

01011811 B: 2277 P: 0308

Page 1 of 97

Mary Ann Trussell, Summit County Utah Recorder

01/29/2015 10:37:54 AM Fee \$305.00

By Cottonwood Title Insurance Agency, Inc.

Electronically Recorded

**MASTER DECLARATION OF COVENANTS, CONDITIONS,
AND RESTRICTIONS, AND RESERVATION OF EASEMENTS,
AND BYLAWS
FOR
PARK CITY HEIGHTS SUBDIVISION**

LOCATED IN SUMMIT COUNTY, UTAH

AFTER RECORDING PLEASE RETURN TO:

**Ivory Development, LLC
Christopher P. Gamvroulas
978 East Woodoak Lane
Salt Lake City, Utah 84117
(801) 747-7440**

Parcel Numbers PCH-1-T1 through PCH-1-T28, and PCH-1-1 through PCH-1-75

TABLE OF CONTENTS

Recitals 1

Definitions3

Submission.....14

General Provisions.....15

Management of Master Association, Neighborhoods and Common Expense Districts20

Subassociations, Neighborhoods and Common Expense Districts26

Easements23

Rules and Regulations30

Use Restrictions32

Rentals36

Common Expenses, Budget, and Reserves.....38

Collections45

Maintenance.....49

Potential Environmental Hazard Notice and Disclosure (Remedial Action Work Plan)...52

Landscaping and Fencing55

Architectural Issues, Plans, Specifications, Improvements, and Related Matters58

Specific Provisions for Homesteads and Cottage Homes.....62

Insurance63

Assumption of Risk and Limitation of Liability.....67

Declarant’s Rights.....68

Amendment.....69

Miscellaneous Provisions71

EXHIBIT A, Legal Descriptions.....75

EXHIBIT B, Bylaws79

 Name and Location.....79

 Definitions79

 Meetings of Members of the Master Association.....79

 Board of Directors and Term of Office.....80

 Meetings and Action Without a Meeting.....81

 Powers and Duties of the Board of Directors82

 Officers and Their Duties82

Committees83
 Books and Records83
 Amendments84

TABLE OF CONTENTS

Fiscal Year85
 EXHIBIT C, Water-Wise Technique Guidelines86
 EXHIBIT D, Street Tree Guidelines.....87
 EXHIBIT E, Park Homes Building Placement Guide88
 EXHIBIT F, Cottage Homes Building Placement Guide89
 EXHIBIT G, Homestead Homes Building Placement Guide90

**MASTER DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS,
AND RESERVATION OF EASEMENTS, AND BYLAWS
FOR
PARK CITY HEIGHTS PAHSE 1 SUBDIVISION**

This Master Declaration of Covenants, Conditions, and Restrictions, and Reservation of Easements, and Bylaws for Park City Heights Subdivision (the "Master Declaration") is made and executed by Ivory Development, LLC, of 978 East Woodoak Lane, Salt Lake City, Utah 84117 (the "Declarant").

RECITALS

A. This Master Declaration affects that certain real property located in Summit County, Utah described more particularly on Exhibit "A" attached hereto and incorporated herein by this reference (the "Property").

B. The Declarant is the owner of the Property.

C. The Property has been or will be subdivided into residential developments consisting or to consist of two hundred thirty nine (239) Lots, comprised of a variety of parcels and architectural styles found within three (3) unique and diverse neighborhoods for differing markets:

- Park Homes
- Cottage Homes
- Homesteads

D. The organizational structure of Park City Heights Subdivision will consist of a Master Association and Subassociations governed by a Master Declaration document which will govern the Common Area and Facilities and Neighborhood Declaration documents for the separate parcels and neighborhoods.

E. It is the intent of the Declarant that this Master Declaration will be binding upon all neighborhoods, parcels, lots and owners at Park City Heights Subdivision.

F. The Property is a historic area of unique natural beauty, featuring distinctive terrain.

G. Declarant desires to provide a conceptual general plan and design scheme for the development of the Property and for the establishment of covenants, conditions and restrictions, and reservation of easements to assist the owners in managing the land and protecting the value and attractiveness of this unique residential property, all in accordance with the provisions of this Master Declaration.

H. The development of the Property and the construction of the improvements thereon has been or is to be performed in accordance with the Final Plat, Development Agreement, Master Plan Document Agreement, Conditions of Approval, Findings of Fact, Conclusions of Law and Neighborhood Design Guide, which are referred to hereby and incorporated herein by this reference (collectively "Development and Design Guideline Agreements").

I. Declarant enrolled the Property, or portions thereof, into the Utah Department of Environmental Quality Voluntary Cleanup Program ("VCP") to address impacted soils within a canal or canals located on the Property. As part of the VCP, Declarant, in conjunction with federal and state agencies and local experts on the proper cleanup of contaminated soils, has adopted an appropriate cleanup and storage plan related to impacted soils located on portions of the Property (the "Work Plan").

J. No Lot will be sold until a release for that Lot has been granted and sales are authorized by the appropriate federal and state agencies, and sales of Lots may be permitted before a final certificate of completion of remediation for the entire Property has been received by Declarant.

K. The Utah Division of Environmental Response and Remediation ("DERR") has accepted and cleared the Project for residential land use. The site is clean and all cleanup work is completed except for the repository, which is shown as Parcel H on the Final Plat. The vegetative cover for the repository, which requires time for maturity, is not yet complete and will not be complete until the vegetative cover has been established and a final approval is provided by DERR. DERR has "completed review of the letter report Notice of Confirmation ("Report") dated July 17, 2014, for the Park City Heights Voluntary Cleanup Program ("VCP") and issued a Letter of Concurrence bearing the date July 23, 2014 for Park City Heights Cleanup Program Site C077, Park City, Utah, a copy of which is available upon request. The Letter of Concurrence, an interim report, was issued by DERR "to memorialize cleanup across the majority of the site so construction of the residential development by Ivory may proceed" and "to note that the repository area [Parcel H] is secured and procedures have been established to prevent possible contamination of cleaned areas while final construction proceeds" and while it is important to note the Report is not a final document for the site "to acknowledge completion of the characterization and cleanup of the Park City Heights Voluntary Cleanup Site (with the exception of the repository area" (Parcel H) since construction is ongoing.

L. Declarant intends to sell to various purchasers the fee title to the individual Lots which it owns located within the Project, some of which may be classified affordable and/or deed restricted.

M. The completion of the Project may be in phases. The completed Project will consist of the initial phase and all subsequent phases.

N. It is the intent of the Declarant that the guiding principle of this Project is to maintain affordable homes in the Project and that no decision be made without considering and making adjustments to accommodate this guiding principle.

O. The Declarant desires, by filing this Master Declaration of Covenants, Conditions and Restrictions, and Reservation of Easements for Park City Heights Subdivision, to submit the Property and all improvements now or hereafter constructed thereon to the provisions set forth below, the Final Plat, and the Development and Design Guideline Agreements, which shall constitute equitable servitudes and shall run with the land.

AGREEMENT

NOW, THEREFORE, for the reasons recited above, the Declarant hereby makes the following covenants, conditions and restrictions, and reservations of easement.

ARTICLE 1

DEFINITIONS

The following definitions shall apply to this Master Declaration:

1. The term Accessory Building shall mean and refer to any structure which is not the primary structure, contains at least one hundred and twenty (120) square feet, requires a building permit, is not a shed, shack or other out-building (for which a building permit is not required), and qualifies as such under the totality of the circumstances in the sole opinion of the Master Association.

2. The term Board of Directors shall mean and refer to the governing board of the Master Association¹.

3. The term Bylaws shall mean and refer to the administrative code of rules for the administration of the Master Association.

4. The term Comprehensive Environmental Response, Compensation, and Liability Act or CERCLA commonly known as the Superfund means and refers to a federal law (42 U.S.C. 9601 et seq., as amended), which provided broad federal authority to respond directly to releases or threatened releases of hazardous substances that may endanger public health or the environment.

5. The term Comprehensive Environmental Response, Compensation, and Liability Information System ("CERCLIS") is the Superfund Site which contains information on hazardous waste sites, potentially hazardous waste sites and remedial activities across the nation,

¹ At times may be referred to as the Board of Directors.

including sites that are on the National Priorities List (NPL) or being considered for the NPL.

6. The term City shall mean and refer to the City of Park City in Summit County, Utah.

7. The term Common Areas or Common Areas and Facilities shall mean and refer to all real property in the Project owned or controlled by the Master Association, including but not limited to the following items:

(a) The real property and interests submitted hereby, including the entirety of the Property and all improvements constructed thereon, excluding the individual Lots and parcels assigned to the city or other third parties.

(b) All Common Areas and Facilities designated as such in the Final Plat;

(c) All utility installations and all equipment connected with or in any way related to the furnishing of utilities to the Project and intended for the common use of all Lot Owners, such as power, gas, water and sewer;

(d) The Project's common landscaping and open space, clubhouse, trails and parks (including a dog park);

(e) The Repository; and

(f) All other parts of the Project normally in common use or necessary or convenient to the use, existence, maintenance, safety, operation or management of the Property owned or controlled by the Master Association for the common benefit of its Members.

Utility installations such as power, gas, water, and sewer may be dedicated to the city or utility company and, if so, this definition shall not be construed to allow the Master Association to exclude the City from the ownership and control of the utility systems so dedicated.

8. The term Common Expense shall mean and refer to:

(a) All sums lawfully assessed against the Owners or Lots;

(b) Expenses of administration, maintenance, repair or replacement of the Common Area and Facilities;

(c) Expenses allocated by the Master Association among the Owners or Lots;

(d) Expenses agreed upon as common expenses by the Master Association; and

(e) Expenses declared common expenses by the Master Declaration.

9. The term Common Expense District shall mean and refer to a group of Owners or Lots within a defined District, Parcel or Neighborhood designated in a writing signed by the Declarant or Master Association for purposes of delegating maintenance, administrative and management responsibilities or allocating Common Expenses and Master Assessments by a Subassociation for a particular Neighborhood.

10. The term Cottage Homes shall mean and refer to the *detached* single family cottage homes housing type Dwelling Units or Lots.

11. The term Dedicated Streets shall mean and refer to those streets, roads, and cul-de-sacs within the Project formally dedicated to the City or any other municipal or governmental body politic, entity, or agency. It is anticipated that the streets in the Project will be public although in the Park Homes and Park Town Homes there will be private drives and lanes or alleys.

12. The term Declarant shall mean and include Ivory Development, LLC and any person or persons who might acquire title from it to all or some of the unsold Lots through purchase, assignment, or other transfer including foreclosure or deed in lieu of foreclosure; or, in the situation where any person purchases all or some of the remaining Lots in a sale in the nature of a bulk sale. The person acquiring any of such property from the Declarant shall be considered a Declarant with respect to that portion of the property so acquired and shall have the right to develop the property and/or sell such property in accordance with the terms and provisions of this Master Declaration; provided, however, a notice of succession shall be recorded in the Office of the County Recorder signed by both the current Declarant and by its successor in interest as the new Declarant.

13. The term Default Master Assessment shall mean and refer to an Master Assessment against an Owner or a Lot for failure to perform an obligation under the Project Documents or because the Master Association has incurred an expense on behalf of the Owner under the Master Declaration.

14. The term Delegate shall mean and refer to the director serving on the Board of Directors managing the affairs of the Master Association for and in behalf of the following Neighborhoods, Subassociations or Common Expense Districts:

- Park Town Homes
- Park SFR Homes
- Cottage Homes
- Homesteads
- Other Neighborhoods designated by the Declarant, if any

15. The term Design Review Board (the "DRB") shall mean and refer to the person or persons appointed to review the designs, plans, specifications, architecture, fencing, landscaping, homes, and other physical improvements within the Project.

16. The term Developmental Rights shall mean and refer to the right granted hereunder to the Declarant, its agents, representatives, employees, successors and assigns to develop and improve the Property.

17. The term Development and Design Guideline Agreements shall mean and refer to the Final Plat, Development Agreement, Master Plan Document Agreement, Conditions of Approval, Findings of Fact, Conclusions of Law and Neighborhood Design Guide.

18. The term Director shall mean and refer to a Delegate serving on the Board of Directors.

19. The term Dwelling Unit or Unit shall mean and refer to a separate physical part of the Property intended for independent use as a residence, home, dwelling or living unit. Mechanical equipment and appurtenances located within any one Unit, or located without said Unit but designated and designed to serve only that Unit, such as appliances, electrical receptacles and outlets, air conditioning compressors, furnaces, water heaters, apparatus, systems or equipment, fixtures and the like, shall be considered part of the Unit; so shall all decorated surfaces of interior walls, floors and ceilings, including but not limited to all paint, wallpaper, wall coverings, windows and window frames, doors and door frames, trim, carpeting, tile and linoleum. All pipes, wires, conduits, or other utility lines or installations constituting a part of the Unit or serving only the Unit, and any structural members, parts, components or any other property of any kind, including fixtures or appliances within any Unit, which are removable without jeopardizing the integrity, soundness, safety or usefulness of the remainder of the Building within which the Unit is located shall be deemed to be part of the Unit.

20. The term Eligible Guarantor shall mean and refer to a governmental guarantor of a mortgage or trust deed who has requested notice in writing of certain matters from the Design Review Board in accordance with the Master Declaration.

21. The term Eligible Insurer shall mean and refer to an insurer of a mortgage or trust deed who has requested notice in writing of certain matters from the Master Association in accordance with this Master Declaration.

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

23. The term Eligible Votes shall mean and refer to those votes available to be cast on any issue before the Owners. A vote which is for any reason suspended is not an "eligible vote".

24. The term Final Plat shall mean and refer to the recorded Final Plat or Plats for Park City Heights Subdivision on file in the Office of the County Recorder.

25. The term Governing Documents shall mean and refer to the Development and Design Guideline Agreements, this Master Declaration, Bylaws, Articles of Incorporation, and Rules and Regulations.

26. The term Guest shall mean and refer to a guest, visitor, or invitee of an Owner.

27. The term Home shall mean and refer to a Dwelling Unit.

28. The term Homestead shall mean and refer to a *detached* single family homestead homes housing types or lots.

29. The term Improvement shall mean and refer to any physical change or addition to the Land to make it more valuable.

30. The term Individual Charge shall mean and refer to a charge levied against an Owner for all expenses resulting from the act or omission of such Person, excepting the Owner's failure to pay any Master Assessment. Individual Charges shall include, by way of illustration but not limitation, any expense resulting from the act or omission of any Owner including:

- (a) The cost to repair any damage to any portion of the Property on account of loss or damage caused by such Person; or
- (b) The cost to satisfy any expense to any other Owner, the Master Association or Design Review Board due to any intentional or negligent act or omission of such Person, or resulting from the breach by such Person of any provisions of the Project Documents;
- (c) Default Master Assessment; or
- (d) Fine.

Individual charges may be secured by a lien against the Owner's interest in the property and the Master Association also shall have all other collection remedies, both legal and equitable, available under Utah law and this Master Declaration.

31. The term Land shall mean and refer to the Property.

32. The term Landscaping shall mean and refer to the grass, trees, shrubs, bushes, flowers, plants, and like improvements located within the Property as well as the appurtenant sprinkling and irrigation systems.

33. The term Lender shall mean and refer to a Mortgagee.

34. The term Lot shall mean and refer to a lot as shown on the Final Plat. Each Lot shall be assigned a separate parcel number or tax identification number by the appropriate governmental agency. A Lot will include a Dwelling Unit constructed thereon and all mechanical equipment and appurtenances located (a) within any one Lot or (b) located without the Lot but designated and designed to serve only that Lot.

35. The term Lot Number shall mean and refer to the number, letter, or combination thereof designating a particular Lot as identified on the Final Plat.

36. The term Majority shall mean and refer to those eligible votes of Owners or other groups as the context may indicate totaling more than fifty (50.01%) percent of the total eligible number.

37. The term Manager shall mean and refer to the Person appointed or hired to assist in the management and operation of the Project.

38. The term Map shall mean and refer to the Final Plat.

39. The term Master Assessment shall mean and refer to any amount imposed upon, assessed, or charged an Owner or a Lot.

40. The term Master Association shall mean and refer to the following Neighborhood Associations, Subassociations or Common Expense Districts designated by the Declarant acting or taken as a group in accordance with the Master Declaration:

- Park Town Homes
- Park SFR Homes
- Cottage Homes
- Homesteads
- Other Neighborhoods designated by the Declarant, if any

41. The term Master Declaration shall mean and refer to this Master Declaration of Covenants, Conditions, Restrictions, and Reservation of Easements, and Bylaws for Park City Heights Subdivision.

42. The term Mortgage shall mean and refer to any mortgage, deed of trust, or other security instrument (including the seller's rights under a contract for deed) by which a Lot or any part thereof or interest therein is encumbered. A First Mortgage is a Mortgage having priority as to all other Mortgages encumbering a Lot, or any part thereof or interest therein.

43. The term Mortgagee shall mean and refer to any person or entity named as the mortgagee, beneficiary, or holder of the seller's interest (so long as a copy of the contract for deed is given to the Master Association) under any Mortgage by which the interest of any Owner is encumbered, or any successor to the interest of such person under such Mortgage. A First Mortgagee shall mean and refer to any person or entity holding a First Mortgage including any insurer or guarantor of a First Mortgage. Any and all Mortgagee protections contained in the Master Declaration shall also protect the Declarant as the holder of a First Mortgage of a Lot or any interest therein.

44. The term National Priorities List ("NPL") shall mean and refer to the National Priorities List is the list of national priorities among the known releases or threatened releases of hazardous substances, pollutants, or contaminants throughout the United States and its territories. The NPL is intended primarily to guide the Environmental Protection Agency ("EPA") in determining which sites warrant further investigation.

45. The term Neighborhood shall mean and refer to a group of Owners or Lots within a defined Common Expense District designated in a writing signed by the Declarant or the Master Association for purposes of delegating maintenance, administrative and management responsibilities or allocating Common Expenses and Master Assessments by a Subassociation.

46. The term Neighborhood Design Guide shall mean and refer to any Neighborhood Design Guide required by the City, State of Utah, Federal Government Agency, Master Association or the Design Review Board.

47. The term Office of the County Recorder or County Recorder shall mean and refer to the Office of the County Recorder of Summit County, Utah.

48. The term Owner shall mean and refer to a Person who is the owner of a fee or an undivided fee interest in a Lot, excluding a Mortgagee or a beneficiary or trustee under a deed of trust unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.

49. The term Parcel shall mean and refer to a Neighborhood or Common Expense District unless the context clearly requires otherwise.

50. The term Park Homes shall mean and refer to various *attached* or *detached* park home housing types or lots.

51. The term Period of Declarant's Control shall mean and refer to the period of time during which the Declarant has the legal right to control the Board of Directors and appoint the Directors serving on the Board.

52. The term Permittee shall mean a Guest, renter or other natural person permitted onto the Property by an Owner or resident, including family members.

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

54. The term Plans and Specifications shall mean and refer to any and all documents designed to guide or control the construction of an Improvement, or alterations, modifications, changes, additions and the like thereto, including without limitation, all documents indicating the size, shape, configuration and/or materials to be incorporated; all site plans, excavation and grading plans, elevation drawings, floor plans, techniques, samples of exterior colors, plans for utility services, and all other documentation or information relevant to the improvement or proposal in question.

55. The term Private Street, Road, Cul-de-sac, Way or Drive shall mean and refer to those streets, roads, cul-de-sacs, ways, drives, or turnabouts within the Project not dedicated to the City or any county, state, or other governmental body politic, entity or agency. It is anticipated that the road or roads in the Project will be public.

56. The term Project shall mean and refer to Park City Heights Subdivision as it may be expanded from time to time.

57. The term Project Documents shall mean and refer to the Governing Documents.

58. The term Property shall mean and refer to all of the land or real estate, improvements, and appurtenances comprising the Project submitted to this Master Declaration.

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

60. The term Reinvestment Fee shall mean and refer to a "reinvestment fee" as that term is defined by Utah Code Ann., Section 57-1-46((1)(i) (2010), as it may be amended or supplemented from time to time.

61. The term Reinvestment Fee Covenant shall mean and refer to the covenant set forth herein which authorizes the charging of a Reinvestment Fee.

62. The term Repository shall mean and refer the on-site repository of consolidated soils that exceeded the site-specific Cleanup Levels for lead and arsenic.

63. The term Residence Number shall mean and refer to the number, letter, or combination of name, numbers, and letters that identifies a Lot.

64. The term Resident shall mean and refer to any person living or staying at the Project. This includes but is not limited to any and all natural persons residing in a Lot.

65. The term Single Family shall mean and refer to a "single family" as that term is defined by City ordinance. In the absence of a City ordinance the term shall mean any one of the following:

(a) a single person,

(b) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, or

(c) a group of not more than three (3) unrelated persons who maintain a common household, to be distinguished from a group occupying a boarding house, club, fraternity or hotel.

A Single Family may include an additional natural person or persons approved in writing by the Board of Directors, such as a caretaker or domestic help.

66. The term Single Family Residential Lot or SFR Lot shall mean and refer to a Lot upon which a *detached* Single Family Residence has been or is to be constructed.²

67. The term Single Family Residence shall mean and refer to (a) the architectural style of a Lot and (b) the nature of the residential use permitted therein.

68. The term Subassociation shall mean and refer to a group of Owners or Lots in a Neighborhood or Common Expense District acting or taken as a group in accordance with this Master Declaration, designated in a writing signed by the Declarant or Master Association, for purposes of performing maintenance, administrative and management responsibilities or allocating Common Expenses and Master Assessments delegated by the Master Association.

69. The term Superfund means and refers to the Comprehensive Environmental Response, Compensation, and Liability Act or CERCLA.

70. The term Superfund Site means and refers to the Comprehensive Environmental Response, Compensation, and Liability Information Site or CERCLIS.

71. The term Total Votes shall mean and refer to the total number of Eligible Votes appertaining to all Lots at the Project.

² Where the context requires the term may refer to the Home constructed thereon.

72. The term Town Home or Town Home Lot or Townhouse shall mean and refer to the *attached* single family town home or townhouse housing type Dwelling Units or Lots.

73. The term Tract shall mean and refer to all of the land or real estate submitted to this Master Declaration.

74. The term Unit shall mean and refer to a Home.³

75. The term Use Restrictions shall mean and refer to the use restrictions and limitations expressly set forth herein, although the initial Use Restrictions are subject to change.

76. The term Utah Department of Environmental Quality or UDEQ, and the Division of Environmental Response and Remediation or DERR shall mean and refer to the state agency(ies) charged enforcing state statutes and regulations related to the release, disposal, and storage of hazardous materials.

77. The term Visible From a Neighboring Property shall mean with respect to any object that such object is or would be visible to an individual six (6') tall standing at ground level on any portion of the neighboring property.

78. The term Voluntary Cleanup Program or VCP shall mean and refer one of several options for cleaning up a hazardous waste site under the State of Utah's cleanup law.

79. The term Water-Wise Techniques shall mean and refer to the guidelines marked Exhibit "C," attached hereto and incorporated herein by this reference. In the event of a conflict, inconsistency or incongruity between the Water-Wise Techniques and the Neighborhood Design Guide, as they may be changed from time to time, the latter shall in all instances govern and control.

80. The term Work Plan shall mean and refer to the Remedial Action Work Plan prepared by IHI Environmental, dated February 13, 2014 and revised March 27, 2014 (as may be amended), which addresses the remediation of lead-and-arsenic impacted soils identified at the Property prior to Declarant's development of the Property.

END OF ARTICLE

³ May sometimes be referred to as a Home, Dwelling Unit or Living Unit.

ARTICLE 2

SUBMISSION

The Properties described with particularity on Exhibits "A," "A-1," "A-2," and "A-3" attached hereto and incorporated herein by this reference (collectively "Properties") are hereby submitted to the Development and Design Guideline Agreements , this Master Declaration and the Utah Community Master Association Act, Utah Code Ann., Sections 57-8a-1 et seq. (the "Act").

The Properties are hereby made SUBJECT TO, and shall be governed by the Development and Design Guideline Agreements and this Master Declaration.

The Properties are also SUBJECT TO the right of the City to access the roads within the Project for emergency and service vehicles, and to all of the utility installations up to the residential meters.

The Properties are also SUBJECT TO the described easements and rights of way. Easements and rights-of-way in favor of the City include but are not limited to any dedicated roadways and public utility easements and are depicted on the Final Plat.

The Properties are also SUBJECT to, benefitted and burdened by any reciprocal and cross easements between Neighborhoods.

TOGETHER WITH all easements, rights-of-way, and other appurtenances and rights incident to, appurtenant to, or accompanying the above-described parcel of real property.

TOGETHER WITH the benefits and burdens of the appurtenant cross and reciprocal use easements on each Neighborhood and the entire Project.

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

ARTICLE 3

GENERAL PROVISIONS

1. Description of the Project.

(a) The Project will consist of privately owned Lots and certain Common Areas and Facilities.

(b) The Lots will be designed and constructed in separate and independently managed Neighborhoods who will share the use of and covenant to share the cost of maintaining the Common Areas and Facilities.

(c) The organizational structure of the Project will be comprised of a Master Association and separate Subassociations.

(d) It is intended that there will be a total of two hundred thirty nine (239) Lots in the Project, although this figure is subject to change.

(e) All streets and alleyways shall be dedicated to the City.

(f) In Phase 1 it is intended that there will be one hundred and three (103) Lots; twenty eight (28) attached Park Home Units (Townhomes); thirty five (35) single family detached Park Home Lots; thirty four (34) single family detached Cottage Home Lots; and six (6) single family detached Homestead Lots, although this is subject to change.

(g) The overall Project will consist of Park Homes, Cottage Homes, and Homesteads.

(h) Some of the Park Homes will be detached and others will be attached.

(i) As shown on the Final Plat, Parcel A is a park which will be dedicated to the City; Parcel B is the clubhouse; Parcels C, D and I are located within the Park Homes Neighborhood.

(j) Parcel F is Common Area located within the Town Home portion of the Park Homes Neighborhood.

(k) Parcels J (trail), K (trail) and G (storm detention area) are Common Area;

(l) Parcel H is the Repository, which is Common Area.

(m) The trails are part of a City system of trails.

(n) Park City Heights Subdivision will be a development designed around neighborhood parks, open spaces and trails, and a variety of Dwelling Unit types and Lot sizes and diverse architectural elements.

(o) Each Home within Park City Heights, with the exception of the two (2) lots accessed from Deer Valley, will be required to meet and adhere to the Park City Heights Neighborhood Design Guide.

(p) The intent is that each and every Common Area and Facility, Neighborhood, Home and Subassociation will contribute to the community as a whole.

(q) The two (2) Deer Valley Lots must adhere to the covenants, conditions and restrictions governing the Oaks at Deer Valley.

(r) The Park City Heights Neighborhood Design Guide (the "Guidelines") have been created to ensure that all improvements at Park City Heights Subdivision preserve the developer's original design scheme. The Guidelines are intended to provide direction to owners and designers to ensure compatibility with the desired character at Park City Heights Subdivision. The Guidelines explain the architectural aesthetics and site considerations that are to guide the design and construction of all new buildings, building additions, site work, and landscaping within Park City Heights Subdivision. The Guidelines are not intended to create a homogenous, look-alike neighborhood of earth tones and mountain timbers, but rather are intended to create a coherent, harmonious and diverse community of unique and varied homes that will form the foundation for a vibrant and successful mountain neighborhood. The Neighborhood Design Guide are organized into six sections:

- Overview
- Park Homes
- Cottage Homes
- Homesteads
- Landscape Patterns
- Sustainability

Each section is designed to provide key information that will help homeowners make architectural and site planning decisions for their homes within Park City Heights Subdivision. Each Lot type is provided with a set of specific Community and Architectural Patterns. The Community Patterns section provides building setback, street character, garage placement and orientation for each product type within the development. The Architectural Patterns section presents Guidelines for individual architectural elements and key details, materials, and applications to help owners create compatible homes within a neighborhood setting.

(s) The Landscape Patterns and Sustainability sections apply to each Lot type throughout the development. The Landscape Patterns provide a list of appropriate landscape

materials for all lot and home types and emphasizes the importance of appropriate plant materials for the various landscape forms and spaces for each home and lot. The Sustainability section focuses on specific sustainable measures that must be incorporated by every home within the project. Each Lot owner or Builder must also refer to the Park City Heights Subdivision Codes, Covenants and Restrictions for specific requirements and design review submittal requirements.

(t) Living in a master planned development like Park City Heights Subdivision is not like living in a typical subdivision. All of the Neighborhoods, Subassociations and Owners of Lots in this Project will share common elements and facilities. Because of this sharing protective covenants are not only worthwhile, they are absolutely necessary for everyone's comfort and enjoyment, which includes the obligation at times to yield individual desires for the common good and to share in the payment of all common expenses.

2. Description of Product.

(a) There are substantial differences between the Neighborhoods, Subassociations, Common Areas and Facilities, and Lots located or to be located within the Property.

(b) These differences give rise to the need for certain Master Assessments to be imposed solely upon Owners of Lots in a particular Neighborhood or Common Expense District (collectively "CED").

(c) Among the differences are the nature, use and maintenance responsibilities of the product type, structures, dwelling units, exclusive Common Area, parking and roads, utility services, geographic locations, topography, etc. within each CED.

(d) There are also differences between the Owners of Lots within each CED as to the manner in which the property of each CED should be maintained.

(e) Recognizing these and other differences, the Owners acknowledge by virtue of accepting a deed or other document of conveyance to a Lot the need to create a different basis for allocating the costs of certain expenses within the Project which are considered unique and peculiar to a particular CED. Accordingly, there will be Master Assessments established to pay the Common Expenses with regard to the Project as a whole, including but not limited to the Repository, and individual CED or Subassociation expenses.

(f) The Property will be developed into the following parcels located in Summit County, Utah: Park Homes, Park Townhomes, Cottage Homes and Homestead Homes.

3. Single Family Residency. Only single family residency is allowed in the Project. That means only one (1) family may reside in a Dwelling Unit and that two (2) or more families may not reside in the same Dwelling Unit at the same time.

4. Area of Application and Expansion. This Master Declaration shall apply to all of the Property. The Declarant shall have the unilateral right to expand the application of this Master Declaration to other property by written amendment to this Master Declaration duly recorded, and without additional Owner approval required.

5. Zoning. All land use and buildings shall be in compliance with all zoning and land use ordinances as well as all regulations of the municipalities and agencies governing the Project.

6. Common Utilities. If there are any master utility meters, then the Declarant reserves to itself and hereby grants to the Master Association the right without the obligation to sub-meter the services. In addition, Declarant may but is not obligated to provide water and power utility services to the Entry, Entry Monument and other common elements at its expense (the "Entry Utility Service"). Such Common Utility Service shall be maintained and paid for by the Master Association as a Common Expense; provided, however, the Declarant (or the Master Association) may elect to provide such Entry Utility Services through a meter or meters on an individual Lot or Lots and, if so, each such Owner agrees, by accepting a deed or other document of conveyance to such Lot, to provide, and not terminate, delay or interrupt, those Entry Utility Services to the Entry, Entry Monument or other common elements not separately metered and billed to the Master Association by the provider, although in such circumstance the Owner of each such Lot shall be entitled to the following credits: (a) A monthly credit an amount equal to the difference between the water bill for each such Lot and the average water bill for all of the other Lots in the Project; and (b) A monthly credit in an amount equal to the greater than an amount recommended as "fair" by Rocky Mountain Power, its successor or assign.

7. Mortgagee Protection. Nothing herein contained, and no violation of these covenants, conditions and restrictions, shall invalidate or impair the lien of any mortgage or deed of trust, given in good faith and for value.

8. Period of Declarant's Control. Declarant shall have authority to appoint all directors on Board of Directors until all Lots are sold or April 1, 2033, whichever occurs first; provided, however, in the event a particular product type or Neighborhood requires a modification of this section to obtain financing, the Declarant may but is not required to adjust the Period of Declarant's Control in order to satisfy any applicable statutory requirements or the requirements of the Lender by recording an amendment to this Master Declaration without additional approval required.

9. Affordable Homes and Deed Restricted Lots; Legal Status of Property; and Scope of the Project. Neither the Master Association nor the Board of Directors or any Owner shall act or fail to act so as to jeopardize, impair or reduce the utility of the program or the integrity of the Declarant's Affordable Home design scheme.

END OF ARTICLE

ARTICLE 4
MANAGEMENT
OF
MASTER ASSOCIATION, NEIGHBORHOODS AND COMMON EXPENSE DISTRICTS

1. Governance of Master Association. The affairs of the Master Association shall be governed, managed and directed by at least three (3) and no more than nine (9) Directors, constituting a Board of Directors, which shall be comprised of the chair of each Subassociation, Neighborhood or Common Expense District (collectively for this Article the "CED") or other Delegate. Until such time as the Period of Declarant's Control terminates, the Declarant shall be entitled to appoint all of the Directors.

(a) The Director from each CED will be entitled to vote the total number of votes of the Lots within its group on any matter; provided, however, the CED vote may be divided into percentages or fractional (e.g., if the CED has 100 votes and on a particular matter its constituency votes 51% yes and 49% no, then the Director may vote 51 yes votes and 49 no votes on the matter).

(b) The Directors will vote to select the Chair person who will chair the meetings of the Board of Directors of the Master Association.

(c) If a CED fails to elect directors or a chair, then the Directors from the other CED's will appoint an Owner from that CED who is willing to perform the duties of governance of that CED; provided, however, if no Owner from that CED is willing or able to serve, then an Owner from any other CED who is able and willing to perform the duties of governance of that CED.

2. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Master Association in accordance with the provisions of the Master Declaration and may do all such acts and things necessary to operate and maintain the Project. The Board of Directors shall have the power from time to time to adopt any rules, regulations, guidelines, policies and procedures deemed proper for the exercise of its management powers. The Board of Directors may delegate its authority to a CED or Manager. Subject to any limitations or provisions contained in the Master Declaration, the Board of Directors shall be responsible for at least the following matters:

- (a) Preparing of an annual budget;
- (b) Allocating the Common Expenses;
- (c) Maintaining the Common Area;
- (d) Collecting Master Assessments;

- (e) Enforcing the Project Documents;
- (f) Opening a bank account or account;.
- (g) Obtaining and maintaining insurance;
- (h) Keeping books and records;
- (i) Paying for common utilities;
- (j) Creating and chartering CEDs;
- (k) Revoking CED charters, re-organizing or re-districting CEDs, and/or terminating CED status;
- (l) Manage the Repository and comply with all state and federal regulations regarding the environmental condition of the Property; and
- (m) Doing such other things and acts appropriate and necessary to accomplish the foregoing.

3. Delegation of Management Responsibilities: The Board of Directors may but are not required to delegate all or some of its management responsibilities to either a professional management company, an experienced on-site manager, an independent contractor, through service contracts, or any combination thereof (collectively "Manager"). The Manager may be an employee or an independent contractor. The termination provision of any such contract must not require a termination penalty or any advance notice of any more than sixty (60) days, and no such contract or agreement shall be for a term greater than one (1) year. The Board of Directors may also employ general laborers, grounds crew, maintenance, bookkeeping, administrative and clerical personnel as necessary to perform its management responsibilities. Provided, however, any management contract may be terminated for cause on thirty (30) days notice, anything to the contrary notwithstanding.

4. Liability of Board of Directors. The Master Association shall indemnify every officer and member of the Board of Directors against any and all expenses, including but not limited to attorney's fees reasonably incurred by or imposed upon any officer or member of the Board of Directors in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer or Director of the Board of Directors. The officers and members of the Board of Directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers and members of the Board of Directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Master Association (except to the extent that such officers or members of the Board of Directors may also be Members

of the Master Association), and the Master Association shall indemnify and forever hold each such officer and member of the Board of Directors free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall be exclusive of any other rights to which any officer or member of the Board of Directors, or former officer or member of the Board of Directors, may be entitled. The Master Association shall, as a common expense, maintain adequate general liability and officer's and director's insurance coverage to fund this obligation, if such insurance is reasonably available.

5. Intent of Declarant With Regard to Governance. It is the intent of the Declarant to have the Master Association provide autonomy to each CED with respect the expenses incurred or to be incurred exclusively to that CED, while providing an atmosphere of cooperation among the Master Association and each CED to permit economies of scale from vendors, service providers, bookkeepers and professionals; provided, however, in the event of a conflict between the Master Association and a CED, the decision of the Board of Directors of the Master Association shall be final, binding and conclusive, anything to the contrary notwithstanding.

6. Corporate Status.

(a) The Master Association shall have a corporate status.

(b) The Board of Directors shall prepare and file Articles of Incorporation for the Master Association with the State of Utah and may re-file the articles of incorporation of the Master Association if its status has been suspended or dissolved, and may adopt Bylaws if none exist.

(c) Membership in the Master Association is mandatory and a CED may not be partitioned from the Master Association.

(d) Membership in a CED is mandatory and may not be partitioned from the ownership of a Lot or Unit.

(e) The Board of Directors for each CED shall prepare and file Articles of Incorporation for the CED with the State of Utah and may re-file the articles of incorporation of the Master Association if its status has been suspended or dissolved, and may adopt Bylaws if none exist.

(f) The Master Association and each CED shall register with the State of Utah and pay the Registration Fee; and the Registration shall be updated from time to time as required by statute.

(g) The Master Association and each CED shall obtain and maintain a separate and independent Tax Identification Number.

END OF ARTICLE

ARTICLE 5

SUBASSOCIATIONS, NEIGHBORHOODS AND COMMON EXPENSE DISTRICTS

1. Creation. The Declarant or the Board of Directors of the Master Association may but are not obligated to create or charter Subassociations, Neighborhoods and /or Common Expense Districts (collectively "CED"); provided, however, the Declarant or the Board of Directors of the Master Association hereby reserve and are granted the right to revoke any charter granted and/or terminate a CED.

2. Delegation of Powers, Rights, Authority and Duties. As part of Declarant's responsibility to manage the Project and the Master Association's responsibility to care for the Common Area, manage the Property and enforce the Master Declaration, they may but are not obligated to delegate to a CED maintenance, management and enforcement duties.

3. Powers and Duties. Each CED shall have all of the powers and duties necessary for the administration of its affairs in accordance with the provisions of the Master Declaration delegated to it by the Board of Directors of the Master Association and may do all such acts and things necessary to operate and maintain its Neighborhood. The Board of Directors of each CED shall have the power from time to time to adopt any rules, regulations, guidelines, policies and procedures deemed proper for the exercise of its management powers. The Board of Directors of each CED may delegate its authority to a Manager. Subject to any limitations or provisions contained in the Master Declaration, the Board of Directors for each CED shall be responsible for at least the following matters within its Neighborhood:

- (a) Preparing of an annual budget;
- (b) Allocating the Common Expenses;
- (c) Maintaining the Common Area;
- (d) Collecting Master Assessments;
- (e) Enforcing the Project Documents as they relate to the CED;
- (f) Opening a bank account or account;
- (g) Obtaining and maintaining insurance;
- (h) Keeping books and records;
- (i) Paying for common utilities;

- (j) Creating and chartering CEDs;
- (k) Revoking CED charters and terminating CEDs;
- (l) Coordinating its operations and affairs with the Master Association;
- (m) Adopt Articles of Incorporation and Bylaws; and
- (n) Doing such other things and acts appropriate and necessary to accomplish the foregoing.

3. Delegation of Management Responsibilities: The Board of Directors for each CED may but are not required to delegate all or some of its management responsibilities to either a professional management company, an experienced on-site manager, an independent contractor, through service contracts, or any combination thereof (collectively "Manager"). The Manager may be an employee or an independent contractor. The termination provision of any such contract must not require a termination penalty or any advance notice of any more than sixty (60) days, and no such contract or agreement shall be for a term greater than one (1) year. The Board of Directors for each CED may also employ general laborers, grounds crew, maintenance, bookkeeping, administrative and clerical personnel as necessary to perform its management responsibilities. Provided, however, any management contract may be terminated for cause on thirty (30) days notice, anything to the contrary notwithstanding.

4. Liability of Board of Directors. The Master Association shall indemnify every officer and member of The Board of Directors for each CED against any and all expenses, including but not limited to attorney's fees reasonably incurred by or imposed upon any officer or member of The Board of Directors for each CED in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer or Director of The Board of Directors for each CED. The officers and members of The Board of Directors for each CED shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers and members of The Board of Directors for each CED shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Master Association (except to the extent that such officers or members of The Board of Directors for each CED may also be Members of the Master Association), and the Master Association shall indemnify and forever hold each such officer and member of The Board of Directors for each CED free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall be exclusive of any other rights to which any officer or member of The Board of Directors for each CED, or former officer or member of The Board of Directors for each CED, may be entitled. The Master Association shall, as a common expense, maintain adequate general liability and officer's and director's insurance coverage to fund this obligation, if such insurance is reasonably available.

5. Intent of Declarant With Regard to Governance. It is the intent of the Declarant to have the Master Association provide autonomy to each CED with respect the expenses incurred or to be incurred exclusively to that CED, while providing an atmosphere of cooperation among the Master Association and each CED to permit economies of scale from vendors, service providers, bookkeepers and professionals; provided, however, in the event of a conflict between the Master Association and a CED, the decision of the Board of Directors of the Master Association shall be final, binding and conclusive, anything to the contrary notwithstanding.

6. Corporate Status.

(a) Each CED shall have a corporate status.

(b) The Board of Directors for each CED shall prepare and file Articles of Incorporation with the State of Utah and may re-file the articles of incorporation of the CED if its status has been suspended or dissolved, and may adopt Bylaws if none exist.

(c) Membership in the CED is mandatory and may not be partitioned from the ownership of a Lot in that Neighborhood.

(d) Each Owner, by virtue of his accepting a deed or other document of conveyance to a Lot in a CED shall be considered a member of the Subassociation for that Neighborhood.

(e) The CED shall register with the State of Utah and pay the Registration Fee. The Registration shall be updated as required by statute.

(f) The CED shall have its own Tax Identification Number.

(g) The CED shall have its own Bylaws.

END OF ARTICLE

ARTICLE 6

EASEMENTS

1. Easements. Easements are hereby reserved throughout the Property as may be required for utility and other services, including:

(a) Construction Easement. The Declarant hereby reserves for itself and its affiliates and assignees a temporary construction easement over the Property, including the Common Area, for the purpose of doing all things that are reasonably necessary as a part of constructing any new improvements for the Project. The Owners do hereby acknowledge and agree that there will be construction activities, traffic, noises, odors and vibrations which may temporarily disrupt their quiet enjoyment of their property until all improvements are complete. The Owners do hereby waive any right to object to such construction activity. Declarant's construction activities pursuant to the easement granted hereunder shall not be deemed to be a violation of the Use Restrictions.

(b) Locations of Facilities Easement. Declarant hereby reserves for itself and its affiliates and assignees a non-exclusive easement for itself and its affiliates and assignees to construct, operate, maintain, repair and replace all types of telecommunication facilities, including but not limited to roof antennas, within suitable locations for such facilities (the "Locations of Facilities") within the Project. Declarant further reserves a right of access to the Locations of Facilities over, across, and through all other Common Area and Facilities of the Project in order to access the Locations of Facilities to exercise the rights established herein. Declarant reserves the perpetual right to transfer by easement, license agreement or other conveyance the rights reserved hereunder to one or more telecommunication facilities providers. Declarant may exercise all of such rights unilaterally and without the consent of any Owner, Mortgagee or the Master Association. The Master Association, on behalf of all Owners, agrees to execute such further and additional instruments as may be requested by Declarant documenting the rights hereunder, in form satisfactory to the Declarant, and any assignee of its rights hereunder.

(c) Entry Easement and Easement for the Entry Monument. Declarant hereby reserves for itself and its affiliates and assignees easements for the Entry and Entry Monument, and corresponding easements for the utility, drainage and irrigation systems and facilities. No Owner or resident may do any landscaping, grading or work, or install any structure, building, improvement, planting, or other object, natural or artificial, or materials which may damage or interfere with the installation and maintenance of such improvements, or which may change the direction of flow of drainage channels in, on or about the easements and rights of way, or which may obstruct or retard the flow of water through the drainage channels in the easements and rights of way. If a drainage channel is altered by an Owner, the Declarant and/or the Master Association expressly reserve the right to enter onto the property to restore the area at the cost of the Owner, and without being guilty of a trespass.

(d) Reciprocal Easements. All conveyances of a Unit hereafter made, whether by Declarant or otherwise, shall be construed to grant and reserve such reciprocal easements as shall

give effect to this Master Declaration, even though no specific reference to such easements appears in any such conveyance.

(e) Access Easement and Right of Way. A non-exclusive easement over, across, through, above and under the Lots and any common area for purposes of access, installation, construction, operation, regulation, inspection, maintenance, repair, replacement, and related services of the land drain system and facilities.

(f) Easements for Utilities, Drainage and Irrigation. Easements for utilities, the drainage systems and facilities, and irrigation are reserved hereby and on the recorded Plat. An Owner may not do any landscaping, grading or work, or install any structure, building, improvement, planting, or other object, natural or artificial, or materials which may damage or interfere with the installation and maintenance of utilities, Entry Monument, or which may change the direction of flow of drainage channels in, on or about the easements and rights of way, or which may obstruct or retard the flow of water through the drainage channels in the easements and rights of way. If a drainage channel is altered by an Owner, the Declarant and/or the Design Review Board expressly reserve the right to enter onto the property to restore the area at the cost of the Owner, and without being guilty of a trespass. In addition, the easement and right of way area of or on each Lot, including by way of illustration but not limitation, the Entry Monument, in whole or in part, utilities, drainage systems and facilities, and irrigation, and all improvements within said area shall be maintained continuously by the Owner of the property, at his sole expense, excepting those improvements for which a public authority or utility company is expressly responsible.

(g) Optional Easement to Use Water, Power and/or Gas from a Lot or Unit. The Declarant hereby reserves to itself and grants to the Master Association, and their successors and assigns:

(1) The right to hook-up, tie-in, connect to and/or use the water, power or gas utilities, systems, equipment, meters, valves, pipes and lines servicing a Lot or Unit for the purpose of providing water, power or gas to the Common Area or Facilities or other parts of the Project in common use or necessary or convenient to the use, existence, maintenance, operation or management of property owned or managed by the Master Association for the common benefit of its members; and

(2) A non-exclusive easement and right of way over, across, under and through any Lot or Unit for the purpose of: (1) Access to the water, power, gas, equipment, meters, valves, pipes or lines located in, on or about the Lot or Unit; (2) Ingress and egress; (3) Hook-up, tie-in and/or connecting to the water, power, gas, equipment, meters, valves, pipes or lines; and (4) Using, installing, extending, maintaining, repairing or replacing the equipment, meters, valves, pipes or lines.

(h) Access Easement for Emergency and Government Vehicles. An easement and right of way is hereby granted to all Owners, Mortgagees, Residents and government health, safety, sanitary and emergency vehicles over across and through the Property and all Private Streets,

Roads, Cul-de-sacs, Ways and Drives in order to access all Common Areas and Facilities, Neighborhoods, Lots, Buildings and Improvements.

Each Owner by the acceptance of a deed or other document of conveyance to a Lot or Unit hereby agrees to the foregoing easements and rights of way; provided, however, if the Declarant or the Master Association, or their successors and assigns, elect to connect to and use the water, power or gas from a Lot or Unit, then the Declarant and/or Master Association, or their successors and assigns, shall provide the Owner of the Lot or Unit a credit in a sum equal to the actual cost to said Owner of providing the water, power or gas for the purposes outlined above.

2. Slope and Drainage Control. No structure, plant, improvement or other material may be placed or permitted to remain, or other activities undertaken which may damage or interfere with established Lot ratios, create erosion or sliding problems, or which may change the direction or flow of drainage channels, or obstruct or retard the flow of water through the channels. The slope control area of each Lot and all improvements therein shall be maintained continuously by the Owner of the Lot, excepting those improvements for which a public authority or utility company is expressly responsible. It shall be the responsibility of the Owner to see that his Lot strictly conforms with the grading and drainage plan established by the Declarant, Summit County and the City. For purposes of this subsection, the term "established drainage pattern" shall mean the drainage pattern, facilities, and improvements in existence at the time a Lot is conveyed to a home purchaser by the Declarant, its successor or assign. Within these easements and rights of way, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in, on or about the easements and rights of way, or which may obstruct or retard the flow of water through the drainage channels in the easements and rights of way. The easement and right of way area of each Lot and all improvements within said area shall be maintained continuously by the Owner, excepting those improvements for which a public authority or utility company is expressly responsible. Each Owner shall be responsible to develop, improve, and landscape his Lot in a manner consistent with the land drain system and the established drainage pattern, and so as not to detract from, interfere with, or impair or the land drain system or the established drainage pattern on any other Lot within the Project. No changes to the land drain system or the established drainage pattern on any Lot shall be permitted without the prior written consent of the City. Each Owner shall be strictly liable for any loss, damage or claim caused to person or property in the Project caused by his negligence or carelessness.

3. Encroachment. If any part of a Lot encroaches or shall hereafter encroach upon another Lot or Lots, an easement for such encroachment and for the maintenance of the same shall and does exist. Such encroachments shall not be considered to be encumbrances. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of the building on the Property, by error in the Final Plat, by settling, rising, or shifting of the earth, or by changes in position caused by repair or reconstruction of the Property or any part thereof.

END OF ARTICLE

ARTICLE 7

RULES AND REGULATIONS

1. Rules and Regulations.

(a) The Board of Directors shall have the authority to adopt, amend, modify, create, expand, or enforce rules and regulations as well as architecture and landscape design criteria. Before it adopts or changes a rule or regulation, the Board of Directors shall within fifteen (15) days of its meeting provide advance notice of its intention to the Owners. The Board of Directors shall provide an open forum at the meeting and provide Owners with a chance to be heard. The Owners may, within sixty (60) days after the formal adoption of or change to a rule or regulation, and by a vote of at least a majority of the total ownership at a special meeting called for this purpose, disapprove the proposed rule or regulation.

(b) (1) The rules must treat similarly situated people the same, although the rules may vary according to the type of service provided.

(2) The rules may not violate the right of Owners to display religious and holiday signs inside their Unit, although the rules may define the time, place, and manner of displays visible from outside the Unit or Lot.

(3) The rules may not regulate the content of political signs, although the Rules may define the time, place, and manner of displays visible from outside the Unit or Lot.

(4) The rules may not interfere with an Owner's determination of the composition of his or her household, although they may legally require the occupants to be members of a single housekeeping unit and may limit the total number of occupants permitted in a Unit, based its size, configuration and a fair use of the common areas.

(5) The rules may not interfere with activities within a Lot or Unit if the activity is legal. Limits may be made if the activities are not considered typical for a residential neighborhood, or if the activities create an additional expense for the Master Association, or if the activities are dangerous or pose a health concern, or if the activities constitute a nuisance, create unreasonable noise or traffic, or are unsightly or annoying, or create secondary smoke issues.

(6) If federal, state or local law permits, rules may be adopted regulating use or behavior inside a Dwelling or Lot, including by way of illustration but not limitation smoking, rentals, noise, traffic and nuisance.

(7) The rules may address a variety of matters such as user fees, the availability of the Common Area and Facilities, the denial of access and use of recreational amenities

to trespassers, violators, misusers or abusers, the transfer of lots, rental terms, the disposal of personal property, etc.

(8) The rules may regulate the maintenance and use of the Common Area and Facilities, late fees, accruing interest, indemnity, etc.

(9) No rule may be in conflict, inconsistent or incongruent with the Master Declaration and Bylaws. If any provision of this subsection is held to be illegal, invalid, or unenforceable under any present or future law, then that provision will be fully severable. This subsection will be construed and enforced as if the illegal, invalid, or unenforceable provision had never comprised a part hereof, and the remaining provisions of this subsection will remain in full force and effect and will not be affected by the illegal, invalid, or unenforceable provision or by its severance from this subsection. Furthermore, in lieu of each such illegal, invalid, or unenforceable provision, there will be added automatically, as a part of this subsection, a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid and enforceable.

END OF ARTICLE

ARTICLE 8

USE RESTRICTIONS

The Lots are subject to the following use restrictions which shall govern both the architecture and the activities within the Project:

1. Private Residence. No Lot shall be used except for residential purposes.
2. Home Occupation Guidelines. No resident may operate a commercial trade or business in or from his Unit with employees of any kind or with customers who are not residents of the Project, or which create or maintain a nuisance. No commercial trade or business may store any inventory over 250 cubic feet, and it must be contained within the Unit. No commercial trade or business may be conducted in or from a Unit unless (1) the business activity conforms to all home occupation and zoning requirements governing the Project; (2) the operator has a city issued business license; (3) the business activity satisfies the Home Occupation Guidelines adopted by the DRB, as they may be modified from time to time; and (4) the resident has obtained the prior written consent of the DRB. Notwithstanding the foregoing, the leasing of a Lot shall not be considered a trade or business within the meaning of this subsection.
3. Storage and Parking of Vehicles. The driving, parking, standing, and storing of motor vehicles in, on or about the Project shall be subject to the following:
 - (a) The parking rules and regulations adopted by the Board of Directors from time to time;
 - (b) The parking areas are not designed for Recreational, Commercial or Oversized motor vehicles and the Board of Directors has the right to make rules and regulations restricting or prohibiting their use. Unless otherwise determined by the Board of Directors, all Recreational, Commercial and Oversized Vehicles shall be parked outside the Project, except for purposes of loading and unloading.
 - (c) Eighteen-wheeled semi-trailers and cabs are not allowed.
 - (d) No motor vehicle or trailer may be parked or stationed in such a manner so as to create a potentially dangerous situation.
 - (e) Except for purposes of loading and unloading, no motor vehicle or trailer may be parked or stationed in such a manner so as to create an obstacle or along any street or road, or in front of any garage, walkway, driveway, Building or Lot, or in an unauthorized Common Area.
 - (f) Residents may only park their motor vehicles within their designated garages, covered parking spaces, or in other designated Common Area parking stalls.

(g) Residents may not park their motor vehicles in red zones, fire lanes, guest or visitor parking, or other unauthorized areas.

(h) Visitors or guests shall park their motor vehicles in Common Area designated for guest or visitor parking.

(i) No Owners or residents shall repair or restore any vehicle of any kind in, on or about any Lot or the Common Area, except for emergency repairs, and then only for a seventy-two (72) hour period to enable movement thereof to a proper repair facility.

(j) No garage may be altered in such a manner that the number of motor vehicles which may reasonably be parked therein after the alteration is less than the number of motor vehicles that could have been reasonable parked in the garage as originally designed and constructed.

(k) No motor vehicle shall be parked in such a manner as to inhibit or block access to a Lot, garage, covered parking space, uncovered parking space, entrance, exit, or parking area.

(l) All parking areas shall be used solely for the parking and storage of motor vehicles used for personal transportation.

(m) **WITHOUT ANY FURTHER NOTICE**, vehicles parked in violation of the Project Documents and/or Parking Rules may be (a) immobilized, (b) towed, and/or (c) impounded, and at the owner's sole (i) risk and (ii) expense.

4. Garbage and Refuse Disposal. No Lot shall be used as a dumping ground. All trash, garbage, debris, rubbish or other waste shall be kept in a sealed, sanitary bag or container, and stored out of sight except for a twenty-four (24) hour period on pick-up days.

5. Aerials, Antennas, and Satellite Systems. All exterior aerials, antenna and satellite dishes (collectively "antenna") must be positioned so that they are screened from view from the street. No antenna shall be erected, maintained or used in, on or about any Home, outdoors and above ground, whether attached to or on top of any building, structure, Home, or otherwise, within the Project without the prior written consent of the Declarant or DRB, which shall not be unreasonably withheld. Anything to the contrary notwithstanding, if there is a conflict between this subsection and the FCC guidelines, the latter shall in all respects govern and control. In making its decisions, the Declarant and/or DRB shall abide by and be subject to all relevant local, state and federal laws, including but not limited to all FCC guidelines, rules and regulations as they may be amended or supplemented from time to time.

6. Animals and Pets. Large animals as that term is defined by City ordinance are not allowed. No pets, animals, livestock, or poultry of any kind may be commercially bred at the Project. Household pets allowed by city ordinance are allowed. If there is not city pet ordinance,

then up to two (2) domestic pets as that term is defined by City ordinance per Lot are allowed; provided, however, pets must be properly licensed and registered. Pets may not create a nuisance. The following acts or behaviors shall be considered a nuisance: (1) causing damage to the property of anyone other than the pet owner; (2) causing unreasonable fouling of the air by odors; (3) causing unsanitary conditions; (4) running loose throughout the Project and not in a cage or on a leash and under the control of a responsible person; (5) barking, howling, whining, or making other disturbing noises in an excessive, continuous or untimely fashion; (6) molesting or harassing passersby by lunging at them or chasing passing vehicles; (7) attacking or threatening to attack people or other domestic animals; (8) otherwise acting so as to bother, annoy or disturb the sensibilities of a reasonable person or interfering with the right of residents to the peaceful and quiet enjoyment of their property; (9) violation of City pet ordinance; and (10) the mere number of pets maintained creates an offensive or dangerous condition to the health, welfare or safety of other residents.

7. Certain Work Prohibited. No Owner shall do any work or make any alterations or changes which would jeopardize the soundness or safety of the Property, including by way of illustration but not limitation the Repository, reduce its utility or impair any environmental protection or safe guard, easement or hereditament.

7. Laws. Nothing shall be done or kept in, on or about any Lot or any part thereof, which would be a violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body.

8. Damage or Waste. Each Owner shall repair any damage he or any other residents, guests, or invitees of his Lot may cause to another Owner, Lot, or Home, and promptly restore the property to its original condition.

9. Signs, Flags, Religious, and Holiday Displays. No signs, billboards or advertising structures or devices of any kind may be built, installed or displayed on the Property or any Lot except for a single sign with a maximum size of 2' x 2' for specific purpose of advertising the sale of a Home; provided, however, this restriction does not apply to and is not binding upon the Declarant, who may use whatever signs it deems appropriate to market its Lots. "For Rent" or "For Lease" signs in the Common Area, on a Lot, or showing from a Home are strictly prohibited. The Master Association may not prohibit the display of a U.S. flag inside a Dwelling, Unit, Lot or Limited Common Area, if the care of the flag and display is consistent with federal law. The Master Association may control and restrict the display of a flag in the Common Area. The rights of Owners and occupants to display religious and holiday signs, symbols, and decorations on their Lots of the kinds normally displayed in residences located in single-family residential neighborhoods shall not be abridged, except that the Master Association may adopt time, place, and manner restrictions regulating displays which are visible from outside the Lot.

10. Zoning. All land use and buildings shall be in compliance with all zoning and land use ordinances as well as all regulations of the municipalities and agencies governing the Project land use and buildings.

11. Nuisances. No noxious or offensive activity shall be carried on, in or about the Property, nor shall anything be done or permitted thereon which may be or may become an annoyance, disturbance, bother or nuisance to the neighborhood, or which might interfere with the right of other residents to the quiet and peaceful enjoyment of their property.

12. Temporary Structures. No structure of a temporary nature or character, including but not limited to any trailer, shack, shed, tent, garage, barn or other out-building shall be used on any Lot at any time as a residence.

13. Entry Monument. If an Owner purchases a Lot which includes a common improvement, including by way of illustration but not limitation an Entry, Entry Monument, planter, planter box, planter strip, perimeter fence, wall, street light, exterior lighting or other landscaping treatment of any kind, shall, at his sole expense, maintain such common elements in good condition, and may not improve his property or place any plant, hedge, tree, bush, shrub or object, natural or artificial, behind, to the side or in front of such improvement or feature or so as to impair, obstruct, block or impede the view or purpose of the Entry, Entry Monument or other improvement, planter box, landscaping strip, or any such special landscaping feature.

14. Chimes and Musical Sound Makers. Chimes, dream catchers, bells, tubes or other objects hung vertically outside the Home which ring, strike or otherwise produce musical sounds or harmony heard by other residents are prohibited.

15. Snow and Ice Removal and Stockpiling Stations. The Declarant and/or the Master Association shall establish locations to stockpile snow accumulations during the Winter months, which may encroach on private property. The locations are subject to change by the Board of Directors. No Owner or resident may block, obstruct, impair, impede or otherwise interfere in any way with ice and snow removal or the stockpiling of snow as seasonal demands require.

END OF ARTICLE

ARTICLE 9

RENTALS

Each Owner agrees, by the acceptance of a deed or other document of conveyance to a Lot, that in order to maintain the value of the purchased property and the Project, the leasing and renting of Homes is subject to the following covenants, conditions and restrictions:

1. Renting rules and regulations adopted by the Board of Directors, as they may be amended from time to time, which shall be established to protect, preserve and maintain the integrity and value of the Project and original design scheme of the Declarant. The rental rules and regulations shall establish policies, procedures and minimum standards.

2. Weekly and monthly rentals at the Cottages and Homestead Neighborhoods are allowed, although daily rentals are not permitted. Otherwise, rentals require an initial term of less than six (6) months. No Owner renting his Home may rent individual rooms to separate Persons or less than his entire Home without the prior express written consent of the Board of Directors or its designee.

3. The right to rent a Lot or Home, including by not limited to weekly and monthly rentals at the Cottages and Homestead, is a privilege, which may be conditioned or revoked, and not an absolute right. The Board of Directors is authorized to require applications, security deposits and charge impact fees. Conditions may include owner/landlords participation in local Good Landlord Programs (if available) and consent to commence eviction proceedings within ten (10) days after the date of delivery of written notice by the Association that the renters have created a nuisance as that term is defined by Utah statute. The amount of any security deposits or impact fees shall be established by the Board of Directors.

4. "For Rent" or "For Lease" signs are prohibited.

5. The Board of Directors may but is not obligated to require Owner/Landlords to submit copies of all Rental Agreements and contact information for the occupants of the Home.

6. The Board of Directors may but is not obligated to require that Owners use rental forms, addenda, such as the Crime Free Addendum, or participate in Good Landlord Programs offered by the City.

7. The Board of Directors may but is not obligated to charge an annual Rental Registration Fee and/or a Rental Deposit in amounts to be determined by the Board.

8. To satisfy the requirements of Lenders for financing or to certify the Project with Lenders, the Board of Directors may but is not obligated to adopt restrictions on the number of rentals and owner-occupied Homes in the Project.

9. Anything to the contrary notwithstanding, all "Affordable Homes" and/or "Deed Restricted Lots" in the Project must be owner-occupied in accordance with Section 5.3 of the Deed Restrictions recorded as document # _____ on _____. At the sole discretion of the City, leasing may be allowed for extenuating circumstances and must be approved in writing.

9.1 Affordable Homes and Deed Restricted Lots in this Project may at the City's sole discretion be subject to City renting requirements or restrictions, in whole or in part.

9.2 If and when the Deed Restrictions against Lots in this Project are permanently removed, an Affordable Home or formerly Deed Restricted Lot may be rented if (a) this Section 9 Article 9 of this Master Declaration is amended to permit such rentals, (b) the proposed amendment is approved by at least two thirds (2/3) of the total ownership interest in this Project and the City, and (c) a written instrument is duly signed and recorded.

. In the event of any conflict, inconsistency or incongruity between the provisions such City renting requirements and the provisions of this Article, the former shall in all respects govern and control.

Other than as expressly stated herein, there is no restriction on the right of any Owner to rent or otherwise grant occupancy rights to his Home.

END OF ARTICLE

ARTICLE 10

COMMON EXPENSES, BUDGET, AND RESERVES

1. Declarant. Anything to the contrary notwithstanding, the Declarant shall not be obligated to pay Master Assessments on any Lots owned by it unless Declarant elects in writing to pay the Master Assessments.

2. Purpose of Common Area Expenses. The Master Assessments provided for herein shall be used for the general purpose of operating the Project, promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and residents, including the maintenance of any real and personal property owned by the Master Association, and regulating the Community, all as may be more specifically authorized from time to time by the Board of Directors.

3. Creation of Master Assessments. Since the Master Assessments shall pay for the common expenses of the Master Association, as shall be determined by the Board of Directors from time to time, each Owner, by acceptance of a deed to a Lot, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Master Association in a timely manner all Master Assessments assessed by the Board of Directors. The following are categories of Master Assessments: Initial Working Capital Master Assessment, Regular Common Master Assessments, Regular Neighborhood or CED Master Assessments, Special Master Assessments, Benefit Master Assessments, Re-Master Assessments, Reinvestment Fees, Individual Charges and Default Master Assessments.

4. Budget. At least thirty (30) days prior to its presentation for adoption, the Board shall prepare and deliver to the Owners a proposed Budget:

(a) Itemization. The Budget shall set forth an itemization of the anticipated Common Expenses (including that portion earmarked for the reserve account(s) and the Master Association's proportionate share of the cost of maintaining the Recreation Amenity) for the twelve (12) month calendar year, commencing with the following January 1.

(b) Basis. The Budget shall be based upon advance estimates of cash requirements by the Board to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the Common Areas, including the Recreation Amenity, and regulation of the Master Association, which estimate shall include but is not limited to expenses of management, grounds maintenance, taxes and special Master Assessments, premiums for all insurance which the Board is required or permitted to maintain, common lighting and heating, common water charges, trash collection, storm drain fees, common sewer charges, sewer maintenance costs, carpeting, painting, repairs and maintenance of the Common Areas, including the Recreation Amenity, and replacement of those elements of the Common Areas, including the

Recreation Amenity, that must be replaced on a periodic basis, wages for Board employees, legal and accounting fees, any deficit remaining from a previous period; the creation of a reasonable contingency reserve, surplus or sinking fund, Capital Improvement reserve, and other expenses and liabilities which may be incurred by the Master Association for the benefit of the Owners under and by reason of this Master Declaration. Until the Project is completed, and all Phases are added, this estimate may need to be adjusted periodically as each new Phase is completed.

(c) Owner Disapproval. The Owners may call a special meeting within forty-five (45) days of the meeting providing the proposed Budget to vote to disapprove the Budget, although to set it aside and to reject a proposed Budget requires the affirmative written consent of at least a majority of total ownership to reject. If the new Budget is disapproved, then the prior year's Budget continues.

(d) Approval of Budget and Master Assessments. The proposed Budget and the Master Assessments shall become effective unless disapproved in accordance with the state statute. Notwithstanding the foregoing, however, if the membership disapproves the proposed budget and Master Assessments or the Board of Directors fails for any reason to establish the Budget and Master Assessments for the succeeding year, then and until such time as a new budget and new Master Assessment schedule shall have been established, the Budget and the Master Assessments in affect for the then current year shall continue for the succeeding year.

5. Apportionment. The voting rights shall be distributed among and the Common Expenses shall be charged equally and uniformly to all of the Lot Owners through this representative system. The Master Assessments may but is not required to bill each Neighborhood, Subassociation or Common Expense District for its share of the Common Expenses. If so, then each Neighborhood, Subassociation or Common Expense District responsible to allocate the Assessment among its Owners and collect payment for and in behalf of the Master Association.

6. Payment of Master Assessments. The time and method of payment shall be determined by the Board of Directors.

7. Additional Services. The Board of Directors may make available to or provide additional individual services to Owners for a fee.

8. Personal Obligation of Owners. All of the Owners are personally liable to pay all Master Assessments and their share of the Common Expenses; provided, however, no first mortgagee or beneficiary under a first deed of trust (but not the Seller under a uniform real estate contract, land sales contract, or other similar instrument), who obtains title to a Lot pursuant to the remedies provided in the mortgage or trust deed shall be liable for more than six (6) months of unpaid Master Assessments which accrued prior to the acquisition of title. For purposes of this Section, the term "Owner" shall mean and refer jointly and severally to: (1) the Owner of both the legal and equitable interest in any Lot; (2) the Owner of record in the offices of the County Recorder

of Summit County, Utah; and (3) both the Buyer and Seller under any executory sales contract or other similar instrument.

9. Equitable Changes. If the aggregate of all monthly payments on all of the Lots is too large or too small as a result of unanticipated income or expenses, or if funds are required for environmental protections, the Board of Directors may from time to time unilaterally effect an equitable change in the amount of said payments. No other approvals are required although Owners shall be given at least thirty (30) days written notice of any changes.

10. Re-Master Assessment. Without additional approval required, the Board of Directors may upon at least thirty (30) days prior written notice, re-assess among all of the Owners an amount equal to Master Assessments not paid by Owners during the course of any fiscal year as the result of bankruptcy, foreclosure, or any other cause.

11. Superiority of Master Assessments. All Master Assessments and liens created to secure the obligation to pay Master Assessments are superior to any homestead exemptions to which an Owner may be entitled which insofar as it adversely affects the Master Association's lien for unpaid Master Assessments and each Owner, by accepting a deed or other document of conveyance to a Lot, waives his right to claim his homestead exemption has priority.

12. Suspension of Right to Vote for Non-Payment. At the discretion of the Board of Directors, the right of an Owner to vote on issues concerning the Master Association may be suspended if the Owner is delinquent in the payment of his Master Assessments, and has failed to cure or make satisfactory arrangements to cure the default after reasonable notice of at least ten (10) days.

13. Statement of Master Assessments Due. Upon written request, the Board of Directors shall furnish to any Owner a statement of Master Assessments due, if any, on his Lot. Failure to provide the certificate within ten (10) days after a written request is received by the Secretary, shall be deemed conclusive evidence that all Master Assessments are paid current. The Master Association may require the advance payment of a processing charge not to exceed \$15.00 for the issuance of such certificate.

14. Providing Payoff Information. The Master Association may charge a fee for providing Master Association payoff information needed in connection with the closing of an Owner's financing, refinancing, or sale of his Lot (the "Payoff Fee"). The Master Association may not require that the Payoff Fee be paid before closing and the Payoff Fee may not exceed \$50 without a change in the statute. If the Master Association fails to provide the payoff information requested within five (5) business days after the closing agent requests the information may not enforce a lien against that Lot for money due to the Master Association at closing; provided, however, a request shall not be considered effective unless the request is conveyed in writing to the designated contact

person for the Master Association on record with the State of Utah and contains: (1) the name, telephone number, and address of the person making the request; and (2) the facsimile number or email address for delivery of the payoff information; and (3) is accompanied by a written consent for the release of the payoff information: (a) identifying the person requesting the information as a person to whom the payoff information may be released; and (b) signed and dated by an Owner of the Lot for which the payoff information is requested.

15. Reserves.

(a) As used in this section, the term "reserve analysis" means an analysis to determine: (1) the need for a reserve fund to accumulate money to cover the cost of repairing, replacing, and restoring common areas and facilities that have a useful life of three years or more, but excluding any cost that can reasonably be funded from the general budget or other funds of the Master Association of unit owners; and (2) the appropriate amount of any reserve fund.

(b) After the expiration of the Declarant's Period of Control, the Board of Directors shall cause a reserve analysis to be conducted no less frequently than is required by Utah law⁴; and review and, if necessary, update a previously conducted reserve analysis no less frequently than required by Utah law⁵.

(c) The Board of Directors may conduct a reserve analysis itself or may engage a reliable person or organization, as determined by the Board of Directors, to conduct the reserve analysis.

(d) The Board of Directors may not use money in a reserve fund: (i) for daily maintenance expenses, unless a majority of the members of the Master Association vote to approve the use of reserve fund money for that purpose; or (ii) for any purpose other than the purpose for which the reserve fund was established.

(e) The Board of Directors shall maintain a reserve fund separate from other funds of the Master Association.

(f) This Subsection (4) may not be construed to limit the Board of Directors from prudently investing money in a reserve fund provided it is government insured.

(g) The Master Association and each Neighborhood, Subassociation and Common Expense District shall: (a) annually, at the annual meeting of the Master Association or at a special meeting of the Master Association: (i) present the reserve analysis; and (ii) provide an opportunity

4 Currently every six (6) years.

5 Currently every three (3) years.

for Owners to discuss reserves and to vote on whether to fund a reserve fund and, if so, how to fund it and in what amount; (b) prepare and keep minutes of each meeting so held and indicate in the minutes any decision relating to funding a reserve fund; provided, however, and anything to the contrary notwithstanding, the Board of Directors may but is not obligated to require that the Master Association (after the termination of the Period of Declarant's Control) fund and maintain a reserve account sufficient to satisfy the requirements for certification by the US Department of Housing and Urban Development on Town Homes. Restriction does not apply to detached Single Family homes.⁶

(h) If a Reserve Analysis or Study has not been completed prior to the end of the Period of Declarant's Control, that one be completed and made available to the Owners within one hundred eighty (180) days from the date of transfer of control.

(i) The Board of Directors shall establish and maintain a separate reserve fund for potential clean-up issues with the Retention Pond.

16. Special Master Assessments. In addition to the other Master Assessments authorized herein, the Master Association may levy special Master Assessments in any year, subject to the following and Section 18 below:

(a) Board of Directors Based Master Assessment. So long as the special Master Assessment does not exceed the sum of Five Hundred and 00/100th Dollars (\$500.00) per Lot in any one fiscal year (the "Special Master Assessment Limit"), the Board of Directors may impose the special Master Assessment without any additional approval.

(b) Master Association Approval. Any special Master Assessment which would exceed the Special Master Assessment Limit shall be effective only if approved by a majority of the members of the Master Association. The Board of Directors in its discretion may allow any special Master Assessment to be paid in installments.

17. Benefit Master Assessments. If an Owner has the choice to accept or reject the benefit, then the Board of Directors shall have the power and authority to assess an Owner in a particular area as follows:

(a) Benefit only To Specific Lot or Neighborhood. If the expense benefits less than all of the Lots or Neighborhoods, then those Lots or Neighborhoods benefitted may be specifically assessed, and the specific Master Assessment shall be equitably apportioned among those Lots according to the benefit received.

⁶ Currently HUD requires as a minimum a 10% reserve fund and a 10% contribution from annual Master Assessments as they accrue.

(b) Unequal or Disproportionate Benefit. If the expense benefits all Lots and/or Neighborhoods, but does not provide an equal benefit to all Lots and/or Neighborhoods, then all Lots shall be specifically assessed, but the specific Master Assessment shall be equitably apportioned among all Lots according to the benefit received.

Failure of the Board of Directors to exercise its authority under this Section shall not be grounds for any action against the Master Association or the Board of Directors and shall not constitute a waiver of the Board of Directors' right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board of Directors has not previously exercised its authority under this Section.

18. Limitation on Assessments for Capital Improvements and Additions. The affirmative express written consent of at least two-thirds (2/3) of the total ownership interest in the Project is necessary and sufficient to approve a special Master Assessment for the collection and/or expenditure of funds for a betterment, upgrade, addition or capital improvement to or to change the nature of the Project not otherwise covered by the annual budget or the Reserve Fund or Funds.

19. Individual Charges and Default Master Assessments. Individual Charges and Default Master Assessments may be levied by the Board of Directors against a Lot and its Owner and shall be due not earlier than thirty (30) days after written notice.

20. Building Exterior Master Assessment. Each Owner is personally and individually responsible to pay for his Building Exterior Master Assessment, which shall not be considered a Common Expense.

21. Reinvestment Fee. The buyer or seller of a Lot may be required to pay to the Master Association at the time of closing or settlement of the sale of said property a Reinvestment Fee.

22. Working Capital Fund. A working capital fund may be established by the Declarant equal to or greater than two (2) months' Master Assessments for each Lot and if so each Lot's share of the working capital fund shall be collected and transferred to the Board of Directors at the time of closing of the sale of each Lot by Declarant. Notwithstanding the foregoing, the contribution to the working capital fund for each unsold Lot shall be paid to the Board of Directors at the time such Lot is first occupied for residential purposes or a certificate of permanent occupancy is issued, whichever first occurs. With respect to each Lot for which the Declarant pays the contribution to the working capital fund, the Declarant shall be reimbursed for such contribution by the buyer of such Lot at the time of closing. The purpose of the working capital fund is to insure that the Board of Directors will have cash available to satisfy unforeseen expenses or to acquire additional equipment or services necessary for the operation, control and regulation of the Project. Sums paid into the working capital fund are not to be considered as advance payments or regular monthly payments of Common

Expenses. Thereafter, the Board of Directors may continue the working capital fund by charging a reasonable transfer or impact fee when Lots are sold or rented.

23. Limitation of Lender's Duty to Pay Master Assessments After Foreclosure.

(a) Any first mortgagee or third party purchaser who obtains title to a Lot pursuant to the remedies in the mortgage or trust deed or through foreclosure will not be liable for more than six (6) months of the unpaid regularly budgeted Master Assessments, dues or charges accrued before acquisition of the title to the property by the mortgage, although the first mortgagee will also be liable for any reasonable attorneys fees or costs related to the collection of the unpaid dues. If necessary or appropriate for the Declarant or an Owner to obtain financing, the Declarant reserves and the Board of Directors are hereby granted the right, power and authority to waive the requirement that first mortgagee or third party who obtains title to a Lot pursuant to the remedies in the mortgage or trust deed or through foreclosure will not be liable for any unpaid regularly budgeted Master Assessments, dues or charges accrued before acquisition of the title to the property by the mortgagee or said third party purchaser.

(b) All other grantees who obtain title to a Lot in a voluntary conveyance or pursuant to the remedies in a mortgage or trust deed or through foreclosure shall be jointly and severally liable with the trustor or mortgagor for all unpaid Master Assessments, late fees, default interest and collection costs, including a reasonable attorneys fee, against the Lot for its share of the Common Expenses up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the trustor or mortgagor the amounts paid by the grantee.

(c) The lien for nonpayment of Master Assessments may be enforced by sale or foreclosure of the Owner's interest therein by the Board.

(d) The sale or foreclosure shall be conducted in the same manner as foreclosures in deeds of trust or mortgages or in any other manner permitted by law, which includes both judicial and non-judicial foreclosures as set forth in Section 11 of Article 11 below.

(e) In any foreclosure or sale, the Owner shall pay the costs and expenses of such proceedings, including but not limited to the cost of a foreclosure report, reasonable attorney's fees, and a reasonable rental for the Lot during the pendency of the foreclosure action.

(f) The Master Association in the foreclosure action may require the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The Board may bid for the Lot at foreclosure or other sale and hold, lease, mortgage, or convey the same.

END OF ARTICLE

ARTICLE 11
COLLECTIONS

1. Duty to Pay Master Assessments and Related Charges in a Timely Manner. Time is of the essence. Payments are due in advance on the first day of the month. Payments are late if received after the tenth day of the month in which they were due.

2. No Waiver. No Owner may waive or otherwise exempt himself or herself from liability for the Master Assessments provided for herein, including but not limited to the non-use of Common Areas or the abandonment of his Lot.

3. Delinquent Master Assessments. Any Master Assessment not paid when due shall be deemed delinquent and a lien securing the obligation shall automatically attach to the Lot, regardless of whether a written notice is recorded.

4. Late Fees. A late fee in a sum to be determined by the Board of Directors shall be assessed on all late payments. A payment received by the Board of Directors ten (10) days or more after its due date shall be considered late for purposes of this subsection.

5. Default Interest. Default interest in a sum to be determined by the Board of Directors shall accrue on all delinquent accounts.

6. Remedies. The Master Association has the right to obtain a personal judgment or foreclose a lien filed against a property or pursue any other remedy allowed by law or equity. The remedies are cumulative

7. Personal Obligation. Each Owner, by acceptance of a deed or as a party to any other type of conveyance, vests in the Master Association or its agents the right and power to bring all actions against him or her personally for the collection of the charges as a debt or to foreclose the lien in the same manner as mechanics liens, mortgages, trust deeds or encumbrances may be foreclosed.

8. Duty to Pay Independent. No reduction or abatement of Master Assessments shall be claimed or allowed by reason of any alleged failure of the Master Association or Board of Directors to take some action or perform some function required to be taken or performed by the Master Association or Board of Directors under this Master Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Master Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the

obligation to pay Master Assessments being a separate and independent covenant on the part of each Owner.

9. Application of Payments. All payments shall be applied as follows: Additional Charges, Delinquent Master Assessments and Current Master Assessments.

10. Notice of Lien. If any Lot Owner fails or refuses to make any payment of any Master Assessment or his portion of the Common Expenses when due, that amount shall constitute a lien on the interest of the Owner in the Property, and upon the recording of notice of lien by the Manager, Board of Directors or their designee it is a lien upon the Owner's interest in the Property prior to all other liens and encumbrances, recorded or unrecorded, except: (1) tax and special Master Assessment liens on the Lot in favor of any assessing Lot or special improvement district; and (2) encumbrances on the interest of the Owner recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

11. Foreclosure of Lien. If the Master Assessments remain unpaid, the Master Association may, as determined by the Board of Directors, institute suit to collect the amounts due and/or to foreclose the lien.

(a) Foreclosure of Lien as Mortgage or Trust Deed. The lien for nonpayment of Master Assessments may be enforced by sale through the auspices of a judicial (through the courts) or non-judicial (outside the courts) foreclosure of the Owner's interest therein by the Board of Directors. The sale or judicial or non-judicial foreclosure shall be conducted in the same manner as foreclosures in deeds of trust or mortgages or in any other manner permitted by law. In any foreclosure or sale, the Owner shall pay the costs and expenses of such proceedings, including but not limited to the cost of a foreclosure report, reasonable attorney's fees, and a reasonable rental for the Lot during the pendency of the foreclosure action. The Master Association in the foreclosure action may require the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The Board of Directors may bid for the Lot at foreclosure or other sale and hold, lease, mortgage, or convey the same.

(b) Appointment of Trustee. If the Board of Directors elects to foreclose the lien in the same manner as foreclosures in deeds of trust, then the Owner by accepting a deed to the Lot hereby irrevocably appoints the attorney of the Master Association, provided s/he is a member of the Utah State Bar, as Trustee, and hereby confers upon said Trustee the power of sale set forth with particularity in Utah Code Annotated, Section 57-1-23 (1953), as amended. In addition, Owner hereby transfers in trust to said Trustee all of his right, title and interest in and to the real property for the purpose of securing his performance of the obligations set forth herein. The Master Association shall record in the office of the county recorder a written Notice of Appointment of Trustee.

(c) Attorney in Fact. Each Owner by accepting a deed to a Lot hereby irrevocably appoints the Master Association as his attorney in fact to collect rent from any person renting his Lot, if the Lot is rented and Owner is delinquent in the payment of his Master Assessments.

(d) Judicial or Non-judicial Foreclosure. A Lot may be auctioned publically and sold through either a non-judicial foreclosure (like a bank foreclosing a deed of trust) or through judicial foreclosure. A court order of sale is required for a judicial foreclosure which includes a 6-month redemption period.

(1) For purposes of a non-judicial foreclosure, when a person accepts a deed or other document of conveyance to a Lot, it is considered the same, like a bank and a deed of trust, as conveying the Lot in trust to as trustee⁷ appointed by the Master Association to secure payment of all Master Assessments and costs of collection.

(2) The Master Association must appoint a qualified trustee, by signing and recording in the office of the county recorder a written substitution of trustee form in order to foreclose upon a Lot non-judicially.⁸

(3) At least thirty (30) days prior to starting its non-judicial foreclosure, the Master Association must send written notice to the Owner informing him or her of the Master Association's intent to foreclose non-judicially and the Owner's right to demand judicial foreclosure. The notice must be in the form provided by the statute and sent by certified mail.⁹ The Owner may

7 Bank, Title Company or Utah attorney

8 No redemption period. A notice of default is prepared and recorded. The Owner has 90 days to cure the default or the Unit may be sold by the Trustee. The notice of sale usually takes 30+ days. A non-judicial foreclosure takes approximately 120 days.

9 NOTICE OF NONJUDICIAL FORECLOSURE AND RIGHT TO DEMAND JUDICIAL FORECLOSURE

The (insert the name of the Association of unit owners), the Association for the project in which your unit is located, intends to foreclose upon your unit and allocated interest in the common areas and facilities using a procedure that will not require it to file a lawsuit or involve a court. This procedure is being followed in order to enforce the Association's lien against your unit and to collect the amount of an unpaid Master Assessment against your unit, together with any applicable late fees and the costs, including attorney fees, associated with the foreclosure proceeding. Alternatively, you have the right to demand that a foreclosure of your property be conducted in a lawsuit with the oversight of a judge. If you make this demand and the Association prevails in the lawsuit, the costs and attorney fees associated with the lawsuit will likely be significantly higher than if a lawsuit were not required, and you may be responsible for paying those costs and attorney fees. If you want to make this demand, you must state in writing that "I demand a judicial foreclosure proceeding upon my unit", or words substantially to that effect. You must send this written demand by first class and certified U.S. mail, return receipt requested, within fifteen (15) days after the date of the postmark on the envelope in which this notice was mailed to you. The address to which you must mail your demand is (insert the address of the Association of unit owners for receipt of a demand).

object to the non-judicial foreclosure by sending a written demand for judicial foreclosure. The Owner's objection and written demand must be sent within fifteen (15) days. The Owner's objection and written demand must also be sent by certified mail.

(4) The Master Association may not use a non-judicial foreclosure to enforce a lien if the Owner mails the Master Association a written demand for judicial foreclosure: (1) by U.S. mail, certified with a return receipt requested; (2) to the address stated in the Master Association's Notice of Non-judicial Foreclosure and Right to Demand Judicial Foreclosure under Subsection (d); and (3) within fifteen (15) days after the date of the postmark on the envelope of the Master Association's Notice of Non-judicial Foreclosure and Right to Demand Judicial Foreclosure.

(5) The Master Association must follow the provisions of the law applicable to the non-judicial and/or judicial foreclosure of deeds of trust.

12. Termination of Utilities and Right to Use Amenities for Non-Payment of Master Assessments. If an Owner fails or refuses to pay any Master Assessment when due, the Board of Directors may terminate the Owner's right to receive utility services paid as a common expense; and terminate the Owner's right of access and use of recreational facilities., after giving notice and an opportunity to be heard. Before terminating utility services or right of access and use of recreational facilities, the manager or Board of Directors shall give written notice to the Owner stating that the utility services or right of access and use of recreational facilities will be terminated if payment of the Master Assessment is not received timely (at least 48 hours), the amount of the Master Assessment due, including any interest or late payment fee; and the right of the Owner to request an informal hearing. An Owner who is given such notice may request an informal hearing to dispute the Master Assessment by submitting a written request to the Board of Directors within fourteen (14) days from the date the notice is received. The Board of Directors shall determine how the informal hearing shall be conducted. If a hearing is requested, utility services or right of access and use of recreational facilities may not be terminated until after the hearing has been conducted and a final decision has been entered. Upon payment of the Master Assessment due, including any interest or late payment fee, the manager or Board of Directors shall immediately take action to reinstate the terminated utility services to the Lot and right to use of recreational facilities.

13. Assignment of Rents. If an Owner who is leasing his Lot fails to pay any Master Assessment for a period of more than sixty (60) days after it is due and payable, the Board of Directors may demand that the renter pay directly to the Master Association all future rent payments due the Owner, commencing with the next monthly or other periodic payment, until the amount due to the Master Association is paid; provided, however, the manager or Board of Directors must give to the Owner the required statutory notices. All funds paid to the Master Association pursuant hereto shall be deposited in a separate account and disbursed to the Master Association until the Master Assessment due, together with any cost of administration which may not exceed \$25, is paid in full. Any remaining balance must be paid to the Owner within five (5) business days of payment in full to

the Master Association. Within five (5) business days of payment in full of the Master Assessment, including any interest or late payment fee, the manager or Board of Directors must notify the tenant in writing that future lease payments are no longer due to the Master Association. A copy of this notice shall also be delivered to the Owner. The terms "rental agreement" " or "renting" shall mean and refer to regular, exclusive occupancy of a Unit by any person or persons, other than the Owner, for which the Owner receives any consideration or benefit, including a fee, service, gratuity, or emolument.

END OF ARTICLE

ARTICLE 12

MAINTENANCE

1. Maintenance. The Property shall be maintained in a state of good condition and repair. The Property, and each Lot, must be presentable, usable, clean, functional, safe, sanitary, aesthetic and attractive. No Owner shall do any work or make any alterations or changes or fail to do any work which would impair or detract from the Declarant's original design scheme. The Board of Directors of the Master Association reserves the right and is hereby granted the power to modify the areas of maintenance responsibility without additional approval required. Neither the original assignment of maintenance responsibilities nor future modifications shall be considered to constitute a waiver of any right to make further changes and adjustments in perpetuity. The Board of Directors may authorize variances from compliance with any of the provisions of the areas of maintenance responsibilities when circumstances such as topography, natural obstructions, hardship, aesthetic, or environmental considerations require, but only in accordance with its duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing, (b) be contrary to the restrictions set forth in the body of this Master Declaration, or (c) estop the Board of Directors from denying a variance in other circumstances. For purposes of this section however, the inability to obtain approval of any governmental agency, the issuance of any permit or the terms of financing shall not be considered a hardship warranting a variance. Neither the Declarant, Master Association, Board of Directors nor any agent thereof or any of their employees, representatives or consultants shall be responsible in any way for any defects in the assignment of maintenance responsibilities in accordance with the provisions of this section, nor for any structural or other defects in any work done according to such assignments. In all events, the Board and its Directors shall be defended and indemnified, saved and held harmless by the Master Association, including all costs of defense and legal fees. Changes may be made without amending the Master Declaration provided Owners are given at least thirty (30) days prior written notice. The initial assignments, subject to change, are:

a. Area of Common Responsibility. The Master Association is responsible to maintain all Common Area which includes but is not limited to the duty to maintain the Repository, perimeter fencing, and the removal of snow and ice accumulations from the Common Area. The Master Association shall, either directly or by delegation to a Subassociation or the Owners, provide for exterior maintenance of all structures and dwelling units, including garages, and all landscaping (front, side and rear).

b. Area of Neighborhood Responsibility. A Subassociation may be responsible if the duty is delegated by the Master Association to maintain any and all common elements exclusive to a Neighborhood, including by way of illustration but not limitation exterior surfaces and landscaping. Each Neighborhood Association is responsible for the removal of snow and ice

accumulations from Neighborhoods not included in the Area of Common Responsibility or Area of Personal Responsibility.

c. Area of Personal Responsibility. Each Owner is responsible to maintain his private property which includes the duty to remove snow and ice accumulations from his Lot and any adjoining limited common or private yard area. In addition, Owners, at the request of the Board of Directors and at the Owner's sole cost and expense, may be required to do particular work, including but not limited to the installation and maintenance of heat tape, replacement of trees and shrubs, concrete, privacy fencing, roof, etc., on their individual Lots. Each Owner is responsible for the removal of snow and ice accumulations from his Lot and adjoining limited common area such as a doorstep, a stoop, a porch, a balcony, a patio or any other area reserved for use of a certain Unit or Units to the exclusion of the other Units.

2. Minimum Standards for the Removal of Snow and Ice Accumulations. The Board of Directors shall establish written policies, procedures, rules and regulations for the removal of snow and ice accumulations which shall include but are not limited to the use of snow melt or its equivalent, shoveling, snow blowing and plowing, areas of priority, frequency, timing and the maintenance of logs, books, records and proper documentation.

3. Open Space. Open Space shall be landscaped with grass, bushes, shrubs, trees, and other planting beds or left in a natural vegetative state. Some open space may be dedicated to the city and if so, it shall be maintained exclusively by the city at the City's sole cost and expense, and neither the Declarant nor the Master Association shall be legally responsible for what the City does or does not do.

4. Repository. The Master Association is responsible to manage, monitor and maintain the Repository in accordance with the requirements established by the Utah Department of Environmental Quality ("DEQ"). The Board of Directors shall coordinate its efforts with DEQ and create, maintain, update, publish and present to the Owners at least annually a status report of the condition of the Repository as well as the maintenance and use standards for the Repository, and the current contact information for the DEQ, which currently is:

Office Address:
Utah Department of Environmental Quality
195 North 1950 West
Salt Lake City, Utah
Mailing Address:
P.O. Box 14480
Salt Lake City, UT 84114-4840
P - (801) 536-4100
F - (801) 359-8853
www.deq.utah.gov

5. View Impairment. Neither the Declarant nor the DRB guarantees or represents that any view over and across any property, including any Lot or Building will be preserved without impairment. Neither the Declarant nor the DRB shall have the obligation to prune or thin trees or other landscaping except as set forth herein. Any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

6. Certain Work Prohibited. No Subassociation or Owner shall do any work or fail to do work required or make any alterations or changes which would jeopardize the soundness or safety of the Property, reduce its value, create a nuisance, or impair any easement or hereditament without in every case the unanimous written consent of all the other Owners being first obtained.

7. Default Provisions. If (except in the case of an emergency) after written notice and a hearing, it is determined that any responsible party has failed or refused to discharge properly its, his or her obligation with regard to the maintenance, repair, or replacement of the real property and improvements described herein, or that the need for maintenance, repair, or replacement thereof is caused through the willful or negligent act of any person, then the Master Association, or Board of Directors may, but is not obligated to, provide such maintenance, repair, or replacement at the defaulting or responsible party's sole cost and expense (the "Default Maintenance Cost"). The term "emergency" as used here means a situation or condition in which there is a threat of imminent and substantial harm to person or property. The Default Maintenance Cost is the debt of such defaulting or responsible party at the time the expense is paid and shall be collectible as such. A lien may be filed by the Master Association against the Owner's interest in the Property to secure payment.

END OF ARTICLE

ARTICLE 13

POTENTIAL ENVIRONMENTAL HAZARD NOTICE AND DISCLOSURE (REMEDIAL ACTION WORK PLAN)

1. Notice of Potential Environmental Hazard. Declarant hereby notifies prospective buyers and Owners of the Property of certain environmental conditions on the Property, the presence of contamination, lead and arsenic, and cleanup, which may affect health, maintenance, costs, expenses, and property valuation. The Declarant has entered into a Voluntary Cleanup Program Agreement with UDEQ, which obligates Declarant to remediate contaminated portions of the Property, and permits Declarant to leave residual contamination at the Property, restrict the land use, and establish engineering and/or institutional controls.

2. Lead and Arsenic Contamination. Lead or arsenic from smelter operations in soil can be a hazard to children who play or persons who work in the bare soil. It can also contaminate the home and floor dust when people track soil into the house on the shoes. Exposure to lead or arsenic can cause a wide spectrum of adverse health effects, including illness, disability and death. The main route of exposure is expected to be ingestion of contaminated soil, by direct hand to mouth activity or by swallowing airborne soil and dust particles that enter the mouth and nose. The potential health hazard of lead and/or arsenic soil is not limited to current populations. Future generations of residents may also be at risk since lead and arsenic remains in soil for hundreds to thousands of years.

3. Richardson Flat Tailings, NPL and CERCLIS. The Property is in the vicinity of the proposed Richardson Flat Tailings National Priorities List ("NPL") and Comprehensive Environmental Response, Compensation, and Liability Information System ("CERCLIS") site. The Property does not currently fall within the boundaries of the Richardson Flat Tailings site's operable units ("OU's"); however, the proposed boundary of OU3 adjoins the Property to the north and west.

4. Voluntary Cleanup Program. Declarant in conjunction with federal and state agencies and local experts on the proper cleanup of contaminated soils has adopted an appropriate cleanup and storage plan. A Remedial Action Work Plan ("Work Plan") has been prepared at the request of Declarant to address lead-and-arsenic impacted soils identified at the Property ("Environmental Hazard") prior to Declarant's development of the Property as proposed. Declarant enrolled the Property, or portions thereof, into the Voluntary Cleanup Program ("VCP") to address impacted soils within a canal or canals located on the Property. The following Reports are available upon request:

Report Prepared By	Description	Date
IHI Environmental	Utility Installation Work Plan for Work Conducted within Richardson Flats Proposed OU3	January 30, 2014
IHI Environmental	Remedial Action Work Plan & Sampling and Analysis Plan/Quality Assurance Project Plan	February 13, 2014 Revised March 27, 2014
Declarant and UDEQ	Voluntary Cleanup Program Agreement	July 16, 2012,
Declarant and UDEQ	Amendment to Voluntary Cleanup Program Agreement	
IHI Environmental	Site Characterization Report	May 6, 2013

5. Objective of VCP/Work Plan.

(a) The overall objective of the Work Plan is to consolidate soils that exceed the site-specific Cleanup Levels for lead and arsenic into an on-site repository ("Repository"), which is located in an existing Area of Contamination.

(b) This action is intended to prevent the exposure of the general public and residents to the impacted soils currently present on the Property by encapsulating the material with a protective cap that will remain protective of human health and the environment, allowing for the safe development of the Property as a residential community.

6. Cleanup Levels. The DERR has accepted Cleanup Levels consistent with this type of residential development. The Cleanup Levels for lead and arsenic in soils are 500 mg/kg and 100 mg/kg, respectively. The unit "mg/kg" is equivalent to parts per million ("ppm Soils exceeding the Cleanup Levels were limited to the northern portion of the Property").

7. Method of Cleanup, Soil Stockpile and Repository. The Work Plan is summarized as follows (all environmental commitments that belong in Work Plan are included herein by this reference):

- (a) The impacted soils were excavated and stockpiled.
- (b) The soil stockpile will be incorporated into the Repository.
- (c) The Property is located in an upland area, there are no wetlands on the Property, and the Property is not located within the 100-year floodplain boundary for Silver Creek.
- (d) The remedial action will consist of the excavation and consolidation of impacted soils exceeding the Cleanup Levels into the Repository.
- (e) Once excavation activities have been completed and confirmation samples collected to document the remaining soil on the site is below the Cleanup Levels, the Repository will be covered with a protective cap.
- (f) The surface will be re-planted with native plants and monitored by DERR for at least one year before a certificate of final completion of the Work Plan will be provided.

8. Reports on VCP. A *Site Characterization Report* (IHI; May 6, 2013) identified lead and arsenic in soils as the contaminants of concern and delineated impacted areas. "). The entire project was evaluated during site characterization (*Site Characterization Report* (IHI; May 6, 2013)).

9. Updated Reports. Declarant shall provide the Master Association and the Master Association shall provide to the Owners copies of any and all material reports and correspondence with or from all governmental agencies, authorities or any other persons relating to the Environmental Hazard.

10. Investigation and Evaluation. Owners shall have the right but not the obligation to inspect, investigate, sample or monitor the Property, including any soil, water, ground water, or other sampling, and other testing, digging, drilling, or analyses, at any time to determine whether the Declarant and/or Master Association is complying with the covenants made for this Environmental Hazard.

11. Remedial Action by Owners/Residents Prohibited. No Owner shall without the express prior written consent of the Declarant or Master Association take any remedial action in response to the presence of any hazardous materials in, on, under, or about the Property.

12. Right of Inspection. An Owner may inspect his Lot and the adjoining Common Area by hiring an individual who has been certified by DERR or other relevant state or federal agency.

13. Maintenance. The Master Association shall be responsible to maintain the Repository in a state of good condition and repair as a Common Expense.

END OF ARTICLE

ARTICLE 14
LANDSCAPING AND FENCING

1. Landscaping. All landscaping in the Project shall be maintained and cared for in a manner consistent with the standards of design and quality originally established by Declarant. Specific additional written guidelines, standards, controls, and restrictions on landscaping may be adopted or amended by the Board of Directors from time to time.

(a) Unless expressly stated otherwise, the Owner is responsible for the initial landscaping, including the planting of sod, bushes, shrubs, trees, flower and planting beds.

(b) Any weeds or diseased or dead lawn, trees, ground cover or shrubbery shall be removed and replaced at Owner's expense. All replacement trees must also satisfy the requirements of the Street Tree Planting Plan.

(c) All lawn areas shall be regularly edged and mowed.

(d) All trees, shrubs, and bushes shall be pruned.

(e) No landscaping shall affect adversely (in the sole opinion of the Board of Directors) the value or use of any other Lot, or to detract from the uniform design and appearance of the Project.

(f) All landscaping must abide by and strictly comply with all soils report recommendations and City requirements.

(g) All Lot landscaping must be completed within nine (9) months of the date of closing.

(h) The City may require a bond for landscaping and, if so, it shall be refunded, upon the completion of the City's landscaping requirements, inspection and approval, to the party posting the bond.

(i) By accepting a deed or other document of conveyance to a Lot, the Owner hereby agrees, acknowledges and consents (if the Declarant is required by the City to install front yard landscaping prior to receiving a final inspection on the Lot) to the basic front yard landscaping so provided and further agrees that the landscaping installed by Declarant is in lieu of, abrogates and cancels any sod promised on any promotional materials, including by way of illustration but not limitation the Purchase Price Addendum and the Ivory Detached Single Family Homes Catalogue of Detached Single Family Homes.

(j) No concrete, cement or masonry products, pavers, brick, stone, cobblestone, tile, terrazzo, slabs, slate, rocks, pebbles, gravel, permeable pavements and so forth or other artificial

or impermeable surfaces (collectively “controlled surfaces”) may be installed or constructed as landscaping in the front, side or rear yards of a Lot without the express prior written consent of the DRB.

(k) Front, side or rear yards constructed primarily or substantially of controlled surfaces are prohibited.

2. Landscaping Design and Maintenance Plan. The Owners shall comply with any Landscaping Neighborhood Design Guide or Maintenance Plan adopted by the Declarant and/or the Board of Directors, Any such guidelines or plans are subject to change.

3. Conditional Uses. With the express written consent of the Design Review Board, some conditional uses may be allowed for such improvements as a swimming pool, cabana, equipment building, outdoor recreational activities, such as an athletic court, tennis courts, basketball court, soccer pitch, batting cage, and so forth.

4. Fencing. Fencing is not allowed in the Homestead lots or within the Cottage lots placed within or among the Homestead lots.¹⁰ Fencing in the Cottage lots is subject to the fencing guidelines established or to be established by the Declarant and/or the Master Association. No fence or similar structure shall be placed in any front yard. No fence or similar structure shall be placed in any side or rear yard in excess of six (6) feet. Vinyl fencing and chain link fencing are NOT allowed. Wood, masonry and wrought iron fencing may be allowed with the express prior written consent of the Design Review Board, although approval may be denied for any reason. If there is a dispute as to whether fencing is allowed, the interpretation of any fencing guidelines adopted by the Declarant and/or the Board of Directors, if fencing is allowed, the location, size or construction materials of a fence, what constitutes the front, side or rear yards, or whether a variance has been granted, the decision of the Board of Directors shall be final, binding and conclusive.

5. Evergreen Trees. Each Lot containing a detached Home must have at least one (1) six (6') foot Evergreen Tree.

6. Alterations to the Common Area. The Declarant may make changes to the design and construction of the improvements located in or on the Common Area without additional approval required, including without limitation the consent of the Board of Directors or Members of the Master Association; provided, however, no Owner may make any structural alterations to the Common Area (including any "Limited Common Area"), without the express prior written consent of the Board of Directors.

7. Planter Beds. The Declarant may but is not obligated to establish planter beds for community vegetable and flower gardens or allow individual Owners or Residents to plant and

¹⁰ Pet, hot tub or pool enclosures may be allowed with the express prior written consent of the Board of Directors.

maintain individual vegetable and flower gardens, which shall be subject to Rules and Regulations adopted by the Master Association.

8. Nuisance. No Owner shall allow the landscaping on or maintenance of his property to be considered a nuisance by the Board of Directors.

END OF ARTICLE

ARTICLE 15

ARCHITECTURAL ISSUES, PLANS, SPECIFICATIONS, IMPROVEMENTS, AND RELATED MATTERS

1. Strict Compliance. In the event of a conflict, inconsistency or incongruity between the Act, this Declaration or the Development and Design Guideline Agreements, the provision which is the most strict and most restrictive shall govern in all instances.

2. Dispute Resolution. Declarant reserves to itself and is hereby granted the sole right and exclusive authority to resolve all architectural issues in this Project in order to insure the harmony of design and quality of construction and materials.

3. Architectural Issues. The Property is subject to the Park City Heights Neighborhood Design Guide. The Deer Valley Lots must adhere to the restrictive covenants, conditions, and restrictions for the Oaks at Deer Valley. Declarant reserves to itself and is hereby granted the sole right and exclusive authority to resolve all architectural issues in this Project in order to insure the harmony of design and quality of construction and materials. All architectural designs, plans, fencing, specifications and construction materials must be reviewed and approved by the Declarant in writing, and must be consistent with, in congruity with and not in conflict with the Development Agreement with the City. In the event of any conflict, inconsistency or incongruity, the provisions of the Development Agreement shall in all respects govern and control.

4. Approval of Plans and Specifications. All architectural designs, plans, fencing, specifications and construction materials must be reviewed and approved by the Declarant in writing, and must be consistent with, in congruity with and not in conflict with the Development Agreement with the City. In the event of any conflict, inconsistency or incongruity, the provisions of the Development Agreement shall in all respects govern and control. In reviewing each submission, the Design Review Board ("DRB") may consider the proposed design, harmony of external design with existing structures and the common scheme, the location in relation to surrounding structures, topography, finish grade and elevation, among other things. Decisions of the DRB may be based on purely aesthetic considerations. Each Owner, by virtue of his acceptance of a deed to a Lot or other document of conveyance, acknowledges that opinions on aesthetic matters are subjective and may vary as DRB members change over time. In the event that the DRB fails to disapprove any application within thirty (30) days after submission of all information and materials reasonably requested, the application shall be considered approved, subject to the minimum requirements as set forth herein.

5. Designs, Plans and Specifications. Architectural designs, plans and specifications showing the nature, kind, shape, color, size, materials, and location of all proposed structures and improvements shall be submitted to the DRB for review and approval. Information concerning

irrigation systems, drainage, lighting, landscaping and other features of proposed construction should be submitted if applicable. Designs submitted for approval shall be limited to those prepared by architects or by qualified residential designers of outstanding ability whose previous work may be reviewed as a part of the approval process. The DRB may require, as a minimum, the following additional items:

- (a) Plot plan to scale of entire site with buildings located and elevation of floors shown above or below a designated point on the street.
- (b) Floor plans of each floor level to scale.
- (c) Elevations to scale of all sides of the Detached Single Family Home.
- (d) One major section through Detached Single Family Home.
- (e) A perspective (optional).
- (f) Specifications of all outside materials to be used on the exterior of the Detached Single Family Home.

6. Final Plans and Specifications and Working Drawings. The DRB may also require, as a minimum, the following:

- (a) Plot plans to scale showing the entire site, building, garages, walks, drives, fence, carriage lights, retaining walls, with elevations of the existing and finished grade and contours including those at the outside corners of the buildings and at adjacent property lines and street fronts, and elevations of floors from a designated point on the street.
- (b) Detailed floor plans.
- (c) Detailed elevations, indicating all materials 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 description of materials to be used with supplements, addenda or riders noting the colors of all materials to be used on the exterior of the detached Single Family Home.

7. Accessory Buildings. Anything to the contrary notwithstanding, Accessory Buildings are only allowed in the Homestead lots and then only if permitted by the City municipal code or

ordinance. Accessory Buildings are not allowed within the Cottage lots or Park Home lots. Each application to construct or install an Accessory Building will be evaluated separately by the Design Review Board and approved or disapproved on a case-by-case basis, subject to the following guidelines:

(a) Any Accessory Building must conform in design and construction materials with the primary residential Cottage Home; and

(b) If there is a dispute of any kind whatsoever, such as whether a structure is an Accessory Building, the decision of the Declarant, or upon the termination of the Period of Declarant's Control, the Design Review Board, shall be final, conclusive and binding.

8. No Waiver of Future Approvals. The approval of the DRB of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of such Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters whatever subsequently or additionally submitted for approval or consent.

9. Variance. The DRB may authorize variances from compliance with any of the architectural guidelines when circumstances such as topography, natural obstructions, hardship, aesthetic, or environmental considerations require, but only in accordance with its duly adopted rules and regulations, and prior written consent of the City Board of Adjustment. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing, (b) be contrary to the restrictions set forth in the body of this Master Declaration or the Development and Design Guideline Agreements, or (c) estop the DRB from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit or the terms of financing shall not be considered a hardship warranting a variance.

10. Limitation of Liability. Neither the Declarant nor the DRB, or any of their employees, agents, representatives or consultants shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the provisions of this Master Declaration or the Development and Design Guideline Agreements, nor for any structural or other defects in any work done according to such plans and specifications. By accepting a deed or other document of conveyance to a Lot, each Owner agrees to and shall defend, indemnify, save and hold the Declarant and the DRB, and their employees, agents, representatives or consultants, harmless from any and all loss, damage or liability they may suffer, including defense costs and attorney fees, as a result of any claims, demands, actions, costs, expenses, awards or judgments arising out of their review or approval of architectural designs, plans and specifications.

11. Enforcement of Architectural Guidelines. Any construction, alteration, or other work done in violation of this Master Declaration or the Development and Design Guideline Agreements shall be considered to be nonconforming. Upon written request from the Design Review Board an Owner shall at his own cost and expense remove such non-conforming construction, alteration, or other work and shall restore the land to substantially the same condition as existed prior to the non-conforming construction, alteration, or other work. Should an Owner fail to remove and restore as required hereunder, then the Design Review Board shall have the right to enter the property and in its discretion complete the work, remove the violation, and/or restore the property to substantially the same condition as existed prior to the construction, alteration or other work, without being deemed to be a trespasser. The costs and expenses incurred, including any reasonable attorneys fee incurred by the Design Review Board/Master Association, whether or not a lawsuit is filed, shall be considered the personal obligation of the Owner and shall constitute a lien against the interest of the Owner in such property, enforceable at law or equity, until payment is made.

12. Contractors. Any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the terms and provisions of this Master Declaration or the Development and Design Guideline Agreements may be excluded by the DRB from the Project, subject to the notice and the opportunity to be heard. In the event of sanctions after notice and hearing, neither the DRB or the Declarant, nor their employees, agents, representatives or consultants shall be held liable to any person for exercising the rights granted by this Section.

13. Indemnification of Design Review Board. By acceptance of a deed or other document of conveyance to a Lot, each Owner hereby agrees to and shall save, indemnify and hold those neighbors volunteering and serving on the Design Review Board harmless from any and all liability, loss or damage they may suffer as a result of claims, demands, costs, judgments or awards against them arising from their service on the Design Review Board, including negligence. This indemnity is not intended to cover intentional misconduct.

END OF ARTICLE

ARTICLE 16

BUILDING PLACEMENT REQUIREMENTS FOR PARK HOMES, COTTAGE HOMES, AND HOMESTEADS

12. No Park Homes, Cottage Homes or Homestead Homes shall be constructed or altered unless they meets the following minimum requirements absent an express written variance from the Design Review Board:

12.1 For Park Homes see Exhibit "E" attached hereto and incorporated herein by this reference.

12.2 For Cottage Homes see Exhibit "F" attached hereto and incorporated herein by this reference.

12.3 For Homestead Homes see Exhibit "G" attached hereto and incorporated herein by this reference.

END OF ARTICLE

ARTICLE 17

INSURANCE

1. Detached Homes and Single Family Lots.

(a) The Master Association shall purchase and maintain insofar as it is reasonable available at least adequate public liability insurance, fire and extended coverage, directors and officers insurance, a fidelity bond, and worker's compensation.

(b) Each Owner shall purchase and maintain adequate public liability insurance, fire and extended coverage, and other insurance recommended by his independent insurance agent.

2. Attached Lots.

(a) Property and Liability Insurance Required.

(1) The Master Association must maintain, to the extent reasonably available, property insurance on physical structures of all attached Dwellings, Limited Common Area and Common Area.

(2) The Master Association must maintain to the extent reasonably available adequate Liability Insurance for the Common Areas and Facilities.

(3) The Master Association may but is not required to carry other types of insurance.

(4) An Owner's act or omission may not void a policy.

(b) If Property or Liability Insurance is Unavailable. If property or liability insurance is not available, then the Master Association must notify Owners within seven (7) days.

(c) Nature and Scope of Property Insurance.

(1) The Property Insurance, which shall include all Common Areas and Facilities, must be provided by blanket coverage (as opposed to a schedule listing each Building separately) and may not be less than **100% of the full replacement cost**, which must be reviewed at each renewal.

(2) The Property Insurance shall include coverage for any and all fixtures, improvements, or betterments installed by an Owner, floor coverings, cabinets, heating and plumbing fixtures, paint, wall coverings, windows, and any item permanently attached to a Dwelling.

(3) The Master Association is not required to insure a Unit if the Unit is not physically attached to another Unit.

(4) When the Master Association has a master policy of Property Insurance and the Owner also has Property Insurance, the Master Association's insurance shall be considered **primary**; provided, however, the Owner's insurance applies and the Owner's insurance policy is considered the primary coverage up to the amount of the master policy deductible. If the Owner has no insurance, the he or she is personally responsible for the loss up to the amount of the deductible.

(5) If two (2) or more Owners suffer loss in a single event, they are each responsible for payment of a portion of the Master Association's deductible based on the percentage of the loss they each suffered.

(6) If an Owner does not pay his or her share of the loss, the Master Association may levy an Master Assessment against the Owner and his or her Unit in a sum equal to his or her share of the loss.

(d) Deductible.

(1) The Board of Directors shall establish the amount of the deductible on its master policy.

(2) The Master Association must set aside in escrow an amount equal to the amount of the master policy deductible or \$10,000, whichever is less.

(3) The Master Association must give notice to all Owners of their obligation to pay the Master Association's deductible. The Master Association shall also give notice of any change in the amount of the deductible. Failure to give such notice may require the Master Association to be responsible to pay what could have been assessed to the Owner.

(e) Duty to Submit a Claim. The Master Association is not required to submit a claim to the Master Association's insurance carrier if the Board of Directors determines that the amount of the claim is likely not to exceed the amount of the Master Association's insurance deductible.

(f) Adjusting of Claims. The insurer for the master policy shall adjust with the Master Association a loss covered under the Master Association's policy.

(g) Insurance Payments Held in Trust. The Master Association receives insurance payments in trust for the owners and insurance proceeds received by the Master Association must first be disbursed for the repair or restoration of the damaged property.

(h) Liability Insurance. The Master Association shall obtain a public liability policy covering the Common Area and Facilities, sewer laterals, including the backup of sewer laterals, the Master Association and its Members for all damage or injury caused by the negligence of the Master Association or any of its Members or agents. The public liability policy shall have coverage limits common to this area for this kind of project in the opinion of an independent insurance agent but not less than a One Million (\$1,000,000) Dollar single person limit as respects bodily injury and property damage, a Two Million (\$2,000,000) Dollar limit per occurrence, if reasonably available, and a One Million (\$1,000,000) Dollar minimum property damage limit. If possible, the policy should be written on the comprehensive form and shall include non-owned and hired automobile liability protection. The Master Association may insure for more than this but not less. Each Owner is an insured person under the Master Association's liability policy that insures an owner's interest against liability arising from the Common Area or membership in the Master Association.

(i) Right to Split Insurance. Anything to the contrary notwithstanding, the Board of Directors may but is not required to split the insurance for the Town homes and the Single Family Residences.

3. Miscellaneous Insurance Provisions.

(a) Damage to a Portion of the Project- Insurance Proceeds. Repairs must be done within a reasonable amount of time. If the associated expenses to repair are in excess of the insurance proceeds, such costs will be considered a Common Expense.

(b) Additional Coverage and Endorsements. The Master Association may but is not obligated to purchase additional endorsements or coverage, including by way of illustration but not limitation, directors and officers insurance, a fidelity bond, earthquake insurance.

(c) Utah Community Master Association Act. For those rare situations that may occur; such as dealing with a project that is terminated and distributions to lien holders and Owners if the Project is destroyed, the provisions of the Utah Community Master Association Act shall in all instances govern and control.

(d) Conflicts. If any provision of this Section is held to be (a) inconsistent, incongruent or in conflict with the insurance requirements as set forth in the Act or (b) illegal, invalid, or unenforceable under any present or future law, then that provision will be fully severable. This Section will be construed and enforced as if the (a) inconsistent, incongruent or in conflict with

the insurance requirements as set forth in the Act or (b) illegal, invalid, or unenforceable provision had never comprised a part hereof, and the remaining provisions of this Section will remain in full force and effect and will not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Section. Furthermore, in lieu of each such (a) inconsistent, incongruent or in conflict with the insurance requirements as set forth in the Act or (b) illegal, invalid, or unenforceable provision, there will be added automatically, as a part of this Section, a provision as similar in terms to such (a) inconsistent, incongruent or in conflict with the insurance requirements as set forth in the Act or (b) illegal, invalid, or unenforceable provision as may be possible and be legal, valid and enforceable.

END OF ARTICLE

ARTICLE 18

ASSUMPTION OF RISK AND LIMITATION OF LIABILITY

The soil on portions of the Property prior to the time it was acquired by Declarant was contaminated. The Declarant has prepared and completed or within approximately will complete a Work Plan and receive an Environmental Certification. There is a Repository on the Property which is maintained and controlled by the Master Association (the "Environmental Condition").

Each Owner by virtue of his acceptance of a deed or other document of conveyance to a Lot acknowledges and agrees that his Lot is or may be adjacent to or near the Repository, and that the location of his Lot may result in nuisances or hazards to persons and property as a result of the Repository and normal Repository operations and related activities; accordingly, each Owner covenants for himself, his family members, guests, visitors, invitees, heirs, successors, and assigns to assume all risks including the risk of property damage, bodily harm and death, associated with the existence, operation and maintenance of the Repository, including negligence.

Each such Owner further acknowledges and agrees that neither the Declarant nor the Master Association or their agents, representatives, officers, managers, or employees shall be liable to Owner or any other Person claiming any loss or damage, including, without limitation, indirect, special, or consequential loss or damage arising from personal injury, destruction of property, trespass, loss of enjoyment, loss of privacy, loss of use, or any other alleged wrong or entitlement to remedy based upon, due to, arising from, or otherwise related to the proximity of his Lot to the Repository, including, without limitation, any claim arising in whole or in part from their negligence, and each Owner hereby agrees to indemnify, save and hold them harmless from any and all claims by Owner or his family members, guests, visitors, tenants, or others upon his Lot or in the Project with his permission.

Neither the Declarant nor the Master Association guarantees, promises, warrants, or represents that there are no potential risks arising out of, related to or caused by the contaminated soils, cleanup or the Repository.

This section may not be amended without the prior express written consent of the Declarant.

END OF ARTICLE

**ARTICLE 19
DECLARANT'S RIGHTS**

1. Declarant's Sales Program. Anything to the contrary notwithstanding, for so long as Declarant continues to own a Lot in the Project the following provisions shall be deemed to be in full force and effect.

(a) No Owner or occupant shall interfere or attempt to interfere with the completion of improvements, promotion and/or sale of Lots owned by Declarant or Homes constructed thereon.

(b) Declarant shall have the right to maintain one (1) or more sales offices and one (1) or more model Homes at any one time. Such office and/or models may be one or more of the Homes owned by the Declarant, one or more separate structures or facilities placed on the Property for the purpose of aiding Declarant's sales effort, or any combination of the foregoing.

(c) Declarant shall have the right to maintain a reasonable number of promotional, advertising and/or directional signs, banners or similar devices at any place or places on the Property. Declarant shall have the right from time to time to locate or relocate any of its sales offices, models, or signs, banners or similar devices.

(d) Declarant shall have the right to remove from the Project any signs, banners or similar devices and any separate structure or facility which was placed on the Property for the purpose of aiding Declarant's sales effort.

(e) Declarant shall have the right to establish, adjust, combine, re-district and/or terminate Neighborhoods and Subassociations as Common Expense Districts for purposes voting groups comprising the Master Association and management of the Master Association.

(f) All of the rights of Declarant under this Master Declaration may be assigned or transferred either by operation of law or through a voluntary conveyance, transfer or assignment.

(g) Any Mortgage covering all Lots or Buildings in the Project title to which is vested in Declarant shall, at any given point in time and whether or not such Mortgage does so by its terms, automatically cover, encumber, and include all of the then unexercised or then unused rights, powers, authority, privileges, protections and controls which are accorded to Declarant (in its capacity as Declarant) herein.

2. Amendment. This Article may not be amended without the express prior written consent of the Declarant.

END OF ARTICLE

ARTICLE 20

AMENDMENT

1. Amendment of this Master Declaration.

(a) General. Except as provided elsewhere in this Master Declaration, including by way of illustration but not limitation to sections pertaining to the annexation or withdrawal of land, any amendment to this Master Declaration shall require the affirmative written vote or consent of at least sixty-seven percent (67%) of the Total Votes cast either in person or by proxy at a meeting duly called for such purpose or otherwise approved in writing by such Owners without a meeting. Any amendment authorized pursuant to this section shall be accomplished through the recordation in the Office of the County Recorder of an instrument executed by the legal representative of the Owners. In such instrument the legal representative shall certify that the vote required by this section for amendment has occurred.

(b) Initial Declarant Right to Amend. The Declarant may unilaterally amend or terminate this Master Declaration so long as it owns any of the Property.

(c) Unilateral Right to Amend Under Certain Conditions. Notwithstanding anything contained in this Master Declaration to the contrary, this Master Declaration may be amended unilaterally at any time and from time to time by Declarant if such Amendment is (1) necessary to correct typographical errors or inadvertent omissions; (2) 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; or (3) reasonably necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots subject to this Master Declaration; provided, however, any such Amendment shall not materially adversely affect the title to any Lot unless any such Owner shall consent thereto in writing.

(d) Declarant's Right to Amend Unilaterally Prior to Termination of Declarant's Right to Control. Prior to the expiration of the Period of Declarant's Control, Declarant may unilaterally amend this Master Declaration for any other purpose; provided, however, any such Amendment shall not materially adversely affect the substantive rights of any Owner hereunder, nor shall it adversely affect title to any property without the consent of the affected Owner.

(e) To Satisfy Requirements of Lenders. Anything to the contrary notwithstanding, Declarant reserves the unilateral right to amend all or any part of this Master Declaration to such extent and with such language as may be requested by a State Department of Real Estate (or similar agency), FHA, VA, the FHLMC or FNMA and to further amend to the extent requested by any other federal, state or local governmental agency which requests such an

amendment as a condition precedent to such agency's approval of this Master Declaration or approval of the sale of Lots, or by any federally chartered lending institution as a condition precedent to lending funds upon the security of any Lot, or any portions thereof. Any such amendment shall be effected by the recordation by Declarant of a written Amendment duly signed by the Declarant, specifying the federal, state or local governmental agency or the federally chartered lending institution requesting the amendment and setting forth the change, modification or amendment requested by such agency or institution. Recordation of such an Amendment shall be deemed conclusive proof of the agency's or institution's request for such an amendment, and such Amendment, when recorded, shall be binding upon all Lots and all persons having an interest therein. It is the desire of Declarant to retain control of the Project and its activities during the anticipated period of planning and development. If any amendment requested pursuant to the provisions of hereof deletes, diminishes or alters such control in any manner whatsoever in the opinion of Declarant, Declarant shall have the unilateral right to amend this Master Declaration to restore such control.

(f) Consent of Mortgagees. On any proposed action which would require the consent of a specified percentage of Mortgagees, implied approval may be assumed when a Mortgagee fails to submit a response to such written proposal within sixty (60) days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a "return receipt" requested.

(g) Declarant's Rights. No provision of this Master Declaration reserving or granting to Declarant the Developmental Rights shall be amended without the prior express written consent of Declarant, which consent may be withheld, conditioned or delayed for any reason or for no reason at Declarant's sole and exclusive discretion.

END OF ARTICLE

ARTICLE 21

MISCELLANEOUS PROVISIONS

1. Business Judgment. The Board of Directors may exercise its business judgment in deciding whether to impose sanctions or pursue legal action against violators and shall consider common concerns when taking or deciding not to take formal action, such as a weak legal position, conflict with current law, technical violations, minor or collateral issue, and whether or not it is in Master Association's best interests to pursue the matter and, if so, to what extent.
2. Fair and Reasonable Notice. Anything to the contrary notwithstanding, when notice is required fair and reasonable notice must be provided. Notice given in accordance with the provisions of the Revised Nonprofit Corporations Act or notice by text message, e-mail, text message, the Master Association website, or other electronic notice shall be considered fair and reasonable notice; provided, however an Owner may by making a written demand to the Master Association require written notice.
3. Registered Agent. The initial Registered Agent is Christopher P. Gamvroulas and the initial office of the Registered Agent is 970 East Woodoak Lane, Salt Lake City, Utah 84117.
4. Interpretation. To the extent Utah law is consistent with this Master Declaration, such provisions shall supplement the terms hereof and are incorporated herein. The captions which precede the Articles and Sections of this Master Declaration are for convenience only and shall in no way affect the manner in which any provision hereof is construed. Whenever the context so requires, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include both other genders. The term *shall* is mandatory and the term *may* is permissive. The invalidity or unenforceability of any portion of this Master Declaration shall not affect the validity or enforceability of the remainder hereof.
5. Covenants to Run with Land. This Master Declaration and all the provisions hereof shall constitute covenants to run with the land or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of the Declarant, all other signatories hereto, all parties who hereafter acquire any interest in a Lot, the Project or the Property, and their respective grantees, transferees, heirs, devisees, personal representative, successors, and assigns. Each Owner or occupant of a Lot shall comply with, and all interests in all Lots shall be subject to, the terms of this Master Declaration and the provisions of any rules, regulations, agreements, instruments, supplements, amendments, and determinations contemplated by this Master Declaration. By acquiring any interest in a Lot in the Project, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Master Declaration.

6. Enforcement and Right to Recover Attorneys Fees. Should the Declarant, DRB or an aggrieved Owner be required to take action to interpret or enforce the Project Documents or to pursue any remedy provided hereunder or by applicable law, including a claim for injunctive relief or damages, whether such remedy is pursued by filing suit or otherwise, the prevailing party shall be entitled to recover his reasonable attorneys fees, costs and expenses which may arise or accrue, regardless of whether a lawsuit is filed.

7. Limitation of Liability. This Master Declaration of covenants, conditions and restrictions is established for the benefit of the Property and the Owners. Any damage, loss, claim or liability which might arise due to any decision, act, or failure to act of Declarant or its agents, representatives and employees shall be exempt from any civil claim or action, including an action for negligence, brought by any person owning or having an interest in any Lot.

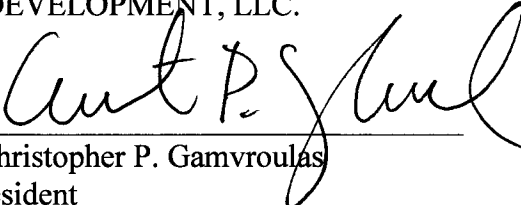
8. Duration. The covenants and restrictions of this Master Declaration shall endure for a term of twenty (20) years from the date this Master Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years.

9. Effective Date. This Master Declaration shall take effect upon recording in the office of the County Recorder of Summit County, Utah.

END OF ARTICLE

IN WITNESS WHEREOF, the undersigned has hereunto set its hand this 22 day of January, 2015.

DECLARANT:
IVORY DEVELOPMENT, LLC.

By: 
Name: Christopher P. Gamvroulas
Title: President

ACKNOWLEDGMENT

STATE OF UTAH)
 ss:
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 22nd day January, 2015 by Christopher P. Gamvroulas, as President of IVORY DEVELOPMENT, LLC, a Utah limited liability company, and said Christopher P. Gamvroulas duly acknowledged to me that said IVORY DEVELOPMENT, LLC executed the same.


NOTARY PUBLIC

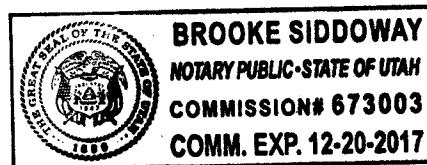


EXHIBIT "A"
LEGAL DESCRIPTION

The Property referred to in the foregoing document is located in Summit County, Utah and is described more particularly as follows:

A parcel of land located in the South Half of Section 2, Township 2 South, Range 4 East, Salt Lake Base and Meridian, said parcel being more particularly described as follows:

Beginning at a point on the abandoned Union Pacific Railroad Property, said point also being South 88°46'45" East 1,899.98 feet and North 1,650.79 feet from the Northwest Corner of Section 11, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running

thence Northeasterly 622.07 feet along the arc of a 1,532.69 foot radius curve to the left (center bears North 21°24'50" West and the chord bears North 56°57'32" East 617.81 feet with a central angle of 23°15'16") along the Southerly Right-of-Way Line of said abandoned Union Pacific Railroad Property to the Southerly Right-of-Way Line of Richardson Flat Road (UDOT FAP 93-B);

thence South 89°20'19" East 143.65 feet along the Southerly Right-of-Way Line of Richardson Flat Road (UDOT FAP 93-B);

thence Southeasterly 252.20 feet along the arc of a 2,814.90 foot radius curve to the right (center bears South 00°39'41" West and the chord bears South 86°46'19" East 252.11 feet with a central angle of 05°08'00") along the Southerly Right-of-Way Line of Richardson Flat Road (UDOT FAP 93-B);

thence South 84°12'19" East 300.22 feet along the Southerly Right-of-Way Line of Richardson Flat Road (UDOT FAP 93-B) to the Westerly Right-of-Way Line of State Highway 40;

thence South 07°02'52" East 965.75 feet along the Westerly Right-of-Way Line of said State Highway 40;

thence South 07°03'48" East 834.37 feet along the Westerly Right-of-Way Line of said State Highway 40;

thence Northwesterly 655.22 feet along the arc of a 800.00 foot radius curve to the right (center bears North 19°43'14" East and the chord bears North 46°48'57" West 637.06 feet with a central angle of 46°55'36");

thence South 66°38'51" West 535.00 feet;

thence Northwesterly 108.54 feet along the arc of a 1,335.00 foot radius curve to the right (center bears North 66°38'51" East and the chord bears North 21°01'24" West 108.51 feet with a central angle of 04°39'30");

thence North 23°19'58" West 50.25 feet;

thence Northwesterly 526.99 feet along the arc of a 1,340.00 foot radius curve to the right (center bears North 73°26'52" East and the chord bears North 05°17'08" West 523.60 feet with a central angle of 22°31'59");

thence North 84°01'09" West 78.30 feet;

thence North 26°10'21" West 662.91 feet to the point of beginning.

Contains 1,612,927 Square Feet or 37.028 Acres

EXHIBIT "A-1"
LEGAL DESCRIPTION

The Property referred to in the foregoing document as Park Town Homes is located in Summit County, Utah and is described more particularly as follows:

Park City Heights Phase 1 Subdivision, Lots T-1 through T-28, inclusive, as shown on the official plat thereof on file and of record in the office of the Summit County Recorder; and All appurtenant Common Area and Facilities as shown on the official plats on file and of record in the office of the Summit County Recorder.

EXHIBIT "A-2"
LEGAL DESCRIPTION

The Property referred to in the foregoing document as Park SFR Homes is located in Summit County, Utah and is described more particularly as follows:

Park City Heights Phase 1 Subdivision, Lots 1 through 35, inclusive, as shown on the official plat thereof on file and of record in the office of the Summit County Recorder; and All appurtenant Common Area and Facilities as shown on the official plats on file and of record in the office of the Summit County Recorder.

EXHIBIT "A-3"
LEGAL DESCRIPTION

The Property referred to in the foregoing document as Cottage Homes is located in Summit County, Utah and is described more particularly as follows:

Park City Heights Phase 1 Subdivision, Lots 36 through 64, and Lots 71 through 75, inclusive, as shown on the official plat thereof on file and of record in the office of the Summit County Recorder; and All appurtenant Common Area and Facilities as shown on the official plats on file and of record in the office of the Summit County Recorder.

EXHIBIT "A-4"
LEGAL DESCRIPTION

The Property referred to in the foregoing document as Homestead is located in Summit County, Utah and is described more particularly as follows:

Park City Heights Phase 1 Subdivision, Lots 65 through 70, inclusive, as shown on the official plat thereof on file and of record in the office of the Summit County Recorder; and All appurtenant Common Area and Facilities as shown on the official plats on file and of record in the office of the Summit County Recorder.

EXHIBIT "B"

BYLAWS OF PARK CITY HEIGHTS HOMEOWNERS MASTER ASSOCIATION

ARTICLE I NAME AND LOCATION

Section 1.01 Name and Location. The name of the Master Association is Park City Heights Homeowners Master Association (the "Master Association"). The principal office of the corporation shall be located at 978 East Woodoak Lane, Salt Lake City, UT 84117, but meetings of Members and Board of Directors may be held at such places within the State of Utah, as may be designated by Board of Directors.

ARTICLE II DEFINITIONS

Section 2.01 Definitions. Except as otherwise provided herein or as may be required by context, all terms defined in Paragraph 1 of the Master Declaration shall have such defined meanings when used in these Bylaws.

ARTICLE III MEETINGS OF MEMBERS OF THE MASTER ASSOCIATION

Section 3.01 Annual Meeting. The Master Association shall meet as often as it deems reasonably necessary but not less than annually at a convenient time and place.

Section 3.02 Special Meetings. Special meetings of the Master Association may be called at any time by the President, by a majority of the Members of the Board of Directors, or by a petition signed by $\frac{1}{4}$ of the Lots.

Section 3.03 Notice of Meetings. Written notice of a meeting of the Master Association, regular or special, shall be given to each Owner by or at the direction of the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to said Owner addressed to the Owner's address last appearing on the books of the Master Association, or supplied by such Owner to the Master Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 3.04 Quorum. Owners present in person or by proxy at a meeting of the Master Association shall constitute a quorum for all purposes.

Section 3.05 Proxies. At all Master Association meetings, each Owner may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall be valid only for the meeting for which it is provided.

**ARTICLE IV
BOARD OF DIRECTORS AND TERM OF OFFICE**

Section 4.01 Number. The affairs of the Master Association shall be managed by a Board of Directors comprised of three (3) natural persons. Each Member must be duly qualified and appointed or elected. The initial Members of the Board of Directors are Christopher P. Gamvroulas, Bradley T. Mackay and Steven Palmer.

Section 4.02 Replacement. If a Member resigns or is otherwise unable or unwilling to serve, then the remaining Members shall appoint a replacement to complete his term of office.

Section 4.03 Term of Office. Each Member on the Board of Directors shall serve a term of two (2) years; provided, however, at the initial meeting of the Master Association after the termination of the Period of Declarant's Control, two of the Directors shall be elected for two (2) year terms and one (1) for a one (1) year term. Thereafter all Directors shall be elected for a two (2) year term.

Section 4.04 Compensation. No Member shall receive compensation for any service he may render to the Master Association as a Director, although he may be reimbursed for his actual expenses incurred in the performance of his duties and may enter into an independent contract to provide other services. A Member may enter into a separate and independent contract with the Master Association to provide additional services for a fee.

Section 4.05 Board Meeting. The Board of Directors shall meet as often as it deems reasonably necessary but not less than annually at a convenient time and place.

Section 4.06 Special Meetings. Special meetings of the Board of Directors may be called at any time by the President or by a majority of the Members of the Board of Directors.

Section 4.07 Notice of Meetings. Written notice of a meeting of the Board of Directors, regular or special, shall be given to each Owner by or at the direction of the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. Notice may be hand-delivered or sent by mail, e-mail, fax or other electronic medium or telecommunication.

Section 4.08 Voting. Each Member shall have one vote.

Section 4.09 Proxies. A Director may give a written proxy to another member of the Board of Directors if he or she is unable to attend a meeting.

Section 4.10 Managing Director. During the Period of Declarant’s Control, the Board of Directors shall have a Managing Director. The initial Managing Director shall be Christopher P. Gamvroulas. The Managing Director is hereby appointed the agent of the Board of Directors and is granted the right, power and authority to act unilaterally on its behalf, anything to the contrary notwithstanding. This office and agency shall expire automatically upon the termination of the Period of Declarant’s Control.

**ARTICLE V
MEETINGS AND ACTION WITHOUT A MEETING**

Section 5.01 Action Taken Without a Meeting. Any action that may be taken at any meeting of Owners or the Board of Directors may be taken without a meeting if the Master Association delivers a written ballot to every Owner in accordance with Utah Code Ann., Section 16-6a-707 (2002) as it may be amended from time to time (or a written ballot is delivered to every member of the Board of Directors. The ballot must set forth each proposed action and provide an opportunity to vote for or against each proposed action. The number of approvals must equal or exceed the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. The parties must be provided a fair and reasonable amount of time before the day on the Master Association or Board of Directors must receive ballots.

An amount of time shall be considered fair and reasonable if the Owners (or members) are given at least 15 days from the day on which the notice is mailed, if the notice is mailed by first-class or registered mail; Owners (or members) are given at least 30 days from the day on which the notice is mailed, if the notice is mailed by other than first-class or registered mail' or considering all of the circumstances, the amount of time is otherwise reasonable. Any action so approved shall have the same effect as though taken at a meeting of the Master Association or Board of Directors, respectively.

Section 5.02 Action by Written Ballot. Any action that may be taken at any meeting of the Owners or the Board of Directors may be taken without a meeting if the Master Association delivers a written ballot to every member entitled to vote on the matter in accordance with Utah Code Ann., Section 16-6a-709 (2002) as it may be amended from time to time. Any action so approved shall have the same effect as though taken at a meeting of the Master Association or Board of Directors, respectively.

Section 5.03 Meetings by Telecommunications. Persons participate in a meeting of the Owners or Board of Directors by, or the meeting may be conducted through the use of, any means of communication by which all persons participating in the meeting may hear each other (or read a transcript of what is being said in real time) during the meeting. A person participating in a meeting by telecommunication shall be considered to be present in person at the meeting.

ARTICLE VI POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 6.03 Powers. The Master Association shall have all of the powers of a Utah non-profit corporation, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws and this Master Declaration. The Master Association shall have the power to perform any and all lawful acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers of the Master Association. Without in any way limiting the generality of the foregoing, the Master Association may act through its Board of Directors and shall specifically have the powers and duties set out in this Article V, including

Section 6.03.1 Master Assessments. The power and duty to levy Master Assessments on the Owners, and to enforce payment of such Master Assessments in accordance with the Master Declaration.

Section 6.03.2 Master Association Property. The right to own and/or lease the Master Association Property and the duty to maintain and manage the Common Areas and Facilities and improvements thereon. In particular the Master Association shall:

- a. Maintain and repair in an attractive, safe and functional condition the Common Areas and Facilities;
- b. Pay all taxes and Master Assessments levied upon the Common Areas and Facilities and all taxes and Master Assessments payable by the Master Association;
- c. Obtain any water, sewer, gas and electric services needed for the Common Areas and Facilities; and
- d. Do each and every other thing reasonable and necessary to operate the Common Areas and Facilities and the Master Association.

ARTICLE VII
OFFICERS AND THEIR DUTIES

Section 7.01 Enumeration of Officers. The officers of the Master Association shall be a president and secretary, plus such other officers as the Board of Directors may from time to time by resolution create. The same individual may not hold the office of president and secretary at the same time. The officers need not be Members of the Board of Directors.

Section 7.02 Election of Officers. The Board of Directors shall elect or appoint officers at the first meeting of the Board of Directors during each calendar year.

Section 7.03 Term. Each officer of the Master Association shall hold office for one (1) year unless he shall sooner resign, or shall be removed or otherwise disqualified to serve.

Section 7.04 Special Appointments. The Board of Directors may elect such other officers as the affairs of the Master Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may from time to time determine.

Section 7.05 Resignation and Removal. Any officer may be removed from office with or without cause by a majority vote of the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.06 Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7.07 President. The president shall (a) preside at all meetings of the Board of Directors, (b) see that orders and resolutions of the Board of Directors are carried out; (c) sign all contracts; and (d) serve as the Delegate to the Master Association if required.

Section 7.08 Secretary. The secretary shall (a) record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Master Association, (b) keep the corporate seal of the Master Association and affix it on all papers requiring said seal, (c) serve notice of meetings of the Board of Directors and of the Master Association, (d) keep appropriate current record showing the Members of the Master Association together with their addresses; (e) serve as the Delegate to the Master Association if the President is unable to do so; and (f) perform such other duties as may be required by the Board of Directors.

**ARTICLE VIII
COMMITTEES**

Section 8.01 Committees. The Board of Directors may appoint such committees as deemed appropriate in carrying out its purpose.

**ARTICLE IX
BOOKS AND RECORDS**

Section 9.01 Books and Records. The books and records shall be kept with detailed accounts of the receipts and expenditures affecting the Tract, and the administration of the Tract, specifying the maintenance, repair and any other expenses incurred. The books and records, including any invoices, receipts, bills, proposals, documents, financial statements, and vouchers accrediting the entries thereupon shall be available for examination by the Owners, their duly authorized agents or attorneys, during general business hours on working days at the times and in the manner that shall be set and announced by the Board of Directors for the general knowledge of the Owners. All books and records shall be kept in accordance with generally accepted accounting practices.

Section 9.02 Signatures. The Board of Directors shall determine who is required to sign checks, drafts, contracts, and legally binding agreements.

Section 9.03 Bookkeeping. The accounting and financial statements for Master Association must be kept and prepared by either the property manager or an independent bookkeeper or accountant, who may not be A Director or an officer of the Master Association. A monthly profit and loss statement, balance sheet, and check register shall be sent or delivered by the bookkeeper or accountant to each Director. The accountant or bookkeeper shall prepare and file all tax returns for the Master Association.

Section 9.04 Audit. Either a (a) majority vote of the Members of the Board of Directors or (b) majority vote of all of the Owners is necessary and sufficient to require either a Compilation Report, Reviewed Statement or Audited Statement of the Master Association.

Section 9.05 Production of Records. The Master Association shall: (a) keep detailed, accurate records in chronological order, of the receipts and expenditures affecting the Common Areas and Facilities, specifying and itemizing the maintenance and repair expenses of the Common Areas and Facilities and any other expenses incurred; and (b) make those records available for examination by any Owner at a convenient hour during the regular work week no later than fourteen (14) days after the Owner makes a written request to examine the records.

**ARTICLE X
AMENDMENTS**

Section 10.01 Amendment to Bylaws. These Bylaws may only be amended (a) unilaterally by the Declarant until the expiration of the Period of Declarant's Control or (b) the affirmative vote of a majority of the members of the Board of Directors, or (c) a majority of the Owners. In the event of a conflict between the decision of the Owners and the Board, the former shall in all respects govern and control.

Section 10.02 Conflict. In the case of any conflict between the Master Declaration and these Bylaws or the Articles of Incorporation, the former shall in all respects govern and control.

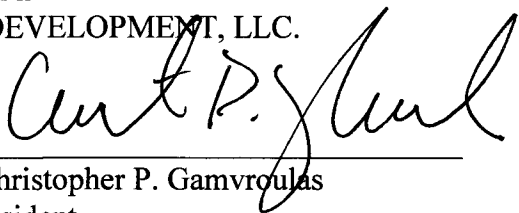
Section 10.03 Corporate Status. If the corporate status of the Master Association is suspended or dissolved for any reason, the Board of Directors may unilaterally reinstate or recreate the corporate status.

**ARTICLE XI
FISCAL YEAR**

Section 11.01 Miscellaneous. Unless otherwise determined by the Board of Directors, the fiscal year of the Master Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, the undersigned has hereunto set its hand this 22 day of January, 2015.

DECLARANT:
IVORY DEVELOPMENT, LLC.

By: 
Name: Christopher P. Gamvroulas
Title: President

ACKNOWLEDGMENT

STATE OF UTAH)
 ss:
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 22nd day January, 2015 by Christopher P. Gamvroulas, as President of IVORY DEVELOPMENT, LLC, a Utah limited liability company, and said Christopher P. Gamvroulas duly acknowledged to me that said IVORY DEVELOPMENT, LLC executed the same.


NOTARY PUBLIC

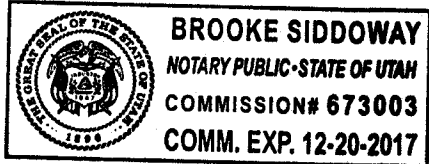


EXHIBIT "C"

WATER-WISE TECHNIQUES GUIDELINES

WATER-WISE LANDSCAPE IDEAS

GENEROUS PAVED PATIOS AND TERRACES PROVIDE NOT ONLY OUTDOOR LIVING SPACES AND ENTERTAINMENT OPPORTUNITIES, BUT THEY REDUCE THE AMOUNT OF WATERING IN YOUR YARD. REMEMBER, IT'S IMPORTANT TO SHADE THESE PAVED SURFACES...

AN ARBOR, TRELLIS OR ROOFED GARDEN STRUCTURE CAN HELP DEFINE SPACES BUT ALSO ADD SHADE AND HELP TO REDUCE EVAPORATION.

REDUCE THE AMOUNT OF LAWN TO THAT NECESSARY FOR OUTDOOR ACTIVITIES. A GOOD GOAL FOR THE FRONT YARD IS A MAXIMUM OF 60 TO 70 PER CENT OF THE TOTAL PLANTED AREA.

PLACE SHADE TREES TO MAXIMIZE THEIR EFFECT ON SOLAR MODIFICATION OR PROTECTION FROM WIND. CONSIDER NEEDS FOR BOTH THE YARD AND THE HOUSE.

CONSIDER MAKING UTILITY AREAS OR OUT-OF-SIGHT SIDE YARDS A HARD SURFACE PAVEMENT OR GRAVEL SURFACE TO REDUCE WATER USAGE.

CONSIDER USING ADDITIONAL PAVEMENTS IN THE FRONT YARD. THEY CAN PROVIDE AN INVITING ENTRY SPACE. IT WILL ALSO REDUCE THE AREA REQUIRING IRRIGATION.

SPACE PLANTS APPROPRIATELY TO PROVIDE, AT MATURITY, COVERAGE AND SHADE FOR THE SOIL.

A WOOD BARK MULCH IN NEWLY PLANTED BEDS CAN HELP CONDITION SOIL AND REDUCE EVAPORATION FROM THE SOIL SURFACE.

CONSIDER ALTERNATE SURFACES IN PLAY AREAS SUCH AS SAND OR WOOD CHIPS MADE ESPECIALLY FOR PLAY AREAS



IDEAS FOR IRRIGATION SYSTEMS

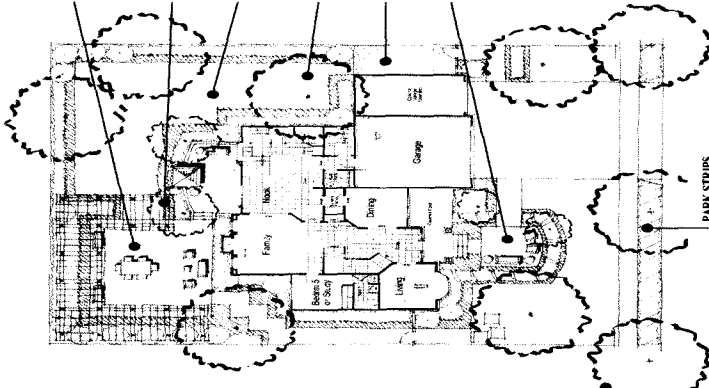
AN AUTOMATIC IRRIGATION SYSTEM, WHEN PROPERLY MAINTAINED AND MONITORED, CAN REDUCE WATER WASTE.

MAKE SURE THAT LAWN AREAS AND SHRUB BEDS ARE ON SEPARATE WATER VALVES. SHRUBS USE MUCH LESS WATER THAN LAWN. SOUSHOULDS BE WATERED LESS. SEPARATING THE VALVES AND MONITORING WATER NEEDS WILL SAVE WATER.

WHEN LAYING OUT YOUR SYSTEM, ALSO CONSIDER MICROCLIMATES. THE NORTH AND EAST SIDES OF YOUR HOUSE WILL BE IN SHADE LONGER THAN THE SOUTH AND WEST SIDES.

DRIP IRRIGATION SYSTEMS CAN BE EFFECTIVE IN SHRUB BEDS AND WILL HELP CONSERVE WATER.

WATER YOUR YARD DURING EARLY-MORNING HOURS TO HELP MINIMIZE EVAPORATION.



...ADD AN AESTHETIC QUALITY TO THE NEIGHBORHOOD THAT BECOMES A COMMENDABLE BENEFIT, BUT BEING SURROUNDED BY PAVEMENTS, PARK STRIPS ARE HOT AND DRY OUT QUICKLY. SO LAWN IS NOT THE BEST CHOICE FOR THESE AREAS. A GOOD ALTERNATIVE IS TO PLANT YOUR PARK STRIP WITH A SINGLE GROUND COVER. SOME GOOD CHOICES FOR PARK STRIP PLANTINGS ARE:

- ALICE BELLE'S CARPET GRASS; SHORT DARK GREENS AND
- BROOKE WITH WHITE FLOWERS IN SUMMER
- CELESTIAL DAZED DROGON'S BLOOD SEDUM; SHORT, BLUE-GREY WITH WHITE FLOWERS IN LATE SPRING
- SEDUM SPURGE OR DROGON'S BLOOD SEDUM; SHORT, BRONZE-GREEN WITH RED BLOSSOMS IN SPRING
- THIN'S SERRIPHYLLUM; MOTHER OF THyme; SHORT, SOFT GREEN WITH LATE SUMMER FLOWERS IN SUMMER, AND
- PINCA MINOR; DWARF PERIWINKLE; TRAILING, DEEP RICH GREEN WITH PURPLE FLOWERS IN SPRING

GRAVEL AND ROCK ARE DISCOURAGED BECAUSE THEY ADD TO THE PROBLEM OF REFLECTED, ADJACENT HEAT. HOWEVER, USE PAVERS TO PROVIDE PEDESTRIAN ACCESS.



IVORY HOMES

WATER-WISE LANDSCAPING

FOR MORE INFORMATION ABOUT THE IVORY HOME, VISIT US ONLINE AT WWW.IVORYHOMES.COM. OR CONTACT US AT 801.468.1174.

LANDSCAPE DESIGN



STREET TREES

...CAN CONTRIBUTE TO THE NEIGHBORHOOD AESTHETIC. BUT THEY ALSO SHADE AND COOL PAVEMENTS. THIS CAN HELP REDUCE AMBIENT TEMPERATURES AND HELP REDUCE COOLING COSTS. PLANTING AND CARING FOR STREET TREES IS AN IMPORTANT ELEMENT IN IMPROVING YOUR COMMUNITY'S LONG-TERM SUSTAINABILITY.

INSTALLATION

YOUR COMMUNITY MAY HAVE STREET TREES THAT HAVE BEEN INSTALLED IN OTHER CITIES. YOU MAY BE EXPECTED TO PROVIDE AND PLANT THE STREET TREES. IN EITHER CASE, YOUR STREET TREES WILL BE PART OF AN OVERALL COMMUNITY STREET TREE PLAN. CHECK THE COVENANTS OR OTHER MATERIALS YOU RECEIVED AND MAKE SURE THAT YOU PLANT REQUIRED STREET TREES IN ACCORDANCE WITH THE PLAN PROVIDED.

MAINTENANCE

YOU HAVE AN IMPORTANT RESPONSIBILITY TO PROPERLY MAINTAIN YOUR STREET TREES. IF ONE HOME OWNER NEGLECTS TO PLANT OR PROPERLY MAINTAIN STREET TREES IN FRONT OF THEIR HOME, THE ENTIRE NEIGHBORHOOD FEELS THE EFFECT.

- BE CERTAIN THAT ADEQUATE WATER IS PROVIDED TO YOUR STREET TREES SO THAT THEY WILL BE HEALTHY.
- PRUNE AS NECESSARY TO PREVENT PROBLEMS OR DISEASE, BUT DON'T OPERATE TO ADAPT THE NATURAL SHAPE OF THE TREE.
- STAKING IS NOT NORMALLY NECESSARY, BUT IF YOUR TREES ARE NOT GROWING STRAIGHT, IT MAY BE IMPORTANT.
- TREES SHOULD BE FERTILIZED ANNUALLY.
- COMMERCIAL FERTILIZERS ARE AVAILABLE IN MANY FORMS. CHECK WITH YOUR LOCAL NURSERYMAN FOR RECOMMENDATIONS.

SUGGESTED PLANT LIST

WATER-WISE PLANTS

THESE ARE PLANTS THAT ARE SUITABLE FOR THE AREA. THEY ARE HEAVY FEEDERS AND REQUIRE THE MOST CAREFUL TENDERSHIP. USE TO ACCENT OR SOFTEN ARCHITECTURAL LINES, MAY BE USED TO PROVIDE WATER, BUT ALLOW INTEREST AND VARIETY IN YOUR LANDSCAPE. CONSULT WITH A NURSERYMAN OR LANDSCAPE ARCHITECT TO DETERMINE OTHER MATERIALS THAT CAN BE USED TO SAVE WATER, BUT ALLOW INTEREST AND VARIETY IN YOUR LANDSCAPE.

SHADE TREES

USE FOR OUTDOOR SHADE TO REDUCE HEAT PAIN AND REFLECTIVE HEAT TRANSFER FROM HOT SURFACES. THESE TREES ARE HEAVY FEEDERS AND REQUIRE THE MOST CAREFUL TENDERSHIP. USE TO ACCENT OR SOFTEN ARCHITECTURAL LINES, MAY BE USED TO PROVIDE WATER, BUT ALLOW INTEREST AND VARIETY IN YOUR LANDSCAPE. CONSULT WITH A NURSERYMAN OR LANDSCAPE ARCHITECT TO DETERMINE OTHER MATERIALS THAT CAN BE USED TO SAVE WATER, BUT ALLOW INTEREST AND VARIETY IN YOUR LANDSCAPE.

EVERGREEN TREES

USE IN LAKESIDE AREAS TO PROVIDE WIND PROTECTION AND SHADE. THESE TREES ARE HEAVY FEEDERS AND REQUIRE THE MOST CAREFUL TENDERSHIP. USE TO ACCENT OR SOFTEN ARCHITECTURAL LINES, MAY BE USED TO PROVIDE WATER, BUT ALLOW INTEREST AND VARIETY IN YOUR LANDSCAPE. CONSULT WITH A NURSERYMAN OR LANDSCAPE ARCHITECT TO DETERMINE OTHER MATERIALS THAT CAN BE USED TO SAVE WATER, BUT ALLOW INTEREST AND VARIETY IN YOUR LANDSCAPE.

SMALL TREES

USE IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL.

MEDIUM TREES

USE IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL.

TALL TREES

THESE ARE TREES THAT WILL GROW TO FEET TALL OR MORE. VARY IN THEIR POTENTIAL SIZE AND CAREFUL TENDERSHIP. USE TO ACCENT OR SOFTEN ARCHITECTURAL LINES, MAY BE USED TO PROVIDE WATER, BUT ALLOW INTEREST AND VARIETY IN YOUR LANDSCAPE. CONSULT WITH A NURSERYMAN OR LANDSCAPE ARCHITECT TO DETERMINE OTHER MATERIALS THAT CAN BE USED TO SAVE WATER, BUT ALLOW INTEREST AND VARIETY IN YOUR LANDSCAPE.

SHRUBS

USE IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL.

GROUND COVER

USE IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL.

VINES

USE IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL.

PLANTS

USE IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL.

PLANTS

USE IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL.

PLANTS

USE IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL.

PLANTS

USE IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL.

PLANTS

USE IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL.

PLANTS

USE IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL.

PLANTS

USE IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL. CAN BE PLANTED IN SHADY AREAS OR IN AREAS WHERE LARGE TREES ARE NOT PRACTICAL.

EXHIBIT "D"

STREET TREE GUIDELINES

1. The following Plant List identifies the kinds of Street Trees which may be planted. No substitutions are allowed without the express prior written consent of the Declarant or Design Review Board.

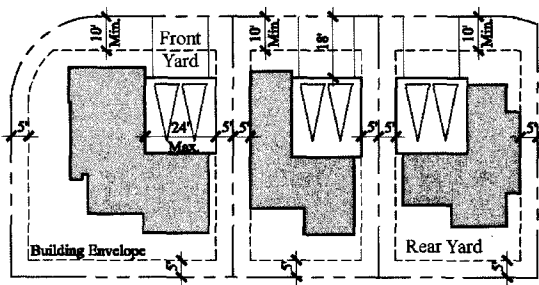
2. Approved Street Tree Plant List:

<u>COMMON NAME</u>	<u>BOTANICAL NAME</u>
Autumn Blaze Maple	Acer Fremanii 'Autumn Blaze'
Aristocrat Flowering Pear	Pyrus calleryana 'Aristocrat'

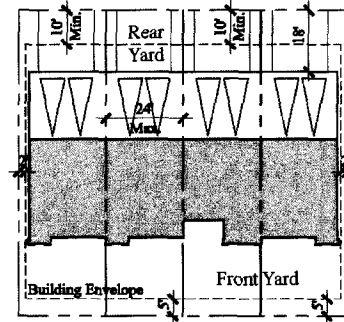
EXHIBIT "E"

PARK HOMES BUILDING PLACEMENT GUIDE

Building Placement



Small Lot Single Family Detached:



Multi-Family Attached:

Park Homes consist of thirty-five (35) small lot single family detached homes and twenty-eight (28) multi-family attached units.

Small Lot Single Family Detached:

- Front Yard Setback: Minimum 10'
- Side Yard Setback: Minimum 5'
- Rear Yard Setback: Minimum 5'

Multi-Family Attached:

- Front Yard Setback: Minimum 5'
- Interior Unit Side Yard Setback: No minimum - units are attached
- End Unit Side Yard Setback: Minimum 2'
- Rear Yard Setback: Minimum 10'

Garages: Shall be a maximum of 24' wide. Garage doors must be placed at either 10' from the property line or a minimum of 18' from the property line.

Garage Doors: Two (2) car wide garage doors may be a maximum 18' wide. Single doors may be a maximum of 9' wide.

Parking: No enclosed structures for the storage of boats and/or motor homes are permitted.

Front Yard Exceptions: (1) Uncovered steps leading to the Main Building provided the steps are not more than four feet (4') in height from Final Grade, not including any required handrails, and do not cause any danger or hazard to traffic by obstructing view of a street or intersection; (2) Roof overhangs, eaves, and cornices projecting not more than two feet (2') into the Front Yard.

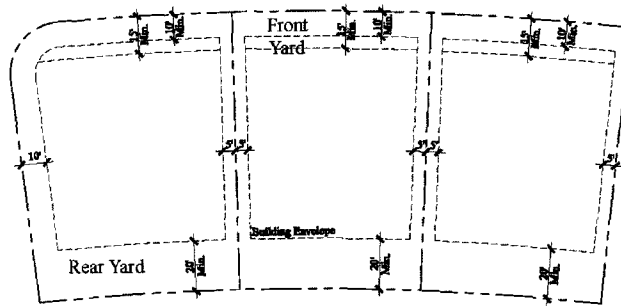
Side Yard Exceptions: (1) Bay Windows not more than twelve feet (12') wide, projecting not more than two feet (2') into the Side Yard; (2) Chimneys not more than five feet (5') wide projecting not more than two feet (2') into the Side Yard; (3) Window wells and light wells projecting not more than three feet (3') into the Side Yard; (4) Roof overhangs and eaves projecting not more than two feet (2') into the Side Yard; (5) Fire riser rooms extending not more than three feet (3') into the Side Yard.

Rear Yard Exceptions: (1) Chimneys not more than five feet (5') wide projecting not more than two feet (2') into the Rear Yard; (2) Window wells and light wells projecting not more than three feet (3') into the Rear Yard; (3) Roof overhangs and eaves projecting not more than two feet (2') into the Rear Yard.

EXHIBIT "F"

COTTAGE HOMES BUILDING PLACEMENT GUIDE

Building Placement



Cottage Lots:

Cottage Homes consist of single family detached homes on lots that range in size from approximately 4,200 square feet to 10,500 square feet.

Front Yard Setback: 15' to Main House. Front Porches or Single Story Bays may extend to within 10' of the property line

Side Yard Setback: Minimum 5'

Side Yard Street Setback (Corner Lot): Minimum 10'

Rear Yard Setback: Minimum 20'

Attached Garages: Garage door width must not exceed 55% of the width of the front facade of the house. Attached Garages shall be a maximum of 26' wide. Garages shall be setback a minimum of 5' behind Facade.

Detached Garages: Shall be a maximum of 24' wide and shall be a maximum of 18' in height.

Garage Doors: Two (2) car wide garage doors may be a maximum 18' wide. Single doors may be a maximum of 10' wide.

Parking: No enclosed structures for the storage or parking of boats and/or motor homes are permitted.

Front Yard Exceptions: (1) Uncovered steps leading to the Main Building provided the steps are not more than four feet (4') in height from Final Grade, not including any required handrails, and do not cause any danger or hazard to traffic by obstructing view of a street or intersection; (2) Roof overhangs, eaves, and cornices projecting not more than two feet (2') into the Front Yard.

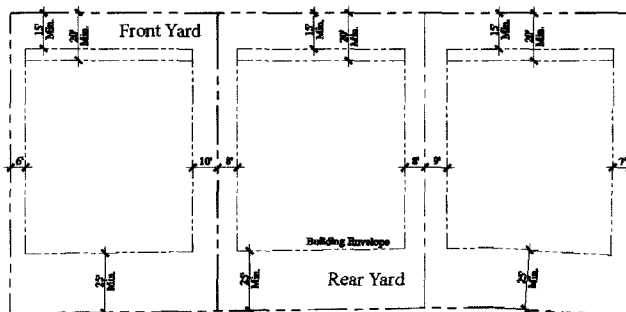
Side Yard Exceptions: (1) Bay Windows not more than twelve feet (12') wide, projecting not more than two feet (2') into the Side Yard; (2) Chimneys not more than five feet (5') wide projecting not more than two feet (2') into the Side Yard; (3) Window wells and light wells projecting not more than three feet (3') into the Side Yard; (4) Roof overhangs and eaves projecting not more than two feet (2') into the Side Yard.

Rear Yard Exceptions: (1) Chimneys not more than five feet (5') wide projecting not more than two feet (2') into the Rear Yard; (2) Window wells and light wells projecting not more than three feet (3') into the Rear Yard; (3) Roof overhangs and eaves projecting not more than two feet (2') into the Rear Yard.

EXHIBIT "G"

HOMESTEAD HOMES BUILDING PLACEMENT GUIDE

Building Placement



Homestead Lots:

Homesteads consist of larger single family detached homes on lots that range in size from 8,000 square feet to 25,000 square feet.

Front Yard Setback: 20' to Main House. Front Porches or Single Story Bays may extend to within 15' of the property line

Side Yard Setback: Minimum 6' - total combined side yard setbacks shall equal 16'

Side Yard Street Setback (Corner Lot): Minimum 15'

Rear Yard Setback: Minimum 25'

Attached Garages: Garage door width must not exceed 50% of the width of the front facade of the house. Attached Garages shall be a maximum of 38' wide. Garages shall be setback a minimum of 10' behind Facade.

Detached Garages: Shall be a maximum of 24' wide and shall be a maximum of 18' in height.

Garage Doors: Two (2) car wide garage doors may be a maximum 18' wide. Single doors may be a maximum of 10' wide.

Front Yard Exceptions: (1) Uncovered steps leading to the Main Building provided the steps are not more than four feet (4') in height from Final Grade, not including any required handrails, and do not cause any danger or hazard to traffic by obstructing view of a street or intersection; (2) Roof overhangs, eaves, and cornices projecting not more than two feet (2') into the Front Yard.

Side Yard Exceptions: (1) Bay Windows not more than twelve feet (12') wide, projecting not more than two feet (2') into the Side Yard; (2) Chimneys not more than five feet (5') wide projecting not more than two feet (2') into the Side Yard; (3) Window wells and light wells projecting not more than three feet (3') into the Side Yard; (4) Roof overhangs and eaves projecting not more than two feet (2') into the Side Yard.

Rear Yard Exceptions: (1) Chimneys not more than five feet (5') wide projecting not more than two feet (2') into the Rear Yard; (2) Window wells and light wells projecting not more than three feet (3') into the Rear Yard; (3) Roof overhangs and eaves projecting not more than two feet (2') into the Rear Yard.