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**COTTONWOOD COVE AT TANNER LANE
OWNERS ASSOCIATION
SALT LAKE COUNTY, UTAH 84121**

**AMENDED AND RESTATED
DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS, RESTRICTIONS
FOR
COTTONWOOD COVE AT TANNER LANE OWNERS ASSOCIATION,
A UTAH NONPROFIT CORPORATION**

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This Amended and Restated Declaration is made as of the date of the recording in the Salt Lake County Recorder's Office by the Cottonwood Cove at Tanner Lane Owners Association, a Utah Nonprofit Corporation ("Association").

RECITALS

1. This Declaration supersedes and replaces in its entirety the previously recorded Amended and Restated Declaration of Covenants, Conditions and Restrictions for Cottonwood Cove at Tanner Lane that was recorded as Entry No. 9401152 on June 10, 2005, at the Salt Lake County Recorder's Office, and all amendments thereto and prior versions thereof predating the recording of this Declaration ("Prior Declaration").
2. The Bylaws of the Association, attached as Exhibit C, supersede and replace any previous Bylaws and any amendments thereto.
3. The Association is the authorized representative of the Owners of certain real property known as Cottonwood Cove at Tanner Lane, located in Salt Lake County, State of Utah and more particularly described on Exhibit A attached to and incorporated in this Declaration by reference.
4. This Property consists of 46 Lots and certain Common Areas. The name by which the Project shall be known is "Cottonwood Cove at Tanner Lane".
5. Pursuant to Article XVII, Section 5 of the Prior Declaration, this Declaration has been voted on and approved by at least sixty-six and two-thirds percent (66-2/3%) of the voting interest in the Association. A Certificate of Approval of the amendment is attached as Exhibit B and incorporated into this Declaration by reference.
6. The Association desires to establish, for its own benefit and for the mutual benefit of all current and future Owners and occupants of the Project, certain covenants, conditions, restrictions, easements, rights, privileges, assessments, and liens as set forth in this Declaration.

SUBMISSION

1. The Property described with particularity on Exhibit A attached hereto and incorporated herein by this reference is hereby re-submitted to the Utah Community Association Act (the "Act").
2. The Property is made subject to, and shall be governed by the Act, this Declaration, and the covenants, conditions and restrictions set forth herein. The Property is also subject to the right of Murray City to access the roads within the Project for emergency vehicles, service vehicles, and for all of the utility installations up to the residential meters.
3. The Property is subject to described easements and rights of way. Easements and rights-of-way in favor of Murray City include any dedicated roadways and public utility

easements and are depicted on the Plat, together with all easements, rights-of-way, and other appurtenances and rights incident to, appurtenant to, or accompanying the above-described parcel or real property.

COVENANTS, CONDITIONS, AND RESTRICTIONS GENERALLY

In consideration of the Recitals above, the Association, in order to further preserve and maintain the integrity and of the Project, declares that the Property shall be held, sold and conveyed subject to the following easements, covenants, conditions and restrictions, which run with the Property and are binding upon all parties having or acquiring any right, title, or interest in such Property or any part thereof and shall inure to the benefit of each owner thereof.

ARTICLE 1 DEFINITIONS

When used in this Declaration (including the “Recitals” and “Submission”), the following terms have the meaning indicated. Capitalized terms are defined in this Article. Terms that are applicable to a single section are defined in that section. Any term used in this Declaration which is defined by the Act, to the extent permitted by the context of this Declaration, has the meaning given by the Act. This Declaration incorporates all terms defined in the Act under Utah Code Ann. § 57-8a-102.

1.1 “Articles” and “Bylaws” shall mean the Articles of Incorporation and Bylaws of the Association as the same may from time to time be duly amended. The Articles, among other things, establish the Board to manage the affairs of the Association. The Bylaws, among other things, set forth the number of persons constituting the Board, the method of the Board’s selection, the Board’s general powers, the method of calling a meeting of Members of the Association and the Members required to constitute a quorum for the transaction of business.

1.2 “Assessments” shall include each and all of the Assessments hereinafter defined:

(a) “Capital Improvement Assessment” shall mean a charge against each Owner and such Owner’s Lot representing a portion of the cost to the Association for installation or construction of any Capital Improvements on any of the Common Areas and Facilities which the Association may from time to time authorize pursuant to the provisions of this Declaration.

(b) “Reconstruction Assessment” shall mean a charge against each Owner and such Owner’s Lot representing a portion of the cost to the Association for reconstruction of any portion or portions of the Common Areas and Facilities pursuant to the provisions of the Declaration.

(c) “Regular Assessment” shall mean a charge against each Owner and such Owner’s Lot representing a portion of the cost to the Association for Common Expenses.

(d) “Special Assessment” shall mean a charge against each Owner and such Owner’s Lot, directly attributable to the Owner, to reimburse the Association for costs incurred in bringing the Owner and such Owner’s Lot into compliance with the provisions of this Declaration, the Articles, Bylaws, or Association Rules, or any other charge designated as a Special Assessment in the Declaration, the Articles, Bylaws or the Association Rules, together with attorney’s fees and other charges payable by such Owner, pursuant to the provisions of the Declaration, plus interest thereon as provided for in this Declaration.

1.3 “Association” shall mean Cottonwood Cove at Tanner Lane Owners Association, a non-profit corporation, incorporated under the laws of the State of Utah, and its successors and assigns.

1.4 “Association Rules” shall mean the rules adopted by the Association pursuant to the Article hereof entitled “Duties and Powers of the Association”.

1.5 “Building” shall mean any structure which (a) is permanently affixed to the land, and (b) has one or more floors and a roof.

1.6 “Board” shall mean the Board of Trustees of the Association.

1.7 “Capital Improvement” shall mean a charge against each Member and his/her Lot representing a portion of the cost to the Association for reconstruction of any portion or portions of the Common Areas pursuant to the provisions of the Declaration.

1.8 “City” shall mean the City of Murray, Utah, a municipal corporation of the State of Utah.

1.9 “Common Areas” shall mean all real property and the improvements thereon, including, without limitation, any private storm drains, private streets, private utilities, easements and open space, owned or leased from time to time by the Association for the common use and enjoyment of the Members, which initially shall be the easements, private streets and open spaces shown on the subdivision plat recorded concurrently herewith.

1.10 “Common Expenses” shall mean the actual and estimated costs of:

(a) maintenance, management, operation, repair, and replacement of the Common Areas and Facilities, and all other areas on the Governed Property which are maintained by the Association; unpaid Special, Reconstruction and Capital Improvement Assessments; costs of management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and employees; the costs of utilities, trash pickup and disposal, landscaping and other services benefiting the Owners and their Lots to the extent such services are paid for by the Association; the costs of fire, casualty, liability, workmen’s compensation and other insurance covering the Common Areas; the costs of any other insurance obtained by the Association; reasonable

reserves as deemed appropriate by the Board; the costs of bonding the members of the Board, any professional managing agent or any other person handling the funds of the Association; taxes paid by the Association; amounts paid by the Association for discharge of any lien or encumbrance levied against the Common Areas or portions thereof;

(b) the costs of any other item or items designated by, or in accordance with other expenses incurred approved by the Board and incurred in connection with the Common Areas and Facilities, this Declaration, the Articles or the Bylaws, or in furtherance of the purposes of the Association or in the discharge of any obligations imposed on the Association by this Declaration.

1.11 “Common Facilities” shall mean:

(a) all real property and the improvements and fixtures thereto and the personal property thereon owned by or leased to the Association from time to time for the use and benefit of the Owners, including, without limitation, streets, landscaped areas, parks, open spaces, paths, trails and slopes; and

(b) all property rights, improvements, fixtures and personal property owned by or leased to the Association from time to time for the common use and benefit of the Owners and situated upon public property or the private property of the Owners, including, without limitation all easements running in favor of the Association and the improvements, fixtures and personal property situated within or upon said easements, landscaping, irrigation systems and associated pumps and hardware, street lighting systems, project identification,, directional and street signs, and street fixtures. The Common Facilities designated in each final subdivision Plat recorded by Declarant with regard to the property shall be deemed conveyed by Declarant to the Association concurrently with the recording thereof. Unless otherwise stated in writing, the conveyance of Common Facilities from the Declarant to the Association shall be deemed a conveyance free of all liens and encumbrances except current real property taxes (which taxes shall be prorated as of the date of the conveyance), title exceptions of record and the covenants, conditions, reservations, restrictions and easements contained in this Declaration.

1.12 “Design Guidelines” shall mean the guidelines adopted from time to time by Declarant or the Board at its sole discretion setting forth certain architectural standards and specification regarding the location and design of the improvements, construction materials, lighting, landscaping, signage and other matters relating to Improvements on the Association Property. The Design Guidelines are incorporated in this Declaration by reference.

1.13 “Governing Documents” shall mean a written instrument by which the Association may (a) exercise powers; or (b) manage, maintain, or otherwise affect the Property. Governing Documents includes the Articles, the Bylaws, any Plat, this Declaration, and Association Rules.

1.15 “Hazardous Material” means (a) any waste, material or substance (whether in the form of a liquid, a solid or a gas and whether or not airborne), which is deemed to be a pollutant or a contaminant or to be hazardous, toxic, ignitable, reactive, corrosive, dangerous, harmful or injurious to public health or to the environment, and which is or may become regulated by or under the authority of any applicable local, state or federal laws, judgments, ordinances, orders, rules, regulations, codes or other government restrictions or requirements, any amendments or successor(s) thereto, replacements thereof of publications promulgated pursuant thereto (collectively “Environmental Regulations” and individually, an “Environmental Regulation”); (b) petroleum; (c) asbestos; (d) polychlorinated biphenyls; and (e) any radioactive material. In addition to the foregoing the term “Environmental Regulations” shall be deemed to include, without limitation, local, state and federal laws, judgments, ordinances, orders, rules, regulations, codes and other government restrictions and requirements, any amendments and successors thereto, replacements thereof and publication promulgated pursuant thereto, which deal with or otherwise in any manner relate to, environmental matters of any kind.

1.16 “Improvements” shall mean any object, thing or activity of any kind installed, located or occurring on the Property which changes the external appearance of any portion of the Property of any Lot or of any structure or thing affixed on the Property or any Lot, from its external appearance as it existed immediately prior to the installation, location or occurrence of the object, thing or activity. Improvements include, but are not limited to, all Buildings, structures, landscaping and lawns, exterior walkways, parking areas, drives and truck loading areas, signs, fences, poles, walls, utility lines, lighting, excavations, grading, berms, drainage facilities, repairs, alterations, painting and all other structures or objects of any type or kind installed or constructed on the Property.

1.17 “Institutional Mortgagee” shall mean a Mortgagee which is a bank, or savings and loan association or established mortgage company, or other entity chartered under federal or state laws, any insurance company, any federal or state agency, or any other institution specified by the Board.

1.18 “Lot” shall mean each or any individual lot as more particularly described in this Declaration, and any other lot or parcel shown on any Plat to the extent such lots or parcels are part of the Property. References in the Declaration to a specific Lot shall refer to the particular Lot as set forth in, this Declaration and, as applicable, on the Plat for such Lot.

1.19 “Member” shall mean every individual or entity who qualifies for membership in the Association pursuant to ARTICLE 2.

1.20 “Mortgage” shall mean any duly recorded mortgage or deed of trust encumbering a Lot.

1.21 “Mortgagee” shall mean the mortgagee or beneficiary under any Mortgage. A “First Mortgagee” shall refer to a Mortgagee whose Mortgage has priority over any other Mortgage encumbering a specific Lot.

1.22 “Occupant” shall mean and include the Declarant, the Owners, their respective heirs, successors and assigns (including Mortgagees) and any person who shall be from time to time entitled to the use and occupancy of space located within the Project under any lease, sublease, license or concession agreement, or other instrument or arrangement under which such rights are acquired.

1.23 “Owner” shall mean one or more persons or entities who are alone or collectively the record owner of fee simple title to a Lot, including Declarant, and the purchaser under an installment land sales contract, but excluding those having such interest merely as security for the performance of an obligation.

1.24 “Party Wall” shall mean and refer to a wall that forms part of a Residence and is located on or adjacent to a boundary line between two adjoining Lots, which wall may be separated by a sound board between two adjoining Residences.

1.25 “Permittees” shall mean all Occupants and all other invitees of Occupants.

1.26 “Plat” shall mean any subdivision plat, any plat of a planned unit development, or any plat or map similar to any of the foregoing: (a) which covers the Property; (b) which describes or creates one or more Lots, Buildings, improvements, or Residences; (c) on which or in an instrument recorded in conjunction therewith there is expressed the intent that the Buildings, improvements, or Residences created by the Plat shall comprise the Project; and (d) which is filed for record in the office of the Salt Lake County Recorder of Utah. Recorded prior to this Declaration are subdivision plats for Cottonwood Cove at Tanner Lane Owners Association recorded in the Salt Lake County Recorder’s Office and entry numbers 5241889 and 5690028, creating separately numbered Lots, Buildings, improvements, or Residences. Said subdivision plats each constitutes a Plat.

1.27 “Project” shall mean all of the Property, together with all of the Buildings and other Improvements constructed thereon.

1.28 “Property” shall mean the real property described on Exhibit “A” attached hereto and incorporated herein by this reference and, subsequent to the annexation thereof pursuant to this Declaration, any real property which shall become subject to this Declaration.

1.29 “Residence” shall mean and refer to any Residence situated upon a Lot which has its own principal access to the outside, is not located over or under another Residence, is separated from any adjoining Residences by one or more Party Walls, and is designed and intended for separate, independent residential use and occupancy. All pipes, wires, conduits, or other public utility lines or installation constituting part of a particular Residence or serving only that Residence shall be considered part of the Residence.

1.30 “Set Back” shall mean the distance from the property line of the Lot to the Building or improvement that is subject to the Set Back requirement provided in this Declaration, the Design Guidelines for the Project, and in any recorded final subdivision Plat affecting the Project or in the City’s applicable zoning ordinance.

1.31 “Utah Community Association Act” or the “Act” shall refer to the applicable provisions of the Community Association Act described in Utah Code 57-8a-101 et seq., as amended from time to time.

ARTICLE 2 MEMBERSHIP IN THE ASSOCIATION

2.1 Membership. Every owner shall be a Member of the Association subject to the terms of this Declaration, the Articles, Bylaws and Association Rules. The terms and provisions set forth in this Declaration, which are binding upon all Owners, are not exclusive, as Owners shall also be subject to the terms and provisions of the Articles and Bylaws of the Association to the extent the provisions thereof are not in conflict with the Declaration. Membership in the Association shall be appurtenant to each Lot and may not be separated from the interest of an Owner in any Lot. Ownership of a Lot shall be the sole qualification for membership in the Association; *provided, however*, that a Member’s voting rights and privileges in the Common Areas and Facilities may be regulated or suspended as provided in this Declaration, the Bylaws, or the Association Rules. Not more than one membership in the Association shall exist with respect to ownership of a single Lot.

2.2 Transfer. The membership held by any Owner shall not be transferred, pledged or alienated in any way, except upon the conveyance or encumbrance of such Lot and then only to the transferee or Mortgagee of such Lot. Any attempt to separate the membership in the Association from the Lot to which it is appurtenant shall be void and will not be reflected upon the books and records of the Association. In the event an Owner should fail or refuse to transfer the membership registered in such Owner’s name to the transferee of such Owner’s interest in such Lot, the Association shall have the right to record the transfer upon the books of the Association so that the name of the Member corresponds with the ownership of the Lot set forth in the Utah County Recorder’s office.

2.3 Voting Rights. All voting rights shall be subject to the restrictions and limitations provided herein and in the Articles, Bylaws, and Association Rules. The Association shall have one class of Members. Each Member shall be entitled to one (1) vote for each Lot such Member owns. When more than one person owns a portion of the interest in a Lot, each such person shall be a Member, but the vote for such Lot shall be exercised as they among themselves determine. Absent any other agreement among co-Owners of a single Lot, (i) a single co-Owner appearing at an Association meeting will be entitled to cast the one vote for the Lot, and (ii) if multiple co-Owners appear at an Association meeting, each Co-Owner will have a pro rata fractional vote based upon the ownership interests of the co-Owners appearing at such meeting. In no event shall more than one vote be cast with respect to any single Lot. The Association shall not be required to recognize the vote or written consent of any co-Owner that is not authorized to vote based upon a written designation of all such co-Owners delivered to the Association.

2.4 Approval of Members. Unless a different percentage is otherwise provided for in this Declaration, the Articles, or the Bylaws, the vote of a majority of the voting interest shall be required to approve any matter before the Members. Votes may be taken at a meeting held pursuant

to the requirements set forth in the Bylaws, or by an action by written consent. Quorum requirements for meetings of the Members shall be set forth in the Bylaws.

ARTICLE 3 COVENANT FOR MAINTENANCE AND ASSESSMENTS

3.1 Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot by acceptance of a deed or other conveyance creating in such Owner the interest required to be deemed an Owner, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association: Regular Assessments, Special Assessments, Capital Improvement Assessments and Reconstruction Assessments, such Assessments to be fixed, established and collected from time to time as hereinafter provided. The Assessments, together with interest thereon provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such Assessment is made. Each such Assessment, together with such interest, late charges and costs and reasonable attorney's fees, shall also be the personal obligation of the Owner of such Lot at the time when the Assessment fell due, and of each subsequent Owner other than a Mortgagee. Any subsequent Owner of a Lot shall be deemed to have notice of the Assessments, whether or not a lien has been recorded. No Owner may waive or otherwise escape liability for an Assessment by abandonment of the Lot.

3.2 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the comfort, health, safety, security and welfare of the Owners and to perform the duties and exercise the powers of the Association enumerated in its Articles, Bylaws, and this Declaration.

3.3 Regular Assessments. The amount and timing of payment of Regular Assessments shall be determined by the Board pursuant to the Articles and Bylaws after giving due consideration to the current maintenance, operational, and other costs and the future needs of the Association. Prior to the beginning of each fiscal year of the Association, the Board shall estimate the total Common Expenses to be incurred for the upcoming fiscal year. The Board shall then determine the amount of the Regular Assessment to be paid by each Owner. Written notice of the annual Regular Assessments shall be sent to every Owner; provided that failure to provide adequate notice does not relieve the Owner's obligation to pay the Regular Assessment in installments as established by the Board. In the event the Board shall determine that the estimate of total charges for the current year is, or will become inadequate to meet all Common Expenses for any reason, it shall immediately determine the approximate amount of such inadequacy and issue a supplemental estimate of the Common Expenses and determine the revised amount of Regular Assessment against each Owner, and the date or dates when due

3.4 Capital Improvement Assessments. In addition to the Regular Assessments, the Association may levy in any fiscal year, a Capital Improvement Assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or replacement of a described capital improvement upon the Common Areas and Facilities to the extent the same is not covered by the provision affecting Reconstruction Assessments, including the necessary fixtures and personal property related thereto. All amounts collected as Capital Improvement Assessments may only be used for capital improvements and shall be deposited by the Board in a separate bank account to be held in trust for such purposes. Said funds shall not be commingled

with any other funds of the Association. Notwithstanding the foregoing, the Board shall not undertake any Capital Improvement of the Common Areas and Facilities requiring a cost of \$1,000.00 or more without the affirmative vote of Members holding a majority of the voting power.

3.5 Rate of Assessment. All Regular, Reconstruction and Capital Improvement Assessments shall be fixed by the Board at a rate computed and assessed with respect to each improved Lot in the ratio that such Lot bears the total number of all improved Lots. All Regular, Reconstruction and Capital Improvement Assessments may be collected at intervals selected by the Board. For purposes of this paragraph, "improved Lots" means Lots that have a Building located thereon and that have received a certificate of occupancy. The total amount of Regular Assessments shall not exceed the previous year's Regular Assessments (determined for an entire 12 month period) by more than 15% without the affirmative vote of Members holding not less than sixty-seven (67%) of the voting power of the Members.

3.6 Certificate of Payment. The Association shall, upon demand, furnish to any Owner liable for Assessments, a certificate in writing signed by an officer or authorized agent of the Association, setting forth whether the Assessments on a specified Lot have been paid, and the amount of delinquency, if any. A reasonable charge may be collected by the Board for the issuance of these certificates, such certificates shall be conclusive evidence of payment of any Assessments therein stated to have been paid.

3.7 Exempt Property. The following portions of the Property shall be exempt from the Assessments created herein; all properties dedicated to and accepted by, or otherwise acquired by a public authority; and the Common Areas and Facilities.

3.8 Special Assessments. In addition to the Regular Assessments authorized in Section 3.3, the Association may levy a Special Assessment or Special Assessments from time to time. Special Assessments may be levied against one or more individual Lot or against all Lots. Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines. The Association also may levy a Special Assessment against any owner individually and against such Owner's Lot to reimburse the Association for costs incurred in bringing an Owner and his Lot into compliance with the provisions of this Declaration, the Articles, the Bylaws or Association Rules, or any other charges designated as a Special Assessment in this Declaration, the Articles, Bylaws, or Association Rules, together with attorney's fees, interest and other charges related thereto which special assessment may be levied by the Association after notice to an Owner and an opportunity for a hearing.

3.9 Board Discretion to Reduce or Abate. In the event the amount budgeted to meet Common Expenses for any year proves to be excessive in light of the actual Common Expenses, the Board in its sole discretion may either reduce the amount of the Regular Assessment or may abate collection of Regular Assessments as it deems appropriate.

3.10 No Offsets. All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount shall be permitted for any reason, including, without limitation, a claim that the Association is not properly exercising its duties and powers as provided in this Declaration.

3.11 Reserves. The Regular Assessments shall include reasonable amounts as determined by the Board collected as reserves for the future periodic maintenance, repair or replacement of all or a portion of the Common Areas and Facilities. After the Turnover Date, all amounts collected as reserves, whether pursuant to the preceding sentence of this Section or otherwise, shall be deposited by the Board in a separate bank account to be held in trust for the purposes for which they are collected and are to be segregated from and not commingled with any other funds of the Association.

3.12 Reinvestment Fee. Within thirty (30) days after the effective date of any transfer of legal title to a Lot, the new Owner shall pay to the Association, in addition to any other required amounts, a reinvestment fee in the amount of \$350 or in another amount determined by the Board from time to time. However, notwithstanding the foregoing, the following are not subject to the above referenced reinvestment fee:

- a. an involuntary transfer;
- b. a transfer that results from a court order;
- c. a bona fide transfer to a family member of the seller within three degrees of consanguinity who, before the transfer, provides adequate proof of consanguinity, or to a legal entity, such as a trust, in which the owner or the owner's spouse, son, daughter, father or mother hold a beneficial interest of at least fifty percent (50%) for estate planning purposes;
- d. a transfer or change of interest due to death, whether provided in a will, trust, or decree of distribution; or
- e. the transfer of burdened property by a financial institution, except to the extent that the reinvestment fee covenant requires the payment of the Association's costs directly related to the transfer of the burdened property, not to exceed \$250

ARTICLE 4 NONPAYMENT OF ASSESSMENTS

4.1 Delinquency. Any Assessment provided for in this Declaration which is not paid when due shall be delinquent on said due date (the "delinquency date"). If any such Assessment is not paid within fifteen (15) days after the delinquency date, a late charge of \$10 shall be levied and the Assessment shall earn interest from the delinquency date at the rate of eighteen percent (18%) per annum.

4.2 Enforcement Rights. The Association shall have the right to take any of the following actions against one or more Owners(s) after the delinquency date:

- a. The Association may bring an action to recover a money judgment against the Owner for unpaid Assessments, interests, late fees, costs, and attorney's fees.
- b. The Association may foreclose the Association's lien against the Lot for the unpaid Assessments, interest, late fees, costs, and attorney's fees pursuant to Utah Code 57-8a-304.

c. The Association may, after giving notice and an opportunity to be heard in accordance with Utah Code 57-8a-309(2), terminate an Owner's right to receive utility services for which the Owner pays for as a common expense and access to and use of Common Areas and Facilities.

d. Subject to Utah Code 57-8a-310, the Association may require tenants of a Lot to make future lease payments directly to the Association so long as Assessments remain unpaid for such Lot.

4.3 Other Remedies. The Association shall have all other rights and remedies available by applicable law, including the right to assess fines and suspend voting rights for any period during which any Assessment against an Owner's Lot remains unpaid.

4.4 Intent. No provision of this Article shall be interpreted so as to limit in any way the rights of the Association for collection of Assessments.

ARTICLE 5 COVENANTS, CONDITIONS, AND RESTRICTIONS

5.1 Permitted Use. No Lot shall be used except for single-family, residential purposes. All Buildings must comply with the Design Guidelines.

5.2 Emissions/Discharge, Etc. To maintain a degree of protection of the investment which Owners in the Project make, the following are prohibited within the Project:

a. Emission of smoke, fumes, odors, gases, vapors, steam, dust, sweepings, dirt, cinders or other particles or substances into the atmosphere which are detectable outside the boundaries of the Lot where created and/or which may be detrimental to the health, safety, welfare or comfort of any Owner or any other person, to the condition of any other portion of the Property, or to any vegetation within the Property.

b. Discharge of fluids, gases, solid wastes or other harmful materials into any drainage canal or other waterway which may adversely affect the health, safety, welfare or comfort of any Owner or other person or the condition of any portion of the Property.

c. Discharge of glare or heat, subsonic or ultrasonic sounds, or atomic, electromagnetic, microwave, ultra-violet, laser or other radiation which is detectable from any point exterior to the Lot upon which the operation is being conducted.

d. Recurrent or continuous emission of sound or noise from any Lot which may be heard without instruments outside the boundaries of the Lot of origination.

e. Recurrent or continuous ground vibrations perceptible without instruments at any point exterior to the Lot of origination.

f. Physical hazard by reason of fire, radiation, explosion or other similar cause to

either the Property or the surrounding area.

g. Persisting unsightly condition (as determined by the Board in its sole discretion) on any Lot which is visible from any street or any other portion of the Property.

h. Excessive risk of fire or explosion that increases the casualty insurance premiums for improvements on adjacent Lots.

i. Violation of any applicable statute, ordinance, rule, regulation, permit or other validly imposed requirement of any governmental body

5.3 Waste Disposal. No trash, garbage or waste material, including, but not limited to, scraps, grass, shrub or tree clippings, lumber, metals and plant waste, shall be kept, stored or allowed to accumulate on any portion of the Property except in an approved bin or contained within an enclosed structure appropriately screened from view. All trash, garbage and other waste materials shall be regularly removed from each Lot and the Property. Incineration of trash, garbage, or waste materials on the Property is prohibited; provided, however, that the Association is permitted to burn weeds.

5.4 Hazardous Materials.

a. Restriction on Hazardous Materials. Any Hazardous Materials brought upon, kept, used, generated, stored, treated, disposed of or released in or about any Lot, or soils or groundwater of the same, by any Owner of such Lot, any Occupant or Permittee of such Owner, or any party acting on behalf of any of them and in a manner which does not comply with applicable Environmental Regulations shall be referred to herein as a "Hazardous Condition." In the event any Hazardous Condition occurs on a Lot, the Owner of such Lot shall promptly take all actions at its sole expense as are reasonably necessary to correct said violation to the satisfaction of the regulating entity.

b. Indemnity. If an Owner of a Lot breaches the obligations stated in Section 5.4(a) above or if a Hazardous Condition exists at any time, the Owner of such Lot shall indemnify, defend and hold the Owners of each other Lot within the Property harmless from any and all claims, judgments, damages, penalties, fines, costs, expenses liabilities or losses, including, without limitation, (1)diminution in value of the Property, (2) damages for the loss or restriction on use of usable space or of any amenity of the Property, (3) sums paid in settlement of, payment of, or in order to comply with any claims, suits, actions, judgments, proceedings, or investigations, (4) costs, expenses, reasonable attorneys' fees, consultant fees, expert fees and incidental costs incurred in connection with any of the above or any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any governmental or quasi-governmental entity. The obligations contained in this ARTICLE 5 shall survive the termination of this Declaration

5.5 Restrictions on Signs. Unless otherwise established by resolution of the Board in Association Rules or another written instrument, the following regulations regarding signs apply: No signs or advertising devices of any nature, including without limitation, commercial, political, informational, or directional signs or devices, shall be erected or maintained on any Lot or other

part of the Project, without the prior inspection and written approval of the Association, except as may be necessary temporarily to caution or warn of danger and except that an Owner or his sales agent may display in the Owner's lot a sign advertising its sale or lease so long as such sign complies with the Association Rules. If the Association consents to the erection of any such signs or devices, the same shall be removed promptly at the request of the Association

5.6 Pets and Animals. All pets must be in compliance with local ordinances regarding inoculations, licensing, and leashing. All pets must be kept on a leash of not more than five feet in length when in the Common Area. Animals that have demonstrated vicious or aggressive behavior must be covered by a pet liability policy or removed from the Project. No animal of any kind that has venomous or poisonous defense or capture mechanisms will be allowed in the Project. Pets may not be kept, bred, or maintained for any commercial purpose. Any pet causing or creating an unreasonable disturbance or noise, or any safety or liability risk, as determined by the Board in its sole discretion, will be permanently removed from the Project upon three (3) days' written notice and hearing from the Board. In no event will any animal be left unattended whether tethered or not, in any portion of the Common Areas or outside of a Dwelling on any Lot. Owners, or their designees who have responsibility for their pets, will pick up and remove to appropriate receptacles any droppings their pets leave on any Lot or the Common Areas. Owners who fail to clean up after their pets will be subject to a fine. No animals, livestock or poultry of any kind other than those specifically allowed by the governing documents or by the Board shall be raised, bred or kept on any Lot or in the Common Areas except for service animals of Owners or their guests or invitees with disabilities. Each Owner who keeps a pet on a Lot shall indemnify and hold all other Owners and the Association harmless against any loss or liability of any kind or character whatsoever arising from or as a result of having such pet in the Project. If a pet disturbs other Owners by barking or biting or in other ways becoming obnoxious, the Association will give notice to the Owner of such pet to cause such annoyance to be discontinued; and if such annoyance is not discontinued and corrected, the Association may revoke its permission to keep the pet in the Project and the pet shall be removed therefrom.

5.7 No Alterations. No Owner shall, without the prior written consent of the Association in each specific instance, make, or cause to be made any alteration, addition, removal, or improvement in or to the Common Areas or any part thereof, or do any act that would impair the structural soundness or integrity of the Buildings or other Improvements thereon, or jeopardize the safety of persons or property or impair any easement or hereditament appurtenant to the Project. The Association shall have authority to create and enforce Association Rules regulating the placement of satellite dishes, outdoor antennas, and other similar appliances for the purpose of addressing legitimate safety concerns in a manner that is no more burdensome to the Owner than necessary. No satellite dishes, outdoor antennas, or other similar appliances shall be larger than one meter in width or shall extend higher than twelve (12) feet above the Owner's roofline unless expressly permitted by resolution of the Board in Association Rules or in another written instrument.

5.8 No Obstructions. No Owner shall obstruct the Common Areas or any part thereof. No Owner shall store or cause to be stored in the Common Areas any property whatsoever, unless the Association shall consent thereto in writing.

5.9 Prohibition of Damage and Certain Activities. Except with the prior written consent of the Association, nothing shall be done or kept on any Lot, in the Common Areas, or in any other part of the Project that would result in cancellation of the insurance on the Project or any part thereof, nor shall anything be done or kept on any Lot that would increase the rate of insurance on the Project or any part thereof over that which the Association, but for such activity, would pay. Nothing shall be done or kept on any Lot or in the Common Areas or any part thereof which would be in violation of any statute, rule, ordinance, regulation, permit, or other validly imposed requirement of any governmental authority. No damage to, or waste of, the Common Areas or any part thereof shall be committed by an Owner or guest of any Owner, and each Owner shall indemnify and hold harmless the Association and the other Owners from and against all loss resulting from any such damage or waste caused by such Owner or by the guests, tenants, licensee, or invitees of such Owner.

5.10 Commercial Business. Commercial Business shall not be permitted within the Project. However, nothing in this article shall be construed to prevent the Association from entering into contracts with utility providers which contracts would involve installing and maintaining equipment within the Project which may be used for providing services to parties that are not members of the Association.

5.11 Leases and Rental Restrictions.

a. No Lease for Transient or Hotel Purposes. No Owner shall be permitted to lease a Residence for transient or hotel purposes or for an initial term of less than six (6) months.

b. Entire Unit. No Owner shall lease less than the entire Residence.

c. All Leases Subject to this Declaration. Any lease agreement shall be required to provide that the terms of such lease shall be subject in all respects to the provisions of the Declaration, the Articles, and the Bylaws and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease and that the Board shall have authority to remedy any such default by all remedies available under the law including, without limitation, by legal action against the tenant. Any Owner who shall lease his Residence shall be responsible for assuring compliance by such Owner's lessee with this Declaration, the Articles, Bylaws and Association Rules.

d. Form of Leases. No Dwelling may be leased unless pursuant to a written agreement acceptable to the Board in form and content, including, but not limited to, the inclusion of a clause whereby it shall be deemed during the period of such occupancy that the Owner has irrevocably appointed and constituted the Board as the Owner's attorney-in-fact to seek, at the Owner's expense, the eviction, equitable relief and/or damages of and/or from such occupants upon any breach of said agreement or a violation of the Board's governing documents and/or Rules and Regulations promulgated pursuant thereto, provided that the Board first gives the Owner notice of said violation and a reasonable period to affect a cure.

e. Owner to Provide Information. Within seven (7) days of entering a lease, the Owner shall provide to the Board in writing a current telephone number and mailing address for the Owner. The Owner shall notify the Board in writing of termination of any lease within seven (7) days of such termination. Any Owner that is currently leasing his Residence at the time that this Declaration is recorded in the Salt Lake County Recorder's Office shall provide to the Board all

items listed within this Section 5.11(e) within seven (7) days of such recording.

f. Restriction on the Number of Residences That May be Leased. No more than one (1) Residence in the Project shall be leased at any given time. The Board shall create and maintain procedures to determine and track leases in the Project and ensure consistent administration and enforcement of these lease restrictions. Such procedures shall be made available to the Owners. In determining who shall be permitted to lease his Residence, the Board shall give first priority to the first request made in time, second priority to the second request made in time, and so forth. Notwithstanding the foregoing, the Board may refuse any Owner permission to lease if, at the time of the Owner's request, he has not paid all Assessments, fines, and fees charged against him by the Association.

g. Exceptions to Lease Restrictions. The following shall be exempt from the lease restrictions contained in Section 5.11(f):

- i. Any Owner in the military for the period of the Owner's deployment;
- ii. Any Residence occupied by an Owner's parent, child, or sibling;
- iii. Any Owner whose employer has relocated him for two years or less;
- iv. Any Residence owned by an entity that is occupied by an individual who (A) has voting rights under the entity's organizing documents; and (B) has a 25% or greater share of ownership, control, and right to profits and losses of the entity;
- v. Any Residence owned by a trust or other entity created for estate planning purposes if the trust or other estate planning entity was created for the estate of (A) a current resident of the Residence; or (B) the parent, child, or sibling of the current resident of the Residence.

5.12 Parking Restrictions.

a. Parking and No Parking Areas. All Owners' vehicles must be parked in their respective garages or in the RV storage area. Temporary guest parking shall be permitted within the Common Area only within spaces and areas clearly marked for this purpose. Guest parking spaces shall be indicated by signs or markings on the paved area. Owners may use designated guest parking spaces for loading and unloading purposes only. Parking on the roads within the Project is not permitted. The Association, through its officers, committees and agents is hereby empowered to establish "parking" and "no parking" areas within the Common Area, as well as to enforce these parking limitations by all means lawful for such enforcement, including the removal of any violating vehicle by those so empowered. Vehicles may not be parked in such a manner as to block access to garages, fire hydrants, sidewalks running perpendicular to drives, pedestrian crossing areas, designated fire lanes, or clear two-lane passage by vehicles on roads and drives. Violating vehicles will be towed, after reasonable efforts to contact the person or host to whom the vehicle is registered. In addition, the Owner to whom, or to whose invitee, the vehicle is registered, following notice and hearing may be levied a fine or fines specified in the Association Rules, unless at such hearing good and valid reasons are given for such violation. Costs of towing and enforcement may be collected as a common expense. If no fine is specified in the Association Rules, the fine shall be \$25 per day for the period that the vehicle violated this

provision.

b. Parking and Storage of Snowmobiles, Boats, Off-Road, and other Unlicensed or Immobile Vehicles or Conveyances. Any Owner desiring to park or store a snowmobile, off-road vehicle, trailer, motor home, boat or other recreational vehicle in the Project's RV storage area understand that they do so at their own risk and agree to (a) enter into an RV storage and parking agreement with the Association upon terms acceptable to the Association, and (b) return all keys to the RV storage area promptly after the expiration of their RV storage and parking agreement. Any Owner using the Project's RV storage area is solely responsible for any damage that occurs when the Owner drives or tows any boat, trailer or vehicle into or out of the Project's RV storage area. No snowmobiles, boats, motor scooters, motorized skateboards, motorcycles, ATVs or other off-road vehicles, trailers, motor homes, boats or other recreational vehicles shall be used or stored (except in a garage) on any Lot.

c. Trucks, Vans, Trailers, and Commercial Vehicles Limited. The following types of vehicles are prohibited in driveways on Lots or on any of the Common Area parking areas, except for temporary loading or unloading for a period of not more than eight hours, following which the vehicle must be removed from the Project for at least sixteen hours: commercial vehicles (carrying a sign advertising a business); trucks, vans, motor homes, and campers; vehicles having capacity of over 3/4 ton or having more than four wheels; trailers of any kind; and vehicles with more than four single-tired wheels. No overnight parking of any vehicles will be permitted in the Project other than in Dwelling garages and the Project's RV storage area. Construction equipment used in the actual repair, construction, or maintenance of the Project will not be so restricted during such use.

5.13 Rules and Regulations. Each Owner shall comply strictly with all Association Rules and other regulations adopted by the Association for the governance of the Lots, the Common Areas, and the Project, as such rules and regulation may be modified, amended, and construed by the Association.

5.14 Construction Period Exemption. During the course of actual construction of any permitted structures or improvements within the Project, the provisions, covenants, conditions, and restrictions contained in this Declaration shall be deemed waived to the extent necessary or convenient to permit such construction; provided, however, that during the course of such construction, nothing shall be done which will result in a violation of any said provision, covenants, conditions or restrictions upon completion of the construction.

5.15 Subdivision of Lots. A Lot may not be subdivided. Each Owner waives the right of partition as may be permitted under applicable law.

5.16 Nuisance. No noxious or offensive trade or activity shall be carried on upon any Lot, or any part of the Covered Property nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood, or which shall, in any way, interfere with the quiet enjoyment of each of the Owners of his/her respective Dwelling, or which shall in any way increase the rate of insurance.

5.17 Temporary Structures. No used or second-hand structure, no building of a temporary character, no mobile home, trailer, camper, recreational vehicle, basement, tent, shack,

garage, barn or other outbuilding be used on any Lot at any time, either temporarily or permanently.

5.18 Vehicles. No automobile, truck, pickup, motorbike, motorcycle, trail bike, tractor, golf cart, mobile home, trailer, camper, recreational vehicle, snowmobile, all-terrain vehicle, boat or similar equipment shall hereafter be permitted to remain upon any Lot, unless placed or maintained within an enclosed garage, nor permitted to be parked other than temporarily, on any street, alley, or Common Areas within the Covered Property, except within that portion of the Common Areas specifically designated for recreational vehicle parking on the recorded subdivision plat of the covered property, and except as may be specifically designated for such purpose by the Board. Temporary parking shall mean, parking of vehicles belonging to guests, of Owners, delivery trucks, service vehicles and other commercial vehicles being used in the furnishing of services to the Association or the Owners and parking of vehicles belonging to or being used by Owners for loading and unloading purposes. The Board may adopt rules for the regulation of the admission and parking of vehicles within the Covered Property, including the assessment of charges to Owners who violate or whose invitees violate, such rules. Any charges so assessed shall be Special Assessments.

5.19 Utility Lines Underground. All utility lines, pipes and conduits within the Covered Property shall be installed underground and no such utility lines, pipes or conduits or supporting apparatus shall be permitted above ground, except to the extent reasonably necessary to support such underground utilities.

5.20 No Swimming Pools or Tennis Courts. No swimming pools, tennis courts or other similar structures shall be constructed or maintained on any portion of the Covered Property at any time.

5.21 No Skateboarding. Skateboarding is prohibited within the Covered Property at all times.

5.22 No Violation of County Ordinances. Nothing herein shall give any Owner the right to violate ordinances of Salt Lake County, and where any activity allowed herein is proscribed by said ordinances, said ordinances shall have priority.

ARTICLE 6 GENERAL CONSTRUCTION REQUIREMENTS

6.1 Construction of Improvements on Each Lot. All work performed in the construction, maintenance, repair replacement, alteration or expansion of any Improvement on a Lot shall be effected as expeditiously as possible and in such a manner as not to unreasonably interfere, obstruct or delay (a) access to or from any other Lot, or part thereof, to or from any of the Common Areas and Facilities, (b) construction work being performed on any other Lot; or (c) the use, enjoyment or occupancy of any other Lot. Any replacement, alteration or expansion of any Improvement on a Lot shall be in compliance with all applicable laws, rules, regulations, orders and ordinances of the city, county, state and federal government, or any department or agency thereof and no such work shall cause any Improvement located on any other Lot to be in violation of any such laws, rules, regulations, orders or ordinances. All work performed in the construction, maintenance, repair, replacement, alteration or expansion of any Improvement on a Lot shall be done in a good and workmanlike manner and in accordance with engineering standards.

6.2 Staging of Construction of Improvements. Staging for the construction, maintenance, repair, replacement, alteration or expansion of any Improvement on a Lot, including, without limitation, the location of any temporary buildings or construction sheds, the storage of building materials, and the parking of construction vehicles and equipment, shall be limited to such Lot.

ARTICLE 7 DUTIES AND POWERS OF THE ASSOCIATION

7.1 General Duties and Powers of the Association. In addition to the duties and powers enumerated in its Articles and Bylaws, or elsewhere provided for herein, and without limiting the generality thereof, the Association shall:

a. enforce the provisions of the Declaration, the Articles and the Bylaws by appropriate means and carry out the obligations of the Association hereunder, including without limitation, the expenditure of funds of the Association, the employment of legal counsel, the commencement of actions, the promulgation for the Association Rules as provided in the Bylaws and Section 7.2 below, which shall include the establishment of a system of fines or penalties enforceable as Special Assessments;

b. acquire, maintain and otherwise manage all of the Common Areas, Common Facilities, and all improvements and landscaping thereof, and all personal property acquired by the Association, and maintain all other areas within and in the vicinity of the Property which the Association deems appropriate to maintain or is obligated to maintain, including, without limitation, the landscaped areas, the roadways, the sidewalks and the parking areas, as provided in this Declaration or pursuant to agreement with the City or other governmental agency or authority;

c. pay any real and personal property taxes and other charges assessed against the Common Areas and Facilities unless the same are separately assessed to the Owners;

d. obtain, for the benefit of the Common Areas and Facilities, all water, gas and electric, refuse collections and other services;

e. grant easements where necessary for utilities and sewer facilities over the Common Areas and Facilities to serve the Property as provided in ARTICLE 13 below;

f. contract for and maintain such policy or policies of insurance as may be required by this Declaration or as the Board deems necessary or desirable in furthering the purposes of and protecting the interest of the Association and its Members;

g. delegate its powers to committees, officers, or employees as provided in the Bylaws, employ a manager or other persons and contract with independent contractors or managing agents who have professional experience in the management of condominium developments or planned unit developments to perform all or any part of the duties and responsibilities of the Association;

h. establish and maintain a working capital and contingency fund in an amount to be determined by the Board;

i. have the power of entry upon any Lot where necessary in connection with construction, maintenance or repair for the benefit of the Common Areas and Facilities, or the Owners;

j. at its sole discretion, provide trash pickup and disposal and snowplowing service for the benefit of the Owners and their Lots;

k. acquire real property by lease or purchase for offices or other facilities that may be necessary or convenient for the management of the Common Areas and Facilities, the administration of the affairs of the Association or for the benefit of the Members;

l. at its sole discretion, contract for communication services (e.g., cable television, Internet, telephone, etc.) for the benefit of the Owners who have subscribed for the service; and

m. have the power to establish in cooperation with the City a special tax assessment district for the performance of all or a portion of the maintenance and other functions now within the responsibility of the Association, together with the right to convey or lease, with or without the payment of monetary consideration, all or any portion of the Common Areas and Facilities to said district.

7.2 Association Rules. The Board shall also have the power pursuant to the procedures set forth in the Bylaws to adopt, amend, and repeal such rules and regulations as it deems reasonable (the "Association Rules"). The Association Rules shall govern such matters in furtherance of the purposes of the Association, including, without limitation, the use of the Common Areas and Facilities; *provided, however*, that the Association Rules may not discriminate among Owners and shall not be inconsistent with this Declaration, the Articles, or Bylaws. A copy of the Association Rules, as they may from time to time be adopted, amended or repealed, shall be delivered to each Owner in the same manner established in this Declaration for the delivering of notices. Upon such delivery, said Association Rules shall have the same force and effect as if they were set forth in and were part of this Declaration. The Association Rules, as adopted, amended or repealed, shall be available at the principal office of the Association to each Owner and Mortgagee upon request. In the event of any conflict between any such Association Rules and any other provisions of this Declaration, the Articles or the Bylaws, the provisions of the Association Rules shall be deemed to be superseded by the provisions of this Declaration, the Articles or the Bylaws to the extent of any such inconsistency.

7.3 Delegation of Powers. The Association shall have the right according to law, to delegate any of its powers under this Declaration, the Articles and Bylaws; *provided, however*, no such delegation, whether to a professional management company, committee or otherwise shall relieve the Association of its obligation to perform such delegated duty.

7.4 Schedule of Fines and Penalties. The Association has the authority, from time to time, to set forth in the Association Rules a schedule of fines and penalties for violations of the Association's governing documents.

ARTICLE 8 REPAIR AND MAINTENANCE

8.1 Repair and Maintenance by Association. Without limiting the generality of the statement of duties and powers contained in this Declaration, the Association shall have the duty to accomplish the following upon the Lots, Common Areas and Facilities or other land within and about the Project in such a manner and at such times as the Board shall prescribe and shall have a right of entry sufficient to allow accomplishment of the same:

a. maintain the Common Areas and Facilities in a clean, safe, and attractive condition at all times, and maintain all other areas within and in the vicinity of the Property which the Association deems appropriate to maintain or is obligated to maintain in a clean, safe, and attractive condition at all times, including, without limitation, the landscaped areas, the roadways, the sidewalks and the parking areas;

b. repair, restore, replace and make necessary improvements to the Common Areas and Facilities;

c. maintain all drainage facilities and easements which constitute Common Areas and Facilities in accordance with the requirements of any applicable flood control district;

d. cause the appropriate public utility to maintain any utility easements located within the Common Areas and Facilities;

e. maintain the public rights-of-way within the Project; and maintain all other areas, facilities, equipment, services or aesthetic components of whatsoever nature as may from time to time be requested by the vote of Members holding not less than sixty-seven percent (67%) of the voting power of the Members.

f. maintain and keep in good repair all exterior fences, landscaping, grounds areas within the boundaries of Lots, except for landscaping, if any, contained within privately fenced yards, for which the Association shall only be responsible for lawn mowing, subject to the Association's right to collect a special assessment for mowing within any privately fenced yards. The Association shall maintain and keep in good repair all paved or concrete walkways, driveways, parking areas, and patios even though located partially or wholly within the boundaries of a Lot.

g. provide exterior maintenance upon Dwellings as follows: paint, stain, repair, replace, and care for roof surfaces and roof systems, gutters, downspouts, chimneys, and, with the exception of entry doors, garage doors, doors, glass and their appurtenant hardware, all exterior building surfaces. Notwithstanding the foregoing, any improvement, alteration, or addition made by an Owner to the exterior of his Residence including, without limitation, downspout extensions, exterior lighting, and patio covers, shall be maintained by such Owner at his expense.

h. maintain all other areas, facilities, equipment, services or aesthetic components of whatsoever nature as may from time to time be requested by the vote or written consent of a majority of the voting power of the Members.

i. maintain all sewer, water and other utility pipes, lines, ducts or conduits lying outside of the point of entry into any dwelling, except where such maintenance is necessitated by the negligence of the Owner of the Lot upon which such pipes, lines, ducts or conduits are located.

8.2 Repair and Maintenance by Owner. Every Owner shall:

a. maintain all portions of such Owner's Lot, Residence, and Improvements thereto including, without limitation, any plumbing fixtures, water heater, heating equipment, air conditioner, lighting fixtures, and appliances in and connected to the Residence in a clean, safe, and attractive condition at all times, and in compliance with this Declaration, the Articles, Bylaws and the Association Rules;

b. keep such Owner's Residence and Limited Common Areas free from trash and debris, and keep all lighting clean and functional.

8.3 Board Approval Required for Certain Modifications and Alterations. An owner shall not make structural modification or alterations in or to the outside of his Residence or installation located therein or cause to be placed or erected on the Common Areas and Facilities any out buildings without previously notifying the Board in writing. The Board shall have the obligation to answer within twenty (20) days and failure to do so within such time shall constitute approval from the Board of the proposed modification.

8.4 Architectural Review Committee and Design Guidelines.

a. The Board shall serve as the Architectural Review Committee (the "ARC") and may delegate the responsibilities of the ARC by appointing a committee of not less than three (3) persons who need not be Members. If the Board appoints an ARC, the Board shall retain the right to appoint, augment or replace members of the ARC. The ARC shall prepare or adopt and promulgate on behalf of the Board, design and development guidelines, and application and review procedures, applicable to the Association Properties or any portion thereof (the "Design Guidelines"). The guidelines and procedures shall be those of the Association, and the ARC shall have the sole and full authority to prepare and to amend the same, subject to approval of the City (if applicable). The Association shall make copies of the guidelines and procedures available, upon request, to Owners, builders and developers who seek to engage in development of or construction upon any portion of the Association Properties, and such Owners, builders and developers shall conduct their operations strictly in accordance therewith.

b. Any construction, alteration, modification, removal or destruction, within the project, including the location of all improvements, must be approved in writing by the ARC prior to the commencement of the same. No person commencing such construction, alteration, modification, removal or destruction prior to receipt of such written approval shall acquire any vested rights in any such improvement. A majority of the members of the ARC shall have the

power to act on behalf of the ARC, without the necessity of a meeting and without the necessity of consulting the remaining member or members of the ARC. All decisions rendered by the ARC must be by written instrument setting forth the action taken by the members consenting thereto.

c. The ARC may, at its sole discretion, withhold approval of any proposal if the ARC finds the proposal would be inappropriate for the particular Lot or incompatible with the Design Guidelines. Considerations such as siding, shape, size, color, design, height, solar access or other effects on the enjoyment of other Lots or Common Area, and any other factors which the ARC reasonably believes to be relevant, may be taken into consideration by the ARC in determining whether or not to approve any proposal.

d. Approval or disapproval by the ARC of any matter proposed to it or within its jurisdiction shall not be deemed to constitute precedent, waiver or estoppel impairing its right to withhold approval or grant approval as to any similar matter thereafter proposed or submitted to it.

e. Any Owner adversely impacted by action of the ARC may appeal such action to the Board. If, however, the ARC's duties are being carried out by the Board, then no such right to appeal shall exist.

f. All appeals and hearings shall be conducted in accordance with procedures set forth by the Board by resolution.

g. The ARC's approval of any proposal shall automatically be revoked within three (3) months after issuance unless construction or other work relating to the proposal has been commenced or the Owner has applied for and received an extension of time from the ARC.

h. The ARC may inspect from time to time, all work performed and determine whether it is in substantial compliance with the approval granted. If the ARC finds that the work was not performed in substantial conformation with the approval granted, or if the ARC finds that the approval required was not obtained, the ARC shall notify the Owner in writing of the noncompliance. The notice of noncompliance shall specify the particulars of noncompliance and shall require the owner to remedy the noncompliance by a specific date. Any Owner who receives a notice of noncompliance may appeal the notice in accordance with the appeals procedure set forth by the Board.

i. Neither the Board nor the ARC shall be liable to any Owner, occupant, builder or other person for any damage, loss or prejudice suffered or claimed on account of any action or failure to act of the ARC or a member thereof, provided only that the member has in accordance with the actual knowledge possessed by him or her, acted in good faith. The ARC is not responsible for determining compliance with structural and building codes, solar ordinances, zoning codes or other governmental regulations, all of which are the responsibility of the Owner.

8.5 Standards for Maintenance and Construction.

a. Maintenance of the exterior of Buildings and Improvements shall be accomplished in accordance with the Design Guidelines.

b. Throughout any period of construction upon a Lot, the Owner of such Lot shall keep the Lot and all streets used by construction equipment or trucks in clean and safe condition, shall remove daily all trash, rubbish, debris, mud and dirt therefrom, shall take all measures necessary or appropriate to control dust, blowing sand and erosion, whether by wind or water, on the Lot and shall so conduct all such construction so as not to interfere with free and ready access to existing Buildings and neighboring Lots.

c. All portions of a Lot which are disturbed either in the course of construction of a Dwelling or Structure or as a result of any other activities, but which remain unimproved with a Dwelling or Structure, shall be landscaped by the Owner thereof before any significant erosion or other soil damage occurs and in any event on or before a date six (6) months from the completion of said construction or other activity, all in accordance with plans and specifications which have been previously submitted to and approved by the Architectural Committee. Thereafter, the Association shall maintain such landscaping in a clean, safe, and attractive condition according to the rules promulgated by the Board. obt

8.6 Right of Association to Maintain and Install. In the event that the need for exterior maintenance or repair of a Residence or the Improvements thereto is caused through the willful or negligent acts of the Owner or the Owner's Occupants or Permittees, the cost of such exterior maintenance or repair shall be assessed against the Owner and his Lot as hereinafter set forth.

a. Upon finding by the Board that the need for exterior maintenance or repair was caused by the willful negligent acts of the Owner or the Owner's Occupants or Permittees, the Board shall give notice of its finding to the responsible Owner which shall briefly describe the maintenance or repair needed and the willful or negligent acts and set a date for hearing before the Board or a committee selected by the Board for such purpose.

b. Such hearing shall be held not less than ten (10) nor more than thirty (30) days from the date of said notice.

c. Such hearing shall be conducted according to such reasonable rules and procedures as the Board shall adopt and which shall provide the Owner with the right to present oral and written evidence and to confront and cross-examine adverse witnesses. If the Board or any committee renders a decision against the responsible Owner, it shall further set a date by which the deficiency is to be corrected by the responsible Owner. A decision of a committee may be appealed to the Board, but a decision of the Board shall be final.

d. If, after a hearing as described herein, the Board reaches a decision that the need for exterior maintenance or repair was caused by the willful or negligent acts of the Owner, its Occupants or Permittees, and the Association pays for such maintenance or repair, such amount shall be a Special Assessment to the affected Owner and Lot.

8.7 Destruction of Improvements. In the event of partial or total destruction of

Improvements upon the Common Areas and Facilities, it shall be the duty of the Association to restore and repair the same to its former condition as promptly as practical. The proceeds of any insurance maintained pursuant hereto shall be used for such purpose. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be insufficient to accomplish such repair or restoration, a Reconstruction Assessment may be levied by the Association to provide the necessary funds or such reconstruction, over and above the amount of any insurance proceeds available for such purpose. In the event any excess insurance proceeds remain, the Board shall distribute pro rata such excess funds to the Members, subject to the prior rights of Mortgagees whose interest may be protected by insurance policies carried by the Association. The rights of an Owner and the Mortgagee of his Lot as to such pro rata distribution shall be governed by the provisions of the Mortgage encumbering such Lot. All amounts collected as Reconstruction Assessments shall only be used for the purposes set forth in this Article and shall be deposited by the Board in a separate bank account to be held in trust for such purposes. Such funds shall not be commingled with any other funds of the Association. In the event of partial or total destruction of improvements upon any Lot, it shall be the duty of the Owner thereof to restore and repair the same to its former condition as promptly as practical.

ARTICLE 9 INSURANCE

9.1 Insurance Obtained by the Association. The Association shall purchase and maintain all insurance required to be obtained by the Association under the Act, Declaration, and Bylaws, and any additional insurance the Board deems necessary.

9.2 Hazard Insurance. The Association shall maintain blanket property insurance or guaranteed replacement cost insurance for the full replacement value of the improvements situated on each Lot, such insurance to afford protection against at least loss or damage by fire and other hazards covered by the standard extended coverage endorsement and such other risks as shall customarily be covered with respect to similar planned unit developments in the area of the Covered Property. The Association's blanket property insurance or guaranteed replacement cost insurance shall also cover limited common areas appurtenant to a dwelling on a lot, if any, and common areas in the project, insuring against all risks of direct physical loss commonly insured against, including fire and extended coverage perils. The premiums for insurance obtained by the Association under this Section shall be included as a Regular Assessment.

9.3 Liability Insurance. The Association shall obtain comprehensive general liability (CGL) insurance insuring the Association, the agents and employees of the Association and the Owners, against liability incident to the use, ownership, or maintenance of the Common Area and Limited Common Area or membership in the Association. The coverage limits under such policy shall not be less than One Million Dollars (\$1,000,000) covering all claims for death of or injury to any one person or property damage in any single occurrence.

9.4 Directors and Officers Insurance. The Association shall obtain Directors' and Officers' (D&O) liability insurance protecting the Board of Directors, Architectural Review Committee, other committees, the officers, and the Association against claims of, including

without limitation, wrongful acts, mismanagement, failure to maintain adequate reserves, failure to maintain books and records, etc.

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

9.6 Insurance by Lot Owners. Lot Owners shall not be prohibited from carrying insurance in addition to that provided for herein for their own benefit.

9.7 Waiver by Members. As to each of said policies which will not be voided or impaired thereby, the Members hereby waive and release all claims against the Association, the Board, and agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said persons, but to the extent of insurance proceeds received in compensation for such loss only.

9.8 Premiums and Proceeds. Insurance premiums for any such blanket insurance coverage obtained by the Association and any other insurance deemed necessary by the Association shall be a Common Expense to be included in the Regular Assessments levied by the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried, or otherwise disposed of as provided in herein. The Association is hereby granted the authority to negotiate loss settlements with the appropriate insurance carriers. Any two Trustees of the Association may sign a loss claim form and release form in connection with the settlement of a loss claim, and such signatures shall be binding on the Association and the Members.

9.9 Abandonment of Replacement Cost Insurance. Unless at least seventy-five percent (75%) of the Institutional Mortgagees based on one (1) vote for each First Mortgage have given their prior written approval, the Association shall not be entitled to fail to maintain the extended coverage fire and casualty insurance required by this Article on less than a one hundred percent (100%) current replacement cost basis.

9.10 Payment of Taxes or Premiums by First Mortgagees. First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Areas, unless such taxes or charges are separately assessed against the Owners, in which case the rights of First Mortgagees shall be governed by the provisions of their Mortgages. First Mortgagees may, jointly or singly, also pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for the Common Areas and First Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association. Entitlement to such reimbursement shall be reflected in an agreement in favor of any First Mortgagee which requests the same to be executed by the Association.

ARTICLE 10 EMINENT DOMAIN

The term "taking" as used in this Article shall mean condemnation by eminent domain or sale under threat of condemnation. In the event of a threatened taking of all or any portion of the Common Areas and Facilities, the Members hereby appoint the Board and such persons as the Board may delegate to represent all of the Members in connection with the taking. The Board shall act in its sole discretion with respect to any awards being made in connection with the taking and shall be entitled to make a voluntary sale to the condemner in lieu of engaging in a condemnation action. Any awards received on account of the taking shall be paid to the Association. In the event of a taking of less than all of the Common Areas and Facilities, the rules as to restoration and replacement of the Common Areas and Facilities and the improvements thereon shall apply as in the case of destruction of the improvements upon the Common Areas and Facilities. In the event of a total taking, the Board shall distribute pro rata any award to the Members. The rights of an Owner and the Mortgagee of such Owner's Lot as to such pro rata distribution shall be governed by the provisions of the Mortgage encumbering such Lot.

ARTICLE 11 RIGHTS TO THE COMMON AREAS AND FACILITIES

11.1 Members' Right of Enjoyment. There is hereby reserved and established for the benefit of each Owner and such Owner's Occupants and Permittees a nonexclusive easement for use and enjoyment in and to the Common Areas and Facilities and an irrevocable license to use and occupy the Limited Common Areas appurtenant to the Residence of such Owner and Owner's Occupants and Permittees, and such right shall be appurtenant to and shall pass with the interest required to be an Owner to every Lot, subject to the following provisions:

a. The right of the Association to establish reasonable rules and regulations pertaining to the use of the Common Areas and Facilities (including Limited Common Areas).

b. The right of the Association subject to the approval rights of Mortgagees pursuant to ARTICLE 15 hereof, to dedicate or transfer all or any part of the Common Areas and Facilities (including Limited Common Areas) to any public agency, authority or utility or other entity for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer, including, without limitation, the conveyance, lease or other transfer of any portion of the Common Areas and Facilities (including Limited Common Areas) to a special tax assessment district or to the City, shall be effective unless approved by Members holding not less than sixty-seven percent (67%) of the voting power of the Members.

c. The right of the Association to establish, in cooperation with the City, a special assessment district for the performance of all or a portion of the maintenance and other functions now within the responsibility of the Association, together with the right of the Association to convey, lease or otherwise transfer, subject to the provisions of subsections 12.1(b) above, all or any portion of the Common Areas and Facilities to said district.

11.2 Waiver of Use. No member may exempt such Member from personal liability for Assessments duly levied by the Association, nor release the Lot owned by such Member from the liens and charges hereof, by waiver of the use and enjoyment of the Common Areas

and Facilities (including Limited Common Areas) or the abandonment of his Lot.

ARTICLE 12 EASEMENTS AND LICENSES

12.1 Owners' Rights and Duties: Utilities and Communication Lines. The rights and duties of the Owners with respect to water, sewer, electricity, gas, telephone, cable television lines and drainage facilities shall be governed by the following:

a. Wherever sanitary sewer, water, electricity, gas, telephone and communication lines or drainage facilities are installed within the Property, there is hereby reserved and established for the benefit of the Owners of any Lot served by said lines or facilities a nonexclusive easement for the full extent necessary therefore, to enter upon the Lots owned by others, in or upon said lines or facilities, or any portion thereof, to repair, replace and generally maintain said lines and facilities as and when the same may be necessary as set forth below, provided that such Owner or utility company shall promptly repair any damage to a Lot caused by such entry as promptly as possible after completion of work thereon.

b. Wherever sanitary sewer, water, electricity, gas, telephone or communication lines or drainage facilities are installed within the Property, which lines or facilities serve more than one (1) Lot, the Owner of each Lot served by said lines or facilities shall be entitled to the full use and enjoyment of such portions of said lines or facilities which service such Owner's Lot.

c. The foregoing provisions of this Section shall not be deemed to give any Owner the right to connect to any utility line or facility without first complying with all the requirements of the utility company providing the service in question, including without limitation, the payment of all required connection fees and related charges.

12.2 Utilities. Easements over the Property for the installations and maintenance of electric, telephone, communication lines, water, gas, sanitary sewer lines and drainage facilities as shown on the recorded subdivision maps of the Property are hereby reserved and established for the benefit of each Owner and their respective successors and assigns.

12.3 Common Area Easements. The following nonexclusive easements are hereby reserved and established for the benefit of each Owner and the Occupants and Permittees of each Owner:

a. Nonexclusive easements over, upon, across and between each Lot for the purpose of pedestrian traffic between each Lot and (1) each other Lot which is contiguous thereto; (2) the public streets and alleys now or hereafter abutting or located on any portion of the Property; (3) the Common Areas and Facilities; (4) the parking areas now and hereafter located on each Lot; (5) over and across the Common Areas located on each Lot; limited, however, to those portions of each Lot which are improved by the Owner thereof from time to time for pedestrian walkways and made available by such Owner for general use, as such portions may be reduced, increased or relocated from time to time by each such Owner.

b. Nonexclusive easements for the purpose of vehicular traffic over, upon, across and between each Lot and (1) the public streets and alleys now and hereafter abutting any portion of the Property; and (2) the Common Areas and Facilities; limited, however, to those portions of the Property which are improved by the Owner thereof from time to time for vehicular access ways as such portions may be relocated from time to time by such Owner.

c. Nonexclusive easements over, upon, across and between the access points and driving lanes from time to time established on each Lot for the purpose of providing ingress, egress, and access to (1) the easements hereby created; (2) the public streets and alleys now and hereafter abutting any portion of the Property; and (3) the Common Areas and Facilities.

d. Nonexclusive easements in and to the parking areas from time to time located on each Lot for access to and use for vehicular parking purposes.

12.4 Limited Common Areas. The use and occupancy of designated Limited Common Areas shall be reserved to its associated Residence and each Residence Owner is hereby granted an irrevocable license to use and occupy said Limited Common Areas.

12.5 Maintenance of Exteriors. A nonexclusive easement and right of way on, over, across, through, above, and under each Unit and Building for the maintenance, repair, and replacement of the exteriors of each Unit and Building is reserved and granted to the Association.

ARTICLE 13 NATURE OF EASEMENTS, LICENSES, AND RIGHTS GRANTED

13.1 Easements Appurtenant. Each and all of the easements, licenses, and rights granted or created herein are appurtenances to the affected portions of the Property and none of the easements and rights may be transferred, assigned or encumbered except as an appurtenance to such portions. For the purposes of such easements, licenses, and rights, the particular areas of the Property which are benefitted by such easements shall constitute the dominant estate, and the particular areas of the Property which are burdened by such easements and rights shall constitute the servient estate.

13.2 Nature and Effect of Easements. Each and all of the easements, covenants, restrictions and provisions contained in this Declaration:

a. are made for the direct, mutual and reciprocal benefit of the Owners, Occupants and Permittees of the respective Lots;

b. create mutual equitable servitudes upon each Lot in favor of the other Lots;

c. constitute covenants running with the land; and

d. shall bind every person or entity having any fee, leasehold or other interest in any portion of the Property at any time or from time to time to the extent that such portion is affected or bound by the easement, covenant, restriction or provision is to be performed on such portion.

ARTICLE 14
RIGHTS OF LENDERS

14.1 Filing Notice; Notices and Approvals. A mortgagee shall not be entitled to receive any notice which this Declaration requires the Association to deliver to Mortgagees unless and until such Mortgagee, or its mortgage servicing contractor, has delivered to the Board a written notice stating that such Mortgagee is the holder of a mortgage encumbering a Lot within the Property. Such notice shall state whether such mortgagee is a First Mortgagee. Where the approval of any percentage of Mortgagees is required pursuant to this Declaration, it shall be deemed to mean the vote or approval of the percentage of only those mortgagees which have delivered such notice to the Board. Notwithstanding the foregoing, if any right of a Mortgagee under this Declaration is conditioned on a specific written request to the Association, in addition to having delivered the notice provided in this Section, a Mortgagee must also make such request, either in a separate writing delivered to the Association or in the notice provided above in this Section, in order to be entitled to such right. Except as provided in this Section, a Mortgagee's rights pursuant to this Declaration, including, without limitation, the priority of the lien of Mortgages over the lien of Assessments levied by the Association hereunder shall not be affected by the failure to deliver a notice to the Board. Any notice or request delivered to the Board by a Mortgagee shall remain effective without any further action by such Mortgagee for so long as the facts set forth in such a notice or request remain unchanged.

14.2 Priority of Mortgage Lien. No breach of the covenants, conditions, or restrictions herein contained nor the enforcement of any lien provisions herein, shall affect, impair, defeat or render invalid the lien or charge of any Mortgage made in good faith and for value encumbering any Lot, but all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure or trustee's sale, or otherwise, with respect to a Lot, except as otherwise provided in this Article.

14.3 Relationship with Assessments Liens.

a. The lien provided for in ARTICLE 3 hereof for the payment of Assessments shall be subordinate to the lien of any Mortgage which is recorded prior to the date any such Assessment becomes due.

b. If any Lot subject to a monetary lien created by any provision hereof shall be subject to the lien of a Mortgage, the foreclosure of the lien of said Mortgage, the acceptance of a deed in lieu of foreclosure of the Mortgage, or sale under a power of sale included in such Mortgage (such events being hereinafter referred to as "Events of foreclosure") shall not operate to affect or impair the lien hereof, except that any persons who obtain an interest through any of the Events of Foreclosure, and their successors in interest, shall take title free of the lien hereof or any personal obligation for said charges as shall have accrued up to the time of any of the Events of Foreclosure, but subject to the lien hereof for all said charges that shall accrue subsequent to the Events of Foreclosure.

c. Any Mortgagee who obtains title to a Lot by reason of any of the Events of Foreclosure, or any purchaser at a private or judicial foreclosure sale shall take title to such Lot

free of any lien or claim for unpaid Assessments against such Lot which accrue prior to the time such Mortgagee or purchaser takes title to the Lot, except for liens or claims for a share of such Assessments resulting from a reallocation of such Assessments to all Lots within the Property.

d. Nothing in this Section shall be construed to release any Owner from his obligation to pay for any Assessment levied pursuant to this Declaration.

14.4 Other Rights of Institutional Mortgagees. Any Institutional Mortgagee, or its mortgage servicing contractor, shall, upon written request to the Association, be entitled to:

a. Inspect the books and records of the Association during normal business hours; and

b. Receive the annual audited financial statement, if any, of the Association ninety (90) days following the end of the Association's fiscal year; and

c. Receive written notice of all annual and special meetings of the Members or of the Board, and Institutional Mortgagees shall further be entitled to designate a representative to attend all such meetings in order to, among other things, draw attention to violations of this Declaration which have not been corrected to made the subject of remedial action by the Association; provided, however, nothing contained in this Section shall give an Institutional Mortgagee the right to call a meeting of the Board or of the Members for any purpose or to vote at any such meeting; and

d. Receive written notification from the Association of any default in the performance of the obligations imposed by this Declaration by the Owner whose Lot is encumbered by such Institutional Mortgage, which default has not been cured within sixty (60) days of a request therefore by the Association; provided, however, the Association shall only be obligated to provide such notice to Institutional Mortgagees whose written request thereof to the Association specifies the Lot or Lots to which such request relates.

14.6 Conflicts. In the event of any conflict between any of the provisions of this Article and any of the other provisions of this Declaration, the provisions of this Article shall control.

14.7 Voting Rights of Institutional Mortgagees. In the event of a default by the Owner of any Lot in any payment due under the terms of any Institutional Mortgage or the promissory note secured thereby, the Institutional Mortgagee or his representative shall have the right, upon giving written notice to such defaulting Owner and the Association and placing of record a notice of default, to exercise the voting rights of such defaulting Owner attributable to such Lot at any regular or special meeting of the Members held during such time as such default may continue. Any such Owner's voting Rights shall be restored to him at such time as such default is cured.

ARTICLE 15 PARTY WALLS

The Following shall apply to those Residences that share a common wall with another Residence.

15.1 Boundary Line between Residences. The boundary line between two (2) Residences shall be deemed to be the center line of the airspace between the exterior walls of the two (2) Residences which abut such airspace (the "Party Walls") or, if there is no airspace, where the Party Walls abut, notwithstanding the fact that the common boundary line for the Residences may not be located precisely upon said center line of the Party Walls. The Owner of each Residence from time to time shall have the full rights of ownership, use and occupancy of such Residence and the Owner of a Residence shall not have any right, title or interest in any part of the other Residences located primarily adjacent to such unit.

15.2 Limitation on Alterations to Party Walls. No Owner of a Residence shall have the right, except with the prior written consent of the adjacent Owner, to (i) make any alteration or additions to any Party Wall or any part thereof, except non-structural, interior alterations made within the Residence of such Owner's unit, or (ii) take any action which would adversely affect the structural integrity or sound transmission prevention qualities of the Party Walls.

15.3 Exterior of Party Walls – Colors and Materials. The exterior portions of any Party Wall visible outside a Residence shall be of the same color and/or materials as the exterior walls thereof.

15.4 State Law Governs. To the extent inconsistent with the provisions of this Article, the laws of the State of Utah regarding party walls shall be application with respect to each Party Wall.

ARTICLE 16 AMENDMENTS

16.1 Manner of Amending. This Declaration may be amended by the affirmative vote or written consent, or any combination thereof, of voting Members representing sixty-seven percent (67%) of the total votes of the Association. However, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

16.2 Consent to Amend. If an Owner consents to the Amendment of this Declaration or the Association bylaws, it will be conclusively presumed that such Owner has the authority so to consent and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

16.3 Mortgagee's Rights. No amendment may impair the validity or priority of the lien of any Mortgage held by any Mortgagee or impair the rights granted to Mortgagees herein without the prior written consent of such Mortgagees.

16.4 Acceptance of Deed. By acceptance of a deed of conveyance to a Lot or Residence each Owner thereby gives its full, irrevocable and unqualified consent on behalf of itself, its mortgagees, and its successors-in-title to the amendment of this Declaration in the manner provided in this Article.

ARTICLE 17
GENERAL PROVISIONS

17.1 Enforcement. Either the Association or any Owner shall have the right to enforce by proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration or any amendment hereto, including the right to prevent the violation of any such restrictions, conditions, covenants, or reservations, and the right to recover damages for such violation; provided, however, that the Association shall have the exclusive right to enforce assessment liens. The Association or any Member shall also have the right to enforce by proceedings at law or in equity the provisions of the Articles, Bylaws, or Association Rules, and any amendments thereto. Failure by the Association, Declarant, or by any Member to enforce any covenant, condition, or restriction herein contained, or the Articles and the Bylaws, in any certain instance or on any particular occasion, shall not be deemed a waiver of such right on any such future breach of the same covenant, condition or restriction.

17.2 Not a Public Dedication. Nothing contained in this Agreement shall, or shall be deemed to, constitute a gift or dedication of any portion of the property to the general public or for the benefit of the general public or for any public purpose whatsoever, it being the intention of the parties that this Agreement will be strictly limited to and for the purposes expressed herein.

17.3 Severability. Notwithstanding invalidation of any one of these covenants, conditions or restrictions by judgment or court order, all other provisions hereof shall remain in full force and effect.

17.4 Term. The covenants, conditions and restrictions of this Declaration shall run with and bind the Property and shall inure to the benefit of and be enforceable by the Association or any Owner, their respective legal representatives, Occupants, heirs, successors and assigns, for a term of twenty (20) years from the date this Declaration is recorded; after which time said covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years.

17.5 Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of residential units on the Property and for the maintenance of the Property and the Common Areas and Facilities. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

17.6 Singular Includes Plural. Whenever the context of this Declaration requires, the singular shall include the plural, the plural shall include the singular, and the masculine shall include the feminine and neuter.

17.7 Nuisance. The result of every act or omission, whereby any provision, condition, restriction, covenants, easement, or reservation contained in this Declaration is violated in whole or in part, is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable against every such result,

and may be exercised by the Association or any Member. Such remedy shall be deemed cumulative and not exclusive.

17.8 Attorneys' Fees. In the event action is instituted to enforce any of the provisions contained in this Declaration, the party prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment, reasonable attorneys' fees and costs of such suit. In the event the Association is a prevailing party in such action, the amount of such attorneys' fees and costs shall be a Special Assessment with respect to the Lot involved in the action.

17.9 Notices. Any notice to be given to an Owner or Mortgagee or mortgage servicing contractor under the provisions of this Declaration shall be in writing and may be delivered as follows:

a. Notice to an Owner shall be deemed to have been properly delivered when delivered personally, sent by fax or email, or placed in the first class United States mail, postage prepaid, to the most recent address furnished by such Owner in writing to the Association for the purpose of giving notice or, if no such address shall have been furnished, then to the street address of such Owner's Lot. Any notice sent by fax or email shall be deemed delivered the earlier of twenty-four (24) hours after being sent or confirmed receipt. Any notice deposited in the mail shall be deemed delivered the earlier of forty-eight (48) hours after such deposit or upon confirmed receipt. In the case of co-Owners, any such notice may be delivered or sent to any one of the co-Owners, on behalf of all co-Owners, and shall be deemed delivered on all such co-Owners.

b. Notice to a Mortgagee or its mortgage servicing contractor shall be deemed to have been properly delivered when placed in the first class United States mail, postage prepaid, to the address furnished to the Association by such Mortgagee or such contractor for the purposes of notice.

17.10 Effect of Declaration. This Declaration is made with the intent to establish a general scheme for the use, occupancy and enjoyment of the Property and each and every Lot and portion thereof. The Association makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, or as to the compliance of any of these provisions with public laws, ordinances and regulations applicable thereto.

17.11 Personal Covenant. To the extent the acceptance of a conveyance of a Lot creates a personal covenant between the Owner of such Lot and the Association or other Owners, such personal covenant shall terminate and be of no further force or effect from and after the date when a person or entity ceases to be an Owner except to the extent this Declaration may provide otherwise with respect to the payment of money to the Association.

17.12 Non-liability of Officials. To the fullest extent permitted by law, neither the Board, nor any other committee of the Association or any member of such Board or committee shall be liable to any Member or the Association for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval of plans or specifications (whether or not

defective), course of action, act, omission, error, negligence or the like made in good faith within which such Board, committees or persons reasonably believed to be the scope of their duties.

IN WITNESS WHEREOF, the Association adopted this Amended and Restated Declaration of Covenants, Conditions, and Restrictions for and respecting Cottonwood Cove at Tanner Lane Owners Association with the necessary approval of Lot owners as required herein, on the 9 day of SEPTEMBER, 2019.

Cottonwood Cove at Tanner Lane Owners Association

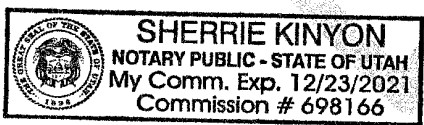
[Signature]
BY: [Signature]
TITLE: BOARD MEMBERS

STATE OF UTAH)
) SS:
COUNTY OF SALT LAKE)

On the 9th day of September, ~~2019~~ 2020, who by me being duly sworn, did say that they he/she ^{are} is the Board Members of Cottonwood Cove at Tanner Lane Owners Association. and that the foregoing instrument was properly ratified by a majority of the Lot Owners.

Douglas Swain
Dana Walton

[Signature]
Notary Public



**EXHIBIT A
LEGAL DESCRIPTION**

Legal Description: Cottonwood Cove at Tanner Lane Owners Association

All of that certain real property located in Salt Lake County, Utah and more particularly described as follows:

- A. Beginning at a point which is N 0°7'45" E 1244.47 feet and N 89°57'30" W 1650.33 feet from the East quarter corner of Section 21, Township 2 South, Range 1 East, Salt Lake Base and Meridian; thence S 0°07'45" W 998.726 feet; thence S 68°52'10" W 236.259 feet; thence N 0°21'10"W 141.71 feet; thence N 0°07'47" E 458.415 feet; thence West 90.00 feet; thence North 484.00 feet; thence S 89°57'30"E 312.46 feet to the point of beginning.
- B. Beginning at a point which is N 89°57'30"W, 1872.790 feet and South, 483.934 feet from a county monument located at the intersection of 6400 South 2000 East Streets; said monument being N00°07'45"E, 1344.470 feet from the East quarter corner of Section 21, Township 2 South, Range 1 East, Salt Lake Base and Meridian; and running thence 26.590 feet along the arc of a 25.290 foot radius curve to the right (chord bears S59°53'05"E, 25.360 feet); thence S29°46'30"E, 22.609'; thence 64.510 feet along the arc of a 61.500 foot radius curve to the Left (chord bears S30°10'50"W, 61.590 feet); thence S00°07'52"W, 14.430 feet; thence 53.380 feet along the arc of a 304.709 foot radius curve to the left (chord bears S04°56'04E, 53.810 feet; thence 68.539 feet along the arc of a 178.500 foot radius curve to the right (chord bears S01°00'02"W, 68.120 feet); thence 25.930 feet along the arc of a 141.500 foot radius curve to the left (chord bears S06°45'02"W, 25.900 feet); thence S01°30'00"W, 49.00 feet; thence 37.720 feet along the arc of a 123.500 foot radius curve to the left (chord bears S07°15'00"E, 37.570 feet); thence 27.270 feet along the arc of a 66.500 foot radius curve to the right (chord bears S04°15'00"E, 27.000 feet); thence 56.690 feet along the arc of a 67.500 foot radius curve to the left, (chord bears S17°24'34E, 56.06 feet); thence 52.330 feet along the arc of a 47.582 foot radius curve to the left (chord bears S31°38'20"W, 49.740 feet); thence S00°07'47"W, 1.070 feet; thence S00°21'10"E, 141.710 feet to the north line of I-215 freeway; thence along said north line S70°06'30"W, 116.804 feet; thence north, 639.867 feet; thence East 110.000 feet to the point of beginning.



Subdivision Name
COTTONWOOD COVE AT TANNER LANE PUD AMD

Dedication Type: PUD

Entry Number: 5241889 Plat Book: 1992P Plat Page: 081 Recorded Date: 4/23/1992 Recorded Time: 11:57:00

Requesting Party: H ROBERT WORTHEN

Active Parcel Numbers Found: 35

Parcel Number	Lot/Unit	Val	Bldg/Bldg	Val	Type	Property Location	City	Zip Code
22212550400000	LOT	1				6424 S TANNER LN	MURRAY	84121
22212550410000	LOT	2				6426 S TANNER LN	MURRAY	84121
22212550420000	LOT	3				6422 S TANNER LN	MURRAY	84121
22212550430000	LOT	4				6420 S TANNER LN	MURRAY	84121
22212550440000	LOT	9				6430 S TANNER LN	MURRAY	84121
22212550450000	LOT	10				6428 S TANNER LN	MURRAY	84121
22212550460000	LOT	13				6456 S TANNER LN	MURRAY	84121
22212550470000	LOT	14				6460 S TANNER LN	MURRAY	84121
22212550480000	LOT	17				6468 S TANNER LN	MURRAY	84121
22212550490000	LOT	18				6464 S TANNER LN	MURRAY	84121
22212550510000	LOT	5				6415 S TANNER LN	MURRAY	84121
22212550520000	LOT	6				6419 S TANNER LN	MURRAY	84121
22212550530000	LOT	7				6425 S TANNER LN	MURRAY	84121
22212550540000	LOT	8				6429 S TANNER LN	MURRAY	84121
22212550550000	LOT	11				6441 S TANNER LN	MURRAY	84121
22212550560000	LOT	15				6445 S TANNER LN	MURRAY	84121
22212550570000	LOT	12				6443 S TANNER LN	MURRAY	84121
22212550580000	LOT	16				6447 S TANNER LN	MURRAY	84121
22212550590000	LOT	19				6455 S TANNER LN	MURRAY	84121
22212550600000	LOT	20				6459 S TANNER LN	MURRAY	84121
22212550610000	LOT	21				6469 S TANNER LN	MURRAY	84121
22212550620000	LOT	22				6475 S TANNER LN	MURRAY	84121
22212550630000	LOT	34				6487 S TANNER WY	MURRAY	84121
22212550640000	LOT	33				6495 S TANNER WY	MURRAY	84121
22212550650000	LOT	23				6492 S TANNER LN	MURRAY	84121
22212550660000	LOT	32				6503 S TANNER WY	MURRAY	84121
22212550670000	LOT	24				6496 S TANNER LN	MURRAY	84121
22212550680000	LOT	31				6511 S TANNER WY	MURRAY	84121
22212550700000	LOT	30				6523 S TANNER WY	MURRAY	84121
22212550710000	LOT	29				6532 S TANNER LN	MURRAY	84121
22212550720000	LOT	26				6526 S TANNER LN	MURRAY	84121
22212550730000	LOT	28				6541 S TANNER LN	MURRAY	84121
22212550740000	LOT	27				6537 S TANNER LN	MURRAY	84121
22212550750000	LOT	25				6514 S TANNER LN	MURRAY	84121
22212550760000	LOT	25				6514 S TANNER LN	MURRAY	84121



Subdivision Name
COTTONWOOD COVE AT TANNER LANE PUD 2ND AMD

Dedication Type: SUBDIVISION

Entry Number: 5690028 **Plat Book:** 1993P **Plat Page:** 338 **Recorded Date:** 12/21/1993 **Recorded Time:** 09:18:00

Requesting Party: GARY S ANDERSON

Active Parcel Numbers Found: 13

Parcel Number	Lot/Unit	Val	Blck/Bldg	Val	Type	Property Location	City	Zip Code
22212550780000	LOT	101				6484 S TANNER WY	MURRAY	84121
22212550790000	LOT	102				6488 S TANNER WY	MURRAY	84121
22212550800000	LOT	103				6494 S TANNER WY	MURRAY	84121
22212550810000	LOT	104				6498 S TANNER WY	MURRAY	84121
22212550820000	LOT	105				6506 S TANNER WY	MURRAY	84121
22212550830000	LOT	106				6516 S TANNER WY	MURRAY	84121
22212550840000	LOT	107				6522 S TANNER WY	MURRAY	84121
22212550850000	LOT	108				6530 S TANNER WY	MURRAY	84121
22212550860000	LOT	109				6536 S TANNER WY	MURRAY	84121
22212550870000	LOT	110				6540 S TANNER WY	MURRAY	84121
22212550880000	LOT	111				6546 S TANNER WY	MURRAY	84121
22212550890000	LOT	112				6544 S TANNER WY	MURRAY	84121
22212550900000					AREA	1788 E 6400 S	MURRAY	84121

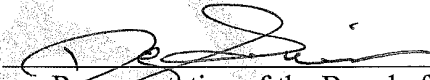
EXHIBIT B
Certificate of Approval of Amendment


The undersigned, being duly authorized Directors of the Cottonwood Cove at Tanner Lane Owner's Association, being duly sworn, certify as follows:

1. Attached to this Certification is the AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS, RESTRICTIONS OF COTTONWOOD COVE AT TANNER LANE OWNERS ASSOCIATION, a non-profit corporation, Condominium Development, situated in Salt Lake City, Salt Lake County, State of Utah.
2. The Prior Declaration and other proceeding amendment(s) were properly amended by majority vote of the Association's membership.
3. The Association authorized the recording of the Amended and Restated Declaration with this Certificate.

Dated: SEPT. 9, 2019

Cottonwood Cove at Tanner Lane Owners Association

By: 
Representative of the Board of Directors

Attest: 
Co-member of the Board of Directors

STATE OF UTAH)
) ss
COUNTY OF SALT LAKE)

On the 9th day of September, ~~2019~~²⁰²⁰, personally appeared before me Douglas Swain and Dana Walton, who being by me duly sworn did say, each for himself or herself, that they are duly elected members of the Association's Board of Directors, and that the foregoing instrument was duly approved in writing by a majority of the Lot Owners.

Sherrie Kinyon
NOTARY PUBLIC



DRAFT

EXHIBIT C
Bylaws

Amended and Restated BYLAWS
OF
COTTONWOOD COVE AT TANNER LANE OWNERS ASSOCIATION,
SALT LAKE COUNTY, UTAH

THESE AMENDED AND RESTATED BYLAWS OF COTTONWOOD COVE AT TANNER LANE OWNERS ASSOCIATION are effective upon recording in the Salt Lake County Recorder's Office pursuant to the Utah Community Association Act and the Utah Revised Nonprofit Corporation Act.

RECITALS

1. Capitalized terms in these Bylaws are defined in Article I of THE AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS, RESTRICTIONS, FOR COTTONWOOD COVE AT TANNER LANE OWNERS ASSOCIATION (“Declaration”).
2. These Bylaws shall amend and completely replace all bylaws, and any amendments thereto, recorded prior to the date of these Bylaws.
3. These Bylaws are adopted in order to complement the Declaration and to eliminate ambiguity, to further define the rights of the Association and the Lot Owners, to provide for the ability to more easily govern and operate the Association, and, to further the Association's efforts to safely, efficiently, and economically provide a quality living environment.

ARTICLE I DEFINITIONS

Except as otherwise provided herein or as may be required by the context, all terms defined in the Cottonwood Cove at Tanner Lane Declaration shall have the same meanings when used in these Bylaws.

- 1.1 “Board Member” means a member of the Board of Directors.

ARTICLE II APPLICATION

All present and future Lot Owners, tenants, or any other persons who may use the facilities at Cottonwood cove in any manner are subject to these Bylaws. The mere acquisition or rental of any of the Lots or parts thereof, or the mere act of occupancy or use of any said Lots or part thereof or the Common Areas will signify that these Bylaws are accepted, ratified, and will be complied with by said persons. These Bylaws govern the management of the business and the conduct of the affairs of the Association except as otherwise provided by statute, the Declaration, or the Articles of Incorporation. In the event of any conflict between the Declaration and these Bylaws, the Declaration shall govern.

ARTICLES III MEMBERS

3.1 Annual Meetings. The annual meeting of the Members shall be held each year on a day and at a time established by the Board of Directors. The purpose of the annual meeting is to elect Board Members and transacting such other business as may come before the meeting. If the

election of Board Members cannot be held at the annual meeting of the Members, or at any adjournment thereof, the Board of Directors shall cause the election to be held either at a special meeting of the Members to be convened as soon thereafter as may be convenient or at the next annual meeting of the Members.

3.2 Special Meetings. Special meetings of the Members may be called by a majority of the Board of Directors, the President, or upon the written request of Members holding not less than 20% of the voting interests of the Association. Any written request for a special meeting presented by the Members shall be delivered to the President and shall include the original signature of each Member affirmatively supporting such request along with a complete statement of the purpose of the meeting on each page containing signatures. The President shall then call, provide notice of, and conduct a special meeting within 20 days of receipt of the request. In case of failure to call such meeting within twenty (20) days after such request, such members may call the same.

3.3 Place of Meetings. The Board of Directors may designate any place in Salt Lake County, State of Utah reasonably convenient for the Members of the Association as the place of meeting for any annual or special meeting called by the Board of Directors. If no designation is made, or if a special meeting is otherwise called, the place of the meeting shall be at the principal office of the Association, which shall be the home of the current president. A waiver of notice signed by all of the members of the Association may designate any place, within the State of Utah, as the place for holding such meeting.

3.4 Notice of Meetings of the Members. The Board of Directors shall cause written or printed notice of the date, time, and place (and in the case of a special meeting, the purpose or purposes) for all meetings of the Members. Such written or printed notice shall be delivered to each Member of record entitled to vote at such meeting not more than sixty (60) nor less than 15 days prior to the meeting. Such notice may be emailed, hand-delivered, or mailed. If emailed, such notice shall be deemed delivered when sent to the Member's email address registered with the Association. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail addressed to the Member at the Member's address registered with the Association, with first-class postage thereon prepaid. Each Member shall register with the Association such Member's current email address and mailing address for purposes of notice hereunder. Such registered email and mailing addresses may be changed from time to time by notice in writing to the Association. If no address is registered with the Association, a Member's Lot address shall be deemed to be the Member's registered address. An Owner may opt out of receiving notices from the Association via email by giving written notice to the President or manager that he/she will not accept notices by way of email.

3.5 Qualified Voters. A Member shall be deemed to be in "good standing" and "entitled to vote" at any meeting of the Association if he or she is in full compliance with all of the terms, covenants, conditions of the Declaration, or these Bylaws, and shall have fully paid his or her share of any Assessments (together with any interest and/or late fees) prior to the commencement of the meeting.

3.6 Record Date for Notice Purposes. Upon purchasing a Unit in the Project, each

Owner shall promptly furnish to the Association a certified copy of the recorded instrument by which ownership of such Unit has been vested in such Owner, which copy shall be maintained in the records of the Association. For the purpose of determining members entitled to notice of or to vote at any meeting of the members, or any adjournment thereof, the Board may designate a record date, which shall be no more than sixty (60) and no less than ten (10) days prior to the meeting. If no record date is designated, the date on which notice of the meeting is mailed shall be deemed to be the record date for determining members entitled to notice of or to vote at the meeting. The persons or entities appearing in the records of the Association on such record date as the Owners of record of Units in the Project shall be deemed to be the members of record entitled to notice of and to vote at the meeting of the members and any adjournments thereof.

3.7 Quorum. At any meeting of the Members, the presence of Members and holders of proxies entitled to cast more fifty percent (50%) of the voting interests of the Association shall constitute a quorum for the transaction of business. If however, such quorum shall not be present or represented at any meeting, the members present (whether represented in person or by proxy), though less than a quorum, may adjourn the meeting and reschedule for a time no earlier than twenty-four (24) hours, nor later than thirty (30) days after the set time for the original meeting. No notice of such rescheduled meeting shall be required except an oral announcement at the meeting to be rescheduled. The Members present shall constitute a quorum for the transaction of business at the rescheduled meeting.

3.8 Proxies. At each meeting of the Members, each Member entitled to vote shall be entitled to vote in person or by proxy provided, however, that the right to vote by proxy shall exist only where the instrument authorizing such proxy to act shall have been executed by the Member or by the Member's attorney when duly authorized in writing. If a Lot is jointly owned, the instrument authorizing a proxy to act may be executed by any one (1) owner of such Lot or the Members' attorneys when duly authorized in writing. Such instrument authorizing a proxy to act shall be dated, set forth the specific matters or issues upon which the proxy is authorized to act, and may allow the proxy to vote on any issue arising at any particular meeting or meetings. Such instrument shall be delivered at the beginning of the meeting to the Secretary of the Association or to such other officer or person who may be acting as secretary of the meeting. The secretary of the meeting shall enter a record of all such proxies in the minutes of the meeting.

3.9 Votes. With respect to each matter submitted to a vote of the Members, each Member entitled to vote at the meeting shall have the right to cast, in person or by proxy, the number of votes appertaining to the Lot of such Member, as shown in the Declaration. The affirmative vote of a majority of the votes entitled to be cast by the Members present or represented by proxy at a meeting at which a quorum was initially present shall be necessary for the adoption of any matter voted on by the Members, unless a greater proportion is required by the Articles, these Bylaws, the Declaration, or the Act. Each Member shall be entitled to one (1) vote for each Lot such Member owns. When more than one person owns a portion of the interest in a Lot, each such person shall be a Member, but the vote for such Lot shall be exercised as they among themselves determine. Absent any other agreement among co-Owners of a single Lot, (i) a single co-Owner appearing at an Association meeting will be entitled to cast the one vote for the Lot, and (ii) if multiple co-Owners appear at an Association meeting, each co-Owner will have a pro rata fractional vote based upon the ownership interests of the co-Owners appearing at such meeting. In

no event shall more than one vote be cast with respect to any single Lot. The Association shall not be required to recognize the vote or written consent of any co-Owner that is not authorized to vote based upon a written designation of all such co-Owners delivered to the Association.

3.10 Waiver of Irregularities. All inaccuracies and irregularities in calls or notices of meetings and in the manner of voting, in the form of proxies and the method of ascertaining Members present, and in the decision and votes of the Board of Directors or of the Owners shall be deemed waived if no objection is made either at the meeting or within thirty (30) days of the date of the meeting, or within 30 days of notice of any decision by the Board of Directors. The presence of a Lot Owner in person at any meeting of the Lot Owners shall be deemed a waiver on any notice requirements.

3.11 Informal Action by Members. Any action that is required or permitted to be taken at a meeting of the Members may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by enough Members such that the vote would have passed if all of Association Members had been in attendance at a regularly called meeting.

ARTICLE IV BOARD OF DIRECTORS

4.1. General Powers. The property, affairs and business of the Association shall be managed by the Board of Directors. The Board of Directors may exercise all of the powers of the Association, whether derived from the Act, the Declaration or these Bylaws, except such powers that the Articles, these Bylaws, the Declaration, or the Act vest solely in the Members. The Board of Directors shall, among other things, prepare or cause to be prepared, plan and adopt an estimated annual budget for the estimated annual common expenses, provide the manner of assessing and collecting assessments, and keep or cause to be kept sufficient books and records with a detailed account of the receipts and expenditures affecting the Project and its administration, and specifying the maintenance and repair expenses of the Common Areas. The books and records shall be available for examination by all members at convenient hours on working days that shall be set and announced for general knowledge. All books and records shall be kept in accordance with generally accepted accounting principles. The Board of Directors may by written contract delegate, in whole or in part, to a professional management organization or person such of its duties, responsibilities, functions, and powers as are properly delegable

4.2. Number, Tenure, and Qualifications. The Board of Directors shall be composed of five (5) persons, each of whom shall be an owner of a Lot in the Project and shall meet the qualifications in these Bylaws. Each Board Member shall hold his position for three (3) years or until his successor shall have been chosen and qualified, or until his death, or until his resignation, disqualification, or removal in the manner provided in these Bylaws, whichever first occurs.

4.3. Regular Meetings. The Board of Directors shall hold regular meetings at least quarterly, at the discretion of the Board of Directors. The Board of Directors may designate any place in Salt Lake County, Utah as the place of meeting for any regular meeting called by the Board of Directors. Meetings may also be held with Board Members appearing telephonically so long as any Board Member appearing telephonically consents to such appearance. If no designation is made, the place of the meeting shall be at the residence of the President of the Association.

4.4. Special Meetings. Special meetings of the Board of Directors may be called by the President, Vice President, or a majority of the Board Members on at least five (5) days prior notice to each Board Member. The person or persons authorized to call special meetings of the Board of Directors may fix any place, within Salt Lake County, as the place for holding the meeting. Notice shall be given personally, by regular U.S. Mail at such Board Member's registered address, by email, or by telephone. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail so addressed, with first-class postage thereon prepaid. Any Board Member may waive notice of a meeting.

4.5. Notice to Owners of Meetings of the Board of Directors. The Board of Directors shall cause written notice of the date, time, and place for all meetings of the Board of Directors to be sent via email to each Owner who has requested such notice. Such written notice shall be delivered no less than 48 hours prior to the meeting except that, when a meeting is called to address an emergency and each member of the Board of Directors receives less than 48-hours' notice of the meeting, such Owners shall receive notice equal to that received by the members of the Board of Directors. Notice to Owners under this Section 4.5 shall be sent via email and shall be deemed delivered when sent to the Owner's email address registered with the Association. Such registered email may be changed from time to time by notice in writing to the Association. If members of the Board of Directors may attend the meeting by electronic means, notice to the Owners shall include information necessary to allow the Owner to attend by electronic means. For the purposes of this Section 4.5, a meeting of the Board of Directors shall mean a gathering of the Board of Directors, whether in person or by electronic means, at which the Board can take binding action.

4.6. Meetings of the Board of Directors Open to Owners. Each meeting of the Board of Directors shall be open to each Owner except that the Board of Directors may close a meeting to consult with an attorney for the purpose of obtaining legal advice; discuss ongoing or potential litigation, mediation, arbitration, or administrative proceedings; discuss a personnel matter; discuss a matter relating to contract negotiation, including review of a bid or proposal; discuss a matter that involves an individual if the discussion is likely to cause the individual undue embarrassment or violate the individual's reasonable expectation of privacy; or discuss a delinquent assessment or fine. At each meeting of the Board of Directors, each Owner shall be provided a reasonable opportunity to offer comments; the Board of Directors may limit comments of the Owners to a specific time period during the meeting. For the purposes of this Section 4.6, a meeting of the Board of Directors shall mean a gathering of the Board of Directors, whether in person or by electronic means, at which the Board can take binding action.

4.7. Quorum and Manner of Action. A majority of the then authorized number of Board Members shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The act of a majority of the Board Members present at any meeting at which a quorum is present and for which proper notice was provided to the Board Members shall be the act of the Board of Directors. The Board Members shall act only as the Board of Directors, and individual Board Members shall have no powers as such.

4.8. Compensation. No Board Member shall receive compensation for any services that such member may render to the Association as a Board Member; provided, however, that a Board Member may be reimbursed for expenses incurred in performance of such duties as a Board

Member to the extent such expenses are approved by a majority of the other Board Members. Nothing herein contained shall be construed to preclude any Board Member from serving the Project in any other capacity and receiving compensation therefore.

4.9. Resignation and Removal. A Board Member may resign at any time by delivering a written resignation to either the President or the Secretary. Unless otherwise specified therein, such resignation shall take effect upon delivery. A Board Member may be removed at any time, with or without cause, at a special meeting of the Members duly called for such purpose upon the affirmative vote of more than seventy-five percent (75%) of the voting interests of the Association.

4.10. Vacancies and Newly Created Board Memberships. If vacancies shall occur in the Board of Directors by reason of the death, resignation, disqualification, or removal of a Board Member as provided in Section 4.9, the Board Members then in office shall continue to act, and such vacancies shall be filled by a majority vote of the Board Members then in office, though less than a quorum. Any vacancy in the Board of Directors occurring by reason of removal of a Board Member by the Members may be filled by election by the Members at the meeting at which such Board Member is removed. Any Board Member elected or appointed hereunder to fill a vacancy shall serve for the unexpired term of his predecessor.

4.11. Waiver of Notice. Before or at any meeting of the Board of Directors, any Board Member may waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board Member at any meeting thereof shall be a waiver of notice by that Board Member of the time, place, and purpose thereof.

4.12. Adjournment. The Board of Directors may adjourn any meeting from day to day for such other time as may be prudent or necessary, provided that no meeting may be adjourned for longer than thirty (30) days.

4.13. Nomination and Election of Board Members. Nomination for election to the Board of Directors shall be made by the Members of the Association by petition filed with the secretary of the Association prior to or at the Annual Meeting. Nominations may also be made from the floor at the annual meeting of Members. Members of the Board shall be elected either by a voice vote or by secret written ballot. Association Members or their proxies shall vote in accordance with the provisions of the Declaration and these Bylaws. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted. No two Board Members shall be related by blood or marriage nor shall any Board Member share joint ownership in a Unit with another Board Member.

ARTICLE V OFFICERS

5.1. Officers. The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, and such other officers as may from time to time be appointed by the Board of Directors. The Board may elect such other officers as the affairs of the 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.

5.2. Election Tenure and Qualifications. The officers of the Association shall be chosen

by the Board of Directors annually at the first regular meeting of the Board of Directors following the annual meeting of the Members. Officers who are also members of the Board of Directors shall serve for a term equal to their term as a Director. Officers who are not also members of the Board shall serve for a term determined by the Board. In the event of failure to choose officers at such regular meeting of the Board of Directors, officers may be chosen at any regular or special meeting of the Board of Directors. Each such officer (whether chosen at a regular meeting of the Board of Directors or otherwise) shall hold such office at least until the next ensuing regular meeting of the Board of Directors and until a successor has been chosen and qualified, or until such officer's death, or until resignation, disqualification, or removal in the manner provided in these Bylaws, whichever first occurs. Any person may hold any two (2) or more of such offices, except that the President may not also be the Secretary. No person holding two (2) or more offices shall act in or execute any instrument in the capacity of more than one (1) office. The President, Vice President (if any), Secretary, and Treasurer may be, but are not required to be, Board Members of the Association.

5.3. Subordinate Officers. The Board of Directors may from time to time appoint such other officers or agents as it may deem advisable, each of whom shall have such title, hold office for such period, have such authority, and perform such duties as the Board of Directors may from time to time determine. Subordinate officers need not be Board Members of the Association.

5.4. Resignation and Removal. Any officer may resign at any time by delivering a written resignation to any Board Member or to any managing agent of the Association. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any officer may be removed and replaced upon the affirmative vote of a majority of the Board of Directors at any time, with or without cause.

5.5. Vacancies and Newly Created Offices. If any vacancy shall occur in any office by reason of death, resignation, removal, disqualification or any other cause, or if a new office shall be created, such vacancies or newly created offices may be filled by the Board of Directors at any regular or special meeting.

5.6. The President. The President shall be the chief executive of the Association. The President shall preside at meetings of the Board of Directors and at meetings of the Members. At the meetings, the President shall have all authority typically granted to the person presiding over the meeting including but not limited to: (1) the right to control the order of the meeting, (2) the right to arrange for the removal of any disruptive Owner or person, (3) the right to impose and enforce reasonable rules and procedures related to the meeting such as those found in "Robert's Rules of Order" or "The Modern Rules of Order." The President shall sign on behalf of the Association all conveyances, mortgages, documents, and contracts, and shall do and perform all other acts and things as required by the Board of Directors.

5.7. The Vice President. The Vice President shall act in the place and stead of the President in the event of the President's absence or inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board of Trustees.

5.8. The Secretary. The Secretary shall keep the minutes of the Association and shall maintain such books and records as these Bylaws, the Declaration, Rules, or any resolution the

Board of Directors may require such person to keep. The Secretary shall also act in the place of the Vice President in the event of the President's and Vice President's absence or inability or refusal to act.

5.9. The Treasurer. The Treasurer shall have the custody and control of the funds of the Association, subject to the action of the Board of Directors, and when requested by the President, shall report the state of the finances of the Association at each meeting of the Members and at any meeting of the Board of Directors. The Treasurer shall perform such other duties as required by the Board of Directors. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant these Bylaws.

5.10. Compensation. No officer shall receive compensation for any services rendered to the Association as an officer, provided, however, that an officer may be reimbursed for expenses incurred in performance of such duties as an officer to the extent such expenses are approved by the Board of Directors.

ARTICLE VI COMMITTEES

6.1. Designation of Committees. The Board of Directors may from time to time by resolution designate committees as it may deem appropriate in carrying out its duties, responsibilities, functions, and powers ("Committee" for purposes of this Article). The membership of each such Committee designated hereunder shall include at least one (1) Board Member ("Committee Member" for purposes of this Article). No Committee Member shall receive compensation for services rendered to the Association as a Committee Member; provided, however, that the Committee Member may be reimbursed for expenses incurred in performance of such duties as a Committee Member to the extent that such expenses are approved by the Board of Directors. A Committee shall not have any powers, duties, or responsibilities beyond those specifically assigned by the Board of Directors in a written resolution. The Board of Directors may terminate any Committee at any time.

6.2. Proceeding of Committees. Each Committee designated hereunder by the Board of Directors may appoint its own presiding and recording officers and may meet at such places and times and upon such notice as such Committee may from time to time determine. Each such Committee shall keep a record of its proceedings and shall regularly report such proceedings to the Board of Directors.

6.3. Quorum and Manner of Acting. At each meeting of any Committee designated hereunder by the Board of Directors, the presence of Committee Members constituting at least a majority of the authorized membership of such Committee, but in no event less than two (2) Committee Members, shall constitute a quorum for the transaction of business, and the act of a majority of the Committee Members present at any meeting at which a quorum is present shall be the act of such Committee. Any Committee Members designated by the Board of Directors hereunder shall act only as a Committee, and the individual Committee Members thereof shall have no powers as such. A Committee may exercise the authority granted by the Board of Directors.

6.4 Resignation and Removal. Any Committee Member designated hereunder by the Board of Directors may resign at any time by delivering a written resignation to the President, the Board of Directors, or the presiding officer of such Committee. Unless otherwise specified therein, such resignation shall take effect upon delivery. The Board of Directors may at any time, with or without cause, remove any Committee Member designated by it thereunder.

6.5 Vacancies. If any vacancy shall occur in any Committee designated by the Board of Directors due to disqualification, death, resignation, removal, or otherwise, the remaining Committee Members shall, until the filling of such vacancy by the Board of Directors, constitute the then total authorized membership of the Committee and, provided that two (2) or more Committee Members are remaining, may continue to act. Such vacancy may be filled at any meeting of the Board of Directors.

ARTICLE VII INDEMNIFICATION

7.1. Indemnification – Third Party Actions. The Association shall indemnify any person who was or is a party to any action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a Board Member or officer of the Association, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding, if he acted in good faith and in a manner he reasonably believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by an order or settlement, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in the best interests of the Association or with respect to any criminal action or proceeding, that the person had reasonable cause to believe that his conduct was unlawful.

7.2. Indemnification – Association Actions. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Association by reason of the fact that he is or was a Board Member or officer of the Association, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit, if he acted in good faith and in a manner he reasonably believed to be in the best interests of the Association; provided, however, that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for gross negligence or intentional misconduct in the performance of his duty to the Association, unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability and in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

7.3. Determination. To the extent that a person who is or was a Board Member or officer of the Association has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Sections 7.1 or 7.2 of Article VII hereof, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith. Any other indemnification under Sections

7.1 or 7.2 hereof shall be made by the Association only upon a determination that indemnification of the person is proper in the circumstances and that he has met the applicable standard of conduct set forth respectively in Sections 7.1 or 7.2 hereof. Such determination shall be made by a quorum of Board Members. If the Board of Directors cannot authorize indemnification because the number of Board Members who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of Board Members who are not parties to that proceeding, the disinterested Board Members shall, in their sole discretion, either (a) appoint independent legal counsel who shall make the determination regarding indemnification in a written opinion, or (b) cause that the determination regarding indemnification be made by the Members of the Association by the affirmative vote of more than fifty percent (50%) of the total votes of the Association at a meeting duly called for such purpose

7.4. Insurance. The Board of Directors, in its discretion, may direct that the Association purchase and maintain insurance on behalf of any person who is or was a Board Member, officer, or employee of the Association or is or was serving at the request of the Association as a Board Member, officer, employee or agent of another association, corporation, partnership, joint venture, trust or other enterprise against any liability asserted against, and incurred by, such person in any such capacity or arising out of such person's status as such, whether or not the Association would have the power to indemnify such person against liability under the provisions of this Article VII.

7.5. Settlement by the Association. The right of any person to be indemnified shall be subject always to the right of the Association by the Board of Directors, in lieu of such indemnity, to settle any such claim, action, suit or proceeding at the expense of the Association by the payment of the amount of such settlement and the costs and expenses incurred in connection therewith.

ARTICLE VIII RECORDS, AUDITS, AND FISCAL YEAR

The Association shall maintain within the State of Utah all documents, information, and other records of the Association in accordance with the Declaration, these Bylaws, and the Utah Revised Nonprofit Corporation Act in the manner prescribed by a resolution adopted by the Board of Directors.

8.1. General Records. The Board of Directors or managing agent for the Association shall keep records of the actions of the Board of Directors and managing agent or manager; minutes of the meetings of the Board of Directors; minutes of the Member meetings of the Association, and financial records of the receipts and expenditures affecting the Property.

8.2 Financial Reports and Audits.

a. An annual report of the receipts and expenditures of the Association and a balance sheet showing assets and liabilities shall be rendered by the Board of Directors to all Owners and to all First Mortgagees of Lots who have requested notice of certain matters from the Association in accordance with this Declaration ("Eligible Mortgagee" for purposes of this Article).

b. From time to time the Board of Directors, at the expense of the Association, may

obtain an audit by a certified public accountant or other financial review of the books and records pertaining to the Association and furnish copies thereof to the Owners and Eligible Mortgagees of Lots. At any time any Owner or Eligible Mortgagee may, at such Owner's or Eligible Mortgagee's own expense, cause an audit or inspection to be made of the books and records of the Association.

8.3 Inspection of Records by Owners. Except as provided in Section 8.5 below, all records of the Association shall be reasonably available for examination by an Owner and any Eligible Mortgagee of a Lot pursuant to Rules adopted by resolution of the Board of Directors. The Board, by resolution, may adopt reasonable Rules governing the frequency, time, location, notice and manner of examination and duplication of Association Records and the imposition of a reasonable fee for furnishing copies of any documents, information or records described in this Section. The fee may include reasonable personnel costs incurred to furnish the information, including any and all fees the Association may be charged by its designee that assists the Association in furnishing this information.

8.4 Records Not Subject to Inspection. Records kept by or on behalf of the Association may be withheld from examination and duplication to the extent the records concern:

- a. Personnel matters relating to a specific identified person or a person's medical records;
- b. Contracts, leases, and other business transactions that are currently under negotiation to purchase or provide goods or services;
- c. Communications with legal counsel that relate to matters specified in subsections a. and b. of this Section, or current or pending litigation;
- d. Disclosure of information in violation of law;
- e. Documents, correspondence or management or Board of Director reports compiled for or on behalf of the Association or the Board by its agents or committees for consideration by the Board in executive session;
- f. Documents, correspondence, or other matters considered by the Board of Directors in executive session; or
- g. Files of individual Owners, other than those of a requesting Owner or requesting Eligible Mortgagee of an individual Owner, including any individual Owner's file kept by or on behalf of the Association.

ARTICLE IX RULES AND REGULATIONS

9.1. Establishment of Rules and Regulations. The Board of Directors shall have the authority to adopt and establish by resolution such Project management and operational Rules and Regulations as it may deem necessary for the maintenance, operation, management, and control of

the Project.

9.2. Amendment. The Board of Directors may from time to time, by resolution, alter, amend, and repeal such Rules and Regulations.

9.3. Enforcement. Owners shall use their best efforts to see that the Rules and Regulations are strictly observed by their lessees and the persons over whom they have or may exercise control or supervision, it being clearly understood that such Rules and Regulations shall apply and be binding upon all Lot Owners of the Project.

9.4. Copies of Rules. Copies of all Rules and Regulations and resolutions adopted by the Board of Directors shall be sent to all Lot Owners at least ten (10) days prior to the effective date thereof.

ARTICLE X AMENDMENTS

Except as otherwise provided by law, the Articles of Incorporation, the Declaration, or these Bylaws, these Bylaws may be amended, modified, or repealed and new bylaws may be made and adopted by the members upon the affirmative vote of not less than fifty-one percent (51%) of the total votes of the Association; provided, however, that such action shall not be effective unless and until a written instrument setting forth (a) the amended, modified, repealed, or new bylaws, (b) the number of votes cast in favor of such action, and (c) the total votes of the Association, shall have been executed and verified by the current president of the Association and recorded in the office of the County Recorder of Salt Lake County

ARTICLE XI MISCELLANEOUS PROVISIONS

11.1. Waiver. No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

11.2. Invalidity; Number; Captions. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws. As used in these Bylaws, the singular shall include the plural, and the plural the singular. The masculine and neuter shall each include the masculine, feminine and neuter, as the context requires. All captions are intended solely for convenience of reference and shall in no way limit any of the provisions of these Bylaws.

11.3. Conflicts. These Bylaws are intended to comply with the Declaration. In case of any irreconcilable conflict, the Declaration shall control over these Bylaws.

[SIGNATURES ON THE NEXT PAGE]

EXECUTED this 9 day of SEPTEMBER, 2019.

COTTONWOOD COVE AT TANNER LANE OWNERS ASSOCIATION

BY: [Signature]

TITLE: BOARD MEMBERS

STATE OF UTAH)
) SS:
COUNTY OF SALT LAKE)

On, the 9th day of September, ~~2019~~ 2020, personally appeared before me Douglas Swain & Dana Walton who by me being duly sworn, did say that he/she is the Board Members of Cottonwood Cove at Tanner Lane Owners Association, and that the foregoing instrument was approved by at least 67% of the voting interests of the Association.

[Signature]
Notary Public

