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84003

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RANDALL A. COVINGTON
UTAH COUNTY RECORDER
2001 Feb 23 2:32 pm FEE 85.00 BY JRD
RECORDED FOR ROBINSON DEVELOPMENT INC

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
for
QUAIL MEADOWS PLANNED UNIT DEVELOPMENT**

THIS DECLARATION (the "Declaration") is made this _____ day of _____, 20____, by Robinson Development, Inc., ("Declarant").

R E C I T A L S

WHEREAS, Declarant is the owner of certain real property in Utah County, Utah, and more particularly described in Exhibit A hereto attached (the "real property"); and

WHEREAS, Declarant intends to develop the real property as a planned unit development known and to be known as Quail Meadows Twin-homes Planned Unit Development (the "Project"); and

WHEREAS, Declarant desires to provide for the preservation of values and amenities within the Project and for the maintenance of roadways, open spaces, and any other common areas or facilities to be developed as part of the Project; and to this end desires to subject the real property to the covenants, conditions, restrictions, uses, limitations, obligations, servitudes, easements, charges, liens and other provisions (herein all together called "covenants and restrictions") set forth in this Declaration, each and all of which is and area for the benefit of the real property and the subsequent owners thereof; and

WHEREAS, Declarant has deemed it desirable for the efficient preservation of the values and amenities in the Project to create an association to which will be conveyed title to all of the Common Areas and to which will be delegated and assigned the powers and duties of maintaining and administering said Common Areas, administering and enforcing the provisions of this Declaration, and disbursing the charges and assessments herein created; and

WHEREAS, Declarant has caused to be formed Quail Meadows @ Tri-City Twin-Homes Homeowners Association, Inc., a Utah non-profit corporation without capital stock (the "Association") for the purposes of carrying out the aforesaid powers, duties and obligations;

NOW, THEREFORE, Declarant hereby declares that the real property is and shall be held, conveyed, hypothecated or encumbered, sold, leased, rented, used, occupied and improved subject to the covenants and restrictions hereinafter set forth, all of which, are declared and agreed shall be in aid of the Project's plan of development; shall protect the value of the real property and the improvements comprising the Project; shall run with and bind the real property and all persons having any right, title or interest therein, their heirs, successors and assigns; and shall inure to the benefit of and be enforceable by Declarant, its successors and assigns, the Association, and any person owning or acquiring an interest in the real property.

ARTICLE I DEFINITIONS

When used in this Declaration (including that portion hereof captioned "RECITALS") each of the following terms shall have the meaning indicated:

1. Articles shall mean and refer to the Articles of Incorporation of the Association, which are or shall be filed in the Office of the Secretary of State of Utah, as amended from time to time.
2. Association shall mean QUAIL MEADOWS @ TRI-CITY TWIN-HOMES HOMEOWNERS ASSOCIATION, a Utah nonprofit corporation, and its successors and assigns.
3. Board shall mean the Board of Trustees of the Association.
4. Bylaws shall mean the Bylaws of the Association, as amended from time to time.
- 5a. Common Areas shall mean all portions of the Development except for areas designated as Private Area and Limited Common Area on the Plat, and shall include all property owned by the Association for the common use and enjoyment of the Owners such as all common recreational facilities, undedicated roads or streets, open spaces, structural common areas and the like, together with all easements appurtenant thereto.
- 5b. Limited Common Areas shall mean area identified on the plat map designated for driveways and private patio areas.
- 5c. Private Areas shall mean area identified on the plat map designated for footprint of private structure.
6. Declarant shall mean Robinson Development, Inc.
7. Declaration shall mean this "Declaration of Covenants, Conditions and Restriction".

8. Development shall mean the Quail Meadows Twin-Homes Planned Unit Development as it exists at any given time.

9. Living Unit shall mean a structure which is designed and intended for use and occupancy as a single-family residence, together with all improvements located on the same Lot and used in conjunction with such residence.

10. Lot shall mean any lot of land within the Property designed and intended for improvement with a Living Unit.

11. Managing Agent shall mean any person or entity appointed or employed as Managing Agent by the Association.

12. Mortgage shall mean any first mortgage, first deed of trust or trust deed or the act of encumbering any property by a mortgage, deed of trust or trust deed; and Mortgagee shall mean any first mortgagee or a mortgage and any trustee or beneficiary of a first deed of trust or trust deed.

13. Owner shall mean any person who is the owner of record (as reflected by the records in the office of the County Recorder of Utah County, Utah) of a fee or undivided fee interest in any Lot, which is a part of the Development, including contract buyers. Notwithstanding any applicable theory relating to mortgages, no Mortgagee shall be an Owner unless such party acquires fee title pursuant to foreclosure or sale or conveyance in lieu thereof. Declarant shall be an Owner with respect to each Lot owned by it.

14. Plat shall mean and refer to the planned unit subdivision of Quail Meadows Twin-Homes Planned Development identified at the outset hereof as Item 2 initially creating Common Areas and 30 Lots, as the same may be amended or supplemented.

15. Property shall mean all land covered by this Declaration, including Common Areas and Lots and other land annexed to the Property, as provided in the Declaration.

16. Reimbursement Assessment shall mean a charge against a particular Owner and his Lot for the purpose of reimbursing the Association for costs incurred in bringing the Owner and his Lot into compliance with the provisions of this Declaration, the Articles, Bylaws, rules and regulations of the Association, or any other charge designated as a Reimbursement Assessment in this Declaration, the Articles, Bylaws or rules and regulations of the Association, together with costs, interest, attorney's fees and other charges payable by such Owner, pursuant to the provisions of this Declaration.

ARTICLE II **THE ASSOCIATION**

1. **Purposes.** With respect to the Project, the Association shall, through its Board of Trustees and officers, maintain and administer the Common Areas (including any area or system adjacent to the Project for which the Association has responsibility); administer architectural control matters; enforce the covenants, conditions, easements, reservations and restrictions set forth in this Master Declaration; levy and collect Assessments; pay Common Expenses; and, in general, manage the Project in a manner which will protect and enhance the value, desirability and attractiveness of the Project and the quality of the residential environment therein.

2. **Membership.** Every Owner upon acquiring title to a Lot, shall automatically become a member of the Association and shall remain a member thereof until such time as his ownership of such Lot ceases for any reason, at which time his membership in the Association with respect to such Lot shall automatically cease and the successor Owner shall become a member. Membership in the Association shall be mandatory and shall be appurtenant to and may not be separated from the ownership of a Lot.

3. **Transfer.** An Owner's membership in the Association shall not be transferred or alienated in any way except upon the conveyance or encumbrance of such Owner's Lot and then only to the grantee or mortgagee of such Lot.

ARTICLE III. **MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION**

1 **Membership.** Every Owner upon acquiring title to a Lot shall automatically become a member of the Association and shall remain a member thereof until such time as his ownership of such Lot ceases for any reason, at which time his membership in the Association with respect to such Lot shall automatically cease and the successor Owner shall become a member. Membership in the Association shall be mandatory and shall be appurtenant to and may not be separated from the ownership of a Lot.

2 **Voting Rights.** The Association shall have the following described two classes of voting membership:

Class A. Class A members shall be all Owners, but excluding the Declarant until the Class B membership ceases. Class A members shall be entitled to one vote for each Lot in which the interest required for membership in the Association is held.

Class B. Declarant shall be the sole Class B member. The Class B member shall be entitled to three (3) votes for each Lot which it owns. The Class B membership shall automatically cease and be converted to Class A membership on the first to occur of the following events:

- a. When the total number of votes held by all class A members equals the total number of votes held by the Class B member; provided, however, that Class B membership shall be restored upon the annexation of additional Lots to the Property pursuant to Article III above, if and so long as the number of Class B votes after such annexation exceeds the number of Class A votes; or
- b. The expiration of five (5) years after the date on which this Declaration is filed for record in the office of the County Recorder of Utah County, Utah.

3 Multiple Ownership Interests. In the event there is more than one Owner of a particular Lot, the vote relating to such Lot shall be exercised as such Owners may determine among themselves, but in no event shall more than one Class A vote be cast with respect to any Lot. A vote cast at any Association meeting by any of such Owners, whether in person or by proxy, shall be conclusively presumed to be the entire vote attributable to the Lot concerned unless an objection is made at the meeting by another Owner of the same Lot, in which event a majority in interest of the co-owners as shown on the record of ownership maintained by the Association shall be entitled to cast the vote.

4 Record of Ownership. Every Owner shall promptly cause to be duly filed of record the conveyance document (or in the case of contract buyer, a copy of the sales contract) to him of his Lot and shall file a copy of such conveyance document with the secretary of the Association, who shall maintain a record of ownership of the Lots. Any Owner who mortgages his Lot or any interest therein by a mortgage which has priority over the lien of any assessment provided herein shall notify the secretary of the Association of the name and address of the Mortgagee and also of the release of such Mortgage; and the secretary of the Association shall maintain all such information in the record of ownership.

ARTICLE IV. **DUTIES AND POWERS OF THE ASSOCIATION**

1 Duties of the Association. Without limiting any other duties which may be imposed upon the Association by its Articles of Incorporation or this Declaration, the Association shall have the obligation and duty to do and perform each and every one of the following for the benefit of the Owners and the maintenance and improvement of the Property:

- a. The Association shall accept all Owners as members of the Association.

b. The Association shall obtain and maintain in force the policies of insurance required by the provisions of this Declaration.

c. The Association may employ a responsible corporation, partnership, firm, person or other entity as the Managing Agent subject at all times to direction by the Board, with such administrative functions and powers as shall be delegated to the Managing Agent by the Board. The compensation of the Managing Agent shall be such as shall be specified by the Board. Any agreement appointing a Managing Agent shall be terminable by either party, with or without cause and without payment of any termination fee, upon thirty (30) days written notice thereof; and the term of any such agreement may not exceed one year, renewable by agreement of the parties for successive one-year periods. Any Managing Agent may be an agent or employee of the Association or an independent contractor, as the Board deems appropriate.

2 Powers and Authority of the Association. The Association shall have all the powers set forth in its Articles of Incorporation, together with its general powers as a nonprofit corporation, and the power to do any and all things which may be authorized, required or permitted to be done by the Association under and by virtue of this Declaration, including the power to levy and collect assessments as hereinafter provided. Without in any way limiting the generality of the foregoing, the Association shall have the following powers:

a. The Association shall have the power and authority at any time and from time to time and without liability to any Owner for trespass, damage or otherwise, to enter upon any Lot for the purpose of maintaining and repairing such Lot or any improvement thereon if for any reason the Owner fails to maintain and repair such Lot or improvement, or for the purpose of removing any improvement constructed, reconstructed, refinished, altered or maintained upon such Lot in violation of Article IX of this Declaration. The Association shall also have the power and authority from time to time in its own name, on its own behalf, or in the name and behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Declaration or any rules and regulations promulgated by the Board, or to enforce by mandatory injunction or otherwise all of the provisions of this Declaration and such rules and regulations.

b. In fulfilling any of its duties under this Declaration, including its duties for the maintenance, repair, operation or administration of the Lots (to the extent necessitated by the failure of the Owners of such Lots) or in exercising any of its rights, the Association in the fulfillment of any of its obligations and duties of maintenance, repair, operation or administration and to obtain, contract and pay for, or otherwise provide for:

i. Such insurance policies or bonds as the Board may deem appropriate for the protection or benefit of Declarant, the Association, the members of the Board and the Owners;

ii. Such utility services, including (without limitation) water, sewer, trash removal, electrical, telephone and gas services, as the Board may from time to time deem desirable;

iii. The services of architects, engineers, attorneys and certified public accountants and such other professional or nonprofessional services as the Board may deem desirable;

iv. Maintenance of common areas including landscape maintenance. Association shall assume maintenance responsibilities for landscaped areas for private and limited common areas not utilized for structures or improvements.

v. Fire, police and such other protection services as the Board may deem desirable for the benefit of the Owners or any of the Property; and

vi. Such materials, supplies, furniture, equipment, services and labor as the Board may deem necessary.

c. The Board may delegate to the Managing Agent any of its powers under this Declaration; provided, however, that the Board cannot delegate to such Managing Agent the power to execute any contract binding on the Association for a sum in excess of \$500.

3 Association Rules. The Board may from time to time and subject to the provisions of this Declaration, adopt, amend, repeal and enforce rules and regulations governing, among other things: (a) the use of any roads or utility facilities owned by the Association; (b) the collection and disposal of refuse; (c) the maintenance of animals on the Property; and (d) other matters concerning the use and enjoyment of the Property and the conduct of residents within the Development.

4 Limitation of Liability. No member of the Board acting in good faith shall be personally liable to any Owner, guest, lessee or any other person for any error or omission of the Association, its representatives and employees, the Board, any committee or the Managing Agent.

ARTICLE V. ASSESSMENTS

1. Personal Obligation and Lien. Each Owner shall, by acquiring or in any way becoming vested with his interest in a Lot, be deemed to covenant and agree to pay to the Association the monthly, special and Reimbursement Assessments described in this Article, together with late payment fees, interest and costs of collection, if and when applicable. All such amounts shall be, constitute, and remain: (a) a charge and continuing lien upon the Lot with respect to which such assessment is made until fully paid; and (b) the personal joint and several obligation of the Owner or Owners of such Lot at the time the assessment falls due. No Owner may exempt himself or his

Lot from liability for payment of assessments by waiver of his rights in the Common Areas or by abandonment of his Lot. In a voluntary conveyance of a Lot, the grantee shall be jointly and separately liable with the grantor for all such unpaid assessments, late payment fees, interest and cost of collection, including reasonable attorney's fees which shall be a charge on the lot at the time of the conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor.

2. Purpose of Assessments. Assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of the Development. The use made by the Association of funds obtained from assessments may include payment of the cost of: taxes and insurance and any expense necessary or desirable to enable the Association to perform or fulfill its obligations, functions or purposes under this Declaration or its Articles of Incorporation.

3. Basis and Maximum of Annual Assessments. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be \$50 per Lot.

a. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased effective January 1 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 1 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 two (2) year and at the end of each such period of two years, for each succeeding period of two (2) years, provided that any such change shall have the assent of two-thirds (2/3) of the votes of each class of 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 changes 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.

4. Special Assessments. From and after the date set under Section 8 of this Article, the Association may levy special assessments for the purpose of defraying, in whole or in part: (a) any expense or expenses not reasonably capable of being fully paid with funds generated by monthly assessments; or (b) the cost of any construction, reconstruction, or unexpectedly required addition to or replacement of the Common Areas. Any such special assessment must be assented to be a majority of the votes of the membership which Owners presented in person or represented by proxy

are entitled to cast at a meeting duly called for the purpose. Written notice setting forth the purpose of such meeting shall be sent to all Owners at least ten (10) but not more than thirty (30) days prior to the meeting date.

5. Quorum Requirements. The quorum at any meeting required for any action authorized by Section 3 or 4 above shall be as follows: At the first meeting called, the presence of Owners of or proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If a quorum is not present at the first meeting or any subsequent meeting, another meeting may be called (subject to the notice requirements set forth in Section 3 and 4 above) at which a quorum shall be one-half of the quorum which was required at the immediately preceding meeting. No such subsequent meeting shall be held more than forty-five (45) days following the immediately preceding meeting.

6. Reimbursement Assessment on Specific Lot. In addition to the monthly assessment and any special assessment authorized pursuant to Section 4 above, the Board may levy at any time reimbursement Assessments (a) on every Lot especially benefitted by any improvement to adjacent roads, sidewalks, planting areas, or other portions of the Common Areas made on the written request of the Owner of the Lot to be charged; (b) on every Lot the Owner or occupant of which shall cause any damage to the Common Areas necessitating repairs, and (c) on every Lot as to which the Association shall incur any expense for maintenance or repair work performed, or enforcement action taken, pursuant to provisions of this Declaration. The aggregate amount of any such Reimbursement Assessments shall be determined by the cost of such improvements, repairs, maintenance or enforcement action, including all overhead and administrative costs, and shall be allocated among the affected Lots according the the special benefit or cause of damage or maintenance or repair work or enforcement action, as the case may be, and such assessment may be made in advance of the performance of work. If a special benefit arises from any improvement which is part of the general maintenance obligations of the Association, it shall not give rise to a Reimbursement Assessment against the Lots benefitted.

7. Uniform Rate of Assessment. All monthly and special assessments authorized by Section 3 or 4 above shall be fixed at a uniform rate for all Lots; provided, however, that until a Lot has been both fully improved with a Living Unit and occupied for the first time for residential purposes, the monthly assessment applicable to such Lot shall be one-third (1/3) of the monthly and special assessments which would otherwise apply to such Lot. In the event that, while the Class B membership exists, assessed fees collected by the Association fail to adequately meet Association expenses, then the Declarant must pay sufficient capital up to the full assessed share applicable to the specific Lot. No amendment of this Declaration changing the allocation ratio of such assessments shall be valid without the consent of the Owners of all Lots adversely affected.

8. Monthly Assessment Due Dates. The monthly assessments provided for herein shall commence as to all Lots as of the first day of the second month following conveyance to the Association of the Common Areas. At least fifteen (15) days prior to such commencement date and at least fifteen (15) days prior to the effective date of any change in the amount of the monthly

assessments, the Association shall give each Owner written notice of the amount and first due date of the assessment concerned.

9. Certificate Regarding Payment. Upon the request of any Owner or prospective purchaser or encumbrancer of a Lot and upon the payment of a reasonable fee to the Association to cover administrative costs, the Association shall issue a certificate stating whether or not payments of all assessments respecting such Lot are current and, if not, the amount of the delinquency. Such certificate shall be conclusive in favor of all persons who rely thereon in good faith.

10. Effect of Nonpayment – Remedies. Any assessment (whether monthly, special or Reimbursement Assessment) not paid when due shall, together with interest and costs of collection, be, constitute, and remain a continuing lien on the affected Lot. If any assessment is not paid within thirty (30) days after the date on which it becomes due, the amount thereof shall bear interest from the due date at the rate of one and one-half percent (1 1/2%) per month; and the Association may bring an action against the Owner who is personally liable or may foreclose its lien against the Lot, or both. Any judgment obtained by the Association in connection with the collection of delinquent assessments and related charges shall include reasonable attorney's fees, court costs and every other expense incurred by the Association in enforcing its rights.

11. Subordination of Lien to Mortgages. The lien of the assessment provided herein shall be subordinate to the lien of any Mortgage to a bank, savings and loan association, insurance company or other institutional lender; and the holder of any such Mortgage or purchaser who comes into possession of a Lot by virtue of the foreclosure of such Mortgage or the exercise of a power of sale under such Mortgage, or by deed in lieu of foreclosure, shall take free of such assessment lien as to any assessment which accrues or becomes due prior to the time such holder or purchaser takes possession of such Lot; provided, that to the extent there are any proceeds of the sale on foreclosure of such Mortgage or by exercise of such power of sale in excess of all amounts necessary to satisfy all indebtedness secured by and owed to the holder of such Mortgage, the lien shall apply to such excess. No sale or transfer shall relieve any Lot from the lien of any assessment thereafter becoming due.

ARTICLE VI PROPERTY RIGHTS AND CONVEYANCES

1. Form of Conveyancing: Leases. Any deed, lease, mortgage, deed of trust, or other instrument conveying or encumbering title to a Lot shall describe the interest or estate involved substantially as follows:

Lot No. _____ as identified in the Plat recorded in Book _____, Page _____, as Entry No. _____, contained within the _____ development identified in the "Declaration of Covenants, Conditions, and Restrictions of Quail Meadows Twin-Homes Planned Unit Development" recorded in the office of the Utah County Recorder in Book _____, at Page _____. TOGETHER WITH a right

and easement of use and enjoyment in and to the Common Areas described, and as provided for, in said Declaration of Covenants, Conditions and Restrictions.

Whether or not the description employed in any such instrument is in the above-specified form, however, all provisions of this Declaration shall be binding upon and shall inure to the benefit of any party who acquires any interest in a Lot. Any lease of a Lot shall be in writing and shall provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration and the Articles of Incorporation and Bylaws of the Association and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease.

2. Reservation of Access and Utility Easements. Declarant reserves easements for access, electrical, gas, communications, cable television and other utility purposes and sewer, drainage and water facilities (whether servicing the Property or other premises or both) over, under, along, across and through the Property, together with the right to grant agency or to any public utility or other corporation or association, easements for such purposes over, under, across, along and through the Property upon the usual terms and conditions required by the grantee thereof for such easement rights; provided, however, that such easement rights must be exercised in such manner as not to interfere unreasonably with the use of the Property by the Owners and the Association and those claiming by, through or under the Owners or the Association; and in connection with the installation, maintenance or repair of any facilities as provided for in any of such easements, the Property shall be promptly restored by and at the expense of the person owning and exercising such easement rights to the approximate condition of the Property immediately prior to the exercise thereof.

3. Easements for Encroachments. If any part of the Common Areas as improved by Declarant now or hereafter encroaches upon any Lot or if any structure constructed by Declarant on any Lot now or hereafter encroaches upon any other Lot or upon any portion of the Common Areas, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. If any structure on any Lot shall be partially or totally destroyed and then rebuilt in a manner intended to duplicate the structure so destroyed, minor encroachments of such structure upon any other Lot or upon any portion of the Common Areas due to such reconstruction shall be permitted; and valid easements for such encroachments and the maintenance thereof, so long as they continue, shall exist.

4. Easements for Construction and Development Activities. Declarant reserves easements and rights of ingress and egress over, under, along, across and through the Property and the right to make such noise, dust and other disturbance as may be reasonably incident to or necessary for the (a) construction of Living Units on Lots, (b) improvement of the adjacent amenities and construction, installation and maintenance thereof, roads, walkways, buildings, structures, landscaping and other facilities designed for the use and enjoyment of some or all of the Owners, (c) construction, installation and maintenance on lands within, adjacent to, or serving the Property of roads, walkways and other facilities planned for dedication to appropriate governmental authorities, and (d) development, improvement, use and occupancy of all or any portion of the

Additional Land, whether or not such land is intended to be made part of the Property. The reservations contained in this paragraph shall expire five (5) years after the date on which this Declaration is filed for record in the Office of the County Recorder of Utah County, Utah.

ARTICLE VII **USE RESTRICTIONS**

1. Use of Lots and Living Units. All Lots are intended to be improved with Living Units and are restricted to such use. Each Living Unit shall be used to occupy no more than four batching singles. No Lot or Living Unit shall be used, occupied, or altered in violation of law, so as to jeopardize the support of any other Living Unit, so as to create a nuisance or interfere with the rights of any Owner, or in a way which would result in an increase in the cost of any insurance covering the Common Areas.

2. Building Standards. In addition to standards set forth elsewhere in this document, the following shall also apply:

- a. Minimum size of dwelling to include 1,200 square feet of living area.
- b. All dwellings are to have a minimum roof pitch of 4/12.

3. Fences. Fences are restricted to perimeter of project as installed by developer. Should additional fencing be desired it must be approved by a full meeting of the Home Owners Association by a 60% vote and the fence design by the Architectural Committee.

4. Parking. There is no on-street parking outside of designated stalls.

5. Recreational Vehicles. Boats, trailers, large trucks, and commercial vehicles belonging to Owners or other residents of the Property shall not be parked in the development but arrangements must be made to park or store those vehicles off site.

6. Exception for Declarant. Notwithstanding the restrictions contained in this Article XI, for the five (5) years following the date on which this Declaration is filed for record in the office of the County Recorder of Utah County, Utah, Declarant shall have the right to use any Lot or Living Unit owned by it, in furtherance of any construction, marketing, sales, management, promotional, or other activities designed to accomplish or facilitate improvement and/or sale of all Lots owned by the Declarant.

7. Enforcement of Land Use Restrictions. The following persons have the right to exercise or seek any remedy at law or in equity to enforce strict compliance with this Declaration:

- a. Declarant, so long as it has any interest in any of the Property or any portion of the Additional Land;
- b. Any Owner; or
- c. The Association.

The prevailing party in an action for the enforcement of any provisions of this Declaration shall be entitled to collect court costs and reasonable attorney's fees.

ARTICLE VIII **ARCHITECTURAL CONTROL**

1. Architectural Control Committee. The Board of Trustees of the Association shall appoint a three-member Architectural Control Committee (the "Committee"), the function of which shall be to insure that all improvements and landscaping within the Property harmonize with existing surroundings and structure. The Committee need not be composed of only Owners. If such a Committee is not appointed the Board itself shall perform the duties required of the Committee.

2. Submission to Committee. No Living Unit, accessory or addition to a Living Unit shall be constructed or maintained, and no alteration, repainting, or refurbishing of the exterior of any Living Unit shall be performed, unless complete plans and specifications thereof have first been submitted to and approved by the Committee.

3. Standard. In deciding whether to approve or disapprove plans and specifications submitted to it the Committee shall use its best judgment to insure that all improvements, construction, landscaping, and alterations on Lots within the Property conform to and harmonize with existing surroundings and structures.

4. Approval Procedure. Any plans and specifications submitted to the Committee shall be approved or disapproved by it in writing within thirty (30) days after submission. In the event the Committee fails to take any action within such period it shall be deemed to have approved the material submitted.

5. Construction. Once begun, any improvements, construction landscaping, or alterations approved by the Committee shall be diligently prosecuted to completion. If reasonably necessary to enable such improvement, construction, landscaping, or alteration, the person or persons carrying out the same shall be entitled to temporarily use and occupy unimproved portions of the Common Areas and of the Lots in the vicinity of the activity.

6. Liability for Damages. The Committee shall not be held liable for damages by reason of any action, inaction, approval, or disapproval by it with respect to any request made pursuant to this Article XII.

7. Exception for Declarant. Provisions one through four of this Article VIII shall not apply to any improvement, construction, landscaping, or alteration which is carried out by Declarant on any Lot and which occurs at any time during the five (5) year period following the date on which this Declaration is filed for record in the office of the County Recorder of Utah County, Utah.

8. Declarant's Obligation. Declarant hereby covenants in favor of each Owner that all Living Units erected by it in the Development shall be architecturally compatible with respect to one another.

ARTICLE IX INSURANCE

1. Liability Insurance. The Board shall procure and maintain from a company or companies holding a financial rating of Class VI or better from Best's Key Rating Guide a policy or policies (herein called the "Policy") of Public Liability Insurance to insure the Association, the Board and the Managing Agent and employees of the Association against claims for bodily injury and property damage arising out of the conditions of the Development or activities thereon under a Comprehensive General Liability form. Such insurance shall be for such limits as the Board may decide, but not less than those limits customarily carried by properties of comparable character and usage in the County of Utah nor less than \$1,000,000 for personal injury and property damage arising out of a single occurrence, such coverage to include protection against water damage liability, liability for non-owned and hired automobile, liability for the property of others and such other risks as shall customarily be covered with respect to property similar in construction, location and use. The Policy shall contain a "Severability of Interest" endorsement which shall preclude the insurer from denying the claim of any Owner because of negligent acts of the Association or other Owners and a cross-liability endorsement pursuant to which the rights of the named insureds as between themselves are not prejudiced. The Policy shall provide that the Policy may not be canceled by the insurer unless it gives at least 180 days prior written notice thereof to the Board and every other person in interest who shall have requested in writing such notice of the insurer. Any such coverage procured by the Board shall be without prejudice to the right of the Owners to insure their personal liability for their own benefit at their own expense.

2. Additional Insurance; Further General Requirements. The Board may also procure insurance which shall insure the Association or the Owners and others against such additional risks as the Board may deem advisable. Insurance procured and maintained by the Board shall not require contribution from insurance held by any of the Owners or their Mortgagees. Each policy of insurance obtained by the Board shall, if reasonably possible, provide:

- a. a waiver of the insurer's right of subrogation against the Association, the Owners and their respective directors, officers, agents, employees, invitees and tenants;
- b. that it cannot be canceled, suspended or invalidated due to the conduct of any particular Owner or Owners;
- c. that it cannot be canceled, suspended or invalidated due to the conduct of the Association without a prior written demand that the defect be cured; and
- d. that any "no other insurance" clause therein shall not apply with respect to insurance maintained individually by any of the Owners.

3. Fidelity Coverage. If the Development contains or comes to contain more than thirty (30) Living Units, the Association shall at all times maintain fidelity coverage to protect against dishonest acts on the part of officers, trustees, managing agents, directors and employees of the Association and all others (including volunteers) who handle, or are responsible for handling, funds of the Association. Such fidelity bonds shall:

- a. name the Association as an obligee;
- b. be written in an amount based upon the best business judgment of the Association and shall not be less than the estimated maximum of funds, including reserve funds in the custody of the Association or the Managing Agent at any given time during the term of each bond, but in no event be less than a sum equal to three months assessment on all Lots plus reserve funds;
- c. contain waivers of any defense based upon the exclusion of volunteers or persons who serve without compensation from any definition of "employee" or similar expression; and
- d. provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least ninety (90) days prior written notice to all Mortgagees of Lots.

4. Review of Insurance. The Board shall periodically, and whenever requested by twenty percent (20%) or more of the Owners, review the adequacy of the Association's insurance program and shall report in writing the conclusions and action taken on such review to the Owner of each Lot and to the holder of any Mortgage on any Lot who shall have requested a copy of such report. Copies of every policy of insurance procured by the Board shall be available for inspection by any Owner.

5. Lots and Living Units Not Insured by Association. The Association shall have no duty or responsibility to procure or maintain any fire, liability, extended coverage or other insurance

covering any Lot and acts and events thereon. Accordingly, Owners of Lots in the Development shall obtain fire, extended coverage and liability insurance to the full replacement value of all Living Units constructed on such Owner's Lot.

6. Other Insurance Provisions. All insured required pursuant to Article X shall be written by insurers licensed in the State of Utah.

ARTICLE X **RIGHTS OF MORTGAGEES**

Notwithstanding any other provisions of this Declaration, the following provisions concerning the rights of Mortgagees shall be in effect:

1. Preservation of Regulatory Structure and Insurance. Unless the Owners of at least seventy-five percent (75%) of the Lots (not including Lots owned by Declarant) and such Owners' Mortgagees, if any, shall have given their prior written approval, the Association shall not be entitled by act or omission to change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of Living Units, the exterior maintenance of Living Units, the maintenance of party walls or common fences and driveways, or the upkeep of lawns or plantings on the Property;

This Section 1 may be amended as provided in Section 2 of Article XII hereof, except that such amendment must be approved by a vote otherwise sufficient to authorize acting under this subsection prior to such amendment.

2. Change in Method of Assessment. Unless the Association shall receive the prior written approval of (i) all Mortgage of Lots and (ii) the Owners of at least seventy-five percent (75%) of the Lots (not including Lots owned by Declarant) the Association shall not be entitled to change the ratio or method of determining the obligations, assessments, dues or other charges which may be levied against a Lot or the Owner thereof.

This Section 2 may be amended as provided in Section 2 of Article XIII hereof, except that such amendment must be approved by a vote otherwise sufficient to authorize action under this subsection prior to such amendment.

3. Notice of Matters Affecting Security. The Board shall give written notice to any Mortgagee of a Lot requesting such notice whenever:

a. there is any default by the Owner of the Lot subject to the Mortgage in performance of any obligation under this Declaration or the Articles or Bylaws of the Association which is not cured within sixty (60) days after default occurs; or

b. there is any condemnation or taking by eminent domain of the Lot subject to Mortgage or of the Common Areas; or

c. any of the following matters come up for consideration or effectuation by the Association:

i. abandonment or termination of the Development established by this Declaration;

ii. material amendment of the Declaration or the Articles or Bylaws of the Association; or

4. Notice of Meetings. The Board shall give to any Mortgagee of a Lot requesting the same, notice of all meetings of the Association; and such first mortgagees shall have the right to designate in writing a representative to attend all such meetings.

5. Right to Examine Association Records. Any Mortgagee shall have the same right to inspect the books and records of the Association and receive audited financial statements as the Owner of the Lot securing the Mortgage; provided, that the foregoing shall not be deemed to impose upon the Association any obligation to cause its financial statements to be audited.

6. Right to Pay Taxes and Charges. Mortgagees may, jointly or singly, pay taxes or other charges which are in default and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy; and Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

7. Exemption From Any Right of First Refusal. Any Mortgagee which obtains title to the Lot encumbered by its Mortgage pursuant to the remedies provided for in said Mortgage, pursuant to foreclosure of said Mortgage, pursuant to exercise of a power of sale available under said Mortgage, or pursuant to deed or assignment in lieu of foreclosure, shall be exempt from and shall in no way be governed by or subject to any "right of first refusal" which may be contained in or provided for in this Declaration.

8. Construction. In the event another provisions or clause of this Declaration deals with the same subject matter as is dealt with in any provision or clause of this Article X, the provision or clause which results in the greatest protection and security for a Mortgagee shall control the rights, obligations, or limits of authority, as the case may be, applicable to the Association with respect to the subject concerned.

9. No Priority Accorded. No provision of this Declaration gives or may give a Lot Owner or any other party priority over any rights of Mortgagees pursuant to their respective Mortgages in the case of a distribution to Lot Owners of insurance proceeds or condemnation awards for loss to or taking of Lots.

10. Written Approval of Mortgagees Required. No amendment to this Article X which has the effect of diminishing the rights, protection, or security afforded to Mortgagees shall be accomplished or effective unless all of the Mortgagees of the individual Lots have given their prior written approval to such amendment. Any amendment to this Article X shall be accomplished by an instrument executed by the Association and filed for record in the office of the Utah County Recorder. In any such instrument an officer of the Association shall certify that any prior written approval of Mortgagees required by this Article X as a condition to amendment has been obtained.

ARTICLE XI MISCELLANEOUS

1. Notices. Any notice required or permitted to be given to any Owner under the provisions of this Declaration shall be deemed to have been properly furnished if delivered or mailed, postage prepaid, to the person named as the Owner, at the latest address for such person as reflected in the records of the Association at the time of delivery or mailing. Any notice required or permitted to be given to the Association may be given by delivering or mailing the same to the Managing Agent or the President of the Association. Any notice required or permitted to be given to the Architectural Control Committee may be given by delivering or mailing the same to the Managing Agent or any member of the Architectural Control Committee, or the Board as the case may be.

2. Amendment. Except as provided in and/or subject to the terms of items (a) through (d) below, the vote of at least sixty-five percent (65%) of the members of the Association shall be required to amend this Declaration of Plat. Any amendment so authorized shall be accomplished through the recordation of an instrument executed by the Association. In such instrument the Association shall certify that the vote required by this Section for amendment has occurred. The foregoing right of amendment shall, however, be subject to the following:

a. Any amendment to the foregoing Article X ("Rights of Mortgagees") shall be subject to the matters treated by the last Section of said Article.

b. Declarant shall have the right unilaterally to amend and supplement this Declaration and the Plat in conjunction with its addition to the Development of each portion of the Additional Land.

c. Until such time as seventy-five percent (75%) of the Lots of the Development have been sold, Declarant shall have, and is hereby vested with, the right to amend this Declaration and/or the Plat. Such right shall obtain without regard to the subject matter of amendment including, but not limited to, modifications, additions or deletions in or to any of the documents of the Development (the Declaration, Supplementary Declarations, Plat, the Articles, Bylaws and sales agreements) as may be required or approved by any permanent lender, secondary mortgage market agency, public authorities or the title

company insuring title; provided, however, that none of the same shall: (i) increase the proportion of the common expenses to be borne by any Lot Owner, (ii) decrease the financial obligations of Declarant hereunder.

d. Notwithstanding anything to the contrary herein contained, no amendment to the Plat or to any provision of this Declaration may have the effect of diminishing or impairing any right, power, authority, privilege, protection, or control accorded to Declarant (in its capacity as Declarant) herein shall be accomplished or effective unless the instrument through which such amendment is purported to be accomplished is consented to in writing by Declarant.

3. Consent in Lieu of Vote. In any case in which this Declaration requires for authorization or approval of a transaction the assent or affirmative vote of a stated percentage or number of the Owners, whether present or represented by proxy at a meeting, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Owners entitled to cast at least the stated percentage or number of all membership votes outstanding in connection with the class of membership concerned. The following additional provisions shall govern any application of this Section 3:

a. All necessary consents must be obtained prior to the expiration of ninety (90) days after the first consent is given by any Owner.

b. The total number of votes required for the applicable authorization or approval shall be determined as of the date on which the last consent is signed.

c. Except as provided in the following sentence, any change in ownership of a Lot which occurs after a consent has been obtained from the Owner thereof shall not be considered or taken into account for any purpose. A change in ownership which would increase the total number of Class A votes outstanding shall, however, be effective in that regard and shall entitle the new Owner to give or withhold his consent.

d. Unless the consent of all Owners whose memberships are appurtenant to the same Lot are secured, the consent of none of such Owners shall be effective.

4. Reserve Fund. The Association shall establish an adequate reserve to cover the costs of reasonably predictable and necessary expenses and shall cause such reserve to be funded by regular monthly or other periodic assessments against the Lot Owners rather than by special assessments.

5. Declarant's Rights Assignable. All or any portion of the rights of Declarant under this Declaration or in any way relating to the Property may be assigned.

6. Interpretation. The captions which precede the Articles and Sections of this Declaration are for convenience only and shall in no way affect the manner in which any provision hereof is construed. Whenever the context so requires, the singular shall include the plural, the plural shall include the singular, and any gender shall include both genders. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof, which shall remain in full force and effect. The laws of the State of Utah shall govern the validity, construction and enforcement of this Declaration.

7. Covenants to Run with Land. This Declaration and all the provisions hereof shall constitute covenants to run with the land or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of Declarant, all parties who hereafter acquire any interest in a Lot, their respective grantees, transferees, heirs, devisees, personal representatives, successors, and assigns. Each Owner or occupant of a Lot or Living Unit shall comply with, and all interests in all Lots or in the Common Areas shall be subject to, the terms of this Declaration and the provisions of any rules, regulations, agreements, instruments, and determinations contemplated by this Declaration. By acquiring any interest in a Lot, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.

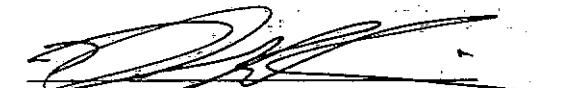
8. Duration. The covenants and restrictions of this Declaration shall remain in effect for a term of thirty (30) years from the date this Declaration is filed in the office of the County Recorder of Utah County, Utah, after which time they shall be automatically extended for successive periods of ten (10) years each unless terminated by an instrument filed in the office of the County Recorder, executed by any two (2) officers of the Association, certifying that the Owners of at least seventy-five percent (75%) of the Lots and their first mortgagees, if any, voted in favor of such termination.

9. Effective Date. This Declaration, any amendment or supplement hereto, and any amendment or supplement to the Plat shall take effect upon its being filed for record in the office of the County Recorder of Utah County, Utah.

EXECUTED by Declarant on the day and year first above written.

By: _____

IN WITNESS WHEREOF, the undersigned, Quail Meadows Twin-Homes Planned Unit Development of Utah County, has executed the instrument this 21 day of Feb. 2001.



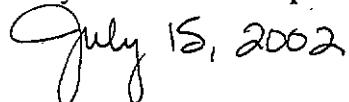
Dan Robinson
Vice-President

STATE OF UTAH

County of Utah

On the 21st Day of February 2001, personally appeared before me Dan Robinson who being by me duly sworn did say that he, Dan Robinson is the Vice-President of said Quail Meadows Twin-Homes Planned Unit Development that executed the within instrument and did acknowledge to me that the said corporation executed the same.

My Commission Expires:



Residing In: 275 East 200 No

Am. Fork, Ut 84003

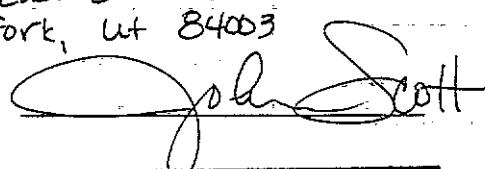
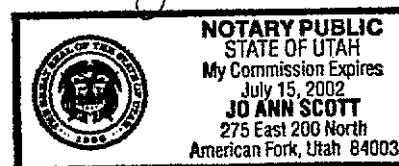



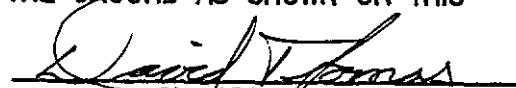
EXHIBIT A

SURVEYOR'S CERTIFICATE

I, DAVID V. THOMAS, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR, AND THAT I HOLD CERTIFICATE NO. 163947 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF UTAH. I FURTHER CERTIFY BY AUTHORITY OF THE OWNERS, I HAVE MADE A SURVEY OF THE TRACT OF LAND SHOWN ON THIS PLAT AND DESCRIBED BELOW, AND HAVE SUBDIVIDED SAID TRACT OF LAND INTO LOTS, STREETS, EASEMENTS, PRIVATE, LIMITED COMMON, AND COMMON AREA AND THE SAME HAS BEEN CORRECTLY SURVEYED AND STAKED ON THE GROUND AS SHOWN ON THIS PLAT AND THAT THIS PLAT IS TRUE AND CORRECT.

MAY 6, 1998

DATE



SURVEYOR
(SEE SEAL BELOW)

BOUNDARY DESCRIPTION

BEGINNING AT A POINT LOCATED NORTH 00°01'21" WEST ALONG THE SECTION LINE 47.71 FEET AND WEST 44.33 FEET, FROM THE EAST QUARTER CORNER OF SECTION 11, TOWNSHIP 5 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN;

THENCE N 89°56'03" W 456.33 FEET;

THENCE N 84°30'27" W 169.23 FEET TO THE EASTERLY BOUNDARY OF 100 EAST ST.;
THENCE ALONG THE EASTERLY BOUNDARY OF 100 EAST STREET
N 25°36'08" E 260.78 FEET;

THENCE ALONG THE SOUTHERLY BOUNDARY OF ROBINSON HEIGHTS SUBDIVISION,
PLAT "B", S 64°23'52" E 120.00 FEET;

THENCE ALONG THE EASTERLY BOUNDARY OF ROBINSON HEIGHTS SUBDIVISION,
PLATS "A" AND "B", N 25°36'08" E 828.36 FEET;

THENCE ALONG A FENCE LINE S 77°25'13" E 305.74 FEET;

THENCE S 16°00'00" W 915.97 FEET TO THE POINT OF BEGINNING.

AREA: 9.294 ACRES