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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

**HARVEST CROSSING
A PLANNED UNIT DEVELOPMENT**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR HARVEST CROSSING, a planned unit development (this "Declaration") is made the 17th day of August, 2007, by Peterson Development Company, LLC, a Utah limited liability company ("Declarant"), for and on behalf of itself and its successors and assigns.

RECITALS

- A. Declarant is the sole owner of the real property located in the City of South Jordan, County of Salt Lake, State of Utah, that is more particularly described on Exhibit "A" attached hereto and made a part hereof (the "Property").
- B. Declarant desires to construct and establish a planned unit residential development project on such Property, which project shall consist of up to one hundred two single family residential dwellings, and which shall, at Declarant's option, be developed in Phases from time to time.
- C. Declarant deems it necessary and desirable to subject such Property to the covenants, conditions, restrictions, reservations, easements, assessments, charges and liens set forth in this Declaration.

DECLARATION

NOW THEREFORE, in consideration of the foregoing, Declarant hereby declares as follows:

ARTICLE I

DECLARATION

Declarant hereby submits the Property (as such term is defined below) to the provisions of this Declaration, and declares that the Property shall be held, sold, occupied and conveyed subject to the following covenants, conditions, restrictions, reservations, easements, assessments, charges and liens, which shall run with the Property and bind all parties having any right, title or interest in the Property, or any portion thereof, and their respective successors, assigns, heirs, devisees and personal representatives.

ARTICLE II

DEFINITIONS

2.01 Basic Definitions. For purposes of this Declaration, the following terms shall have the meanings indicated:

(a) "Articles" means the Articles of Incorporation of the Association, as the same may be amended from time to time.

(b) "Assessment" means an Initial Assessment, a General Assessment, a Special Assessment or a Default Assessment levied pursuant to Article VII below.

(c) "Assessment Lien" means the statutory lien of the Association on a Lot described in Section 7.09 below.

(d) "Association" means Harvest Crossing Homeowners Association, Inc., a Utah nonprofit corporation, and its successors and assigns.

(e) "Association Documents" means this Declaration, the Articles, the Bylaws and the Rules and Regulations, as they may be amended from time to time.

(f) "Bylaws" means the Bylaws of the Association, as they may be amended from time to time.

(g) "Common Areas" means all of the Property not constituting a Lot, together with all improvements located thereon including without limitation the clubhouse, swimming pool, detention and retention basins, pavilions(s), barbecue areas, and private road(s).

(h) "Common Expenses" means (i) any and all costs, expenses and liabilities incurred by or on behalf of the Association, including, without limitation, costs, expenses and liabilities for (A) managing, operating, maintaining, repairing, altering and improving the Common Areas; (B) administering and enforcing the covenants, conditions, restrictions, reservations and easements created hereby; (C) levying, collecting and enforcing the Assessments, charges and liens imposed pursuant hereto; (D) regulating and managing the Project; (E) operating the Association; and (ii) reserves for any such costs, expenses, liabilities and replacement of improvements to Common Areas; and (F) installing, maintaining and replacing the exterior landscaping on each Lot, including front, back and side lawns, sprinklers and flower beds (but excluding flower beds and similar areas on individual Lots which shall be maintained by the Owner of such Lot).

(i) "Declarant" means Peterson Development Company, LLC, a Utah limited liability company, and its successors and assigns.

(j) "Declarant Control Period" has the meaning to such term in Section 6.02 below.

(k) "Declaration" means this Declaration of Covenants, Conditions and Restrictions for Harvest Crossing, a planned unit residential development, as it may be amended from time.

(l) "Default Assessments" has the meaning given to such term in Section 7.07 below.

(m) "Eligible Holder" means a Person who holds, insures or guarantees a First Mortgage and has delivered a written notice to the Association, containing such Person's name and

address and the legal description and address of the Residence encumbered by the First Mortgage held, insured or guaranteed by such Person.

(n) "Executive Board" means the Board of Trustees of the Association.

(o) "First Mortgage" means any Mortgage which is not subordinate to any other lien or encumbrance, except liens for taxes or other liens which are given priority by statute.

(p) "First Mortgagee" means any Person named as a mortgagee or beneficiary in any First Mortgage, or any successor to the interest of any such person under such First Mortgage.

(q) "General Assessment" means an Assessment levied against a Lot pursuant to Section 7.05 below.

(r) "Initial Assessments" means Assessments levied against a Lot pursuant to Section 7.04 below.

(s) "Lot" means each of the up to one hundred two individual building lots to be platted on the Property and the improvements to be constructed thereon, or such other number of Lots as have then been platted into the Project.

(t) "Membership" means a membership in the Association and the rights granted to Owners pursuant to this Declaration, the Articles and the Bylaws to participate in the Association.

(u) "Modification Review Board" means the committee established by the Executive Board to regulate the modification of improvements to the Lots.

(v) "Mortgage" means any mortgage, deed of trust or other document pledging any Lot or interest therein as security for payment of a debt or obligation.

(w) "Mortgagee" means any Person named as a mortgagee or beneficiary in any Mortgage, or any successor to the interest of any such person under such Mortgage.

(x) "Owner" means the record holder of legal title to the fee simple interest in any Lot or portion thereof. If there is more than one record holder of legal title to a Lot, each record holder shall be an Owner.

(y) "Person" means any natural person, corporation, partnership, limited liability company, association, trustee or any other entity recognized as being capable of owning real property under the laws of the State of Utah.

(z) "Plat" means the Subdivision Plat or Plats (or the Record of Survey Map(s)) recorded from time-to-time, of Harvest Crossing attached as Exhibit "B" hereto and made a part hereof, as the same may be amended and expanded from time to time.

(aa) "Project" means the Harvest Crossing planned unit development project created on the Property by this Declaration, consisting of the Lots and the Common Areas, as expanded from time to time.

(bb) "Property" means the real property located in the City of South Jordan, County of Salt Lake, State of Utah, that is described on Exhibit "A" attached hereto and made a part hereof.

(cc) "Purchaser" means a Person, other than Declarant or a Successor Declarant, who by means of a transfer, acquires legal title to the fee simple interest in any Lot or portion thereof.

(dd) "Residence" means the single family dwelling constructed on a Lot.

(ee) "Rules and Regulations" means any instruments adopted by the Association for the regulation and management of the Project, as the same may be amended from time to time.

(ff) "Shares of Common Expenses" means the share of Common Expenses allocated to each Lot in accordance with the terms and conditions of Section 7.02 below, as adjusted from time to time as Plat(s) are amended or additional Plat(s) recorded.

(gg) "Special Assessments" has the meaning given to such term in Section 7.06 below.

(hh) "Special Declarant Rights" means the rights reserved by Declarant for itself, its successors and assigns in this Declaration.

(ii) "Successor Declarant" means any Person who succeeds to any rights of Declarant hereunder.

(jj) "Transfer Assessments" means Assessments levied against a Lot pursuant to Section 7.04 below.

(kk) "Trustee" means a duly elected or appointed member of the Executive Board.

2.02 Gender and Number. Wherever the context of this Declaration so requires, (a) words used in the masculine gender shall include the feminine and neuter genders; (b) words used in the neuter gender shall include the masculine and feminine genders; (c) words used in the singular shall include the plural; and (d) words used in the plural shall include the singular.

ARTICLE III

LOTS AND COMMON AREAS

3.01 Lots.

(a) Declarant hereby designates up to one hundred two Lots which will be platted and improved within the Project, the boundaries and identifying numbers of which are shown on the Plat(s). Declarant may unilaterally add or subtract Lots to the Project, and record or amend Plat(s), as Declarant sees fit in its own discretion, without necessity of obtaining approvals from any other Owners.

(b) All Lots shall be capable of being independently owned, encumbered and conveyed. The Owner or Owners of each Lot shall be entitled to the exclusive possession and control of such Lot, subject to the rights of the Association set forth in the Association Documents.

3.02 Location of Lots. During the Declarant Control Period or when permitted by the Executive Board, Declarant shall have the right to expand or contract the Project, record new Plat(s), amend Plat(s), alter the boundaries of the Lots, as shown on the Plat, and to combine two (2) or more Lots into a single Lot; provided, Declarant shall have no right to alter the boundaries of or combine Lots after they have been sold to a Purchaser. Any change in the boundaries of the Lots or any combination of Lots into a single Lot shall be reflected by an amendment to this Declaration and of the Plat, which amendment may be effected by the Declarant alone. If two (2) or more Lots are combined into a single

Lot, the combined Lots shall be treated as a single Lot for all purposes of this Declaration, including, without limitation, for purposes of levying Assessments.

3.03 Description of Lots. The Project shall consist of up to one hundred two identified as Lots 1 through 101 of the Harvest Crossing Planned Unit Development.

3.04 Separate Taxation of Lots. Each Lot constitutes a separate parcel of real estate and will be separately assessed and taxed.

3.05 Description of Common Areas. The Common Areas shall consist of the clubhouse, swimming pool, detention and retention basins, pavilion(s), barbecue areas, private road(s), as indicated on the Plat attached hereto as Exhibit "B".

3.06 Ownership of Common Areas. The Common Areas shall be owned by the Owners of all of the Lots as tenants in common. An equal percentage of undivided interest in the Common Areas shall attach to each Lot, which percentage shall correspond to the Share of Common Expenses for such Lot as determined under Section 7.02(a) of this Declaration. Upon any conveyance or transfer of a Lot, the undivided interest in Common Areas attributable to such Lot shall automatically be conveyed or transferred with the Lot. No undivided interest in Common Areas may be transferred or conveyed separate or apart from the Lot to which the undivided interest is attributable. Each Owner shall have a license to use all of the Common Areas, subject to the terms and conditions of the Association Documents. The minimum number of Lots in the Project shall be fifty (50) and the maximum number of Lots for the Project is presently anticipated to be one hundred two which will give each Lot Owner the maximum percentage of interest in Common Areas of ____%.

ARTICLE IV

THE ASSOCIATION

4.01 Formation of the Association. On or before the date on which Declarant conveys the first Lot within the Project to a Purchaser, Declarant shall form the Association.

4.02 Purposes and Powers.

(a) The Association's purposes are (i) to manage, operate, construct, improve, alter and maintain the Common Areas, and maintain the landscaped portion of the Lots as provided herein; (ii) to administer and enforce the covenants, conditions, restrictions, reservations and easements created hereby; (iii) to levy, collect and enforce the Assessments, charges and liens imposed pursuant hereto; (iv) to regulate and manage the Project; and (v) to establish Rules and Regulations for the Project as deemed necessary.

(b) Unless expressly prohibited by law or any of the Association Documents, the Association may (i) take any and all actions that it deems necessary or advisable to fulfill its purposes, and (ii) exercise all powers that may be exercised in Utah by nonprofit corporations.

4.03 Association Documents.

(a) The obligations, burdens and benefits created by this Declaration touch and concern the Property and are, and shall be, covenants running with each Lot for the benefit of all other Lots and the Common Areas. The Association and each Owner shall comply with and benefit from each term, provision, covenant, condition, restriction, reservation and easement contained in the Association Documents.

(b) In the event that there is any conflict or inconsistency between the terms and conditions of this Declaration and the terms and conditions of the Articles, the Bylaws or the Rules and Regulations, the terms and conditions of this Declaration shall control. In the event that there is any conflict or inconsistency between the terms and conditions of the Articles and the terms and conditions of the Bylaws or the Rules and Regulations, the terms and conditions of the Articles shall control. In the event of any conflict or inconsistency between the terms and conditions to the Bylaws and the terms and conditions of the Rules and Regulations, the terms and conditions of the Bylaws shall control.

4.04 Books and Records. Upon written request, the Association shall allow Owners, Mortgagees and their respective agents to inspect current copies of the Association Documents and the books, records, budgets and financial statements of the Association during normal business hours and under other reasonable circumstances. The Association may charge a reasonable fee for copying such materials.

4.05 Personal Liability and Indemnification.

(a) To the full extent permitted by applicable law, no Trustee or officer, who was appointed by Declarant, shall be personally liable to the Association or any Owner for any injury, damage, loss, cost or expense suffered or incurred by reason of any act or omission of such Trustee or officer, unless a court of competent jurisdiction finds that such Trustee or officer breached a fiduciary duty that such Trustee or officer owed to the Association or an Owner.

(b) To the full extent permitted by applicable law, no Trustee or officer of the Association, who was not appointed by Declarant, and no employee, agent or committee member of the Association shall be personally liable to the Association or any Owner for any injury, damage, loss, cost or expense suffered or incurred by reason of any act or omission of such Trustee or officer, employee, agent or committee member, unless a court of competent jurisdiction finds that the act or omission of such Trustee or officer, employee, agent or committee member was wanton and willful.

(c) The Association shall indemnify and hold each present or former Trustee or officer, employee, agent or committee member harmless against any and all claims, suits, proceedings, injuries, damages, losses, costs and expenses, including, but not limited to, attorneys' fees and disbursements, asserted against or incurred by any such present or former Trustee or officer, employee, agent or committee member to the fullest extent permitted by the Association Documents; provided, however, that in no event shall the Association indemnify or hold harmless any such Trustee or officer, employee, agent or committee member to the extent that he or she is personally liable for an act or omission under paragraph 4.05(a) or paragraph 4.05(b) above.

ARTICLE V

MEMBERSHIP IN THE ASSOCIATION

5.01 Membership.

(a) There shall be one (1) Membership appurtenant to every Lot. A Membership may not be separated from the Lot to which it is appurtenant.

(b) Any Membership appurtenant to a Lot having more than one (1) Owner shall be shared by such Owners.

(c) A Membership may be transferred or encumbered only in connection with the conveyance or encumbrance of a fee simple interest in the Lot to which the Membership is appurtenant.

Any transfer or encumbrance of a Membership other than as permitted in this paragraph 5.01(c) shall be void and have no force or effect.

5.02 Voting.

(a) (a) Each Membership shall be entitled to one (1) vote, regardless of the number of Owners of the Lot to which the Membership is appurtenant. Fractional voting shall not be allowed. If the Owners of a Lot cannot agree among themselves as to how to cast their vote when they are required to cast their vote on a particular matter, they shall lose their right to vote on such matter. If any Owner casts a vote representing a certain Membership, it will thereafter be conclusively presumed for all purposes that the Owner was acting with the authority and consent of all other Owners with whom such Owner shares the Membership, unless objection thereto is made to the chairperson of the meeting at the time the vote is cast. If more than one (1) vote is cast for any particular Membership, none of such votes shall be counted and all of such votes shall be deemed null and void.

(b) In any election of Trustees to the Executive Board, every Membership shall have the number of votes equal to the number of Trustees to be elected to the Executive Board by such election. Cumulative voting shall not be allowed in the election of Trustees to the Executive Board or for any other purpose.

(c) Notwithstanding the terms and conditions of paragraph 5.02(a) above, the Association shall have no voting rights for any Membership appurtenant to any Lot owned by the Association.

ARTICLE VI

EXECUTIVE BOARD

6.01 Powers of the Executive Board.

(a) Except as provided in this Declaration, the Articles and the Bylaws, the Executive Board may act on behalf of the Association in all instances.

(b) The Executive Board may not act on behalf of the Association to (i) amend this Declaration; (ii) terminate the Project; (iii) elect Trustees to the Executive Board, other than to fill a vacancy for the unexpired portion of a Trustee's term; or (iv) determine the qualifications, powers and duties, or terms of office, of Trustees.

6.02 Declarant Control Period.

(a) Subject to the terms and conditions of paragraphs 6.02(b) and (c) below, but notwithstanding anything else to the contrary contained in this Declaration or in any other Association Document, Declarant shall have the exclusive right to appoint and remove all Trustees and officers during the Declarant Control Period. The term "Declarant Control Period" means the period commencing on the date on which Declarant forms the Association and ending on the later to occur of: (i) sixty (60) days after conveyance to Purchasers of seventy five percent (75%) of the Lots created by Declarant hereunder; or (ii) two (2) years after the last conveyance of a Lot by Declarant or a Successor Declarant to a Purchaser in the ordinary course of business.

(b) Declarant may voluntarily surrender its right to appoint and remove Trustees and officers prior to the expiration of the Declarant Control Period.

(c) Not later than the expiration of the Declarant Control Period, the Owners shall elect an Executive Board of at least three (3) Trustees, at least a majority of whom must be Owners other than Declarant or designated representatives of Owners other than Declarant. Such Trustees shall take office upon election.

(d) Notwithstanding anything to the contrary herein, during the Declarant Control Period, Declarant shall have five (5) votes for each Lot then owned by Declarant or its affiliates.

6.03 Removal of Members of the Executive Board. Notwithstanding any provision of this Declaration or any other Association Document to the contrary, the Owners, by a vote of at least sixty-seven percent (67%) of all Memberships represented (in person or by proxy) and entitled to vote at any meeting at which a quorum is present, may remove any Trustee, with or without cause, other than a Trustee appointed by Declarant.

6.04 Professional Management of the Project. The Executive Board may enter into service and management agreements for the Project. The term of such service or management contracts may not exceed three (3) years. In addition, any such service or management contract must provide for termination by either party without cause and without payment of a termination fee on thirty (30) days or less written notice.

ARTICLE VII

ASSESSMENTS, COMMON EXPENSES, BUDGETS AND LIENS

7.01 Obligations for Assessments.

(a) Declarant, for each Lot it owns, hereby covenants and agrees, and each Owner, by accepting a deed to a Lot (whether or not it shall be expressly stated in such deed), shall be deemed to have covenanted and agreed, to pay to the Association all (i) Initial Assessments; (ii) General Assessments; (iii) Special Assessments; (iv) Default Assessments; and (v) other charges that the Association is required or permitted to levy or impose on such Owner or such Owner's Lot pursuant to this Declaration or any other Association Document.

(b) No Owner shall be exempt from liability for any such Assessment or other charge by waiving the use or enjoyment of the Common Areas, or any portion thereof, or by abandoning a Lot against which such Assessments or other charges are made.

(c) Except as provided in this paragraph 7.01(c) and paragraph 7.09(a) below, the obligation to pay to the Association any Assessment or other charges levied against any Lot shall be a joint and several obligation of the Owner or Owners of such Lot and such Owner's or Owners' successors, assigns, heirs, devisees and personal representatives. A Person acquiring fee simple title to a Lot shall be jointly and severally liable with the former Owner of the Lot for all Assessments and other charges that had accrued and were payable when such Person acquired fee simple title to the Lot, for so long as such Person holds fee simple title to the Lot.

(d) Each Assessment or other charge, together with interest and penalties thereon and all costs and expenses incurred by the Association to collect such Assessment or other charge, including reasonable attorneys' fees and disbursements, may be recovered by a suit for a money judgment by the Association without foreclosing or waiving any Assessment Lien securing the same.

7.02 Shares of Common Expenses.

(a) Except as otherwise set forth in this Declaration, all Common Expenses shall be allocated equally among all up to one hundred two Lots, or so many Lots as have then been platted in the Project.

(b) The initial Shares of Common Expenses allocated to the Lots within the Project are set forth on Exhibit "C" attached hereto and made a part hereof. Exhibit "C" shall be amended from time to time if and when additional Lots are added to the Project.

(c) If any Lots are added to or withdrawn from the Project, the Shares of Common Expenses for all Lots within the Project after such addition or withdrawal shall be recalculated.

(d) Until the Association levies an Assessment, Declarant shall pay all Common Expenses. The Association shall not levy its first Assessments commencing upon or after the date conveyed to a Purchaser.

7.03 Budgets.

(a) Prior to the first levy of a General Assessment, and, thereafter, on or before December 1 of each calendar year the Executive Board shall adopt a proposed annual budget for the Association for the following calendar year, which proposed budget shall, among other things, set forth (i) the Executive Board's estimates of Common Expenses for the next calendar year; (ii) the Executive Board's estimates of amounts required to be placed in a reserve fund for operation, maintenance, repair and replacements of Common Area properties; (iii) the amount of funds for such Common Expenses and reserves that the Executive Board proposes to raise through General Assessments; and (iv) the amount of funds for such Common Expenses and reserves that the Executive Board proposes to raise through Special Assessments. Within thirty (30) days after adopting a proposed budget, the Executive Board shall deliver a summary of the proposed budget to all Owners and set a date for a meeting of the Owners to consider ratification of the proposed budget. The date of such meeting shall not be less than fourteen (14) days, nor more than sixty (60) days, after the delivery of the summary of the proposed budget to the Owners. Unless at that meeting a majority of the votes allocated to all Memberships, whether or not a quorum is present, rejects the proposed budget, the proposed budget shall be deemed ratified. In the event that the proposed budget is rejected, the annual budget last ratified by the Owners shall be deemed renewed for the next calendar year and shall remain in full force and effect until such time as the Owners ratify a subsequent budget proposed by the Executive Board.

(b) If the Executive Board deems it necessary or advisable to amend an annual budget that has been ratified by the Owners under paragraph 7.03(a) above, the Executive Board may adopt a proposed amendment to the annual budget, deliver a summary of the proposed amendment to all Owners and set a date for a meeting of the Owners to consider ratification of the proposed amendment. The date of such meeting shall not be less than fourteen (14) days, nor more than sixty (60) days, after the delivery of the summary of the proposed amendment. Unless at that meeting a majority of the votes allocated to all Memberships, whether or not a quorum is present, rejects the proposed amendment, the proposed amendment shall be deemed ratified.

7.04 Initial and Transfer Assessments.

(a) Upon the first purchase of each Lot by a Purchaser other than Declarant, there shall be automatically levied a one-time assessment against such Lot in the amount of Five Hundred Dollars (\$500) (an "Initial Assessment"). The Declarant shall pay Two Hundred Fifty Dollars (\$250) of the Initial Assessment and the Purchaser shall pay Two Hundred Fifty Dollars (\$250) of the Initial Assessment. Each Initial Assessment shall be due and payable in full on or before the date upon which the first purchase of the Lot to which the Initial Assessment relates is consummated. The Association

shall hold all of the Initial Assessments in a reserve to pay Common Expenses and other expenses of the Association if other funds of the Association are not available to pay the same.

(b) Upon the second or any subsequent purchase of each Lot by a Purchaser, there shall be automatically levied an assessment against such Lot in the amount of Five Hundred Dollars (\$500) (a "Transfer Assessment"). Each Transfer Assessment shall be due and payable in full on or before the date upon which the second or subsequent purchase of the Lot to which the Transfer Assessment relates is consummated. The Association shall hold all of the Transfer Assessments in a reserve to pay Common Expenses and other expenses of the Association if other funds of the Association are not available to pay the same.

7.05 General Assessments.

(a) After the Owners ratify an annual budget under paragraph 7.03(a) above, the Association shall levy an assessment for Common Expenses and reserve funds (a "General Assessment") on each Lot. The amount of the General Assessment to be levied against a Lot shall equal the product obtained by multiplying (i) the amount set forth in the annual budget ratified by the Owners as the amount of Common Expenses and reserve funds to be raised by General Assessments, by (ii) that Lot's Share of Common Expenses. The Owners shall pay the General Assessments levied against their respective Lots in such periodic installments as may be required by the Association.

(b) If the Owners ratify an amendment to the General Assessment portion of an annual budget pursuant to paragraph 7.03(b) above, the amount of the General Assessment levied against each Lot shall be adjusted accordingly, as shall the amount of each Owner's periodic installments.

(c) If the Owners fail to ratify an annual budget for any calendar year prior to January 1 of that calendar year, the Owners shall continue to pay periodic installments of the General Assessment to the Association at the rate payable during the prior calendar year until such time as the Owners ratify a new annual budget for the then current calendar year. Once the Owners ratify a new annual budget, the Association shall levy on each Lot the General Assessment for the then current calendar year and each Owner's periodic installments shall be adjusted as necessary to pay the new General Assessment in equal periodic installments over the remainder of such calendar year, giving the Owners credit for any installments that the Owners have previously paid to the Association during such calendar year.

(d) The failure of the Association to levy a General Assessment for any calendar year shall not be deemed a waiver, modification or release of the Owners' liability for the Share of Common Expenses allocated to such Owner's Lot.

(e) General Assessments shall be due in equal monthly or quarterly installments on the first business day of each month (or calendar quarter) and shall be delinquent and subject to a late charge as set forth below, if not received by the tenth day of such month. All other Assessments set forth herein shall be due and payable within thirty days of the date such Assessment is mailed to an Owner.

7.06 Special Assessments.

(a) The Assessments that the Association may levy pursuant to this Section 7.06 are referred to in this Declaration as "Special Assessments."

(b) Notwithstanding anything to the contrary contained in Section 7.05 above, if any Common Expense benefits fewer than all of the Lots, the Association may levy an Assessment for such Common Expense exclusively against the Lots benefited thereby, equally or in any other equitable proportions as the Association deems appropriate.

(c) Each Special Assessment levied against any Lot shall be shown on an annual budget, or on an amendment to an annual budget, ratified by the Owners in accordance with Section 7.03 above, and shall be paid as and when required by the Association.

7.07 Default Assessments.

(a) Notwithstanding anything to the contrary contained herein, if any Common Expense is caused by (i) the negligence or misconduct of an Owner or an Owner's family member, employee, agent, lessee or guest, or (ii) a violation of any covenant or condition of an Association Document by an Owner or an Owner's family member, employee, agent, lessee or guest, the Association may levy an Assessment against such Owner's Lot for the amount of such Common Expense. Any such Assessment levied by the Association, and each fine, penalty, fee or other charge imposed upon an Owner for the violation of any covenant or condition of any Association Document by an Owner or an Owner's family member, employee, agent or guest, referred to herein as a "Default Assessment."

(b) Default Assessments need not be shown on an annual budget, or on an amendment to an annual budget, or ratified by the Owners in accordance with Section 7.03 above.

(c) With respect to any Default Assessments, or portion thereof, levied other than as a late charge, the Owner of the Lot against which the Association seeks to levy the Default Assessment shall be provided notice and an opportunity to be heard. Owners of Lots against which Default Assessments have been levied shall pay such Default Assessments when required by the Association.

7.08 Assignment of Assessments. The Association shall have the unrestricted right to assign its right to receive Assessments and other future income, either as security for obligations of the Association or otherwise.

7.09 Assessment Lien.

(a) The Association shall have and is hereby granted a lien on each Lot for any Assessment levied against that Lot and any interest, attorneys' fees and disbursements and costs of collection imposed against its Owner under any Association Document. The Assessment Lien shall secure all of the foregoing obligations of an Owner from the time such obligations become due. If an Assessment is payable in installments, the Assessment Lien secures each installment from the time it becomes due, including the due date set by any valid Association acceleration of installment obligations.

(b) An Assessment Lien is prior to all other liens and encumbrances on a Lot except:

(i) tax and special assessment on the Lot in favor of any assessing unit or special improvement district; and;

(ii) liens and encumbrances recorded prior to the recordation of a notice of the Assessment Lien which by law would be prior to subsequently recorded encumbrances.

(c) This Section 7.09 does not prohibit (i) actions or suits to recover sums secured by an Assessment Lien, or (ii) the Association from taking a deed in lieu of foreclosure.

(d) In any action by the Association to collect Assessments or to foreclose an Assessment Lien for unpaid Assessments, the court may appoint a receiver of the Owner to collect all sums due to the Owner with respect to the Lot. A court may order the receiver to pay any sums collected by the receiver to the Association during the pending of the action to the extent of the Association's Assessments.

(e) An Assessment Lien may be enforced by sale or foreclosure of the applicable Lot by the Association or Executive Committee, which sale or foreclosure shall be conducted in substantially the same manner as power of sale foreclosures of deeds of trust.

7.10 Estoppel Certificates: Notices to Mortgagees.

(a) The Association shall furnish to an Owner or such Owner's designee or to a Mortgagee or its designee, upon written request, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the Association's registered agent, a statement setting forth the amount of unpaid Assessments currently levied against such Owner's Lot. The statement shall be furnished within fourteen (14) calendar days after the Association's receipt of the request and shall be binding on the Association, the Executive Board and every Owner. If no statement is furnished to the Owner, the Mortgagee or their designee, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, then the Association shall have no right to assert an Assessment Lien upon the Lot for unpaid Assessments which were due as of the date of the request.

(b) The Association shall report to any Mortgagee any unpaid Assessments remaining unpaid for more than sixty (60) days after the same shall have become due, if such Mortgagee first shall have delivered to the Association a written request for notice of unpaid Assessments. Any Mortgagee holding a lien on a Lot may pay any unpaid Assessment with respect to such Lot, together with any and all costs and expenses incurred with respect to the Assessment Lien securing such unpaid Assessment, and upon such payment, such Mortgagee shall have a lien on the Lot for the amounts paid with the same priority as a lien of the Mortgage held by such Mortgagee.

ARTICLE VIII

MAINTENANCE OF COMMON AREAS AND LOTS

8.01 Maintenance of Common Areas.

(a) Except as otherwise provided in this Declaration, the Association, or its duly designated agent, shall maintain the Public Parkstrip Areas adjacent to the public streets, and all Common Areas, and the improvements and landscaping located on such Common Areas and Public Parkstrip Areas, and shall further maintain, install and replace the exterior landscaping on each Lot including the front, back and side lawns on such Lot, (but excluding flower beds and similar areas on individual Lots which shall be maintained by the Owner of such Lot), in good order and repair and shall otherwise manage and operate all Common Areas and such landscaped areas of the Lots as it deems necessary and appropriate. In this regard the Association may:

(b)

(i) construct, modify, add to, replace or renovate any improvements that are located on, or constitute a part of, any Common Areas;

(ii) plant and replace trees, shrubs and other vegetation on any Common Areas; any Common Areas;

(iii) place, maintain and replace signs upon;

(iv) adopt and enforce Rules and Regulations regulating the use of Common Areas; Common Areas; and

(v) impose and collect fees for the use of any;

(vi) take any other actions that the Association deems necessary or advisable to protect and maintain the Common Areas.

(c) The Executive Board shall be the sole judge as to the appropriate maintenance, operation and management of the Common Areas.

(d) Notwithstanding anything in the Association Documents to the contrary, the Association shall not, during the Declarant Control Period, construct, modify, add to, replace or renovate any improvements that are located on, or constitute a part of, any Common Areas without obtaining the prior consent of the Declarant.

8.02 Maintenance of Residences.

(a) Each Owner, at such Owner's sole cost and expense, shall, except for exterior landscape maintenance performed by the Association as set forth herein, maintain the improvements on such Owner's Lot and the Residence and other improvements thereon or constituting a part thereof including the driveway and sidewalks, in good order and repair.

(b) If, in the reasonable judgment of the Association, an Owner fails to maintain the improvements on the Owner's Lot, except for exterior landscape maintenance performed by the Association, or the exterior of the Residence or any improvements constituting a part thereof in good order and repair, and such failure remains uncured for more than thirty (30) days after the Association's delivery of written notice thereof to such Owner, the Association may enter upon such Lot and perform such maintenance or repair as the Association deems necessary or advisable and charge all costs and expenses incurred by the Association in connection therewith to such Owner as a Default Assessment.

ARTICLE IX

INITIAL CONSTRUCTION ON LOTS AND COMMON AREAS

9.01 Declarant's Construction Rights. Declarant shall have the sole and exclusive right to construct the Residences on all Lots, construct and install all initial improvements to the Common Areas and construct and install all additions, modifications and changes to the exterior of the Residences and to the Common Areas, except as follows: (i) additions, modifications or changes to any Residence after the initial construction of the Residence has been completed may be constructed or installed by a Person other than Declarant upon the approval of the Modification Review Board; (ii) additions, modifications or changes to the improvements on the Common Areas may be constructed or installed by the Association with the prior approval of the Declarant pursuant to paragraph 8.01(c). Declarant reserves the right to modify the design, size and exterior treatments of Residences prior to sale to a Purchaser. Declarant's rights under this Section 9.01 are assignable by Declarant at Declarant's sole option, and shall terminate ten (10) years from the date this Declaration is executed.

9.02 Nature of Improvements. Improvements shall include landscaping, sprinkler systems, and such other improvements as may be identified in the Plat attached as Exhibit "B" hereto or as may otherwise be deemed by the Declarant to be appropriate and consistent with this Declaration.

ARTICLE X

MODIFICATION REVIEW

10.01 Modification Review Board.

(a) The Executive Board shall establish a Modification Review Board which shall consist of such odd number of regular members (three or five) and alternate members as the Executive Board may designate. The members of the Modification Review Board shall be appointed by the Executive Board. The regular term of office for each member shall be two (2) years. Any such member may be removed with or without cause by the Executive Board at any time by written notice. A successor appointed to fill any vacancy on the Modification Review Board shall serve the remainder of the term of the former member.

(b) The Modification Review Board shall select its own chairman and vice-chairman from among its members. The chairman or, in the chairman's absence, the vice-chairman shall be the presiding officer of its meetings. In the absence of both the chairman and the vice-chairman from a meeting, the members present shall appoint a member to serve as acting chairman at such meeting. Meetings shall be held upon call of the chairman or vice-chairman at the offices of the Association. A majority of members shall constitute a quorum for the transaction of business. An alternate member may participate at any meeting at which there is not a quorum and shall have all of the authority of a regular member while so participating. In the absence of a quorum, a lesser number may adjourn any meeting to a later time or date. The affirmative vote of a majority of the members of the Modification Review Board shall constitute the action of the Modification Review Board on any matter before it. Except as set forth above, the Modification Review Board shall operate in accordance with its own Rules and Regulations which shall be filed with the Association and maintained in the records of the Association and shall be subject to inspection by all Owners and Mortgagees.

(c) The Modification Review Board is hereby authorized to retain the services of one (1) or more consulting architects, landscape architects, urban designers or other professionals to advise and assist the Modification Review Board in performing the modification review functions prescribed in this Article X.

10.02 Modification Review Board Approval and Control.

(a) No Owner may (i) make any material alteration to exterior surfaces of existing buildings or improvements constituting a part of his Residence, or (ii) construct any additional building or improvement on any Improved Lot or install any fence, without the prior written consent of the Modification Review Board. The approval of any requested alternative shall be at the sole discretion of the Modification Review Board. In determining whether to approve any requested modification, the Modification Review Board shall consider such matters as: (i) the compatibility of the modification with the overall design and appearance of the Project; (ii) the extent to which the construction of that modification may adversely impact other Owners and their respective Lots; (iii) whether the requesting Owner has made the necessary arrangements for the modification to be completed expeditiously, and in a high quality, workmanship manner; and (iv) such other factors as the Modification Review Board deems relevant. The decisions of the Modification Review Board shall be conclusive and binding on all interested parties, subject only to the right of appeal and review by the Executive Board as described in Section 10.03 below.

(b) Each Owner shall comply with the Rules and Regulations of the Modification Review Board, as the same may be amended from time to time by the Modification Review Board.

(c) The Modification Review Board or its designated representative may monitor any approved project to the extent required to ensure that the construction or work on such project complies with any and all approved plans and construction procedures. The Modification Review Board or its designated representatives may enter upon any Lot at any reasonable time or times to inspect the progress, work status or completion of any project. In addition to the remedies described in Section 10.04 below, the Modification Review Board may withdraw approval of any project and require all activity at

such project to be stopped, if deviations from the approved plan or approved construction practices are not corrected or reconciled promptly after written notification to the Owner specifying such deviations.

(d) Any material to be submitted or notice given to the Modification Review Board shall be submitted at the office of the Association.

10.03 Appeal to Executive Board. Any Owner aggrieved by a decision of the Modification Review Board may appeal the decision to the Executive Board in accordance with procedures to be established by the Executive Board. Such appeal shall be in writing and shall be filed within thirty (30) days after the decision of the Modification Review Board. In the event the decision of the Modification Review Board is overruled by the Executive Board on any issue or question, the prior decision of the Modification Review Board shall be deemed modified to the extent specified by the Executive Board and such decision, as so modified, shall thereafter be deemed the decision of the Modification Review Board.

10.04 Enforcement of Restrictions.

(a) The Modification Review Board shall have primary responsibility to enforce the restrictions set forth in this Article X and the Rules and Regulations adopted by the Modification Review Board; provided, however, that such responsibility shall not limit the right of the Association to take action under any other Article of this Declaration. If the Modification Review Board does not take action to enforce such restrictions within fifteen (15) days after being requested to do so by the Executive Board, the Association may assume responsibility for enforcing such restrictions in any case in which the Modification Review Board declined to act.

(b) If an Owner violates any term or condition set forth in this Article X or in the Rules and Regulations of the Modification Review Board, the Modification Review Board and the Association shall have the following rights and remedies:

(i) The Modification Review Board may, by written notice to the Owner, revoke any approval previously granted to the Owner, in which event the Owner shall, upon receipt of such notice, immediately cease any development, improvement, alteration or landscaping covered by the approval so revoked.

(ii) The Modification Review Board and the Association may, but are not obligated to, enter upon the Owner's Lot and cure such violation at the Owner's sole cost and expense. If the Modification Review Board or the Association cures any such violation, the Owner shall pay to the Association the amount of all costs incurred by the Modification Review Board or the Association in connection therewith within thirty (30) days after the Owner receives a written invoice therefore from the Modification Review Board or the Association.

(iii) The Association may sue the Owner to enjoin such violation.

(iv) The Association may sue the Owner for all damages, losses, costs and expenses, including, without limitation, reasonable attorneys' fees and disbursements, incurred by the Modification Review Board or the Association as a result of the violation.

(v) The Modification Review Board and the Association shall have all other rights and remedies available to them under this Declaration, at law, or in equity. All rights and remedies of the Modification Review Board and the Association shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy.

10.05 Fees. The Modification Review Board may establish reasonable processing and review fees for considering any requests for approvals submitted to it, which fees shall be paid at the time the

request for approval is submitted. The Executive Board may also establish a requirement for the escrowing of funds in an amount sufficient to guarantee completion of a proposed modification or other finish work included as a part of construction plans which have been presented to or approved by the Modification Review Board.

ARTICLE XI

COVENANTS, CONDITIONS AND RESTRICTIONS

11.01 Use of Lots. Each Residence shall be used only as a single family dwelling. No gainful occupation, profession, trade or other nonresidential use shall be conducted at any Lot or in the Common Areas unless permitted by applicable zoning law and unless the existence or operation of the business activity is not detectable by sight, sound or smell from outside the Residence.

11.02 Exterior Antennas and Satellite Dishes. Exterior antennas, satellite dishes and other similar electronics hardware are prohibited. Small satellite dishes of twenty-four (24) inches or less in diameter may be allowed if the location of the satellite dish is approved by the Modification Review Board.

11.03 Nuisances. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Unit, and no odors or loud noises shall be permitted to arise or emit therefrom, so as to render any such Lot or the Common Areas in the vicinity thereof, or activity thereon, unsanitary, unsightly, offensive or detrimental to any other Lot or Common Areas, or to the occupants or users thereof. No other nuisance shall be permitted to exist or operate in or about any Lot so as to be offensive or detrimental to any other Lot or the Common Areas. No laundry or camping equipment shall be allowed drying or hanging outside the Lots or Common Areas.

11.04 Parking of Vehicles. No vehicle shall be parked or stored at any location within the Project except in garages, driveways and designated parking areas. No trailers, boats, motorcycles, racks, snowmobiles, motorhomes, recreational vehicles or any other type of vehicles shall be parked or stored within the Project except in garages. Motorhomes may be parked at an Owner's Lot for up to twenty-four (24) hours to clean and service. The use or operation of snowmobiles, motorcycles or other recreational vehicles on the streets of the Property is not permitted, except that street legal and licensed motorcycles may be used for ingress to or egress from the Property provided that they are not unreasonably noisy and must comply with existing noise ordinance, and shall not be allowed to be used for "joy" riding around the streets of the Project, and provided that they are not operated in excess of ten (10) mph.

11.05 Trash and Rubbish. The burning of rubbish, leaves or trash on the Property is prohibited. Trash containers shall be covered and kept screened from view from the street in suitable enclosed areas, except during collection. No Owner shall permit any thing or condition to exist in or about his Lot which may induce, breed or harbor infectious plant diseases or noxious insects.

11.06 Signs. Except for signs placed by Declarant during the Declarant Control Period, no signs of any kind shall be displayed to public view on any Lot or Residence, except that "For Rent" or "For Sale" signs not exceeding 24" x 36" in size may be displayed in the front window of a Residence.

11.07 Restricted Use of Retention Areas, Ponds and Watercourses. Any detention or retention areas, ponds and watercourses that may be located within the Property will be created for the aesthetic beauty of the Property and shall not be used for wading, swimming, fishing or any other recreational purpose.

11.08 Animals. Native wildlife shall not be fed or hunted within the Property. No animal, bird, fowl, livestock of any kind shall be raised, bred or kept in or about any Lot except that domestic dogs (a

maximum of two (2)), cats (maximum of two (2)) and other household pets may be permitted by the Association so long as they are kept within the Residence at all times, except when on a leash and under the direct control of the Owner. Pet owners shall promptly remove and dispose of all excrement emitted by their pets in any Common Area. No pet runs, kennels or houses shall be allowed outside of Lots/Residences or Common Areas.

11.09 Fences. Except for the perimeter fence of the Project and any privacy fences installed by Declarant during the Declarant Control Period, no Owner shall install any fence in the Project without the prior written approval of the Modification Review Board. Notwithstanding the foregoing, each Lot Owner may at its option and expense, upon approval of Declarant or the Modification Review Board, install a privacy fence around the Lot's patio and backyard area as designated on the Plat, provided that the size, materials and color of such fence shall be approved by the Modification Review Board, and further provided that no fence shall be approved or installed which interferes with the Association's maintenance of exterior landscaping on the Lots, including without limitation, the backyard. Notwithstanding the foregoing, the following interior Lots shall be limited to patio privacy fences only, which must approved by the Modification Review Board as set forth above: Lot nos. 38,39,40,41,42,43,44,45,46,47,48,49,50,51,62,63,67,68,69,73,74,75,76,80,81,82,83,86,87,88,and 89.

11.10 Restriction on Further Subdivision Property Restrictions and Rezoning. No Lot shall be further subdivided or separated into smaller Lots by any Owner, and no portion less than all of any such Lot, nor any easement or other interest therein, shall be conveyed or transferred by any Owner without the prior written approval of the Executive Board. No further covenants, conditions, restrictions or easements shall be recorded by any Owner or other person against any Lot without the provisions thereof having been first approved in writing by the Executive Board and any covenants, conditions, restrictions or easements recorded without such approval being evidenced thereon shall be null and void. No application for rezoning of any Lot, and no applications for variances or use permits, shall be filed with any governmental authority unless the proposed use of the Lot has been approved by the Executive Board and the proposed use otherwise complies with this Declaration.

11.11 Declarant's Exemption. Nothing contained in this Declaration shall be construed to prevent the reasonable exercise by the Declarant of its rights under this Declaration with respect to the construction, installation, sale, maintenance, modification or repair of Lots, Residences thereon or the Common Areas.

11.12 Restrictions Not Exclusive. The restrictions, limitations and requirements set forth in this Article XI are in addition to, and not in lieu of, the other provisions of the Association Documents.

ARTICLE XII

EASEMENTS AND RESERVATIONS

12.01 Declarant's Easements Over Common Areas.

(a) Declarant hereby reserves for itself, its successors and assigns an easement over, across, through and under the Common Areas to (i) discharge Declarant's obligations under this Declaration; (ii) exercise any of Declarant's rights under this Declaration; and (iii) make improvements within the Project or within the Additional Property or any other real estate which may be added to the Project by Declarant under this Declaration.

(b) Declarant hereby reserves to itself, its successors and assigns, the right to (i) establish from time to time utility and other easements, permits or licenses over, across, through and under the Common Areas, and (ii) create other reservations, exceptions and exclusions for the best interest of all Owners and the Association.

12.02 Owners' Easements Over Common Areas. Subject to the terms and conditions of this Declaration and all other Association Documents, Declarant hereby grants to the Owners an easement over, across and through the Common Areas (a) for ingress and egress to their Lots, and (b) to use and enjoy the Common Areas.

12.03 Utility Easement. There is hereby created a blanket easement over, across, through and under the Property for ingress to, egress from, and the installation, replacement, repair and maintenance of, all utility and service lines and systems, including, without limitation, water, sewer, gas, telephone, electricity and cable television. The Association may authorize the release of portions of the blanket easement created by this Section 12.03 upon the request of any Owner showing good cause therefor. Notwithstanding anything to the contrary contained in this Section 12.03, no sewers, electrical lines, water lines, telephone lines or other utility or service lines may be installed or relocated on any portion of the Property, except as approved by the Modification Review Board.

12.04 Association's Easements Over Common Areas. Declarant hereby grants the Association an easement over, across, through and under the Common Areas to (a) exercise any right held by the Association under this Declaration or any other Association document, and (b) perform any obligation imposed upon the Association by this Declaration or any other Association Document. Notwithstanding the foregoing, the Association shall not enter upon any Lot without reasonable prior notice to the owner of the Lot, except in cases of emergency.

12.05 Recorded Easements. The Property shall be subject to all easements shown on the recorded Plat affecting the Property and to any other easements of record or of use as of the date of recordation of this Declaration.

12.06 Encroachments. The Executive Board may grant appropriate easements when an encroachment occurs on a Common Area or Lot due to construction, reconstruction, repair, shifting, settlement, or other movement of any portion of a Common Area or Lot improvement. Such encroachment easement shall only be valid until the encroachment is cured.

12.07 Association's License. The Association shall have and is hereby granted an irrevocable license over the landscaped areas of each Lot on the exteriors of the Residence on each Lot, for the purpose of installing, maintaining and replacing the exterior landscaping on each Lot.

ARTICLE XIII

INSURANCE

13.01 Insurance Required to be Obtained by the Association. The Association shall obtain and maintain all property insurance on the Common Areas and the physical improvement thereon, and public liability insurance in a commercially reasonable amount, not less than One Million Dollars (\$1,000,000) per occurrence, and any additional insurance that the Executive Board deems necessary. The Owner of each Lot, and not the Association, shall be required to maintain insurance on such Lot and any Residence thereon.

13.02 Adjustments. Any loss covered by insurance maintained by the Association shall be adjusted with the Association. The insurance proceeds payable for any such loss shall be paid in accordance with the terms and conditions of this Declaration.

ARTICLE XIV

CASUALTY

14.01 Casualty to Common Areas. The Association shall respond to any damage to, or destruction of, any Common Areas.

14.02 Casualty to a Residence. Each Owner shall be responsible for repairing or replacing any damage to, or destruction of, his Lot and Residence.

ARTICLE XV

CONDEMNATION

15.01 Condemnation of Common Areas. Whenever all or any part of the Common Areas shall be taken by condemnation or similar proceeding, or whenever all or any part of the Common Areas is conveyed in lieu of a taking under a threat of condemnation, the award payable in connection therewith shall be paid to the Association and used by the Association (a) first, to repair any damage to Common Areas resulting from the condemnation or other taking, and (b) second, for any other Common Expenses.

ARTICLE XVI

SPECIAL DECLARANT RIGHTS

16.01 Improvements. Declarant hereby reserves for itself, its successors and assigns the right to construct any improvements shown on the Plat and the right to construct during Declarant Control Period, any improvement that Declarant deems necessary or advisable on any Common Area, including, without limitation, sidewalks, trails, drainage facilities, utility facilities, monuments and recreational facilities.

16.02 Sales and Management Offices. Declarant hereby reserves for itself, its successors and assigns the right to construct and maintain sales offices and management offices in the Common Areas. Declarant also reserves for itself, its successors and assigns the right to construct and maintain signs advertising the Project on any and all Common Areas and the right to use any of the Residences on Lots owned by it as model homes. Declarant's right to use any Residence on a Lot as a model home will terminate when all the Lots have been sold by the Declarant.

ARTICLE XVII

RIGHTS OF OWNERS AND MORTGAGEES

17.01 Benefit of Mortgagees. The terms and conditions contained in Section 17.02 below are for the benefit of Mortgagees. To the extent necessary, applicable or proper, the provisions of this Article XVII apply to this Declaration and to the Articles and Bylaws.

17.02 Notices of Action. The Association shall give to each Eligible Holder timely written notice of:

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

(b) any delinquency in the payment of Assessments or charges owed to the Association by an Owner whose Lot is subject to the First Mortgage of such Eligible Holder, or any default by such Owner in the performance of any such Owner's obligations under this Declaration or any other

Association Document, if the Executive Board has actual notice of such default, which is not cured within sixty (60) days;

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

17.03 Approvals for Amendments to Documents.

(a) Except with respect to those amendments to this Declaration that Declarant is expressly permitted to make under this Declaration, the consent of Owners to which at least sixty-seven percent (67%) of the votes allocated to all Memberships are allocated shall be required to add to, delete or amend any material provisions of this Declaration, the Articles or the Bylaws which establish, provide for, govern or regulate any of the following:

- (i) voting rights;
- (ii) Assessments, the Assessment Lien or the subordination of the Assessment Lien;
- (iii) reserves for maintenance, repair and replacement of Common Areas;
- (iv) responsibility for the maintenance and repair of the Common Areas;
- (v) the reallocation of interests in the Common Areas or the rights to the use thereof;
- (vi) boundaries of any Lots;
- (vii) the convertibility of Lots into Common Areas or vice versa;
- (viii) the expansion or contraction of the Project or the addition, annexation or withdrawal of the property to or from the Project;
- (ix) insurance or fidelity bonds;
- (x) the imposition of any restrictions on an Owner's rights to sell or transfer his or her Lot; and
- (xi) any provision that expressly benefits the Eligible Holders.

(b) If the Project has been, or is to be approved by, the Federal Housing Administration or the Department of Veterans Affairs, then during the Declarant Control Period the following actions will require the prior approval of the Federal Housing Administration and/or the Department of Veterans Affairs:

- (i) amendments to this Declaration;
- (ii) amendments of the Articles or the Bylaws;
- (iii) the annexation of additional properties to this Declaration;
- (iv) the merger, consolidation or dissolution of the Association; and

- (v) the mortgaging of the Common Areas.

17.04 Limitation to Pay Assessments and Charges. Any First Mortgagee who obtains title to a Lot pursuant to remedies in a Mortgage or through foreclosure of a Mortgage will not be liable for more than six (6) months of the Lot's unpaid Assessments or other charges that accrued before the First Mortgagee acquired title to the Lot.

17.05 Rights to Insurance and Condemnation Proceeds. No provision of this Declaration shall be deemed to give an Owner or any other party priority over any rights of the First Mortgagee pursuant to its Mortgage on a Lot relating to payment to the Owner of insurance proceeds or condemnation awards for losses to or a taking of the Lot.

17.06 Right to Pay Taxes and Charges. First Mortgagees may, jointly or individually, pay taxes or other charges which are in default and which may or have become a charge against any Lot or Common Element and may pay overdue premiums on casualty insurance policies or secure new casualty insurance policies upon the lapse of the policy required to be maintained by the Association pursuant to paragraph 13.01 above. Any First Mortgagees making such payments with respect to any Common Element shall be owed immediate reimbursement therefor from the Association.

ARTICLE XVIII

ENFORCEMENT AND REMEDIES

18.01 Enforcement.

(a) Each provision of this Declaration with respect to the Association or the Common Areas shall be enforceable by Declarant or any Owner by a proceeding for injunctive relief.

(b) Each provision of this Declaration with respect to an Owner or a Lot shall be enforceable by the Association by (i) a proceeding for injunctive relief; (ii) a suit or action to recover damages; and/or (iii) in the discretion of the Association, for so long as any Owner fails to comply with any such provisions, exclusion of such Owner and such Owner's family members, tenants and guests from the use of any Common Areas and from the participation in any Association affairs. In addition, if an Owner fails to perform or observe any covenant or condition on such Owner's part to be performed or observed under this Declaration or any other Association Document, the Association shall have the following rights and remedies:

(i) The Association may, but is not obligated to, cure such failure to comply at the Owner's sole cost and expense. If the Association cures any such failure to comply, the Owner shall pay to the Association the amount of all costs incurred by the Association in connection therewith within thirty (30) days after the Owner receives a written invoice therefore from the Association.

(ii) The Association may, after notice and an opportunity to be heard, assess the Owner a Special Assessment in an amount not to exceed Five Hundred Dollars (\$500) for the year for each violation. The Owner shall pay any such Special Assessment to the Association within thirty (30) days after the Owner receives a written invoice for the Special Assessment from the Association.

(iii) The Association shall have all other rights and remedies available to it under this Declaration, at law or in equity.

(c) All rights and remedies of the Association shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy.

18.02 Attorneys' Fees. In the event of any dispute under or with respect to this Declaration or any other Association Document, the prevailing party shall be entitled to recover from the nonprevailing party all of its costs and expenses in connection therewith, including, but not limited to, reasonable attorneys' fees and disbursements.

18.03 Late Charges and Interest. If an Owner fails to pay to the Association any Assessment or other amount due to the Association as and when the same becomes due, the Owner shall pay to the Association a late fee in the amount of Twenty Five Dollars (\$25). Any Assessment which is delinquent for thirty (30) days shall begin to accrue interest on such unpaid amount at the rate of twelve percent (12%) per annum from the due date of such unpaid amount until the date paid.

ARTICLE XIX

TERM AND AMENDMENTS

19.01 Term. The covenants, conditions, restrictions, reservations, easements, assessments, charges and liens set forth in this Declaration shall run with and bind the Property until this Declaration is terminated pursuant to Section 19.02 below.

19.02 Termination. Subject to the terms and conditions of Article XVII above, the Owners may terminate the Project, by the unanimous vote of all of the votes allocated to all Memberships. If the necessary votes and consents are obtained, the agreement of the Owners to terminate the Project and this Declaration shall be evidenced by a termination agreement or ratification thereof, executed by all of the Owners. Upon recordation of the termination agreement with the Recorder for Salt Lake County, Utah, the Project shall be terminated, this Declaration shall have no further force or effect, and the Association shall be dissolved.

19.03 Amendments.

(a) Owners may amend any provision of this Declaration at any time by a vote of at least sixty-seven percent (67%) of all Memberships. If the necessary votes and consents are obtained, the Association shall cause to be recorded with the Recorder for Salt Lake County, Utah, an amendment to this Declaration.

(b) Notwithstanding anything to the contrary herein, Declarant may amend this Declaration as expressly provided herein, without the approval of the Owners.

(c) Declarant may amend this Declaration at any time to expand or contract the Project, to add new Phases, and to record new Plats.

ARTICLE XX

MISCELLANEOUS

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

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

20.03 Disclaimer of Representations. Notwithstanding, anything to the contrary contained in this Declaration, Declarant makes no warranties or representations whatsoever that the plan presently envisioned for the complete development of the Project can or will be carried out or that any land now owned or hereafter acquired by Declarant is or will be subjected to this Declaration, or that any such land, whether or not it has been subjected to this Declaration, is or will be committed to or developed for a particular use, or that if such land is once used for a particular use, that such use will continue in effect.

20.04 Reference to Declaration and Deeds. Deeds to and instruments affecting any Lot or any other part of the Project may contain the provisions set forth herein by reference to this Declaration, but regardless of whether any such reference is made in any deed or instrument, each and all of the covenants, conditions, restrictions, reservations, easements, assessments, charges and liens set forth herein shall be binding upon the grantee-owner or other person claiming through any deed or other instrument and his or her heirs, executors, administrators, successors and assigns.

20.05 Successors and Assigns of Declarant. Any reference in this Declaration to Declarant shall include any successors or assignees of Declarant's rights and powers hereunder, provided that Declarant's rights and powers may only be assigned by a written recorded instrument expressly assigning such rights and powers.

20.06 Captions and Titles. All captions and titles of headings of Articles and Sections in this Declaration are for the purpose of reference and convenience and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof or to be used in determining the intent or context thereof.

20.07 Notices. If notice of any action or proposed action by the Executive Board or any committee or if any meeting is required to be given to any Owner by law, this Declaration or any other Association Document, then, unless otherwise specified herein or in any other Association Document, such notice requirement shall be deemed satisfied if such notice of such action or meeting is published once in any newspaper in general circulation within the Salt Lake County, Utah. This section shall not be construed to require that any notice be given if not otherwise required and shall not prohibit satisfaction of any notice requirement in any other matter.

IN WITNESS WHEREOF, the Declarant has hereunto caused its name to be signed by the signature of its duly authorized agent as of the day and year first written above.

PETERSON DEVELOPMENT COMPANY, LLC,
a Utah limited liability company

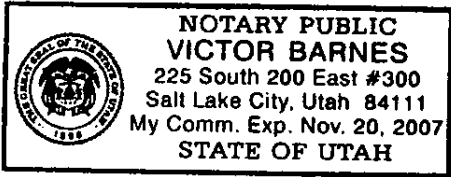
By: *Brent R. Peterson*

Its: *Member*

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

The foregoing instrument was acknowledged before me this 4th day of September 2007, by Barrett Peterson, the duly authorized Member of Peterson Development Company, LLC, a Utah limited liability company.

[SEAL]



Victor Barnes
Notary Public

LIST OF EXHIBITS

- EXHIBIT A - Legal Description of the Property
- EXHIBIT B - Plats of the Property
- EXHIBIT C - Shares of Common Expenses

EXHIBIT A

Harvest Crossing Phase 1

Beginning at a point N00°03'59"W 1357.67 feet along the Section Line and West 25.01 feet from the East Quarter Corner of Section 17, Township 3 South, Range 1 West, Salt Lake Base and Meridian; and running thence S89°43'49"W 179.79 feet; thence Southwesterly 527.75 feet along the arc of a 8775.29 foot radius curve to the left, chord bears S87°12'32"W 527.67 feet; thence N89°48'02"W 178.43 feet; thence Northeasterly 97.79 feet along the arc of a 7563.00 foot radius curve to the right, chord bears N86°23'59"E 97.79 feet; thence Northeasterly 53.06 feet along the arc of a 35.00 foot radius curve to the left, chord bears N43°20'15"E 48.13 feet; thence N00°05'43"W 9.31 feet; thence Northwesterly 270.96 feet along the arc of a 172.50 foot radius curve to the left, chord bears N45°05'43"W 243.95 feet; thence S89°54'17"W 223.33 feet; thence Northwesterly 76.08 feet along the arc of a 227.50 foot radius curve to the right, chord bears N80°30'53"W 75.73 feet; thence Southwesterly 32.22 feet along the arc of a 20.00 foot radius curve to the left, chord bears S62°54'37"W 28.85 feet; thence N68°42'28"W 85.22 feet; thence Northwesterly 30.59 feet along the arc of a 20.00 foot radius curve to the left, chord bears N26°11'14"W 27.69 feet; thence N19°59'51"E 55.00 feet; thence S70°00'09"E 13.11 feet; thence Northeasterly 33.26 feet along the arc of a 20.00 foot radius curve to the left, chord bears N62°21'23"E 29.56 feet; thence Northeasterly 93.35 feet along the arc of a 372.50 foot radius curve to the left, chord bears N07°32'11"E 93.10 feet; thence N00°21'27"E 171.24 feet; thence S89°53'48"E 1271.51 feet; thence S00°03'59"E 573.67 feet to the point of beginning.

Contains 14.898 acres and 50 Lots

Harvest Crossing Phase 2 (West of Willow Valley Way)

Beginning at a point N00°03'59"W 581.75 feet along the Section Line and S89°54'16"W 25.00 feet from the East Quarter Corner of Section 17, Township 3 South, Range 1 West, Salt Lake Base and Meridian; and running thence S89°54'16"W 699.22 feet; thence N00°05'43"W 641.21 feet; thence Northeasterly 37.47 feet along the arc of a 25.00 foot radius curve to the right, chord bears N42°56'25"E 34.06 feet; thence N03°57'34"W 20.04 feet; thence Northeasterly 497.38 feet along the arc of a 6367.82 foot radius curve to the right, chord bears N87°57'00"E 497.26 feet; thence N89°36'36"E 180.72 feet; thence S00°03'59"E 703.99 feet to the point of beginning.

Contains 11.209 acres and 40 lots.

Harvest Crossing Phase 2 (east of Willow Valley Way)

Beginning at a point N00°03'59"W 581.75 feet along the Section Line and S89°54'16"W 779.22 feet from the East Quarter Corner of Section 17, Township 3 South, Range 1 West, Salt Lake Base and Meridian; and running thence S89°54'17"W 240.15 feet; thence N00°03'05"E 467.59 feet; thence S89°48'36"E 239.58 feet; thence S00°01'05"E 466.40 feet to the point of beginning.

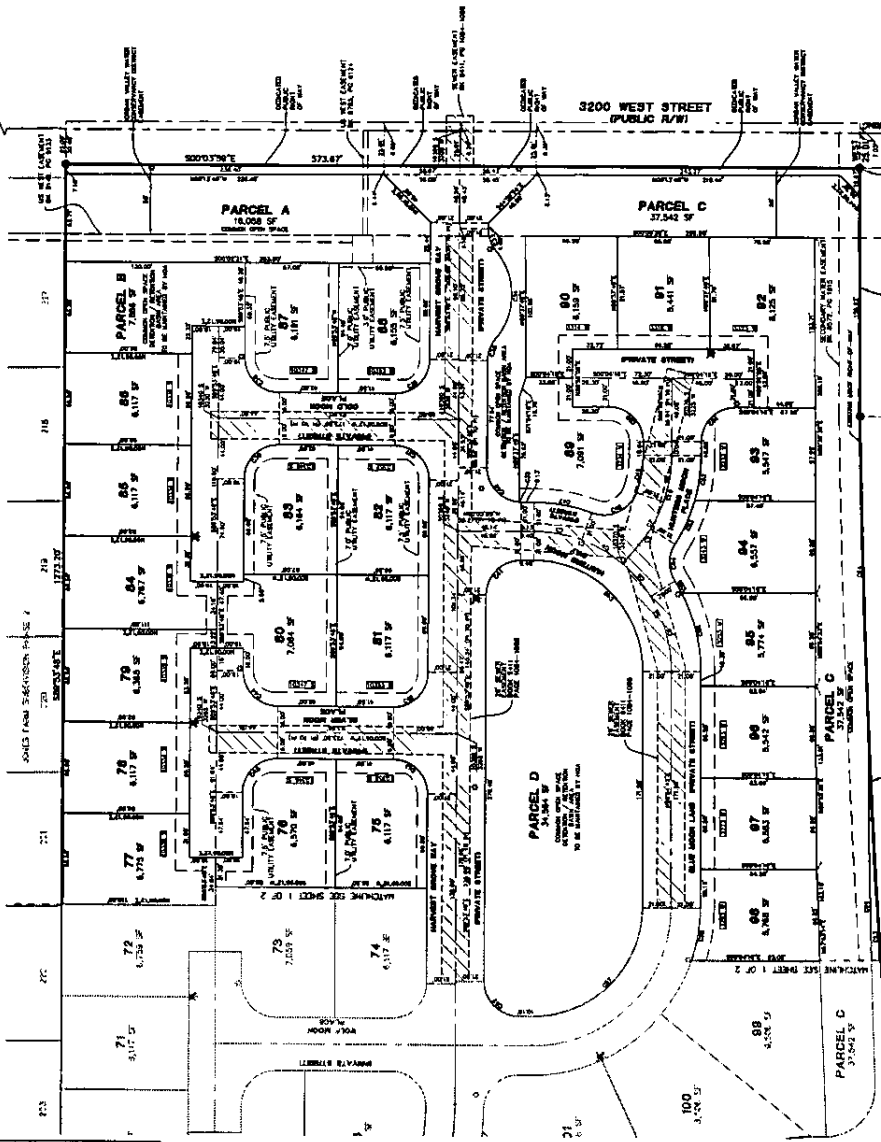
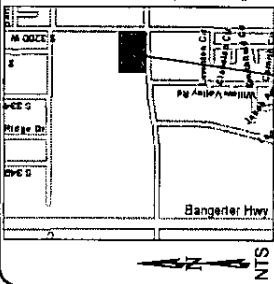
Contains 2.571 acres and 11 lots.

EXHIBIT B

HARVEST CROSSING PUD SUBDIVISION PHASE 1

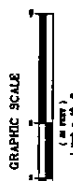
LOCATED IN THE NORTHEAST QUARTER OF SECTION 17,
TOWNSHIP 3 SOUTH, RANGE 1 WEST, SALT LAKE BASIN & MERIDIAN
SOUTH JORDAN, SALT LAKE COUNTY, UTAH

NORTHEAST QUARTER OF SECTION 17,
TOWNSHIP 3 SOUTH, RANGE 1 WEST,
SALT LAKE BASIN AND MERIDIAN



PARCEL	AREA (SQ FT)	OWNER	STATUS
71	4,127 SF	UNITS 71-79	RESERVED
72	6,725 SF	UNITS 72-76	RESERVED
73	2,529 SF	UNITS 73-75	RESERVED
74	6,172 SF	UNITS 74-78	RESERVED
75	6,117 SF	UNITS 75-79	RESERVED
76	6,117 SF	UNITS 76-79	RESERVED
77	6,117 SF	UNITS 77-79	RESERVED
78	6,117 SF	UNITS 78-79	RESERVED
79	6,117 SF	UNITS 79	RESERVED
80	6,117 SF	UNITS 80	RESERVED
81	6,117 SF	UNITS 81	RESERVED
82	6,117 SF	UNITS 82	RESERVED
83	6,117 SF	UNITS 83	RESERVED
84	6,117 SF	UNITS 84	RESERVED
85	6,117 SF	UNITS 85	RESERVED
86	6,117 SF	UNITS 86	RESERVED
87	6,117 SF	UNITS 87	RESERVED
88	6,117 SF	UNITS 88	RESERVED
89	6,117 SF	UNITS 89	RESERVED
90	6,117 SF	UNITS 90	RESERVED
91	6,117 SF	UNITS 91	RESERVED
92	6,117 SF	UNITS 92	RESERVED
93	6,117 SF	UNITS 93	RESERVED
94	6,117 SF	UNITS 94	RESERVED
95	6,117 SF	UNITS 95	RESERVED
96	6,117 SF	UNITS 96	RESERVED
97	6,117 SF	UNITS 97	RESERVED
98	6,117 SF	UNITS 98	RESERVED
99	6,117 SF	UNITS 99	RESERVED
100	3,424 SF	UNITS 100	RESERVED

- LEGEND**
- BOUNDARY CORNER TO BE SET TO BE SET TO BE SET
 - BOUNDARY CORNER TO BE SET TO BE SET TO BE SET
 - ROAD R/W
 - FIRE HYDRANT
 - STREET LIGHT
 - SECTION CORNER
 - PUBLIC UTILITY
 - TYPICAL EASEMENT
 - TYPICAL EASEMENT
 - TYPICAL EASEMENT
 - OTHER EASEMENTS



NOTE - SHADOWS FROM ADJACENT CONTRACTOR SHALL VERIFY SEWER, WATER, GAS, AND OTHER UTILITIES BEFORE ANY CONSTRUCTION. THIS PLAN IS FOR INFORMATION ONLY AND DOES NOT CONSTITUTE A CONTRACT. CONTRACTOR SHALL VERIFY ALL UTILITIES BEFORE ANY CONSTRUCTION.



Surveying Company, Inc.
1415 25th St.
Salt Lake City, UT 84111
Phone: 313-2540
Fax: 313-2540
E-mail: info@sandsurveying.com

PARTNERSHIP ACKNOWLEDGMENT

I, _____, of the County of _____, State of _____, do hereby acknowledge that I am a partner in the partnership of _____, and that I am a partner in the partnership of _____.

TRUST ACKNOWLEDGMENT

I, _____, of the County of _____, State of _____, do hereby acknowledge that I am a trustee of the trust of _____, and that I am a trustee of the trust of _____.

ACKNOWLEDGMENT

I, _____, of the County of _____, State of _____, do hereby acknowledge that I am a _____ of the _____ of _____.

HARVEST CROSSING PUD SUBDIVISION PHASE 1

LOCATED IN THE NORTHEAST QUARTER OF SECTION 17,
TOWNSHIP 3 SOUTH, RANGE 1 WEST, SALT LAKE BASIN & MERIDIAN

RECORDED IN _____
STATE OF UTAH, COUNTY OF SALT LAKE, RECORDED AND FILED IN THE
OFFICE OF _____
DATE: _____ TIME: _____ BOOK: _____ PAGE: _____

SHEET
2 of 2

EXHIBIT C

SHARES OF COMMON EXPENSES							
Unit	% of exp.	Unit	% of exp.	Unit	% of exp.	Unit	% of exp.
1	0.98%	26	0.98%	51	0.98%	76	0.98%
2	0.98%	27	0.98%	52	0.98%	77	0.98%
3	0.98%	28	0.98%	53	0.98%	78	0.98%
4	0.98%	29	0.98%	54	0.98%	79	0.98%
5	0.98%	30	0.98%	55	0.98%	80	0.98%
6	0.98%	31	0.98%	56	0.98%	81	0.98%
7	0.98%	32	0.98%	57	0.98%	82	0.98%
8	0.98%	33	0.98%	58	0.98%	83	0.98%
9	0.98%	34	0.98%	59	0.98%	84	0.98%
10	0.98%	35	0.98%	60	0.98%	85	0.98%
11	0.98%	36	0.98%	61	0.98%	86	0.98%
12	0.98%	37	0.98%	62	0.98%	87	0.98%
13	0.98%	38	0.98%	63	0.98%	88	0.98%
14	0.98%	39	0.98%	64	0.98%	89	0.98%
15	0.98%	40	0.98%	65	0.98%	90	0.98%
16	0.98%	41	0.98%	66	0.98%	91	0.98%
17	0.98%	42	0.98%	67	0.98%	92	0.98%
18	0.98%	43	0.98%	68	0.98%	93	0.98%
19	0.98%	44	0.98%	69	0.98%	94	0.98%
20	0.98%	45	0.98%	70	0.98%	95	0.98%
21	0.98%	46	0.98%	71	0.98%	96	0.98%
22	0.98%	47	0.98%	72	0.98%	97	0.98%
23	0.98%	48	0.98%	73	0.98%	98	0.98%
24	0.98%	49	0.98%	74	0.98%	99	0.98%
25	0.98%	50	0.98%	75	0.98%	100	0.98%
						101	0.98%
						102	0.98%