72°48'56" W 195.50 feet; thence N 88°44'23" W 184.00 feet to a point on the East boundary line of Palisades Phase 1 according to the official plat thereof, record's of Washington County, thence continuing along said boundary the following ten (10) courses, N 1°15'37" E 27.65 feet; thence N 88°44'23" W 8.00 feet; thence N 1°15'37" E 45.40 feet; thence N 89°14'39" W 122.57 feet to a point on a 30.00 foot radius non tangent curve to the right, said point also being on the easterly right of way of Park Avenue having a radius which bears S 46°58'19" E; thence northeasterly 1.72 feet along the arc of said curve through a central angle of 3°16'55" to a point of a 55.00 foot radius curve to the left; thence northwesterly 95.40 feet along the arc of said curve through a central angle of 99°22'56"; thence N 84°34'08" E 57.51 feet; thence N 1°15'37" E 59.52 feet; thence N 88°44'23" W 4.00 feet; thence N 1°15'37" E 79.75 feet; thence S 88°44'23" E 537.64 feet; thence N 1°14'41" E 91.08 feet; thence S 79°54'56" E 148.73 feet; thence S 60°49'22" E 43.00 feet; thence S 29°10'38" W 6.03 feet to a point of a 228.50 foot radius curve to the left; thence southwesterly 21.09 feet along the arc of said curve through a central angle of 5°17'14"; thence S 88°47'50" E 140.00 feet; thence S 8°44'52" W 101.91 feet; thence S 79°40'50" E 308.86 feet; thence S 88°45'19" E 196.16 feet to a point on the East Section Line of said Section 32; thence S 1°18'26" W, along the Section Line, 318.08 feet to the point of beginning.

Contains 10.73 acres

EXHIBIT "B"
TO
DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS
AND PROTECTIVE COVENANTS
OF
PALISADES AT SNOW CANYON

For purposes of this Declaration, the following capitalized terms shall have the meanings set forth:

Additional Amenities is defined in Section 11.2.

Assessment means the charges assessed with respect to each Lot and Owner pursuant to Section 10.

Approved Homebuilder is defined in Section 8.7.

Architectural Control Committee is defined in Section 5.1.

Architectural Guidelines is defined in Section 7.1.

Association means Palisades at Snow Canyon Owners Association, a Utah non-profit corporation, its successors and assigns.

Budget means a budget for the operation of the Association and the maintenance and repair of the Common Area to be promulgated in accordance with Section 10.6.

Common Area means that portion of the Property shown on the Plat as common areas including, without limitation, landscaping along Park Avenue, any entry features constructed on the Property and the fence along the perimeter of the Property. Common Area is dedicated to the common use and enjoyment of the Owners in accordance with the terms and conditions set forth in this Declaration, and shall be owned by the Association.

Declarant means Gardner-Plumb Ivins, L.C. and any Person which the Declarant designates in a recorded document to be its successor.

Declaration means this instrument, and any amendments from time to time pursuant to Section 12.2.

Development Phase means the period of time that commences upon the date of this Declaration and continues until the first to occur of:

(a) The first day Declarant ceases to own at least one (1) Lot for a consecutive period of twenty-four (24) months; or

(b) The date Declarant records a notice in the Official Records of Washington County, Utah terminating the Development Phase.

Easement Areas” means the area along the boundaries of each Lot, as indicated on the Plat, which is subject to the easements pursuant to Section 2.2, for installation, operation and maintenance of utilities and drainage lines, pipes and similar facilities.

Family” means, with respect to a designated Owner or Resident, natural Persons related to such Owner or Resident by blood or marriage, by legal adoption or by operation of law.

Final Approval” is defined in Section 5.5.

Governmental Authorities” means all governmental or quasi-governmental units, commissions, councils, boards, agencies, districts, staffs or similar bodies.

Governmental Requirements” means all statutes, ordinances, regulations, rules, requirements, policy statements, regulations similar pronouncements and laws established by Governmental Authorities.

Home” means a detached single family dwelling or structure designed and used for occupancy by a single family and located on a Lot or, but only in accordance with Section 4.3.2, adjacent Lots.

Lot” means a separately numbered and individually described tract of land shown and labeled on the Plat as a Lot.

Lot Premium” means Twenty-five Thousand Dollars (\$25,000.00).

Member” means any Person who holds membership in the Association. As set forth in Section 9 every Owner is a Class A Member, and the Declarant is a Class B Member.

Members” means the aggregate of all of the Persons who are a Member.

Mortgage” means a mortgage, deed of trust or other security agreement which constitutes a lien against a Lot and which secures the obligation to repay a loan or advance.

Mortgagee” means a mortgage, beneficiary, secured party or other Person whose loan or advance is secured by a Mortgage.

“Owner” means the entity, Person, or group of Persons owning fee simple title to any Lot or who has closed on a contract purchase of a Lot. Regardless of the number of Persons participating in ownership of each Lot, the group of those Persons shall be treated as one **“Owner”**. Notwithstanding any interpretation of law, **“Owner”** shall not include a Mortgagee unless and until such Mortgagee acquires fee simple title to the Lot at a foreclosure sale, trustee’s sale or by deed-in-lieu of foreclosure.

“Person” means a natural person, a legal entity or a trust.

“Phase 1” is defined in Recital A.

“Phase 2” is defined in Recital A.

“Plat” means the subdivision plat recorded in connection with this Declaration titled “Palisades at Snow Canyon” consisting of one sheet, prepared and certified by **Kevan Bundy**, a Utah Registered Land Surveyor, or any replacements thereof, or additions thereto.

“Property” means that certain real property described on Exhibit “A”, and such additional property as may hereafter be subjected to this Declaration pursuant to Section 12.3.

“Resident” means a Person who occupies a Home on a long term basis who is not an Owner. Typically, a Resident will be a tenant of Owner.

“Roads” means all streets and right-of-ways for vehicular passage, and all curbs, gutters, sidewalks and similar improvements located in or adjacent to such streets, all as set forth on the Plat.

“Rules” are defined in Section 3.3.

“Setback Areas” means the areas on each Lot which are described in Section 7.4.

“Trustees” means the governing body of the Association, which shall be constituted in the manner set forth in Section 10.2.

“Unimproved Lot” is defined in Section 4.17.

“Work” is defined in Section 5.1.