

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

BLOOMINGTON TOWNHOUSE ASSOCIATION

THIS DECLARATION of covenants, conditions and restrictions, herein-
after called "Declaration," is made and executed in Salt Lake County,
State of Utah, this 14th day of October, 1970, by TERRACOR, a Utah
Corporation, hereinafter called "Declarant."

W I T N E S S E T H :

WHEREAS, Declarant is the owner of certain property in the County
of Washington, State of Utah, which is more particularly described as
lots 914 through 3387 (inclusive) of Block No. 1, Bloomington Country
Club Subdivision No. 3, according to the official plat thereof as
recorded with the office of the County Recorder, County of Washington,
State of Utah.

WHEREAS, Declarant will convey the said properties subject to
certain protective covenants, conditions, restrictions, reservations,
liens and charges as hereinafter set forth;

NOW, THEREFORE, Declarant hereby declares that all of the property
described above shall be held, sold and conveyed subject to the
following easements, restrictions, covenants and conditions which are
for the purpose of protecting the value and desirability of, and which
shall be construed as covenants of equitable servitude, and which
shall run with the real property and be binding on all parties having
any right, title or interest in the described properties or any part
thereof, their heirs, successors and assigns, and shall inure to the
benefit of each owner thereof.

ARTICLE I

DEFINITIONS

SECTION 1. "Association" shall mean and refer to: BLOOMINGTON
TOWNHOUSE ASSOCIATION, its successors and assigns.

SECTION 2. "Properties" shall mean and refer to that certain
real property hereinbefore described and such additions thereto as
may hereafter be brought within the jurisdiction of the Association.

Entry No. 143657
Date February 25, 1971, at 4:45 P. M., Book 102, Page 167-188, Fee \$23.00
Recorded at request of Jim Ward
Washington County Recorder, By Deputy

SECTION 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as Lots 914 through 3387 (inclusive) of Block No. 1, Bloomington Country Club Subdivision No. 3, according to the official plat thereof as recorded with the office of the County Recorder, County of Washington, State of Utah, but excepting therefrom that property lying immediately below those townhouse units to be constructed thereon (as shown on the aforementioned plat) which property is to be deeded to grantees of Declarant.

143657

SECTION 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the properties with the exception of the Common Area.

SECTION 5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

SECTION 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the properties including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

SECTION 7. "Declarant" shall mean and refer to TERRACOR, a Utah Corporation, its successors and assigns, if such successors or assigns shall acquire more than one undeveloped lot from the Declarant for the purpose of development.

SECTION 8. "Class I Lots" shall mean and refer to any lot upon which there is a residence or single family unit which has been completed as evidenced by an Architectural Control Committee Notice of Final Inspection (as below defined):

SECTION 9. "Class II Lots" shall mean and refer to any vacant lot or lots upon which a residence or single family unit has not been completed.

SECTION 10. "Conveyance" shall mean and refer to actual conveyance of fee title to any lot to any owner be a good and sufficient warranty deed or other document of title and shall not mean the mere execution of an installment land sales contract document.

SECTION 11. "Townhouse" shall mean and refer to a single family dwelling unit with or without walls or roofs in common with other single family dwelling units and which shall include the following:

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- A. Fee title to the real property lying directly below said single family dwelling unit;
 - B. An equal and undivided interest in the common area which common area is set forth in Exhibit "B" attached hereto, subject to the right of the Association as set forth in Article V, Section 1 below.

ARTICLE II

ANNEXATION OF ADDITIONAL PROPERTIES

143657

Additional property within that area known as Bloomington Country Club No. 3 according to the official plat thereof recorded with the office of the Washington County Recorder, Washington County, State of Utah may be annexed without the consent of members for a period of ten years from the date of recording of this Declaration with the office of the Washington County Recorder, County of Washington, State of Utah. Thereafter any additional properties may be annexed by the Declarant providing that such annexation be approved by seventy-five percent (75%) of the Class A members (as defined in Article IV below) at a meeting duly called for this purpose; written notice of which shall be sent to all such members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. In the event that seventy-five percent (75%) of the Class A membership is not present in person or by proxy, members not present may give their written assent to the action taken thereat.

ARTICLE III

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No owner shall have more than one (1) membership. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Association. Ownership of such lot shall be the sole qualification for membership.

ARTICLE IV

VOTING RIGHTS

The Association shall have two (2) classes of voting membership:

CLASS A: Class A members shall be all those Owners as defined in Article III. Class A members shall be entitled to one vote for each lot in which they

hold the interest required for membership by Article III. When more than one person holds such interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

143657

CLASS B: The Class B member(s) shall be the Declarant. The Class B member(s) shall be entitled to ten (10) votes for each Lot in which it holds the interest required for membership by Article III, provided that the Class B membership shall cease and be converted to Class A membership on June 1, 1980.

ARTICLE V
PROPERTY RIGHTS

SECTION 1. Members' Easements of Enjoyment. Every member SHALL HAVE A RIGHT AND EASEMENT OF ENJOYMENT IN AND TO THE Common Area and such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to the following provisions:

- (a) The right of the Association to limit the number of guests of members;
- (b) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (c) The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property, and the rights of such mortgagee in said properties shall be subordinate to the rights of the homeowners hereunder;
- (d) The right of the Association to suspend the voting rights and right to use of the recreational facilities by a member for any period during which any assessment against his Lot remains unpaid; and for a period of not to exceed thirty (30) days for any infraction of its published rules and regulations;

(e) The right of the Association to sell, exchange, hypothecate, dedicate or transfer all or part of the Common Area to any private, individual, corporate entity, public agency, authority, or utility for such purposes and subject to by the Association;

(f) The right of individual owners to the exclusive use of garage parking spaces, the driveway thereto and patio spaces as provided in this article.

143657

SECTION 2. Parking Rights. Ownership of each Lot shall entitle the owner or owners thereof to the exclusive use of not more than one (1) double garage parking space, which shall bear the same number as the lot owned and shall be further identified as GARAGE and shall be so set forth on the plats as filed with the office of the Recorder, County of Washington, State of Utah, together with the right of ingress and egress in and upon said parking area. The Association shall permanently assign such double garage parking space for each dwelling. Parking in such a manner as to prevent ingress or egress to a garage shall be prohibited.

SECTION 3. Patio Rights. Ownership of each Lot shall entitle the owner or owners thereof to the exclusive use of not more than one (1) patio area, which area shall be adjacent to the lot owned and shall bear the same number as the lot owned and shall be further identified as PATIO and shall be set forth on the filed plats together with the right of ingress and egress in and upon said patio area. The Association shall permanently assign such patio area for each dwelling.

SECTION 4. Delegation of Use. Any member may designate, in accordance with the Bylaws, his right or enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

SECTION 5. Title to the Common Area. The Declarant hereby covenants for itself, its heirs and assigns, that it will convey fee simple title to the Common Area to the Association, free and clear of all encumbrances and liens, prior to the conveyance of the first lot.

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTSSECTION 1. Creation of the Lien and Personal Obligation of Assessments.

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 The Declarant, for each Lot owned within the property, hereby covenants, and each Owner of any Lot by acceptance of a Deed therefore, whether or not it shall be so expressed in any Deed or other conveyance, is deemed to covenant and agree to pay to the Association: (1) annual assessment and/or charges, and (2) special assessments to be fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs, and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation shall not pass to his successors in title unless expressly assumed by them.

SECTION 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents in the Property and in particular for the improvement and maintenance of the property, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, and of the homes situated upon the Property. They shall include, but are not limited to, funds for the actual cost to the Association of all taxes, insurance, repair, replacement and maintenance of the Common Area and of the maintenance of the exteriors of the Lots or Townhouses as may from time to time be authorized by the Board of Directors, and other facilities and activities including, but not limited to, mowing grass, caring for the grounds, sprinkler system, landscaping, roofs, garbage pickup, and water service furnished to Townhouses and Lots by the Association, and other charges required by this Declaration of Covenants, Conditions and Restrictions or that Board of

Directors of the Association shall determine to be necessary to meet the primary purposes of the Association, including the establishment and maintenance of a reserve for repair, maintenance, taxes, and other charges as specified herein. That portion of the assessment which is designated for water service shall be maintained in a separate account and shall be disbursed only in payment for water and maintenance of the water distribution system.

143657
SECTION 3. Basis and Maximum of Annual Assessments. Until January 1st of the year immediately following the conveyance of the first Lot to any Owner, the maximum annual assessment shall be Three Hundred and Sixty Dollars (\$360.00) per Lot.

(a) From and after January 1st of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased effective January 1st of each year without a vote of the membership in conformance with the rise, if any, of the Consumer Price Index (published by the Department of Labor, Washington, D. C.) for the preceding month of July.

(b) From and after January 1st of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above that established by the Consumer Price Index formula by a vote of the members for the next succeeding year and at the end of such year, for each succeeding year thereafter, provided that any such change shall have the assent of two-thirds (2/3) of the votes of the members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

(c) After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

143657

SECTION 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of the members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting.

SECTION 5. Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all of Class I Lots and Class II Lots, although the assessments on all Class II Lots may be fixed at a stated fractional amount of the assessment upon all Class I Lots.

SECTION 6. Quorum for Any Action Authorities Under Sections 3 and 4. At the first meeting called, as provided in Sections 3 and 4 hereof, the presence at the meeting of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth in Sections 3 and 4, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting.

SECTION 7. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining

143657

in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors and, unless otherwise provided, the Association shall collect each month from the owner of each Lot one-twelfth (1/12) of the annual assessment for such Lot. The Association shall upon demand at any time furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

SECTION 8. Effect of Non-Payment of Assessments; Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six percent per annum, and the Association may bring action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and interests, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. Each such Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Bloomington Homeowner's Association, or its agents the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in alike manner as a mortgage or deed or trust lien on real property, and such Owner hereby expressly grants to the Association a power of sale in connection with said lien. The lien provided for in this section shall be in favor of the Association and shall be for the benefit of all other Lot Owners. The Association, acting on behalf of the Lot Owners, shall have the power to bid in an interest foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey the same, and to subrogate so much of its right to such liens as may be necessary or ex-

pedient to an insurance company continuing to give total coverage notwithstanding non-payment of such defaulting owner's portion of the premium. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

143657
SECTION 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any mortgage, pursuant to a decree of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

SECTION 10. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein:

- (a) All properties dedicated to and accepted by local public authority;
- (b) The Common Area; and,
- (c) All properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Utah.

However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

SECTION 11. Management Agreements. Each Owner of a Lot hereby agrees to be bound by the terms and conditions of all management agreements entered into by the Association. A copy of all such agreements shall be available to each Owner. Any and all management agreements entered into by the Association shall provide that said management agreement may be cancelled by an affirmative vote of sixty percent (60%) of the votes of the Members of the Association. In no event shall such management agreement be cancelled prior to the effecting by the Association or its Board of Directors of a new management agreement with a party or parties, which new management agreement will become operative immediately upon the cancellation of the preceding management agreement.

It shall be the duty of the Association or its Board of Directors to effect a new management agreement prior to the expiration of any prior management contract. Any and all management agreements shall be made with a responsible party or parties having experience adequate for the management of a project of this type.

143657
SECTION 12. Insurance Assessments. The Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain insurance for all the buildings, including all townhouses, unless the Owners thereof have supplied proof of adequate coverage to the Board of Directors' complete satisfaction, and approval, which shall not be unreasonably withheld, against loss or damage by fire or other hazard, and shall also obtain a broad form public liability policy covering all Common Area, and all damage or injury caused by the negligence of the Association or any of its agents. Said insurance may include coverage against vandalism. Premiums for all such insurance coverage, including insurance on townhouses obtained by the Board of Directors shall be written in the name of the Association as Trustee for each of the townhouse owners in the same proportions as their undivided interest in the Common Area. Insurance on dividual townhouses obtained by such townhouse owners may be written in the name of the individual owners. Premiums for insurance obtained by the Board of Directors on townhouses shall not be part of the common expense but shall be an expense of the specific townhouse or townhouses so covered and a debt owed by the owners, and shall be collectible by a lawful procedure permitted by the laws of the State of Utah. In addition, if said debt is not paid within twenty (20) days after notice of such debt, such amount shall automatically become a lien upon such owners' lot and townhouse and shall continue to be such a lien until fully paid. This lien shall be subordinate to liens as set forth in Section 9 above, and shall be enforceable in the same manner as any lien created by failure to pay the maintenance assessments. In addition to the aforementioned insurance required to be carried by the Owners and/or the Association, any Owner may, if he wishes, at his own expense, insure his own townhouse unit for his own benefit and carry any and all other insurance he deems advisable. It shall be the individual responsi-

143657

bility of each owner at his own expense to provide, as he sees fit, homeowner's liability insurance, theft and other insurance covering personal property damage and loss. In the event of damage or destruction by fire or other casualty to any property covered by insurance written in the name of the Association, the Board of Directors shall, with concurrence of the mortgagee, if any, upon receipt of the insurance proceeds, contract to rebuild or repair such damaged or destroyed portions of the property to as good condition as formerly. All such insurance proceeds shall be deposited in a bank or other financial institution, the accounts of which bank or institution are insured by a Federal Governmental Agency, with the proviso agreed to by said bank or institution that such funds may be withdrawn only by signature of at least one-third (1/3) of the members of the Board of Directors, or by an agent duly authorized by the Board of Directors. The Board of Directors shall advertise for sealed bids with any licensed contractors, and then may negotiate with any contractor, who shall be required to provide a full performance and payment bond for the repair, reconstruction or rebuilding of such destroyed building or buildings. In the event the insurance proceeds are insufficient to pay all the costs of repairing and/or rebuilding to the same condition as formerly, the Board of Directors shall levy a special assessment against all owners of the damaged townhouses in such proportions as the Board of Directors deem fair and equitable in the light of the damage sustained by such townhouses to make up any deficiency, except that the special assessments shall be levied against all townhouse owners, as established by Article VI, Section 1, above, to make up any deficiency for repair or rebuilding of the Common Area not a physical part of a townhouse unit. In the event such insurance proceeds exceed the cost of repair and reconstruction, such excess shall be paid over to the respective mortgagees and owners in such proportions as the Board of Directors deem fair and equitable in the light of the damage sustained by such townhouses. Such payments shall be made to all such owners and their mortgagees in proportion to their percentage interests.

143657
 In the event of damage or destruction by fire or other casualty to any townhouse or other property covered by insurance written in the name of an individual owner, said owner shall, with concurrence of the mortgagee, if any, upon receipt of the insurance proceeds, contract to repair or rebuild such damaged or destroyed portions of the exterior of the townhouse in a good workmanlike manner in conformance with the original plans and specifications of said townhouse. In the event such owner refuses or fails to so repair and rebuild any and all such damage to the exterior of the townhouse area within thirty (30) days, the Association, by and through its Board of Directors, is hereby irrevocably authorized by such owner to repair and rebuild any such townhouse in a good and workmanlike manner in conformance with the original plans and specifications of the townhouses. The owner shall then repay the Association in the amount actually expended for such repairs, and the Association shall have a lien securing the payment of same identical to that provided above in this section securing the payment of insurance premiums; and subject to foreclosures as above provided.

ARTICLE VII

PARTY WALLS

SECTION 1. General Rules of Law to Apply. Each wall is built as a part of the original construction of a townhouse upon the Property and placed between two (2) separate living units intended for use and occupancy as a residence by a single family shall constitute a party wall and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

SECTION 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in equal proportions.

SECTION 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, then, to the extent that such damage is not covered by insurance and repaired out of the proceeds of same, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration

thereof in equal proportions without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligence or willful acts or omissions.

SECTION 4. Weatherproofing. Notwithstanding any other provision of this Article, to the extent that such damage is not covered and paid by the insurance provided for herein, an Owner who by his negligence or willful set causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

SECTION 5. Right to Contribution Runs With Land. The right of an Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

SECTION 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators. Should any party refuse to appoint an arbitrator within ten (10) days after written request therefor, the Board of Directors of the Association shall select an arbitrator for the refusing party.

ARTICLE VIII

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon any Lot, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Architectural Control Committee which committee shall initially consist of employees or officers of Declarant's subsidiary, Environmental Design Group. Vacancies on said committee shall be filled by persons appointed by the Board of Directors of the Association, provided, however, that only officers or employees of Environmental Design Group shall be appointed to the Committee until (1) such time as the

Board of Directors of the Association shall elect to appoint members to the Committee, or hold open elections, or (2) until ten (10) years after the date of recording of this instrument with Washington County, Utah, whichever is the latest in occurrence.

143657
Any member of the Architectural Control Committee may be removed either with or without cause, at any time by a vote of the majority of the Board of Directors of the Association. In the event said Committee fails to approve or disapprove such plans and specifications as may be submitted to it within thirty (30) days after such submission, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE IX

EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder, as follows: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks, and other exterior improvements. Such exterior maintenance shall not include glass surfaces or areas enclosed by patio fences.

In the event that the need for maintenance or repair is caused through the willful or negligent act of the Owner, his family, or guests, or invitees, and not covered or paid for by insurance on such Lot, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Lot is subject.

ARTICLE X

USE RESTRICTIONS

SECTION 1. Except for land designated as Common Area as shown on the recorded plat of Bloomington Townhouse Area in the County of Washington, State of Utah, all of the lots contained in said area shall be used for residential purposes only. All buildings or structures erected upon said property shall be of new construction and no building or structure shall be moved from other

locations onto the property and no subsequent buildings or structures other than townhouse apartment buildings, being single-family townhouses joined together by a common exterior, roof and foundation shall be construed. No structures of a temporary character, trailer, basements, tents, shacks, barn or other outbuilding shall be used on any portion of said property at any time as a residence, either temporarily or permanently.

143657 SECTION 2. Each Lot shall be conveyed as a separately designated and legally described freehold estate subject to the terms, conditions and provisions hereof.

SECTION 3. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for Declarant or the Building of said Townhouses to maintain during the period of construction and sale of said Townhouses, upon such portion of the premises as Declarant deems necessary, such facilities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the construction and sale of said Townhouses, including but without limitation, a business office, storage area, construction yards, signs, model units and sales office.

SECTION 4. No animals, livestock or poultry of any kind shall be raised, bred or kept on any said Lots, except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purpose.

SECTION 5. No advertising signs, (except one of not more than five square feet "for rent" or "for sale" sign per parcel), billboards, unsightly objects, or nuisances shall be erected, placed or permitted to remain on said property, nor shall said property be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any Townhouse or any resident thereof, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. No business activities of any kind whatsoever shall be conducted in any building or in any portion of said property provided, however, the foregoing covenants shall not apply to the

business activities, signs and billboards, or the construction and maintenance of buildings, if any, of Declarant, its agents and assigns during the construction and sale period, and of Bloomington Homeowners' Association, a non-profit corporation incorporated or to be incorporated under the laws of the State of Utah, its successors, and assigns, in furtherance of its powers and purposes as hereinafter set forth.

143657 SECTION 6. All clotheslines, basketball backboards, equipment, garbage cans, service yards, woodpiles, or storage piles shall be kept screened by adequate planting or fencing so as to conceal them from view of neighboring Townhouses and streets. All rubbish, trash, or garbage shall be regularly removed from the premises, and shall not be allowed to accumulate thereon. All clotheslines shall be confined to patio areas.

SECTION 7. Except in the individual patio area appurtenant to a Townhouse, no planting or gardening shall be done, and no fences, hedges or walls shall be erected or maintained upon said property except such as are installed in accordance with the initial construction of the buildings located thereon or as approved by the Association's Board of Directors or their designated representative. Except for the right of ingress and egress, the Owners of Lots are hereby prohibited and restricted from using any of said Common Area outside the exterior building lines, and the patio areas, except as herein prescribed or as may be allowed by the Association's Board of Directors. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all Owners of Lots in the Bloomington Townhouse Area, and is necessary for the protection of said owners.

SECTION 8. Maintenance, upkeep and repairs of any patio area, (exclusive of that area outside patio fences), shall be the sole responsibility of the individual owner of the Lot appurtenant thereto and not in any manner the responsibility of the Board of Directors. Any cooperative action necessary or appropriate to the proper maintenance and upkeep of the Common Area on all exteriors and roofs of the Townhouses, including but not limited to recreation

and parking areas and walks, shall be taken by the Board of Directors or by its duly delegated representative.

SECTION 9. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any lot.

SECTION 10. All utilities, fixtures and equipment installed within a Townhouse, commencing at a point where the utility lines, pipes, wires, conduits or systems enter the exterior walls of a Townhouse, shall be maintained and kept in repair by the Owner thereof. An Owner shall do no act nor any work that will impair any easement or hereditament, nor do any act nor allow any condition to exist which will adversely affect the other Townhouses or their Owners.

SECTION 11. Without prior written approval and the authorization of the Board of Directors, no exterior television or radio antennas of any sort shall be placed, allowed or maintained upon any portion of the improvements to be located upon the property, nor upon any structure situated upon the property other than an aerial for a master antenna system, should any such master system or systems be utilized and require any such exterior antenna.

SECTION 12. Enforcement. The Association or the Declarant or its successors in interest, or any Owner, shall have the right to enforce by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

SECTION 13. Construction and Validity of Restrictions. All of said conditions, covenants and reservations contained in this Declaration shall be construed together, but if it shall at any time be held that any one of said con-

143657

ditions, covenants, or reservations, or any part thereof, is invalid, or for any reason becomes unenforceable, no other condition, covenant, or reservation, or any part thereof, shall be thereby affected or impaired; and the Declarant and lot owners, their successors, heirs, and/or assigns shall be bound by each article, section, subsection, paragraph, sentence, clause and phrase of this Declaration, irrespective of the fact that any article, section, subsection, paragraph, sentence, clause or phrase be declared invalid or inoperative or for any reason become unenforceable.

143657
SECTION 14. Duration. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representative, heirs, successors, and assigns for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive period of ten (10) years. The covenants and restrictions of this Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners, and thereafter by an instrument signed by not less than sixty percent (60%) of the Lot Owners, provided that the declarant amend such at any time within three (3) years from date of recording hereof without approval of Lot Owners. Any amendment must be properly recorded in the Deed Records of Washington County, Utah.

SECTION 15. Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

ARTICLE XI

EASEMENTS

SECTION 1. Each Lot and the property included in the Common Area shall

143657
 be subject to an easement for encroachments created by construction, settling and overhangs, as designed or constructed by the Declarant. A valid easement for said encroachments and for the maintenance of same, so long as it stands, shall and does exist. In the event the multi-family structure containing two or more Townhouses is partially or totally destroyed, and then rebuilt, the owners of the Townhouses so affected agree that minor encroachments of parts of the adjacent Townhouse units or Common Areas due to contraction shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist.

SECTION 2. There is hereby created a blanket easement upon, across, over and under all of the said Property for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewers, gas, telephones and electricity, and a master television antenna system. By virtue of this easement, it shall be expressly permissible for the providing electrical and/or telephone company to erect and maintain the necessary poles and other necessary equipment on said property and to affix and maintain electrical and/or telephone wires, circuits and conduits on, above, across and under the roofs and exterior walls of said Townhouses. An easement is further granted to all police, fire protection, ambulance and all similar persons to enter upon the streets and Common Area in the performance of their duties. Further, an easement is hereby granted to the Association, its officers, agents, employees and to any management company selected by the Association to enter in or to cross over the Common Area and any Townhouse to perform the duties of maintenance and repair of the Townhouses or Common Area provided for herein. Notwithstanding anything to the contrary contained in this paragraph, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on said Property except as initially programmed and approved by the Declarant or thereafter approved by Declarant or the Association's Board of Directors. Should any utility furnishing a service covered by the general easement herein provided request a specific

easement by separate recordable document, Declarant shall have the right to grant such easement on said Property without conflicting with the terms hereof. The easements provided for in this Article XI shall in no way affect any other recorded easement on said premises.

ARTICLE XII
ASSIGNMENT OF POWERS

143657

Any and all rights and powers of Declarant herein contained may be delegated, transferred or assigned. "Declarant" shall include all assigns or successors in interest of Declarant.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 14th day of October, 1970.

TERRACOR, a Utah Corporation
Declarant

By Franklin D. Johnson
Its:

ATTEST:

Kent B Linebaugh
ASST. SECRETARY

STATE OF UTAH)
) ss.
County of Salt Lake)

On the 14th day of October, 1970, before me, a Notary Public in and for the above state and county, personally appeared Franklin D. Johnson and Kent B Linebaugh, who being by me first duly sworn, did depose and say: That he, the said Franklin D. Johnson is the President, and he, the said Kent B Linebaugh is the Assistant Secretary of TERRACOR, a Utah Corporation; that the above and foregoing instrument was signed by said Corporation by authority of a resolution of its Board of Directors; and that said Corporation duly executed the same and the seal affixed thereto is the duly authorized seal of said Corporation.

Olivia J. Rendon
NOTARY PUBLIC
Residing at: Salt Lake City, Utah

My Commission Expires:
9/18/74